



中國建築
CHINA STATE CONSTRUCTION

Expanding a Happy Living Environment

(Stock Code: 601668.SH)

2023

ANNUAL REPORT

Section 4 of the civil engineering and related construction project of the Nanchang-Jingdezhen-Huangshan High-Speed Railway (Jiangxi Section)



CSCEC'S SPIRIT

Loyalty, responsibility,
and mission attainment



CORPORATE MISSION

Expanding a happy
living environment



CORPORATE VISION

To be the most internationally
competitive investment and
construction group



CORE VALUES

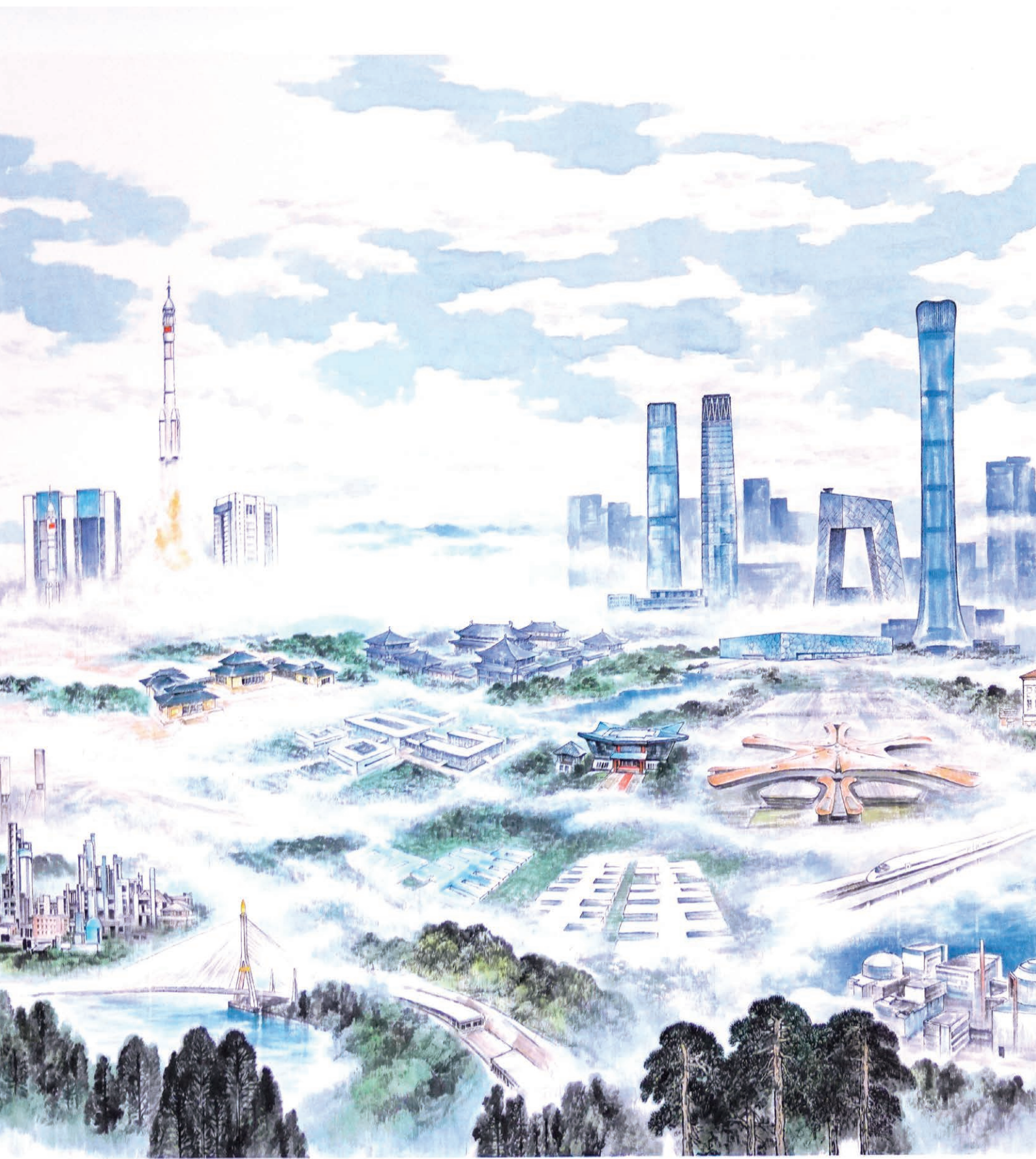
Quality assurance and
value creation

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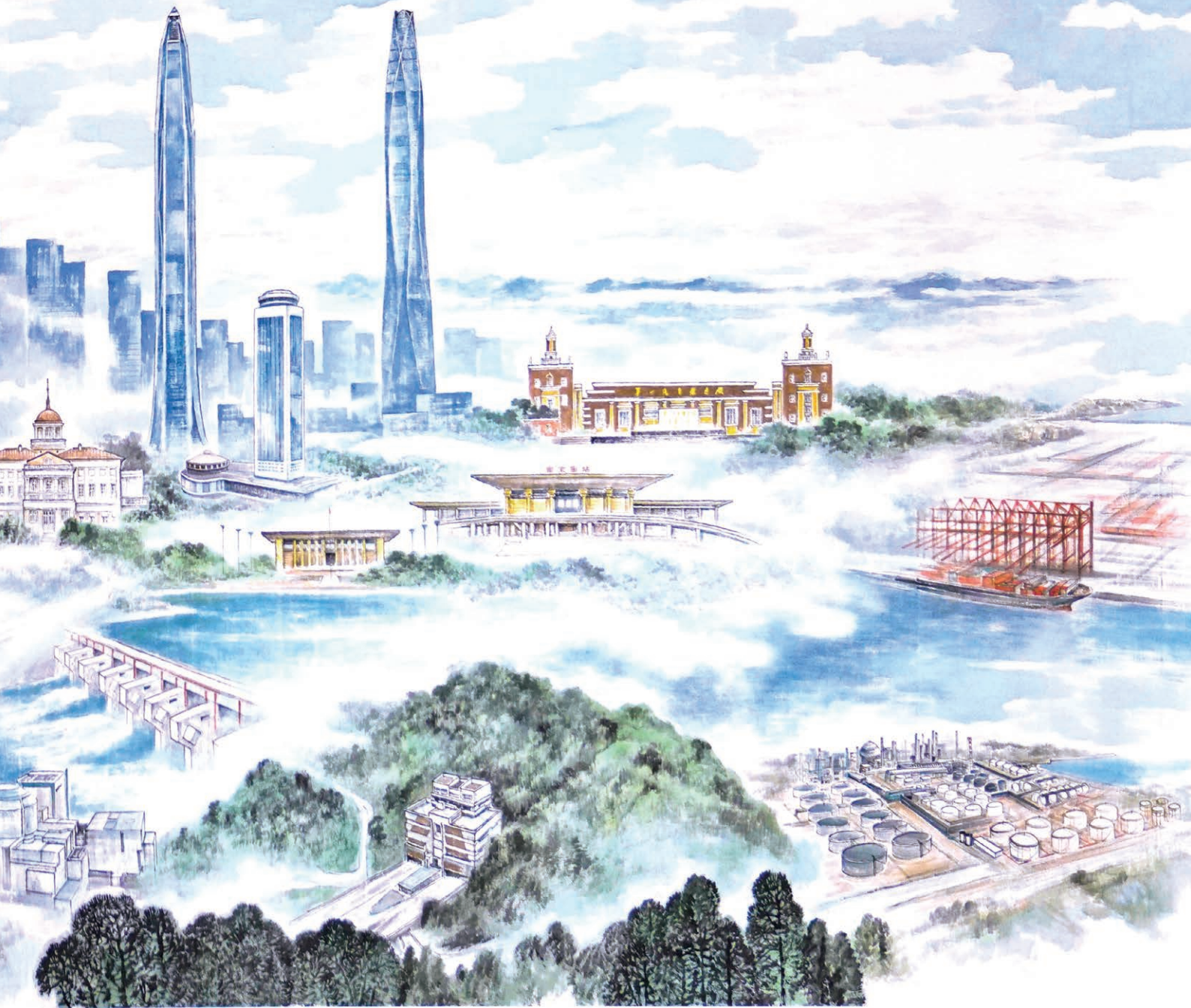
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CHINA SECURITIES REGULATORY COMMISSION
SHANGHAI STOCK EXCHANGE

The Company prepared its 2022 Annual Report in accordance with relevant regulations and guidelines set forth by the China Securities Regulatory Commission and the Shanghai Stock Exchange, including the Guidelines for the Content and Format of Information Disclosure by Companies Offering Securities to the Public No. 2 – Content and Format of Annual Reports – the Shanghai Stock Exchange Listing Rules. This is a free translation into English of a report issued in China, solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, Chinese law and professional auditing standards applicable in China. In the event of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail. Investors can access the Company's 2022 Annual Report on the website of the Shanghai Stock Exchange (www.sse.com.cn).



拓展幸福空間
辛丑年秋
鄭山畫
京城



CHAIRMAN'S STATEMENT

Dear Shareholders and Investors,

On behalf of the Board of Directors of CSCEC, I hereby present to you the 2023 Annual Report of CSCEC and extend my heartfelt gratitude for your long-term support for our Company.

In 2023, focusing on our primary task of pursuing high-quality development, we fully implemented the strategic path of “one enhancement, six aspects of strengthening and six aspects of commitments” in line with our commitment to the strategic goal of “one creation and five aspects of strength”. We executed the major tasks of stabilizing growth, seeking innovation, promoting governance, preventing risks and consolidating Party building on a comprehensive scale. As a result, CSCEC made considerable headway with reform and development initiatives, maintaining steady growth momentum. We ranked 13th in the Fortune Global 500 list. We retained the highest credit rating in the industry worldwide, and delivered satisfactory results to shareholders and investors.

Focusing on value creation, we made sustained efforts to promote the quality and efficiency of the Company's development. The value of newly signed contracts for the year amounted to RMB4.32 trillion, and the revenue reached RMB2.27 trillion, hitting an all-time high. We ranked among the best-performing central enterprises on all major performance metrics. We recorded a net profit attributable to shareholders of the Company of RMB54.26 billion, with a weighted average return on net assets of 13.36%. We remained committed to supporting the national economic and social development in key strategic regions. We completed an investment of RMB369.3 billion in related projects, accounting for nearly 92.3% of our total annual investment, and the total value of relevant newly signed contracts acquired in the year came in at RMB3.7 trillion. We continued to restructure the housing construction business, resulting in a continuous increase in the volume of public science, education, culture, health and sports building projects. We stepped up the transformation and development of the infrastructure business, achieving breakthroughs in the railway, water conservancy, and energy sectors. We actively adapted to the new development model of the real estate industry by increasing our reserve of high-quality land plots in first-tier and emerging first-tier cities. Despite the general market downturn, we achieved positive sales growth, leading the industry in this regard. We deeply implemented our strategy for high-quality overseas development, achieving steady revenue growth from overseas operations. As a result, we climbed to the 6th position among international contractors in the ENR rankings.

Centering on shareholder returns, we made continuous efforts to foster a strong sense of gain among shareholders. Adhering to an investor-centric philosophy, we continuously improved the market value management system, strengthened investor protection, and safeguarded the legitimate rights and interests of investors, especially small and medium-sized investors. We expanded the “toolkit” of the market value management system, made efforts to increase the shareholding of controlling shareholders and inject assets, increased proactive information disclosure, organized regular earnings briefings, and enhanced communication with domestic and foreign investors. Our cash distribution ratio continued to rise, with dividends per share increasing steadily, ranking first among all listed peer companies in terms of total dividend payout. This attests to our unwavering commitment to reward our shareholders.

With a steadfast focus on scientific and technological innovation, we made continuous efforts to enhance our core competitiveness. We continuously fortified our R&D system, established a “2+6” technology innovation platform system, actively participated in the development of the Ministry of Housing and Urban-Rural Development's Low-Carbon Building Engineering Technology Innovation Center, and established the first academician expert workstation in Hong Kong. We expedited the iteration and upgrading of our independently developed domestic software series, taking the lead in tackling technological bottlenecks in the industry. We further developed the prefabricated rapid construction technology, contributing significantly to emergency rescue and post-disaster reconstruction efforts. We continued to make headway in product industrialization and commercialization, with over 100 outcomes achieved in fields such as new materials, high-end equipment, and environmental protection. We advanced the implementation of green, low-carbon development, and digital transformation, promoting hundreds of efficient carbon peak projects on a comprehensive scale. We focused on creating 10,000 green and low-carbon construction sites, deeply implemented the “CSCEC 136 Project”, and accelerated the development of the construction industry internet.

Focusing on the reform of state-owned enterprises (SOEs), we made sustained efforts to inject new momentum into development. To consolidate the outcomes of the three-year SOE reform action plan, we systematically deployed and implemented measures to deepen and strengthen SOE reform endeavors, identifying 85 reform tasks and 278 reform measures. We actively developed strategic emerging industries, adding two national “Little Giant” enterprises that use special and sophisticated technologies to produce novel and unique products, and two National Individual Champion Demonstration Manufacturing Enterprises. We stepped up internal management innovation, increased the scope and depth of collaborative development among subsidiary enterprises, and continued to build on our momentum for development. We continuously intensified basic-level management practices by organizing project management conferences and project manager meetings, laying a solid foundation for CSCEC's development. We remained committed to delivering high-quality, transparent, and safe projects, completing various construction tasks to the utmost standard and quality.

In pursuit of corporate social responsibility, we made continuous efforts to expand a happy living environment. We spearheaded the formulation of industry standards and rules, meticulously established a cutting-edge supply chain platform, and facilitated the mutual collaborative development of 600,000 upstream and downstream enterprises, setting a good example in the construction industry. We recruited nearly 30,000 college graduates and led over 2 million industrial workers to increase their income. We implemented more than 100 assistance and support projects, partook in over 150 flood relief missions, and pushed ahead with the “Hundreds of Lectures into the Construction Site (百场宣讲进工地)” campaign themed on the welfare of children left behind in rural areas by migrant-working parents. We leveraged ESG as a critical component of our corporate strategy, incorporating it into our operation and management practices, earning honors such as the China ESG Excellence in Practice award in recognition of our efforts in this regard.

These achievements were the result of the collaborative efforts of the Board of Directors, the management, and all employees of CSCEC. Such success would not have been possible without the strong support of our shareholders, investors, and all sectors of society. On behalf of the Board of Directors, I express sincere gratitude to all shareholders and investors for their support, and to all directors, the management, and employees for their hard work.

Despite the complexities, challenges and uncertainties posed by the external environment, China's positive long-term economic fundamentals remain steadfast. The construction industry is accelerating its transformation and upgrading amid the formation of a new development pattern in the real estate market. The new trends and changes will bring new opportunities for our development. In 2024, we will work together with shareholders and investors to accomplish our primary task of pursuing high-quality development and the strategic goal of “one creation and five aspects of strength”. Furthermore, we will fully implement the strategic path of “one enhancement, six aspects of strengthening and six aspects of commitments”, consistently enhancing the long-term value of CSCEC.

We will continue to consolidate and build on the competitiveness of our core business while fulfilling our main responsibilities, shaping the vision of a “value-creating CSCEC”. We will solidify our leading position in the construction business, engage more actively in urban renewal and urban operation business, and play an active role in the development of the “Three Major Projects”. We will continue to explore the infrastructure market, steadfastly expanding into new sectors such as railway-related construction and water conservancy. We will accelerate our adaptation to the new development model of real estate and promote the healthy development of our real estate business. We will thoroughly implement our strategy for high-quality overseas development. In 2024, we will strive to achieve more than RMB4.5 trillion in the value of newly signed contracts, and achieve a revenue of more than RMB2.38 trillion. **We will continue to cultivate and develop new quality productive forces, enhancing “technology-powered CSCEC”.** We will continue to pursue deeper integration of industry, education, research and application, enhancing the efficiency of our research and development output, and accelerating the transformation of scientific and technological achievements. We will promote the transformation and upgrading of our business towards high-end, intelligent, and green development, continuously enhancing CSCEC's core competitiveness. We will thoroughly explore emerging industries such as new-generation information technology, artificial intelligence, new materials, and high-end equipment to foster more scientific and technological innovations. **We will promote the sustainable development of the Company, shaping a “happy CSCEC”.** We will actively implement the requirement of “building high-quality housing properties” by providing more high-quality construction products and services. We will tighten up supply chain management, establish mutually beneficial cooperation, and collaborate with suppliers for mutual development. We will continuously improve our ESG governance system, enhance ESG performance, and continue to shape the image of a responsible public company.

In 2024, CSCEC will comprehensively implement the new development concept and contribute to the creation of a new development pattern. With unwavering dedication, we will promote the high-quality development of CSCEC, delivering concrete results. We will strive to expand a happy living environment to live up to the expectations of all shareholders, investors and the society.

Zheng Xuexuan

April 18, 2024

AT A GLANCE



About CSCEC

The world's **largest**
investment and construction
conglomerate

13th
in Fortune Global 500

4th
in Fortune China 500

1st
in Engineering News-Record's (ENR)
TOP 250 Global Contractors

Won **Grade A**
for **18** times in the annual SOE performance evaluation of SASAC of the State
Council and continued to maintain the industry's **top** credit rating worldwide

Included in CSI 50, SSE 50, FTSE China A50, MSCI China A 50 Connect Index Awarded Class A Evaluation of
Information Disclosure by the Shanghai Stock Exchange for consecutive years



Major operating indicators



Newly signed contract value amounted
to RMB **4,324.1** billion
with a year-on-year increase of
10.8%



Revenue amounted to
RMB **2,265.5** billion
with a year-on-year increase of
10.2%



Net profit attributable to shareholders of the
Company amounted to
RMB **54.26** billion
with a year-on-year increase of **6.5%**



Weighted average return on net assets
was **13.36%**
maintaining its industry-leading position



Net assets per share attributable to ordinary
shareholders were RMB **9.98**/share
11.8% increase from
the end of the previous year



Net cash flows from operating activities amounted
to RMB **11.03** billion
Net inflows increased by
RMB **7.201** billion year-on-year



Cash dividends continued to improve

Proposed distribution of cash dividends of RMB **2.7145** per 10 shares (tax inclusive)
Cash dividend ratio stood at **20.82%**

Total annual cash dividends amounted to RMB **11.298** billion (tax inclusive)
Total cumulative cash dividends reached RMB **92.83** billion



Housing construction engineering



Newly signed contract value amounted to

RMB **2,689.4** billion

with a year-on-year increase of **8.8**%

Revenue amounted to

RMB **1,383.7** billion

with a year-on-year increase of **9.4**%



Infrastructure construction and investment



Newly signed contract value amounted to

RMB **1,168.5** billion

with a year-on-year increase of **15.1**%

Revenue amounted to

RMB **556.6** billion

with a year-on-year increase of **12.8**%



Real estate development and investment



Contract sales amounted to

RMB **451.4** billion

with a year-on-year increase of **12.4**%

Contract sales area amounted to

18.58 million square meters

with a year-on-year increase of **7.9**%



Revenue amounted to

RMB **308.8** billion

with a year-on-year increase of **9.5**%

New land reserves amounted to **13.10** million square meters

Land reserve amounted to **85.32** million square meters at the end of the Reporting Period



Survey and design



Newly signed contract value amounted to

RMB **14.8** billion

with a year-on-year increase of **8.8**%

Revenue amounted to

RMB **11.7** billion

with a year-on-year increase of **9.1**%



Overseas business



Newly signed contract value amounted to

RMB **186.0** billion

with a year-on-year increase of **12.3**%

Revenue amounted to

RMB **115.8** billion

with a year-on-year increase of **7.2**%

IMPORTANT NOTES

- I. **The Company's Board of Directors, Board of Supervisors and Directors, Supervisors and Senior Management guarantee that the information in this Annual Report is true, accurate and complete and does not contain any false representations, misleading statements or material omissions, and severally and jointly accept liability thereof.**
- II. **This Report was passed at the 56th meeting of the third session of the Board of Directors of the Company, which was attended by all the Directors of the Company.**
- III. **Ernst & Young Hua Ming LLP (Special General Partnership) issued a standard unqualified audit report to the Company.**
- IV. **Zheng Xuexuan, Head of the Company (Chairman); Huang Jie, Head of Accounting (Chief Financial Officer); and Xie Song, Head of the Accounting Office (Chief Accounting Officer) guarantee that the financial report set out in this Annual Report is true, accurate and complete.**
- V. **Profit distribution plan and the conversion plan of reserves to share capital for the Reporting Period as resolved and passed by the Board of Directors**

The Company proposed to distribute a cash dividend of RMB2.7145 (tax inclusive) per 10 shares to all ordinary shareholders based on a total share capital of 41,619,952,444 shares as of the date of disclosure of this Report, with the proposed cash dividend totaling approximately RMB11.298 billion (tax inclusive). The proportion of cash dividends attributable to net profit of the Company's shareholders in the consolidated statements was 20.82% for the year. In case of any change in its total share capital before the record date of distribution, the Company proposes to maintain the distribution ratio per share unchanged and adjust the total cash dividend accordingly. Details of any adjustments will be announced separately. The proposed profit distribution plan was considered and passed at the 56th meeting of the third session of the Board of Directors of the Company. The approval on this proposed plan is subject to consideration and approval by the 2023 Annual General Meeting of the Company.

VI. Risk statement with respect to forward-looking statements

☒ Applicable ☐ N/A

This Report contains certain forward-looking statements based on subjective assumptions and judgments on future policies and economic trends, which may differ from the actual results or trends due to various factors.

The forward-looking statements regarding future plans, development strategies, etc. contained in this Report do not constitute a material commitment by the Company to investors, and investors are advised to exercise attention.

VII. Whether there is any misappropriation of funds of the Company for non-operating purposes by the controlling shareholder and other related parties

No

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

No

IX. Whether more than half of the Directors are unable to guarantee the truthfulness, accuracy and completeness of this Annual Report disclosed by the Company

No

X. Warning on major risks

During the Reporting Period, the Company was not exposed to major risks.

Detailed information on potential related risks is provided in "VI. Discussion and Analysis of the Future Development of the Company" under SECTION III "MANAGEMENT DISCUSSION AND ANALYSIS".

XI. Miscellaneous

☒ Applicable ☐ N/A

In addition to the audited financial data, the business data used in this Report comes from the management of the Company.

SECTION I

DEFINITIONS

In this Report, unless the context otherwise requires, the following terms shall have the following meanings:

Definitions

CSCEC/the Company	China State Construction Engineering Corporation Limited
China State Construction/the Group	China State Construction Engineering Corporation
China State Construction (中建总公司)	China State Construction Engineering Corporation (中国建筑工程总公司) (Reorganized and renamed as China State Construction Engineering Corporation (中国建筑集团有限公司))
China Construction First Group Corporation to Eighth Engineering Division	China Construction First Group Corporation Limited to China Construction Eighth Engineering Division Corp., Ltd.
Xinjiang Construction & Engineering	CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd.
COHL	China Overseas Holdings Limited
CSCEC International	CSCEC International Construction Co., Ltd. (中建国际建设有限公司)
China Overseas	The real estate development brand and business owned by China Overseas Land & Investment Ltd. (00688.HK), a subsidiary of COHL
CSC Land	The real estate brand and business other than those under "China Overseas" that CSCEC is engaged in
China Construction Engineering Design Group	China Construction Engineering Design Group Corporation Limited
China Overseas Land & Investment	China Overseas Land & Investment Ltd. (00688.HK)
CSCI	China State Construction International Holdings Limited (03311.HK)
China Overseas Grand Oceans	China Overseas Grand Oceans Group Limited (00081.HK)
CSC Development	China State Construction Development Holdings Limited (00830.HK)
China Overseas Property	China Overseas Property Holdings Limited (02669.HK)
China West Construction	China West Construction Group Co., Ltd. (002302.SZ)
CSC Finance	China State Construction Finance Co., Ltd.
China Construction Fangcheng	China Construction Fangcheng Investment & Development Group Co., Ltd.
China Construction Capital	China Construction Capital Holdings Limited
China State Decoration	China State Decoration Group Co., Ltd.
China Construction Infrastructure	China Construction Infrastructure Co., Ltd.
CSCDC	China State Construction Development Co., Ltd.
CSCEC Technology Innovation	China CSCEC Technology Innovation Group Co., Ltd.
China Construction Science and Industry	China Construction Science and Industry Corporation Ltd.
China Construction Communications	China Construction Communications Engineering Group Co., Ltd.
China Construction Science & Technology	China Construction Science & Technology Group Co., Ltd.
CSCEC Digital Technology	CSCEC Digital Technology Company Limited
China Construction Harbour and Channel Engineering Bureau	China Construction Harbour and Channel Engineering Bureau Group Co., Ltd.
CCIEE	China Construction Industrial & Energy Engineering Group Co., Ltd.
Articles of Association	Articles of Association of China State Construction Engineering Corporation Limited
ESG	Environmental, social and corporate governance
Reporting Period	From January 1, 2023 to December 31, 2023

SECTION II

COMPANY PROFILE AND KEY FINANCIAL INDICATORS

I. Corporate Information

Chinese name	中国建筑股份有限公司
Chinese abbreviation	中国建筑
English name	China State Construction Engineering Corporation Limited
English abbreviation	CSCEC
Legal representative	Zheng Xuexuan

II. Contact Details

	Secretary to the Board of Directors
Name	Xue Keqing
Address	CSC Fortune International Center, Building 3, Courtyard 5, Anding Road, Chaoyang District, Beijing
Telephone	010-86498888
Fax	010-86498170
Email	ir@cscec.com

III. Overview of Basic Information

Registered address	No. 15, Sanlihe Road, Haidian District, Beijing
Postal code of the registered address	100037
Office address	CSC Fortune International Center, Building 3, Courtyard 5, Anding Road, Chaoyang District, Beijing
Postal code of the office address	100029
Website	www.cscec.com
Email	ir@cscec.com

IV. Information Disclosure and Place for Inspection of Annual Report

	China Securities Journal http://www.cs.com.cn
Media names and website on which the Annual Report of the Company is disclosed	Shanghai Securities News http://www.cnstock.com
	Securities Times http://www.stcn.com
	Securities Daily http://www.zqrb.cn
Website of the stock exchange on which the Annual Report of the Company is disclosed	www.sse.com.cn
Place for inspection of this Annual Report	CSCEC Board Office CSC Fortune International Center, Building 3, Courtyard 5, Anding Road, Chaoyang District, Beijing

V. Overview of Stocks

Overview of Stocks				
Class of shares	Stock exchange of listing	Stock short name	Stock code	Stock short name before change
A share	Shanghai Stock Exchange	CSCEC	601668	N/A

VI. Other Relevant Information

Accounting firm engaged by the Company (domestic)	Name	Ernst & Young Hua Ming LLP (Special General Partnership)
	Office address	Units 01-12, Level 17, Ernst & Young Tower, Oriental Plaza, No. 1 East Chang An Avenue, Dongcheng District, Beijing, the PRC
	Name of signatory accountants	Zhou Ying, Shen Yan

VII. Key Accounting Data and Financial Indicators for the Last Three Years

(I) Key accounting data

Unit: '000 yuan Currency: RMB

Key accounting data	2023	2022	Change YoY (%)	2021 (After adjustment)
Revenue	2,265,529,244	2,055,052,070	10.2	1,892,706,307
Profit before income taxes	92,995,473	88,835,435	4.7	101,038,185
Net profit attributable to shareholders of the Company	54,264,173	50,950,301	6.5	51,548,576
Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss	48,538,669	45,233,864	7.3	49,521,361
Net cash flows from operating activities	11,030,123	3,828,927	188.1	13,989,638
	At the end of 2023	At the end of 2022	Change YoY (%)	At the end of 2021 (After adjustment)
Net assets attributable to shareholders of the Company	427,609,892	384,322,141	11.3	345,627,781
Total assets	2,903,322,519	2,652,903,306	9.4	2,395,321,862
Total share capital at the end of the Reporting Period	41,919,514	41,934,433	-0.04	41,948,168

(II) Key financial indicators

Key financial indicators	2023	2022	Change YoY (%)	2021 (After adjustment)
Basic earnings per share (RMB/share)	1.31	1.23	6.5	1.25
Diluted earnings per share (RMB/share)	1.31	1.23	6.5	1.25
Basic earnings per share (RMB/share) after deducting non-recurring profit or loss	1.17	1.07	9.3	1.17
Weighted average return on net assets (%)	13.36	13.94	Decrease by 0.58 percentage point	15.90
Weighted average return on net assets after deducting non-recurring profit or loss (%)	11.94	12.42	Decrease by 0.48 percentage point	15.34
Net assets per share attributable to ordinary shareholders (RMB/share)	9.98	8.93	11.8	8.00
Dividend per 10 shares (RMB)	2.7145	2.527	7.4	2.50

Explanation on the Company's key accounting data and financial indicators for the three years preceding the end of the Reporting Period

☒ Applicable ☐ N/A

- ① When calculating earnings per share, the restricted shares that have not yet met the unlocking conditions and that have become invalid are deducted from the weighted average number of ordinary shares issued by the Company.
- ② According to relevant accounting standards, when calculating earnings per share, the dividends or interests on other equity instruments such as preference shares and perpetual bonds and restricted shares are excluded from the net profit attributable to shareholders of the Company.
- ③ The net assets per share attributable to ordinary shareholders are net assets attributable to shareholders of the Company deducting other equity instruments, and then divided by the total number of issued shares as at the end of the Reporting Period.
- ④ Dividends distributed are tax inclusive.

For details, please refer to Note XIII. "Share-based payment", Note V. 68 "Earnings per share" to the financial statements under SECTION X "FINANCIAL REPORT", and 2. "Return on net assets and earnings per share" under Supplementary Information provided by the management, and other relevant information.

VIII. Differences in Accounting Data under Domestic and Foreign Accounting Standards

(I) Differences in net profit and net assets attributable to shareholders of the Company in the financial report disclosed in accordance with the IFRS Standards and Chinese accounting standards

☐ Applicable ☒ N/A

(II) Differences in net profit and net assets attributable to shareholders of the Company in the financial report disclosed in accordance with the foreign and Chinese accounting standards

☐ Applicable ☒ N/A

(III) Explanation on differences between domestic and foreign accounting standards:

☐ Applicable ☒ N/A

IX. Quarterly Key Financial Data in 2023

Unit: '000 yuan Currency: RMB

	Q1 (Jan. - Mar.)	Q2 (Apr. - Jun.)	Q3 (Jul. - Sep.)	Q4 (Oct. - Dec.)
Revenue	524,828,043	588,485,013	557,928,750	594,287,438
Net profit attributable to shareholders of the Company	14,744,751	14,227,589	14,680,543	10,611,290
Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss	14,575,223	11,859,193	14,624,927	7,479,326
Net cash flows from operating activities	-65,424,138	54,864,085	-5,791,410	27,381,586

Explanation on differences between the quarterly data and data contained in regular reports disclosed

☐ Applicable ☒ N/A

X. Statement of Non-Recurring Profit or Loss

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Non-recurring profit or loss items	2023	Note (If applicable)	2022	2021 (After adjustment)
Profit or loss from disposal of non-current assets, including the write-off portion of the provision for asset impairment previously recognized	226,075	/	432,388	332,740
Government grants recognized into the current profit or loss, excluding those closely related to the Company's ordinary operating activities, in compliance with national policies and regulations, received in accordance with established criteria, and having a continuous impact on the Company's profit or loss	631,101	Non-operating income/other income	1,049,139	504,011
Income from step-realized business combination	20,247	Investment income	1,251,160	172,276
Profit or loss from changes in fair value of financial assets and financial liabilities held by non-financial corporations and profit or loss from the disposal of financial assets and financial liabilities, except for effective hedging operations related to the Company's ordinary operating activities	85,597	/	-84,935	-170,587
Interest income from loans to non-financial corporations recognized in the current period	204,761	/	469,261	111,009
Reversal of impairment provision for receivables individually tested for impairment	5,349,746	/	3,326,302	1,414,761
Investment income from disposal of long-term equity investments	23,148	/	141,065	7,743
Investment income from disposal of subsidiaries	33,426	/	-32,150	4,407
Profit or loss from non-operating activities or incidental matters	761,906	/	1,173,635	318,529
Other non-operating income and expenses, excluding the above items	-286,227	/	746,481	161,932
Impact of income tax	-1,441,995	/	-1,253,512	-563,870
Impact of minority interests (after tax)	117,719	/	-1,502,397	-265,736
Total	5,725,504	/	5,716,437	2,027,215

If the Company classified any items not listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public – Non-recurring Profit or Loss Items as non-recurring profit or loss items and the amount is significant, and defines non-recurring profit or loss items listed in the said explanatory announcement as recurring profit or loss items, explanations should be provided.

☐ Applicable ☒ N/A

XI. Items Measured at Fair Value

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Items	Opening balance	Closing balance	Current changes	Effect on current profits
Exchangeable bonds	4,967,342	/	-4,967,342	-4,621
Financial assets held for trading	20,153	14,854	-5,299	-2,576
Investments in other equity instruments	4,610,471	6,107,503	1,497,032	68,539
Other non-current financial assets	1,565,153	1,525,114	-40,039	86,371
Account receivables financing	4,658,182	4,353,284	-304,898	/
Other debt investments	272,924	136,574	-136,350	12,980
Other current assets	1,730,559	829,951	-900,608	17,025
Total	17,824,784	12,967,280	-4,857,504	177,718

XII. Miscellaneous

☐ Applicable ☒ N/A

SECTION III

MANAGEMENT DISCUSSION AND ANALYSIS

I. The Company's Principal Business and Business Model during the Reporting Period

As one of the most integrated and largest investment and development conglomerates boasting the longest history of specialized development, market-oriented operation in China with the most extensive business operations worldwide, CSCEC is a market leader in housing construction engineering, infrastructure construction and investment, real estate development and investment, survey and design, etc. CSCEC ranked 13th in the 2023 Fortune Global 500 and 4th on the Fortune China 500 list, and continued to rank 1st in the Top 250 Global Contractors list published by Engineering News-Record (ENR). In 2023, CSCEC received a Grade A rating for the 18th time in the annual performance evaluation by the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council. The three leading global rating agencies, i.e., S&P Global Ratings, Moody's Investors Service and Fitch Ratings, assigned CSCEC ratings of A/A2/A, respectively, each with a "Stable" outlook, the highest credit rating among the global industry peers.

CSCEC stands as one of the most competitive investors in China, specializing in real estate development, financing and investment in construction projects, integrated urban construction, and related areas. Featuring a "four in one" business model integrating planning and design, investment and development, infrastructure construction and housing construction engineering, it provides turnkey solutions covering all aspects, processes, and elements of urban development projects, with the priority given to the synergization of internal resource integration and business development.

Having operated in more than 100 countries and regions, CSCEC, as the largest engineering contractor in the world, specializes in a broad range of businesses covering all aspects of urban development and all the phases of construction projects. The Company is well equipped with the capabilities of comprehensive design, construction and land development, and has a complete industry chain of construction products ranging from product and technology R&D, survey and design, real estate development, construction contracting, equipment manufacturing and asset operation to property management. It is the developer of most super-high-rise buildings (300 meters and above) as well as many technically and structurally sophisticated buildings in China.

13th

in Fortune Global 500

4th

in Fortune China 500

1st

in ENR Top 250 Global Contractors

A

18-time receiver of Grade A rating for annual SOE performance evaluation by the SASAC of the State Council

Three leading global rating agencies rated CSCEC as

A

by S&P Global Ratings

A2

by Moody's Investors Service

A

by Fitch Ratings



Housing Construction Engineering

Having acquired an absolute advantage in this field, CSCEC adhered to the marketing strategy of “premium market, customers, and projects” and the business strategy of “high-quality and cost-effective solutions”. By continuously tapping its potential and pursuing high-quality projects, the Company is committed to providing global customers with one-stop integrated services for high, large, precise, advanced, complicated and special construction projects. The Company has built a large number of landmark buildings in niche segments such as super high-rises, large venues, industrial plants, office buildings, hotels, hospitals, and schools, leading China and even the world in housing construction.



Infrastructure Construction and Investment

Placing equal emphasis on infrastructure construction and project investment, CSCEC has achieved rapid development in infrastructure construction in China and the world covering urban rail transit, high-speed rail, extra-large bridges, expressways, municipal roads, urban utility tunnels, ports and waterways, electric power, mining, metallurgy, petrochemicals, airports, and nuclear power plants, and has completed many classic projects leveraging its strengths in technology, management and talents. Furthermore, building on its strong capital resources, CSCEC has become a first-class infrastructure investor and developer in China. It has successively invested in and constructed a large number of national and local key projects in China. Currently, the Company has established a long-term strategic partnership for infrastructure investment and construction with several provinces (autonomous regions) and municipalities and dozens of key cities in China. The Company’s infrastructure construction operations span dozens of countries and regions in North America, Central America, Hong Kong and Macao SARs, Southeast Asia, North Africa, Central and West Africa, South Africa, the Middle East, and Central Asia.



Real Estate Development and Investment

CSCEC owns two real estate brands, China Overseas and CSC Land. China Overseas encompasses all real estate business of our subsidiary COHL and has always ranked among the most valuable property brands in China. With strong real estate business in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), the Yangtze River Delta, the Beijing-Tianjin-Hebei Region and other national strategic development areas, China Overseas maintains a well-established and balanced nationwide strategic business network. China Overseas endeavors to establish itself as an outstanding international real estate development and operation group, and is committed to accelerating the formation of a business structure that focuses on housing development, supplemented by high-quality commercial property development and operation, healthcare and other emerging businesses. CSC Land is the brand used by the real estate business of the Company's bureaus, divisions and design institutes, focusing on real estate development, urban renewal, asset operation and integrated services in first-and second-tier cities. CSCEC is committed to achieving vertical integration of a wide variety of operations ranging from investment, development, design and construction to operation and services. By enhancing internal resources integration and coordinated business development and leveraging extraordinary construction technology, advanced real estate development philosophy and first-class property service quality, it has established a sophisticated investment operation and risk management system in the real estate business area, and formed a unique competitive advantage in the industry chain.



Survey and Design

CSCEC is the largest architectural design comprehensive conglomerate in China. Its survey and design business arm mainly consists of seven top-rated major survey and design service providers, specializing in architectural design, urban planning, engineering survey, public utility design, and many other fields. The Company has established itself as a market leader in China in such fields as airports, hotels, sports facilities, exhibition venues, ancient architecture and super-high-rise buildings, and has made outstanding contributions to the sector in terms of design originality, technology innovation, and industry standards development.



Overseas Operations

CSCEC is a pioneer in the domestic market that conducted international engineering contracting business. Taking use of its edge in the entire industry chain, the Company engages in foreign engineering contracting business, which covers housing construction, manufacturing, energy, transportation, water conservancy, industry, petrochemical, hazardous substance treatment, telecommunications and sewage/waste treatment projects, and successfully explored and completed overseas real estate projects. In addition, the Company actively explored other project operating models, such as financing/investment-driven general contracting, DB (Design-Build), EPC (Engineering-Procurement-Construct), and BOT. CSCEC also experimented with capital operations such as cross-border mergers and acquisitions to enhance the quality and efficiency of overseas business. Upholding the "internationalization" business philosophy, the Company has seized the development opportunities of the Belt and Road Initiative (BRI), and supported BRI countries in improving the standard of infrastructure facilities, enhancing the well-being of local people, and promoting its brand influence.

II. Analysis of Core Competitiveness during the Reporting Period

☒ Applicable ☐ N/A

During the Reporting Period, there were no significant changes in the core competitiveness of the Company, specifically:

(I) Market-oriented operating mechanism

As a market economy entity, CSCEC has always upheld market-oriented operation mechanisms, respecting, abiding by, adapting to and leveraging market dynamics to progressively improve its ability to navigate within market rules. Amidst fierce market competition, the Company innovatively explores and consistently fulfills the existing and potential needs of customers, and continuously delivers high-quality products and value-added services to retain and attract customers. Adhering to a performance-oriented approach, the Company strives for excellence by clearly defining objectives, designing scientific processes and strengthening efficient operations. It has always been pursuing scaled growth supported by profitability. While emphasizing efficient resource utilization and operations, effectively advocating economies of scale, it maintains a relatively high asset turnover ratio to ensure returns on assets surpassing the industry average, and achieves larger market share through steady growth.

(II) Direction of globalization

Adhering to the international business philosophy, the Company has been actively involved in the high-quality BRI joint development, and effectively implemented the overseas high-quality development strategy with the connotation of “one direction, six goals and five pathways”. The Company deeply implements the new development philosophy, utilizes domestic and international markets and resources, and endeavors to establish itself as a multinational company that allocates resources globally and operates efficiently. The Company keeps creating new patterns for overseas business development, formulating overseas market systems with reasonable structure, consolidating advantageous markets, and focusing on high-priority markets while continuously tapping into potential markets and cautiously expanding new markets. The Company perseveres in localizing business operations, actively fulfills development needs and is deeply involved in urban construction and infrastructure construction in the countries where it operates. Furthermore, the Company competes with world-class enterprises, learns their advanced management experience and operating concept, and improves the Company's overall operation and management capabilities.

(III) Related diversified and vertically integrated expansion

Producing or offering products and services that continue to secure, serve and satisfy customers is an important guarantee for the long-term development of the Company. In terms of selecting products (or services), CSCEC has established its own framework of business diversification as it actively branched out into infrastructure investment and construction and other fields while maintaining its advantages in traditional businesses such as survey and design, housing construction and real estate development, leveraging its existing technology and market advantages.

CSCEC is committed to the vertically integrated expansion of investment, design, construction, operation and services, and strives to establish a unique market position in the domain of its business, creating competitive advantages that are difficult for its competitors to follow suit.

(IV) Competition strategy featuring high quality, low cost and differentiation

Providing the public with high-quality and low-cost products and services has always been the goal of CSCEC. High quality comes from the Company's technological, human resources and organizational advantages; while low costs stem from the Company's integrated business model, benefits of scale, as well as the economy of speed. As an outperforming SOE in a perfectly competitive industry, the Company has always taken "making appropriate and correct decisions and doing right things" as the basic direction for production, operation and business development. Focusing on implementing the marketing strategy of "premium markets, customers, and projects", the Company continues to carry out "differentiation-oriented" market operations and competition. Through implementing the "differentiation" strategy, subsidiaries within the Company focus on their respective market segments, their corresponding speciality (specialization), or their corresponding regions (regionalization), to develop their own "core products, unique services" to reduce internal disorderly competition and strengthen the overall advantage in external competition.

(V) A Management model with balanced authorization and concentration

The Company respects its development history and has developed a competitive group management and control model on the basis of the setup of a conglomerate comprising multiple corporate entities. Positioned as the strategic management and control center, the Company's headquarters fulfill the responsibilities and duties of "leadership, service and supervision" ensuring the delegation and management of second-level subsidiaries. The second-level subsidiaries operate under the authorization of the Company and have the corresponding authorities in proportion to their respective responsibilities. For labor-intensive and fully established businesses, the Company grants more authorization and expands market reach to speed up market response and improve service quality. For capital-intensive and less developed businesses, the Company seeks to achieve quick breakthroughs in target markets by concentrating resources on specific niche markets, while ensuring effective risk prevention and mitigation. In different market segments, the Company adopts different market competition strategies and corresponding management and control models.

(VI) Results-oriented and accountability-based management system

The Company's management operations are consistently calibrated to achieve its mission, vision and goals. The Company upholds the fundamental objective of management: to enhance work efficiency, foster a sense of fulfillment among employees, and ensure the Company's future prosperity. The Company has established a highly dynamic, sound, reasonable, concise and efficient system by integrating the management of various functional areas within the Company to avoid willful actions without authorization and buck-passing, and effectively harmonize responsibilities and rights. The Company firmly believes that managers are defined by their responsibilities. To improve the quality of products and services, the Company is committed to standardized management, technology and business practices. Leveraging information technologies and integrating standardization with informatization, the Company has improved its work efficiency and implemented the "bottom line management" approach to enhance product quality and reduce operating costs.

(VII) "People-oriented" human resource management

The Company adheres to the talent development strategy of "specialization, professionalization and internationalization" and has a large group of talents loyal to the Company and dedicated to their careers. They share a deep conviction that group interests should take precedence over individual interests, and have a good knowledge of technology, management and marketing with merits such as self-discipline, self-motivation and self-betterment. The Company always follows the basic human resources management principle of "retaining talents with career development opportunities, emotional connection and rewards" and "caring for individuals". By offering career planning, education training and performance assessment for all employees, the Company seeks to establish a compensation incentive mechanism that combines individual value creation with personal capabilities to share the Company's development results with its employees and implement diverse medium and long-term incentive mechanisms, while strengthening its attractiveness to talents and allowing talents to give full play to their abilities, so as to provide stronger talent support for its development.

(VIII) Development supported by the strategy of “integration of industry and finance”

Focusing on characteristics of the construction and real estate industry and aligned with the needs of both upstream and downstream segments along the industrial chain, the Company perseveres in compliant and standardized business operations, and channels financial resources toward strategic efforts and high-priority operations aimed at supporting high-quality development of the Company and solidifying the industrial chain, ultimately providing high-quality financial services for the Company’s core business. Leveraging on internal professional financial platforms such as CSC Finance and China Construction Capital, the Company has carried out domestic and overseas capital pooling, loan pooling, structured financing, accounts receivable factoring, asset securitization, supply chain financing, finance leasing, insurance pooling and other business to provide financial services that cater to practical needs and effectively shore up “weak spots” in social financing at the same time, to the benefit of the Company’s core business and upstream and downstream segments of the industrial chain. This approach has played a positive role in coordinating the development of the Company’s main operations, expanding financing channels, lowering financing costs, liquidizing existing assets, and ensuring stability and consolidation within the industrial chain. In addition, the Company rigorously implements relevant national policies, tightens up routine management operations, strictly controls financial risks, and prevents funds from being diverted into the virtual economy from the real economy and from circulating internally for the sake of arbitrage.

(IX) Core competitiveness driven by innovation in science and technology

The Company’s continuous technological innovation has transformed its production and organization models. Relying on the structural business planning throughout the industry chain, the Company has developed a green and low-carbon technology system covering construction research and development, digital manufacturing, intelligent construction, and intelligent operation. The Company has acquired expertise in various construction technologies, including high-rise buildings, large-span spaces, single-building translation, large roof sliding, and complex steel structure production and construction. The Company strives to establish itself as a powerhouse of original technologies for green construction and intelligent construction. The Company has undertaken four national key R&D projects under the 14th Five-Year Plan, including Research and Application of Key Technologies in Modular Integrated Building Construction, and 17 national key R&D projects.

As of the end of the Reporting Period, the Company had three national-level scientific and technological innovation platforms, namely the National Center of Technology Innovation for Digital Construction, the National Key Laboratory of Green Building, and the National Engineering Research Center for Soil Nutrient Management and Pollution Remediation. It also housed five national enterprise technology centers (including sub-centers), eight academician workstations, 75 ministerial and provincial-level enterprise technology centers, 72 ministerial and provincial-level scientific and technological innovation platforms, 19 post-doctoral workstations and 202 high and new technology enterprises. In addition, the Company had two academicians from the Chinese Academy of Engineering, one winner of the highest science and technology award for engineering construction and 14 masters in national engineering survey and design. The Company obtained 82 national science and technology awards, and 133 Zhan Tianyou awards for civil engineering, playing a leading role in developing 100 national and industry standards. Additionally, it held 68,519 patents (including 6,177 invention patents), ranking first in the industry in both patent quantity and level of achievement.

(X) Corporate culture in mind and action

CSCEC is an enterprise with a glorious history. We are innovating in the course of inheritance. In the process of fulfilling the mission and realizing the vision, the core values of “quality assurance, value creation” and the CSCEC spirit of “loyalty, responsibility, and mission attainment” are incorporated into the rules and management practices and become the soft power to support the development of the Company.

Resources can be exhausted, only culture lasts. Adhering to its creed which is formed against the backdrop of the market economy, in alignment with the trend of the times, the Company has seen a constant integration with its subsidiaries in culture development, which provides continuing internal support for the Company’s ever-growing business.

III. Market Conditions during the Reporting Period

In 2023, China weathered external pressures and internal challenges, bringing about a recovery of the national economy with solid progress achieved in advancing high-quality development. According to the preliminary statistics of the National Bureau of Statistics, China's GDP in 2023 came in at RMB126,058.2 billion, an increase of 5.2% over the previous year. In particular, the value added by the construction industry was RMB8,569.1 billion, up 7.1% year-on-year, accounting for 6.8% of GDP, while the value added by the real estate industry was RMB7,372.3 billion, down 1.3% year-on-year, accounting for 5.9% of GDP. As important national economy pillars, the construction and real estate industries are closely related to macroeconomic development and the improvement of people's livelihood. The value added by these two pillar industries accounted for about 13% of the total, which is of great significance to stabilizing the macroeconomy.

Continuing to advance novel urbanization construction, as the housing construction market has substantial potential for development.

First, novel urbanization construction accelerated. China pushed forward the implementation of the people-centered novel urbanization strategy, continuously optimized urbanization spatial planning and formality, and actively promoted the integrated urban development of city clusters such as Beijing-Tianjin-Hebei, Yangtze River Delta, the GBA and Chengdu-Chongqing area. The state fostered and developed modern metropolitan areas, enhanced the functions of megacities in terms of improving global resource allocation, driving technological innovation and stimulating the development of high-end industries, and improved the livability and business-friendliness of large and medium-sized cities. Second, the urbanization rate continued to increase. According to the National Bureau of Statistics, at the end of 2023, the share of urban population in the total population (urbanization rate) was 66.16%, 0.94 percentage point higher than that at the end of 2022, but far below the average level of developed countries. The increasing urbanization rate generates an enormous incremental demand for investment and construction in public service facilities and housing. Third, the construction of the "Three Major Projects", including affordable housing, accelerated. Since 2023, the CPC Politburo meetings and the executive meetings of the State Council have repeatedly emphasized actively and steadily promoting the renovation of shantytowns and the construction of "public infrastructure for both normal and emergency use" in megacities, with affordable housing projects planned and implemented to inject new vitality into the existing housing market and promote the development of housing construction upstream and downstream industries. According to data from the Ministry of Housing and Urban-Rural Development, China implemented 66,000 urban renewal projects nationwide in 2023, with an investment of RMB2.6 trillion.

The "growth stabilization" policy continued to bear fruit, with stable infrastructure investment growth.

First, with the financial leverage provided by government investments, investment in energy, water conservancy, and other infrastructure facilities increased rapidly. According to the National Bureau of Statistics, China's national infrastructure investment (excluding the production and supply industries of electricity, heat, gas and water) increased by 5.9% in 2023, with the growth accelerated by 0.1 percentage point. Second, the government implemented in-depth coordinated regional development, further improved the coordinated regional development system and mechanism, and launched a number of new initiatives and multiple high-profile projects to pursue major regional strategies. Third, the government accelerated the green transformation, tightened up ecological environment protection and management, further promoted the building of a beautiful China, sped up the implementation of major projects of important ecosystem protection and restoration, and introduced policies to support the development of green and low-carbon industries. Fourth, the government optimized fiscal policy to improve efficiency and make the proactive fiscal policy more effective with highly visible effects. In the fourth quarter of 2023, the government issued another RMB1 trillion worth of treasury bonds to support post-disaster recovery and reconstruction and disaster prevention, mitigation and relief efforts. According to the 2023 Report on the Implementation of China's Fiscal Policy issued by the Ministry of Finance, China issued a total of RMB3.7 trillion worth of new special bonds for project construction across China. The proceeds raised funded more than 35,000 projects, facilitating the construction of a number of major projects such as transportation, water conservancy and energy. Additionally, some 2024 new local government debt quotas were issued ahead of schedule to support the construction of major projects.

Adapting to the evolving market supply and demand situation, and exploring new real estate development models.

First, construction companies adhered to the principle of “housing for living in and not for speculative investment”, and remained committed to risk prevention and resolution based on city-specific planning, thereby “safeguarding people’s livelihood and social stability by ensuring the timely delivery of presold housing properties”. According to the National Bureau of Statistics, national real estate development investment in 2023 was RMB11,091.3 billion, down 9.6% year-on-year, with the decline 0.4 percentage point lower than that of the previous year. Nationwide commercial housing sales area was 1,117.35 million square meters, down 8.5% year-on-year, while the commercial housing sales amounted to RMB11,662.2 billion, down 6.5% year-on-year, with the decline narrowed by 15.8 and 20.2 percentage points respectively over the previous year. Second, there have been new changes in regulatory policies. The CPC Politburo meeting held in July 2023 pointed out the need to adapt to the significant changes in the supply and demand dynamics of China’s real estate market. It emphasized the timely adjustment and optimization of real estate policies, tailored to local conditions, to effectively utilize the policy toolbox. This is aimed at better meeting the needs of first-time homebuyers and trade-up homebuyers and promoting the stable and healthy development of the real estate market. Third, efforts have been made to facilitate a smooth transition of the real estate industry towards a new development model. In December 2023, the Central Economic Work Conference further emphasized the “Three Major Projects” related to affordable housing construction, the construction of “public infrastructure for both normal and emergency use” in megacities, and shantytown renovation, accelerating the creation of a new real estate development model.

Taking digitalization and green and low carbon as the guide, the survey and design industry is undergoing a transformation at an accelerating pace.

First, the “carbon peak and carbon neutrality” targets, urban renewal, rural vitalization and other positive factors have injected strong impetus into the survey and design industry development, and new market opportunities have arisen in the survey and design sub-markets such as urban planning, airport transportation, municipal infrastructure and cultural venues. Second, the wide use of BIM (Building Information Model) digital technology, the new building industrialization and intelligent construction technology represented by prefabricated buildings, and the continuous promotion of general contracting mode have further empowered the industry transformation and innovation.

In 2023, the global economy exhibited signs of a slow recovery, while geopolitical conflicts continued to escalate, resulting in substantial uncertainties over the global economic and political landscapes. Against such a backdrop, the international engineering industry is undergoing accelerated evolution and integration.

A more competitive international engineering market with opportunities and challenges coexisting in overseas businesses.

First, the joint development of BRI has achieved fruitful results. The year 2023 marked the 10th BRI anniversary. In the past decade, the BRI continuously consolidated and broadened its scope encompassing a growing number of cooperation projects, and steadily promoted cross-regional interconnection. A large number of key cooperation projects have taken root to provide development opportunities for infrastructure construction worldwide. Second, with the rollout of the “Built by China” initiative, Chinese enterprises are going global at an accelerating pace. Seeking to maintain high standards, improve people’s livelihood and boost sustainability, this initiative involves constructing highways, high-speed rail, ports, bridges, power stations, stadiums and other infrastructure facilities all over the world. According to the Ministry of Commerce, China’s foreign contracted engineering business in 2023 had a turnover of RMB1,133.88 billion, an increase of 8.8% over the previous year. Third, a new round of scientific and technological revolution and industrial transformation has deepened, which has spawned numerous new industries, business formats and models. Green and low-carbon and digital and intelligent construction solutions have also attracted widespread attention from various countries, imposing higher requirements for international investment and construction enterprises.

IV. Discussion and Analysis of Business Operation

In 2023, the Company thoroughly implemented the strategic decisions and arrangements made by the CPC Central Committee and the State Council, committed itself to the strategic goal of “one creation and five aspects of strength” following the strategic path of “one improvement, six reinforcements and six commitments”, took responsibility and overcame difficulties, and fully achieved the annual objectives and tasks with concentrated efforts, making new progress and achievements in high-quality development, and maintaining a steady development trend in corporate management. In general, the Company demonstrated the following operational characteristics:



1. Steadily increasing the value-creation capacity. During the Reporting Period, the Company continued to achieve rapid growth in newly signed contract value and revenue, and maintained a good growth trend in profit. During the Reporting Period, the Company registered a total newly signed contract value of RMB4.32 trillion, up 10.8% year-on-year. Its total revenue amounted to RMB2.27 trillion, a year-on-year increase of 10.2%, while total net profit attributable to the Company's shareholders reached RMB54.26 billion, a year-on-year increase of 6.5%. The Company posted basic earnings per share of RMB1.31, a year-on-year increase of 6.5%, a net asset per share attributable to ordinary shareholders of RMB9.98, an increase of 11.8% over the end of the previous year. The Company's operating cash ratio increased by 0.3 percentage point year-on-year, and the debt-to-asset ratio remained stable at 74.8% as at the end of the Reporting Period, with the leverage ratio remaining stable. The Company ranked 13th in the 2023 Fortune Global 500, making it indisputably the largest investment and construction group in the world. The Company was re-selected as a constituent of major indexes such as CSI 50, SSE 50, FTSE China A50 and MSCI China A50 Connect, and retained the highest credit rating in the industry around the world.



2. Firmly and powerfully serving macro-national interests. During the Reporting Period, the Company kept in mind “The Top Priorities of the Country”, staying true to its original aspirations, optimally utilized its advantageous position as a dominant player throughout the industrial chain to actively support and integrate itself into the major national strategies, and connected with the development plans of strategic regions such as Beijing-Tianjin-Hebei, Yangtze River Economic Belt, the GBA and Yellow River Basin, to actively support the development of modern industries. In these regions, the newly signed contract value secured by the Company and investments completed by the Company accounted for 86.2% and 92.3% of the total, respectively. The Company contributed to the BRI joint development with high-quality efforts, thoroughly implemented overseas high-quality development strategies, promoted urbanization and infrastructure connection at a high level in the regions it operated, and spearheaded high-level economic opening up across China. The Company actively diversified into the urban renewal and new urban operation markets, deeply engaged in the construction of the “Three Major Projects”, and undertook a number of major livelihood projects in Beijing, Shanghai, Guangzhou and other places. In particular, the Company successively invested in three representative urban renewal projects in Guangzhou, with a total investment of more than RMB65 billion, and continuously strengthened its leading position in the field of novel urbanization construction.



3. Continuing to deepen enterprise reform management. During the Reporting Period, the Company comprehensively deployed and promoted the deepening and upgrading of SOE reforms, and developed 85 key reform tasks and 278 specific measures in 10 aspects. The Company continuously optimized its corporate governance system, improved the decision-making checklist and operation rules of each governing body, further expanded the scope of subsidiaries that carry out the Board's functions and powers, and optimized the governance structure of overseas institutions. The Company carried out mid-term evaluation and adjustment according to the 14th Five-Year Plan and focused on the promotion of strategic emerging industries. The Company established the ESG governance mechanism, incorporated ESG into the strategic path of "one improvement, six reinforcements and six commitments", and promoted the integration of ESG and management. The Company accelerated the treasurer system establishment, launched all the system functions, and further improved the standards of visual control and intensive management and control of funds. The Company further deepened and expanded the special action of "pursuing conservation and running enterprises economically", expanded the scope of management and diversified control objectives, further reducing operating costs and improving the standards of relevant management practices.



4. Continuously improving technological innovation capability. During the Reporting Period, the Company made breakthroughs in the development of national innovation platforms, and was officially designated to jointly build China's sole national key laboratory in the field of green building and the National Engineering Research Center for Soil Nutrient Management and Pollution Remediation. Paying due attention to academicians' leading role in scientific and technological development, the Company added two new academician workstations to tackle key core technologies in the fields of infrastructure, intelligent construction and building industrialization. The Company actively undertook major national scientific research tasks, independently developed "BDS/GNSS high-precision construction survey key technology", and successfully solved the bottleneck problem in long-distance linear infrastructure survey and high-precision measurement in the construction industry. Our AECMate BIM software built a complete technical product system covering the basic graphics platform, collaboration platform and professional application software, which was included in the product manual of technological innovation achievements of central enterprises. The Company used indoor pressurization technology and prefabricated and modular construction technology to create a "polar scientific research pressurized building" and a prefabricated apron to assist with Antarctic scientific research missions. In addition, the Company accelerated the application of 5G, artificial intelligence and other next-generation information technologies, and continuously broadened applications of intelligent construction equipment, intelligent manufacturing digital production lines and construction industrial robots.



5. Practicing social responsibilities. During the Reporting Period, the Company was actively involved in flood fighting and rescue in the Beijing-Tianjin-Hebei Region, Northeast China and other areas, as well as in earthquake relief and post-disaster recovery and reconstruction in Gansu and Qinghai. The Company conducted targeted poverty alleviation and point-to-point support for Kangle County, Zhuoni County, Kangxian County in Gansu Province, and Changting County in Fujian Province, etc., and created the highly innovative "CSCEC Model" for targeted poverty alleviation integrating industry, employment, education, consumption and party building to promote rural vitalization. Leveraging its professional advantages, the Company carried out urban renewal, renovation of old residential communities, and investment in and construction of affordable housing according to local conditions, meticulously created high-quality building products, and continued to expand a happy living environment. The Company created a sound market environment through collaboration with 600,000 upstream and downstream enterprises along the industrial chain, and shared opportunities for sustainable development.

In 2024, the Company will fully implement the new development concept, further highlight the primary task of high-quality development, continue to complete the seven major tasks of "advancing rectification, ensuring growth, promoting innovation, deepening reform, strengthening foundation, preventing risks and reinforcing party building", seek progress while maintaining stability, promote stability through progress, strive to complete all the target tasks, and continue to forge ahead towards building a world-class enterprise with global competitiveness.

• **Key Business Data**


Items	Unit	2023	2022	Growth YoY (%)
Total value of newly signed contracts	RMB100 million	43,241	39,031	10.8
I. Construction business				
(I) Accumulative value of newly signed contracts during the Reporting Period	RMB100 million	38,727	35,015	10.6
By industry 1. Housing construction		26,894	24,728	8.8
2. Infrastructure		11,685	10,151	15.1
3. Survey and design		148	136	8.8
By region 1. Domestic		36,973	33,495	10.4
2. Overseas		1,755	1,520	15.4
(II) Quantity of housing construction works	Ten thousand square meters	/	/	/
1. Accumulative construction area		172,200	168,265	2.3
2. Accumulative area of new construction projects		37,725	37,155	1.5
3. Accumulative area of completed construction		26,015	25,441	2.3
(III) Quantity of infrastructure works	/	/	/	/
1. Road (newly signed in China)	Kilometers	4,297	4,623	-7.1
2. Area (newly signed in China)	Ten thousand square meters	4,978	4,765	4.5
II. Real estate business				
(I) Contract sales during the Reporting Period	RMB100 million	4,514	4,016	12.4
Of which: China Overseas ^①		2,670	2,544	4.9
(II) Contract sales area during the Reporting Period	Ten thousand square meters	1,858	1,722	7.9
Of which: China Overseas		982	1,015	-3.2
(III) Subscription sales at the end of the Reporting Period	RMB100 million	26	47	-43.4
(IV) Average selling price during the Reporting Period	RMB/square meter	24,292	23,326	4.1
(V) Land reserve at the end of the Reporting Period ^② (full amount)	Ten thousand square meters	8,523	9,303	-8.4
Of which: China Overseas		3,522	4,389	-19.8
(VI) Purchase of land reserve (full amount)	Ten thousand square meters	1,310	1,489	-12.0
Of which: China Overseas		764	739	3.4

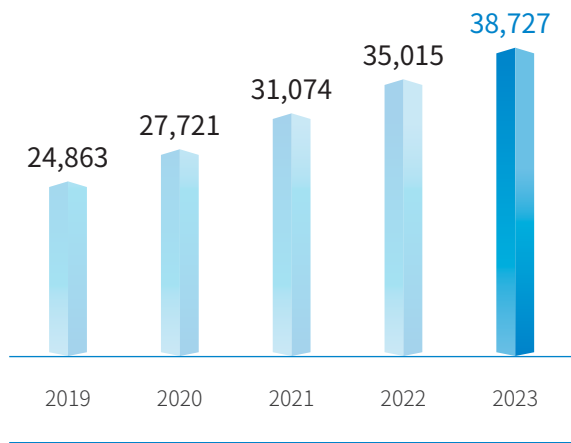
Notes: ① China Overseas refers to the real estate business that China Overseas Land & Investment and its subsidiaries are engaged in, but does not include that of China Overseas Grand Oceans;

② Land reserve at the end of the Reporting Period = land reserve at the end of the previous year + newly acquired land reserve – area completed in the current Reporting Period + (or -) adjusted area of projects.

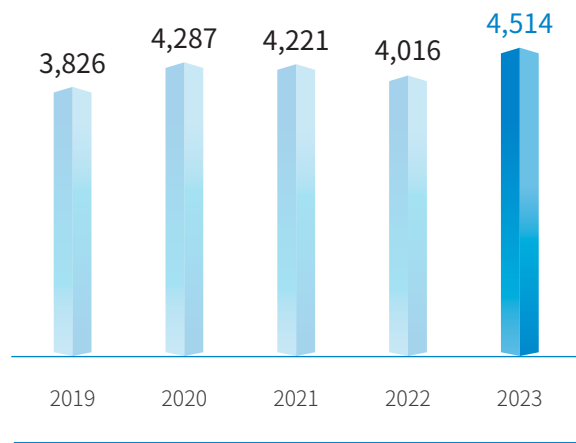
• Key Earnings Results

Unit: 100 million yuan Currency: RMB

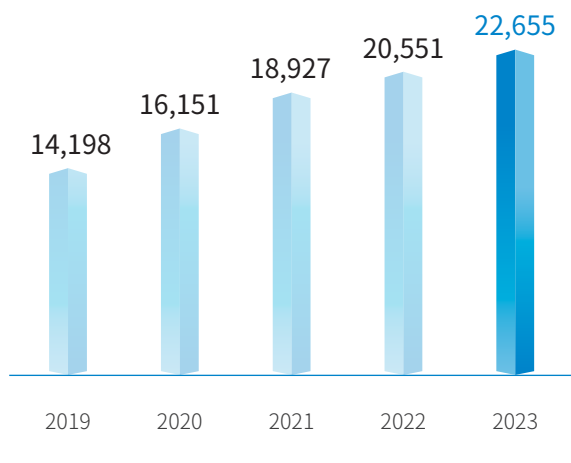
 Value of the newly signed contracts for the construction business




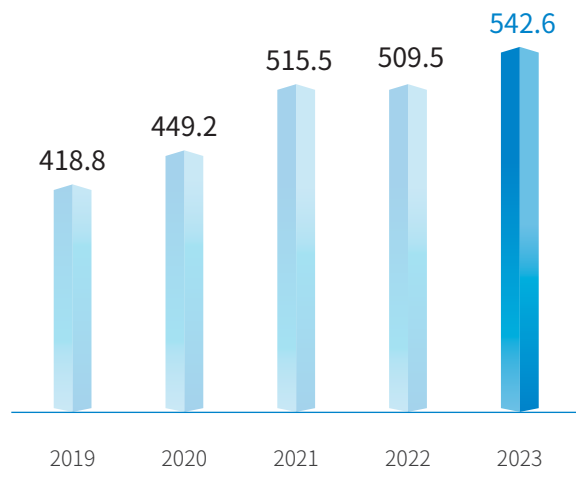
 Contract sales of the real estate business



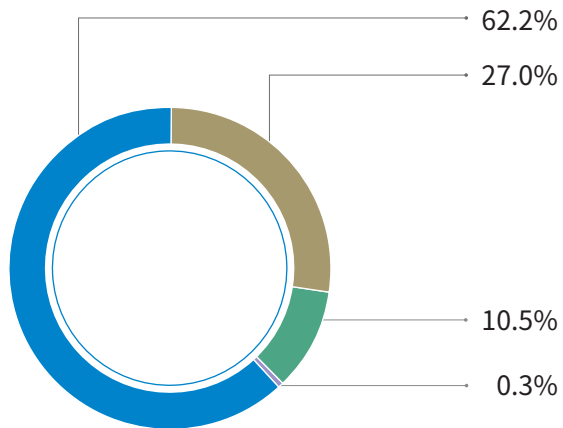
 Revenue



 Net profit attributable to shareholders of the Company

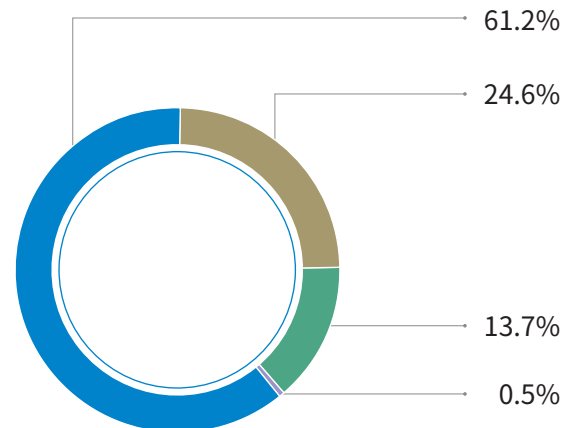


Proportion of the newly signed contract value



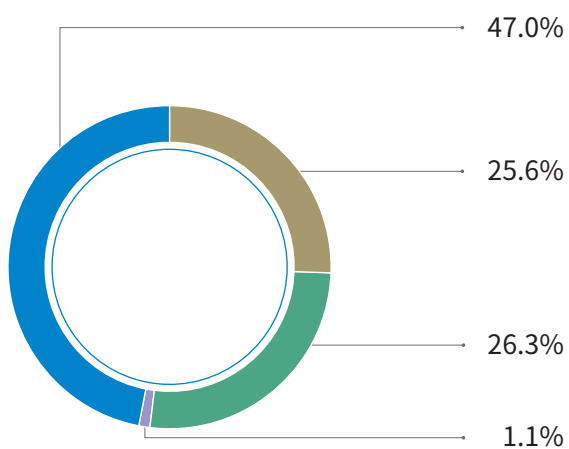
■ Housing construction ■ Infrastructure ■ Real estate ■ Design

Proportion of revenue by segment ^{Note}



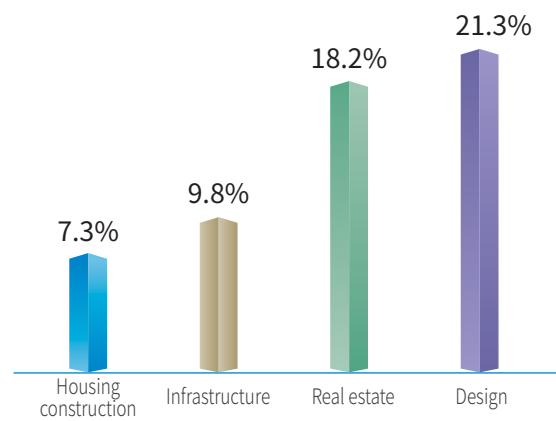
■ Housing construction ■ Infrastructure ■ Real estate ■ Design

Proportion of gross profit by segment ^{Note}



■ Housing construction ■ Infrastructure ■ Real estate ■ Design

Gross profit margin by segment ^{Note}



Note:The denominator of the proportion of each business by segment is the direct summation of data from the four business segments of the Company (housing construction, infrastructure, real estate and design).

V. Main Operation Results for the Reporting Period

(I) Analysis of principal business

1. Analysis of changes in related items in the income statement and cash flow statement

Unit: '000 yuan Currency: RMB

Items	Amount of the current Reporting Period	Amount of the same period last year	Change (%)
Revenue	2,265,529,244	2,055,052,070	10.2
Cost of sales	2,042,723,831	1,840,182,381	11.0
Selling and distribution expenses	7,628,182	6,543,630	16.6
General and administrative expenses	34,402,175	33,996,779	1.2
Finance expenses	18,577,073	19,673,762	-5.6
Research and development expenses	46,073,572	49,753,236	-7.4
Net cash flows from operating activities	11,030,123	3,828,927	188.1
Net cash flows from investing activities	-26,501,519	-11,477,252	/
Net cash flows from financing activities	30,450,196	16,520,628	84.3

Reason for changes in revenue: The Company continued to step up its market development efforts and accelerated the progress of project performance, resulting in a steady growth in the scale of performance.

Reason for changes in cost of sales: The business scale continued to expand, leading to the increase in the cost of sales accordingly.

Reason for changes in selling and distribution expenses: The Company's real estate business increased marketing efforts during the pre-sale period, and the corresponding business fees and sales commissions increased accordingly.

Reason for changes in general and administrative expenses: Office expenditure, travel expenses, depreciation and amortization expenses increased accordingly due to the expansion of the Company's business scale and the corresponding increase in management personnel and business activities.

Reason for changes in finance expenses: It was primarily due to the decrease in foreign exchange losses in the current year as compared with that of last year.

Reason for changes in research and development expenses: It was primarily due to the fact that the Company has continuously improved the system and the structure of investment in research and development, enhancing the efficiency of investment in research and development.

Reason for changes in net cash flows from operating activities: It was primarily due to enhanced cash flow management by the Company and the increase in the payments received for construction and property purchases, among others, in the current Reporting Period.

Reason for changes in net cash flows from investing activities: It was primarily due to the increase in cash payments for investment activities such as purchase and construction of fixed assets and intangible assets in the current Reporting Period.

Reason for changes in net cash flows from financing activities: It was primarily due to the increase in cash received by the Company from obtaining loans and issuing bonds.

Detailed explanation on major changes in the Company's types of business, profit composition or source of profit during the current Reporting Period

☐ Applicable ☒ N/A

2. Analysis of revenue and cost

✓ Applicable □ N/A

In 2023, the Company delivered revenue of RMB2,265.5 billion, a year-on-year increase of 10.2%; with cost of sales at RMB2,042.7 billion, a year-on-year increase of 11.0%. The Company recorded a gross profit of RMB222.8 billion, a year-on-year increase of 3.7%; a gross profit margin of 9.8%, a year-on-year decrease of 0.6 percentage point as compared to that of the same period of last year.

For details related to revenue recognition methods, please refer to Note III. 24 “Revenue from contracts with customers” to the financial statements under SECTION X “FINANCIAL REPORT”.

(1) Principal business by industry, product and region

Unit: '000 yuan Currency: RMB

Principal business by industry						
By industry	Revenue	Cost of sales	Gross profit margin (%)	Change YoY of revenue (%)	Change YoY of cost of sales (%)	Change YoY of gross profit margin (%)
Housing construction engineering	1,383,744,032	1,283,273,271	7.3	9.4	10.2	Decrease by 0.7 percentage point
Infrastructure construction and investment	556,561,456	501,864,580	9.8	12.8	13.6	Decrease by 0.6 percentage point
Real estate development and investment	308,807,680	252,580,419	18.2	9.5	10.5	Decrease by 0.8 percentage point
Survey and design	11,747,277	9,250,674	21.3	9.1	8.5	Increase by 0.4 percentage point
Others	44,052,885	33,964,319	22.9	13.8	11.4	Increase by 1.7 percentage points
Inter-segment elimination	-39,384,086	-38,209,432	/	/	/	/
Total	2,265,529,244	2,042,723,831	9.8	10.2	11.0	Decrease by 0.6 percentage point

Principal business by region						
By region	Revenue	Cost of sales	Gross profit margin (%)	Change YoY of revenue (%)	Change YoY of cost of sales (%)	Change YoY of gross profit margin (%)
China's Mainland	2,149,769,739	1,932,989,717	10.1	10.4	11.2	Decrease by 0.7 percentage point
Overseas <small>Note</small>	115,759,505	109,734,114	5.2	7.2	7.1	Increase by 0.1 percentage point
Total	2,265,529,244	2,042,723,831	9.8	10.2	11.0	Decrease by 0.6 percentage point

Note: “Overseas” refers to regions other than China's Mainland.

Revenue and its proportion in the last three years						
By industry	2023	Proportion (%)	2022	Proportion (%)	2021 (After adjustment)	Proportion (%)
Housing construction engineering	1,383,744,032	61.1	1,265,081,519	61.6	1,147,085,908	60.6
Infrastructure construction and investment	556,561,456	24.6	493,498,360	24.0	411,117,889	21.7
Real estate development and investment	308,807,680	13.6	282,044,629	13.7	330,943,286	17.5
Survey and design	11,747,277	0.5	10,763,560	0.5	10,808,369	0.6
Others	44,052,885	1.9	38,694,144	1.9	28,319,627	1.5
Inter-segment elimination	-39,384,086	-1.7	-35,030,142	-1.7	-35,568,772	-1.9
Total	2,265,529,244	100.0	2,055,052,070	100.0	1,892,706,307	100.0

Explanation on principal business by industry, product and region

✓ Applicable □ N/A

Newly signed contract value amounted to •

RMB2,689.4 billion

a year-on-year increase of

8.8%

Revenue amounted to

RMB1,383.7 billion

a year-on-year increase of

9.4%

Gross profit amounted to

RMB100.5 billion

a year-on-year decrease of

0.2%

Housing construction engineering

During the Reporting Period, the Company's housing construction business structure was further optimized, with significant gains in high-end housing construction projects. The newly signed contract value of the Company's housing construction business for the whole year amounted to RMB2,689.4 billion, a year-on-year increase of 8.8%. Revenue amounted to RMB1,383.7 billion, a year-on-year increase of 9.4%; and gross profit amounted to RMB100.5 billion, a year-on-year decrease of 0.2%.

During the Reporting Period, the Company stuck to the marketing strategy featuring "premium market, customers, and projects", focusing on the field of middle and high-end new housing construction to strengthen its first-place advantage in the housing construction market. **Overall**, the proportion of the newly signed contract value for public buildings such as industrial plants, science, education, culture, health and sports facilities, as well as commercial complexes continued to increase. **Specifically, in the field of industrial plants**, the newly signed contract value amounted to RMB621.8 billion, a year-on-year increase of 58.9%, with projects including the 6th generation new semiconductor display device production line for BOE in Beijing. **In the field of science, education, culture, health, and sports facilities**, the newly signed contract value amounted to RMB534.2 billion, a year-on-year increase of 6.8%. Specifically, the newly signed contract value for the **educational facilities business** amounted to RMB185.0 billion, a year-on-year increase of 9.4%. Relevant projects include Tsinghua University's Student Activity Center and Tongzhou Financial Development and Talent Cultivation Base. **In the field of commercial complexes**, the newly signed contract value amounted to RMB516.9 billion, a year-on-year increase of 5.2%. In particular, the Company undertook several super high-rise building projects each with a height of over 300 meters, such as Tower B and Tower C at Shenzhen Bay Super Headquarters Base. Additionally, the Company was actively involved in the construction of the "Three Major Projects", undertaking a number of key livelihood projects, including the old town renovation projects of the Shuangsha Community and Wenchong East Community in Huangpu District, Guangzhou.



Shenzhen Changzhen Prefabricated Public Housing Project



Unit: 100 million yuan Currency: RMB

Newly signed contract value by housing construction business segments					
No.	Category I	Category II	2023	2022	YoY increase (%)
1	Residential buildings	Commercial houses and others	6,619	7,506	-11.8
2	Affordable housing	Affordable housing and others	1,584	1,585	-0.1
3	Industrial plants	Industrial processing plants, industrial manufacturing plants and others	6,218	3,913	58.9
4	Science, education, culture, health and sports facilities	Scientific research facilities, educational facilities, medical buildings, cultural facilities, sports facilities, convention and exhibition centers and others	5,342	5,001	6.8
5	Commercial complexes	Commercial office buildings, city complexes, hotels and others	5,169	4,913	5.2
6	Others	Municipal supporting buildings and others	1,962	1,810	8.4
Total	/		26,894	24,728	8.8

During the Reporting Period, the Company continued to enhance its core competitiveness in such fields as large-span spatial structure, rapid construction, green construction and intelligent construction, effectively paving the way for its undertaking of housing construction projects and high-quality performance of housing construction. Staged goals of several national key projects – for example, the successful completion of landmark projects such as the new venue of the Sanxingdui Museum and the new venue of the Second Historical Archives of China – were achieved as scheduled. The Xiong'an Business Service Center achieved full-scale operation. Using the rapid construction technology for Modular Integrated Construction (MIC), the Company completed the renovation of the old residential area at Building No. 8 of Huapichang Hutong in Beijing within just three months, serving as one of the first pilot projects for “demolishing and rebuilding (原拆原建)” model.

Newly signed contract value amounted to •

RMB1,168.5 billion

a year-on-year increase of

15.1%

Revenue amounted to

RMB556.6 billion

a year-on-year increase of

12.8%

Gross profit amounted to

RMB54.7 billion

a year-on-year increase of

6.0%

Infrastructure construction and investment

During the Reporting Period, the Company strengthened its focus on key areas in infrastructure construction, achieving rapid growth in both scale and efficiency. The Company entered into new infrastructure contracts with a total value of RMB1,168.5 billion for the whole year, a year-on-year increase of 15.1%. It recorded revenue of RMB556.6 billion, a year-on-year increase of 12.8%; and the gross profit amounted to RMB54.7 billion, a year-on-year increase of 6.0%.

During the Reporting Period, adhering to the strategy of “top-level design, executive interaction, and layered coordination (顶层设计、高层互动、分层对接)”, the Company succeeded in seizing development opportunities in specific infrastructure construction segments focusing on strengthening the foundational advantages in infrastructure construction. **As a whole**, the Company secured a batch of major projects in municipal engineering and transportation engineering; breakthroughs were made in energy engineering, water affairs and environmental protection, and water conservancy and water transportation, with the proportion of the total newly signed contract value rising to 37.3%. **By niche segments**, the value of newly signed contracts **in municipal engineering** amounted to RMB282.9 billion, a year-on-year increase of 17.0%. Specifically, the newly signed contract value for the **municipal road business** was RMB187.4 billion, a year-on-year increase of 0.1%. The Company undertook construction projects including the city-industry integration and quality upgrading of the core BRI area in Chongqing International Logistics Hub Park. **In transportation engineering**, the value of newly signed contracts amounted to RMB259.8 billion, a year-on-year decrease of 21.7%. Specifically, that of newly signed contracts of the **railroad business** amounted to RMB39.8 billion, a year-on-year increase of 19.7%. The Company undertook railroad projects such as Xiong'an-Xinzhou High-speed Railway and Chengde City Railway S11 line, and airport projects such as Phase II project of Fuzhou Changle International Airport and Comprehensive Transportation Center of Hefei Xinqiao International Airport. The Company has successfully bid for multiple urban rail transit projects in Beijing, Shenzhen and Jinan. **In energy engineering**, the value of newly signed contracts amounted to RMB269.7 billion, a year-on-year increase of 151.4%, and a batch of energy engineering projects represented by PV power generation, wind power and nuclear power were undertaken in Xinjiang Uygur Autonomous Region, Inner Mongolia Autonomous Region, Gansu Province and Guangxi Zhuang Autonomous Region. **In water affairs and environmental protection**, the value of newly signed contracts amounted to RMB115.7 billion, a year-on-year increase of 2.1%, and the Company undertook the first critical pipeline network project for the protection of the Yangtze River, namely the Yichang City Urban Sewage Pipeline Network Shortcoming Addressing Project. **In water conservancy and water transportation**, the value of newly signed contracts reached RMB50.1 billion, a year-on-year increase of 229.6%, with contracts officially signed for projects such as Hunan Liuyang Fengdongkou Pumped Storage Power Station and Pinglu Canal Waterway Project.



Guangxi Tianba Expressway Project



Wind Power and Photovoltaic Project with 4 Million Kilowatts in Nilka County, Xinjiang

Unit: 100 million yuan Currency: RMB

Newly signed contract value by infrastructure construction business segments					
No.	Category I	Category II	2023	2022	YoY increase (%)
1	Municipal engineering	Municipal roads, postal and telecommunication projects, defense and disaster prevention projects and others	2,829	2,418	17.0
2	Transportation engineering	Highways, railroads (including high-speed rail), urban rail transportation, airports, bridges and others	2,598	3,316	-21.7
3	Energy engineering	PV power generation, wind power, nuclear power engineering and others	2,697	1,073	151.4
4	Water affairs and environmental protection	Environmental protection projects, water supply and treatment projects	1,157	1,134	2.1
5	Water conservancy and water transportation	Water conservancy, and water transportation	501	152	229.6
6	Others	Petrochemical engineering and others	1,903	2,059	-7.6
Total		/	11,685	10,151	15.1

During the Reporting Period, the Company accelerated scientific and technological innovation in infrastructure construction, ensuring high-quality and high-standard execution of infrastructure projects while continuously building on its competitiveness in this field. The Company's independently developed "complete set of technologies and demonstration applications for green and efficient construction of fully-assembled bridges", "key technologies and applications for lean construction of large-span cable plane suspension bridges" and other achievements rank it among the world's most advanced construction companies in terms of overall competitiveness. The Company completed and delivered the Luohanshan Tunnel in Hubei Province and Dianzhong Water Diversion Project in Yunnan Province, which is the largest water diversion project under construction in China. In addition, the Company has undertaken the construction of the Jinan-Zhengzhou High-speed Railway, Nanchang-Jingdezhen-Huangshan High-speed Railway, South Extension of Hefei Metro Line 3, and Shanghai S3 Expressway, which have been officially put into operation.

Contract sales amounted to

RMB451.4 billion

a year-on-year increase of

12.4%

Revenue amounted to

RMB308.8 billion

a year-on-year increase of

9.5%

Gross profit amounted to

RMB56.2 billion

a year-on-year increase of

5.1%

• Real estate development and investment

During the Reporting Period, the Company adapted its real estate business to new development models at an accelerating pace, achieving growth in sales volume and profits despite the general market downturn. The real estate business achieved contract sales of RMB451.4 billion throughout the year, a year-on-year increase of 12.4%, and a contract sales area of 18.58 million square meters, a year-on-year increase of 7.9%. Revenue amounted to RMB308.8 billion, a year-on-year increase of 9.5%; and gross profit amounted to RMB56.2 billion, a year-on-year increase of 5.1%.

During the Reporting Period, the Company delivered a new construction area of 14.28 million square meters, a year-on-year decrease of 36.1%; total completed area of 21.39 million square meters, a year-on-year decrease of 16.8%; and an area under construction of 63.21 million square meters, a year-on-year decrease of 15.4%. The Company acquired 102 parcels of land throughout the year with land reserves reaching 85.23 million square meters at the end of the Reporting Period; new land reserves amounted to 13.10 million square meters with the land purchase amount totaling RMB212.71 billion. More than 90% of the new land reserves this year are located in Tier 1 and Tier 2 cities. In particular, new land reserves located in Tier 1 cities including Beijing, Shanghai and Guangzhou and municipalities directly under the Central Government and provincial capitals accounted for over 83% of the total, reflecting an improved land reserve structure.

After years of development, the Company currently owns 14.25 million square meters of self-held properties encompassing office buildings, hotels, apartments, commercial real estate and others, with a net book value of RMB158.5 billion, accounting for 5.5% of the Company's total assets. During the Reporting Period, the Company accelerated the upgrading of industry, expanded business areas in commerce, elderly care and logistics, consistently enhancing the operation and management as well as the profitability of self-held properties. The revenue generated from self-held properties amounted to RMB6.44 billion.

During the Reporting Period, the Company conducted an in-depth analysis of the situation and policy changes in the real estate industry, flexibly adjusted its marketing and sales strategies, and accelerated inventory turnover, focusing on enhancing its distinct competitive advantages in the real estate business. Specifically, China Overseas ranked second in the industry in terms of equity sales, maintaining a leading position in profit margin in the industry, with key indicators steadily improving. The Company adhered to structural investment planning in pivotal cities. The Company acquired 43 parcels of land throughout the year and new land reserves amounted to 7.64 million square meters, with a total land purchase amount of RMB134.21 billion, ranking first in the industry in terms of newly acquired land value. The Company achieved contract sales of RMB267.0 billion throughout the year, a year-on-year increase of 4.9%. The Company adopted a prudent and cautious financial strategy to capitalize on its "green rating" status under the "three red lines" regulatory assessment. Furthermore, the Company adhered to lean construction to promote the development of commercial properties, education, elderly care and logistics while focusing on accelerating the principal



China Overseas • Shunchangjiuli (顺昌玖里) Project



business of residential development. CSC Land actively responds to market changes, introducing new pathways and methods for land acquisition. It acquired 59 parcels of new land and had new land reserves of 5.46 million square meters at a land purchase amount of RMB78.5 billion. CSC Land achieved contract sales of RMB184.4 billion throughout the year, representing a year-on-year growth of 25.3%. CSC Dongfu, CSCEC Yipin, CSCEC Xinhe, CSCEC Jiuhe, C-LAND and other brands successively built by CSC Land were among the top 100 PRC real estate enterprises in 2023 in terms of equity sales performance. The brand power of CSC Land improved further.

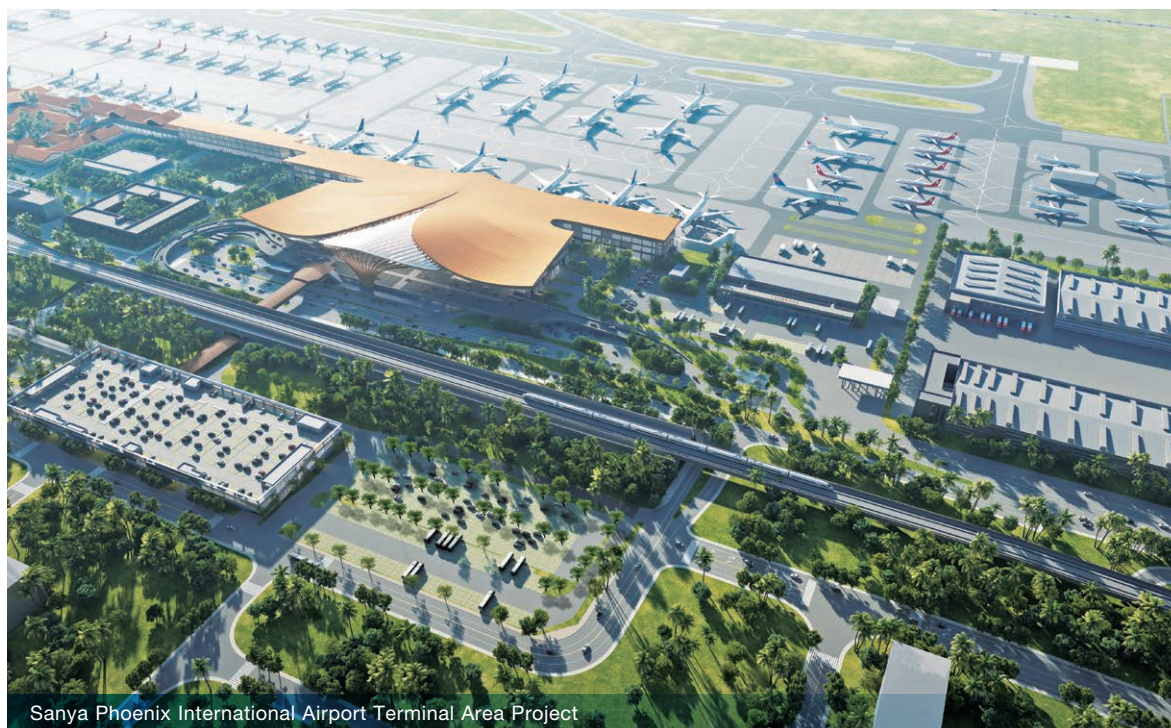
For details, please refer to “Properties under development” and “Completed properties for sale” under Note V. 8 “Inventories” and “Advances for sale of properties” under Note V. 32 “Contract liabilities” to the financial statements under SECTION X “FINANCIAL REPORT”.

Top 10 cities by new land reserves			
No.	City	Gross floor area (Ten thousand square meters)	Percentage of area (%)
1	Beijing	266.4	20.3
2	Shanghai	204.5	15.6
3	Suzhou	128.2	9.8
4	Guangzhou	75.0	5.7
5	Tianjin	74.5	5.7
6	Nanjing	63.5	4.8
7	Shenzhen	60.0	4.6
8	Chengdu	53.0	4.0
9	Wuhan	41.6	3.2
10	Changsha	36.0	2.7

• Survey and design

During the Reporting Period, the Company's survey and design business grew steadily, and its original design capabilities continued to improve. During the year, the newly signed contract value amounted to RMB14.8 billion, a year-on-year increase of 8.8%; revenue amounted to RMB11.7 billion, a year-on-year increase of 9.1%; gross profit amounted to RMB2.5 billion, a year-on-year increase of 11.4%.

During the Reporting Period, the Company focused on survey and design as its primary business, encompassing architectural design, urban planning, engineering survey, and public utility design, enhanced its core competitiveness in such design segments as airports, schools, hotels, sports buildings, cultural venues, and ancient architecture, and strived to strengthen its leading position in the design market. During the Reporting Period, the Company continued to build on its original design capabilities, stepped up branding efforts, and undertook design projects such as the conceptual planning of the terminal area and T3 terminal building of Sanya Phoenix International Airport, as well as the Shuangpu Campus, Hangzhou Institute for Advanced Study, University of Chinese Academy of Sciences. In addition, the Company continued to gain in full-process engineering consulting capabilities, and undertook projects such as the full-process engineering consulting services for the first phase of the Fuzhou Fuqing Optoelectronics Park (A3 Green and Intelligent Comprehensive Plant) and the infrastructure and smart project of Nansha Hospital of Guangdong Provincial Hospital of Traditional Chinese Medicine. The Company actively promoted the application of green and low-carbon technologies, undertook projects such as the urban renewal of the 240 Neighborhood in Hongnanshan Residential Area (洪南山宅 240 街坊社区) in Jing'an District, Shanghai, and designed and built Shaanxi Yulin Sci-Tech Innovation City, the first zero-carbon distribution smart energy center in the world, contributing to the development of a high-quality, sustainable, and modern green urban landscape.



Sanya Phoenix International Airport Terminal Area Project

• Overseas business

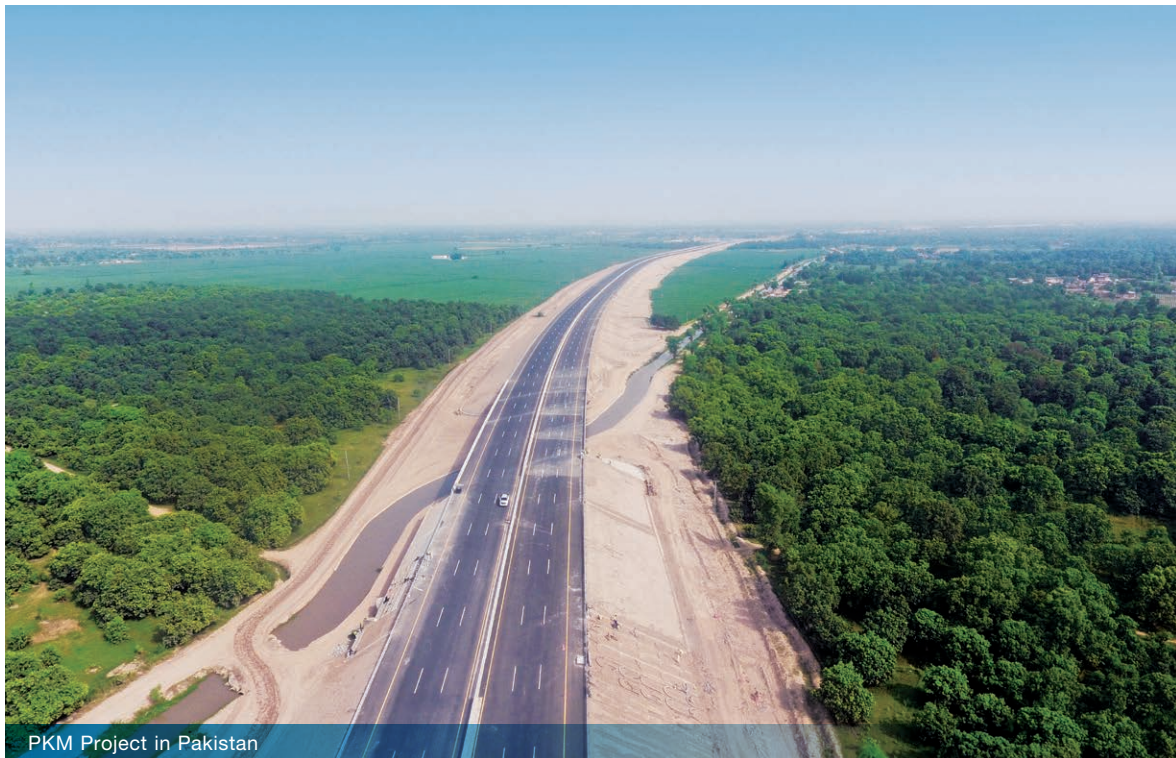
During the Reporting Period, the Company's overseas business maintained a focus on deepening its operation and continued to build on its global resource allocation capabilities. The newly signed contract value amounted to RMB186.0 billion, a year-on-year increase of 12.3%, with that of the construction business amounting to RMB175.5 billion, a year-on-year increase of 15.4%. It recorded an overseas revenue of RMB115.8 billion, a year-on-year increase of 7.2%; and gross profit amounted to RMB6.0 billion, a year-on-year increase of 8.5%, with a gross profit margin of 5.2%, a year-on-year increase of 0.1 percentage point.

During the Reporting Period, the Company focused on implementing a high-quality development strategy for overseas business operations, and actively engaged in international cooperation under the BRI. The Company struck deep roots in key markets to continuously enhance the quality and effectiveness of marketing and contract fulfilment operations, strengthening its competitive advantages in overseas markets. The Company secured a number of key projects in various segments such as medical facilities, industrial plants, rail transportation, and highway and bridge construction, and undertook projects such as the New Acute Hospital at Kai Tak Development Area (Site A) in Hong Kong, the design and construction of the southern section of the Macau Light Rapid Transit East Line, Singapore MRT Cross-Island Line Punggol Extension P103 project, the high-rise residential building in Cavalli Casa of the United Arab Emirates, the Dongshan Precision Rojana Nong Yai Industrial Park in Thailand, and Phase I of Astana Municipal Railway in Kazakhstan. A number of projects undertaken by the Company, such as the Dubai Downtown Views project, Package A of Stage Two of the Etihad Rail project, the Dubai Opera Tower, and Aykon City Tower B in Dubai, were successfully delivered within the year. Additionally, the 4th Abidjan Bridge, an important transportation infrastructure project in Côte d'Ivoire, was officially opened to traffic.

During the Reporting Period, the Company made efforts in the construction and operation of "new cities", leveraging its full-industry-chain advantages to provide comprehensive services for urban construction in host countries. The gym of the Oriental Business Park project in Algeria, which was developed employing an innovative model integrating investment, construction and operation, was opened successfully. In addition, the Company secured a cooperation agreement for the CBD urban operation project in Egypt's new capital, laying a solid foundation for expanding operation business in overseas mega-cities and effectively assisting Egypt in building national and international ecological and smart special economic zones.



Etihad Rail Project in the United Arab Emirates



PKM Project in Pakistan

The year 2023 marks the 10th anniversary of the BRI. Over the past decade, bearing in mind the “The Top Priorities of the Country”, CSCEC unswervingly and wholeheartedly contributed to the development of the BRI, grew its overseas presence, and undertaken more than 2,600 projects in nearly 100 countries (regions), with a total contract value exceeding RMB1.46 trillion. CSCEC has successfully created a large number of high-standard, sustainable, and people-oriented visible achievements, contributing to the high-quality development of the BRI. As a new decade begins, CSCEC will effectively implement a high-quality development strategy over its overseas business operations, strive to provide high-quality products and solutions to global stakeholders, and share development opportunities and achievements with the people of the countries involved in the BRI.

- **Other business**

Other business of the Company mainly includes primary land development, lease of machinery equipment and engineering supervision and management. During the Reporting Period, revenue amounted to RMB44.1 billion, a year-on-year increase of 13.8%; gross profit amounted to RMB10.1 billion, with a gross profit margin of 22.9%, a year-on-year increase of 1.7 percentage points.

For details, please refer to Note V. 53 “Revenue and cost of sales”, Note V. 66 “Expenses by nature” and Note XVI. 1 “Segment reporting” to the financial statements under SECTION X “FINANCIAL REPORT”.

(2) Analytical statement on production and sales

☐ Applicable ☒ N/A

(3) Performance of significant procurement contract and significant sales contract

☐ Applicable ☒ N/A

(4) Statement of cost analysis

Unit: '000 yuan Currency: RMB

By industry						
By industry	Cost items	Amount of the current Reporting Period	Percentage of costs in the current Reporting Period to total costs (%)	Amount of the same period of last year	Percentage of costs in the same period of last year to total costs (%)	Changes in the amount of the current Reporting Period over the same period of last year (%)
Housing construction engineering	Raw materials, subcontracting costs, labor costs, etc.	1,283,273,271	62.8	1,164,411,378	63.3	10.2
Infrastructure construction and investment	Raw materials, subcontracting costs, labor costs, etc.	501,864,580	24.6	441,893,060	24.0	13.6
Real estate development and investment	Construction and installation costs, land costs, labor costs, etc.	252,580,419	12.4	228,551,609	12.4	10.5
Survey and design	Labor costs, rental of equipment	9,250,674	0.5	8,522,205	0.5	8.5
Others	Labor costs, rental of equipment	33,964,319	1.7	30,475,497	1.7	11.4
Inter-segment elimination	/	-38,209,432	-1.9	-33,671,368	-1.9	/
Total	/	2,042,723,831	100.0	1,840,182,381	100.0	11.0

Unit: '000 yuan Currency: RMB

Main cost components							
By industry	Cost components	2023	Proportion (%)	2022	Proportion (%)	2021 (After adjustment)	Proportion (%)
Housing construction engineering	Selling costs of products	24,287,871	1.2	21,812,934	1.2	23,319,044	1.4
	Subcontracting costs	519,233,745	25.4	398,178,917	21.6	351,983,820	21.0
	Raw materials	343,390,812	16.8	347,342,497	18.9	321,016,567	19.1
	Employee benefits	40,535,318	2.0	37,501,570	2.0	34,025,491	2.0
	Other expenses	355,825,525	17.4	359,575,460	19.6	327,054,850	19.5
	Sub-total	1,283,273,271	62.8	1,164,411,378	63.3	1,057,399,772	63.0
Infrastructure construction and investment	Subcontracting costs	220,633,861	10.8	224,249,598	12.2	185,781,252	11.1
	Raw materials	136,159,382	6.7	105,384,913	5.7	87,071,828	5.2
	Staff costs	78,052,538	3.8	62,440,426	3.4	51,690,903	3.1
	Other expenses	67,018,799	3.3	49,818,123	2.7	43,415,113	2.5
	Sub-total	501,864,580	24.6	441,893,060	24.0	367,959,096	21.9
Real estate investment and development	Carry-over of real estate development products	235,352,228	11.5	217,259,901	11.8	250,144,727	14.9
	Other expenses	17,228,191	0.8	11,291,708	0.6	11,084,071	0.7
	Sub-total	252,580,419	12.4	228,551,609	12.4	261,228,798	15.6
Survey and design	Sub-total	9,250,674	0.5	8,522,205	0.5	8,532,540	0.5
Others	Sub-total	33,964,319	1.7	30,475,497	1.7	19,302,698	1.2
Inter-segment elimination	/	-38,209,432	-1.9	-33,671,368	-1.9	-36,455,260	-2.2
Total		2,042,723,831	100.0	1,840,182,381	100.0	1,677,967,644	100.0

Explanation on other information of cost analysis

Nil

- (5) Changes in the scope of consolidation for the Reporting Period as a result of changes in equity interests of major subsidiaries

☐ Applicable ☒ N/A

- (6) Significant changes in or adjustments of businesses, products or services of the Company during the Reporting Period

☐ Applicable ☒ N/A

- (7) Sales to major customers and major suppliers

A. Sales to major customers of the Company

☒ Applicable ☐ N/A

In 2023, the revenue generated from/sales to the top five customers of the Company was RMB28.2 billion, accounting for 1.2% of the total revenue/sales of the year. Among the sales to the top five customers, the sales to related parties amounted to nil, accounting for nil of the total sales for the year.

Circumstances where the proportion of sales to a single customer exceeds 50% of the total or there are new customers among the top five customers or the Company heavily depends on a few customers during the Reporting Period

☐ Applicable ☒ N/A

B. Major suppliers of the Company

☒ Applicable ☐ N/A

During the Reporting Period, the amount of procurement from the top five suppliers was RMB24.984 billion, accounting for 1.8% of the total procurement amount of the year. Among the amount of procurement from the top five suppliers, the amount of procurement from related parties amounted to nil, accounting for nil of the total amount of procurement for the year.

Circumstances where the proportion of purchases from a single supplier exceeds 50% of the total or there are new suppliers among the top five suppliers or the Company heavily depends on a few suppliers during the Reporting Period

☐ Applicable ☒ N/A

Other explanation

The Company's business scale and its diversified business structure mean that the Company's suppliers are extensive and the level of concentration is low. Public bidding procurement with minimum restrictions is used for the procurement of bulk materials, which ensures the supply of resources and avoids reliance on a single supplier.

3. Expenses

☒ Applicable ☐ N/A

In 2023, the Company's selling and distribution expenses, general and administrative expenses, finance expenses, and research and development expenses totaled RMB106.7 billion, a year-on-year decrease of 3.0%. The four items of expenses accounted for 4.7% of revenue, a year-on-year decrease of 0.6 percentage point.

For details, please refer to the relevant information as set out in Note V. 55 "Selling and distribution expenses", Note V. 56 "General and administrative expenses", Note V. 57 "Research and development expenses" and Note V. 58 "Finance expenses" to the financial statements under SECTION X "FINANCIAL REPORT".

4. R&D expenditures

(1) R&D expenditures

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Expensed R&D expenditures in the current Reporting Period	46,073,572
Capitalized R&D expenditures in the current Reporting Period	/
Total R&D expenditures	46,073,572
Percentage of total R&D expenditures to revenue (%)	2.0
Proportion of capitalization of R&D expenditures (%)	/

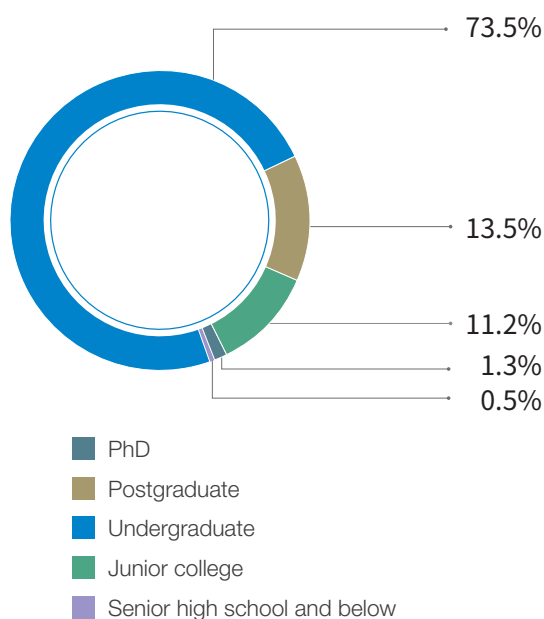
(2) R&D staff

☒ Applicable ☐ N/A

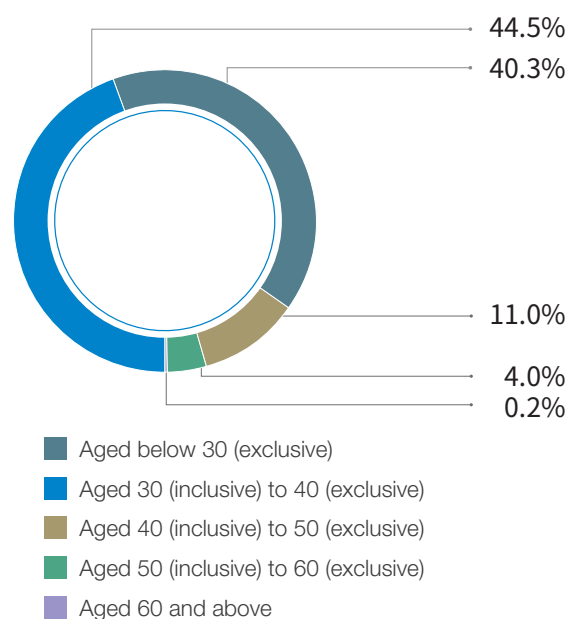
Number of the Company's R&D staff	39,443
Percentage of R&D staff number to the Company's total number of employees (%)	10.3
R&D staff by educational background	
By educational background	Number
PhD	499
Postgraduate	5,341
Undergraduate	28,984
Junior college	4,421
Senior high school and below	198
R&D staff by age	
By age	Number
Aged below 30 (exclusive)	15,911
Aged 30 (inclusive) to 40 (exclusive)	17,527
Aged 40 (inclusive) to 50 (exclusive)	4,327
Aged 50 (inclusive) to 60 (exclusive)	1,593
Aged 60 and above	85

Note: R&D staff refers to personnel engaged in basic research, applied research and experimental development activities in the R&D institution during the Reporting Period (Research and Experimental Development (R&D) Input Statistical Specifications (Trial) (Guo Tong Zi [2019] No. 47)). It includes all R&D personnel such as scientific and technological management personnel, engineering and technical personnel, design and R&D personnel, and others who are involved in R&D projects.

R&D staff by educational background



R&D staff by age



(3) Explanation

✓ Applicable □ N/A

In recent years, the Company has been extensively implementing an innovation-driven development strategy to accelerate innovation in construction technology and made certain achievements in improving the scientific and technological innovation platform system. The Company achieved breakthroughs in core technologies in the construction industry, developing green and low-carbon construction technologies and exploring digital technologies for building industrialization, which effectively enhanced its core competitiveness.

Strengthening investment in the construction of scientific and technological innovation platforms. The Company reinforced the construction of R&D institution systems centered on the scientific and technological innovation platform system, and established three national-level scientific and technological innovation platforms, namely the National Center of Technology Innovation for Digital Construction, the National Key Laboratory of Green Building, and the National Engineering Research Center for Soil Nutrient Management and Pollution Remediation. The Company also built two key laboratories for structural test analysis and safety control and civil engineering materials, and set up 16 engineering research centers in such fields as intelligent construction, green construction, ecological environment, urban renewal and smart operation and maintenance, human settlement environment in extreme conditions, and infrastructure technology and equipment. Additionally, the Company established a scientific and technological talent pool by discipline and level, fully encouraging independent innovation and arousing the enthusiasm and creativity of scientific and technological workers.

Increasing investment in research and development of key core technologies. During the Reporting Period, the Company set up 25 annual key scientific research projects focusing on “urban renewal” and “new materials”, further concentrating its research development on new business areas. Focusing on intelligent and green construction technology, the Company and its subsidiaries carried out research on the construction technology of super high-rise structures, large-span space structures of venues, prefabricated buildings, rail transportation, large and extra-large bridges, nuclear power, photovoltaics, and water conservancy facilities, and set up more than 15,000 projects.

Boosting investment in R&D of construction industrialization and digitalization technologies. The Company pushed ahead with digital-empowered transformation and development, used its best efforts to build a construction industry network, sought integration and innovation of big data, artificial intelligence, 3D printing and other technologies in the construction field, developed independent software such as BIM graphics and digital platforms, and realized the scaled empowerment and upgrading of the building information modeling (BIM), intelligent factory MES system, and intelligent construction site platform. During the Reporting Period, the Company independently developed the “5G remote control tower crane” technology, which was promoted and used in projects in Shanghai, Jiangsu and other locations, significantly improving operational efficiency and digital management level. The Company also independently developed and promoted the application of various intelligent construction technologies assembly, including the country’s first straddle-type intelligent welding robot, permanent magnet rail-type intelligent welding robot, and bridge steel mesh intelligent welding robot, greatly improving construction efficiency.



- (4) Reasons for material changes in the composition of R&D staff and their impact on the Company's development in the future

☐ Applicable ☒ N/A

5. Cash flows

☒ Applicable ☐ N/A

During the Reporting Period, the Company's net cash inflow amounted to RMB16.131 billion, a year-on-year increase in net inflow of RMB5.201 billion.

The Company's net cash inflow from operating activities was RMB11.030 billion, a year-on-year increase in net inflow of RMB7.201 billion, mainly due to the increase in the payments received for construction and property purchases, among others, during the Reporting Period.

The Company's net cash outflow from investing activities was RMB26.502 billion, a year-on-year increase in net outflow of RMB15.024 billion, mainly due to the decrease in cash receipts from other investment activities and the increase in cash payments for purchase and construction of fixed assets, intangible assets and other long-term assets during the Reporting Period.

The Company's net cash inflow from financing activities was RMB30.450 billion, a year-on-year increase in net inflow of RMB13.930 billion, mainly due to the increase in the cash received from borrowings and bond issuance during the Reporting Period.

For details, please refer to the relevant information as set out in Note V. 69 "Notes to the consolidated cash flow statement" and Note V. 70 "Supplementary information to the consolidated cash flow statement" to the financial statements under SECTION X "FINANCIAL REPORT".

6. Financing

During the Reporting Period, the Company took advantage of the accommodative monetary policy environment, and both the interest rates of new bank borrowings and newly issued bonds decreased. The Company continued to benefit from low-cost financing. As of the end of the Reporting Period, the Company's total interest-bearing liabilities amounted to RMB791.1 billion, representing an increase over that of the beginning of the year. This was mainly due to the increase in the Company's order volume, and accordingly in financing. The volume of interest-bearing liabilities was in line with the Company's business scale, and the structure of interest-bearing liabilities matched the Company's business structure. The general liquidity risk was low and under effective control.

(II) Operating investment business

During the Reporting Period, in light of changing market conditions, the Company maintained a prudent investment strategy by prioritizing investment returns and continued to improve the quality of investment to ensure sustainable and stable development of the investment business. During the Reporting Period, the Company completed an investment of RMB400.3 billion, a year-on-year decrease of 1.1%, and the amount of investment recovered was RMB428.3 billion, a year-on-year increase of 10.6%.

Unit: 100 million yuan Currency: RMB

Classification of projects	Amount of investment during the Reporting Period	Proportion (%)	YoY increase (%)
By category of projects			
Real estate development	3,061	76.5	-1.6
Investment in infrastructure	417	10.4	-8.4
Investment in housing construction	435	10.9	21.9
Comprehensive urban construction	77	1.9	-26.0
Fixed assets and other investments	13	0.3	-38.0
By continuity of projects			
Reinvested projects	2,177	54.4	-13.6
New projects	1,826	45.6	19.3
Total	4,003	100	-1.1

Note: The above classification of projects is designed in accordance with industry practices and the Company's internal management needs. The classification attributes of some projects will be adjusted according to the actual circumstances of the project. The year-on-year growth rate in the table will be adjusted retrospectively to the changed projects accordingly.

1. Real estate development

During the Reporting Period, the Company's investment in the real estate development reached RMB306.1 billion, a year-on-year decrease of 1.6%; the amount of investment recovered was RMB354.0 billion, a year-on-year increase of 14.1%; and the income to expenses ratio of investment was 115.6%, a year-on-year increase of 16 percentage points.

2. Investment in infrastructure

During the Reporting Period, the Company's investment in infrastructure reached RMB41.7 billion, a year-on-year decrease of 8.4%; the amount of investment recovered was RMB24.6 billion, a year-on-year increase of 11.4%; and the income to expenses ratio of investment was 59.1%, a year-on-year increase of 10.5 percentage points.

3. Investment in housing construction

During the Reporting Period, the Company's investment in housing construction reached RMB43.5 billion, a year-on-year increase of 21.9%; the amount of investment recovered was RMB37.3 billion, a year-on-year increase of 9.1%; and the income to expenses ratio of investment was 85.8%, a year-on-year decrease of 10 percentage points.

4. Comprehensive urban construction

During the Reporting Period, the Company's investment in comprehensive urban construction reached RMB7.7 billion, a year-on-year decrease of 26.0%; the amount of investment recovered was RMB7.9 billion, a year-on-year decrease of 48.7%; and the income to expenses ratio of investment was 102.1%, a year-on-year decrease of 46.3 percentage points.

5. Investment and construction in key regions

The Company resolutely implemented the major strategic decisions and arrangements made by the CPC Central Committee and the State Council. Actively practicing regional and coordinated development strategies under the guidance of major national strategic planning and arrangements, the Company deeply engaged in the investment and construction in high-priority regions including the coordinated development of the Beijing-Tianjin-Hebei Region, the development of the Yangtze River Economic Belt, the construction of the GBA, the integrated development of the Yangtze River Delta, and the ecological protection and high-quality development of the Yellow River Basin. During the Reporting Period, the amount invested by the Company in the Beijing-Tianjin-Hebei Region, the Yangtze River Economic Belt, the GBA, the Yangtze River Delta and the Yellow River Basin reached RMB369.3 billion in aggregate, representing 92.3% of the Company's overall investment amount.

6. PPP business

In accordance with the relevant national requirements on the regulated development of PPP business, and under the guidance of national policies, the Company established and improved the risk management and control system of PPP business, controlled PPP business scale rationally, and persevered with the high-quality development of the PPP business. In 2023, the Company had 443 PPP projects under construction, with equity investment amounting to RMB650.4 billion. During the Reporting Period, the Company secured one new municipal engineering PPP project with equity investment amounting to RMB890 million.

As of the end of the Reporting Period, the Company had 291 PPP projects in operation with an equity investment amount of approximately RMB406.9 billion, accounting for 62.6% of total equity investment. Classified by type, existing PPP projects in operation mainly concentrate on municipal roads, utility tunnels, cultural and sports venues, affordable housing projects and eco-environmental protection. During the Reporting Period, the Company continued to strengthen the management of PPP projects, promoting high-quality development of the PPP business. Firstly, the Company diligently investigated new PPP mechanisms and actively explored new models in line with policy requirements. Secondly, the Company pushed forward cash flow investigations and carried out coordinated management of PPP projects covering the entire project life-cycle, focusing on cash flow as the top priority. Thirdly, the Company conducted thorough research on fund recovery, comprehensively reviewed the realization of fund recovery for PPP projects during the operation period, so as to effectively guarantee the recovery of funds invested. As of the end of the Reporting Period, PPP projects in operation delivered satisfactory results in the operation performance assessment, and all the projects that have completed the annual performance assessment had reached the preset targets, with a cumulative fund recovery of RMB95.17 billion, reinforcing the accountability discipline for investment recovery.



PPP Project of the Three Venues of Hangzhou Asian Games - the Main Stadium, a Natatorium and a Comprehensive Training Center

(III) Operation of specialized sectors

The Company further implemented the “specialization” strategy, and fostered and developed a number of highly specialized companies with sophisticated management mechanisms, innovative capabilities and core competencies in their respective fields of business. The Company’s operations encompass 11 specialized sectors. Its newly signed contract value amounted to RMB690.3 billion for the whole year of 2023, a year-on-year increase of 2.2%; revenue came in at RMB477.61 billion, a year-on-year increase of 8.0%; gross profit was RMB35.95 billion, a year-on-year increase of 4.2%; and operating profit was RMB20.13 billion, a year-on-year increase of 11.8%.

During the Reporting Period, the Company further rationalized the division and structural planning of specialized sectors, the synergetic and coordination mechanism became increasingly sophisticated, and the overall competitive edge became more prominent. Each specialized sector and its related subsidiaries provided strong support for the Company’s development across business segments covering entire life cycles and industry chains. China State Decoration ranked among the top players in businesses such as decoration and curtain wall manufacturing. Its competitiveness in green and healthy decoration technologies made the company the pacesetter in the industry, while the transformation platform for prefabricated decoration components progressed smoothly toward commercialization and industrialization. Moreover, significant breakthroughs have been achieved in existing curtain wall testing technologies, making it the first non-destructive testing agency in China. China Construction Steel Structure Co., Ltd. (中建钢构) maintained its top position in China’s construction steel structure industry competitiveness rankings, boasting the largest market share in the high-end steel structure business sector, and was honored with the title of “National Individual Champion Demonstration Manufacturing Enterprise”. CCIEE secured the largest share of the global market of propane dehydrogenation core equipment. It obtained the GA1 level license for long-distance pipeline installation and was awarded the title of “National Individual Champion Product in Manufacturing Industry”. Additionally, its on-site manufacturing capabilities for large-scale towers and reactors held a leading position in the national chemical equipment manufacturing sector. China West Construction Group Co., Ltd. remained at the forefront of China’s precast concrete industry. Its self-developed intelligent factory system solution was officially designated as a typical case of intelligent manufacturing in the building materials industry by the Ministry of Industry and Information Technology in 2023. China Construction Science & Technology successfully developed and implemented the CMC modular building products and production lines.



Intelligent Steel Structure Production Line

Unit: 100 million yuan Currency: RMB

Items	Names of sectors	Value of newly signed contracts	Revenue for 2023	YoY increase (%)	Gross profit for 2023	YoY increase (%)	Operating profit for 2023	YoY increase (%)
Cross-sector	Installation	729	674.7	2.6	40.6	-1.1	25.7	0.1
	Steel structure	178	281.7	27.1	17.7	14.3	8.9	11.1
	Commercial concrete	579	228.6	-8.0	25.9	-0.9	8.9	3.4
Housing construction	Decoration	592	493.8	12.6	37.2	15.4	10.8	26.9
	Gardening	105	103.7	29.0	8.8	20.4	5.3	9.2
Infrastructure	Municipal projects	1,874	920.5	3.9	103.5	-3.1	62.8	-0.6
	Railways	398	276.2	78.5	4.9	1,101.0	3.3	/
	Rail transit	387	655.9	1.1	34.7	7.7	23.6	20.0
	Road and bridges	1,216	942.6	1.0	71.4	-1.5	46.5	18.6
	Electricity	639	97.6	42.0	5.5	34.7	3.0	36.8
	Port engineering	206	100.8	21.3	9.3	38.7	2.5	47.6
Total		6,903	4,776.1	8.0	359.5	4.2	201.3	11.8

Items	Names of sectors	Gross profit margin (%)			Operating profit margin (%)		
		2023	2022	YoY change (percentage points)	2023	2022	YoY change (percentage points)
Cross-sector	Installation	6.0	6.2	-0.2	3.8	3.9	-0.1
	Steel structure	6.3	7.0	-0.7	3.2	3.6	-0.4
	Commercial concrete	11.3	10.5	0.8	3.9	3.5	0.4
Housing construction	Decoration	7.5	7.4	0.1	2.2	1.9	0.3
	Gardening	8.5	9.1	-0.6	5.1	6.0	-0.9
Infrastructure	Municipal projects	11.2	12.1	-0.9	6.8	7.1	-0.3
	Railways	1.8	0.3	1.5	1.2	-1.0	/
	Rail transit	5.3	5.0	0.3	3.6	3.0	0.6
	Road and bridges	7.6	7.8	-0.2	4.9	4.2	0.7
	Electricity	5.6	5.9	-0.3	3.0	3.2	-0.2
	Port engineering	9.3	8.1	1.2	2.4	2.0	0.4
Total		7.5	7.8	-0.3	4.2	4.1	0.1

(IV) Explanation on significant changes in profit arising from non-principal business

☐ Applicable ☒ N/A

(V) Analysis of assets and liabilities

☒ Applicable ☐ N/A

1. Assets and liabilities

Unit: '000 yuan Currency: RMB

Items	Amount as of the end of the current Reporting Period	Percentage of amount as of the end of the current Reporting Period to total assets (%)	Amount as of the end of the last Reporting Period	Percentage of amount as of the end of the last Reporting Period to total assets (%)	Change of amount as of the end of the current Reporting Period compared to the last Reporting Period (%)	Remarks
Total assets	2,903,322,519	100.00	2,652,903,306	100.00	9.44	Assets increased by RMB250.4 billion during the year, mainly due to the increases in contract assets by RMB72.4 billion, other non-current assets by RMB48.3 billion, accounts receivable by RMB47.3 billion, inventories by RMB24.8 billion, and cash and bank balances by RMB23.5 billion.
Cash and bank balances	358,790,899	12.36	335,254,102	12.64	7.02	Cash and bank balances increased by RMB23.5 billion during the year, mainly due to the increase in capital deposits arising from enhanced capital planning.
Notes receivable	2,613,164	0.09	6,390,924	0.24	-59.11	Notes receivable decreased by RMB3.8 billion during the year, mainly due to the decrease in the proportion of payments made by customers using bank acceptance bills during the year.
Accounts receivable	257,698,659	8.88	210,431,620	7.93	22.46	Accounts receivable increased by RMB47.3 billion during the year, mainly due to the expansion of the overall business scale.
Receivables financing	4,353,284	0.15	4,658,182	0.18	-6.55	Receivables financing decreased by RMB300 million, mainly due to the decrease in the proportion of payments made by customers using bank acceptance bills during the year.
Prepayments	28,778,596	0.99	37,223,161	1.40	-22.69	Prepayments decreased by RMB8.4 billion during the year, mainly due to the carryover of prepaid land payments to inventories.
Other receivables	76,554,995	2.64	73,584,067	2.77	4.04	Other receivables increased by RMB3 billion during the year, mainly due to the increases in advance receivables incurred for maintaining day-to-day operations and deposits receivable and reserves arising from an increase in business scale.
Inventories	796,342,895	27.43	771,548,600	29.08	3.21	Inventories increased by RMB24.8 billion during the year, mainly due to the increase in property development costs and completed properties for sale arising from the increase in investment in the real estate development business.

Items	Amount as of the end of the current Reporting Period	Percentage of amount as of the end of the current Reporting Period to total assets (%)	Amount as of the end of the last Reporting Period	Percentage of amount as of the end of last Reporting Period to total assets (%)	Change of amount as of the end of the current Reporting Period compared to the last Reporting Period (%)	Remarks
Contract assets	334,954,194	11.54	262,511,324	9.90	27.60	Contract assets increased by RMB72.4 billion during the year, mainly due to the increase in completed but unsettled balance generated from the acceleration of construction progress in certain housing construction and infrastructure projects.
Non-current assets due within one year	54,290,578	1.87	49,254,042	1.86	10.23	The non-current assets due within one year increased by RMB5 billion during the year, mainly due to the increase in the part due within one year such as shantytown renovation receivables.
Other current assets	134,570,627	4.64	123,911,880	4.67	8.60	Other current assets increased by RMB10.7 billion during the year, mainly due to the increase in prepaid taxes and input taxes to be deducted arising from business scale growth.
Long-term receivables	111,329,401	3.83	109,091,602	4.11	2.05	Long-term receivables increased by RMB2.2 billion during the year, mainly due to the increase in receivables from shantytown renovation projects.
Long-term equity investments	113,983,973	3.93	111,102,151	4.19	2.59	Long-term equity investments increased by RMB2.9 billion during the year, mainly due to the increase in external investment.
Investment in other equity instruments	6,107,503	0.21	4,610,471	0.17	32.47	Investments in other equity instruments increased by RMB1.5 billion during the year, mainly due to increased investments in certain unlisted equity instruments.
Investment properties	158,491,475	5.46	147,675,206	5.57	7.32	Investment properties increased by RMB10.8 billion during the year, mainly due to the increase in new investment properties.
Intangible assets	32,730,141	1.13	26,203,627	0.99	24.91	Intangible assets increased by RMB6.5 billion during the year, mainly due to the increase in investment in PPP projects accounted for by the intangible asset model and the mixed model.
Other non-current assets	318,154,072	10.96	269,804,869	10.17	17.92	Other non-current assets increased by RMB48.3 billion during the year, mainly due to the increase in receivables from PPP projects not confirmed by owners.

Items	Amount as of the end of the current Reporting Period	Percentage of amount as of the end of the current Reporting Period to total assets (%)	Amount as of the end of the last Reporting Period	Percentage of amount as of the end of the last Reporting Period to total assets (%)	Change of amount as of the end of the current Reporting Period compared to the last Reporting Period (%)	Remarks
Total liabilities	2,172,252,410	74.82	1,972,516,396	74.35	10.13	Total liabilities increased by RMB199.7 billion year-on-year, mainly due to the increase in operating scale.
Short-term borrowings	124,352,134	4.28	78,154,159	2.95	59.11	Short-term borrowings increased by RMB46.2 billion during the year, mainly due to the replenishment of working capital required to meet business needs.
Contract liabilities	316,984,078	10.92	337,693,219	12.73	-6.13	Contract liabilities decreased by RMB20.7 billion during the year, mainly due to the decrease in the amount from settled but uncompleted projects and advances for projects arising from the Company's accelerated performance of the contract.
Non-current liabilities due within one year	127,873,148	4.4	118,183,943	4.45	8.20	Non-current liabilities due within one year increased by RMB9.7 billion during the year, mainly due to the increase in long-term borrowings and long-term payables due within one year.
Other current liabilities	102,330,742	3.52	84,744,727	3.19	20.75	Other current liabilities increased by RMB17.6 billion compared to the end of previous year, mainly due to the increase in short-term financing bonds and VAT output to be transferred.
Long-term borrowings	458,112,463	15.78	398,970,893	15.04	14.82	Long-term borrowings increased by RMB59.1 billion during the year, mainly due to the increase in borrowings to satisfy the capital needs of real estate development projects and PPP projects.
Bonds payable	92,372,831	3.18	103,797,195	3.91	-11.01	Bonds payable decreased by RMB11.4 billion, mainly due to the repayment of part of the bonds.
Long-term payables	12,380,443	0.43	14,992,672	0.57	-17.42	Long-term payables decreased by RMB2.6 billion compared to the end of previous year, mainly due to the increase in long-term payables reclassified to those due within one year.
Deferred tax liabilities	8,799,029	0.30	9,537,504	0.36	-7.74	Deferred tax liabilities decreased by RMB700 million during the year, mainly due to the appreciation in the appraised value of assets consolidated from enterprises not under common control.
Other non-current liabilities	1,584,377	0.05	4,672,981	0.18	-66.09	Other non-current liabilities decreased by RMB3.1 billion during the year, mainly due to the repayment of exchangeable bonds by the Company.
Other explanation						
Nil						

2. Overseas assets☒ Applicable ☐ N/A**(1) Asset scale**

As at the end of the Reporting Period, the overseas assets of the Company amounted to RMB183.4 billion, accounting for 6.3% of its total assets.

(2) Relevant explanation on a relatively high proportion of overseas assets☐ Applicable ☒ N/A**(3) Description of overseas assets**☒ Applicable ☐ N/A

During the Reporting Period, there were no material changes in the major assets of the Company. The above data on overseas assets has not been audited.

3. Restriction on major assets as at the end of the Reporting Period☒ Applicable ☐ N/A

For details, please refer to Note V. 26 “Assets with restricted ownership or right to use” to the financial statements under SECTION X “FINANCIAL REPORT”.

4. Other explanation☐ Applicable ☒ N/A**(VI) Analysis of operating information in the industry**☒ Applicable ☐ N/A**Analysis of operating information in the construction industry****1. Projects completed and accepted during the Reporting Period**☒ Applicable ☐ N/A

Unit: 100 million yuan Currency: RMB

Segment of industry	Housing construction	Infrastructure construction	Specialized engineering	Construction and decoration	Others	Total
Number of projects	9,040	1,954	/	/	/	10,994
Total amount	19,387	4,543	/	/	/	23,930

☒ Applicable ☐ N/A

Unit: 100 million yuan Currency: RMB

Locations of projects	Number of projects	Total amount
China's Mainland	10,839	22,704
Overseas	155	1,226
Of which:		
Hong Kong and Macao SARs	37	710
Southeast Asia	40	151
Middle East	22	220
North Africa	10	93
Central and Southern Africa	20	10
Americas	7	11
Europe	3	2
Other regions	16	29
Total	10,994	23,930

Other explanation

☒ Applicable ☐ N/A

With reference to the relevant national standards, and taking into consideration its operating characteristics and structural development needs, the Company's housing construction projects include engineering general contracting and specialized contracting projects (foundation, steel structure, construction and installation, renovation and decoration, etc.); infrastructure projects include transportation engineering (roads, municipal roads, railways, urban rail transit, airports, ports and docks, parking lots, tunnels, bridges, waterways, etc.), energy engineering, petrochemical engineering, water supply and treatment engineering, environmental protection engineering, post and telecommunications engineering, disaster prevention engineering, hydraulic engineering and other projects (outdoor stadiums, outdoor recreational facilities, land reclamation, artificial islands, urban utility tunnels, pipe networks, etc.), which is also applicable to the items below.

2. Projects under construction during the Reporting Period

☒ Applicable ☐ N/A

Unit: 100 million yuan Currency: RMB

Segment of industry	Housing construction	Infrastructure construction	Specialized engineering	Construction and decoration	Others	Total
Number of projects	20,314	7,524	/	/	/	27,838
Total amount	69,547	34,953	/	/	/	104,500

☒ Applicable ☐ N/A

Unit: 100 million yuan Currency: RMB

Locations of projects	Number of projects	Total amount
China's Mainland	26,952	98,446
Overseas	886	6,054
Of which:		
Hong Kong and Macao SARs	197	3,020
Southeast Asia	350	1,145
Middle East	71	547
North Africa	40	427
Central and Southern Africa	56	124
Americas	15	80
Europe	23	39
Other regions	134	672
Total	27,838	104,500

Other explanation

☐ Applicable ☒ N/A**3. Material projects under construction**☐ Applicable ☒ N/A

Other explanation

☐ Applicable ☒ N/A

4. Overseas projects during the Reporting Period☒ Applicable ☐ N/A

Unit: 100 million yuan Currency: RMB

Locations of projects	Number of projects	Total amount
Hong Kong and Macao SARs	263	4,264
Southeast Asia	492	1,990
Middle East	120	1,169
North Africa	116	901
Central and Southern Africa	143	454
Americas	46	327
Europe	27	41
Other regions	188	1,047
Total	1,395	10,193

Other explanation

☒ Applicable ☐ N/A

The status of the above projects includes completed and settled, completed and unsettled, under construction and others.

The amount of contracts for overseas projects was calculated based on the exchange rate of foreign currencies against RMB as agreed in the contract or the spot exchange rate at the time of contract signing.

5. Total number of new projects signed during the Reporting Period☒ Applicable ☐ N/A

The total number of new projects signed during the Reporting Period was 7,408 with an amount of RMB3,872.7 billion (amount of construction contracts).

6. Orders in hand as of the end of the Reporting Period☒ Applicable ☐ N/A

The total amount of orders in hand as of the end of the Reporting Period was RMB7,084.8 billion. In particular, the amount of contracts that have been signed but the projects have not yet started was RMB2,383.4 billion, and the amount of the unfinished part of the projects under construction was RMB4,701.4 billion.

Other explanation

☐ Applicable ☒ N/A**7. Other explanation**☐ Applicable ☒ N/A

- **The Company's qualifications in the construction industry**

As of the end of the Reporting Period, the Company had a total of 42 enterprises with special-grade qualifications, one enterprise with engineering design integrated Class-A qualification, and 69 special and integrated Class-A qualifications, namely 35 special-grade qualifications in general contracting of construction projects, 19 special grade qualifications in general contracting of municipal utilities works, and 11 special-grade qualifications in general contracting of highway projects, two special-grade qualifications in general contracting of petrochemical projects, one special-grade qualification in general contracting of port and waterway projects, and one design integrated Class-A qualification.

- **The Company's quality control system, implementation standards, control measures and overall evaluation**

Based on the ISO9001 quality system, the Company continuously improved the multi-level and comprehensive quality management system such as quality organization system, regimes and supervision system, and maintained effective operation. The Company issued a series of requirements for its standardized system of quality management, including the Handbook for the Prohibited, Restricted and Recommended Processes, Equipment and Materials (《禁止、限制和推荐的工艺、设备、材料手册》) and the bottom line requirements of "10 prohibitions and six necessities" for management, providing standards and systematic safeguards for project quality. The Company reinforced quality liability by implementing written notification of quality responsibility and works quality issue interviews and enhanced punishment for enterprises with serious quality untrustworthiness. The Company attached great importance to quality assurance services, established customer files, and conducted regular and irregular quality review visits. The pass rate of the completed projects was 100%, with no quality accidents above the general level.

- **Operation of the Company's work safety system**

During the Reporting Period, the Company promoted various tasks, including the annual campaign for central enterprises to "strengthen safety management", the yearly action for the Company to "deepen responsibility", and the special action for the Company to "pay close attention to work safety". The Company diligently deepened and consolidated the 2023 action to investigate and rectify hidden dangers of major accidents, and continued to deepen the "double zero concept" and improve the safety management system. No major or higher-level work safety incidents occurred during the Reporting Period. The Company also developed the Measures for Management of Prevention Mechanism for Safety Risk Grading and Control and Hidden Dangers Investigation and Management (《安全风险分级管控和隐患排查治理预防机制管理办法》), which clarified criteria for determining major hidden dangers in the infrastructure construction sector. The Company was committed to promoting the transition of the safety management model towards beforehand prevention. The Company also conducted a comprehensive review of operational risks throughout the entire process of tower crane operations, from installation, erection to dismantling, and prepared the Major Risk Control Table for Tower Crane (塔式起重机重大风险管控表), which clearly outlined management and control requirements and operating standards for key steps. Additionally, the Company organized a series of specialized training sessions for work safety, where more than 70,000 individuals systematically studied newly released regulations and policies of the state, and the Company's new safety rules. The Company established its first licensed training base for large-scale equipment to enhance trainees' safety capabilities through a combination of theory study, practical exercises, and examinations. A total of 329 equipment supervisors were trained throughout the year.

(VII) Analysis of investment

General analysis of external equity investment

☒ Applicable ☐ N/A

The Company's external equity investment mainly includes stocks purchased from the secondary market for trading purposes, and equities held in other listed or unlisted companies for non-trading purposes. Accounting items include financial assets held for trading, investment in other equity instruments and long-term equity investments.

1. Major equity investment

☐ Applicable ☒ N/A

2. Major non-equity investment

☐ Applicable ☒ N/A

3. Financial assets measured at fair value

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Category of assets	Opening balance	Profit or loss from change in fair value in current Reporting Period	Accumulated changes in fair value recognized in equity	Impairments recognized in current Reporting Period	Purchase amount of current Reporting Period	Disposal/redemption amount of current Reporting Period	Other changes	Closing balance
Stock	2,051,579	-5,299	-670,049	0	0	1,479,139	38,250	844,805
Others	10,805,863	-11,246	383,790	0	2,084,565	1,558,444	417,947	12,122,475
Total	12,857,442	-16,545	-286,259	0	2,084,565	3,037,583	456,197	12,967,280

Investment in securities

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Securities type	Stock code	Stock short name	Initial investment cost	Source of capital	Carrying value at the beginning of the Reporting Period	Profit or loss from change in fair value in current Reporting Period	Accumulated changes in fair value recognized in equity	Purchase amount of current Reporting Period	Disposal amount of current Reporting Period	Profit or loss from investment in current Reporting Period	Carrying value at the end of the Reporting Period	Accounting items
Stock	600515.SH	HAINAN AIRPORT	20,153	Share converted from debts	20,153	-5,299	0	0	0	0	14,854	Financial assets held for trading
Stock	600015.SH	HUAXIA BANK	29,325	Self-owned funds	300,867	0	0	0	329,004	21,225	0	Investment in other equity instruments
Stock	000617.SZ	CNPC Capital	1,150,135	Self-owned funds	829,672	0	0	0	1,150,135	/	/	Other current assets
Stock	600390.SH	MINMETALS CAPITAL	1,500,000	Self-owned funds	900,887	0	-670,049	0	0	17,025	829,951	Other current assets
Total	/	/	2,699,613	/	2,051,579	-5,299	-670,049	0	1,479,139	38,250	844,805	/

Notes on securities investments:

- ① This table sets out the Company's investments in stock securities including financial assets held for trading, other current assets, and investment in other equity instruments.
- ② Profit or loss for the Reporting Period, with respect to financial assets held for trading, includes the investment income and changes in fair value during the holding period and investment income from disposals during the Reporting Period; with respect to investment in other equity instruments and other current assets, includes investment income during the holding period.
- ③ Other securities investment refers to investment in stock securities accounted for as financial assets held for trading, investment in other equity instruments other than those listed above.
- ④ In addition to the table above, for other items included in financial assets held for trading and investment in other equity instruments, please refer to the relevant information as set out in Note V. 2. "Financial assets held for trading" and Note V. 15. "Investment in other equity instruments" to the financial statements under SECTION X "FINANCIAL REPORT".

Investment in private funds

☐ Applicable ☒ N/A

Investment in derivatives

☐ Applicable ☒ N/A

4. Specific progress of material asset restructuring during the Reporting Period

☐ Applicable ☒ N/A

(VIII) Disposal of major assets and equity interests

☐ Applicable ☒ N/A

(IX) Analysis of major subsidiaries where the Company has a controlling or minority interest

☒ Applicable ☐ N/A

1. Major subsidiaries acquired through incorporation or investment

Unit: '000 yuan Currency: RMB

Name	Nature of business	Registered capital	Shareholding ratio (%)	Total assets	Net assets	Net profit
COHL	Investment holding	31,032,258	100.00	1,066,577,340	365,779,177	29,614,981
China Overseas Land & Investment	Real estate development and operation	HKD1.095 billion	56.10	836,173,429	319,577,354	20,259,957
CSCI	Construction and installation	HKD1.5 billion	64.81	221,690,861	64,647,868	8,324,300
China Overseas Property	Property management	HKD30 million	61.18	10,610,823	4,177,017	1,351,504
China Construction First Group Corporation Limited	Construction and installation	10,000,000	100.00	112,363,689	28,020,666	4,472,002
China Construction Second Engineering Bureau Ltd.	Construction and installation	10,000,000	100.00	177,675,195	33,437,019	4,199,563
China Construction Third Engineering Bureau Group Co., Ltd.	Construction and installation	5,087,865	100.00	320,909,095	79,025,290	12,735,834
China Construction Fourth Engineering Division Corp., Ltd.	Construction and installation	8,000,000	100.00	168,665,787	20,913,870	665,238
China Construction Fifth Engineering Division Corp., Ltd.	Construction and installation	10,000,000	100.00	183,933,010	40,701,556	4,163,967
China Construction Sixth Engineering Bureau Corp., Ltd.	Construction and installation	5,277,946	100.00	74,120,198	13,981,852	596,594
China Construction Seventh Engineering Division Corp., Ltd.	Construction and installation	9,000,000	100.00	175,363,396	22,339,951	583,446
China Construction Eighth Engineering Division Corp., Ltd.	Construction and installation	15,218,000	100.00	326,917,821	85,240,940	13,272,175
China Southwest Architecture	Engineering survey and design	383,310	100.00	10,130,692	3,031,002	451,167
China State Decoration	Industrial renovation and decoration	1,000,000	100.00	20,819,900	1,787,816	140,348
China Construction Fangcheng	Infrastructure construction	5,000,000	100.00	55,870,965	18,745,370	964,190

2. Major subsidiaries acquired through business combination under common control

Unit: '000 yuan Currency: RMB

Name	Nature of business	Registered capital	Shareholding ratio (%)	Total assets	Net assets	Net profit
CSCEC Xinjiang Construction & Engineering	Construction and installation	3,603,530	85.00	66,584,616	16,206,893	1,252,609
China West Construction	Construction materials	1,262,354	57.79	34,403,162	11,076,390	725,019
CSC Finance	Finance	15,000,000	80.00	92,764,625	19,399,866	1,129,272

3. Major subsidiaries acquired through business combination not under common control

Unit: '000 yuan Currency: RMB

Name	Nature of business	Registered capital	Shareholding ratio (%)	Total assets	Net assets	Net profit
CSC Development	Construction and installation	HKD100 million	45.87	9,662,629	2,084,646	511,574
China Construction Harbour and Channel Engineering Bureau	Infrastructure construction business	1,333,333	70.00	10,135,778	2,504,651	242,280

For details, please refer to relevant information as set out in “1. Interests in subsidiaries” under Note VIII “Interest in other entities” to the financial statements under SECTION X “FINANCIAL REPORT”.

(X) Structured entities under the control of the Company

☒ Applicable ☐ N/A

For details, please refer to the relevant information as set out in “3. Interests in consolidated structured entities” under Note VIII “Interest in other entities” to the financial statements under SECTION X “FINANCIAL REPORT”.

VI. Discussion and Analysis of the Future Development of the Company

(I) Industrial development and trends

☒ Applicable ☐ N/A

There is plenty of room for development in both newly built and existing housing properties. According to the Central Economic Work Conference and the Report on the Work of the Government, China’s urbanization still enjoys substantial room for improvement. It is necessary to thoroughly implement the strategic initiatives of new urbanization, promote the two-way flow of various elements, and foster a new pattern for the integrated development of urban and rural areas. Efforts should be made to nurture and develop county-level economies, address shortcomings in infrastructure and public services, and position counties as important drivers of new urbanization. Urban agglomerations and metropolitan areas should be leveraged to promote coordinated development across cities of different sizes. Efforts should be directed towards promoting the development of the Chengdu-Chongqing Economic Circle. Concurrently, efforts should also be made to steadily implement urban renewal initiatives by advancing the construction of affordable housing and “public infrastructure for both normal and emergency use” in megacities, and shantytown renovation (the “Three Major Projects”). This aims to create livable, smart, and resilient cities, allowing people to enjoy a better life. Simultaneously, efforts should be made to cultivate and expedite new quality productive forces, which will drive investment and construction in high-end manufacturing projects. With China’s urbanization rate rising and urban renewal progressing steadily, the housing construction market will maintain strong growth momentum and plenty room for growth, transitioning toward greener, smarter, and more industrialized construction. From the perspective of niche segments, various regions will expedite investment and construction in the Three Major Projects and facilities such as high-tech industrial plants, educational facilities, cultural venues, sports and healthcare infrastructure, thereby creating new opportunities for construction companies.

There will be a synergistic development of traditional and new infrastructure facilities. In December 2023, the National Development and Reform Work Conference explicitly stated that, for investment in 2024, greater efforts would be made to leverage government investment, including the RMB1 trillion worth of additional central government bonds issued in 2013, investment within the central government budget, and special bonds of local governments, and improve their efficiency. The investment aims to support transportation infrastructure, energy, agriculture, forestry and water conservancy, new-generation infrastructure, and energy conservation, emission and carbon reduction and other projects. According to the 2024 Report on the Work of the Government, China will fully leverage the stimulating and multiplier effects of government investment, with a focus on supporting major scientific and technological innovation programs, new-generation infrastructure, and energy conservation and pollution and carbon reduction initiatives. China will increase efforts to shore up weak links in economic and social development, such as projects for ensuring people’s wellbeing. China will build infrastructure for flood prevention, drainage, and disaster response, encourage upgrading and technological transformation of production and service equipment, and accelerate implementation of major projects included in the 14th Five-Year Plan. In 2024, RMB700 billion will be earmarked in the central government budget for investment. Looking ahead, infrastructure system modernization will gain momentum in China as the country embarks on its journey to become a power of manufacturing, quality, space technology, transportation, digital networks and digitalization. Implementation of key projects under the 14th Five-Year Plan is poised to catalyze accelerated investments and development in both traditional and novel infrastructural domains. The total market size of highways and railroads is expected to remain high, and energy engineering, water conservancy and ecological environment protection are expected to become fast-growing markets.

A new development model started to take shape within the real estate sector. Explicit directives from the Central Economic Work Conference and the Two Sessions advocate for optimizing real estate policies, promoting the stable and healthy development of the real estate market, and adhering to the principle of “housing is for living in, not for speculation” with a city-specific, targeted policymaking approach. Efforts are underway to adapt to the development trends of new urbanization and changes in supply and demand within the real estate market, accelerate the formation of a new development model for real estate, augment the construction and supply of affordable housing, improve the basic system related to commercial housing, and satisfy the housing needs of first-time homebuyers as well as those seeking to trade up. There is a continued emphasis on ensuring the timely delivery of presold commercial housing properties, safeguarding people’s livelihood and social stability, properly coping with risks confronting real estate enterprises and promoting the stable and healthy development of the real estate market. In the future, the real estate market is expected to move towards stable development, and the industry will go through a phase of high-quality growth. Under the new dynamics of market supply and demand and regulatory policies, real estate enterprises will face heightened requirements in development, asset operation and urban service capabilities. Additionally, industry concentration is expected to increase further.

The survey and design sector is undergoing rapid transformation. New urbanization construction and investment in infrastructure have created fresh opportunities for the development of the survey and design industry. Niche segments of survey and design, such as cultural venues, sports facilities, education facilities, airports, historical buildings and municipal infrastructure, are poised for rapid growth, imposing heightened requirements for the original design capabilities of survey and design enterprises. Furthermore, the extensive application of new-generation information technologies such as BIM (Building Information Modeling) and artificial intelligence, along with the requirements of green and low-carbon development, will further accelerate the transformation and upgrading of the survey and design industry.

The overseas business landscape presents both opportunities and challenges. In 2023, China successfully hosted the Third Belt and Road Forum for International Cooperation and the China-Central Asia Summit, advocating for the expansion of BRICS and honoring its commitment to building a community with a shared future for mankind, which injected new impetus into the development of the international engineering sector. As cooperation under the BRI is entering a new stage of high-quality development, and with the gradual implementation of the eight actions for high-quality BRI development, Chinese enterprises will seize new development opportunities on the global stage. In the future, under the framework of the BRI, concerted efforts from all countries will continue to advance “small niche” projects that benefit the people’s wellbeing, represented by medical facilities, affordable housing, cultural venues, and sports facilities, and regional landmark projects. A comprehensive, multi-layered and complex infrastructure network centered around highways, high-speed railways, airports, bridges and ports will rapidly take shape. Furthermore, the uncertainties surrounding global economic recovery, the new round of technological revolution and industrial changes, as well as geopolitical factors will continue to pose challenges to the international engineering industry. International investment and construction enterprises with superior construction quality, strong resource integration capabilities and cutting-edge technologies will emerge as leaders in the highly competitive landscape.

(II) Development strategies

☒ Applicable ☐ N/A

During the 14th Five-Year Plan period, the Company will, under the guidance of the strategic goal of “one creation and five aspects of strength”, focus on its main duties and principal business while solidly promoting continuous high-quality, innovative, green, digital and security development and transformation. The Company will intensify its development in strategic emerging industries to further enhance its core competitiveness and create a world-class investment and construction conglomerate.

- 1. Housing construction.** The Company will keep consolidating its dominant position in the housing construction market. In accordance with the principle of steady development with efficiency enhancement, the Company will focus on expanding projects in the public investment and high-quality real estate developers’ residential and commercial office projects and continue to improve its competitiveness in high-end housing construction business such as super high-rise and large-span projects. The Company aims to set a new benchmark for supply chain management, informatization, construction quality, energy conservation and environmental protection and work safety, deliver scientific research results of domestic and international leading levels, and continuously improve its market competitiveness and development quality. The Company will continue to deepen the reforms and innovations in the construction business, and optimize the internal coordination mechanism to become the industry leader in terms of business volume, technology and quality, as well as the first choice for high-end customers.
- 2. Infrastructure construction and investment.** The Company will continue to take infrastructure as the focus of its transformation and upgrading, developing this sector into a pillar to stabilize its operational concepts and strategies. The Company will improve its capabilities throughout the entire life-cycle from the front end of the market, construction performance, operation and management, consolidate its leading position in the construction businesses such as urban rail transits, airports and comprehensive transportation hubs, accelerate the improvement of comprehensive competitiveness and market share in the fields of highway, railway and water conservancy construction, and set a good example for the development of emerging infrastructure sectors such as new energy, intelligent transportation and general aviation. Infrastructure investment and operation are key for the Company to optimize its business structure and achieve transformation and upgrading. During the 14th Five-Year Plan period, the Company will attach great importance to investment management and the safe and stable operation of projects, and strive to enhance capabilities in operation management, professional implementation and risk mitigation.

3. **Real estate investment and development.** In line with its commitment to building an outstanding international real estate development and operation group, the Company will continue to take transformation and upgrading as the keynote, accelerate the formation of a pattern that focuses on residential product development, supplemented by high-quality commercial development and operation as well as by emerging business such as healthcare and wellness. With regard to novel urbanization business, the Company will proactively implement the national strategic deployment of urban renewal, coordinate regional distribution, concentrate relevant resources, and give full play to its “four-in-one” advantages. The Company will focus on zoning development, large-scale urban renewal, station-city integration, urban operation, etc., coordinate urban planning, construction, and operation management to continuously improve the quality of the urban living environment and people's life, striving to establish itself as a leading domestic urban service operator.
4. **Survey and design.** The Company seeks to enhance its brand influence in the field of survey and design, train high-end professionals, strengthen scientific and technological innovation, and provide strong support for the Company's general engineering contracting business. The Company will expand its survey and design business, build the core competence of the brand, focus on the major directions of specialized development, achieve distinctive and differentiated development, and enhance the original ability of product solutions. The Company will create a highland of talents in survey and design, build a pipeline of high-end professionals, strengthen business synergization and collaboration, and innovate business cooperation models. Taking advantage of development opportunities such as the BRI, the Company will actively cooperate with entities within and outside its system to expand its overseas survey and design business operations.
5. **Strategic emerging industries.** Based on its strengths in fulfilling its main responsibilities and developing primary business, the Company will grasp the new trend of industry development, seize new opportunities presented by derivative formats, foster new growth drivers, and spur development. Fully leveraging its competitive advantages, the Company will continue to explore new business formats and cultivate new momentum to tap into strategic emerging industries, including new-generation information technology, new materials, new energy and high-end equipment. By 2025, the Company aims to create a number of growth poles in strategic emerging industries with a pivotal and leading role.
6. **International business.** The Company strives to enhance overseas operations in both qualitative and quantitative terms by adhering to the overseas high-quality development strategy and taking advantage of the business opportunities brought by the BRI. The Company will build a coordinated and efficient organizational system, consolidate its foothold in advantageous and key markets, identify potential markets, prudently tap into new markets, and create a market system with a reasonable structure. Furthermore, the Company will draw on advanced management practices and business philosophies from leading international enterprises to improve its overall management.

During the 14th Five-Year Plan period, the Company will, based on the needs in the new phase of development, implement the new development concept and accelerate the establishment of a new development pattern. With promoting high-quality development as the theme and deepening the supply-side structural reform as the mainline, the Company will seize the new opportunities brought by demand-side reforms following the country's 14th Five-Year Plan and the Long-range Objectives through the Year 2035 and proactively adapt to the new situation and meet new challenges, seeking new opportunities at times of crises. Bearing in mind the overall strategy of the great rejuvenation of the Chinese nation as well as the profound changes unseen in the world in a century, the Company will maintain strategic focus and remain committed to development, and build on its advantages to rectify weak spots. Furthermore, the Company will coordinate development and safety, and take full advantage of the domestic and international markets and resources for more quality, efficient, sustainable and secure development, realizing its vision of “building a world-class comprehensive investment and construction conglomerate with global competitiveness”.

(III) Operation plan

✓ Applicable □ N/A

In 2024, the Company plans to achieve more than RMB4.5 trillion in the value of newly signed contracts and a revenue of more than RMB2.38 trillion. Adhering to the general work guideline of making progress while maintaining stability and the new development concept, the Company will further highlight the primary task of high-quality development, focus on the strategic goal of “one creation and five aspects of strength”, and effectively and thoroughly carry out the “seven major tasks”. Revolving around the key indicators of “one interest and five rates”, the Company aims to promote “stable growth of one interest and continuous optimization of five rates”, highlight the value orientation, place greater emphasis on improving the “five major values”, and strive to enhance the core functions and competitiveness.

It is important to note that the operation plan does not constitute a commitment to investors in terms of the Company's performance. Investors are advised to maintain sufficient risk awareness and to understand the difference between the operation plan and performance commitments.

(IV) Potential risks

☒ Applicable ☐ N/A

1. Safety, environmental protection and quality risks

In recent years, the work safety conditions have remained stable overall within the Company, with effective control over violations of ecological and environmental protection and a steady improvement in the standard of project quality control. However, due to the Company's extensive and diverse construction projects, risks related to safety, environmental protection and quality may still persist. The Company has been steadfast in reinforcing the foundation of production safety, comprehensively investigating and remedying the risks and hazards of major or higher-level production and safety accidents, and constructing high-quality "Safe CSCEC". The Company's ongoing efforts include investigation and remediation of major ecological and environmental protection risks, aimed at preventing serious incidents of environmental pollution and ecological damage. The Company has carried out an assessment of its quality system and a special campaign to manage quality risks, promoting quality standardization and evaluation of quality engineering projects. The Company has effectively put safety, environmental protection and quality management in a more important and prominent position, ensuring consistent prevention of safety, environmental protection and quality risks, and balanced development and safety at a higher level.

2. Customer credit risks

Due to the economic downturn, market regulation and local government debts, there are still many outstanding claims in some of the Company's projects. Some customers are less willing to make repayments due to adversely affected solvency. The Company thus faces challenges in mitigating debt risks. The Company will tentatively establish a customer credit management system to tighten the control over marketing quality at the source, improve the early warning mechanism for high-risk customers, and continue to strengthen the ability to identify and resolve risks related to payment collection of investment projects. The Company will ensure that the growth rate of accounts receivable is lower than the increase in revenue by strengthening the collection management of commercial notes and accounts receivable. The Company will take risk control and rights protection measures in a timely manner to tackle debt risks. The Company will also focus on the resolution of significant risk events and continue to tackle the recovery of debts with regard to key real estate enterprises.

3. Macro-economic risks

At present, profound changes unseen in a century are unfolding rapidly in the world. The international balance of power is undergoing significant adjustments, and a new round of scientific and technological revolution and industrial transformation is deepening. In China, the economic cycle is confronted with bottleneck issues, including insufficient effective demand, overcapacity in some industries, and weak social expectations, making the foundation for economic recovery still fragile. It still takes a process to resolve long-standing issues related to real estate, as well as local debt and financial risks. The Company will strengthen macroeconomic research, catch close up with the national and local investment and construction hot spots, and actively grow its footprint in strategic emerging industries. The Company will evaluate the execution of the strategic 14th Five-Year Plan, adjust the business development strategy in a timely manner, and effectively control the impact of macroeconomic fluctuations on the Company's performance to achieve the annual budget targets.

4. Cash flow risks

Due to the challenging external business environment, increased cash flow cyclical volatility made it more difficult to manage operating cash flows. On the one hand, project owners are under significant financial strain due to the large volume of debt burdens, leading to tight cash flows and continuous transfer of financial pressure to construction firms. On the other hand, there has been an increase in the pressure of downstream rigid payments, including enterprises' settlement of arrears and migrant workers' wages. The Company will firmly uphold the earnings principle of "no profits without cash flow" and continue to carry out the "special action for cash flow management enhancement". We will focus our efforts on strengthening cash flow budget management and monitoring, deepening governance over payment collection of investment projects and the liquidation of special assets, advancing the unified management of accounts receivable and payable, and intensifying the collection of overdue accounts receivable. Through these measures, we strive to fulfill our annual budget targets.

5. Operational performance risks

The severity of the downtrend in the real estate market is increasingly intensifying competition in the construction market. On the one hand, owners of ongoing construction projects have exerted more stringent control over cost, squeezing the profit margin of construction projects; on the other hand, profits from the real estate business have declined. It is more difficult to monetize the slow-selling inventory, with pressure of overdue payments on investment projects. The Company will strengthen the management of operational performance risks at the source, promote governance of projects with potential losses, and systematically enhance the value creation capacity of projects. Taking sales collection as the core and cash flow control as the starting point, the Company will dynamically monitor the performance of real estate projects. The Company will supervise subsidiaries' performance in operation planning, carry out routine early-warning and alert against risks, and strengthen operation and maintenance performance appraisal, to guarantee the stable and healthy development of the investment business.

The financial risks faced by the Company in its operating activities include market risks (mainly exchange rate, interest rate and other price risks), credit risks and liquidity risks. In view of the unpredictability of the financial market, the overall risk management plan of the Company seeks to reduce the potential adverse impact of such risks on the financial performance. For details, please refer to the relevant information as set out in Note X "Financial instruments and related risks" to the financial statements under SECTION X "FINANCIAL REPORT".

For details of the Company's goodwill and impairment, please refer to the relevant information as set out in Note V. 22 "Goodwill" to the financial statements under SECTION X "FINANCIAL REPORT".

(V) Miscellaneous

☐ Applicable ☒ N/A

VII. Details of and Explanations for the Company's Non-disclosure due to Inapplicability of Rules or Other Special Reasons such as Involvement of State or Trade Secrets

☐ Applicable ☒ N/A

SECTION IV

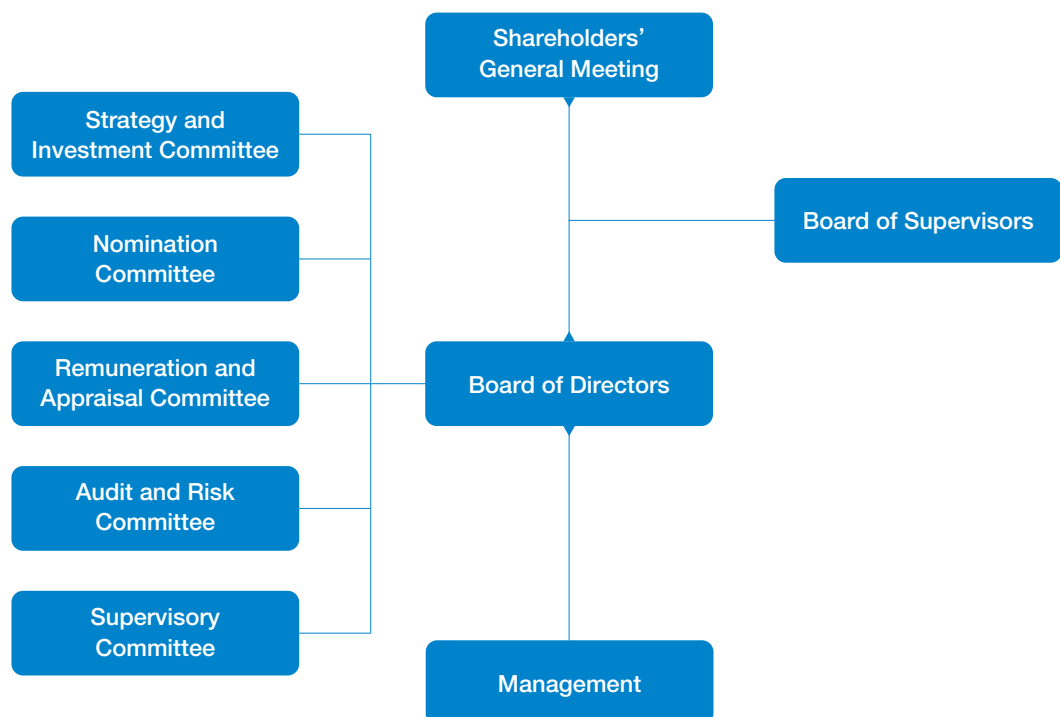
CORPORATE GOVERNANCE

I. Information on Corporate Governance

☒ Applicable ☐ N/A

(I) Standardized operation of corporate governance entities

During the Reporting Period, the Company operated strictly in accordance with the Company Law, the Securities Law, and other relevant laws and regulations of the People's Republic of China (PRC), as well as the administrative regulations issued by the China Securities Regulatory Commission (CSRC) and the rules of the Shanghai Stock Exchange (SSE). It established and improved a standardized and comprehensive corporate governance structure, and effectively constructed a set of systematic and complete corporate governance systems. The Company continued to monitor legislative developments, comprehensively implemented the country's latest corporate governance requirements, and further revised the corporate governance system to maintain its scientific nature, rationality and effectiveness. The Company has been a sample stock of the SSE Corporate Governance Index for 13 years in a row, and has been awarded the best rating (Grade A) for information disclosure by the SSE for consecutive years. In 2023, the Company won several capital market awards, including the "Best Practice Case of Corporate Governance", "Best Practice Case of Board of Directors of Listed Companies", "ESG Best Practice Case" and "The Best Board of Directors Award" under the "Gold Prize of Round Table" granted by China Association for Public Companies.



Corporate Governance Structure Chart

1. Shareholders' General Meeting

The Company convenes and holds general meetings in strict accordance with the Articles of Association and the Rules of Procedure of the Shareholders' General Meeting to ensure that all shareholders, especially minority shareholders, enjoy equal rights to fully exercise their voting rights. For major matters that may affect the interests of minority investors, the Company separately counts and announces the voting results of minority investors at the general meeting to fully protect the legitimate rights and interests of minority investors. The Company provides on-site and online voting methods for shareholders to participate in the general meetings to ensure that all shareholders have equal rights to express their opinions and demands. Besides, the Company engages lawyers to attend the general meetings to confirm and witness the convening procedures, matters to be considered, and the identities of the attendees to ensure the legality and validity of the general meetings.

2. Board of Directors

The Board of Directors currently comprises 7 directors, including 4 independent directors. There are 5 special committees under it, namely the Strategy and Investment Committee, the Nomination Committee, the Remuneration and Appraisal Committee, the Audit and Risk Committee and the Supervisory Committee. The Board of Directors convened a total of 23 meetings, covering 115 agenda items, throughout the year. The Company continued to strengthen the construction of the Board of Directors, ensuring the effective execution of its functions and powers. The Company remained committed to strategic foresight, identifying the strategic positioning of decision-making matters in the overall situation of enterprise development and helping the Company think and plan from the perspective of promoting development. The Company adhered to comprehensive research and judgment, with ongoing refinement of the "4+2+2" pre-communication mechanism to gather opinions and suggestions from various stakeholders. The Company adhered to the overall arrangement, systematically formulated an annual meeting plan, collected meeting proposals monthly, and promoted "effective" meeting decision-making within a well-structured meeting framework. The Company adhered to closed-loop management, gave full play to the role of the Supervisory Committee, and guided and supervised the implementation of the proposals of the Board on a quarterly basis. During the Reporting Period, the Company continued to establish and improve the system of the Board of Directors and organized the revision of the Articles of Association, rules of procedure of the Board of Directors and special committees and other governance systems to further optimize the operating rules of the governance bodies. The Company revised and optimized the authorization scheme of the Board of Directors and perfected the operation mechanism of evaluation and adjustment of the authorization of the Board of Directors. The Company implemented the requirements of the reform of the independent directors system and added the mechanism of special meetings of the independent directors, so as to promote the better functioning of the independent directors.

3. Board of Supervisors

The Board of Supervisors currently comprises 5 supervisors, including 2 employee representative supervisors. The structure and composition of the Board of Supervisors comply with the requirements of laws and regulations. The Board of Supervisors holds meetings under the Articles of Association and the Rules of Procedure of the Board of Supervisors, conscientiously performs their duties, and supervises and inspects the performance of directors and senior management personnel and the legality and compliance of the Company's financial affairs, fully safeguarding the legitimate rights and interests of the Company and shareholders. The office under the Company's Board of Supervisors assists in performing the duties of the Board of Supervisors.

(II) Information disclosure

The Company disclosed information in a true, accurate, complete, timely and fair manner in strict accordance with the relevant regulations and requirements for information disclosure by listed companies, and continued to improve the information disclosure system, enhance the quality of information disclosure and diversify information disclosure channels, fully safeguarding the investors' right to know and their legitimate rights and interests. In 2023, the Company disclosed a total of 158 periodic reports, interim announcements and annexes, which timely and accurately conveyed to the capital market the Company's major decision-making matters, production and operation and development results. The Company improved the "mandatory + voluntary" information disclosure management system and revised the Administrative Measures for Information Disclosure and Internal Reports of Material Information and other rules to ensure the compliance and effectiveness of the Company's information disclosure. By combining statutory disclosure and voluntary disclosure, the Company voluntarily disclosed information related to investors' value judgment and investment decisions, such as corporate strategy, finance, R&D, industry, and ESG, so as to enhance the granularity of information disclosure. The Company strengthened its internationalized communication by consistently releasing regular reports and interim announcements in English on its official website, overseas media matrix and other platforms to meet the needs of global investors and partners. The English version of its annual report once again received international professional accolades.

(III) Investor relations management

The Company attached great importance to maintaining and shaping good investor relations management. Adhering to the investor-oriented philosophy, the Company enriched investor communication channels and communicated with investors through various channels such as performance briefings, general meetings, investment strategy meetings, investor open days, and on-site surveys to take the initiative to understand investors' concerns, demands and suggestions. In 2023, the Company held three performance briefings for global investors, incorporating a mix of on-site events, conference calls, announcement solicitation of issues, text-based interactions, and live video broadcasts, attracting over 210,000 online views. The Company received 80 investor surveys, participated in 28 investment strategy meetings organized by brokerage firms, and communicated with over 500 institutional investors. To enhance international investor outreach, the Company expanded its promotional activities to Hong Kong SAR and Singapore for the first time, and organized annual and semi-annual performance roadshows, covering more than 40 international institutional investors. The Company continued to prioritize the protection of small and medium-sized investors, answering more than 300 inquiries on investor hotlines, responding to 99 investor queries on the SSE e-interactive platform, handling thousands of investor emails, and voluntarily releasing reports on investor protection efforts for four consecutive years. The Company broadened the channels for investors to obtain information. The Company's WeChat public account platform about investor relations (CSCEC Investor Relations) published 191 promotional articles throughout the year, which garnered widespread recognition from investors.

The Company strictly complied with the Administrative Measures for Information Disclosure and Internal Reports of Material Information, the Administrative Measures for Accountability Regarding Major Errors in the Annual Report Information Disclosure, the Regulations on the Management of Funds from Related Party Transactions, the Measures on the Management of Shares and Changes in Shareholdings of the Directors, Supervisors and Senior Management in the Company, and the Administrative Measures on Insider Registration and other systems. There was no major violation of relevant rules or non-compliance with the relevant CSRC regulations and requirements in terms of corporate governance. The Company was not subject to administrative punishment or notice of criticism by the CSRC, nor was it punished by other regulatory agencies or condemned by the stock exchange.

Whether the corporate governance is seriously non-compliant with laws, administrative regulations and the requirements of the CSRC on the governance of listed companies; if yes, please provide the reasons

☐ Applicable ☒ N/A

II. Specific Measures of the Controlling Shareholder and De Facto Controller of the Company for Ensuring the Independence of the Company in Terms of Assets, Personnel, Finance, Organization and Business; and Solutions, Work Progress and Subsequent Work Plan for Addressing the Impact on the Company's Independence

☐ Applicable ☒ N/A

Information on the business of the controlling shareholder, de facto controller and other entities under their respective control that are engaged in the same or similar business as the Company, as well as the impact of horizontal competition or major changes in horizontal competition on the Company, the measures taken, the progress of the solution and the follow-up solution.

☐ Applicable ☒ N/A

The controlling shareholder of the Company is China State Construction. In December 2007, China State Construction restructured its affiliates and all assets as a whole, initiated and established China State Construction Engineering Corporation Limited, and injected all its principal business and assets, liabilities, qualifications and brands into CSCEC which was listed on the SSE in July 2009 as a whole. After the listing, China State Construction, as the substantial shareholder, conducts operation and management activities mainly on the platform of CSCEC. As of December 31, 2023, the latest audited total assets, revenue and net profit of CSCEC each accounted for more than 99% of the corresponding indicators of China State Construction. During the Reporting Period, the controlling shareholder of the Company strictly regulated their own behavior, exercised their rights and performed their obligations in accordance with the law. The Company strictly guarded against risks such as capital occupation and illegal guarantees by the controlling shareholder and urged the controlling shareholder to fulfill its commitments and maintained independence from the controlling shareholder in terms of assets, personnel, finance, organization, and business.

III. Overview of the General Meeting of Shareholders

Meeting	Date	Search index of the designated website for publishing resolutions	Date of disclosure of resolutions	Resolutions
2022 Annual General Meeting	May 19, 2023	www.sse.com.cn	May 20, 2023	Considered and approved the 2022 Work Report of the Board of Directors of China State Construction Engineering Corporation Limited, the 2022 Work Report of Independent Directors of China State Construction Engineering Corporation Limited, the 2022 Work Report of the Board of Supervisors of China State Construction Engineering Corporation Limited, the Proposal on 2022 Annual Final Accounts Report of China State Construction Engineering Corporation Limited, the Proposal on 2022 Profit Distribution Plan of China State Construction Engineering Corporation Limited, the Proposal on the 2022 Annual Report of China State Construction Engineering Corporation Limited, the Proposal on the Implementation of the 2022 Investment Budget and the 2023 Proposed Investment Budget Plan of China State Construction Engineering Corporation Limited, the Proposal on 2023 Financial Budget Report of China State Construction Engineering Corporation Limited, the Proposal on Guarantee Quota in 2023 of China State Construction Engineering Corporation Limited, the Proposal on 2023 Bond Issuance Plan of China State Construction Engineering Corporation Limited, the Proposal on Re-appointment of Internal Control Auditor in 2023 of China State Construction Engineering Corporation Limited, the Proposal on Re-appointment of Financial Report Auditor in 2023 of China State Construction Engineering Corporation Limited, the Proposal on Repurchase of Certain Participants' Shares under Phases III and IV Restricted A Share Incentive Schemes of China State Construction Engineering Corporation Limited, the Proposal on Amending the Regulations on External Guarantee Management of China State Construction Engineering Corporation Limited and the Proposal on Nomination of Mr. Ma Wangjun as an Independent Director Candidate of China State Construction Engineering Corporation Limited
2023 First Extraordinary General Meeting	August 21, 2023	www.sse.com.cn	August 22, 2023	Approved the Proposal on Adding Shan Guangxiu as the Director of the Third Session of the Board of Directors of China State Construction Engineering Corporation Limited

Meeting	Date	Search index of the designated website for publishing resolutions	Date of disclosure of resolutions	Resolutions
2023 Second Extraordinary General Meeting	December 27, 2023	www.sse.com.cn	December 28, 2023	Considered and approved the Proposal on Election of Supervisors of China State Construction Engineering Corporation Limited, the Proposal on Amending the Articles of Association of China State Construction Engineering Corporation Limited, the Proposal on Amending the Rules of Procedure for the Shareholders' General Meeting of China State Construction Engineering Corporation Limited, the Proposal on Amending the Rules of Procedure of the Board of Directors of China State Construction Engineering Corporation Limited, the Proposal on the Second Tranche of Repurchase and Cancellation in 2023 in Respect of Phase IV Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited, the Proposal on Amending the Regulations on Management of Related Party Transactions of China State Construction Engineering Corporation Limited, the Proposal on the Renewal of the Comprehensive Service Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation, the Proposal on the Renewal of the Financial Service Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation and the Proposal on Amending the Work Rules of Independent Directors of China State Construction Engineering Corporation Limited

Preference shareholders with voting rights recovered request convening extraordinary general meetings

☐ Applicable ☒ N/A

Description of general meetings

☒ Applicable ☐ N/A

During the Reporting Period, a total of 15 proposals were considered at the 2022 Annual General Meeting of the Company, and all were approved by voting. One proposal was considered at the 2023 First Extraordinary General Meeting of the Company, which was approved by voting. A total of 9 proposals were considered at the 2023 Second Extraordinary General Meeting of the Company, and all were approved by voting. The resolutions were disclosed on the websites of the SSE, the China Securities Journal, the Shanghai Securities News, the Securities Times and the Securities Daily.

IV. Directors, Supervisors and Senior Management

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

✓ Applicable □ N/A

Unit: 0,000 shares

Name	Position	Gender	Age	Commencement date of the term of office	Expiry date of the term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Share changes during the year	Reason for changes	Total pre-tax remuneration received from the Company during the Reporting Period (RMB0'000)	Whether receiving remuneration from related parties of the Company
Incumbent directors, supervisors and senior management											
Zheng Xuexuan	Chairman Director	Male	57	November 26, 2021 May 7, 2019	May 12, 2024 May 12, 2024	50.4	50.4	0	/	/	Yes
Zhang Zhaoxiang	Director President	Male	60	December 7, 2020 February 25, 2022	May 12, 2024 Upon a new appointment/dismissal by the Board of Directors	0	0	0	/	/	Yes
Shan Guangxiu	Director Vice president	Female	53	August 21, 2023 September 11, 2020	May 12, 2024 August 4, 2023	122.046	122.046	0	/	/	Yes
Ma Wangjun	Independent director	Male	59	May 19, 2023	May 12, 2024	0	0	0	/	/	No
Jia Chen	Independent director	Male	68	January 9, 2018	May 12, 2024	0	0	0	/	/	No
Sun Chengming	Independent director	Male	64	May 13, 2021	May 12, 2024	0	0	0	/	/	No
Li Ping	Independent director	Male	70	May 13, 2021	May 12, 2024	0	0	0	/	/	No
Zhang Yi	Chairman of the Board of Supervisors	Male	58	December 27, 2023	May 12, 2024	150.8	69.02	-81.78	Reduction of holdings before serving as supervisor	0	No
Li Jianbo	Supervisor	Male	66	January 9, 2018	May 12, 2024	44.8	44.8	0	/	6	No
Tian Shifang	Supervisor	Male	66	January 9, 2018	May 12, 2024	15.4	15.4	0	/	6	No
Lu Xiaogang	Employee representative supervisor	Male	62	May 13, 2021	May 12, 2024	16.7	16.7	0	/	6	No
Qu Hongguang	Employee representative supervisor	Male	62	May 13, 2021	May 12, 2024	0	0	0	/	6	No
Zhao Xiaojiang	Vice president	Male	58	January 19, 2016	Upon a new appointment/dismissal by the Board of Directors	0	0	0	0	/	Yes
Li Yongming	Vice president	Male	51	April 27, 2023	Upon a new appointment/dismissal by the Board of Directors	153.0	48.0	-105.0	Reduction of holdings before serving as an executive	/	Yes

Name	Position	Gender	Age	Commencement date of the term of office	Expiry date of the term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Share changes during the year	Reason for changes	Total pre-tax remuneration received from the Company during the Reporting Period (RMB0'000)	Whether receiving remuneration from related parties of the Company
Wu Bingqi	Vice president, general counsel	Male	52	October 26, 2023	Upon a new appointment/dismissal by the Board of Directors	0	0	0	/	/	Yes
Huang Jie	Vice president, chief financial officer	Male	55	April 18, 2024	Upon a new appointment/dismissal by the Board of Directors	0	0	0	/	/	Yes
Xue Keqing	Secretary to the Board of Directors	Male	60	June 15, 2018	Upon a new appointment/dismissal by the Board of Directors	201.9	201.9	0	/	131.57	No
Resigned directors, supervisors and senior management											
Xu Wenrong	Former independent director	Male	62	May 13, 2021	May 17, 2023	0	0	0	/	/	No
Shi Zhiping	Former chairman of the Board of Supervisors	Male	60	August 24, 2020	December 26, 2023	23.8	23.8	0	/	138.63	No
Wang Yunlin	Former vice president, chief financial officer	Male	60	January 15, 2019	April 17, 2024	0	0	0	/	/	Yes
	Former general counsel			September 20, 2022	October 26, 2023						
Ma Zeping	Former vice president	Male	61	December 1, 2010	April 27, 2023	50.4	50.4	0	/	/	Yes
Zhou Yong	Former vice president	Male	53	January 28, 2019	June 5, 2023	83.7	83.7	0	/	/	Yes
Huang Kesi	Former vice president	Male	63	October 27, 2017	February 7, 2023	134,716	134,716	0	/	6.34	No
Total	/	/	/	/	/	1,047,662	860,882	-186.78	/	324.54	/

Note: Considering the appointment and dismissal of the leadership of China State Construction by the Organization Department of the CPC Central Committee and the SASAC of the State Council, remuneration of the leaders of China State Construction will be paid by China State Construction and disclosed on the Company's official website. The statistical caliber of the pre-tax remuneration received by the Directors, Supervisors and Senior Management from the Company during the Reporting Period is the remuneration corresponding to the period during which such persons held the positions of Directors, Supervisors and Senior Management, and the remuneration corresponding to the period during which they held positions other than Directors, Supervisors and Senior Management during the Reporting Period has not been included in the statistics.

Director



Mr. Zheng Xuexuan

Chairman and Secretary of the Leading Party Members (LPM) Group of China State Construction Engineering Corporation; Chairman of CSCEC; professor-level senior engineer and PhD holder. Mr. Zheng was general manager, Party Committee secretary and Chairman of CSCEC Algeria; general manager of the Human Resources Department, assistant general manager, vice president, director and president of CSCEC; and LPM Group member, deputy general manager, director, LPM Group deputy secretary, chairman of labor union, Party Committee secretary and general manager of China State Construction Engineering Corporation. He has been LPM Group secretary and Chairman of China State Construction Engineering Corporation as well as Chairman of CSCEC since November 2021. He is an alternate member of the 20th CPC Central Committee, a representative of the 17th National Congress of the Communist Party of China, a representative of the 20th National Congress of the Communist Party of China, and is also a National Model Worker.



Mr. Zhang Zhaoxiang

Director, general manager, LPM Group deputy secretary of China State Construction Engineering Corporation; director and president of CSCEC; senior engineer and master's degree holder. Mr. Zhang successively served as principal and Party Committee secretary of China Nonferrous Engineering and Research Institute; Chairman and general manager of China ENFI Engineering Corporation; Standing Committee member of the Party Committee, deputy general manager, director, general manager and Party Committee deputy secretary of Metallurgical Corporation of China Ltd.; Standing Committee member of the Party Committee, Party Committee deputy secretary, general manager, Party Committee secretary and director of China Metallurgical Group Corporation; LPM Group member and deputy general manager of China Minmetals Corporation. He has been LPM Group deputy secretary of China State Construction Engineering Corporation since July 2020, director of China State Construction Engineering Corporation since August 2020, director of CSCEC since December 2020, general manager of China State Construction Engineering Corporation and president of CSCEC since February 2022.



Ms. Shan Guangxiu

Director, LPM Group deputy secretary, chairman of labor union, Party Committee secretary of China State Construction Engineering Corporation; director of CSCEC; senior economist and master's degree holder. Ms. Shan was deputy general manager and general manager of the Human Resources Department (Cadre Affairs Department) of China State Construction Engineering Corporation; Party Committee deputy secretary, director and deputy general manager of China Construction First Group Corporation Limited, deputy general manager and LPM Group member of China State Construction Engineering Corporation and vice president of CSCEC. She has been director and LPM Group deputy secretary of China State Construction Engineering Corporation since June 2023, director of CSCEC since August 2023, and chairman of labor union and Party Committee secretary of China State Construction Engineering Corporation since September 2023.



Mr. Ma Wangjun

Independent director of CSCEC, senior accountant and master's degree holder. Mr. Ma has been an independent director of CSCEC since May 2021. He was the director of the Finance Department, deputy chief accountant, assistant president, chief accountant and LPM Group member of COFCO, chief accountant and Party Committee member of China Travel Service (Holdings) Hong Kong Limited. He has been a full-time external director of a central enterprise since September 2022, an external director of China Oil & Gas Pipeline Network Corporation since March 2023, an independent director of CSCEC since May 2023, and an external director of China Construction Technology Co., Ltd. since September 2023.



Mr. Jia Chen

Independent director of CSCEC, researcher-level senior engineer and bachelor's degree holder. Mr. Jia successively served as Deputy Director-General of the Accounting Regulatory Department, Deputy Director-General of the Comprehensive Department, Director General of the Department of Treaty and Law, Director General of the Enterprises Department and Director General of the Department of Tax Policy of the Ministry of Finance; LPM Group member and deputy general manager of China North Industries Group Corporation Limited and an external director of China Mobile Communications Group Co., Ltd. He has been an independent director of CSCEC since January 2018 and an external director of China Three Gorges Corporation since January 2024.



Mr. Sun Chengming

Independent director of CSCEC, senior engineer and master's degree holder. Mr. Sun was deputy general manager and Party Committee member of China Merchants Group; Chairman, general manager and Party Committee secretary of China Merchants Shekou Industrial Zone Holdings Co., Ltd.; general manager and party branch secretary of China Merchants Industry Holdings Co., Ltd. He has been an external director of State Development and Investment Group Co., Ltd. since December 2020 and an independent director of CSCEC since May 2021.



Mr. Li Ping

Independent director of CSCEC, senior engineer and master's degree holder. Mr. Li was formerly the Deputy Director-General of the Directorate General of Telecommunications, P&T, China; vice chairman and executive deputy general manager of China Telecom (Hong Kong) Group Limited; deputy general manager and LPM Group member of China Telecommunications Corporation; external director of China Aerospace Science & Technology Corporation, external director of China Reform Holdings Corporation Ltd., among others. He has been an independent supervisor and chairman of the Board of Supervisors of Yangtze Optical Fibre and Cable Joint Stock Limited Company since January 2020 and an independent director of CSCEC since May 2021.

Supervisor



Mr. Zhang Yi

Chairman of the Board of Supervisors, assistant president and security director of CSCEC; senior economist and bachelor's degree holder. Mr. Zhang was the deputy general manager and general manager of the Corporate Planning and Management Department of China State Construction, deputy chief economist, executive general manager of the Infrastructure Business Department, member of the Party Work Committee, general manager and deputy secretary of the Party Work Committee of CSCEC, executive director of China Overseas Holdings Limited, Chairman of China Construction South Investment Co., Ltd., executive director and general manager of China Construction Infrastructure Co., Ltd., assistant general manager and general manager of the Marketing and Project Management Department of CSCEC, assistant president, general counsel and general manager of the Legal Affairs Department of CSCEC, chairman of the Board of Supervisors of China State Construction Finance Co., Ltd., and secretary of the Party Committee and Chairman of China Northwest Architectural Design and Research Institute Co., Ltd. He has been assistant president and security director of CSCEC since August 2023 and chairman of the Board of Supervisors of CSCEC since December 2023.



Mr. Li Jianbo

Supervisor of CSCEC, professor-level senior engineer and master's degree holder. Mr. Li was successively the chief of Human Resources Department, deputy general manager and general manager of China State Construction Engineering Corporation; and an executive director, Party Committee secretary and vice chairman of China Overseas Holdings Limited. He has been a supervisor of CSCEC since January 2018.



Mr. Tian Shifang

Supervisor of CSCEC, senior accountant. Mr. Tian was the deputy chief of the Audit Department of China Construction Eighth Engineering Division Corp., Ltd.; director, chief accountant and Party Committee member of The Second Construction Engineering Co., Ltd. of China Construction Eighth Engineering Division; director, chief accountant and Party Committee member of China Construction Port Engineering Group Co., Ltd.; and director, chief financial officer and Party Committee member of China Construction Harbour and Channel Engineering Bureau Group Co., Ltd. He has been a supervisor of CSCEC since January 2018.



Mr. Lv Xiaogang

Supervisor of CSCEC, senior political engineer, senior engineer and master's degree holder. Mr. Lv was a secretary of the Youth League Committee and a Party Committee member of China Construction Sixth Engineering Bureau Corp., Ltd.; manager of Quanzhou Branch of China Construction Sixth Engineering Bureau Corp., Ltd.; and deputy chief, director, Standing Committee member of the Party Committee, chairman of the labor union and executive of China Construction Sixth Engineering Bureau Corp., Ltd. He has been a supervisor of CSCEC since May 2021.



Mr. Qu Hongguang

Supervisor of CSCEC, professor-level senior engineer and bachelor's degree holder. Mr. Qu was the deputy head of No. 1 Branch, deputy dean and dean of Shanghai Branch, principal of East China Branch of China Northwest Architectural Design and Research Institute Co., Ltd.; Party Committee member, deputy general manager and executive of China Northwest Architectural Design and Research Institute Co., Ltd. He has been a supervisor of CSCEC since May 2021.

Senior Management



Mr. Zhao Xiaojiang

LPM Group member and deputy general manager of China State Construction Engineering Corporation; vice president of CSCEC; senior engineer and PhD holder. Mr. Zhao served as a secretary in the General Office of the State Council (at both deputy bureau level and bureau level); Deputy Mayor of Nanjing (temporary position); a Standing Committee member of the Party Committee and Deputy Mayor (temporary position) of Nanjing; Deputy Secretary of Yangzhou Municipal Committee (at the municipal level); Party Committee Deputy Secretary, Acting Mayor, and Mayor of Lianyungang and LPM Group Secretary of the Municipal Government of Lianyungang. He has been a LPM Group member of China State Construction Engineering Corporation since November 2015, vice president of CSCEC since January 2016, and vice general manager of China State Construction Engineering Corporation since January 2017.



Mr. Li Yongming

LPM Group member and deputy general manager of China State Construction Engineering Corporation; vice president of CSCEC; professor-level senior engineer and master's degree holder. Mr. Li was the deputy general manager, director, general manager, Party Committee deputy secretary, chairman and Party Committee secretary of China Construction Eighth Engineering Division Corp., Ltd. He has been a LPM Group member and deputy general manager of China State Construction Engineering Corporation since February 2023 and vice president of CSCEC since April 2023. He is a representative of the 20th National Congress of the Communist Party of China.



Mr. Wu Bingqi

LPM Group member and deputy general manager of China State Construction Engineering Corporation; vice president, general counsel and chief compliance officer of CSCEC; senior engineer and master's degree holder. Mr. Wu was vice president, strategic director, senior vice president (general manager level of group business unit), Party Committee member, Party Committee deputy secretary and president of China Resources Land Ltd. He has been a LPM Group member and deputy general manager of China State Construction Engineering Corporation since September 2023 and vice president, general counsel and chief compliance officer of CSCEC since October 2023.



Mr. Huang Jie

LPM Group member and chief accountant of China State Construction Engineering Corporation; vice president and chief financial officer of CSCEC; senior accountant and master's degree holder. Mr. Huang was a director, deputy general manager, chief accountant, and LPM Group member of China Mobile Communications Group Hebei Co., Ltd., deputy general manager and general manager of the Finance Department of China Mobile Communications Group Co., Ltd., general manager of the Securities Affairs Department (Hong Kong institution) of China Mobile Limited, and general manager of the Securities Affairs Department of China Mobile Communication Co., Ltd. He has been a LPM Group member and chief accountant of China State Construction Engineering Corporation since March 2024 and vice president and chief financial officer of CSCEC since April 2024.



Mr. Xue Keqing

Secretary to the Board of Directors of CSCEC; senior accountant and bachelor's degree holder. Mr. Xue served as deputy manager of financial and capital department, general manager of investment department, general manager of capital department, general manager of financing and investment department and general manager of finance department of China State Construction Engineering Corporation; director, general manager and vice president of China State Construction Finance Co., Ltd.; executive director of China Overseas Holdings Limited; deputy chief accountant and chief financial officer of CSCEC. He has been Secretary to the Board of Directors of CSCEC since June 2018.

Other explanation

☒ Applicable ☐ N/A

1. On February 7, 2023, the Company held the 31st meeting of the third session of the Board of Directors, at which, Mr. Huang Kesi stepped down from vice president of the Company due to age reason.
2. On April 27, 2023, the Company held the 34th meeting of the third session of the Board of Directors, at which, Mr. Li Yongming was appointed as vice president of the Company; Mr. Ma Zeping stepped down from vice president of the Company due to age reason.
3. On May 17, 2023, the Board of Directors of the Company received the resignation letter from Mr. Xu Wenrong, an independent director of the Company. Due to age reason, Mr. Xu Wenrong applied to resign from his positions as an independent director and a member of the special committees under the Board of Directors.
4. On May 19, 2023, the Company held the 2022 Annual General Meeting, at which, Mr. Ma Wangjun was elected as an independent director of the Company.
5. On June 5, 2023, the Company held the 37th meeting of the third session of the Board of Directors, at which, Mr. Zhou Yong stepped down from vice president of the Company due to work adjustments.
6. On August 4, 2023, the Company held the 41st meeting of the third session of the Board of Directors, at which, Ms. Shan Guangxiu stepped down from vice president of the Company due to work adjustments.
7. On August 21, 2023, the Company held the First Extraordinary General Meeting in 2023, at which, Ms. Shan Guangxiu was elected as a director of the Company.
8. On October 26, 2023, the Company held the 47th meeting of the third session of the Board of Directors, at which, Mr. Wu Bingqi was appointed as vice president and general counsel of the Company; Mr. Wang Yunlin stepped down from general counsel of the Company.
9. On December 26, 2023, the Board of Supervisors of the Company received the resignation letter from Mr. Shi Zhiping, chairman of the Board of Supervisors. Due to age reason, Mr. Shi Zhiping applied to resign from his positions as a supervisor of the third session of the Board of Supervisors and chairman of the Board of Supervisors of the Company.
10. On December 27, 2023, the Company held the Second Extraordinary General Meeting in 2023, at which, Mr. Zhang Yi was elected as a supervisor of the Company.
11. On December 27, 2023, the Company held the 26th meeting of the third session of the Board of Supervisors, at which, Mr. Zhang Yi was elected as chairman of the third session of the Board of Supervisors of the Company.
12. On April 17, 2024, the Company held the 55th meeting of the third session of the Board of Directors, at which, Mr. Wang Yunlin would step down from vice president and chief financial officer of the Company due to age reason.
13. On April 18, 2024, the Company held the 56th meeting of the third session of the Board of Directors, at which, Mr. Huang Jie was appointed as vice president and chief financial officer of the Company.

(II) Incumbent and resigned directors, supervisors and senior management during the Reporting Period

1. Positions in the Company's shareholder

☒ Applicable ☐ N/A

Name	Name of the Company's shareholder	Positions in the Company's shareholder	Commencement date of the term of office	Expiry date of the term of office
Zheng Xuexuan	China State Construction Engineering Corporation	LPM Group secretary, Chairman	November 2021	/
Zhang Zhaoxiang	China State Construction Engineering Corporation	LPM Group deputy secretary, director, general manager	July 2020, August 2020, February 2022	/
Shan Guangxiu	China State Construction Engineering Corporation	Director, LPM Group deputy secretary	June 2023, June 2023	/
	China State Construction Engineering Corporation	LPM Group member, deputy general manager	June 2020, June 2020	June 2023, June 2023
Zhao Xiaojiang	China State Construction Engineering Corporation	LPM Group member, deputy general manager	November 2015, January 2017	/
Li Yongming	China State Construction Engineering Corporation	LPM Group member, deputy general manager	February 2023, February 2023	/
Wu Bingqi	China State Construction Engineering Corporation	LPM Group member, deputy general manager	September 2023, September 2023	/
Huang Jie	China State Construction Engineering Corporation	LPM Group member, chief accountant	March 2024, March 2024	/
Wang Yunlin	China State Construction Engineering Corporation	LPM Group member, chief accountant	November 2018, December 2018	March 2024, March 2024
Ma Zeping	China State Construction Engineering Corporation	LPM Group member, deputy general manager	November 2015, January 2017	February 2023, February 2023
Zhou Yong	China State Construction Engineering Corporation	LPM Group member, deputy general manager	December 2018, January 2019	May 2023, May 2023
Explanation on positions in the Company's shareholder	Nil			

2. Positions in other entities

☒ Applicable ☐ N/A

Name	Entity name	Positions	Commencement date of the term of office	Expiry date of the term of office
Ma Wangjun	China Oil & Gas Pipeline Network Corporation	External director	March 2023	/
Ma Wangjun	China Construction Technology Co., Ltd.	External director	September 2023	
Jia Chen	China Three Gorges Corporation	External director	January 2024	/
Sun Chengming	State Development and Investment Group Co., Ltd.	External director	December 2020	/
Li Ping	Yangtze Optical Fibre and Cable Joint Stock Limited Company	Chairman of the Board of Supervisors, independent supervisor	January 2020	/
Explanation on positions in other entities	/			

(III) Remunerations of directors, supervisors and senior management☒ Applicable ☐ N/A

Decision-making procedures for remunerations of the directors, supervisors and senior management	The business performance evaluation and personal performance evaluation are carried out by SASAC of the State Council and the Board of Directors, and the allocation of remuneration is subject to approval by SASAC of the State Council and the Board of Directors.
Does a director recuse himself/herself when the Board of Directors discusses his/her remuneration	Yes
Recommendations from the Remuneration and Appraisal Committee or special meetings of independent directors regarding the remuneration of directors, supervisors, and senior management	The Remuneration and Appraisal Committee, along with the independent directors, reviewed and expressed concurring opinions on the Company's annual performance assessment and remuneration plan for senior management.
Basis for determining the remunerations of the directors, supervisors and senior management	Remunerations are determined based on the relevant policies of SASAC of the State Council on the remuneration management of heads and external directors of central enterprises as well as the remuneration management measures of China State Construction Engineering Corporation Limited.
Actual payments of remunerations of the directors, supervisors and senior management	The total remuneration (including basic salary, performance bonus, insurance benefits and allowances) received by the current directors (excluding independent directors), supervisors and senior management of the Company for the year was RMB3,005,400. The total allowances of the independent directors for the year were RMB240,000.
Total remunerations actually received by all the directors, supervisors and senior management at the end of the Reporting Period	RMB3,245,400

(IV) Changes in directors, supervisors and senior management of the Company☒ Applicable ☐ N/A

Name	Positions	Change	Reason for the change
Shan Guangxiu	Director	Election	Work needs
Ma Wangjun	Independent director	Election	Work needs
Zhang Yi	Chairman of the Board of Supervisors	Election	Work needs
Li Yongming	Vice president	Appointment	Work needs
Wu Bingqi	Vice president, general counsel	Appointment	Work needs
Huang Jie	Vice president, chief financial officer	Appointment	Work needs
Xu Wenrong	Independent director	Resignation	Age
Shi Zhiping	Chairman of the Board of Supervisors	Resignation	Age
Shan Guangxiu	Vice president	Resignation	Work needs
Wang Yunlin	Vice president, chief financial officer, general counsel	Resignation	Age
Ma Zeping	Vice president	Resignation	Age
Zhou Yong	Vice president	Resignation	Work needs
Huang Kesi	Vice president	Resignation	Age

(V) Explanation on punishment imposed by securities regulatory authorities in the past three years☐ Applicable ☒ N/A**(VI) Miscellaneous**☐ Applicable ☒ N/A

V. Details of Board Meetings during the Reporting Period

Meeting	Date	Resolutions
30th meeting of the third session of the Board of Directors	February 6, 2023	Considered and approved 2 proposals, including the Proposal on Entrusting China Southwest Architecture to Manage the Yangtze River Framework Plan of CSCEC
31st meeting of the third session of the Board of Directors	February 7, 2023	Considered and approved the Proposal on Resignation of Huang Kesi as Vice President of China State Construction Engineering Corporation Limited
32nd meeting of the third session of the Board of Directors	March 30, 2023	Considered, approved and heeded 9 proposals and reports, including the Proposal on the Implementation of the 2022 Investment Budget and the 2023 Proposed Investment Budget Plan of China State Construction Engineering Corporation Limited
33rd meeting of the third session of the Board of Directors	April 17, 2023	Considered, approved and heeded 22 proposals and reports, including the 2022 Work Report of the Board of Directors of China State Construction Engineering Corporation Limited
34th meeting of the third session of the Board of Directors	April 27, 2023	Considered, approved and heeded 7 proposals, including the Proposal on 2023 Q1 Financial Analysis Report of China State Construction Engineering Corporation Limited
35th meeting of the third session of the Board of Directors	May 8, 2023	Considered and approved 2 proposals, including the Proposal on Nomination of Mr. Ma Wangjun as a Candidate for Independent Director of China State Construction Engineering Corporation Limited
36th meeting of the third session of the Board of Directors	May 23, 2023	Considered and approved 5 proposals, including the Proposal on Election of Mr. Ma Wangjun as a Member of the Strategy and Investment Committee Under the Third Session of the Board of Directors of the Company
37th meeting of the third session of the Board of Directors	June 5, 2023	Considered and approved the Proposal on Resignation of Mr. Zhou Yong as Vice President of China State Construction Engineering Corporation Limited
38th meeting of the third session of the Board of Directors	June 13, 2023	Considered and approved 3 proposals, including the Proposal on the Real Estate Development Project of Plot 003 Located in Sijiqing, Haidian District, Beijing by China Construction Second Engineering Bureau Ltd.
39th meeting of the third session of the Board of Directors	June 27, 2023	Considered and approved 2 proposals, including the Proposal on the Real Estate Development Project of the Plot Located on the East Side of Taibei Road, Jiang'an District, Wuhan by China Construction Third Engineering Bureau Group Co., Ltd.
40th meeting of the third session of the Board of Directors	July 17, 2023	Considered and approved 2 proposals, including the Proposal on the Establishment of Overseas Legal Center (Dubai) of CSCEC
41st meeting of the third session of the Board of Directors	August 4, 2023	Considered, approved and heeded 3 proposals, including the Proposal on Adding Shan Guangxiu as the Director of the Third Session of the Board of Directors of China State Construction Engineering Corporation Limited
42nd meeting of the third session of the Board of Directors	August 22, 2023	Considered and approved 3 proposals, including the Proposal on Supplementation of Members of the Special Committees Under the Third Session of the Board of Directors of the Company
43rd meeting of the third session of the Board of Directors	August 29, 2023	Considered, approved and heeded 9 proposals and reports, including the 2023 Semi-annual Work Report of the Board of Directors of China State Construction Engineering Corporation Limited
44th meeting of the third session of the Board of Directors	September 6, 2023	Considered and approved the Proposal on the Real Estate Development Project of the Plot Located in Shangyong Park, Haizhu District, Guangzhou by China Construction Fourth Engineering Division Corp., Ltd.
45th meeting of the third session of the Board of Directors	October 17, 2023	Considered, approved and heeded 7 proposals and reports, including the Proposal on the Real Estate Development Project of the Plot located in Longhua Street, Xuhui District, Shanghai by COHL
46th meeting of the third session of the Board of Directors	October 25, 2023	Considered and approved the Proposal on the Real Estate Development Project of the Plot Located on the East Side of Yangzijiang Avenue, Jianye District, Nanjing by China Construction Fifth Engineering Division Corp., Ltd.
47th meeting of the third session of the Board of Directors	October 26, 2023	Considered, approved and heeded 8 proposals and reports, including the Proposal on Appointment of Wu Bingqi as Vice President of China State Construction Engineering Corporation Limited
48th meeting of the third session of the Board of Directors	November 6, 2023	Considered and approved 3 proposals, including the Proposal on the Participation of China Construction (South Pacific) Development Co Pte Ltd in the Real Estate Development Project of a Private Residential Plot Located at Lorong 1 Toa Payoh, Singapore

Meeting	Date	Resolutions
49th meeting of the third session of the Board of Directors	November 26, 2023	Considered and approved 2 proposals, including the Proposal on the Implementation of the Urban Renewal Project on the East Side of WenChong, Huangpu District, Guangzhou by China Construction Second Engineering Bureau Ltd. through Equity Acquisition
50th meeting of the third session of the Board of Directors	December 7, 2023	Considered and approved 14 proposals, including the Proposal on Proposing to Hold the Second Extraordinary General Meeting of China State Construction Engineering Corporation Limited in 2023
51st meeting of the third session of the Board of Directors	December 14, 2023	Considered and approved the Proposal on Amending the Rules on the Work of Independent Directors of China State Construction Engineering Corporation Limited
52nd meeting of the third session of the Board of Directors	December 27, 2023	Considered, approved and heeded 7 proposals and reports, including the Proposal on Amending the Administrative Measures for Information Disclosure and Internal Reporting of Material Information of China State Construction Engineering Corporation Limited

VI. Directors' Performance of Duties

(I) Directors' attendance at Board meetings and general meetings

Name of director	Is he/she an independent director	Attendance at Board meetings						Attendance of general meetings Number of meetings attended
		Number of meetings that should be attended during the year	Attendance in person	Attendance by means of communication	Attendance by proxy	Absence	Is he/she absent in person for two consecutive times	
Zheng Xuexuan	No	23	22	11	1	0	No	1
Zhang Zhaoxiang	No	23	20	11	3	0	No	2
Shan Guangxiu	No	11	10	4	1	0	No	0
Ma Wangjun	Yes	17	17	8	0	0	No	2
Jia Chen	Yes	23	23	11	0	0	No	1
Sun Chengming	Yes	23	23	11	0	0	No	1
Li Ping	Yes	23	23	11	0	0	No	3
Xu Wenrong	Yes	6	6	3	0	0	No	0

Explanation on absence in person for Board meetings for two consecutive times

☐ Applicable ☒ N/A

Number of Board meetings held during the year	23
Of which: Number of meetings held on-site	12
Number of meetings held by means of communication	11
Number of meetings held on-site combined with means of communication	0

(II) Objection of the directors on matters related to the Company

☐ Applicable ☒ N/A

(III) Miscellaneous

☒ Applicable ☐ N/A

The Company's independent directors reviewed and supervised the performance of the management of the Company, who concurrently served as senior executives of the Company's controlling shareholder, China State Construction Engineering Corporation, and expressed the following independent opinions: Mr. Zhang Zhaoxiang, Ms. Shan Guangxiu, Mr. Wang Yunlin, Mr. Zhao Xiaojiang, Mr. Ma Zeping, Mr. Zhou Yong, Mr. Li Yongming and Mr. Wu Bingqi earnestly and diligently fulfilled their commitments, performed their duties as senior management of the Company as a priority, well handled the relationship between the Company and the controlling shareholder, and maintained the interests of the Company and all shareholders during their concurrent position in China State Construction in 2023; they did not do anything that would harm the interests of the shareholders of the Company, especially minority shareholders because of their concurrent position in China State Construction.

VII. Special Committees under the Board of Directors

☒ Applicable ☐ N/A

(I) Members of special committees under the Board of Directors

Special committees	Members
Strategy and Investment Committee	Chairman: Zheng Xuexuan Members: Zhang Zhaoxiang, Shan Guangxiu, Ma Wangjun, Jia Chen, Sun Chengming, Li Ping
Nomination Committee	Chairman: Zheng Xuexuan Members: Zhang Zhaoxiang, Shan Guangxiu, Ma Wangjun, Jia Chen, Sun Chengming, Li Ping
Remuneration and Appraisal Committee	Chairman: Ma Wangjun Members: Jia Chen, Sun Chengming, Li Ping
Audit and Risk Committee	Chairman: Jia Chen Members: Ma Wangjun, Sun Chengming, Li Ping
Supervisory Committee	Chairman: Jia Chen Members: Ma Wangjun, Sun Chengming, Li Ping

(II) Special committee's performance of duties

The Board of Directors of the Company established the Strategy and Investment Committee, the Nomination Committee, the Remuneration and Appraisal Committee, the Audit and Risk Committee and the Supervisory Committee, to carefully study and deliberate on issues related to investment, sustainable development, nomination and risk management, and effectively exert the full brewing and the decision-making support function of the special committees. In 2023, the special committees under the Board of Directors held 32 meetings in total and considered 65 proposals (including 14 reports).

(III) Special committee meetings

1. The Audit and Risk Committee held 6 meetings during the Reporting Period

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
March 30, 2023	Considered, approved and listened to 3 reports and proposals, including the Report on the Performance of Duties of the Audit and Risk Committee of the Third Session of the Board of Directors of China State Construction Engineering Corporation Limited for 2022	<ol style="list-style-type: none"> 1. The truthfulness, completeness and accuracy of the Report on the Performance of Duties of the Audit and Risk Committee of the Board of Directors of the Company for 2022 were recognized. 2. The Audit Committee affirmed the audit work for 2022 and the audit plan for 2023. 3. The proposals were approved at the meeting and were submitted to the Board of Directors for consideration. 	/
April 13, 2023	Considered, approved and listened to 11 proposals, including the Auditors' Report on 2022 Financial Statements and Internal Control Audit from Ernst & Young	<ol style="list-style-type: none"> 1. After full communication with the management, understanding and examination of the basic information of Ernst & Young Hua Ming, relevant certification documents of practicing qualifications, business scale, personnel information, professional competence, investor protection ability, independence and integrity status, etc., the Company determined that Ernst & Young Hua Ming has the relevant business audit qualifications and can meet the needs of the Company's audit work. The Audit Committee recommended to re-appoint Ernst & Young Hua Ming as the internal control auditor and the financial report auditor of the Company for 2022. 2. The proposals were approved at the meeting and were submitted to the Board of Directors for consideration. 	/
April 26, 2023	Considered and approved the Proposal on 2023 Q1 Financial Analysis Report of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> 1. The truthfulness, completeness and accuracy of the 2023 Q1 Financial Analysis Report were recognized. 2. The proposal was approved at the meeting and was submitted to the Board of Directors for consideration. 	/
August 28, 2023	Considered and approved 6 proposals, including the Proposal on 2023 Interim Financial Analysis Report of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> 1. The truthfulness, completeness and accuracy of the 2023 Interim Financial Analysis Report and the Internal Audit Report for the First Half of 2023 of the Company were recognized. 2. The proposals were approved at the meeting and were submitted to the Board of Directors for consideration. 	/
October 26, 2023	Considered and approved 2 proposals, including the Proposal on 2023 Q3 Financial Analysis Report of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> 1. The truthfulness, completeness and accuracy of the 2023 Q3 Financial Analysis Report and the 2023 Q3 Audit Report were recognized. 2. The proposals were approved at the meeting and were submitted to the Board of Directors for consideration. 	/
December 7, 2023	Considered and approved the Proposal on Approving the Qualification of Subsidiaries to Carry out Currency Derivative Business	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	/

2. The Nomination Committee held 4 meetings during the Reporting Period

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
April 26, 2023	Considered and approved 2 proposals, including the Proposal on Appointment of Li Yongming as Vice President of China State Construction Engineering Corporation Limited, and the Proposal on Resignation of Ma Zeping as Vice President of China State Construction Engineering Corporation Limited	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	/
May 8, 2023	Considered and approved the Proposal on Nomination of Mr. Ma Wangjun as a Candidate of Independent Director of China State Construction Engineering Corporation Limited	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	/
August 4, 2023	Considered and approved the Proposal on Adding Shan Guangxiu as a Director of the Third Session of the Board of Directors of China State Construction Engineering Corporation Limited	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	/
October 26, 2023	Considered and approved 2 proposals, i.e. the Proposal on Appointment of Wu Bingqi as Vice President of China State Construction Engineering Corporation Limited, and the Proposal on Appointment of Wu Bingqi as General Counsel of China State Construction Engineering Corporation Limited	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	/

3. The Remuneration and Appraisal Committee held 3 meetings during the Reporting Period

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
April 13, 2023	Listened to, considered and approved 3 proposals and reports, including the Proposal on Appraisal Results and Remuneration Encashment for Senior Management of China State Construction Engineering Corporation Limited for 2021	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	/
October 26, 2023	Considered and approved the Proposal on Appraisal Results and Remuneration Encashment for Senior Management of China State Construction Engineering Corporation Limited for 2022	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	/
December 7, 2023	Considered and approved the Proposal on the Repurchase and Cancellation of the Second Tranche of Shares in 2023 under the Phase IV Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited	1. The implementation of equity incentive shall have a reasonably determined scope and order of participants with the focus on performance; effective ways shall be further explored to enhance the Company's performance and market value through the implementation of equity incentive, and give play to the role of "strong incentive and mandatory restraint" of equity incentive. 2. The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	/

4. The Strategy and Investment Committee held 15 meetings during the Reporting Period

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
February 6, 2023	Considered and approved 2 proposals, including the Proposal on PPP Project of Yangpu Shugang Expressway Project in Hainan Province by China Construction Infrastructure and Other Units	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
March 30, 2023	Considered and approved the Proposal on the Implementation of the 2022 Investment Budget and the 2023 Proposed Investment Budget Plan of China State Construction Engineering Corporation Limited	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
April 13, 2023	Considered and approved 2 proposals, including the Proposal on 2023 Bond Issuance Plan of China State Construction Engineering Corporation Limited	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
May 8, 2023	Considered and approved the Proposal on the Strategic Path of "One Enhancement, Six Aspects of Strengthening and Six Aspects of Commitments" of CSCEC	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
June 13, 2023	Considered and approved 2 proposals, including the Proposal on the Real Estate Development Project of Plot 003 Located in Sijiqing, Haidian District, Beijing by China Construction Second Engineering Bureau Ltd.	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
June 27, 2023	Considered and approved the Proposal on the Real Estate Development Project of the Plot Located on the East Side of Taibei Road, Jiang'an District, Wuhan by China Construction Third Engineering Bureau Group Co., Ltd.	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	/
July 17, 2023	Considered and approved the Proposal on the Real Estate Development Project of Executive Condominium at Tampines Street 62 Parcel B, Singapore by China Construction (South Pacific) Development Co Pte Ltd	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	/
August 22, 2023	Considered and approved the Proposal on the Implementation of the Urban Renewal Project at Shuangsha Community, Huangpu District, Guangzhou by China Construction Eighth Engineering Division Corp., Ltd. through Equity Acquisition	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
September 6, 2023	Considered and approved the Proposal on the Real Estate Development Project of the Plot Located in Shangyong Park, Haizhu District, Guangzhou by China Construction Fourth Engineering Division Corp. Ltd.	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
October 17, 2023	Considered and approved 2 proposals, including the Proposal on the Real Estate Development Project of the Plot Located in Longhua Street, Xuhui District, Shanghai by COHL	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	/
October 25, 2023	Considered and approved the Proposal on the Real Estate Development Project of the Plot Located on the East Side of Yangzijiang Avenue, Jianye District, Nanjing by China Construction Fifth Engineering Division Corp., Ltd.	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
October 26, 2023	Considered and approved the Proposal on the Real Estate Development Project of the North China Branch Headquarters Base in Fengtai District, Beijing by China Construction Eighth Engineering Division Corp., Ltd.	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
November 6, 2023	Considered and approved 3 proposals, including the Proposal on the Participation of China Construction (South Pacific) Development Co Pte Ltd in the Real Estate Development Project of a Private Residential Site Located at Lorong 1 Toa Payoh, Singapore	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
November 16, 2023	Considered and approved the Proposal on the Implementation of the Urban Renewal Project in East Side of Wenchong, Huangpu District, Guangzhou by China Construction Second Engineering Bureau Ltd. through Equity Acquisition	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
December 27, 2023	Considered and approved the Proposal on Adjustment of Equity-related Matters of China Construction Capital (Shanghai) Management Co., Ltd. (中建资本(上海)管理有限公司) by China Construction Capital	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	/

5. The Supervisory Committee held 4 meetings during the Reporting Period

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
April 13, 2023	Listened to 2 proposals and reports, including the Report on the 2023 Q1 Implementation of the Resolutions of the Board of Directors of China State Construction Engineering Corporation Limited	The Committee believed that the Company had a detailed and actual understanding of the implementation of the resolutions of the Board of Directors and the major investment projects, and kept abreast of progress in a timely manner and supervised the prevention and mitigation of risks, which was of great guiding significance.	/
August 28, 2023	Listened to 3 proposals and reports, including the Report on the 2023 H1 Implementation of the Resolutions of the Board of Directors of China State Construction Engineering Corporation Limited	The Committee believed that the Company had a detailed and actual understanding of the implementation of the resolutions of the Board of Directors and the major investment projects, and kept abreast of progress in a timely manner and supervised the prevention and mitigation of risks, which was of great guiding significance.	/
October 26, 2023	Listened to the Report on the 2023 Q3 Implementation of the Resolutions of the Board of Directors of China State Construction Engineering Corporation Limited	The Committee believed that the Company had a detailed and actual understanding of the implementation of the resolutions of the Board of Directors and the major investment projects, and kept abreast of progress in a timely manner and supervised the prevention and mitigation of risks, which was of great guiding significance.	/
December 27, 2023	Listened to the Report on the Progress of the Implementation of the Company's Major Investment Projects and Major Investment Risk Projects	The Committee believed that the Company had a detailed and actual understanding of the major investment projects and major investment risk projects, and kept abreast of progress in a timely manner and controlled risks accurately, which was of great guiding significance.	/

(IV) Specific explanation on objection

☐ Applicable ☒ N/A

VIII.Explanation of the Board of Supervisors on the Risks Identified

☐ Applicable ☒ N/A

During the Reporting Period, the Board of Supervisors performed its duties conscientiously in accordance with the Company Law, the Code of Corporate Governance for Listed Companies, the Articles of Association, the Rules of Procedure of Board of Supervisors and other regulations. Focusing on risk prevention and control, the Board of Supervisors supervised the significant events in operation and management of the Company, financial conditions, internal controls and directors' and senior management's performance of duties, and has no objection to the supervised matters during the Reporting Period.

The Company organized and convened meetings of the Board of Supervisors in a standardized manner to perform statutory supervisory duties. A total of 8 meetings were held throughout the year, namely the 19th to 26th meetings of the third session of the Board of Supervisors, during which 47 proposals were considered and approved and written announcements were disclosed. Members of the Board of Supervisors actively attended important meetings of the Company. During the Reporting Period, they attended 3 general meetings, 13 Board meetings, and 6 meetings of the Audit and Risk Committee of the Board of Directors. They also attended important daily meetings of the Company. The Board of Supervisors maintains close work communication with the Board of Directors and management, and continues to strengthen supervision over the performance of duties of directors and senior management.

IX. Employees of the Parent Company and Major Subsidiaries as at the end of the Reporting Period

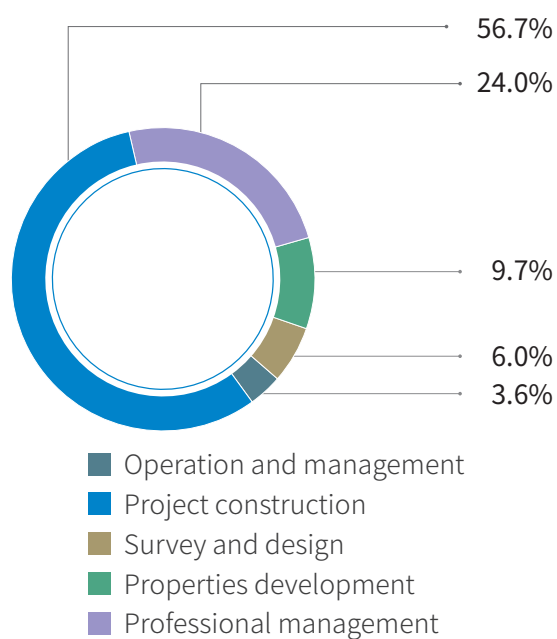
(I) Employees

Number of existing staff of the parent company	404
Number of existing staff of major subsidiaries	382,490
Total number of existing staff	382,894
Number of resigned or retired staff to whom the parent company and major subsidiaries are responsible for the expenses (total number of retirees at the end of 2023)	67,635

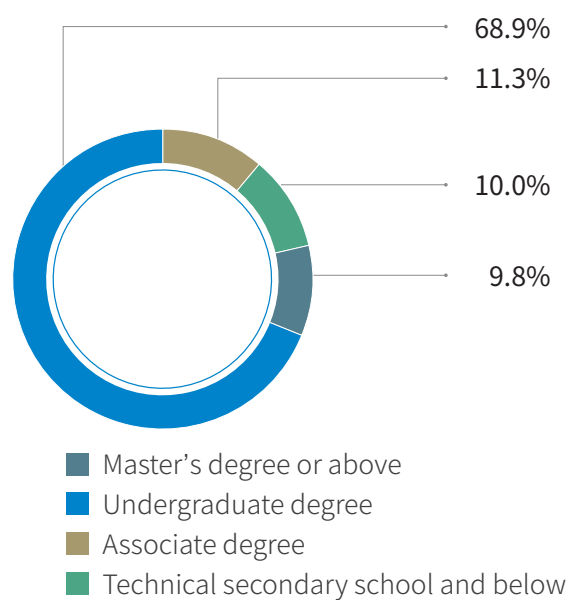
Expertise	
Category	Number
Operation and management	13,675
Project construction	216,744
Survey and design	23,103
Properties development	37,301
Professional management	92,071
Total	382,894

Education background	
Level	Number
Master's degree or above	37,705
Undergraduate degree	263,597
Associate degree	43,287
Technical secondary school and below	38,305
Total	382,894

Expertise



Education background



(II) Remuneration policy**✓ Applicable** ☐ N/A

The Company adheres to market and performance orientation, and strengthens remuneration evaluation and incentives. The Company closely associates remuneration distribution with corporate benefits and personal performance, and the remuneration is directly proportional to performance, which effectively mobilizes the enthusiasm, initiative and creativity of employees. Meanwhile, with a focus on value creation, the Company adheres to linkage of payroll growth and corporate financial performance growth, strengthens benchmarking management, improves performance-based salary management, and strengthens the pertinence, accuracy and effectiveness of remuneration distribution. The Company continuously improves the effective and constrained remuneration distribution system to promote corporate vitality, competitiveness and creativity.

(III) Training program**✓ Applicable** ☐ N/A

Focusing closely on the 14th Five-Year Plan and key annual priorities, adhering to a clear-cut stand on politics to ensure the full and complete implementation of central government documents, and relying on leadership, professionalism and occupational capabilities, the Company further improved the key talent cultivation project, steadily promoted the training systems, and continuously improved education and training ability, to strengthen overall coordination and organization guidance, promote the smooth implementation of education and training, and provide internal drivers for the Company's talent team building.

(IV) Labor service outsourcing☐ Applicable **✓ N/A****X. Profit Distribution Plan or Proposed Reserves Capitalization Plan****(I) Formulation, execution, or adjustment of cash dividend policy****✓ Applicable** ☐ N/A**1. Specific policy on profit distribution**

According to the Articles of Association, the Company may distribute dividends in cash, stock, a combination of both and other means permitted by laws and regulations; the Company shall give priority to profit distribution in the form of cash dividends. In the event that the Company is operating well and the Board of Directors determines that the Company's share price does not match the size of its share capital, and the distribution of dividends in stock is in the interests of shareholders of the Company as a whole, the Company may propose stock dividend and other distribution proposals when the conditions for distribution in the form of cash dividends are satisfied. Except for special circumstances as determined by the Board of Directors of the Company, the Company shall distribute dividends in cash when the Company records a profit in current year and the accumulated undistributed profits are positive. The profits distributed in cash each year shall, in principle, be not less than 15% of the distributable profits of that year.

According to the requirements of the Dividend Plan of China State Construction Engineering Corporation Limited for the Next Three Years (2021 to 2023), during the planning period, the Company may distribute profits to ordinary shareholders in cash, stock, a combination of both and other means permitted by laws and regulations; the Company shall give priority to profit distribution in the form of cash dividends where the conditions for cash dividends are satisfied; at the same time, based on the annual profit and cash flow situation, taking into account the size of the Company's share capital and shareholding structure, the Company may consider adopting stock dividends and other means of profit distribution, provided that the conditions for cash dividend are satisfied. If there are profits available for distribution after making up losses, withdrawing reserve funds and paying agreed dividends to preferred shareholders in accordance with the law, and if the auditor issues a standard unqualified audit report on the Company's financial report for that year, except for special circumstances determined by the Board, the Company may distribute profits to ordinary shareholders in cash. The profits distributed in cash each of the next three years shall, in principle, be not less than 16% of the distributable profits of that year and the cumulative profits distributed in cash in the last three years shall be not less than 30% of the average annual distributable profits achieved in the last three years.

2. Execution of cash dividend policy during the Reporting Period

On May 19, 2023, the Proposal on 2022 Profit Distribution Plan of China State Construction Engineering Corporation Limited was considered and approved at the 2022 Annual General Meeting of the Company through a combination of on-site open ballot and Internet voting; on June 20, 2023, the Company released the Announcement on Implementing Rights and Interests Distribution for 2022 of China State Construction Engineering Corporation Limited; on June 30, 2023, the Company distributed cash dividends to all shareholders, marking the full implementation of the profit distribution plan for 2022. The Company distributed profits in strict compliance with relevant provisions of the Articles of Association and the resolutions passed at the general meetings.

3. Proposed annual profit distribution plan

In accordance with relevant provisions of the Company Law and the Articles of Association, the proposed profit distribution plan for 2023 has been formulated on the basis of the 2023 Profit Distribution Plan of China State Construction Engineering Corporation Limited considered and approved at the 56th meeting of the third session of the Board of Directors of the Company by taking into account shareholder returns, the Company's capital demand for business development and other factors.

Proposed profit distribution plan for 2023: the net profit attributable to shareholders of the Company under the consolidated statements amounted to RMB54.264 billion; undistributed profit of the parent company was RMB51.815 billion, and the Company proposed to distribute cash dividend of RMB2.7145 (tax inclusive) per 10 shares to all shareholders. As of the date of disclosure, the total share capital of the Company was 41,619,952,444 shares and cash dividend proposed to be distributed on this basis was approximately RMB11.298 billion (tax inclusive). Cash dividend of the Company in the year accounted for 20.82% of the net profit attributable to shareholders of the parent company under the consolidated statements. In case of any change in the total share capital of the Company prior to the record date of shareholders for profit distribution, the Company proposes to maintain the distribution ratio per share unchanged, and to adjust the total distribution amount accordingly. An announcement containing details of the adjustments will be made separately.

Above proposed profit distribution plan was considered and approved at the 56th meeting of the third session of the Board of Directors of the Company. The approval on this proposed plan is still subject to the consideration and approval by the 2023 Annual General Meeting of the Company. A combination of on-site open ballot and Internet voting will be adopted at the 2023 Annual General Meeting of the Company so as to ensure that minority shareholders have adequate opportunities to express their opinions and requests, thereby fully safeguarding their legal interests.

4. Explanation on the cash dividend to be distributed by the Company for the current year

(1) Industry where the Company operates and its characteristics

The construction industry in which the Company operates faces fierce market competition. The projects undertaken are characterized by large volume and long production cycle, and the capital demand for maintaining daily operation is relatively large. The Company accurately seized the opportunities of national policies, enhanced the development of its main business, continued to deepen its project performance management, accelerated innovation, continuously strengthened bottom-line thinking and actively responded to the fierce industry competition.

(2) Development stage of the Company and its business model

The Company has been actively involved in the national strategy to promote a more reasonable regional layout and accelerate reform, so as to highlight the high-quality development trend, adopt new development concepts and benchmark against world-class enterprises, and continuously enhance global competitiveness and brand influence. In 2023, the Company hit a new record high in terms of the value of newly signed contracts, revenue, and net profit attributable to shareholders of the Company. The advantages of the whole industry chain have been consolidated, and the development quality of each business segment has been continuously improved.

(3) Profitability and capital needs of the Company

Since the listing of the Company, the return on net assets has remained at a high level in the industry, delivering stable investment returns to its shareholders. As the Company deepens its reform and innovation, it needs to increase its investment in innovative business and new technologies. In addition, the Company needs to accumulate a certain amount of retained earnings to support the Company's sustainable development and enhance the Company's overall value, which is in the long-term interests of the majority of shareholders.

(4) Reasons for the Company to keep part of the undistributed profit

Currently, the world economy is experiencing mounting downward pressure, and the international situations are changing rapidly. To enhance its resilience against risks, the Company needs to keep a certain amount of retained earnings. The retained earnings accumulated by the Company over the years are attributable to all investors. The Company will continue to improve the efficiency of capital operations, enhance the Company's overall profitability, and offer better returns to investors in the future.

(5) Purpose of the undistributed profit retained by the Company and its estimated income

The retained undistributed profit will be used to support the Company in capturing strategic development opportunities and to deepen the Company's strategy, increase structural adjustment and transformation and upgrading, and to seek new profit growth points. CSCEC has maintained a stable cash dividend policy for years, demonstrating the ability to

maintain stable development and sustained dividend distribution. In 2024, the Company will continue to focus on the major national strategic deployment and the 14th Five-Year Plan, seizing the current window of important strategic opportunities for economic development to better reward shareholders.

(6) Measure taken by the Company to facilitate the participation of minority shareholders in cash dividend decision-making

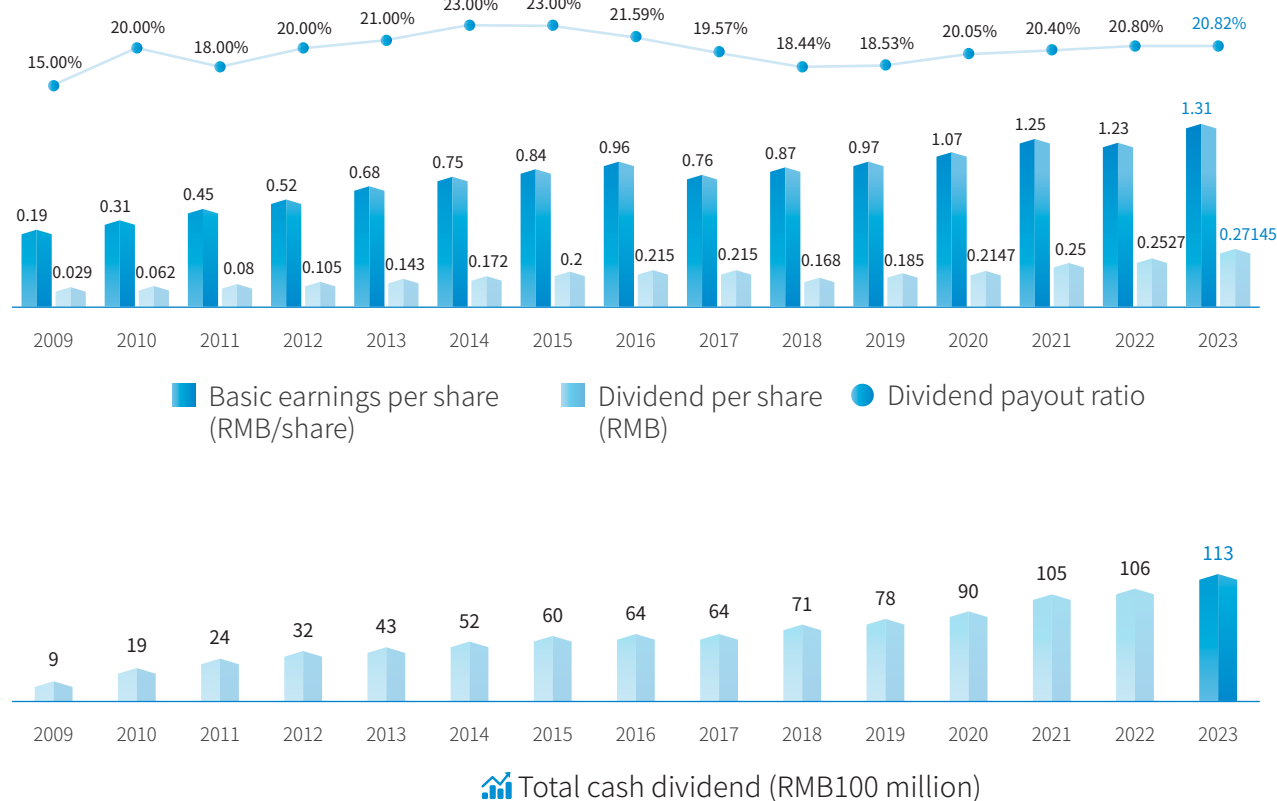
The Company has established and improved a multi-channel investor communication mechanism. Minority shareholders can express their opinions and requests on the cash dividend policy through various methods such as the investor hotline, CSCEC Investor Relations email address, and the SSE E-interactive platform. At the Company's annual general meeting, minority shareholders can vote on the profit distribution plan through online voting. In addition, the Company also actively responds to the concerns of minority shareholders in a timely manner through cash dividend briefings and other forms.

(7) Measures to be taken by the Company to enhance investor returns

In accordance with the requirements of the Regulatory Guidelines No. 3 for Listed Companies – Cash Dividends Distribution of Listed Companies and other relevant laws and regulations, normative documents, and the Articles of Association, the Company increases the transparency and operability of profit distribution decisions, so as to facilitate shareholders' supervision over the Company's operations and profit distribution. The Company will continue to uphold the operation philosophy of bringing long-term sustainable returns to investors. The Company will also continue to optimize profit distribution plans and increase investor returns in consideration of factors such as the current macroeconomic situation and major capital expenditure arrangements.

This proposed profit distribution plan complies with the relevant laws, regulations and the Articles of Association with compliant and transparent profit distribution procedures. CSCEC has maintained a stable cash dividend policy with an increase in the cash dividend to be distributed per share for the current year over last year. This demonstrates the ability of CSCEC to maintain stable development and sustained dividend distribution, as well as its determination to uphold the investor-oriented philosophy and reward shareholders with excellent operating results.

Cash dividends since listing



(II) Plans or proposed plans for profit distribution or reserve capitalization of the Company in the last five years (including the Reporting Period)

Unit: '000 yuan Currency: RMB

Year of dividend distribution	Number of bonus shares per 10 shares	Amount of dividends distributed per 10 shares (RMB) (tax inclusive)	Number of shares capitalized per 10 shares	Amount of cash dividends (tax inclusive)	Net profit attributable to ordinary shareholders of the Company in the consolidated financial statements for the year of dividend distribution	Percentage of the net profit attributable to ordinary shareholders of the Company in the consolidated financial statements (%)
2023	0	2.7145	0	11,297,736	54,264,173	20.82
2022	0	2.527	0	10,596,831	50,950,301	20.80
2021	0	2.50	0	10,485,215	51,407,661	20.40
2020	0	2.147	0	9,006,272	44,924,929	20.05
2019	0	1.85	0	7,763,538	41,881,399	18.53

(III) Specific explanation on cash dividend policy

☒ Applicable ☐ N/A

Was it in compliance with the requirements of the Company's Articles of Association and the resolutions of the general meeting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were the dividend distribution criteria and proportion well-defined and clear	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were related decision-making processes and mechanisms complete	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Did independent directors fulfill their duties and play their roles	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were the minority shareholders given adequate opportunities to voice their opinions and requests and were their legitimate rights and interests fully protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

(IV) If, during the Reporting Period, the Company records a profit and the profit distributable to the ordinary shareholders of the parent company is positive but there is no proposed plan for distribution in the form of cash dividends, the Company shall disclose in detail the reasons, and the purpose and utilization plan of the undistributed profits

☐ Applicable ☒ N/A

(V) Proposed plans for profit distribution and reserves capitalization for the Reporting Period

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Number of bonus shares per 10 shares	/
Amount of dividends distributed per 10 shares (RMB) (tax inclusive)	2.7145
Number of shares capitalized per 10 shares	/
Amount of cash dividends (tax inclusive)	11,297,736
Net profit attributable to ordinary shareholders of the Company in the consolidated financial statements for the year of dividend distribution	54,264,173
Percentage of the net profit attributable to ordinary shareholders of the Company in the consolidated financial statements (%)	20.82
Amount for cash repurchases of shares recorded as cash dividends	/
Total amount of dividends (tax inclusive)	11,297,736
Percentage of the total amount of dividends to the net profit attributable to ordinary shareholders of the Company in the consolidated financial statements (%)	20.82

XI. Equity Incentive Scheme, Employee Stock Ownership Plan or Other Employee Incentive Schemes of the Company and Their Implications

(I) Relevant incentive matters disclosed in provisional announcements without further progress or changes in subsequent implementation

☒ Applicable ☐ N/A

Summary of matters	Index for details
300.0576 million shares were unlocked as the first tranche in 2022 under Phase IV restricted A share incentive scheme, and the date of listing and trading was January 16, 2023.	Announcement on the First Tranche of Unlocking in 2022 in Respect of Phase IV Restricted A Share Incentive Scheme and Listing of Shares published on January 10, 2023.
184.966 million shares were unlocked as the third tranche in 2022 under Phase III restricted A share incentive scheme, and the date of listing and trading was January 19, 2023.	Announcement on the Third Tranche of Unlocking in 2022 in Respect of Phase III Restricted A Share Incentive Scheme and Listing of Shares published on January 12, 2023.
It was considered and approved by the Company to repurchase restricted shares subject to restriction on unlocking from 148 participants involved in Phases III and IV restricted A share incentive schemes. A total of 14,918,400 restricted shares were repurchased, of which, the number of restricted A shares under Phases III and IV were 5,874,000 shares and 9,044,400 shares, respectively. The repurchase of Phase III restricted A shares was based on the price of RMB3.468 per share, and Phase IV based on the price of RMB3.06 per share. The total amount of funds for the repurchase was RMB48,313,367.49 (interests inclusive). After all the repurchased shares are canceled, the registered capital of the Company will be reduced by RMB14,918,400.	Announcement on the Partial Repurchase and Cancellation of Phase III and IV Restricted Shares to Reduce the Company's Registered Capital & Notification to Creditors published on May 20, 2023.
The Company's repurchase and cancellation of restricted shares involved a total of 148 participants of the Company's Phases III and IV restricted A share incentive schemes (including 33 participants, from whom both Phases III and IV restricted shares would be repurchased and canceled concurrently). A total of 14,918,400 restricted shares were proposed to be repurchased and canceled (5,874,000 and 9,044,400 restricted shares under Phases III and IV respectively). After the completion of the repurchase and cancellation, the registered capital and share capital of the Company will be reduced by RMB14,918,400 (shares) to RMB41,919,514,444 (shares).	Announcement on Repurchase and Cancellation of Partial Restricted Shares for Equity Incentives published on July 28, 2023.
Due to the Company's failure to achieve the unlocking performance target, the unlocking condition of 299,562,000 restricted shares held by 2,727 participants in the second tranche in 2023 under Phase IV restricted A share incentive scheme were not met, triggering the share repurchase clause. As considered and approved at the 50th meeting of the third session of the Board of Directors and the 25th meeting of the third session of the Board of Supervisors, the Company repurchased and canceled restricted shares from such participants.	Announcement on the Repurchase and Cancellation of the Second Tranche of Shares in 2023 under the Phase IV Restricted A Share Incentive Scheme published on December 8, 2023.
The Company repurchased 299,562,000 Phase IV restricted shares in the second tranche, accounting for 32.85% of the granted 912,036,000 Phase IV restricted shares and 0.71% of the total share capital of the Company. The repurchase of Phase IV restricted A shares was based on the price of RMB3.06 per share. The total amount of funds for the repurchase was RMB916,659,720. After all the repurchased shares are canceled, the registered capital of the Company will be reduced by RMB299,562,000.	Announcement on the Repurchase and Cancellation of the Second Tranche of Phase IV Restricted Shares to Reduce the Company's Registered Capital & Notification to Creditors published on December 28, 2023.
The Company's repurchase and cancellation of restricted shares involved a total of 75 participants of the Company's Phase IV restricted A share incentive scheme. A total of 9,630,000 restricted shares were proposed to be repurchased and canceled. The total amount used for the repurchase was RMB30,694,678.86 (interests inclusive). All such funds were the Company's own capital. After all the repurchased shares are canceled, the registered capital of the Company will be reduced by RMB9,630,000.	Announcement on Repurchase of Phase IV Restricted A Shares from Certain Incentive Participants published on January 10, 2024.
The repurchase and cancellation of restricted shares involved a total of 2,727 participants, and a total of 299,562,000 restricted shares were proposed to be repurchased and canceled. After the completion of the repurchase and cancellation, the Company will have a total of 299,562,000 remaining restricted shares for equity incentives. The repurchase of the repurchase and cancellation was based on the price of RMB3.06 per share. All funds used for the repurchase of restricted shares were the Company's own capital. The total amount used for the repurchase was RMB916,659,720, excluding transfer fees, stamp duties and other related expenses borne by the Company due to the repurchase of restricted shares.	Announcement on Repurchase and Cancellation of Partial Restricted Shares for Equity Incentives published on February 27, 2024.

(II) Incentives not disclosed in provisional announcements or with subsequent progress

Information on equity incentives

☐ Applicable ☒ N/A

Other explanation

☒ Applicable ☐ N/A

For implications of the restricted shares of the Company on its financial position and operating results, please refer to the relevant information of Note XIII “Share-based payment” to the financial statements under SECTION X “FINANCIAL REPORT”.

Information on employee stock ownership plan

☐ Applicable ☒ N/A

Other incentives

☐ Applicable ☒ N/A**(III) Stock options granted to directors and senior management during the Reporting Period**☒ Applicable ☐ N/A

Unit: 0,000 shares

Name	Position	Number of restricted shares held at the beginning of the Reporting Period	Number of restricted shares newly granted during the Reporting Period	Grant price of restricted shares (RMB)	Unlocked shares	Locked shares	Number of restricted shares held at the end of the Reporting Period	Market price at the end of the Reporting Period (RMB'000)
Zheng Xuexuan	Chairman	0	0	0	0	0	0	0
Zhang Zhaoxiang	Director and president	0	0	0	0	0	0	0
Shan Guangxiu	Director	16	0	0	16	0	0	0
Ma Wangjun	Independent director	0	0	0	0	0	0	0
Jia Chen	Independent director	0	0	0	0	0	0	0
Sun Chengming	Independent director	0	0	0	0	0	0	0
Li Ping	Independent director	0	0	0	0	0	0	0
Zhao Xiaojiang	Vice president	0	0	0	0	0	0	0
Li Yongming	Vice president	85	0	0	37	48	48	230.88
Huang Jie	Vice president, chief financial officer	0	0	0	0	0	0	0
Xue Keqing	Secretary to the Board of Directors	88	0	0	40	48	48	230.88
Xu Wenrong	Former independent director	0	0	0	0	0	0	0
Wang Yunlin	Former vice president, chief financial officer, general counsel	0	0	0	0	0	0	0
Ma Zeping	Former vice president	0	0	0	0	0	0	0
Zhou Yong	Former vice president	16	0	0	16	0	0	0
Huang Kesi	Former vice president	16	0	0	16	0	0	0
Total	/	221	0	0	125	96	96	461.76

(IV) Appraisal mechanism for senior management and the establishment and implementation of incentive mechanism during the Reporting Period

☒ Applicable ☐ N/A

For details, please refer to the relevant information under “IV. Directors, Supervisors and Senior Management” in this section.

XII. Establishment and Implementation of Internal Control Rules during the Reporting Period

☒ Applicable ☐ N/A

During the Reporting Period, the Company continued to optimize the internal control system, revised and improved the internal control rules, and ensured the effective implementation of various rules. It further streamlined and standardized various business processes to improve the Company's operation and management level and risk prevention and control capabilities. The Company has continuously improved its internal control process, covering all aspects including decision-making, execution, supervision, and feedback. The Company's improved internal control are more comprehensive and effective.

For details of the Company's internal control evaluation report, please refer to the 2023 Internal Control Evaluation Report of China State Construction Engineering Corporation Limited considered and approved at the 56th meeting of the third session of the Board of Directors of the Company and disclosed on the website of the SSE.

Description of material defects in internal control during the Reporting Period

☐ Applicable ☒ N/A

XIII. Management and Control of Subsidiaries during the Reporting Period

☒ Applicable ☐ N/A

The Company has formulated various management systems for subsidiaries, including the Administrative Measures for Subsidiary Governance Structure, the Administrative Measures for the Organizational Structure of the Headquarters of Subsidiaries, the Administrative Measures for the Evaluation and Appraisal of the Operating Results of Subsidiaries, and the Management Regulations for Subsidiaries with Equity Participation. Relying on the above management systems, the Company has established an internal control system based on the Articles of Association. The internal control system primarily comprises investment, property rights, finance, corporate governance, performance appraisal, material information reporting, information disclosure and other management systems, and has been strictly and thoroughly implemented. The Company can effectively manage and control its subsidiaries by setting approval and authorization permissions in the internal control system.

XIV. Information on Internal Control Audit Report

☒ Applicable ☐ N/A

Upon approval by shareholders at the general meeting, the Company engaged Ernst & Young Hua Ming LLP (Special General Partnership) to audit the effectiveness of the Company's internal control related to the financial report as of December 31, 2023. The auditor has issued a standard unqualified internal control audit report.

For details of the internal control audit report, please refer to the 2023 Internal Control Audit Report of CSCEC disclosed on the website of the SSE.

Whether the Internal Control Audit Report is disclosed: Yes

Type of opinion on the Internal Control Audit Report: Standard unqualified opinion

XV. Self-inspection and Rectification in the Special Governance Action of Listed Companies

The Company thoroughly implemented the spirit and requirements of the Opinions on Further Improving the Quality of Listed Companies issued by the State Council and the Announcement on Launching Special Actions on Governance of Listed Companies issued by the CSRC to actively promote self-inspection and rectification under special corporate governance actions. The self-inspection findings show the Company is in compliance with laws, regulations and requirements regarding corporate governance in all aspects. Specifically, the Company has established a relatively sound corporate governance system in accordance with the laws and regulations such as the Company Law, the Securities Law and the Code of Corporate Governance for Listed Companies. In addition, the shareholders' general meetings, the Board of Directors, the Board of Supervisors and the management operate in a standardized manner. The directors, supervisors and senior management are diligent and conscientious. The internal control system of the Company is sound and effective. The information disclosure is open and transparent. No matter that may have a material adverse impact on the interests of investors is identified. The Company will continue to consolidate the achievements of corporate governance, improve corporate governance, and promote the sustainable, healthy and high-quality development of the Company.

XVI. Business Ethics and Anti-corruption

CSCEC remains committed to business ethics and anti-corruption governance, demonstrating zero tolerance for all corruptions. In 2023, the Company compiled a supervision checklist for disciplinary inspection and supervision, focusing on business ethics and anti-corruption and clarifying the supervision requirements for headquarters departments and secondary units. Integrity training was actively promoted for all employees and integrity talks were conducted with employees on a quarterly basis. The Company released the integrity culture concept of "advocate ethical behaviors to improve the construction, and advocate integrity to build the foundation" to continuously consolidate the results of the integrity culture construction and promote the practice of business ethics. In addition, the Company also formulated measures for handling complaints and charges, and implemented the "weekly registration" system for reports. With the system as a guide and the information system as a means, the Company continued to improve the non-compliance reporting process and standardize procedures for accepting and transferring reports, improving the efficiency of handling reports.

XVII. Miscellaneous

☐ Applicable ☒ N/A

SECTION V

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

I. Environmental Information

Whether mechanisms related to environmental protection have been established	Yes
Environmental protection funds invested during the Reporting Period (Unit: RMB100 million)	6.98

(I) Explanation on environmental protection efforts of the highly polluting companies and their key subsidiaries as announced by the environmental protection authority

☐ Applicable ☒ N/A

(II) Explanation on environmental protection efforts of companies other than highly polluting companies

☒ Applicable ☐ N/A

1. Administrative penalties due to environmental issues

☒ Applicable ☐ N/A

During the Reporting Period, a total of 119 construction projects of the Company's subsidiaries received administrative penalties due to environmental problems such as construction noise, dust, sewage and solid waste, involving a total fine of approximately RMB7.1772 million. As at the disclosure date of this Report, all of the issues involved in the aforementioned administrative penalties have been rectified.

2. Disclosure of other environmental information with reference to highly polluting companies

☒ Applicable ☐ N/A

The Company attaches great importance to ecological environmental protection. During the Reporting Period, there were no emergency environmental incidents in the Company. The impact of the production and operation activities of the Company on the environment mainly included noise, dust and solid waste, most of which took place in the course of construction. To minimize the impact on the environment, prior to the commencement of a project, the Company identified the environmental factors and prepared preliminary planning and schemes for environmental protection and green construction in accordance with relevant requirements. The Company was also equipped with and operated in a standardized manner various pollution prevention facilities such as automatic spraying, vehicle washing, sedimentation tanks and acoustic sheds, gave priority to new technologies and processes of energy conservation and environmental protection to reduce energy consumption and pollutant discharge, so as to minimize the impact of production on the environment.

3. Reasons for not disclosing other environmental information

☐ Applicable ☒ N/A

(III) Relevant information conducive to protecting ecology, preventing pollution, and fulfilling environmental responsibilities

☒ Applicable ☐ N/A

Guided by President Xi Jinping's Thought on Ecological Civilization, the Company thoroughly implemented the decision and deployment on strengthening ecological environmental protection of the CPC Central Committee and the State Council. The Company persevered in integrating the concept of "ecological priority and green development" into the entire life-cycle of project investment, design, construction and operation, accelerating the transformation of green construction methods, and continuously improving the level of environmental protection.

1. **Strengthening green investment.** During the Reporting Period, the Company actively expanded its investments in the ecological and environmental protection field. We successively invested in 12 projects in the clean energy and water environmental protection sectors, including the Fengdongkou Pumped Storage Power Station Project in Liuyang City, Hunan Province, and the Comprehensive Treatment EOD Project in the Chenghu Area of Wuzhong District, Suzhou City, Jiangsu Province, with a total investment of about RMB71.154 billion.
2. **Strengthening green design.** During the Reporting Period, the Company effectively promoted green and low-carbon design. With a focus on application scenarios such as ultra-low energy consumption buildings, buildings with virtually zero energy consumption, and zero-carbon buildings, the Company consistently promoted the adoption of green and low-carbon technologies across all stages of building life-cycle starting with design as the driving force. The Science and Technology Innovation Building of China Construction Fourth Bureau was officially designated by the China Association of Building Energy Efficiency as a virtually zero energy consumption building. Additionally, the Company was designated as a national demonstration project for advanced green and low-carbon technologies by the National Development and Reform Commission.
3. **Strengthening green construction.** As the first advocator of green construction in the industry, the Company integrates the green concept into the whole process of project construction. We rigorously enforce requirements imposed by the government for green construction, duly carry out ecological environment protection and energy conservation and emission reduction work, actively promote the application of green and low-carbon technologies, products, and services at construction sites, and strengthen green demonstration and leadership efforts, actively creating green demonstration projects. During the Reporting Period, the Company's construction of the Shenzhen Guanlan Cultural Town project was designated as one of the first 30 pilot projects nationwide for "zero waste construction sites". Additionally, three projects – Jinhu Wetland in Zhijiang, Hubei, Wuliangshuai, and Guangyang Island in Chongqing – were included in the first 15 excellent and typical cases of the national "landscape projects" initiative.
4. **Strengthening green operation.** During the Reporting Period, the Company continued to strengthen the operation of water environmental protection while actively expanding into new business areas such as pumped storage energy and photovoltaic power generation. Three projects have already been put into operation, including the Guangdong Longchuan Distributed Photovoltaic Power Generation Project and the Langfang Distributed Roof Photovoltaic Power Generation Project, totaling a cumulative electricity generation of 43.839 million kilowatt-hours. The progressive implementation of green operation businesses not only provides strong support for achieving "dual carbon" targets but also plays an important role in improving ecological environment governance and enhancing living environments.
5. **Strengthening green technological R&D.** The Company has been consistently increasing its efforts in green and low-carbon technology research and development, innovating and applying cutting-edge construction techniques, and exploring innovative construction models to drive the transition of production methods towards green and low-carbon practices. During the Reporting Period, the Company established the "CSCEC Green Construction Engineering Research Center (中国建筑绿色建造工程研究中心)" focusing on two major directions: "Buildings centered around Health and Comfort" and "Industrialization Technology of Building Mechanical and Electrical Systems and Decoration". This center devoted itself to the research and development of interdisciplinary innovative technologies in design, construction, operation, and maintenance of healthy and suitable dwelling environment throughout the entire chain, as well as green and healthy electrical and mechanical installations and decoration technology, so as to improve the ecological environment continuously with the high-standard development of science and technology.



The Ulansuhai Nur Ecological Restoration Project

(IV) Measures taken to reduce carbon emissions during the Reporting Period and the effects

Whether carbon reduction measures have been adopted	Yes
Emission reductions (Unit: tons CO ₂ equivalent)	/
Types of carbon reduction measures (e.g., using clean energy to generate electricity, using carbon reduction technologies in the production process, and researching, developing and producing new products that contribute to carbon reduction)	Using carbon reduction technologies in the production process (e.g., application technology of distributed photovoltaic power station mounted on the exterior wall surface of climbing frames, assembly bridge technology, application technology of photovoltaic and energy storage microgrid system for temporary construction, technology of light storage and diesel integrated mobile energy supply module, application technology of compliant aggregate and low cement cementitious material concrete, and the Company's construction of a database of green and low carbon building materials and a database of green and low-carbon advanced technologies on the basis of the CSCEC Carbon Emission Monitoring and Management Comprehensive Service Platform provide cases and data support for energy saving and carbon reduction in the Company's production and operation). Developing and producing new products that contribute to carbon reduction (e.g., ultra-low-energy building products equipped with high-performance envelope structures, high-airtightness door and window systems, high-efficiency air conditioning and ventilation systems, and energy-saving electrical and lighting systems; the "Photovoltaic, Energy storage, Direct current and Flexibility" series, super-charging piles, and photovoltaic modules with imitation aluminum panels; a series of products of low-noise and high-efficiency defrost air-cooled heat pumps; and the recycled new decorative materials inorganic artificial stone products achieve the full-component utilization of solid wastes, with a utilization rate of more than 95%, obtaining three-star certification for China's green building materials).

Explanation**✓ Applicable □ N/A**

Embracing the new development philosophy, CSCEC actively explored the development model of green construction, with a keen focus on achieving "Carbon Peak and Carbon Neutrality" strategic goals. The Company pushed ahead with the commercialization and industrialization of innovative products, led the transformation of the construction industry toward environmentally friendly and low-carbon practices, and contributed to the high-quality development of the construction industry as a whole.

During the Reporting Period, the Company set up the "Special Technical Research and Development Project for Carbon Peak and Carbon Neutrality in 2023", focusing on seven key areas such as "new zero-energy building construction technology", "new integrated photovoltaic and energy storage building components", and "zero-carbon transformation technology for existing public buildings". This initiative has led to further advancement of energy-saving and carbon reduction engineering technologies, gradually developing a series of ultra-low energy consumption and zero-carbon building technology systems and innovative products. The Company released 117 "CSCEC's Advanced Technology Achievements in Carbon Peak and Carbon Neutrality", covering innovative achievements in waste utilization, existing building renovations, building energy conservation, green building materials, and green construction. These achievements were rigorously evaluated by industry experts and widely noted for reaching international advanced and leading standards. Additionally, in collaboration with Xi'an University of Architecture and Technology, the Company established the "National Key Laboratory for Green Buildings". This laboratory operates independently and adopts a "one room, two systems, multiple centers" model, striving to create a new construction national team of "Human-in-the-Loop" for the construction industry.

During the Reporting Period, the Company actively explored new pathways for green and low-carbon development, promoting the application of new technologies, materials, processes, and products to lead green and low-carbon development in the industry. Notably, the Company pioneered the first large-scale residential building project with virtually zero energy consumption in one of the frigid regions in China, the Zhonghai Heshan Daguan project. With a total construction area of nearly 170,000 square meters, the project achieved a heating energy-saving rate of 92%, filling a gap in the application of large-scale nearly zero energy buildings in frigid climate regions. The independently designed and constructed CSWADI Lakeside Design Headquarters was a demonstration project for virtually zero energy buildings under China-US energy cooperation, incorporating nearly 40 low-carbon energy-saving technologies to achieve virtually zero energy consumption throughout the buildings and zero energy consumption in certain sections. Furthermore, the Shanghai Jiading Future City Project, with a construction area of nearly 600,000 square meters, was designed as a low-carbon community with virtually zero carbon emission attained in certain sections. It was designated as a China-Switzerland Zero-carbon Building Demonstration Project by the Ministry of Housing and Urban-Rural Development of the People's Republic of China and the Swiss Development Cooperation Agency, also selected as part of the 14th Five-Year Plan national key research and development program for "zero-carbon building standard research and technical integration demonstration research.



II. Social Responsibility

(I) Whether to disclose social responsibility report, sustainability report or ESG report separately

☒ Applicable ☐ N/A

The Company will disclose sustainability report on the website of the SSE. Please refer to the relevant parts of the report for the information.

(II) Detailed description of the social responsibility work

☒ Applicable ☐ N/A

External Donation, Charity Project	Amount/ Content	Remarks
Total investment (RMB0' 000)	15,989.85	Free assistance and support, donations and charitable contributions to several assisted areas, including Kangle County, Kang County and Zhuoni County in Gansu Province where the Company provides paired assistance, Changting County in Fujian Province where the Company provides partner assistance, and Yengisar County in Xinjiang Uygur Autonomous Region where assistance is provided by the Company's subsidiaries.
Including: Capital (RMB0' 000)	15,495.99	Mainly used for revitalization initiatives in terms of industry, human resources, culture, ecology and organizational structures, including donations and capital investment for public welfare made by the Company.
Material equivalence (RMB0' 000)	493.86	Including donations of books, projectors, printers, etc. to assisted areas, as well as donations and investment in supplies for public welfare made by the Company.
Number of people benefited (person)	327,175	Including residents who benefited from the assistance and donations in Kangle County, Kang County and Zhuoni County in Gansu Province where the Company provides partner assistance, people benefited in Changting County of Fujian Province where the Company provides partner assistance and people benefited in Jishishan County, Gansu Province where the Company provides assistance for earthquake relief efforts.

Explanation

✓ Applicable □ N/A

CSCEC set up the “CSCEC brand building and social responsibility working leadership group (中国建筑品牌建设和社会责任工作领导小组)” to actively fulfill its social responsibilities. The Company continuously develops a brand-led social responsibility management model, emphasizing work safety, ensuring product quality, optimizing supply chain management, supporting talent development, contributing to community building, and promoting brand leadership initiatives. The Company persevered with the promotion path of “business lines as the horizontal basis and subsidiaries as the vertical extension (横向业务线为基础、纵向子企业延伸)” to ensure that the social responsibility tasks are executed consistently throughout the entire system and implemented level-by-level.

1. **Adhering to the safety bottom line.** CSCEC adheres firmly to the principle of “people first and life first” and upholds the bottom line of “developing without sacrificing safety to integrate development and safety”. At all levels, achieving “zero incidents” is the ultimate goal of our work safety efforts. We persistently strive for a starting point of zero incidents and work towards that goal, eliminating potential hazards, addressing issues at their root and preventing serious and extraordinarily serious production safety accidents. CSCEC has put the responsibility for work safety into practice by signing the Work Safety Responsibility Commitment (《安全生产责任书》) or Safety Management Agreements (《安全管理协议》) at each level, supervising its subsidiaries and sub-suppliers to establish and improve work safety management systems, prompting sub-suppliers to take out work safety insurance in accordance with the law, and safeguarding the rights and interests of the employees in terms of work safety.
2. **Strengthening product responsibility.** Based on ISO 9001 quality management certification, CSCEC has established a sound organizational structure, system framework and supervision framework of quality management. The Company has also developed regulations such as the CSCEC Construction Enterprise Quality Management Measures (《中国建筑施工企业质量管理办法》), providing unified institutional safeguards to ensure project quality in compliance with the regulations. During the Reporting Period, the Company achieved a 100% pass rate of completed projects, with no incidents of general or higher-level quality-related accidents. Driven by technological innovation, the Company establishes a platform system for technological innovation, meticulously arranges talent team development, scientific research and development investment, and research projects development, and continuously advances green and intelligent construction as well as industrialization development. We prioritize the protection of intellectual property rights, and have developed regulations such as the CSCEC Scientific and Technological Achievements Management Measures (《中国建筑科技成果管理办法》), and established sound patent and copyright protection mechanisms to step up the promotion and transformation of technological achievements. Besides, we engage with customers in diverse ways, prioritize customer privacy and information protection, and conduct customer satisfaction surveys to continuously improve service quality.
3. **Enhancing supply chain management.** CSCEC places great emphasis on supply chain management, continuously optimizing the Company’s supply chain management system, and collaborating with partners to fulfill social responsibilities. We have established regulations such as the CSCEC Subcontractor Resource Management Measures (《中国建筑分供方资源管理办法》) to carry out supplier management through procurement platforms. With fully-established supplier management and review processes in place, we give priority to suppliers with good reputation, sound systems, and authoritative green building material certifications, avoiding cooperating with suppliers with serious adverse records. We establish a robust and regular evaluation system and assessment mechanism, combining online evaluation and offline tracking management to comprehensively assess suppliers. Based on evaluation results, we categorize suppliers and blacklist suppliers with negative records. We continuously improve supplier penalties and exit mechanisms to create a sustainable supply chain management system.
4. **Promoting employee development.** CSCEC consistently prioritizes human resources system building and employee development, and has formed a leadership group for talent work and implementing the Party’s responsibility for talent management. We push forward the classification-based reform of human resources assessment mechanisms, and tailor evaluation systems to fit the growth patterns and characteristics of different human resources. We coordinate the development of talent teams in key fields, conducting evaluation, recruitment and cultivation for high-level innovative professional and technical talents in a hierarchical and categorized manner. Furthermore, we enhance our internal employee education and training system, emphasizing political leadership and leveraging the pioneering, foundational, and strategic role of cadre education and training. Therefore, a series of distinctive training brands and programs with CSCEC characteristics have been established, which ensures a reliable supply of human resources for building a world-class enterprise.

5. **Cultivating the culture of responsibility.** We thoroughly implement Xi Jinping's theoretical observations based on in-depth studies, and develop the Company's culture to deepen the "133" work system. We have introduced corporate culture handbook titled Creed of CSCEC (2024 Edition) 《中建信条(2024版)》, the code of conduct manual of Ten Principles and Nine Chapters (2024 Edition) 《十典九章(2024版)》, as well as an overseas cultural integration edition. These materials imbue CSCEC's spirit, corporate mission, vision, and core values with new connotations and interpretations. This further deepens our sense of responsibility, guiding employees to harness the power of culture as a strong driving force for practicing social responsibility.
6. **Enhancing communications on responsibility-related matters.** The Company duly fulfills its social responsibilities, and communicates with communities to promote community development. The Company has incorporated community communication and engagement into the Social Responsibility Work Guidance Manual 《社会责任工作指导手册》, the Cultural Integration Manual 《文化融合手册》, and the Cultural Integration Implementation Manual 《文化融合执行手册》 for overseas organizations. We carried out the "Hundreds of Lectures into the Construction Site (百场宣讲进工地)" campaign themed for care and protection of left-behind children in rural areas, and held 100 thematic lectures, benefiting millions of people to date. In 10 countries including the United Arab Emirates, we initiated the sustainable strategic brand project of "Lu Ban Craftsman Program", conducting over 240 training sessions, exchanges, and internships. In addition, we hosted 292 skill competition events, reaching over 20,000 participants. The related cases have been included in the "Top Ten Outstanding Cases in the Annual Image Building of Chinese Enterprises Overseas". We also published sustainable development reports in both Chinese and English, along with six country reports. Three of our cases were selected for the Research Report on Corporate Social Responsibility of Central Enterprises (2023) 《中央企业社会责任蓝皮书(2023)》, the Research Report on Overseas Social Responsibility of Central Enterprises (2023) 《中央企业海外社会责任蓝皮书(2023)》, and the Research Report on ESG of Listed Central Enterprises (2023) 《中央企业上市公司 ESG 蓝皮书(2023)》 by the State-owned Assets Supervision and Administration Commission.



Book Exchange and Sharing Event

III. Information on Consolidating and Expanding the Results in Poverty Alleviation, Rural Revitalization and Other Specific Tasks

✓ Applicable □ N/A

Poverty Alleviation and Rural Revitalization Projects	Amount/Content	Remarks
Total investment (RMB0'000)	15,849.85	Provide free assistance funds to Kangle County, Zhuoni County, Kang County in Gansu Province, Changting County in Fujian Province, Yengisar County in Xinjiang, and other areas.
Including: Capital (RMB0'000)	15,495.99	Mainly used for the revitalization construction in terms of industry, human resources, culture, ecology and organizational structures.
Material equivalence (RMB0'000)	353.86	Donations of books, projectors, printers, etc. to assisted areas.
Number of people benefited (person)	317,175	/
Types of assistance (e.g., poverty alleviation by developing industries, creating jobs, and developing education)	Industrial assistance, employment assistance, education assistance, consumption assistance and Party building assistance, helping to address prominent issues to ensure poor population in rural areas do not have to worry about food and clothing and have access to compulsory education, basic medical services and safe housing	

Explanation

✓ Applicable □ N/A

(I) Planning of rural revitalization

Guided by President Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company and its controlling shareholder, China State Construction, fully embraced the spirit of the 20th National Congress of the Communist Party of China. They duly implemented the strategic decisions and arrangements made by the Party Central Committee and the State Council, provided precise and pragmatic targeted assistance to Kangle County, Zhuoni County, and Kang County in Gansu Province (referred to as the three counties of Gansu), and offered partner assistance to Changting County in Fujian Province. Related subsidiaries were paired up to provide assistance, as required by local Party committees and governments, to a total of three counties, two towns, and 23 villages nationwide. The Company formulated the Key Points of Rural Revitalization in 2023 (《2023 年乡村振兴工作要点》), issued the List of Paired Assistance and Partner Assistance Tasks in 2023 (《2023 年度定点帮扶和对口支援工作任务清单》), and convened six meetings on rural revitalization. Furthermore, the Company formulated detailed plans for annual rural revitalization, leveraging the Company's advantageous resources across the entire construction industry chain to support rural revitalization in assisted areas on a comprehensive scale focusing on five issues: industry, human resources, culture, ecology, and organization.

(II) Summary of rural revitalization

Focusing on five major revitalization initiatives, the Company offered comprehensive assistance to create livable, business-friendly, and beautiful rural areas in assisted regions. **Firstly, industrial revitalization:** the Company fully leveraged the unique resources in the construction industry, donated and constructed various facilities including agricultural technology demonstration bases, water plants, and tourism infrastructure to support local industrial revitalization. **Secondly, human resources-based revitalization:** the Company utilized the resources of higher education institutions and focused on cultivating grassroots-level cadres and qualified professionals, thus laying a solid foundation of talent for agricultural and rural development. **Thirdly, cultural revitalization:** the Company created multiple village-level civilized practice demonstration sites, rural libraries, cultural squares, and organized various cultural training sessions, promoting traditional culture and core socialist values. **Fourthly, ecological revitalization:** the Company promoted green construction projects for the purpose of improving village appearance and rural garbage and wastewater treatment, and ultimately improved the rural ecological environment and living conditions. **Fifthly, organizational revitalization:** replying on multiple measures such as pairing with grassroots party organizations in rural areas and supporting rural collective economies, the Company assisted local communities in establishing rural governance systems that integrate self-governance, rule of law, and moral governance.

(III) Subsequent plan for assisting in rural revitalization

In 2024, guided by President Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company will continue to implement the spirit of the Central Rural Work Conference. CSCEC will learn and employ the experience of the “One Thousand Demonstration Villages, Ten Thousand Renovation Villages (千万工程)” to coordinate and advance targeted assistance, paired support, and other initiatives. Meanwhile, CSCEC will fully participate in the national rural revitalization strategy and help prevent people in assisted areas from returning to poverty on a large scale as the bottom-line. Furthermore, CSCEC will effectively and systematically promote rural industrial development, rural construction, and rural governance, making greater contributions to comprehensively advancing rural revitalization, accelerating agricultural and rural modernization, and building a strong agricultural nation.



Gansu Kang County Tourism Industry Revitalization Demonstration Park Project

SECTION VI

IMPORTANT MATTERS

I. Fulfillment of Commitments

(I) Commitments of the Company's de facto controller, shareholders, related parties, acquirer, the Company, and other related parties during or subsisted at the end of the Reporting Period

✓ Applicable □ N/A

Background of commitment	Type of commitment	Commitment party	Contents of commitment	Date of commitment	Is there a time limit for performance	Term of commitment	Have the commitments been strictly and timely fulfilled	Alternative plan if failed to timely fulfill commitment	Alternative plan if failed to timely fulfill commitment
Commitments in relation to initial public offering	To resolve horizontal competition	China State Construction	The Agreement on Avoidance of Horizontal Competition with the Company was signed. Please refer to the relevant contents of the Letter of Content in Relation to the initial Public Offering of Shares by China State Construction Engineering Corporation Limited.	July 29, 2009	No	No term	Yes	In the process of performance	N/A
	To resolve defects in land and other property ownership	China State Construction	For the land use rights and properties injected as contributions into the Company and included in the scope of assets valuation report, at request of and with the cooperation from the Company, relevant procedures for registration of the said land use rights and properties under the existing name of the Company or its relevant subsidiaries shall be completed.	July 29, 2009	No	No term	Yes	In the process of performance	N/A
	To resolve defects in land and other property ownership	China State Construction	Regarding the real estate projects injected as contributions into the Company, for the portion whose revenue had been recognized before the establishment of the Company, the land value-added tax payable in future final settlement shall be borne by China State Construction.	July 29, 2009	No	No term	Yes	In the process of performance	N/A
	To resolve horizontal competition	CSCEC	Issued a Letter of Commitment on Non-competition to China Overseas Land & Investment, a holding subsidiary listed in Hong Kong. In principle, the Company will not increase the general real estate development business, except for the real estate development projects operated by subsidiaries such as engineering bureaus and design institutes of the Company.	March 20, 2015	Yes	During the commitment term	Yes	In the process of performance	N/A
	To resolve horizontal competition	CSCEC	Issued a non-competition deed to China Overseas Property, a holding subsidiary listed in Hong Kong. Please refer to the relevant content of the Listing Documents – Listing by Way of Introduction of the Entire Issued Share Capital of the Company on the Main Board of The Stock Exchange of Hong Kong Limited published by China Overseas Property on October 14, 2015.	October 9, 2015	Yes	During the commitment term	Yes	In the process of performance	N/A
Other commitments made to minority shareholders of the Company	Others	Officers who also hold positions in China State Construction	Undertook to fulfill their duties diligently during their term of office as an officer of the Company, properly handle the relationship between the Company and its controlling shareholder, live up to the trust of the Board of Directors and all shareholders of the Company, defend the interests of the Company and shareholders, and not to do anything that may jeopardize the interests of the Company or its minority shareholders due to serving them concurrently.	/	Yes	During the commitment term	Yes	In the process of performance	N/A

- (II) Where the Company has profit forecasts on assets or projects, and the Reporting Period is within the term of profit forecasts, the Company has to state

whether such profit forecasts on assets or projects are fulfilled and the reasons therefor

☐ Fulfilled ☐ Not Fulfilled ☒ N/A

- (III) Completion of performance commitment and its effect on goodwill impairment test

☐ Applicable ☒ N/A

II. Any Non-operating Misappropriation of Funds by the Controlling Shareholder and Other Related Parties during the Reporting Period

☐ Applicable ☒ N/A

III. Guarantees in Violation of Regulations

☐ Applicable ☒ N/A

IV. Explanation by the Board of Directors of the Company on the “Audit Report with Modified Opinion” of the Accounting Firm

☐ Applicable ☒ N/A

V. The Company’s Analysis and Explanation of the Causes and Impacts of Changes in Accounting Policies and Estimates or Corrections of Material Accounting Errors

- (I) The Company’s analysis of and explanation on the causes and impacts of changes in accounting policies and estimates

☐ Applicable ☒ N/A

- (II) The Company’s analysis of and explanation on the causes and impacts of the corrections of major accounting errors

☐ Applicable ☒ N/A

- (III) Communications with the former accounting firm

☐ Applicable ☒ N/A

- (IV) Approval procedures and other explanation

☐ Applicable ☒ N/A

VI. Appointment and Dismissal of the Accounting Firm

Unit: 0'000 yuan Currency: RMB

	Currently appointed	
Name of domestic accounting firm	Ernst & Young Hua Ming LLP (Special General Partnership)	
Remuneration of domestic accounting firm	4,280	
Audit service years of domestic accounting firm	4	
Names of certified public accountants of domestic accounting firm	Zhou Ying, Shen Yan	
Number of accumulated years of audit service by certified public accountants of domestic accounting firm	4, 4	
Name of overseas accounting firm	/	
Remuneration of overseas accounting firm	/	
Audit service years of overseas accounting firm	/	
	Name	Remuneration
Accounting firm for internal control audit	Ernst & Young Hua Ming LLP (Special General Partnership)	315
Financial adviser	/	/
Sponsor	/	/

Explanation on appointment and dismissal of accounting firm

☒ Applicable ☐ N/A

On May 19, 2023, as considered and approved at the 2022 Annual General Meeting of the Company, Ernst & Young Hua Ming LLP (Special General Partnership) was engaged as the auditor for the financial report and internal control of the Company for 2023, for a term of one year. For details, please refer to the Announcement on Reappointment of Accounting Firm in 2023 published on April 18, 2023, the Information on the 2022 Annual General Meeting published on May 13, 2023, and the Announcement on Resolutions of the 2022 Annual General Meeting published on May 20, 2023, by the Company.

Explanation on change of accounting firm during the audit period

☐ Applicable ☒ N/A

Explanation on decrease in audit fees by more than 20% (inclusive) over the previous year

☐ Applicable ☒ N/A

VII. Risks of Delisting

(I) Causes of delisting warning

☐ Applicable ☒ N/A

(II) Measures to be taken by the Company

☐ Applicable ☒ N/A

(III) Circumstances of and Reasons for Delisting

☐ Applicable ☒ N/A

VIII. Matters Related to Insolvency/Reorganization

☐ Applicable ☒ N/A

IX. Matters Related to Significant Litigation and Arbitration

☐ There were significant litigations and arbitrations during the year

☒ There was no significant litigation or arbitration during the year

(I) Litigations and arbitrations disclosed in provisional announcements without subsequent progress

☐ Applicable ☒ N/A

(II) Litigations and arbitrations not disclosed in provisional announcements or with subsequent progress

☐ Applicable ☒ N/A

(III) Other explanation

☐ Applicable ☒ N/A

X. Suspected Violations, Penalty and Rectification of the Company, its Directors, Supervisors, Senior Management, Controlling Shareholders, and De Facto Controller

☐ Applicable ☒ N/A

XI. Explanation on the Integrity of the Company and Its Controlling Shareholder and De Facto Controller during the Reporting Period

☐ Applicable ☒ N/A

XII. Material Related Party Transactions

(I) Related party transactions associated with day-to-day operations

1. Matters disclosed in provisional announcements without further progress or changes in subsequent implementation

☒ Applicable ☐ N/A

Summary of matters	Index for details
<p>On December 12, 2022 and December 28, 2022, the Proposal on the Renewal of the Comprehensive Service Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation was considered and approved at the 28th meeting of the third session of the Board of Directors, the 17th meeting of the third session of the Board of Supervisors and the first extraordinary general meeting of the Company in 2022.</p> <p>The Company and China State Construction renewed the Comprehensive Service Framework Agreement Between China State Construction Engineering Corporation and China State Construction Engineering Corporation Limited in respect of the related party transactions arising from the sales, procurement, commercial factoring services, financial leasing services, property leasing and other business between the Company and China State Construction and its subsidiaries. During the term of the agreement in 2023, the sales between the Company and China State Construction and its subsidiaries shall not exceed RMB100 million; procurement shall not exceed RMB5.8 billion; the maximum balance of commercial factoring services (excluding those from CSC Finance) shall not exceed RMB300 million, and factoring interest and service fee shall not exceed RMB20 million; the maximum balance of financial leasing services (excluding those from CSC Finance) shall not exceed RMB100 million, and financial leasing interest and service fee shall not exceed RMB6 million; property leasing shall not exceed RMB100 million; other daily related party transactions shall not exceed RMB100 million.</p> <p>During the Reporting Period, the sales between the Company and China State Construction and its subsidiaries was RMB40 million; the procurement was RMB2.53 billion; no commercial factoring services and financial leasing service was performed; the property leasing was RMB40 million; other daily related party transactions were RMB40 million. The amount of actual daily related party transactions of the Company was within the range set out in the agreement.</p>	<p>Announcement on Resolutions of the 28th Meeting of the Third Session of the Board of Directors, Announcement on Resolutions of the 17th Meeting of the Third Session of the Board of Supervisors, and Announcement on the Renewal of the Comprehensive Service Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation & Daily Related-Party Transaction published on December 13, 2022.</p> <p>Announcement on Resolutions of the First Extraordinary General Meeting in 2022 published on December 29, 2022.</p>
<p>On December 12, 2022 and December 28, 2022, the Proposal on the Renewal of the Financial Service Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation was considered and approved at the 28th meeting of the third session of the Board of Directors, the 17th meeting of the third session of the Board of Supervisors and the first extraordinary general meeting of the Company in 2022.</p> <p>CSC Finance, a subsidiary of the Company, and China State Construction renewed the Financial Service Framework Agreement Between China State Construction Engineering Corporation and China State Construction Finance Co., Ltd. in respect of the related party transactions arising from the deposits, loans, financial and financing consultancy and other relevant financial services provided to China State Construction and its subsidiaries by CSC Finance. During the term of the agreement, the daily balance cap of deposits (inclusive of accrued interests) to be placed by China State Construction and its subsidiaries with CSC Finance shall not exceed RMB20 billion, with the daily balance of loans (inclusive of accrued interests) to be obtained not exceeding the daily balance cap of the deposits (inclusive of accrued interests); the fees to be charged by CSC Finance for providing other financial services to China State Construction and its subsidiaries shall not exceed RMB300 million.</p> <p>During the Reporting Period, the actual performance complied with the agreement, and the actual daily balance cap of the deposits placed by China State Construction and its subsidiaries with CSC Finance was RMB10.66 billion (inclusive of accrued interests); and the maximum daily loan balance was RMB4 billion (inclusive of accrued interests); the fees charged by CSC Finance for providing other financial services to China State Construction and its subsidiaries was RMB3 million. For details, please refer to "(V) Financial business between the Company and the related-party financial companies, and between the Company's holding financial companies and the related parties" in "XII. Material Related Party Transactions" under SECTION VI.</p>	<p>Announcement on Resolutions of the 28th Meeting of the Third Session of the Board of Directors, Announcement on Resolutions of the 17th Meeting of the Third Session of the Board of Supervisors, and Announcement on the Renewal of the Financial Service Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation & Daily Related-Party Transaction published on December 13, 2022.</p> <p>Announcement on Resolutions of the First Extraordinary General Meeting in 2022 published on December 29, 2022.</p>

Summary of matters	Index for details
<p>On December 7, 2023 and December 27, 2023, the Proposal on the Renewal of the Comprehensive Service Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation was considered and approved at the 50th meeting of the third session of the Board of Directors, the 25th meeting of the third session of the Board of Supervisors and the second extraordinary general meeting of the Company in 2023.</p> <p>The Company and China State Construction renewed the Comprehensive Service Framework Agreement Between China State Construction Engineering Corporation and China State Construction Engineering Corporation Limited in respect of the related party transactions arising from the sales, procurement, commercial factoring services, financial leasing services, property leasing and other business between the Company and China State Construction and its subsidiaries. During the term of the agreement, the sales between the Company and China State Construction and its subsidiaries shall not exceed RMB140 million; procurement shall not exceed RMB3.5 billion; the maximum balance of commercial factoring services (excluding those from CSC Finance) shall not exceed RMB100 million, and factoring interest and service fee shall not exceed RMB6 million; the maximum balance of financial leasing services (excluding those from CSC Finance) shall not exceed RMB20 million, and financial leasing interest and service fee shall not exceed RMB1 million; property leasing shall not exceed RMB60 million; other daily related party transactions shall not exceed RMB100 million.</p>	<p>Announcement on Resolutions of the 50th Meeting of the Third Session of the Board of Directors, Announcement on Resolutions of the 25th Meeting of the Third Session of the Board of Supervisors, and Announcement on the Renewal of the Comprehensive Service Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation & Daily Related-Party Transaction published on December 8, 2023.</p> <p>Announcement on Resolutions of the Second Extraordinary General Meeting in 2023 published on December 28, 2023.</p>
<p>On December 7, 2023 and December 27, 2023, the Proposal on the Renewal of the Financial Service Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation was considered and approved at the 50th meeting of the third session of the Board of Directors, the 25th meeting of the third session of the Board of Supervisors and the second extraordinary general meeting of the Company in 2023.</p> <p>CSC Finance, a subsidiary of the Company, and China State Construction renewed the Financial Service Framework Agreement Between China State Construction Engineering Corporation Limited and China State Construction Finance Co., Ltd. in respect of the related party transactions arising from the deposits, credit, financial and financing consultancy and other relevant financial services provided to China State Construction and its subsidiaries by CSC Finance. During the term of the agreement, the daily balance cap of deposits (inclusive of accrued interests) to be placed by China State Construction and its subsidiaries with CSC Finance shall not exceed RMB20 billion, with the daily balance of credit (inclusive of accrued interests) to be obtained not exceeding the daily balance cap of the deposits (inclusive of accrued interests); the fees to be charged by CSC Finance for providing other financial services to China State Construction and its subsidiaries shall not exceed RMB300 million.</p>	<p>Announcement on Resolutions of the 50th Meeting of the Third Session of the Board of Directors, Announcement on Resolutions of the 25th Meeting of the Third Session of the Board of Supervisors, and Announcement on the Renewal of the Financial Service Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation & Daily Related-Party Transaction published on December 8, 2023.</p> <p>Announcement on Resolutions of the Second Extraordinary General Meeting in 2023 published on December 28, 2023.</p>

2. Matters disclosed in provisional announcements with further progress or changes in subsequent implementation

☐ Applicable ☒ N/A

3. Matters not disclosed in provisional announcements

☐ Applicable ☒ N/A

(II) Related party transactions as a result of acquisition or disposal of assets or equity

- 1. Matters disclosed in provisional announcements without further progress or changes in subsequent implementation**

☐ Applicable ☒ N/A

- 2. Matters disclosed in provisional announcements with further progress or changes in subsequent implementation**

☐ Applicable ☒ N/A

- 3. Matters not disclosed in provisional announcements**

☐ Applicable ☒ N/A

- 4. Disclosure of performance achieved for the Reporting Period if performance agreements are involved**

☐ Applicable ☒ N/A

(III) Material related party transactions in joint external investment

- 1. Matters disclosed in provisional announcements without further progress or changes in subsequent implementation**

☐ Applicable ☒ N/A

- 2. Matters disclosed in provisional announcements with further progress or changes in subsequent implementation**

☐ Applicable ☒ N/A

- 3. Matters not disclosed in provisional announcements**

☐ Applicable ☒ N/A

(IV) Creditor's rights and debts with related parties

- 1. Matters disclosed in provisional announcements without further progress or changes in subsequent implementation**

☐ Applicable ☒ N/A

- 2. Matters disclosed in provisional announcements with further progress or changes in subsequent implementation**

☐ Applicable ☒ N/A

- 3. Matters not disclosed in provisional announcements**

☐ Applicable ☒ N/A

(V) Financial business between the Company and the related-party financial companies, and between the Company's holding financial companies and the related parties

☒ Applicable ☐ N/A

1. Deposit

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Related party	Relationship with related party	Maximum daily deposit limit (inclusive of accrued interest)	Deposit interest rate range (%)	Opening balance	Amount incurred during the Reporting Period		
					Total deposits during the Reporting Period	Total withdrawal during the Reporting Period	Closing balance
China State Construction and its subsidiaries	Controlling shareholder and its directly or indirectly controlled companies	20,000,000	0.355-1.5	2,446,747	28,541,451	27,919,350	3,068,848
Total	/	/	/	2,446,747	28,541,451	27,919,350	3,068,848

2. Loan

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Related party	Relationship with related party	Loan amount	Loan interest rate range (%)	Opening balance	Amount incurred during the Reporting Period		
					Total loans during the Reporting Period	Total repayments during the Reporting Period	Closing balance
China State Construction and its subsidiaries	Controlling shareholder and its directly or indirectly controlled companies	Not exceeding the maximum daily deposit limit (inclusive of accrued interest)	2.6-3.0	2,001,833	2,059,356	2,059,600	2,001,589
Total	/	/	/	2,001,833	2,059,356	2,059,600	2,001,589

3. Credit facility or other financial businesses

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Related party	Relationship with related party	Business type	Total amount	Actual amount
China State Construction and its subsidiaries	Controlling shareholder and its directly or indirectly controlled companies	Other financial businesses	300,000	3,364

4. Other explanation

☒ Applicable ☐ N/A

The above related party transactions of the Company have been considered and approved at the 28th Meeting of the Third Session of the Board of Directors, the 17th Meeting of the Third Session of the Board of Supervisors, the First Extraordinary General Meeting in 2022, and the 50th Meeting of the Third Session of the Board of Directors, the 25th Meeting of the Third Session of the Board of Supervisors, the Second Extraordinary General Meeting in 2023 of the Company. For details, please refer to “(I) Related party transactions associated with day-to-day operations” in “XII. Material Related Party Transactions” under SECTION VI.

(VI) Miscellaneous

☒ Applicable ☐ N/A

For related party transactions of the Company, please refer to Note XII “Related party relationships and transactions” to the financial statements under SECTION X “FINANCIAL REPORT”.

XIII. Material Contracts and Their Fulfillment

(I) Custody, contracting, and leasing

1. Custody

☐ Applicable ☒ N/A

2. Contracting

☐ Applicable ☒ N/A

3. Leasing

☐ Applicable ☒ N/A

(II) Guarantees

✓ Applicable □ N/A

Unit: '000 yuan Currency: RMB

External guarantees provided by the Company (excluding guarantees provided to subsidiaries)															
Guarantor	Relationship between guarantor and the Company	Guaranteed party	Guaranteed amount	Creation date of guarantee (execution date of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Major debts	Collateral (if any)	Has the guarantee been fulfilled?	Is the guarantee overdue?	Overdue amount	Is there counter guarantee?	Is the guarantee provided to the related party?	Related relationship
China Overseas Holdings Limited	Holding subsidiary	Xiamen Yuepin Real Estate Co., Ltd. (厦门悦品地产有限公司)	89,860	February 28, 2023	February 28, 2023	February 28, 2028	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Associate
China Overseas Holdings Limited	Holding subsidiary	Guangzhou Bzhen Real Estate Development Company Limited (广州碧臻房地产开发有限公司)	48,423	December 11, 2018	December 11, 2018	June 8, 2026	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Associate
China Overseas Holdings Limited	Holding subsidiary	Zhuzhou China Overseas Grand Oceans Properties Co., Ltd. (株洲中海宏洋地产有限公司)	30,825	March 31, 2022	March 31, 2022	September 28, 2027	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Associate
China Overseas Holdings Limited	Holding subsidiary	Zhuzhou China Overseas Grand Oceans Properties Co., Ltd.	103,575	September 29, 2021	September 29, 2021	September 28, 2026	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Associate
China Overseas Holdings Limited	Holding subsidiary	Changsha Yida Wisdom Created Industry Development Co., Ltd. (长沙亿达创智置业发展有限公司)	146,510	April 20, 2020	April 20, 2020	April 20, 2026	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Infinite Sun Limited	1,119,148	December 4, 2019	December 4, 2019	December 4, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Infinite Sun Limited	257,145	January 25, 2022	January 25, 2022	December 4, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Infinite Sun Limited	281,720	January 30, 2023	January 30, 2023	December 4, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Infinite Sun Limited	130,021	July 18, 2023	July 18, 2023	December 4, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Marble Edge Investments Limited	810,475	June 1, 2020	June 1, 2020	December 1, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Marble Edge Investments Limited	143,568	May 12, 2022	May 12, 2022	December 1, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Marble Edge Investments Limited	113,441	February 9, 2023	February 9, 2023	December 1, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Marble Edge Investments Limited	109,284	July 12, 2023	July 12, 2023	December 1, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Dragon Star H.K. Investments Limited	928,334	July 27, 2020	July 27, 2020	January 27, 2025	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Dragon Star H.K. Investments Limited	125,569	January 17, 2022	January 17, 2022	January 27, 2025	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Dragon Star H.K. Investments Limited	115,248	January 11, 2023	January 11, 2023	January 27, 2025	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Dragon Star H.K. Investments Limited	179,392	July 10, 2023	July 10, 2023	January 27, 2025	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture

External guarantees provided by the Company (excluding guarantees provided to subsidiaries)															
Guarantor	Relationship between guarantor and the Company	Guaranteed party	Guaranteed amount	Creation date of guarantee (execution date of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Major debts	Collateral (If any)	Has the guarantee been fulfilled?	Is the guarantee overdue?	Overdue amount	Is there counter guarantee?	Is the guarantee provided to the related party?	Related relationship
China Overseas Holdings Limited	Holding subsidiary	Ultra Keen Holdings Limited	1,745,568	November 11, 2020	November 11, 2020	October 30, 2025	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Ultra Keen Holdings Limited	215,642	January 31, 2022	January 31, 2022	October 30, 2025	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Ultra Keen Holdings Limited	301,815	January 19, 2023	January 19, 2023	October 30, 2025	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Ultra Keen Holdings Limited	375,256	July 19, 2023	July 19, 2023	October 30, 2025	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Grand Ample Ltd.	892,669	June 22, 2021	June 22, 2021	June 22, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Grand Ample Ltd.	156,026	January 10, 2022	January 10, 2022	June 22, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Grand Ample Ltd.	128,160	January 11, 2023	January 11, 2023	June 22, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Grand Ample Ltd.	218,233	July 3, 2023	July 3, 2023	June 22, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Asia Power Development Limited	1,199,970	May 27, 2022	May 27, 2022	May 27, 2026	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Asia Power Development Limited	378,401	January 27, 2023	January 27, 2023	May 27, 2026	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Asia Power Development Limited	205,989	July 27, 2023	July 27, 2023	May 27, 2026	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Chongqing CSCEC Hailong Two Rivers Construction Technology Co., Ltd. (重庆中建海龙两江建筑科技有限公司)	97,279	October 29, 2021	October 29, 2021	October 29, 2031	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Chongqing CSCEC Hailong Two Rivers Construction Technology Co., Ltd.	7,700	October 29, 2023	October 29, 2023	October 29, 2031	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Chongqing CSCEC Hailong Two Rivers Construction Technology Co., Ltd.	6,986	October 29, 2023	October 29, 2023	May 10, 2026	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd. (上海永年里房地产开发有限公司)	39,200	September 28, 2022	September 28, 2022	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd.	126,800	November 10, 2022	November 10, 2022	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd.	26,860	December 19, 2022	December 19, 2022	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd.	20,000	February 9, 2023	February 9, 2023	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd.	1,801	March 20, 2023	March 20, 2023	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd.	11,000	June 9, 2023	June 9, 2023	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd.	1,900	June 20, 2023	June 20, 2023	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others

External guarantees provided by the Company (excluding guarantees provided to subsidiaries)															
Guarantor	Relationship between guarantor and the Company	Guaranteed party	Guaranteed amount	Cretion date of guarantee (execution date of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Major debts	Collateral (If any)	Has the guarantee been fulfilled?	Is the guarantee overdue?	Overdue amount	Is there counter guarantee?	Is the guarantee provided to the related party?	Related relationship
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd.	14,000	September 18, 2023	September 18, 2023	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd.	1,631	September 20, 2023	September 20, 2023	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd.	4,000	November 27, 2023	November 27, 2023	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongnian Real Estate Development Co., Ltd.	1,724	December 19, 2023	December 19, 2023	September 27, 2034	Joint and several liability guarantee	Normal	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Arthur Bergwu Expressway Investment Management Co., Ltd. (安徽特五高速公路投资管理有限公司)	238,000	March 17, 2023	March 17, 2023	March 20, 2041	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Changchun Hailun Rongcheng Real Estate Development Co., Ltd. (长春海润腾城房地产开发有限公司)	45,663	January 12, 2023	January 12, 2023	March 24, 2026	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Changchun Hailun Rongcheng Real Estate Development Co., Ltd.	5,189	August 4, 2023	August 4, 2023	March 24, 2026	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Guangdong Hachao Technology Industry Development Co., Ltd. (广东海新科技产业发展有限公司)	39,163	October 31, 2022	October 31, 2022	October 31, 2041	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Guangdong Hachao Technology Industry Development Co., Ltd.	39,557	January 29, 2023	January 29, 2023	October 24, 2041	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Guangdong Hachao Technology Industry Development Co., Ltd.	89,376	July 19, 2023	July 19, 2023	October 24, 2041	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Construction Third Engineering Bureau Group Co., Ltd.	Holding subsidiary	Wuhan Optics Valley Science Island Construction and Development Co., Ltd. (武汉光谷科学岛建设发展有限公司)	150,000	September 13, 2022	September 13, 2022	September 15, 2040	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Construction Third Engineering Bureau Group Co., Ltd.	Holding subsidiary	Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	373,857	January 13, 2023	January 13, 2023	January 13, 2041	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Construction Third Engineering Bureau Group Co., Ltd.	Holding subsidiary	Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	175,000	August 8, 2023	August 8, 2023	August 8, 2044	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Construction Eighth Engineering Division Corp., Ltd.	Holding subsidiary	Guangzhou Fuchuang Real Estate Development Co., Ltd. (广州孚创房地产开发有限公司)	646,000	August 5, 2021	August 5, 2021	December 30, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Construction Eighth Engineering Division Corp., Ltd.	Holding subsidiary	Guangzhou Fuchuang Real Estate Development Co., Ltd.	510,000	December 28, 2021	December 28, 2021	January 6, 2030	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Construction Eighth Engineering Division Corp., Ltd.	Holding subsidiary	Guangzhou Fuchuang Real Estate Development Co., Ltd.	102,000	April 3, 2023	April 3, 2023	January 6, 2030	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Construction Eighth Engineering Division Corp., Ltd.	Holding subsidiary	Suzhou Fuyuan Real Estate Co., Ltd. (苏州孚元置业有限公司)	51,000	December 29, 2020	December 29, 2020	May 31, 2024	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture
China Construction Eighth Engineering Division Corp., Ltd.	Holding subsidiary	Suzhou Fuyuan Real Estate Co., Ltd.	102,000	January 5, 2022	January 5, 2022	January 4, 2028	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Joint venture

External guarantees provided by the Company (excluding guarantees provided to subsidiaries)															
Guarantor	Relationship between guarantor and the Company	Guaranteed party	Guaranteed amount	Creation date of guarantee (execution date of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Major debts	Collateral (if any)	Has the guarantee been fulfilled?	Is the guarantee overdue?	Overdue amount	Is there counter guarantee?	Is the guarantee provided to the related party?	Related relationship
China Construction (South Pacific) Development Co Pte Ltd	Holding subsidiary	Femvale Lane Pte Ltd.	147,500	June 4, 2020	June 4, 2020	March 3, 2025	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Associate
China Construction (South Pacific) Development Co Pte Ltd	Holding subsidiary	Grand Dunman Pte Ltd	400,000	July 25, 2023	July 25, 2023	September 9, 2027	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Associate
China Construction (South Pacific) Development Co Pte Ltd	Holding subsidiary	Lentor Central	339,429	December 12, 2023	December 12, 2023	December 18, 2028	Joint and several liability guarantee	Normal	Nil	No	No	0	No	Yes	Associate
Total amount of guarantees provided during the Reporting Period (excluding guarantees provided to subsidiaries)															
Total balance of guarantees as at the end of the Reporting Period (A) (excluding guarantees provided to subsidiaries)															
Guarantees provided by the Company to subsidiaries															
Total amount of guarantees provided to subsidiaries during the Reporting Period															
Total balance of guarantees provided to subsidiaries as at the end of the Reporting Period (B)															
Total amount of guarantees provided by the Company (including guarantees provided to subsidiaries)															
Total amount of guarantees (A+B)															
Total amount of guarantees as a percentage of the net assets of the Company attributable to the parent company (%)															
Of which:															
Amount of guarantees provided to shareholders, de facto controller and their related parties (C)															
Amount of debt guarantees provided directly or indirectly to guaranteed parties with an asset-liability ratio of over 70% (D)															
Total amount of guarantees exceeding 50% of net assets attributable to the parent company (E)															
Total amount of the above three classes of guarantees (C+D+E)															
Explanation on contingent joint and several liability for undue guarantees															
Explanation on guarantees															

(III) Entrusted cash asset management**1. Entrusted wealth management**

(1) Overall wealth management

☐ Applicable ☒ N/A

(2) Single entrusted wealth management

☐ Applicable ☒ N/A

(3) Impairment provision for entrusted wealth management

☐ Applicable ☒ N/A**2. Entrusted loans**

(1) Overall entrusted loans

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Type	Source of funds	Amount incurred	Outstanding balance	Amount due but not recovered
General entrusted loan	Self-owned funds	-491,534	6,583	0

Miscellaneous

☒ Applicable ☐ N/A

As of the end of the Reporting Period, the total external entrusted loan of the Company amounted to approximately RMB7 million, which was mainly incurred from the financing and investing activities conducted by the Company to drive its general contracting projects. Please refer to Note V. 12 "Debt investments" to the financial statements under SECTION X "FINANCIAL REPORT".

(2) Single entrusted loans

☐ Applicable ☒ N/A

Miscellaneous

☐ Applicable ☒ N/A

(3) Impairment provision for entrusted loans

☐ Applicable ☒ N/A**3. Miscellaneous**☐ Applicable ☒ N/A

(IV) Other material contracts

✓ Applicable □ N/A

1. Major domestic business contracts during the Reporting Period

Unit: 100 million yuan Currency: RMB

No.	Name of contract	Signing Party	Value of contract	Type of contract
1	General Contract for the PPP Project of Guangxi Congjiang-Rong'an-Lipu Highway (Rong'an to Yangshuo Section via Yongfu) (广西从江—融安—荔浦公路(融安经永福至阳朔段)PPP项目施工总承包合同)	China State Construction Engineering Corporation Limited, China Construction Infrastructure Co., Ltd., China Construction First Group Corporation Limited, China Construction Second Engineering Bureau Ltd., China Construction Fifth Engineering Division Corp., Ltd., China Construction Sixth Engineering Bureau Corp., Ltd., China Construction Seventh Engineering Division Corp., Ltd., and China Construction Eighth Engineering Division Corp., Ltd.	160.87	Infrastructure construction
2	General Contract for Civil Construction and Site Section Construction Project of Jinan Urban Rail Transit Line 7 Phase I (济南市轨道交通 7 号线一期工程土建及场段工程施工总承包合同)	China Construction Eighth Engineering Division Corp., Ltd. and China State Construction Engineering Corporation Limited	135.64	Infrastructure construction
3	General Contract for Phase I Project of the Rural Revitalization Fine Chemical Industry Demonstration Industrial Park in Gulei (古雷乡村振兴精细化工富民示范产业园一期项目工程总承包合同)	China Construction Fourth Engineering Division Corp., Ltd., China Construction Fourth Engineering Bureau (Fujian) Infrastructure Investment Development Co., Ltd. (中建四局(福建)基础设施投资发展有限公司), China Construction Fourth Engineering Bureau Construction Development Co., Ltd., and China Construction Fourth Engineering Bureau Water Conservancy and Energy Development Co., Ltd. (中建四局水利能源发展有限公司)	125.76	Infrastructure construction
4	General Contract for EPC Project of Photovoltaic New Energy Industrial Park in Jinghe New City (Phase I) (泾河新城光伏新能源产业园项目(一期)EPC 工程总承包合同)	China Construction Eighth Engineering Division Corp., Ltd. and China Construction Eighth Engineering Bureau Western Development Co., Ltd. (中建八局西部发展有限公司)	123.55	Infrastructure construction
5	General Contract for 3.2 Million Kilowatts Photovoltaic Project of China Green Electricity Nleke County 4 Million Kilowatts Wind Power Photovoltaic Integration Project (中绿电尼勒克县 400 万千瓦风光一体化项目 320 万千瓦光伏项目工程总承包合同)	China Construction Second Engineering Bureau Ltd.	108.78	Infrastructure construction
6	General (EPC) Contract for Urban Renewal Project of Affiliated Hospital Area in Kuiwen District of Weifang City (潍坊市奎文区附属医院片区城市更新项目工程总承包(EPC)合同)	China Construction Third Engineering Bureau Group Co., Ltd. and China Construction Design and Research Institute Co., Ltd.	96.40	Housing construction
7	Construction Contract for the Deyang Section of the General Contracting for the Construction of Chengdu-Deyang Line of Municipal (Suburban) Railway Project (市域(郊)铁路成都至德阳线工程施工总承包项目德阳标段施工合同)	China State Construction Engineering Corporation Limited and China Construction Third Engineering Bureau Group Co., Ltd.	87.06	Infrastructure construction
8	General Contract for 2.5 Million Kilowatts Photovoltaic Project of China Green Electricity 4 Million Kilowatts Photovoltaic Project in Ruqiang (Section II) (中绿电若羌 400 万千瓦光伏项目 250 万千瓦光伏工程总承包合同(II 标段))	China Construction Second Engineering Bureau Ltd.	85.88	Infrastructure construction
9	General Contract for 2 Million Kilowatts Photovoltaic Project of China Green Electricity 3.5 Million Kilowatts Photovoltaic Project in Midong District of Urumqi City (Section II) (中绿电乌鲁木齐米东区 350 万千瓦光伏项目-200 万千瓦光伏工程总承包(II 标段)合同)	China Construction Eighth Engineering Division General Contracting Construction Co., Ltd. (中建八局总承包建设有限公司)	77.55	Infrastructure construction
10	General Contract for Survey, Design and Construction of the Bay Area International Innovation Center Project (湾区国际创新中心项目勘察设计施工总承包合同)	China Construction Third Engineering Bureau Group Co., Ltd. and China Construction Eighth Engineering Division Corp., Ltd.	77.18	Housing construction
11	General Contract for Plot N3N4N5N6 of the New Generation Industrial Park Project of Bilibili (哔哩哔哩理新世代产业园项目 N3N4N5N6 地块施工总承包工程合同)	China Construction Third Engineering Bureau Group Co., Ltd.	76.19	Housing construction
12	Construction Contract for the PPP Project involving Pipeline Renovation of Mixture of Rainwater and Sewage in Central Urban Area and Urban Waterlogging Control in Drainage Zoning of Lashan River and Xingji River in Jinan, Shandong (山东省济南市中心城区雨污合流管网改造和城市内涝治理腊山河与兴济河排水分区 PPP 项目建设工程施工合同)	China State Construction Engineering Corporation Limited, China Construction Infrastructure Co., Ltd., China Construction First Group Corporation Limited, China Construction Fifth Engineering Division Corp., Ltd., and China Construction Eighth Engineering Division Corp., Ltd.	75.71	Infrastructure construction
13	General Contract for the Airport Engineering - Terminal 2 Project of Jinan Yaoqiang Airport Phase II Expansion Project (济南遥墙机场二期改扩建工程机场工程-T2 航站楼工程施工总承包合同)	China Construction Eighth Engineering Division Corp., Ltd., CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd.	65.88	Infrastructure construction
14	Construction and Operation Integration Contract for Cross-Strait Integration Development Demonstration Industrial Park and Supporting Infrastructure Project (Phase I) (海峡两岸融合发展示范产业园区及配套基础设施项目(一期)建设运营一体化合同)	CSCEC Strait Construction and Development Co., Ltd.	62.99	Infrastructure construction
15	Construction Contract for CR Land Center No. 21 Hotel, Commercial and Office Building, No. 22 Service Apartment and Commercial Building, No. 23 Office Building, No. 24 Hotel and Commercial Building, No. 26 Basement, No. 27 Basement, No. 28 Basement, No. 29 Basement, No. 30 Underground Space, No. 31 Underground Space, No. 32 Underground Space (华润置地中心21号酒店、商业、办公楼, 22号服务型公寓、商业楼, 23号办公楼, 24号酒店、商业楼, 26号地下室, 27号地下室, 28号地下室, 29号地下室, 30号地下空间, 31号地下空间, 32号地下空间施工合同)	China Construction Fourth Engineering Division Corp., Ltd., and China Construction Fifth Engineering Division Corp., Ltd.	62.64	Housing construction

No.	Name of contract	Signing Party	Value of contract	Type of contract
16	Construction Contract for Terminal Area Project of Airport Engineering of Fuzhou Changle International Airport Phase II Expansion Project (福州长乐国际机场二期扩建工程机场工程航站区工程施工合同)	China Construction Eighth Engineering Division Corp., Ltd., China Construction Third Engineering Bureau Group Co., Ltd., China Construction Fourth Engineering Division Corp., Ltd., China Construction Third Engineering Bureau Group South China Co., Ltd. (中建三局集团华南有限公司), CSCEC Strait Construction and Development Co., Ltd., China Construction Eighth Engineering Division General Contracting Construction Co., Ltd. (中建八局总承包建设有限公司), and China Construction Fourth Engineering Bureau Construction Development Co., Ltd.	60.92	Infrastructure construction
17	General Contract for Phase I Project of Science and Technology Innovation Intelligent Manufacturing Industrial Park Infrastructure (Section 2) in Jinli New Area (金义新区科创智造产业园基础设施配套一期工程(二标段)工程总承包合同)	China Construction Eighth Engineering Division Corp., Ltd.	52.79	Infrastructure construction
18	General Contract for Water System Rehabilitation and Green Development EOD Project (Social Investor + EPC) in High Speed Rail New District of Liaocheng City (聊城市高铁新区水系修复与绿色发展 EOD 项目(社会投资人+EPC)工程总承包合同)	China Construction Third Engineering Bureau Group Co., Ltd.	52.55	Infrastructure construction
19	General Engineering Contract for Commercial Project of CR Land Guangzhou Baietan AF020114 and AF020116 Plots (华润置地广州白鹅潭 AF020114、AF020116 地块商业项目总承包工程合同)	China Construction Fifth Engineering Division Corp., Ltd.	52.06	Housing construction
20	Xiangshan Science and Technology Park Project Contract (象山科技园项目合同)	The First Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau	51.93	Housing construction
21	General Contract for 1.5 Million Kilowatts Photovoltaic Project of China Green Electricity 4 Million Kilowatts Photovoltaic Project in Ruqiang (Section I) (中绿电若羌 400 万千瓦光伏项目 150 万千瓦光伏工程总承包(I 标段)合同)	China Construction Eighth Engineering Division General Contracting Construction Co., Ltd.	51.45	Infrastructure construction
22	General Contract for Comprehensive Logistics Park Project in Central District (Phase I and II) (中心城区综合物流园项目(一、二期)工程总承包合同)	China Construction Fifth Engineering Division Corp., Ltd.	49.35	Housing construction
23	(EPC) Contract for the Expansion Project of LONGi New Energy Technology Industrial Park in Zero Carbon Industrial Park of Mengsu Economic Development Zone (蒙苏经济开发区零碳产业园隆基新能源科技产业园扩建项目(EPC 模式)合同)	China Construction Eighth Engineering Division Corp., Ltd.	42.58	Housing construction
24	Civil Engineering Contract for the Nuclear Island of Units 3 and 4 of Phase II of Guangdong Taipingling Nuclear Power Plant (广东太平岭核电厂二期 3、4 号机组核岛土建工程合同)	China Construction Second Engineering Bureau Ltd.	42.50	Infrastructure construction
25	Civil Engineering Contract for the Nuclear Island of Units 5 and 6 of Guangxi Fangchenggang Nuclear Power Plant (广西防城港核电厂 5、6 号机组核岛土建工程合同)	China Construction Second Engineering Bureau Ltd.	42.06	Infrastructure construction
26	EPC Engineering General Contract for the Relocation and Resettlement Housing Project in the Starter Area, Noise Zone, and Comprehensive Security Zone of Airport Economic Zone of Daxing International Airport (Langfang) in Beijing (北京大兴国际机场临空经济区(廊坊)起步区、噪音区、综保区回迁安置房项目工程 EPC 工程总承包合同)	China Construction Eighth Engineering Bureau Hebei Development Construction Co., Ltd. (中建八局河北发展建设有限公司), China Construction Eighth Engineering Bureau Development and Construction Co., Ltd. (中建八局发展建设有限公司) and China Construction Eighth Engineering Division Co., Ltd.	40.02	Housing construction
27	General Contract for the Construction of Nansha Comprehensive Cultural and Sports Complex Project - Comprehensive Gymnasium, Swimming and Diving Hall and its Supporting Works (南沙全民文化体育综合体项目 - 综合体育馆、游泳跳水馆及其配套工程施工总承包合同)	China Construction Third Engineering Bureau Group Co., Ltd.	39.31	Housing construction
28	General Contract for Wuxi Olympic Sports Industrial Center Phase II (Tentative Name) Project (无锡奥林匹克体育中心二期(暂定名)项目工程总承包合同)	China Construction Eighth Engineering Division Corp., Ltd.	38.78	Housing construction
29	Contract for General Contracting Project Section I of the Huawei's Talent Apartment Project on the South Side of Zhujiajiao, Shanghai (华为上海朱家角南侧人才公寓项目之总承包工程标段 I 合同)	China Construction Third Engineering Bureau Group Co., Ltd.	38.37	Housing construction
30	Construction Contract of Phase II Photovoltaic Module Project with an Annual Output of 15GW (年产 15GW 光伏电池组件项目二期工程施工合同)	China Construction Fourth Engineering Division Corp., Ltd.	37.26	Housing construction
31	Unit Price Contract for Section JBTJ-3 of Jinan Connection Line Project of the New Tianjin-Weifang High-Speed Railway (新建津潍高铁济南联络线工程 JBTJ-3 标段施工单价承包合同)	China State Construction Engineering Corporation Limited, China Construction Eighth Engineering Division Corp., Ltd., and China Construction Railway Investment and Construction Group Co., Ltd.	36.85	Infrastructure construction
32	General Contract for Design-Procurement-Construction (EPC) of Guilin New Area Vocational Education Campus (桂林新区职业教育校区设计 - 采购 - 施工(EPC)工程总承包合同)	China Construction Eighth Engineering Division Corp., Ltd.	35.43	Housing construction
33	General Contract for China Green Electricity 1 Million Kilowatts Photovoltaic Project in Kuitun City (中绿电奎屯 100 万千瓦光伏项目工程总承包合同)	China Construction Second Engineering Bureau Ltd.	35.18	Infrastructure construction
34	General (EPC) Contract for Infrastructure Supporting Project of Intelligent Networked New Energy Vehicle Industrial Park in Longxing New Town, Liangjiang New Area (两江新区龙兴新城智能网联新能源汽车产业园基础设施配套项目 EPC 总承包合同)	China Construction Eighth Engineering Division Corp., Ltd.	35.00	Housing construction
35	General (EPC) Contract for the Survey, Design and Construction of Plot CPPQ-A4-3 (Changling*Yayu Construction Project) in Huangpu District (黄埔区 CPPQ-A4-3 地块项目(长岭*雅居建设项目)勘察设计施工总承包(EPC)合同)	The First Construction Co., Ltd. of China Construction Third Engineering Bureau	34.75	Housing construction
36	Civil Construction Contract for Units 1# and 2# Nuclear Island and its BOP of Pressurized Water Reactor Expansion Phase I Project of Huaneng Shidao Bay Nuclear Power Plant in Shandong (华能山东石岛湾核电厂压水堆扩建一期工程 1#、2#机组核岛及其 BOP 土建施工合同)	China Construction Second Engineering Bureau Ltd.	34.26	Infrastructure construction
37	Construction Contract for Fujian Minche New Energy Vehicle Intelligent Manufacturing Industrial Park Project (福建闽车新能源汽车智造产业园项目施工合同)	China Construction First Group Corporation Limited	34.00	Infrastructure construction
38	Construction Contract for the Main Project (excluding pile foundation) of Huafu Snow World Plot KF02-07 (Phase II) (华发冰雪世界KF02-07地块(二期)主体工程(不含桩基)施工合同)	China Construction Third Engineering Bureau Group Co., Ltd.	33.98	Housing construction
39	EPC Contract for Phases II to IV of the Photovoltaic Industrial Park and Supporting Road Engineering in Langya District, Chuzhou (滁州市琅琊区光伏产业园二~四期及配套道路工程设计采购施工总承包项目合同)	China Construction Fifth Engineering Division Corp., Ltd., The Second Construction Co., Ltd. of China Construction Fifth Engineering Bureau	33.76	Housing construction
40	General Contract for the Design and Construction of Digital Economy Industrial Park Project (数字经济产业园工程设计施工总承包合同)	China Construction First Group Corporation Limited	33.72	Housing construction

No.	Name of contract	Signing Party	Value of contract	Type of contract
41	General Contract for Comprehensive Treatment and Green Industry Transformation EOD Project of Key Coal Mining Subsidence Areas in Qijiang District, Chongqing (重庆市綦江区全国重点采煤沉陷区综合治理及绿色产业转型 EOD 项目工程总承包合同)	China Construction Eighth Engineering Division Corp., Ltd., Southwest Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau (中建八局西南建设工程有限公司), Liangjiang Construction Co., Ltd. of China Construction Eighth Engineering Bureau (中建八局两江建设有限公司)	33.50	Infrastructure construction
42	General Contract for the Construction of Shantytown Renovation Project (Plots 02 and 03) of Nanhua Village at Nan Yuan Subdistrict, Futian District (福田区南园街道南华村棚户区改造项目(02、03 地块)施工总承包工程合同)	China Construction Third Engineering Bureau Group Co., Ltd.	32.70	Housing construction
43	General Contract for EPC Project of Yixin New Energy Power Battery Production Base in Zhejiang (浙江义欣新能源动力电池生产基地项目 EPC 工程总承包合同)	China Construction Second Engineering Bureau Ltd., China Southwest Architectural Design and Research Institute Corp., Ltd.	32.10	Housing construction
44	General Contract for Construction of A Multi-purpose Stadium and its Outdoor Supporting Works for Nansha Urban Cultural and Sports Complex Project (南沙全民文化体育综合体项目综合体育场及其室外配套工程施工总承包合同)	China Construction Eighth Engineering Division Corp., Ltd.	31.85	Housing construction
45	General (EPC) Contract for the Survey and Construction of Longkou Science and Technology Center Project (龙口科创中心项目勘察+工程总承包(EPC)合同)	The First Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau	31.82	Housing construction
46	General (EPC) Contract for the Jinghe Green Energy Clean Energy Industrial Development Center (Industrial Development Engine Zone) Project (泾河绿能清洁能源产业发展中心(产业发展引擎区)项目 EPC 总承包合同)	China Construction Eighth Engineering Division Corp., Ltd., China Construction Third Engineering Bureau Group Co., Ltd.	31.75	Infrastructure construction
47	Contract Agreement for NY-TZ1 Section of Nanjing-Yancheng Expressway Roadbed, Bridge & Culvert Construction and Equity Investment Project (南京至盐城高速公路路基桥涵工程施工暨股权投资项目 NY-TZ1 标段合同协议书)	China State Construction Engineering Corporation Limited and China Construction Seventh Engineering Bureau Co., Ltd.	31.23	Infrastructure construction
48	Construction Contract for Hefei Xinqiao International Airport Comprehensive Transportation Center (Including Rail Introduction) and its Supporting Works (合肥新桥国际机场综合交通中心(含轨道引入)及配套工程施工合同)	China Construction Third Engineering Bureau Group Co., Ltd.	31.14	Infrastructure construction
49	Construction Contract for the First Section of General Contracting for the New Construction Phase II Project of Collaborative Innovation Park at Jiangsu University of Technology in Wujin Green Building Industrial Cluster Zone (江苏理工学院武进绿建区协同创新园新建工程二期项目施工总承包一标段合同)	China Construction Eighth Engineering Division Corp., Ltd.	30.72	Housing construction
50	General Contract for EPC Project of Qinchuangyuan•Digital Economy Industry R&D Center (秦创原•数字经济产业研发中心 EPC 工程总承包合同)	China Construction Eighth Engineering Division Corp., Ltd. and China Architecture Design & Research Group	30.59	Housing construction
51	General Contract for OPPO Marina Bay Talent Housing Project (OPPO 滨海湾高级人才房项目总承包工程合同)	China Construction First Group Corporation Limited	30.03	Housing construction
52	Construction Contract of New Energy Industrial Base and Supporting Facilities Construction project in Wanzhi District (湾沚区新能源产业基地及配套设施建设项目施工合同)	China Construction Fourth Engineering Division Corp., Ltd.	30.00	Housing construction

Note: The contracts listed above are mainly sourced from the statistics of the contracts actually entered into by the Company as at the end of the Reporting Period.

2. Major overseas business contracts during the Reporting Period

Unit: 100 million dollars Currency: USD

No.	Name of contract	Signing Party	Value of contract	Type of contract
1	Contract for Site A Project of New Acute Hospital at Kai Tak Development Area, Hong Kong (香港启德新急症医院 Site A 项目合同)	China State Construction Engineering (Hong Kong) Limited	21.76	Housing construction
2	Punggol Extension P103-Section of Singapore's MRT Cross Island Line (新加坡地铁跨岛线榜鹅延长线 P103 标段)	Singapore Office of China State Construction Engineering Corporation Limited (中国建筑股份新加坡办事处)	4.31	Infrastructure construction
3	Design & Construction Contract for Alamein Newtown Lake Island Project (阿拉曼新城湖心岛项目设计建造合同)	China State Construction Engineering Corporation Limited	2.51	Housing construction
4	RCC-CPID—CHONG PANG INTEGRATED DEVELOPMENT	Rich Construction Company Pte Ltd	2.45	Housing construction
5	Contract for DAMAC CAVALLI COUTURE TOWER – High-Rise Residential Buildings Project in Cavalli Casa (DAMAC CAVALLI COUTURE TOWER – 卡瓦利卡萨高层住宅项目合同)	China State Construction Engineering Corporation (Middle East) (L.L.C)	2.40	Housing construction
6	Contract for CRESCENT PARK NEIGHBOR HOOD COMMERCIAL & RESIDENTIAL PROJECT – Crescent Park Project in Bangladesh (CRESCENT PARK NEIGHBOR HOOD COMMERCIAL & RESIDENTIAL PROJECT – 孟加拉新月公园项目合同)	China Construction Seventh Engineering Bureau Co., Ltd.	1.82	Housing construction
7	LTG-LENTOR GARDENS	China Construction (South Pacific) Development Co Pte Ltd	1.65	Housing construction
8	Main Contract for PNG LNG Steel Equipment Industrial Park Project (巴新 LNG 钢结构设备产业园项目主合同)	China State Construction Engineering Corporation PNG Limited	1.21	Housing construction
9	Contract for SASEC Dhaka-Sylhet Highway WP4-DS8 Project in Bangladesh (孟加拉 SASEC 达卡至西莱特 WP4-DS8 项目合同)	China Construction Seventh Engineering Bureau Co., Ltd.	1.10	Infrastructure construction
10	General Contract for the Construction Project of Kewatkhali Bridge in Mymensingh City, Bangladesh (孟加拉迈门辛市凯沃特哈里大桥建设项目总包合同)	China State Construction Engineering Corporation Limited	1.02	Infrastructure construction

Note: The contracts listed above are mainly sourced from the statistics of the contracts actually entered into by the Company as at the end of the Reporting Period.

3. Newly-signed comprehensive credit facility contracts

Unit: 100 million yuan/dollars Currency: RMB/USD

No.	Name of comprehensive credit facility contract	Credit grantor	Accredited party	Comprehensive credit facility limit	Credit period
1	Credit facility limit agreement	Bank of China Limited (Beijing BOC Tower Branch)	China State Construction Engineering Corporation Limited	RMB38.5 billion	April 17, 2023 – April 10, 2024
2	Credit facility limit agreement	BNP Paribas (China) Limited, Beijing Branch	China State Construction Engineering Corporation Limited	USD0.15 billion	May 10, 2023 – permanent
3	Credit facility limit contract	Beijing Tsinghua East Road Branch of China Guangfa Bank Co., Ltd.	China State Construction Engineering Corporation Limited	RMB4.7 billion	May 25, 2023 – February 21, 2025
4	Trade Finance Credit Master Agreement	Export-Import Bank of China	China State Construction Engineering Corporation Limited	RMB20 billion	December 12, 2023 – September 25, 2025

4. Newly-signed strategic cooperation and business cooperation agreement

During the Reporting Period, the Company continued to increase its strategic cooperation with local governments, large domestic and foreign enterprises and financial institutions. The following are the major cooperation agreements entered into by the Company:

No.	Name of contract	Signing date	Contents of contract
1	Strategic Cooperation Framework Agreement between the People's Government of Zhangzhou and China State Construction Engineering Corporation Limited	February 8, 2023	Based on the overall planning of the People's Government of Zhangzhou, CSCEC's development and the principle of "complementary advantages, shared resources, mutual benefit and win-win cooperation", the two parties established a strategic partnership. The cooperation will mainly cover: transportation infrastructure construction, urban construction and development, ecological and environmental protection infrastructure construction, novel infrastructure construction; and innovative industrial fields.
2	Strategic Cooperation Agreement between the People's Government of Kunming and China State Construction Engineering Corporation Limited	February 16, 2023	Based on the overall planning of the People's Government of Kunming, CSCEC's development and the principle of "complementary advantages, shared resources, mutual benefit, enhanced cooperation and shared development", the two parties established a strategic partnership. The cooperation will mainly cover: urban infrastructure construction, water conservancy engineering construction, integrated urban development and renewal and novel infrastructure construction.
3	Strategic Cooperation Agreement between ACWA Power and China State Construction Engineering Corporation Limited	May 10, 2023	Based on the overall planning of the ACWA Power, CSCEC's development and the principle of "equality and mutual benefit, complementary advantages, mutual respect and mutual trust", the two parties established a strategic partnership. The cooperation will mainly cover: cooperation in the field of engineering and construction, and investment and cooperation in China in the fields of electricity and water.

No.	Name of contract	Signing date	Contents of contract
4	Strategic Cooperation Agreement between China Anneng Construction Group Corporation Limited and China State Construction Engineering Corporation Limited	May 12, 2023	Based on the overall planning of China Anneng Construction Group Corporation Limited, CSCEC's development and the principle of "complementary advantages, long-term cooperation, win-win development as well as solidarity and cooperation", the two parties established a strategic partnership. The cooperation will mainly cover: joint promotion of market expansion and major project construction, cooperation and development in the field of innovation, joint construction in the field of specialization and other aspects, cooperation in emergency rescue and emergency industry, etc.
5	Strategic Cooperation Agreement between the People's Government of Fengtai District and China State Construction Engineering Corporation Limited	September 12, 2023	Based on the overall planning of the People's Government of Fengtai District, CSCEC's development and the principle of "equality and mutual benefit, complementary advantages, mutual support, long-term cooperation and shared development", the two parties established a strategic partnership. The cooperation will mainly cover: integration into regional development; participation in regional construction; cooperation in advancing key projects; strengthening cooperation with local enterprises; conducting research; and exchanging talents.
6	Strategic Cooperation Framework Agreement between the People's Government of Nanjing and China State Construction Engineering Corporation Limited	September 26, 2023	Based on the overall planning of the People's Government of Nanjing, CSCEC's development and the principle of "integrated resource, shared development, mutual benefit and win-win cooperation", the two parties established a strategic partnership. The cooperation will mainly cover: investment in construction of major engineering projects; mutual resources assistance by way of cooperation between central and local governments; infrastructure investment and construction; synergistic development with local enterprises; professional cooperation in the field of investment and financing; and talent training and integration of education and industry in the field of construction.
7	Strategic Cooperation Agreement between the People's Government of Shijiazhuang and China State Construction Engineering Corporation Limited	November 27, 2023	Based on the overall planning of the People's Government of Shijiazhuang, CSCEC's development and the principle of "complementary advantages, shared resources, mutual benefit and win-win cooperation", the two parties established a strategic partnership. The cooperation will mainly cover: municipal and transportation investment and construction; urban rail transit construction; cooperation in public transportation-oriented development (TOD) mode; cooperation in the development of key districts and urban renewal; and novel infrastructure construction.
8	Strategic Cooperation Framework Agreement between Municipal State-owned Enterprises for Guangzhou Urban Village Renovation Project and China State Construction Engineering Corporation Limited	December 19, 2023	Based on the overall planning of urban village renovation in Guangzhou, CSCEC's development and the principle of "value co-creation and shared value", as well as the concept of "complementary advantages, mutual benefit and win-win cooperation", the two parties established a strategic partnership. The cooperation will mainly cover: joint promotion of local resources for groundwork, technical inputs, etc.
9	Strategic Cooperation Agreement between China State Construction Engineering Corporation Limited and China International Capital Corporation Limited	December 29, 2023	Based on the overall planning of China International Capital Corporation Limited, CSCEC's development and the principle of "voluntariness, fairness and honesty", the two parties established a strategic partnership. The cooperation will mainly cover: business cooperation in securities, finance, investment consultancy, etc.; and cooperation related to the development of double-wheel drive between finance and industry.

XIV. Explanation on the Progress of the Use of Proceeds

☐ Applicable ☒ N/A

XV. Explanation on Other Material Matters that Have Significant Impacts on Value Judgement and Investment Decision-making by Investors

☐ Applicable ☒ N/A

XVI. Index of Information Disclosure

During the Reporting Period, the Company published 158 announcements and documents on the website of the SSE (www.sse.com.cn), and related announcements were also published in the China Securities Journal, Shanghai Securities News, Securities Daily, and Securities Times.

No.	Matter	Date of disclosure
1	CSCEC: Announcement on the First Tranche of Unlocking in 2022 in Respect of Phase IV Restricted A Share Incentive Scheme and Listing of Shares	January 10, 2023
2	CSCEC: Legal Opinions of King & Wood Mallesons on Relevant Matters regarding First Tranche of Unlocking in 2022 in Respect of Phase IV Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited	January 10, 2023
3	CSCEC: Legal Opinions of King & Wood Mallesons on Relevant Matters regarding Third Tranche of Unlocking in 2022 in Respect of Phase III Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited	January 12, 2023
4	CSCEC: Announcement on the Third Tranche of Unlocking in 2022 in Respect of Phase III Restricted A Share Incentive Scheme and Listing of Shares	January 12, 2023
5	CSCEC: Briefings on Business from January to December 2022	January 13, 2023
6	CSCEC: Announcement on Significant Project	February 1, 2023
7	CSCEC: Independent Opinions of Independent Directors on Huang Kesi's ceasing to be the Company's Vice President	February 8, 2023
8	CSCEC: Announcement on Resolutions of the 31st Meeting of the Third Session of the Board of Directors	February 8, 2023
9	CSCEC: Announcement on the Resignation of the Company's Senior Management	February 8, 2023
10	CSCEC: Briefings on Business in January 2023	February 16, 2023
11	CSCEC: Announcement on Significant Project	February 28, 2023
12	CSCEC: Briefings on Business from January to February 2023	March 13, 2023
13	CSCEC: Announcement on Significant Project	March 30, 2023
14	CSCEC: Announcement on Resolutions of the 32nd Meeting of the Third Session of the Board of Directors	March 31, 2023
15	CSCEC: 2022 Investor Protection Work Report	March 31, 2023
16	CSCEC: Report on the Performance of Duties of the Audit and Risk Committee of the Board of Directors for 2022	March 31, 2023
17	CSCEC: Announcement on Resolutions of the 19th Meeting of the Third Session of the Board of Supervisors	March 31, 2023
18	CSCEC: 2022 Work Report of Independent Directors	March 31, 2023
19	CSCEC: Announcement on Convening 2022 Annual Results Meeting	April 11, 2023
20	CSCEC: Independent Opinions of Independent Directors on 2022 Internal Control Evaluation Report of the Company	April 18, 2023
21	CSCEC: Independent Opinions of Independent Directors on Re-appointment of the Company's Accounting Firm for 2023	April 18, 2023
22	CSCEC: 2022 Annual Financial Statements and Audit Report	April 18, 2023
23	CSCEC: Accounting Firm's Special Report on Occupation of Funds by Controlling Shareholder and Other Related Parties	April 18, 2023
24	CSCEC: Accounting Firm's Audit Report on the Company's Internal Control	April 18, 2023
25	CSCEC: Special Explanation of the Accounting Firm on Related Party Transactions Involving Finance Companies	April 18, 2023

No.	Matter	Date of disclosure
26	CSCEC: 2022 Internal Control Evaluation Report	April 18, 2023
27	CSCEC: Announcement on Resolutions of the 20th Meeting of the Third Session of the Board of Supervisors	April 18, 2023
28	CSCEC: Annual Report 2022	April 18, 2023
29	CSCEC: 2022 Sustainability Report	April 18, 2023
30	CSCEC: Independent Opinions of Independent Directors on the Concurrent Appointment of Some Officers of the Company as Officers of the Controlling Shareholder	April 18, 2023
31	CSCEC: Opinions of Independent Directors on Prior Approval of Re-appointment of the Company's Accounting Firm for 2023	April 18, 2023
32	CSCEC: Briefings on Business from January to March 2023	April 18, 2023
33	CSCEC: Independent Opinions of Independent Directors on the Company's Provision for Asset Impairment for 2022	April 18, 2023
34	CSCEC: Independent Opinions of Independent Directors on the Remuneration of the Company's Senior Management	April 18, 2023
35	CSCEC: Announcement on Re-appointment of Accounting Firm for 2023	April 18, 2023
36	CSCEC: Summary of Annual Report 2022	April 18, 2023
37	CSCEC: Independent Opinions of Independent Directors on the Company's Related Party Transactions with China State Construction Finance Co., Ltd. in 2022	April 18, 2023
38	CSCEC: Special Explanation and Independent Opinions of Independent Directors on the Company's External Guarantees for 2022	April 18, 2023
39	CSCEC: Report on Sustained Evaluation on Risks of China State Construction Finance Co., Ltd.	April 18, 2023
40	CSCEC: Independent Opinions of Independent Directors on the Proposed Increase of External Guarantee Quota of the Company in 2023	April 18, 2023
41	CSCEC: Announcement on Resolutions of the 33rd Meeting of the Third Session of the Board of Directors	April 18, 2023
42	CSCEC: Independent Opinions of Independent Directors on the 2022 Profit Distribution Plan of the Company	April 18, 2023
43	CSCEC: Announcement on Profit Distribution for 2022	April 18, 2023
44	CSCEC: Announcement on Provision for Asset Impairment in 2022	April 18, 2023
45	CSCEC: Announcement on the Proposed Increase of External Guarantee Quota in 2023	April 18, 2023
46	CSCEC: Report of 2023Q1	April 28, 2023
47	CSCEC: Announcement on Resolutions of the 34th Meeting of the Third Session of the Board of Directors	April 28, 2023
48	CSCEC: Announcement on Significant Project	April 28, 2023
49	CSCEC: Announcement on Resolutions of the 21st Meeting of the Third Session of the Board of Supervisors	April 28, 2023
50	CSCEC: Announcement on the Appointment of the Company's Vice President	April 28, 2023
51	CSCEC: Notice on Convening the 2022 Annual General Meeting	April 28, 2023
52	CSCEC: Announcement on the Resignation of the Company's Senior Management	April 28, 2023
53	CSCEC: Independent Opinions of Independent Directors on the Appointment of Li Yongming as the Company's Vice President	April 28, 2023
54	CSCEC: Independent Opinions of Independent Directors on Ma Zeping's Ceasing to be the Company's Vice President	April 28, 2023
55	CSCEC: Announcement on Addition of Provisional Proposals for the 2022 Annual General Meeting	May 9, 2023
56	CSCEC: Statement of Independent Director Nominees	May 9, 2023
57	CSCEC: Statement of Independent Director Candidates	May 9, 2023
58	CSCEC: Announcement on Resolutions of the 35th Meeting of the Third Session of the Board of Directors	May 9, 2023
59	CSCEC: Independent Opinion of the Independent Directors on the Nomination of Independent Directors Candidates for the Third Session of the Board of Directors of the Company	May 9, 2023
60	CSCEC: Information on the 2022 Annual General Meeting	May 13, 2023

No.	Matter	Date of disclosure
61	CSCEC: Announcement on Resignation of Independent Director	May 18, 2023
62	CSCEC: Announcement on Resolutions of the 2022 Annual General Meeting	May 20, 2023
63	CSCEC: Announcement on the Partial Repurchase and Delisting of Phase III and Phase IV Restricted Shares to Reduce the Company's Registered Capital & Notification to Creditors	May 20, 2023
64	CSCEC: Legal Opinions of King & Wood Mallesons on the 2022 Annual General Meeting of China State Construction Engineering Corporation Limited	May 20, 2023
65	CSCEC: Briefings on Business from January to April 2023	May 20, 2023
66	CSCEC: Regulations on External Guarantee Management (Revised in May 2023)	May 20, 2023
67	CSCEC: Announcement on Resolutions of the 36th Meeting of the Third Session of the Board of Directors	May 24, 2023
68	CSCEC: Announcement on Significant Project	May 27, 2023
69	CSCEC: Announcement on the Resignation of the Company's Senior Management	June 6, 2023
70	CSCEC: Announcement on Resolutions of the 37th Meeting of the Third Session of the Board of Directors	June 6, 2023
71	CSCEC: Independent Opinions of Independent Directors on Mr. Zhou Yong's Ceasing to be the Company's Vice President	June 6, 2023
72	CSCEC: Briefings on Business from January to May 2023	June 17, 2023
73	CSCEC: Announcement on Implementing Rights and Interests Distribution for 2022	June 21, 2023
74	CSCEC: Announcement on Significant Project	June 29, 2023
75	CSCEC: Briefings on Business from January to June 2023	July 8, 2023
76	CSCEC: Announcement on Significant Project	July 27, 2023
77	CSCEC: Announcement on Repurchase and Write-off of Partial Restricted Shares for Equity Incentives	July 28, 2023
78	CSCEC: Legal Opinions of King & Wood Mallesons on Relevant Matters regarding Repurchase and Write-off of Partial Restricted Shares under Phases III and IV Restricted A Share Incentive Schemes of China State Construction Engineering Corporation Limited	July 28, 2023
79	CSCEC: Independent Opinions of Independent Directors on Shan Guangxiu's Ceasing to be the Company's Vice President	August 5, 2023
80	CSCEC: Independent Opinion of the Independent Directors on the Election of Shan Guangxiu as a Director of the Third Session of the Board of Directors of the Company	August 5, 2023
81	CSCEC: Announcement on the Resolutions of the 41st Meeting of the Third Session of the Board of Directors	August 5, 2023
82	CSCEC: Notice on Convening the First Extraordinary General Meeting in 2023	August 5, 2023
83	CSCEC: Information on the First Extraordinary General Meeting in 2023	August 15, 2023
84	CSCEC: Briefings on Business from January to July 2023	August 16, 2023
85	CSCEC: Legal Opinions of King & Wood Mallesons on the First Extraordinary General Meeting in 2023 of China State Construction Engineering Corporation Limited	August 22, 2023
86	CSCEC: Announcement on the Resolutions of the First Extraordinary General Meeting in 2023	August 22, 2023
87	CSCEC: Announcement on Holding the 2023 Interim Results Presentation	August 23, 2023
88	CSCEC: Announcement on the Resolutions of the 42nd Meeting of the Third Session of the Board of Directors	August 23, 2023
89	CSCEC: Announcement on Significant Project	August 29, 2023
90	CSCEC: Interim Report 2023	August 30, 2023
91	CSCEC: Summary of the Interim Report 2023	August 30, 2023
92	CSCEC: Announcement on the Resolutions of the 43rd Meeting of the Third Session of the Board of Directors	August 30, 2023
93	CSCEC: Independent Opinions of Independent Directors on the Company's Provision for Asset Impairment in 2023H1	August 30, 2023

No.	Matter	Date of disclosure
94	CSCEC: Report on Sustained Evaluation on Risks of China State Construction Finance Co., Ltd.	August 30, 2023
95	CSCEC: Announcement on the Resolutions of the 22th Meeting of the Third Session of the Board of Supervisors	August 30, 2023
96	CSCEC: Announcement on Provision for Asset Impairment in 2023H1	August 30, 2023
97	CSCEC: Briefings on Business from January to August 2023	September 16, 2023
98	CSCEC: Announcement on International Credit Ratings	September 23, 2023
99	CSCEC: Announcement on Significant Project	September 28, 2023
100	CSCEC: Briefings on Business from January to September 2023	October 12, 2023
101	CSCEC: Announcement on Proposed Increase in Shareholder Holdings of CSCEC's Stocks	October 20, 2023
102	CSCEC: Announcement on Investment in and Development of Real Estate Project of Longhua Street, Xuhui District, Shanghai by Subsidiary Companies	October 25, 2023
103	CSCEC: Announcement on the Progress of the Controlling Shareholder's Increase Its Shareholding in the Company	October 26, 2023
104	CSCEC: Announcement on Holding the 2023Q3 Results Presentation	October 26, 2023
105	CSCEC: Announcement on the Appointment of the Vice President and Change of the General Counsel of the Company	October 27, 2023
106	CSCEC: Announcement on the Resolutions of the 47th Meeting of the Third Session of the Board of Directors	October 27, 2023
107	CSCEC: Report of 2023Q3	October 27, 2023
108	CSCEC: Announcement on the Resolutions of the 23th Meeting of the Third Session of the Board of Supervisors	October 27, 2023
109	CSCEC: Independent Opinions of Independent Directors on the Appointment of Vice President and Change of General Counsel of the Company	October 27, 2023
110	CSCEC: Announcement on the Progress of the Controlling Shareholder's Increase Its Shareholding in the Company	October 31, 2023
111	CSCEC: Announcement on Significant Project	October 31, 2023
112	CSCEC: Announcement on the Resolutions of the 24th Meeting of the Third Session of the Board of Supervisors	November 1, 2023
113	CSCEC: Announcement on Investment in and Development of Real Estate Project at the North Side of Guogongzhuang Middle Street, Fengtai District, Beijing by Subsidiary Companies	November 2, 2023
114	CSCEC: Announcement on the Acquisition of the Joint Development Rights for the Urban Renewal Project in Shuangsha Community, Huangpu District, Guangzhou through Equity Acquisition by Subsidiary Companies	November 3, 2023
115	CSCEC: Briefings on Business from January to October 2023	November 11, 2023
116	CSCEC: Announcement on Investment in and Development of Real Estate Project in Singapore by Subsidiary Companies	November 17, 2023
117	CSCEC: Announcement on the Progress of the Controlling Shareholder's Increase Its Shareholding in the Company	November 18, 2023
118	CSCEC: Announcement on Significant Project	November 29, 2023
119	CSCEC: Announcement on the Acquisition of Joint Development Rights for the Urban Renewal Project in Wenchong East, Huangpu District, Guangzhou through Equity Acquisition by Subsidiary Companies	December 6, 2023
120	CSCEC: Announcement on the Renewal of the Financial Services Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation and Daily Related Party Transactions	December 8, 2023
121	CSCEC: Rules of Procedure of the Nomination Committee of the Board of Directors (Revision in December 2023)	December 8, 2023
122	CSCEC: Announcement on Revision of the Articles of Association of China State Construction Engineering Corporation Limited	December 8, 2023
123	CSCEC: Notice on Convening the Second Extraordinary General Meeting in 2023	December 8, 2023
124	CSCEC: Rules of Procedure of the Audit and Risk Committee of the Board of Directors (Revision in December 2023)	December 8, 2023
125	CSCEC: Articles of Association (2023 Revised Draft)	December 8, 2023

No.	Matter	Date of disclosure
126	CSCEC: Legal Opinions of King & Wood Mallesons on Relevant Matters regarding the Repurchase and Cancellation of Second Tranche of Shares in 2023 under Phase IV Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited	December 8, 2023
127	CSCEC: Regulations on the Management of Related Party Transactions (2023 Revised Draft)	December 8, 2023
128	CSCEC: Announcement on the Resolutions of the 50th Meeting of the Third Session of Board of Directors	December 8, 2023
129	CSCEC: Announcement on the Repurchase and Cancellation of Second Tranche of Shares in 2023 under Phase IV Restricted A Share Incentive Scheme	December 8, 2023
130	CSCEC: Announcement on Revision of the Rules of Procedure of the Shareholders' General Meeting of China State Construction Engineering Corporation Limited	December 8, 2023
131	CSCEC: Announcement on the Resolutions of the 25th Meeting of the Third Session of Board of Supervisors	December 8, 2023
132	CSCEC: Rules of Procedure of the Strategy and Investment Committee of the Board of Directors (Revision in December 2023)	December 8, 2023
133	CSCEC: Rules of Procedure of the Remuneration and Appraisal Committee of the Board of Directors (Revision in December 2023)	December 8, 2023
134	CSCEC: Rules of Procedure for Special Meetings of Independent Directors	December 8, 2023
135	CSCEC: Rules of Procedure of the Shareholders' General Meeting (2023 Revised Draft)	December 8, 2023
136	CSCEC: Review Opinion of the First Meeting of the Independent Directors' Special Meeting of the Third Session of Board of Directors	December 8, 2023
137	CSCEC: Announcement on the Renewal of the Comprehensive Services Framework Agreement between CSCEC and China State Construction Engineering Corporation and Daily Related Party Transactions	December 8, 2023
138	CSCEC: Announcement on Revision of the Rules of Procedure of the Board of Directors of China State Construction Engineering Corporation Limited	December 8, 2023
139	CSCEC: Rules of Procedure of the Board of Directors (2023 Revised Draft)	December 8, 2023
140	CSCEC: Briefings on Business from January to November 2023	December 13, 2023
141	CSCEC: Information on the Second Extraordinary General Meeting in 2023	December 15, 2023
142	CSCEC: Working Rules for Independent Directors (2023 Revised Draft)	December 15, 2023
143	CSCEC: Announcement on Adding Temporary Proposals at the Second Extraordinary General Meeting in 2023	December 15, 2023
144	CSCEC: Announcement on the Resolutions of the 51st Meeting of the Third Session of Board of Directors	December 15, 2023
145	CSCEC: Announcement on the Resignation of the Chairman of Board of Supervisors	December 27, 2023
146	CSCEC: Announcement on the Resolutions of the Second Extraordinary General Meeting in 2023	December 28, 2023
147	CSCEC: Working Rules for Independent Directors (Revision in December 2023)	December 28, 2023
148	CSCEC: Announcement on the Resolutions of the 26th Meeting of the Third Session of Board of Supervisors	December 28, 2023
149	CSCEC: Administrative Measures for Information Disclosure and Internal Reports of Material Information (Revision in December 2023)	December 28, 2023
150	CSCEC: Rules of Procedure of the Board of Directors (Revision in December 2023)	December 28, 2023
151	CSCEC: Announcement on the Repurchase and Cancellation of the Second Tranche of Restricted Shares under Phase IV to Reduce the Company's Registered Capital & Notification to Creditors	December 28, 2023
152	CSCEC: Announcement on the Resolutions of the 52nd Meeting of the Third Session of Board of Directors	December 28, 2023
153	CSCEC: Rules of Procedure of the Shareholders' General Meeting (Revision in December 2023)	December 28, 2023
154	CSCEC: Articles of Association (Revision in December 2023)	December 28, 2023
155	CSCEC: Regulations on the Management of Related Party Transactions (Revision in December 2023)	December 28, 2023
156	CSCEC: Administrative Measures on Insider Registration (Revision in December 2023)	December 28, 2023
157	CSCEC: Legal Opinions of King & Wood Mallesons on the Second Extraordinary General Meeting in 2023 of China State Construction Engineering Corporation Limited	December 28, 2023
158	CSCEC: Announcement on Significant Project	December 30, 2023

SECTION VII

CHANGES IN SHARES AND SHAREHOLDERS

I. Changes in Share Capital

(I) Table of changes in shares

1. Table of changes in shares

As at the end of the Reporting Period, the changes in the Company's share capital structure are as follows:

Unit: Share(s)

	Before the change		Increase/decrease (+, -)				After the change	
	Number	Percentage (%)	Issue of new shares	Bonus issue	Conversion from reserve	Others	Subtotal	Percentage (%)
I. Shares subject to trading moratorium	1,099,066,000	2.62				-499,942,000	-499,942,000	599,124,000 1.43
1. State-owned shares								
2. Shares held by state-owned legal person								
3. Shares held by other domestic shareholders	1,099,066,000	2.62				-499,942,000	-499,942,000	599,124,000 1.43
Including: Shares held by domestic non-state-owned legal persons								
Shares held by domestic natural persons	1,099,066,000	2.62				-499,942,000	-499,942,000	599,124,000 1.43
4. Shares held by foreign shareholders								
Including: Shares held by overseas legal persons								
Shares held by overseas natural persons								
Circulating shares not subject to trading moratorium	40,835,366,844	97.38				485,023,600	485,023,600	41,320,390,444 98.57
1. RMB ordinary shares	40,835,366,844	97.38				485,023,600	485,023,600	41,320,390,444 98.57
2. Domestically listed foreign shares								
3. Overseas listed foreign shares								
4. Others								
III. Total number of shares	41,934,432,844	100				-14,918,400	-14,918,400	41,919,514,444 100

2. Explanation on changes in shares

☒ Applicable ☐ N/A

During the Reporting Period, there were three changes in the Company's shares, which were caused by the Company's unlocking of restricted shares, repurchase and cancellation of some restricted shares. The details are as follows:

- (1) The Company completed the unlocking of the first tranche of 300,057,600 restricted shares in 2022 under the Phase IV restricted A share incentive scheme, converting circulating shares subject to trading moratorium to circulating shares not subject to trading moratorium. The total share capital of the Company amounted to 41,934,432,844 shares. For details, please refer to the Announcement on the First Tranche of Unlocking in 2022 in Respect of Phase IV Restricted A Share Incentive Scheme and Listing of Shares published by the Company on January 10, 2023.
- (2) The Company completed the unlocking of the third tranche of 184,966,000 restricted shares in 2022 under the Phase III restricted A share incentive scheme, converting circulating shares subject to trading moratorium to circulating shares not subject to trading moratorium. The total share capital of the Company amounted to 41,934,432,844 shares. For details, please refer to the Announcement on the Third Tranche of Unlocking in 2022 in Respect of Phase III Restricted A Share Incentive Scheme and Listing of Shares published by the Company on January 12, 2023.
- (3) The Company completed the repurchase from the participants and cancellation of 14,918,400 restricted shares that were not eligible for unlocking. After the completion of the repurchase and cancellation, the registered capital (and share capital) of the Company was decreased by RMB14,918,400 (shares) to RMB41,919,514,444 (shares). For details, please refer to the Announcement on Repurchase and Cancellation of Partial Restricted Shares for Equity Incentives published on July 28, 2023.

3. The impact, if any, of changes in shares on financial indicators such as earnings per share, net asset per share for the latest year and the latest Reporting Period

☒ Applicable ☐ N/A

During the Reporting Period, changes in the Company's shares were resulted from the repurchase and partial cancellation of restricted shares, and the impact was as follows:

Unit: Yuan Currency: RMB

Financial indicators	Cancellation of restricted shares considered	Cancellation of restricted shares not considered
Earnings per share	1.31	1.31
Net asset per share	9.98	9.98

4. Other disclosures that the Company deemed necessary or were required by securities regulatory authorities

☐ Applicable ☒ N/A

(II) Changes in shares subject to trading moratorium☒ Applicable ☐ N/A

Unit: Share(s)

Name of shareholder	Number of shares subject to trading moratorium at the beginning of the year	Number of shares released from trading moratorium for the year	Number of new shares subject to trading moratorium for the year	Number of shares subject to trading moratorium at the end of the year	Reason for the trading moratorium	Date of release from trading moratorium
Participants of restricted share incentive schemes	1,099,066,000	-499,942,000	0	599,124,000	During the trading moratorium period	/
Total	1,099,066,000	-499,942,000	0	599,124,000	/	/

For details, please refer to “2. Explanation on changes in shares” in “(I) Table of changes in shares” under “I. Changes in Share Capital” in this section.

II. Issuance and Listing of Securities**(I) Issuance of securities during the Reporting Period**☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Type of shares and their derivative securities	Date of issuance	Issuing price (or interest rate)	Issuing amount	Date of listing	Number of shares (or amount) permitted to be listed for trading	Date of termination of the trading
Bonds (including enterprise bonds, corporate bonds and non-financial enterprise debt financing instruments)						
23 CSCEC MTN001	June 19, 2023	3.24%	3,000,000	June 25, 2023	3,000,000	/
23 CSCEC MTN002	July 11, 2023	3.14%	3,000,000	July 14, 2023	3,000,000	/
23 CSCEC MTN003	August 10, 2023	3.08%	3,000,000	August 15, 2023	3,000,000	/

Explanation on the issuance of securities during the Reporting Period (for bonds with different interest rates during the duration, please explain separately):

☒ Applicable ☐ N/A

For details of the issuance of bonds, please refer to SECTION IX “INFORMATION ON BONDS” of this Report.

(II) Changes in the Company's total number of shares and structure of shareholders and changes in the asset and liability structure of the Company☐ Applicable ☒ N/A**(III) Existing internal employee shares**☐ Applicable ☒ N/A**III. Shareholders and De Facto Controller****(I) Total number of shareholders**

Total number of ordinary shareholders as at the end of the Reporting Period	414,587
Total number of ordinary shareholders at the end of the month immediately before the date of disclosure of the Annual Report	392,560
Total number of preference shareholders with voting rights restored as at the end of the Reporting Period	N/A
Total number of preference shareholders with voting rights restored at the end of the month immediately before the date of disclosure of the Annual Report	N/A

(II) Shareholding of top 10 shareholders, top 10 shareholders of circulating shares (or holders of shares not subject to trading moratorium) as at the end of the Reporting Period

Unit: Share(s)

Shareholding of top 10 shareholders (excluding lending shares through refinancing)							
Name of shareholder (full name)	Increase/decrease during the Reporting Period	Number of shares held as at the end of the Reporting Period	Percentage (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen		Nature of shareholder
					Status	Number	
China State Construction Engineering Corporation	88,501,340	23,719,197,337	56.58	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	-780,930,386	1,387,047,275	3.31	0	Nil	0	Others
China Securities Finance Corporation Limited	0	1,258,300,898	3.00	0	Nil	0	Others
Central Huijin Asset Management Ltd.	0	583,327,120	1.39	0	Nil	0	State-owned legal person
China Life Insurance Company Limited – Traditional – General Insurance Products – 005L – CT001 Hu	147,039,794	273,077,512	0.65	0	Nil	0	Others
Industrial & Commercial Bank of China – SSE 50 Exchange Traded Open-end Index Securities Investment Fund	75,727,120	255,381,383	0.61	0	Nil	0	Securities investment fund
National Social Security Fund Portfolio 413	7,180,000	205,170,036	0.49	0	Nil	0	Others
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-end Index Securities Investment Fund	69,810,700	155,880,345	0.37	0	Nil	0	Securities investment fund
Bank of Communications Co., Ltd. – E Fund SSE 50 Index Enhanced Securities Investment Fund	4,999,960	127,093,386	0.30	0	Nil	0	Securities investment fund
Bank of Ningbo Co., Ltd. – Zhongtai Xingyuan Value Selected Flexible Allocation Mixed Securities Investment Fund	-42,052,702	119,451,542	0.28	0	Nil	0	Securities investment fund

Shareholdings of the top 10 holders of shares not subject to trading moratorium			
Name of shareholder	Number of circulating shares not subject to trading moratorium	Class and number of shares	
		Class	Number
China State Construction Engineering Corporation	23,719,197,337	RMB ordinary shares	23,719,197,337
Hong Kong Securities Clearing Company Limited	1,387,047,275	RMB ordinary shares	1,387,047,275
China Securities Finance Corporation Limited	1,258,300,898	RMB ordinary shares	1,258,300,898
Central Huijin Asset Management Ltd.	583,327,120	RMB ordinary shares	583,327,120
China Life Insurance Company Limited – Traditional – General Insurance Products – 005L – CT001 Hu	273,077,512	RMB ordinary shares	273,077,512
Industrial & Commercial Bank of China – SSE 50 Exchange Traded Open-end Index Securities Investment Fund	255,381,383	RMB ordinary shares	255,381,383
National Social Security Fund Portfolio 413	205,170,036	RMB ordinary shares	205,170,036
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-end Index Securities Investment Fund	155,880,345	RMB ordinary shares	155,880,345
Bank of Communications Co., Ltd. – E Fund SSE 50 Index Enhanced Securities Investment Fund	127,093,386	RMB ordinary shares	127,093,386
Bank of Ningbo Co., Ltd. – Zhongtai Xingyuan Value Selected Flexible Allocation Mixed Securities Investment Fund	119,451,542	RMB ordinary shares	119,451,542
Descriptions of special repurchase accounts among top 10 shareholders	N/A		
Descriptions of entrusting voting rights, entrusted voting rights or waiving voting rights of the above shareholders	N/A		
Descriptions of the related relationship or acts in concert with the above shareholders	There is no related relationship or action in concert between China State Construction Engineering Corporation, the largest shareholder of the Company, and any other shareholders mentioned above. The Company is not aware of any related relationship among the above shareholders, or that they are parties acting in concert.		
Descriptions of the preference shareholders with voting rights restored and the number of shares held	N/A		

Note: The Company received a notice from its controlling shareholder, China State Construction, on October 19, 2023 that China State Construction would increase its shareholding in the Company's A shares by way of centralized bidding transactions through the trading system of the SSE within six months from the date of disclosure of the Announcement on Proposed Increase in Shareholder Holdings of CSCEC's Stocks (No.: Interim 2023-057), with a total increase of not less than RMB500 million and not more than RMB1 billion (the Proposed Shareholding Increase). From October 25, 2023 to April 16, 2024, China State Construction increased its shareholding in the Company by a cumulative total of 100,845,940 A shares by way of centralized bidding transactions through the trading system of the SSE, with a total increase of approximately RMB500,004,203.40 (excluding taxes and fees). The Proposed Shareholding Increase has been completed. For details, please refer to the Announcement on the Implementation Result of the Proposed Shareholding Increase of the Controlling Shareholder of the Company (No.: Interim 2024-017).

Participation of top 10 shareholders in lending of shares in the refinancing business

☒ Applicable ☐ N/A

Unit: Share(s)

Top 10 shareholders participating in the refinancing and lending of shares								
Name of shareholder (full name)	Shares held in general and credit accounts at the beginning of the Reporting Period		Shares lent under refinancing and not yet returned at the beginning of the Reporting Period		Shares held in general and credit accounts at the end of the Reporting Period		Shares lent under refinancing and not yet returned at the end of the Reporting Period	
	Total number	Percentage (%)	Total number	Percentage (%)	Total number	Percentage (%)	Total number	Percentage (%)
Industrial & Commercial Bank of China – SSE 50 Exchange Traded Open-end Index Securities Investment Fund	179,654,264	0.43	0	0.00	255,381,383	0.61	1,819,900	0.00
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-end Index Securities Investment Fund	86,069,645	0.21	0	0.00	155,880,345	0.37	104,000	0.00

Change in the top 10 shareholders compared to the last Reporting Period

☒ Applicable ☐ N/A

Unit: Share(s)

Change in the top 10 shareholders compared to the end of the last Reporting Period					
Name of shareholder (full name)	Addition/Withdrawal during the Reporting Period	Number of shares lent under refinancing and not yet returned at the end of the Reporting Period		Number of shares held in general and credit accounts, and shares lent under refinancing and not yet returned at the end of the Reporting Period	
		Total number	Percentage (%)	Total number	Percentage (%)
Bank of Communications Co., Ltd. – GF CSI Infrastructure Project Traded Open-end Index ETF Securities Investment Fund	Withdrawal	3,966,200	0.01	85,148,600	0.20
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-end Index Securities Investment Fund	Addition	104,000	0.00	155,984,345	0.37

Number of shares held by top 10 holders of shares subject to trading moratorium and trading conditions

☐ Applicable ☒ N/A

Please refer to the relevant content of “(II) Changes in shares subject to trading moratorium” under “I. Changes in Share Capital” in this Section.

(III) Strategic investors or general legal persons becoming the top 10 shareholders as a result of new share placements

☐ Applicable ☒ N/A

IV. Controlling Shareholder and De Facto Controller

(I) Controlling shareholder

1. Legal person

☒ Applicable ☐ N/A

Name	China State Construction Engineering Corporation
Person in charge of the company or legal representative	Zheng Xuexuan
Date of establishment	It was established on June 11, 1982 following the official announcement of the former Ministry of Urban and Rural Construction and Environmental Protection, and obtained the business license from the former State Administration for Industry and Commerce on March 25, 1983. It was transformed to a wholly state-owned company on November 28, 2017, and changed its name to China State Construction Engineering Corporation (中国建筑集团有限公司).
Principal business	The operation of state-owned assets within the scope authorized by the State Council; undertaking of survey, design, construction, installation and consultation of civil and constructional engineering projects at home and abroad; operation of real estate; decoration works; sculpture and frescoes business; undertaking of foreign economic assistance projects of the state; contracting of foreign related projects in the PRC, organization of non-trade enterprises overseas, carrying out labor service cooperation in the PRC using foreign resources, funds and technology, and export business of equipment and materials required for foreign projects; production and operation of construction materials and other nonmetallic mineral products, metal products for construction, tools, construction engineering machinery and drilling machinery; import and export of goods and technology, agent service for import and export; project investment; real estate development; engineering survey and design; construction project management; technical consulting, technical services; property management. (Market entities may independently choose business items and carry out business activities in accordance with the law; as for items subject to approval in accordance with the law, relevant business activities shall be carried out with the approval of the competent authorities and within the scope of the approval; business activities of the forbidden and restricted projects under the national and municipal industry policies are not allowed.)
Shareholding and equity participation in other domestic and overseas listed companies during the Reporting Period	Apart from the Company and the listed companies controlled by the Company, China State Construction holds 27.05% shares of CSCEC SCIMEE Sci. & Tech. Co., Ltd. (stock short name: SCIMEE, stock code: 300425.SZ) through its wholly-owned subsidiary, China State Construction Innovation Investment Co., LTD ("CSCEC Innovation Investment"). CSCEC Innovation Investment is the controlling shareholder of SCIMEE.
Other matters	/

2. Natural person

☐ Applicable ☒ N/A

3. Special explanation on absence of a controlling shareholder of the Company

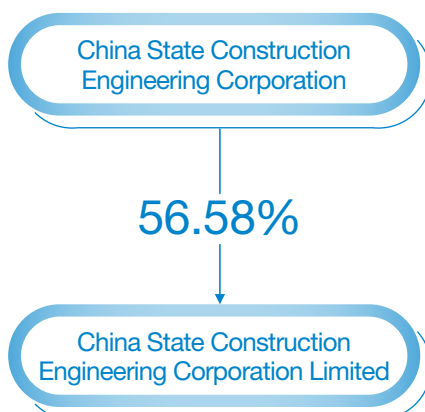
☐ Applicable ☒ N/A

4. Explanation on change of the controlling shareholder during the Reporting Period

☐ Applicable ☒ N/A

5. Chart showing the ownership and controlling relationship between the Company and the controlling shareholder

☒ Applicable ☐ N/A

**(II) De facto controller****1. Legal person**

☒ Applicable ☐ N/A

Name	State-owned Assets Supervision and Administration Commission of the State Council
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2. Natural person

☐ Applicable ☒ N/A

3. Special explanation on absence of a de facto controller of the Company

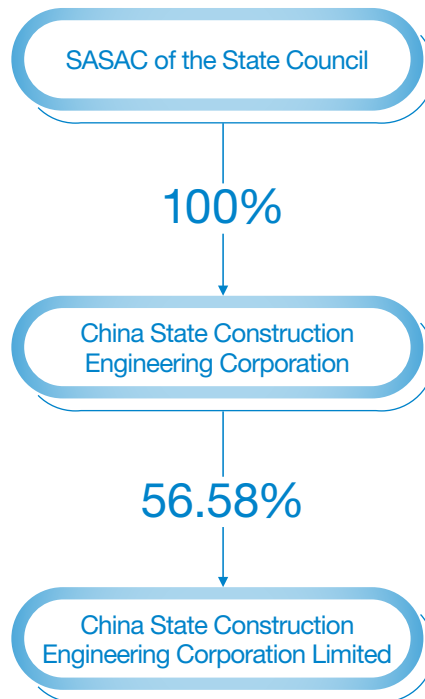
☐ Applicable ☒ N/A

4. Explanation on change of control of the Company during the Reporting Period

☐ Applicable ☒ N/A

5. Chart showing the ownership and controlling relationship between the Company and the de facto controller

☒ Applicable ☐ N/A

**6. The de facto controller controlling the Company through a trust or other asset management methods**

☐ Applicable ☒ N/A

(III) Other information of the controlling shareholder and the de facto controller

☐ Applicable ☒ N/A

V. The Accumulated Number of Shares Pledged by the Company's Controlling Shareholder or the Largest Shareholder and Their Parties Acting in Concert Represents More than 80% of the Number of the Company's Shares Held by Them

☐ Applicable ☒ N/A

VI. Other Corporate Shareholders Holding More than 10% of the Company's Shares

☐ Applicable ☒ N/A

VII.Explanation on Restrictions on the Reduction of Shareholding

☐ Applicable ☒ N/A

VIII.Details of the Implementation of Share Repurchase during the Reporting Period

☐ Applicable ☒ N/A

SECTION VIII
INFORMATION ON PREFERENCE SHARES

☐ Applicable ☒ N/A

SECTION IX

INFORMATION ON BONDS

I. Enterprise Bonds, Corporate Bonds and Non-financial Enterprise Debt Financing Instruments☒ Applicable ☐ N/A**(I) Enterprise bonds**☐ Applicable ☒ N/A**(II) Corporate bonds**☒ Applicable ☐ N/A**1. Basic information of corporate bonds**

The Company's countermeasures to the risks of termination of listing and trading of bonds

☐ Applicable ☒ N/A

Bonds in default

☐ Applicable ☒ N/A

Payment of interest and repayment of principal of bonds during the Reporting Period

☐ Applicable ☒ N/A**2. The triggering and implementation of the issuer's or investor's option clauses and investor protection clauses**☐ Applicable ☒ N/A**3. Intermediaries that provide services for the issuance of corporate bonds and the duration business**

Intermediary	Office address	Name of signatory accountants	Contact person	Tel
Ernst & Young Hua Ming LLP (Special General Partnership)	Units 01-12, Level 17, Ernst & Young Tower, Oriental Plaza, No. 1 East Chang An Avenue, Dongcheng District, Beijing, the PRC	Zhou Ying, Shen Yan	Zhou Ying	010-58153000

4. Use of raised funds at the end of the Reporting Period☐ Applicable ☒ N/A**5. Adjustment of credit rating results**☐ Applicable ☒ N/A**6. The implementation and changes of guarantees, debt repayment plans and other debt repayment protection measures during the Reporting Period and their impact**☐ Applicable ☒ N/A

7. Explanation on other information of corporate bonds

✓ Applicable □ N/A

The issuance of subsisting corporate bonds by subsidiaries as at the date of this Report is as follows:

Issuance of Subsisting Corporate Bonds by Subsidiaries

Unit: '000 yuan Currency: RMB								
No.	Name of bond	Short name	Date of issuance	Interest commencement date	Maturity date	Issue size/ current size	Interest rate (%)	Principal repayment and interest payment
1	5.35% USD guaranteed notes due in 2042 of China Overseas Land & Investment Ltd.	CHINA OVS N4211	November 15, 2012	November 15, 2012	November 15, 2042	2,124,810.00	5.35	Normal
2	6.375% USD guaranteed notes due in 2043 of China Overseas Land & Investment Ltd.	CHINA OVS N4310	October 29, 2013	October 29, 2013	October 29, 2043	3,541,350.00	6.375	Normal
3	5.95% USD guaranteed notes due in 2024 of China Overseas Land & Investment Ltd.	CHINA OVS N2405	May 8, 2014	May 8, 2014	May 8, 2024	4,957,890.00	5.95	Normal
4	6.45% USD guaranteed notes due in 2034 of China Overseas Land & Investment Ltd.	CHINA OVS N3406	June 11, 2014	June 11, 2014	June 11, 2034	3,541,350.00	6.45	Normal
5	2016 corporate bonds (Tranche 1) publicly issued by China Overseas Property Group Co., Ltd.	16 China Overseas 01	August 22, 2016	August 23, 2016	August 23, 2026	1,900,000.00	3.6	Normal
6	3.5% USD guaranteed notes due in 2027 of China State Construction Engineering Corporation Limited	CSECEC II N2707	July 5, 2017	July 5, 2017	July 5, 2027	3,541,350.00	3.5	Normal
7	3.875% USD guaranteed notes due in 2027 of China State Construction International Holdings Limited	CSCFIN II N2711	November 29, 2017	November 29, 2017	November 29, 2027	1,770,675.00	3.875	Normal
8	4.75% USD guaranteed notes due in 2028 of China Overseas Land & Investment Ltd.	CHINA OVS N2804	April 26, 2018	April 26, 2018	April 26, 2028	5,312,025.00	4.75	Normal
9	3.45% USD medium-term notes due in 2029 of China Overseas Land & Investment Ltd.	CHINA OVS N2907	July 15, 2019	July 15, 2019	July 15, 2029	3,187,215.00	3.45	Normal
10	2.9% HKD medium-term notes due in 2025 of China Overseas Land & Investment Ltd.	CHINA OVS N2501	July 15, 2019	July 15, 2019	January 15, 2025	1,812,440.00	2.9	Normal
11	3.05% USD medium-term notes due in 2029 of China Overseas Land & Investment Ltd.	CHINA OVS N2911	November 27, 2019	November 27, 2019	November 27, 2029	2,082,313.80	3.05	Normal
12	4% perpetual bonds of China State Construction International Holdings Limited	CSCFIN III SGPS	December 3, 2019	December 3, 2019	December 3, 2024	3,541,350.00	4	Normal
13	2.375% USD medium-term notes due in 2025 of China Overseas Land & Investment Ltd.	CHINA OVS N2503	March 2, 2020	March 2, 2020	March 2, 2025	2,124,810.00	2.375	Normal
14	2.75% USD medium-term notes due in 2030 of China Overseas Land & Investment Ltd.	CHINA OVS N3003	March 2, 2020	March 2, 2020	March 2, 2030	3,541,350.00	2.75	Normal
15	3.125% USD medium-term notes due in 2035 of China Overseas Land & Investment Ltd.	CHINA OVS N3503	March 2, 2020	March 2, 2020	March 2, 2035	1,416,540.00	3.125	Normal
16	3.4% perpetual bonds of China State Construction International Holdings Limited	CSC FIN SGPSB	June 8, 2021	June 8, 2021	June 8, 2026	3,541,350.00	3.4	Normal
17	2021 corporate bonds (Tranche 1) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 01	June 11, 2021	June 15, 2021	June 15, 2024	2,000,000.00	3.25	Normal
18	2021 corporate bonds (Tranche 1) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 02	June 11, 2021	June 15, 2021	June 15, 2026	1,000,000.00	3.55	Normal

No.	Name of bond	Short name	Date of issuance	Interest commencement date	Maturity date	Issue size/ current size	Interest rate (%)	Principal repayment and interest payment
19	2021 corporate bonds (Tranche 2) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 04	July 9, 2021	July 12, 2021	July 12, 2025	2,000,000.00	3.25	Normal
20	2021 corporate bonds (Tranche 3) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 06	August 6, 2021	August 9, 2021	August 9, 2028	1,500,000.00	3.25	Normal
21	2021 renewable corporate bonds (Tranche 1) of China Construction First Group Corporation Limited publicly issued to professional investors	21 China Construction G1 Y1	November 10, 2021	November 12, 2021	November 12, 2024	1,000,000.00	3.48	Normal
22	2021 corporate bonds (Tranche 4) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 07	November 24, 2021	November 25, 2021	November 25, 2024	1,700,000.00	3.08	Normal
23	2021 corporate bonds (Tranche 4) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 08	November 24, 2021	November 25, 2021	November 25, 2026	1,200,000.00	3.38	Normal
24	2021 renewable corporate bonds (Tranche 1) (Variety 2) of China Construction Fangcheng Investment & Development Group Co., Ltd. publicly issued to professional investors	21 Fangcheng Y2	December 7, 2021	December 8, 2021	December 8, 2024	1,200,000.00	4.25	Normal
25	2021 corporate bonds (Tranche 5) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 09	December 17, 2021	December 20, 2021	December 20, 2024	1,300,000.00	2.98	Normal
26	2021 corporate bonds (Tranche 5) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 10	December 17, 2021	December 20, 2021	December 20, 2026	800,000.00	3.38	Normal
27	2021 green renewable corporate bonds of China Construction Science & Technology Group Co., Ltd. publicly issued to professional investors	G COST Y1	December 24, 2021	December 28, 2021	December 28, 2024	300,000.00	4.3	Normal
28	2022 corporate bonds (Tranche 1) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 01	April 6, 2022	April 7, 2022	April 7, 2025	2,000,000.00	3.05	Normal
29	2022 corporate bonds (Tranche 1) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 02	April 6, 2022	April 7, 2022	April 7, 2027	1,000,000.00	3.5	Normal
30	2022 corporate bonds (Tranche 1) of China Construction Capital Holdings Co., Ltd. publicly issued to professional investors	22 Capital Holding 01	April 25, 2022	April 27, 2022	April 27, 2025	1,000,000.00	3.3	Normal
31	2022 corporate bonds (Tranche 2) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 03	May 9, 2022	May 10, 2022	May 10, 2025	1,500,000.00	2.75	Normal
32	2022 corporate bonds (Tranche 2) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 04	May 9, 2022	May 10, 2022	May 10, 2027	1,500,000.00	3.48	Normal
33	2022 corporate bonds (Tranche 3) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 05	September 19, 2022	September 20, 2022	September 20, 2025	1,000,000.00	2.4	Normal
34	2022 corporate bonds (Tranche 3) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 06	September 19, 2022	September 20, 2022	September 20, 2027	500,000.00	3.15	Normal

No.	Name of bond	Short name	Date of issuance	Interest commencement date	Maturity date	Issue size/ current size	Interest rate (%)	Principal repayment and interest payment
35	2022 corporate bonds (Tranche 4) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 07	December 19, 2022	December 20, 2022	December 20, 2025	1,500,000.00	2.25	Normal
36	2022 corporate bonds (Tranche 4) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 08	December 19, 2022	December 20, 2022	December 20, 2027	1,500,000.00	2.7	Normal
37	2023 corporate bonds (Tranche 1) of China Construction Fangcheng Investment & Development Group Co., Ltd. publicly issued to professional investors	23 Fangcheng 01	March 24, 2023	March 28, 2023	March 28, 2026	800,000.00	3.38	Normal
38	2023 renewable corporate bonds for scientific and technological innovation (Tranche 1) of China Construction Second Engineering Bureau Ltd. publicly issued to professional investors	China Construction G2 YK01	June 16, 2023	June 20, 2023	June 20, 2026	1,700,000.00	3.32	Normal
39	2023 green corporate bonds (Tranche 1) of China State Construction International Investments Limited publicly issued to professional investors	23 China Construction International Investments G1	August 18, 2023	August 22, 2023	August 22, 2026	1,100,000.00	2.88	Normal
40	2023 renewable corporate bonds for scientific and technological innovation (Tranche 1) of China Construction First Group Corporation Limited publicly issued to professional investors	China Construction G1 YK01	October 18, 2023	October 20, 2023	October 20, 2026	1,500,000.00	3.39	Normal
41	2023 renewable corporate bonds for scientific and technological innovation (Tranche 2) of China Construction First Group Corporation Limited publicly issued to professional investors	China Construction G1 YK02	November 7, 2023	November 9, 2023	November 9, 2026	1,500,000.00	3.30	Normal
42	2023 renewable corporate bonds for scientific and technological innovation (Tranche 1) of China Construction Science and Industry Corporation Ltd. publicly issued to professional investors	23 CCSI YK01	November 8, 2023	November 10, 2023	November 10, 2026	1,300,000.00	3.93	Normal
43	2023 low-carbon transition-linked corporate bonds for scientific and technological innovation (Tranche 1) of China Construction Science & Technology Group Co., Ltd. publicly issued to professional investors	23 CSCEC K1	September 19, 2023	September 21, 2023	September 21, 2026	500,000.00	3.19	Normal
44	2023 renewable corporate bonds (sustainability-linked) for scientific and technological innovation (Tranche 1) of China Construction Third Engineering Bureau Group Co., Ltd. publicly issued to professional investors	China Construction G3 YK01	December 15, 2023	December 19, 2023	December 19, 2026	1,200,000.00	3.16	Normal
45	China Overseas Land & Investment Ltd. 3.5% N20261025	COFCVL 3.5% 20261025	October 25, 2023	October 25, 2023	October 25, 2026	3,190,000.00	3.5	Normal
46	2023 corporate bonds (Tranche 1) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	23 China Overseas 01	November 3, 2023	November 7, 2023	November 7, 2026	2,000,000.00	2.9	Normal
47	2023 corporate bonds (Tranche 1) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	23 China Overseas 02	November 3, 2023	November 7, 2023	November 7, 2028	1,000,000.00	3.25	Normal
48	2023 corporate bonds (Tranche 2) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	23 China Overseas 04	December 8, 2023	December 12, 2023	December 12, 2028	3,000,000.00	3.2	Normal

(III) Debt financing instruments of non-financial enterprises in the interbank bond market

☒ Applicable ☐ N/A

1. Basic information of debt financing instruments of non-financial enterprises

Unit: '000 yuan Currency: RMB

No.	Name of bond	Short name	Code	Date of issuance	Interest commencement date	Maturity date	Balance	Interest rate (%)	Method of principal repayment and interest payment	Venue of trading	Arrangement to ensure the suitability of investors (if any)	Trading mechanism	Is there a risk of termination of the listing?
1	2023 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	23 CSCEC MTN001	1023000386	June 19, 2023	June 21, 2023	June 21, 2026	3,000,000.00	3.24	Annual interest payment with redemption option on redemption date	Inter-bank bond market	/	Bidding, quotation, inquiry and agreement	No
2	2023 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	23 CSCEC MTN002	102381653	July 11, 2023	July 13, 2023	July 13, 2026	3,000,000.00	3.14	Annual interest payment with redemption option on redemption date	Inter-bank bond market	/	Bidding, quotation, inquiry and agreement	No
3	2023 medium-term notes (Tranche 3) of China State Construction Engineering Corporation Limited	23 CSCEC MTN003	102382053	August 10, 2023	August 14, 2023	August 14, 2026	3,000,000.00	3.08	Annual interest payment with redemption option on redemption date	Inter-bank bond market	/	Bidding, quotation, inquiry and agreement	No

For relevant details, please refer to note V. 36 “Current portion of non-current liabilities”, note V. 39 “Bonds payable” and note V. 47 “Other equity instruments” to the financial statements under section X “FINANCIAL REPORT”.

The Company's countermeasures to the risks of termination of listing and trading of bonds

☐ Applicable ☒ N/A

Bonds in default

☐ Applicable ☒ N/A

Payment of interest and repayment of principal of bonds during the Reporting Period

☒ Applicable ☐ N/A

Name of bond	Description of payment of interest and repayment of principal
2018 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	Normal repayment of principal and interest
2018 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	Normal repayment of principal and interest
2020 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	Normal repayment of principal and interest
2020 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	Normal repayment of principal and interest
2020 medium-term notes (Tranche 3) of China State Construction Engineering Corporation Limited	Normal repayment of principal and interest

2. The triggering and implementation of the issuer's or investor's option clauses and investor protection clauses

☐ Applicable ☒ N/A

3. Intermediaries that provide services to the issuance of corporate bonds and the duration business

Intermediary	Office address	Name of signatory accountants	Contact person	Tel
Ernst & Young Hua Ming LLP (Special General Partnership)	Units 01-12, Level 17, Ernst & Young Tower, Oriental Plaza, No. 1 East Chang An Avenue, Dongcheng District, Beijing, the PRC	Zhou Ying, Shen Yan	Zhou Ying	010-58153000

Changes to the above intermediary

☐ Applicable ☒ N/A

4. Use of raised funds at the end of the Reporting Period☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Name of bond	Total amount of proceeds	Used amount	Unused amount	Operation of the special account for proceeds (if any)	Rectification on illegal use of proceeds (if any)	Is it consistent with the purpose, use plan and other agreements promised in the prospectus?
2018 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	5,000,000.00	5,000,000.00	0	Nil	Nil	Yes
2018 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	5,000,000.00	5,000,000.00	0	Nil	Nil	Yes
2020 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	4,000,000.00	4,000,000.00	0	Nil	Nil	Yes
2020 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	3,000,000.00	3,000,000.00	0	Nil	Nil	Yes
2020 medium-term notes (Tranche 3) of China State Construction Engineering Corporation Limited	3,000,000.00	3,000,000.00	0	Nil	Nil	Yes
2023 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	3,000,000.00	3,000,000.00	0	Nil	Nil	Yes
2023 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	3,000,000.00	3,000,000.00	0	Nil	Nil	Yes
2023 medium-term notes (Tranche 3) of China State Construction Engineering Corporation Limited	3,000,000.00	3,000,000.00	0	Nil	Nil	Yes

The progress of the proceeds for construction projects and operating benefits

☐ Applicable ☒ N/A

Explanations on changing the use of proceeds from above-mentioned bonds during the Reporting Period

☐ Applicable ☒ N/A

Other explanation

☐ Applicable ☒ N/A**5. Adjustment of credit rating results**☐ Applicable ☒ N/A**6. The implementation and changes of guarantees, debt repayment plans and other debt repayment protection measures during the Reporting Period and their impact**☐ Applicable ☒ N/A**7. Explanation on other information of debt financing instruments of non-financial enterprises**☒ Applicable ☐ N/A

The issuance of debt financing instruments of non-financial institutions by subsidiaries as at the disclosure date of this Report is as follows:

Issuance of Debt Financing Instruments of Non-financial Institutions by Subsidiaries

Unit: '000 yuan Currency: RMB

No.	Name of bond	Short name	Date of issuance	Interest commencement date	Maturity date	Issue size/ current size	Interest rate (%)	Principal repayment and interest payment
1	Tranche 1 of medium-term note of China Construction Eighth Engineering Division Corp., Ltd. in 2020	20 China Construction Eighth Division MTN001	June 11, 2020	June 15, 2020	June 11, 2025	2,000,000.00	4.04	Normal
2	Tranche 1 of medium-term note of China State Construction International Investments Limited in 2021	21 China Construction Investments MTN001	May 27, 2021	May 31, 2021	May 31, 2024	1,000,000.00	3.52	Normal
3	Tranche 1 of medium-term note of China West Construction Group Co., Ltd. in 2021	21 China West Construction MTN001	August 18, 2021	August 20, 2021	August 20, 2024	700,000.00	3.35	Normal
4	Tranche 1 of medium-term note of China Construction Industrial & Energy Engineering Group Co., Ltd. in 2021	21 China Construction Industrial & Energy MTN001	August 20, 2021	August 24, 2021	August 24, 2024	300,000.00	4.96	Normal
5	Tranche 1 of medium-term note of China Construction Second Engineering Bureau Ltd. in 2021	21 China Construction Second Bureau MTN001	August 30, 2021	September 1, 2021	September 1, 2024	1,500,000.00	3.56	Normal
6	Tranche 1 of medium-term note of China Construction Fifth Engineering Division Corp., Ltd. in 2021	21 China Construction Fifth Division MTN001	September 27, 2021	September 28, 2021	September 28, 2024	2,000,000.00	3.8	Normal
7	Tranche 1 of medium-term note of China Construction Fourth Engineering Division Corp., Ltd. in 2021	21 China Construction Fourth Division MTN001	October 25, 2021	October 27, 2021	October 27, 2024	1,000,000.00	4.3	Normal
8	Tranche 2 of medium-term note of China Construction Fourth Engineering Division Corp., Ltd. in 2021	21 China Construction Fourth Division MTN002	November 15, 2021	November 17, 2021	November 17, 2024	2,000,000.00	4.18	Normal
9	Tranche 1 of medium-term note of China Construction Seventh Engineering Division Corp., Ltd. in 2021	21 China Construction Seventh Division MTN001	November 17, 2021	November 19, 2021	November 19, 2024	1,500,000.00	3.6	Normal
10	Tranche 2 of medium-term note of China Construction Fifth Engineering Division Corp., Ltd. in 2021	21 China Construction Fifth Division MTN002	November 24, 2021	November 26, 2021	November 26, 2024	2,500,000.00	3.6	Normal
11	Tranche 2 of medium-term note of China West Construction Group Co., Ltd. in 2021	21 China West Construction MTN002	December 1, 2021	December 3, 2021	December 3, 2024	600,000.00	4.3	Normal
12	Tranche 1 of medium-term note of China Construction Third Engineering Bureau Group Co., Ltd. in 2021	21 China Construction Third Bureau MTN001	December 7, 2021	December 9, 2021	December 9, 2024	1,300,000.00	3.35	Normal

No.	Name of bond	Short name	Date of issuance	Interest commencement date	Maturity date	Issue size/ current size	Interest rate (%)	Principal repayment and interest payment
13	Tranche 2 of medium-term note of China Construction Third Engineering Bureau Group Co., Ltd. in 2021	21 China Construction Third Bureau MTN002	December 9, 2021	December 13, 2021	December 13, 2024	1,200,000.00	3.35	Normal
14	Tranche 1 of medium-term note of China Construction Infrastructure Co., Ltd. in 2021	21 China Construction MTN001	December 9, 2021	December 13, 2021	December 13, 2024	500,000.00	3.8	Normal
15	Tranche 3 of medium-term note of China Construction Fourth Engineering Division Corp., Ltd. in 2021 (Variety 1)	21 China Construction Fourth Division MTN003A	December 16, 2021	December 20, 2021	December 20, 2026	1,000,000.00	3.3	Normal
16	Tranche 3 of medium-term note of China Construction Fourth Engineering Division Corp., Ltd. in 2021 (Variety 2)	21 China Construction Fourth Division MTN003B	December 16, 2021	December 20, 2021	December 20, 2026	1,000,000.00	3.95	Normal
17	Tranche 2 of medium-term note of China State Construction International Investments Limited in 2021	21 China Construction Investments MTN002	December 27, 2021	December 29, 2021	December 29, 2024	1,500,000.00	3.1	Normal
18	Tranche 1 of medium-term note of China Overseas Development Group Co., Ltd. in 2022 (Variety 1)	22 China Overseas Development MTN001A	January 12, 2022	January 14, 2022	January 14, 2025	1,800,000.00	2.88	Normal
19	Tranche 1 of medium-term note of China Overseas Development Group Co., Ltd. in 2022 (Variety 2)	22 China Overseas Development MTN001B	January 12, 2022	January 14, 2022	January 14, 2027	1,200,000.00	3.25	Normal
20	Tranche 2 of green medium-term note of China Overseas Development Group Co., Ltd. in 2022	22 China Overseas Development MTN002 (Green)	February 21, 2022	February 23, 2022	February 23, 2027	1,000,000.00	3.22	Normal
21	Tranche 1 of green medium-term note of China State Construction International Investments Limited in 2022	22 China Construction Investments MTN001 (Green)	March 31, 2022	April 2, 2022	April 2, 2025	960,000.00	2.98	Normal
22	Tranche 2 of medium-term note of China State Construction International Investments Limited in 2022	22 China Construction Investments MTN002	April 25, 2022	April 27, 2022	April 27, 2025	1,500,000.00	3.09	Normal
23	Tranche 3 of medium-term note of China Overseas Development Group Co., Ltd. in 2022 (Variety 1)	22 China Overseas Development MTN003A	May 25, 2022	May 27, 2022	May 27, 2025	2,000,000.00	2.63	Normal
24	Tranche 3 of medium-term note of China Overseas Development Group Co., Ltd. in 2022 (Variety 2)	22 China Overseas Development MTN003B	May 25, 2022	May 27, 2022	May 27, 2027	1,000,000.00	3.1	Normal
25	Tranche 4 of medium-term note of China Overseas Development Group Co., Ltd. in 2022	22 China Overseas Development MTN004	July 21, 2022	July 25, 2022	July 25, 2027	2,000,000.00	3.26	Normal
26	Tranche 3 of medium-term note of China State Construction International Investments Limited in 2022	22 China Construction Investments MTN003	August 17, 2022	August 19, 2022	August 19, 2027	1,040,000.00	2.7	Normal
27	Tranche 5 of medium-term note of China Overseas Development Group Co., Ltd. in 2022	22 China Overseas Development MTN005	October 25, 2022	October 27, 2022	October 27, 2027	1,000,000.00	2.85	Normal

No.	Name of bond	Short name	Date of issuance	Interest commencement date	Maturity date	Issue size/ current size	Interest rate (%)	Principal repayment and interest payment
28	Tranche 1 of medium-term note of China Construction Seventh Engineering Division Corp., Ltd. in 2022	22 China Construction Seventh Division MTN001	October 26, 2022	October 28, 2022	October 28, 2025	1,500,000.00	2.79	Normal
29	Tranche 6 of green medium-term note of China Overseas Development Group Co., Ltd. in 2022	22 China Overseas Development MTN006 (Green)	December 12, 2022	December 14, 2022	December 14, 2027	2,000,000.00	2.7	Normal
30	Tranche 7 of green medium-term note of China Overseas Development Group Co., Ltd. in 2022	22 China Overseas Development MTN007 (Green)	December 12, 2022	December 14, 2022	December 14, 2027	1,000,000.00	2.7	Normal
31	Tranche 1 of medium-term note of China Construction Seventh Engineering Division Corp., Ltd. in 2023	23 China Construction Seventh Division MTN001	April 18, 2023	April 20, 2023	April 20, 2026	1,500,000.00	3.2	Normal
32	Tranche 1 of medium-term note of China Construction Fifth Engineering Division Corp., Ltd. in 2023	23 China Construction Fifth Division MTN001	April 17, 2023	April 19, 2023	April 19, 2026	1,700,000.00	3.55	Normal
33	Tranche 1 of medium-term note of China Construction Second Engineering Bureau Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Second Bureau MTN001 (Science and Technology Innovation Notes)	April 14, 2023	April 18, 2023	April 18, 2026	2,000,000.00	3.55	Normal
34	Tranche 2 of medium-term note of China Construction Second Engineering Bureau Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Second Bureau MTN002 (Science and Technology Innovation Notes)	April 25, 2023	April 27, 2023	April 27, 2026	2,000,000.00	3.54	Normal
35	Tranche 1 of green medium-term note of China West Construction Group Co., Ltd. in 2023	23 China West Construction MTN001 (Green)	April 19, 2023	April 21, 2023	April 21, 2026	1,000,000.00	3.4	Normal
36	Tranche 1 of ultra-short term financing bonds of China Construction First Group Corporation Limited in 2024 (Science and Technology Innovation Notes)	24 China Construction First Group SCP001 (Science and Technology Innovation Notes)	January 18, 2024	January 19, 2024	June 25, 2024	1,500,000.00	2.3	Normal
37	Tranche 2 of ultra-short term financing bonds of China Construction First Group Corporation Limited in 2024 (Science and Technology Innovation Notes)	24 China Construction First Group SCP002 (Science and Technology Innovation Notes)	January 18, 2024	January 19, 2024	June 25, 2024	1,500,000.00	2.3	Normal
38	Tranche 1 of medium-term note of CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd. in 2023 (Science and Technology Innovation Notes)	23 CSCEC Xinjiang MTN001 (Science and Technology Innovation Notes)	September 8, 2023	September 12, 2023	September 12, 2026	700,000.00	3.83	Normal
39	Tranche 1 of medium-term note of China Construction Eighth Engineering Division Corp., Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Eighth Division MTN001	August 31, 2023	September 4, 2023	September 4, 2026	2,000,000.00	3.15	Normal
40	Tranche 4 of ultra-short term financing bonds of China Construction Eighth Engineering Division Corp., Ltd. in 2024	24 China Construction Eighth Division SCP004	February 28, 2024	February 29, 2024	April 24, 2024	3,000,000.00	2.04	Normal
41	Tranche 1 of medium-term note of CSCEC Strait Construction and Development Co., Ltd. in 2023 (Science and Technology Innovation Notes)	23 CSCEC Strait MTN001 (Science and Technology Innovation Notes)	November 1, 2023	November 2, 2023	November 2, 2026	1,000,000.00	3.98	Normal
42	Tranche 2 of medium-term note of China Construction Seventh Engineering Division Corp., Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Seventh Division MTN002 (Science and Technology Innovation Notes)	November 15, 2023	November 17, 2023	November 17, 2026	1,700,000.00	3.6	Normal

No.	Name of bond	Short name	Date of issuance	Interest commencement date	Maturity date	Issue size/ current size	Interest rate (%)	Principal repayment and interest payment
43	Tranche 4 of ultra-short term financing bonds of China Construction Seventh Engineering Division Corp., Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Seventh Division SCP004 (Science and Technology Innovation Notes)	December 25, 2023	December 26, 2023	April 24, 2024	700,000.00	2.68	Normal
44	Tranche 1 of medium-term note of China Construction Infrastructure Co., Ltd. in 2023	23 China Construction MTN001	August 31, 2023	September 4, 2023	September 4, 2026	1,200,000.00	3.44	Normal
45	Tranche 1 of medium-term note of China Construction Sixth Engineering Bureau Corp., Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Sixth Bureau MTN001 (Science and Technology Innovation Notes)	September 18, 2023	September 20, 2023	September 20, 2026	1,000,000.00	3.7	Normal
46	Tranche 2 of medium-term note of China Construction Sixth Engineering Bureau Corp., Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Sixth Bureau MTN002 (Science and Technology Innovation Notes)	November 6, 2023	November 8, 2023	November 8, 2026	500,000.00	3.5	Normal
47	Tranche 3 of medium-term note of China Construction Sixth Engineering Bureau Corp., Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Sixth Bureau MTN003 (Science and Technology Innovation Notes)	November 23, 2023	November 27, 2023	November 27, 2026	600,000.00	3.4	Normal
48	Tranche 1 of medium-term note of China Construction Third Engineering Bureau Group Co., Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Third Bureau MTN001 (Science and Technology Innovation Notes)	September 18, 2023	September 20, 2023	September 20, 2026	1,500,000.00	3.45	Normal
49	Tranche 2 of medium-term note of China Construction Third Engineering Bureau Group Co., Ltd. in 2023	23 China Construction Third Bureau MTN002	October 12, 2023	October 16, 2023	October 16, 2026	1,500,000.00	3.4	Normal
50	Tranche 1 of medium-term note of China Construction Fourth Engineering Division Corp., Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Fourth Division MTN001 (Science and Technology Innovation Notes)	November 20, 2023	November 22, 2023	November 22, 2026	1,300,000.00	3.7	Normal
51	Tranche 2 of medium-term note of China Construction Fourth Engineering Division Corp., Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Fourth Division MTN002 (Science and Technology Innovation Notes)	December 6, 2023	December 8, 2023	December 8, 2026	1,700,000.00	3.95	Normal
52	Tranche 3 of medium-term note of China Construction Fourth Engineering Division Corp., Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Fourth Division MTN003 (Science and Technology Innovation Notes)	December 18, 2023	December 20, 2023	December 20, 2026	700,000.00	3.7	Normal
53	Tranche 1 of medium-term note of China State Construction International Investments Limited in 2023	23 China Construction Investments MTN001	November 16, 2023	November 20, 2023	November 20, 2026	2,000,000.00	3.5	Normal
54	Tranche 1 of ultra-short term financing bonds of China Construction Seventh Engineering Division Corp., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Seventh Division SCP001 (Science and Technology Innovation Notes)	March 6, 2024	March 7, 2024	September 4, 2024	1,000,000.00	2.17	Normal
55	Tranche 1 of medium-term note of China Overseas Development Group Co., Ltd. in 2024 (Variety 1)	24 China Overseas Development MTN001A	January 22, 2024	January 24, 2024	January 24, 2027	1,500,000.00	2.8	Normal
56	Tranche 1 of medium-term note of China Overseas Development Group Co., Ltd. in 2024 (Variety 2)	24 China Overseas Development MTN001B	January 22, 2024	January 24, 2024	January 24, 2029	1,500,000.00	3.05	Normal
57	Tranche 1 of medium-term note of China State Construction International Investments Limited in 2024	24 China Construction Investments MTN001	February 26, 2024	February 28, 2024	February 28, 2029	2,000,000.00	2.84	Normal
58	Tranche 6 of ultra-short term financing bonds of China Construction Eighth Engineering Division Corp., Ltd. in 2024	24 China Construction Eighth Division SCP006	March 20, 2024	March 21, 2024	May 17, 2024	2,000,000.00	2.06	Normal

No.	Name of bond	Short name	Date of issuance	Interest commencement date	Maturity date	Issue size/ current size	Interest rate (%)	Principal repayment and interest payment
59	Tranche 7 of ultra-short term financing bonds of China Construction Eighth Engineering Division Corp., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Eighth Division SCP007 (Science and Technology Innovation Notes)	March 29, 2024	March 29, 2024	June 7, 2024	5,000,000.00	2.08	Normal
60	Tranche 2 of ultra-short term financing bonds of China Construction Third Engineering Bureau Group Co., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Third Bureau SCP002 (Science and Technology Innovation Notes)	March 5, 2024	March 6, 2024	June 4, 2024	2,000,000.00	2.05	Normal
61	Tranche 4 of ultra-short term financing bonds of China Construction Third Engineering Bureau Group Co., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Third Bureau SCP004 (Science and Technology Innovation Notes)	March 6, 2024	March 7, 2024	June 5, 2024	3,000,000.00	2.05	Normal
62	Tranche 5 of ultra-short term financing bonds of China Construction Third Engineering Bureau Group Co., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Third Bureau SCP005 (Science and Technology Innovation Notes)	March 26, 2024	March 27, 2024	June 25, 2024	3,000,000.00	2.05	Normal
63	Tranche 1 of ultra-short term financing bonds of China Construction Communications Engineering Group Co., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Communications SCP001 (Science and Technology Innovation Notes)	January 4, 2024	January 5, 2024	July 3, 2024	300,000.00	2.99	Normal
64	Tranche 2 of ultra-short term financing bonds of China Construction Communications Engineering Group Co., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Communications SCP002 (Science and Technology Innovation Notes)	January 11, 2024	January 12, 2024	July 10, 2024	300,000.00	2.75	Normal
65	Tranche 3 of ultra-short term financing bonds of China Construction Seventh Engineering Division Corp., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Seventh Division SCP003 (Science and Technology Innovation Notes)	April 3, 2024	April 3, 2024	September 30, 2024	1,000,000.00	2.12	Normal
66	Tranche 2 of ultra-short term financing bonds of China Construction Second Engineering Bureau Ltd. in 2024	24 China Construction Second Bureau SCP002	March 22, 2024	March 25, 2024	June 29, 2024	2,500,000.00	2.05	Normal
67	Tranche 3 of ultra-short term financing bonds of China Construction Second Engineering Bureau Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Second Bureau SCP003 (Science and Technology Innovation Notes)	March 22, 2024	March 25, 2024	June 29, 2024	800,000.00	2.05	Normal
68	Tranche 2 of ultra-short term financing bonds of China Construction Seventh Engineering Division Corp., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Seventh Division SCP002 (Science and Technology Innovation Notes)	March 19, 2024	March 19, 2024	October 15, 2024	1,000,000.00	2.12	Normal
69	Tranche 1 of medium-term note of China Construction Sixth Engineering Bureau Corp., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Sixth Bureau MTN001 (Science and Technology Innovation Notes)	February 27, 2024	February 28, 2024	February 28, 2026	800,000.00	2.6	Normal
70	Tranche 2 of medium-term note of China Construction Sixth Engineering Bureau Corp., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Sixth Bureau MTN002 (Science and Technology Innovation Notes)	March 1, 2024	March 5, 2024	March 5, 2026	600,000.00	2.55	Normal
71	Tranche 2 of ultra-short term financing bonds of China Construction Fifth Engineering Division Corp., Ltd. in 2024	24 China Construction Fifth Division SCP002	March 27, 2024	March 27, 2024	June 12, 2024	500,000.00	2.05	Normal
72	Tranche 6 of ultra-short term financing bonds of China Construction Third Engineering Bureau Group Co., Ltd. in 2024 (Science and Technology Innovation Notes)	24 China Construction Third Bureau SCP006 (Science and Technology Innovation Notes)	April 2, 2024	April 3, 2024	June 28, 2024	2,000,000.00	2.05	Normal

For relevant details, please refer to Note V. 36 “Current portion of non-current liabilities” and Note V. 39 “Bonds payable” to the financial statements under SECTION X “FINANCIAL REPORT”.

(IV) Loss in the Company's consolidated statement during the Reporting Period exceeded 10% of its net assets at the end of the previous year

☐ Applicable ☒ N/A

(V) The delinquency of interest-bearing debts excluding the bond at the end of the Reporting Period

☐ Applicable ☒ N/A

(VI) The violation of laws and regulations, Articles of Association and the information disclosure management system and the impact of the agreement or commitment of the bond prospectus on the rights and interests of bond investors during the Reporting Period

☐ Applicable ☒ N/A

(VII) The Company's accounting data and financial indicators for the last two years as at the end of the Reporting Period

☒ Applicable ☐ N/A

Unit: '000 yuan Currency: RMB

Major indicators	2023	2022	Increase/decrease at the end of the Reporting Period over the end of last year (%)	Reason for the change
Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss	48,538,669	45,233,864	7.3	Increase in operating profit
Current ratio (%)	128.8	131.2	Decrease by 2.4 percentage points	/
Quick ratio (%)	67.0	65.0	Increase by 2.0 percentage points	Increase in quick assets
Gearing ratio (%)	74.8	74.4	Increase by 0.4 percentage point	Increase in total liabilities
Debt-to-EBITDA ratio (%)	16.3	17.3	Decrease by 1.0 percentage point	Increase in total debts
Interest coverage ratio	3.5	3.6	-0.1	Increase in interest expenses
Cash interest coverage ratio	2.0	2.1	-0.1	Increase in interest expenses
EBITDA interest coverage ratio	4.0	4.0	/	/
Loan repayment ratio (%)	100.0	100.0	/	/
Interest repayment ratio (%)	100.0	100.0	/	/

II. Information on Convertible Corporate Bonds

☐ Applicable ☒ N/A

SECTION X
FINANCIAL REPORT

I. Audit Report

☒ Applicable ☐ N/A

See the attached for details

II. Financial Statements

See the attached for details

Chairman: Zheng Xuexuan

Date of approval by the Board of Directors for submission: April 18, 2024

Amendments

☐ Applicable ☒ N/A

Index of documents available for inspection	Financial statements signed and sealed by the Head of the Company (Chairman), person-in-charge of accounting (chief financial officer) and person-in-charge of the accounting department (head of the accounting department)
	The original audit report with the seal of the accounting firm and signatures and seals of the certified public accountants
	The originals of all Company documents and manuscripts of announcements publicly disclosed during the Reporting Period

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For the year ended 31 December 2023

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AUDITOR'S REPORT

Ernst & Young Hua Ming (2024) Shen Zi No. 70048147_A01

China State Construction Engineering Corporation Limited

To the Shareholders of China State Construction Engineering Corporation Limited,

(I) Opinion

We have audited the financial statements of China State Construction Engineering Corporation Limited (hereinafter the "Company"), which comprise the consolidated and company balance sheets as at 31 December 2023, and the consolidated and company income statements, the consolidated and company statements of changes in equity and the consolidated and company statements of cash flows for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position as at 31 December 2023, and their financial performance and cash flows for the year ended in accordance with the requirements of Accounting Standards for Business Enterprises ("ASBEs").

(II) Basis for opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with *China Code of Ethics for Certified Public Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

(III) Key audit matters

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

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

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2024) Shen Zi No. 70048147_A01

China State Construction Engineering Corporation Limited

(III) Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Revenue recognition from construction contracts	
<p>The revenue of the Company is mainly derived from construction contracts and recognised based on the performance progress over the period of the contract. Depending on the nature of construction projects, determined by input method, the performance progress is measured by reference to the percentage of actual contract costs incurred to the total budgeted costs. Management makes estimates on the revenue and budgeted costs at the inception of each contract. Management shall continuously review and revise financial impacts arising from the changes in the estimated total revenue and budgeted costs based on factors such as scope changes and cost to completion throughout the contract period.</p> <p>Estimates in respect of revenue, budgeted costs as well as the progress of related construction services involve management's use of significant estimates and judgements, and have significant impact on the recognition of revenue. Therefore, we identified the revenue recognition from construction contracts as a key audit matter.</p> <p>The accounting policies and disclosures are included in Note III.24 and III.34 and Note V.53 to the financial statements.</p>	<p>We obtained an understanding of, tested and evaluated the relevant controls over revenue recognition from construction contracts, including the key internal control of preparation of revenue and budgeted costs, the determination of performance progress, and the calculation of revenue according to the performance progress;</p> <p>We obtained the list of construction contracts from management, and we performed the following procedures on a sample basis:</p> <ul style="list-style-type: none"> Reviewed the key terms of the construction contracts, revenue and budgeted costs from management, as well as supporting documents such as changes on budgeted costs, variation orders made to the original contracts and claims and incentives, evaluating the appropriateness of management's estimation basis of revenue and budgeted costs; Tested the accuracy of actual costs incurred during the year by reviewing supporting documents and verifying whether the actual costs were recorded in the appropriate accounting period; Recalculated performance progress based on contract costs of incurred and total projected costs of contracts, recalculated revenue recognised for the current period based on projected total revenue and performance progress, tested accuracy and performed analytical procedure based on gross margins; Visiting selected samples of sites of construction projects to observe the progress, discussing with the site project management, comparing the performance progress with ledger record, and evaluating the reasonableness of the performance progress of the construction projects. <p>Meanwhile, we evaluated the adequacy of disclosure of revenue recognition from construction contracts.</p>

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2024) Shen Zi No. 70048147_A01

China State Construction Engineering Corporation Limited

(III) Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Impairment allowance of accounts receivable and contract assets	
<p>The impairment allowance of accounts receivable, contract assets was recognised based on expected credit losses (ECLs). The management determines the ECLs based on reasonable and supportable information on past events, current conditions and forecasts of future economic conditions etc., which involves significant management's judgements and estimates. The balances of the Company's accounts receivable and contract assets are significant, and their recoverability has a significant impact on the financial statements. Therefore, we identified the impairment allowance of accounts receivable, contract assets as a key audit matter.</p> <p>The accounting policies and disclosures are included in Note III.10 and III. 34 and Note V. 4, V.9 to the financial statements.</p>	<p>We obtained an understanding of, tested and evaluated the relevant controls over the impairment allowance test of accounts receivable and contract assets;</p> <p>For accounts receivable and contract assets which the management assesses the ECLs individually, we checked supporting documents to assess the customers' payment ability and the historical settlement of the contract assets on a sample basis. Combined with the customers' financial position, credit status, project progress, historical payment record and forecasted future economic situation, we evaluated the rationality and sufficiency of the management's provision of ECLs;</p> <p>For accounts receivable, contract assets which the management assesses the ECLs collectively by reference to the credit risk characteristics based on the historical payment, settlement and ageing profile, combined with the current condition and forward-looking adjustments, we evaluated the appropriateness of classification by the management and the estimated ECLs rate for different categories. On a sample basis, we assessed the accuracy of the credit risk classification and ageing profiles of accounts receivable and contract assets receivables, and recalculated the provision of ECLs;</p> <p>We inspected the subsequent payments of accounts receivable and the subsequent settlements of contract assets on a sample basis;</p> <p>Meanwhile, we evaluated the adequacy of disclosure of impairment of accounts receivable and contract assets.</p>

(IV) Other information

The management of the Company is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2024) Shen Zi No. 70048147_A01

China State Construction Engineering Corporation Limited

(V) Responsibilities of the management and those charged with governance for the financial statements

The management of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with ASBEs, and for designing, implementing and maintaining such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

(VI) Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- (4) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2024) Shen Zi No. 70048147_A01

China State Construction Engineering Corporation Limited

(VI) Auditor's responsibilities for the audit of the financial statements (continued)

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

We also provide statements to the governance regarding compliance with ethical requirements relating to independence, communicating with them all relationships and other matters that may reasonably be considered to affect the independence, as well as the relevant precautions (if applicable).

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

Ernst & Young Hua Ming LLP

Chinese Certified Public Accountant: Zhou Ying

Chinese Certified Public Accountant: Shen Yan

China Beijing

18 April, 2024

(All amounts in RMB Thousand Yuan unless otherwise stated)

CONSOLIDATED BALANCE SHEET

For the year ended 31 December 2023

ASSETS	Note V	31 December 2023	31 December 2022
Current assets			
Cash and bank balances	1	358,790,899	335,254,102
Financial assets held for trading	2	14,854	20,153
Notes receivable	3	2,613,164	6,390,924
Accounts receivable	4	257,698,659	210,431,620
Accounts receivables financing	5	4,353,284	4,658,182
Prepayments	6	28,778,596	37,223,161
Other receivables	7	76,554,995	73,584,067
Inventories	8	796,342,895	771,548,600
Contract assets	9	334,954,194	262,511,324
Current portion of non-current assets	10	54,290,578	49,254,042
Other current assets	11	134,570,627	123,911,880
Total current assets		2,048,962,745	1,874,788,055
Non-current assets			
Debt investments	12	21,681,916	22,545,039
Other debt investments		136,574	272,924
Long-term receivables	13	111,329,401	109,091,602
Long-term equity investments	14	113,983,973	111,102,151
Investments in other equity instruments	15	6,107,503	4,610,471
Other non-current financial assets	16	1,525,114	1,565,153
Investment properties	17	158,491,475	147,675,206
Fixed assets	18	52,721,575	49,844,411
Construction in progress	19	4,086,880	3,999,701
Right of use assets	20	6,689,182	6,934,438
Intangible assets	21	32,730,141	26,203,627
Goodwill	22	2,387,960	2,339,280
Long-term prepaid expenses	23	1,448,739	1,288,110
Deferred tax assets	24	22,885,269	20,838,269
Other non-current assets	25	318,154,072	269,804,869
Total non-current assets		854,359,774	778,115,251
TOTAL ASSETS		2,903,322,519	2,652,903,306

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

CONSOLIDATED BALANCE SHEET (continued)

For the year ended 31 December 2023

LIABILITIES AND SHAREHOLDERS' EQUITY	Note V	31 December 2023	31 December 2022
Current liabilities			
Short-term borrowings	28	124,352,134	78,154,159
Notes payable	29	10,770,185	10,303,981
Accounts payable	30	689,957,840	585,744,273
Advances from customers	31	843,074	729,857
Contract liabilities	32	316,984,078	337,693,219
Employee benefits payable	33	11,494,654	10,329,539
Taxes and surcharges payable	34	66,087,180	65,864,695
Other payables	35	139,739,834	137,554,165
Current portion of non-current liabilities	36	127,873,148	118,183,943
Other current liabilities	37	102,330,742	84,744,727
Total current liabilities		1,590,432,869	1,429,302,558
Non-current liabilities			
Long-term borrowings	38	458,112,463	398,970,893
Bonds payable	39	92,372,831	103,797,195
Lease liabilities	40	4,607,506	4,840,508
Long-term payables	41	12,380,443	14,992,672
Long-term employee benefits payable	42	1,541,880	1,667,930
Provisions	43	2,032,508	4,317,563
Deferred income	44	388,504	416,592
Deferred tax liabilities	24	8,799,029	9,537,504
Other non-current liabilities	45	1,584,377	4,672,981
Total non-current liabilities		581,819,541	543,213,838
TOTAL LIABILITIES		2,172,252,410	1,972,516,396
Shareholders' equity			
Paid-in capital	46	41,919,514	41,934,433
Other equity instruments	47	9,131,494	10,000,000
Including: Perpetual bonds		9,131,494	10,000,000
Capital reserve	48	12,050,197	11,808,020
Less: Treasury shares		(1,831,725)	(1,880,038)
Other comprehensive income	49	(2,575,572)	(1,953,749)
Special reserve	50	915,879	305,176
General risk reserve		2,582,513	2,185,029
Surplus reserve	51	15,579,360	14,349,125
Retained earnings	52	349,838,232	307,574,145
Total equity attributable to the shareholders		427,609,892	384,322,141
Non-controlling interests		303,460,217	296,064,769
Total shareholders' equity		731,070,109	680,386,910
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,903,322,519	2,652,903,306

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Huang Jie

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2023

	Note V	2023	2022
Revenue	53	2,265,529,244	2,055,052,070
Less: Cost of sales	53	2,042,723,831	1,840,182,381
Taxes and surcharges	54	14,311,655	11,755,217
Selling and distribution expenses	55	7,628,182	6,543,630
General and administrative expenses	56	34,402,175	33,996,779
Research and development expenses	57	46,073,572	49,753,236
Finance expenses	58	18,577,073	19,673,762
Including: Interest expenses		20,111,090	17,895,421
Interest income		4,573,352	3,913,677
Add: Other income	59	1,365,982	1,108,821
Investment income	60	4,036,060	5,675,523
Including: Share of profit of associates and joint ventures		3,853,217	4,459,665
Losses from derecognition of financial assets measured at amortised cost		(1,673,249)	(2,153,251)
Losses arising from changes in fair value	61	(9,444)	(116,297)
Credit impairment losses	62	(8,596,270)	(8,591,904)
Asset impairment losses	63	(5,706,212)	(4,955,812)
Gains on disposals of assets		229,435	465,690
Operating profit		93,132,307	86,733,086
Add: Non-operating income	64	1,166,293	2,318,279
Less: Non-operating expenses	65	1,303,127	215,930
Profit before income taxes		92,995,473	88,835,435
Less: Income tax expenses	67	19,455,760	19,623,672
Profit		73,539,713	69,211,763
Including: Net profit of the merged party under business combination under common control before the combination		–	50,362
Classified by continuity of operations			
Profit from continuing operations		73,539,713	69,211,763
Classified by ownership of the equity			
Profit attributable to owners of the parent		54,264,173	50,950,301
Profit attributable to non-controlling interests		19,275,540	18,261,462

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

CONSOLIDATED INCOME STATEMENT (continued)

For the year ended 31 December 2023

	Note V	2023	2022
Other comprehensive income, net of tax		(1,088,940)	(2,828,791)
Attributable to owners of the parents	49	(677,284)	(1,243,480)
Other comprehensive income that will not be reclassified to profit or loss		430,181	(119,689)
Remeasurement gains or losses of a defined benefit plan		(3,407)	6,956
Changes in fair value of investments in other equity instruments		433,588	(126,645)
Other comprehensive income that may be reclassified to profit or loss		(1,107,465)	(1,123,791)
Shares of other comprehensive income that will be reclassified subsequently into profit or loss by the investee under equity method		(285,892)	(567,030)
Changes in fair value of other debt investments		10,764	(34,170)
Exchange differences on translation of foreign currency financial statements		(832,337)	(522,591)
Attributable to non-controlling interests	49	(411,656)	(1,585,311)
Total comprehensive income		72,450,773	66,382,972
Including:			
Attributable to owners of the parent		53,586,889	49,706,821
Attributable to non-controlling interests		18,863,884	16,676,151
Earnings per share	68		
Basic earnings per share (RMB/share)		1.31	1.23
Diluted earnings per share (RMB/share)		1.31	1.23

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Huang Jie

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

(All amounts in RMB Thousand Yuan unless otherwise stated)

	Attributable to shareholders of the Company										Total shareholders equity
	Paid-in capital	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive incomes	Special reserves	General risk reserves	Surplus reserves	Retained earnings	Subtotal	
I. Balance at the beginning of the year	41,934,433	10,000,000	11,808,020	(1,880,038)	(1,953,749)	305,176	2,185,029	14,349,125	307,574,145	384,322,141	680,386,910
II. Changes for the year											
1. Total comprehensive income	-	-	-	-	(677,284)	-	-	-	54,264,173	53,586,889	72,450,773
2. Owners' contributions and reductions in capital											
(1) Capital contributions by shareholders	-	-	-	-	-	-	-	-	-	-	1,126,711
(2) Capital contributions by the holders of other equity instruments	-	9,000,000	(20,658)	-	-	-	-	-	-	8,979,342	37,034,222
(3) Capital deductions by the holders of other equity instruments	-	(10,000,000)	-	-	-	-	-	-	-	(10,000,000)	(40,523,955)
(4) Amount of share payments included in shareholders' equity	-	-	(166,072)	-	-	-	-	-	-	(166,072)	(170,154)
(5) Effect on changes in shareholding of subsidiaries	-	-	460,931	-	-	-	-	-	619,732	1,080,663	(1,228,904)
(6) Buyback and cancellation of locked restricted shares	(14,919)	-	(33,394)	48,313	-	-	-	-	-	-	-
(7) Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-
(8) Other	-	-	1,370	-	-	-	-	-	(208,313)	(206,943)	(251,791)
3. Profit distribution											
(1) Appropriation to surplus reserve	-	-	-	-	-	-	-	1,230,235	(1,230,235)	-	-
(2) Appropriation to general risk reserve	-	-	-	-	-	-	397,484	-	(397,484)	-	-
(3) Profit distribution to shareholders	-	-	-	-	-	-	-	-	(10,596,831)	(10,596,831)	(7,720,237)
(4) Profit distribution to holders of other equity instruments	-	131,494	-	-	-	-	-	-	(131,494)	-	(2,733,259)
4. Transfer within equity											
(1) Other comprehensive income transferring to retained earnings	-	-	-	-	55,461	-	-	-	(55,461)	-	-
5. Special reserve											
(1) Extraction for the year ended 31 December 2023	-	-	-	-	-	56,607,331	-	-	-	56,607,331	56,785,560
(2) Use for the year ended 31 December 2023	-	-	-	-	-	(55,996,628)	-	-	-	(55,996,628)	(56,171,136)
III. Balance at the end of the year	41,919,514	9,131,494	12,050,197	(1,831,725)	(2,575,572)	915,879	2,582,513	15,579,360	349,838,232	427,609,882	731,070,109

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

	Attributable to shareholders of the Company												Total shareholders equity
	Other equity instruments		Capital reserve	Less: Treasury shares		Other comprehensive incomes	Special reserves	General risk reserves	Surplus reserves	Retained earnings	Subtotal	Non-controlling interests	
	Paid-in capital	Perpetual bonds											
I. Balance at the end of prior year	41,948,168	10,000,000	11,260,535	(3,485,347)	(613,252)		123,239	1,741,579	12,843,667	270,081,501	343,900,090	295,802,219	639,702,309
Add: Business combination under common control	-	-	1,441,741	-	-		-	-	-	285,950	1,727,691	249,058	1,976,749
II. Balance at the beginning of the year	41,948,168	10,000,000	12,702,276	(3,485,347)	(613,252)		123,239	1,741,579	12,843,667	270,367,451	345,627,781	296,051,277	641,679,058
III. Changes for the year													
1. Total comprehensive income	-	-	-	-	(1,243,480)		-	-	-	50,950,301	49,706,821	16,676,151	66,382,972
2. Owners' contributions and reductions in capital													
(1) Capital contributions by shareholders	-	-	-	-	-		-	-	-	-	-	2,669,691	2,669,691
(2) Capital deductions by the holders of other equity instruments	-	-	-	-	-		-	-	-	-	-	(8,835,161)	(8,835,161)
(3) Amount of share payments included in shareholders' equity	-	-	648,771	-	-		-	-	-	-	648,771	(52,880)	595,891
(4) Effect on changes in shareholding of subsidiaries	-	-	216,412	-	-		-	-	-	(1,293,073)	(1,076,661)	59,821	(1,017,040)
(5) Buyback and cancellation of locked restricted shares	(13,735)	-	(31,936)	45,671	-		-	-	-	-	-	-	-
(6) Effects on unlocking restricted stocks	-	-	-	1,559,638	-		-	-	-	-	1,559,638	-	1,559,638
(7) Acquisition of subsidiary	-	-	-	-	-		-	-	-	-	-	2,518,483	2,518,483
(8) Business combination under common control	-	-	(1,716,437)	-	-		-	-	-	-	(1,716,437)	-	(1,716,437)
(9) Other	-	-	(11,066)	-	-		-	-	-	203,872	192,806	(402,170)	(209,364)
3. Profit distribution													
(1) Appropriation to surplus reserve	-	-	-	-	-		-	-	1,505,458	(1,505,458)	-	-	-
(2) Appropriation to general risk reserve	-	-	-	-	-		-	443,450	-	(443,450)	-	-	-
(3) Profit distribution to shareholders	-	-	-	-	-		-	-	-	(10,485,215)	(10,485,215)	(9,178,745)	(19,663,960)
(4) Profit distribution to holders of other equity instruments	-	-	-	-	-		-	-	-	(317,300)	(317,300)	(3,441,498)	(3,756,798)
4. Transfer within equity													
(1) Other comprehensive income transferring to retained earnings	-	-	-	-	(97,017)		-	-	-	97,017	-	-	-
5. Special reserve													
(1) Extraction for the year ended 31 December 2022	-	-	-	-	-		42,910,562	-	-	-	42,910,562	174,710	43,085,272
(2) Use for the year ended 31 December 2022	-	-	-	-	-		(42,728,625)	-	-	-	(42,728,625)	(174,710)	(42,903,335)
IV. Balance at the end of the year	41,934,433	10,000,000	11,808,020	(1,880,038)	(1,953,749)		305,176	2,185,029	14,349,125	307,574,145	384,322,141	296,064,769	680,386,910

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Huang Jie

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note V	2023	2022
I. Cash flows from operating activities:			
Cash receipts from sales of goods and rendering of services		2,290,420,688	2,127,797,407
Refund of taxes and surcharges		4,767,827	11,502,252
Cash receipts relating to other operating activities	69	16,708,807	15,092,571
Sub-total cash flows from operating activities		2,311,897,322	2,154,392,230
Cash payments for goods and services		2,083,316,637	1,934,974,478
Cash payments to and on behalf of employees		111,450,131	104,179,143
Payments of taxes and surcharges		75,684,763	79,807,903
Cash payments relating to other operating activities	69	30,415,668	31,601,779
Sub-total cash flows used in operating activities		2,300,867,199	2,150,563,303
Net cash flows from operating activities	70	11,030,123	3,828,927
II. Cash flows from investing activities:			
Cash receipts from disposal of investments	69	4,097,507	3,780,457
Cash receipts from returns on investments	69	2,565,372	4,261,963
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	69	2,552,102	2,482,917
Net cash receipts from disposal of subsidiaries and other business units		31,529	448,115
Net cash receipts from acquisition of subsidiaries and other business units		–	1,614,107
Cash receipts relating to other investing activities	69	18,960,956	23,169,015
Sub-total cash flows from investing activities		28,207,466	35,756,574
Cash payments to acquire fixed assets, intangible assets and other long-term assets	69	34,055,554	25,948,593
Cash payments for investments	69	7,896,596	12,447,586
Net cash payments to acquire subsidiaries and other business units		1,059,363	–
Net cash payments to disposal of subsidiaries and other business units		–	359,508
Cash payments relating to other investing activities	69	11,697,472	8,478,139
Sub-total cash flows used in investing activities		54,708,985	47,233,826
Net cash flows used in investing activities		(26,501,519)	(11,477,252)

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2023

	Note V	2023	2022
III. Cash flows from financing activities:			
Cash receipts from capital contributions		40,181,591	2,669,691
Including: Cash receipts from capital contributions from non-controlling shareholders of subsidiaries		31,181,591	2,669,691
Cash receipts from borrowings		609,176,923	465,358,466
Cash receipts from issuance of bonds		139,588,296	34,495,000
Cash receipts relating to other financing activities	69	10,015,322	17,129,076
Sub-total cash flows from financing activities		798,962,132	519,652,233
Repayments of borrowings		657,056,112	442,670,838
Cash payments for distribution of dividends or profit and interest expenses		53,335,149	46,699,147
Including: Dividends or profit paid to non-controlling shareholders of subsidiaries		11,370,484	12,040,723
Other cash payments relating to financing activities	69	58,120,675	13,761,620
Sub-total cash flows used in financing activities		768,511,936	503,131,605
Net cash flows from financing activities		30,450,196	16,520,628
IV. Effect of foreign exchange rate changes on cash and cash equivalents		1,151,944	2,057,637
V. Net increase in cash and cash equivalents		16,130,744	10,929,940
Add: Cash and cash equivalents at the beginning of the year		313,000,191	302,070,251
VI. Cash and cash equivalents at the end of the year	70	329,130,935	313,000,191

The financial statements have been signed by:

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Chief Finance Officer: Huang Jie

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statement.

(All amounts in RMB Thousand Yuan unless otherwise stated)

COMPANY BALANCE SHEET

For the year ended 31 December 2023

ASSETS	Note XVII	31 December 2023	31 December 2022
Current assets			
Cash and bank balances		16,512,686	20,029,597
Including: Deposited in financial company		4,728,275	3,759,894
Notes receivable		58,941	23,376
Accounts receivable	1	26,260,382	24,745,860
Accounts receivable financing		20,826	65,550
Prepayments		7,213,040	7,408,728
Other receivables	2	27,584,143	24,582,358
Inventories		379,916	132,987
Contract assets		16,702,491	14,514,926
Current portion of non-current assets		3,158,911	1,818,947
Other current assets		4,922,286	4,688,909
Total current assets		102,813,622	98,011,238
Non-current assets			
Debt investments		6,788,023	9,170,625
Long-term receivables		518,603	653,489
Long-term equity investments	3	226,483,401	216,923,658
Investments in other equity instruments		772,510	620,008
Other non-current financial assets		273,625	282,427
Investment properties		463,061	487,913
Fixed assets		1,143,196	1,005,720
Construction in progress		146,507	98,486
Right of use assets		480,421	656,546
Intangible assets		275,050	116,030
Long-term prepaid expenses		27,708	50,000
Deferred tax assets		1,729,211	1,625,028
Other non-current assets		9,419,104	6,167,158
Total non-current assets		248,520,420	237,857,088
TOTAL ASSETS		351,334,042	335,868,326

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

COMPANY BALANCE SHEET (continued)

For the year ended 31 December 2023

LIABILITIES AND SHAREHOLDERS' EQUITY	31 December 2023	31 December 2022
Current liabilities		
Short-term borrowings	31,424,634	20,917,854
Accounts payable	57,237,097	55,843,707
Contract liabilities	13,053,429	11,634,516
Employee benefit payable	288,940	414,569
Taxes payable	2,632,966	2,722,102
Other payables	51,700,804	46,957,924
Current portion of non-current liabilities	9,952,674	17,305,991
Other current liabilities	4,024,971	3,951,737
Total current liabilities	170,315,515	159,748,400
Non-current liabilities		
Long-term borrowings	25,478,000	19,610,000
Lease liabilities	420,369	558,645
Long-term payables	7,955,337	9,598,952
Long-term employee benefit payable	101,880	113,510
Provisions	3,093	15,965
Deferred income	2,354	2,354
Total non-current liabilities	33,961,033	29,899,426
TOTAL LIABILITIES	204,276,548	189,647,826
Shareholders' equity		
Paid-in capital	41,919,514	41,934,433
Other equity instruments	9,131,494	10,000,000
Including: Perpetual bonds	9,131,494	10,000,000
Capital reserve	30,331,332	30,538,929
Less: Treasury shares	(1,831,725)	(1,880,038)
Other comprehensive income	81,943	(228,173)
Special reserve	30,620	35,061
Surplus reserve	15,579,360	14,349,125
Retained earnings	51,814,956	51,471,163
Total shareholders' equity	147,057,494	146,220,500
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	351,334,042	335,868,326

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Huang Jie

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

COMPANY INCOME STATEMENT

For the year ended 31 December 2023

	Note XVII	2023	2022
Revenue	4	59,800,006	72,670,029
Less: Cost of sales	4	57,532,876	68,657,169
Taxes and surcharges		72,542	72,290
General and administrative expenses		1,545,933	1,799,195
Research and development expenses		345,226	283,107
Finance expenses		1,941,930	1,650,727
Including: Interest expenses		1,944,718	1,974,945
Interest income		184,998	224,500
Add: Other income		5,420	4,825
Investment income	5	14,828,971	17,087,774
Including: Share of (losses)/income of associates and joint ventures		(45,788)	277,925
Derecognition losses of financial assets measured at amortized cost		(4,600)	(2,510)
Losses from changes in fair value		(8,802)	(23,377)
Credit impairment losses		(212,937)	(892,217)
Asset impairment losses		(15,001)	(19,084)
Gains on disposals of assets		2,416	7,598
Operating profit		12,961,566	16,373,060
Add: Non-operating income		5,428	5,056
Less: Non-operating expenses		120,453	233,140
Profit before income taxes		12,846,541	16,144,976
Less: Income tax expenses		544,188	1,090,402
Profit		12,302,353	15,054,574
Including: Profit from continuing operations		12,302,353	15,054,574
Other comprehensive income, net of tax		310,116	524,061
Other comprehensive income that will not be reclassified to profit or loss		6,004	21,251
Remeasurement gains or losses of a defined benefit plan		2,040	5,390
Changes in fair value of investments in other equity instruments		3,964	15,861
Other comprehensive income that may be reclassified to profit or loss		304,112	502,810
Shares of other comprehensive losses that will be reclassified subsequently into profit or loss by the investee under equity method		485	(173)
Exchange differences on translation of foreign currency financial statements		303,627	502,983
Total comprehensive income		12,612,469	15,578,635

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Huang Jie

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

(All amounts in RMB Thousand Yuan unless otherwise stated)

	Paid-in capital	Other equity instruments	Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained earnings	Total shareholders' equity
I. Balance at the beginning of the year	41,934,433	10,000,000	30,538,929	(1,880,038)	(228,173)	35,061	14,349,125	51,471,163	146,220,500
II. Changes for the year									
1. Total comprehensive income	-	-	-	-	310,116	-	-	12,302,353	12,612,469
2. Owners' contributions and reductions in capital									
(1) Capital contributions by the holders of other equity instruments	-	9,000,000	(4,049)	-	-	-	-	-	8,995,951
(2) Capital deductions by the holders of other equity instruments	-	(10,000,000)	-	-	-	-	-	-	(10,000,000)
(3) Amount of share payments included in shareholders' equity	-	-	(170,154)	-	-	-	-	-	(170,154)
(4) Buyback and cancellation of locked restricted shares	(14,919)	-	(33,394)	48,313	-	-	-	-	-
3. Profit distribution									
(1) Appropriation to surplus reserve	-	-	-	-	-	-	1,230,235	(1,230,235)	-
(2) Profit distribution to shareholders	-	-	-	-	-	-	-	(10,596,831)	(10,596,831)
(3) Profit distribution to holders of other equity instruments	-	131,494	-	-	-	-	-	(131,494)	-
4. Special reserve									
(1) Extraction for the year ended 31 December 2023	-	-	-	-	-	850,027	-	-	850,027
(2) Use for the year ended 31 December 2023	-	-	-	-	-	(854,468)	-	-	(854,468)
III. Balance at the end of the year	41,919,514	9,131,494	30,331,332	(1,831,725)	81,943	30,620	15,579,360	51,814,956	147,057,494

The accompanying notes form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY (continued)

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

	Paid-in capital	Other equity instruments	Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained earnings	Total shareholders' equity
I. Balance at the beginning of the year	41,948,168	10,000,000	29,824,590	(3,485,347)	(693,172)	-	12,843,667	48,665,500	139,103,406
II. Changes for the year									
1. Total comprehensive income	-	-	-	-	524,061	-	-	15,054,574	15,578,635
2. Owners' contributions and reductions in capital									
(1) Amount of share payments included in shareholders' equity	-	-	746,275	-	-	-	-	-	746,275
(2) Buyback and cancellation of locked restricted shares	(13,735)	-	(31,936)	45,671	-	-	-	-	-
(3) Effect on unlocking restricted shares	-	-	-	1,559,638	-	-	-	-	1,559,638
3. Profit distribution									
(1) Appropriation to surplus reserve	-	-	-	-	-	-	1,505,458	(1,505,458)	-
(2) Profit distribution to shareholders	-	-	-	-	-	-	-	(10,485,215)	(10,485,215)
(3) Profit distribution to holders of other equity instruments	-	-	-	-	-	-	-	(317,300)	(317,300)
4. Special reserve									
(1) Extraction for the year ended 31 December 2022	-	-	-	-	-	1,292,275	-	-	1,292,275
(2) Use for the year ended 31 December 2022	-	-	-	-	-	(1,257,214)	-	-	(1,257,214)
5. Transfer within equity									
(1) Other comprehensive income transferring to retained earnings	-	-	-	-	(59,062)	-	-	59,062	-
III. Balance at the end of the year	41,934,433	10,000,000	30,538,929	(1,880,038)	(228,173)	35,061	14,349,125	51,471,163	146,220,500

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Huang Jie

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

COMPANY STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	2023	2022
I. Cash flows from operating activities:		
Cash receipts from sales of goods and rendering of services	58,356,781	73,343,601
Refund of taxes and surcharges	2,432	67,139
Cash receipts relating to other operating activities	4,506,008	3,868,247
Sub-total cash flows from operating activities	62,865,221	77,278,987
Cash payments for goods and services	58,222,542	65,755,717
Cash payments to and on behalf of employees	2,269,585	2,665,370
Payments of taxes and surcharges	1,301,981	2,207,876
Cash payments relating to other operating activities	3,798,598	6,174,962
Sub-total cash flows used in operating activities	65,592,706	76,803,925
Net cash flows (used in)/from operating activities	(2,727,485)	475,062
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	182,972	1,239,480
Cash receipts from returns on investments	13,757,906	14,469,731
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	12,680	10,795
Cash receipts relating to other investing activities	2,828,291	1,124,495
Sub-total cash flows from investing activities	16,781,849	16,844,501
Cash payments to acquire fixed assets, intangible assets and other long-term assets	458,533	241,577
Cash payments for investments	10,028,887	8,078,862
Cash payments relating to other investing activities	1,516,165	4,347,331
Sub-total cash flows used in investing activities	12,003,585	12,667,770
Net cash flows from investing activities	4,778,264	4,176,731

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

COMPANY STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2023

	2023	2022
III. Cash flows from financing activities:		
Cash receipts from capital contributions	9,000,000	–
Cash receipts from borrowings	46,500,000	45,721,000
Sub-total cash flows from financing activities	55,500,000	45,721,000
Repayments of borrowings	38,572,000	39,386,167
Cash payments for distribution of dividends or profit and interest expenses	12,503,105	12,719,189
Other cash payments relating to financing activities	10,307,261	507,187
Sub-total cash flows used in financing activities	61,382,366	52,612,543
Net cash flows used in financing activities	(5,882,366)	(6,891,543)
IV. Effect of foreign exchange rate changes on cash and cash equivalents	252,117	350,441
V. Net decrease in cash and cash equivalents	(3,579,470)	(1,889,309)
Add: Cash and cash equivalents at the beginning of the year	19,809,626	21,698,935
VI. Cash and cash equivalents at the end of the year	16,230,156	19,809,626

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Huang Jie

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements.

(All amounts in RMB Thousand Yuan unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

I. General Information

China State Construction Engineering Corporation Limited ("the Company") was established as a joint stock limited company under the People's Republic of China ("PRC") laws and regulations in accordance with the approval of Guo Zi Gai Ge [2007] No. 1495 issued by State-owned Assets Supervision and Administration Commission of the State Council ("SASAC") on 6 December 2007. The founder-members of the Company are China State Construction Engineering Corporation ("CSCEC"), China National Petroleum Corporation, Baosteel Group Corporation and Sinochem Corporation (the latter three are called by "other founder-members").

In November 2017, after approval by SASAC, CSCEC was transformed from a wholly people-owned enterprise to a wholly state-owned company. After the transformation, the Company's name was changed to China State Construction Engineering Co., Ltd. ("CSCEC"), and its contributor was SASAC who represents the State Council.

The Company was established on 10 December 2007 in Beijing, the PRC, and its head quarter is situated in Beijing, the PRC. The parent company and the ultimate parent company of the Company is CSCEC. The Company was listed on Shanghai Stock Exchange ("A shares") for trading in July 2009. As at 31 December 2023, total share capital of the Company was approximately 41.9 billion at the par value of 1.00 per share. As at 31 December 2023, CSCEC held approximately 23,719,200,000 shares, representing 56.58% of the total share capital.

The approved scope of business of the Company and its subsidiaries (together "the Group") includes survey, design, construction, installation, consultation, development, decoration service, manufacturing, wholesale, retail and imports and exports. The core operations include: offering a full range of construction-related services to foreign and domestic civil engineering and building construction such as construction, installation and consultation, investment and construction of infrastructure projects, foreign and domestic real estate investment and development, architecture and infrastructure construction survey and design, decoration engineering, landscape engineering design and construction, industrial investment, contracting for foreign projects in the PRC, import and export, production and distribution of construction materials and other non-metal mineral products, construction-related metalwork and tools and construction engineering and drilling equipment, and financial business such as lending and borrowing within the Group.

These financial statements are authorised for issue by the Company's Board of Directors on 18 April 2024.

Please refer to Note VII for details of significant subsidiaries included in the consolidation scope in the current year. The Group does not have any significant subsidiaries newly included in the consolidation scope or excluded from the consolidation scope in the current year.

II. Basis of Preparation of the Financial Statements

These financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises – Basic Standard and specific accounting standards, implementation guidance, interpretations, other relevant regulations issued subsequently by the Ministry of Finance (the "MOF") (hereinafter collectively referred to as "ASBEs"). In addition, the Company also discloses relevant financial information in accordance with the General Provisions on Financial Reporting of the Compilation Rules for Information Disclosure of Companies Issuing Securities to the Public No. 15 of the China Securities Regulatory Commission.

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

III. Significant Accounting Policies and Estimates

Specific accounting policies and estimates were decided by the Group according to the characteristics of its production and operation, mainly including measurement of expected credit losses on receivables and contract assets, valuation method of inventories, recognition and measurement of revenue.

1. Statement of compliance with ASBEs

The consolidated and company financial statements present fairly and fully the financial position of the Group and the Company as at 31 December 2023, and the financial performance and the cash flows for the year ended in accordance with ASBEs.

2. Accounting period

The accounting year of the Group is from 1 January to 31 December of each calendar year.

3. Functional currency

The Group's reporting and presentation currency is Renminbi ("RMB"). Unless otherwise specified, all are expressed in thousands of RMB.

Each subsidiary, joint venture or associate of the Group determines its own functional currency based on the primary economic environment in which it operates. In preparation of the financial statements, their functional currencies are translated into RMB.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

4. Method for determination and selection criteria of the materiality level

	Materiality criteria
Material accounts receivable with individual provision for bad debts	The individual provision for bad debt exceeds 300 million
Material bad debt provision of accounts receivable collected, reversed or written off	The amount of collected, reversed or written off bad debt provision for individual receivables exceeds 300 million
Material debt investments	The individual debt investment exceeds 2,000 million
Material construction in progress	The individual construction in progress exceeds 500 million
Material contract liabilities over one year	The individual amount accounts for more than 1% of contract liabilities over 1 year, and the amount of contract liabilities exceeds 3,000 million
Material accounts payable/ other payables over one year	The individual amount accounts for more than 1% of accounts payable or other payables over 1 year
Material cash flows from investing activities	The individual investing activity involves cash amount of exceeds 2,000 million
Material subsidiaries	One of the total assets, operating income or profits of a subsidiary accounts for more than 5% of the corresponding items in the consolidated financial statements, or although it is not of financial significance, it has a significant impact on the Group in terms of risk, remuneration and strategy
Material non wholly-owned subsidiary	Non-controlling interests in subsidiaries account exceeds 0.5% of the Group's net assets
Material joint ventures or associated enterprises	The amount of long-term equity investments in joint ventures or associated enterprises exceeds 1% of the Group's net assets

5. Business combinations

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

Business combinations involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

The assets and liabilities (including goodwill arising from the ultimate controlling party's acquisition of the entity being absorbed) that are obtained by the absorbing entity in a business combination involving entities under common control shall be measured 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 to share premium under capital reserve. If the capital premium is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Business combinations not involving entities under common control

A business combination not involving entities under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the combination.

The acquirer shall measure the acquiree's identifiable assets, liabilities and contingent liabilities acquired in the business combination at their fair values on the acquisition date. Goodwill is initially recognised and measured at cost, being the excess of the cost of the combination over the Group's interest in the fair value of the acquiree's net identifiable assets. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Where the cost of the combination is lower than the Group's interest in the fair value of the acquiree's net identifiable assets, the Group reassesses the measurement of the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities and the cost of the combination. If after that reassessment, the cost of the combination is still lower than the Group's interest in the fair value of the acquiree's net identifiable assets, the Group recognises the remaining difference in profit or loss.

6. Consolidated financial statements

The scope of the consolidated financial statements, which include the financial statements of the Company and all of its subsidiaries, is determined on the basis of control. Subsidiary refers to the entity controlled by the company (including the divisible parts of the enterprises, the invested units, and the structured entities controlled by the company, etc). An investor controls an investee if and only if the investor has all the following: power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns.

If the accounting policies or the accounting period of a subsidiary are different from those of the Company, necessary adjustments are made to the subsidiary's financial statements based on the Company's own accounting policies or accounting period in preparing the consolidated financial statements. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Where the loss for the current period attributable to non-controlling interests of a subsidiary exceeds the non-controlling interests of the opening balance of equity of the subsidiary, the excess shall still be allocated against the non-controlling interests.

For subsidiaries acquired through business combinations not involving entities under common control, the financial performance and cash flows of the acquiree shall be consolidated from the date on which the Group obtains control, and continue to be consolidated until the date such control ceases. While preparing the consolidated financial statements, the Group shall adjust the subsidiary's financial statements, on the basis of the fair values of the identifiable assets, liabilities and contingent liabilities recognised on the acquisition date.

For subsidiaries acquired through business combinations involving entities under common control, the financial performance and cash flows of the entity being absorbed shall be consolidated from the beginning of the period in which the combination occurs. While preparing the comparative financial statements, adjustments are made to related items in the financial statements for the prior period as if the reporting entity after the combination has been in existence since the date the ultimate controlling party first obtained the control.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

6. Consolidated financial statements (continued)

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

A change in the non-controlling interests, without a loss of control, is accounted for as an equity transaction.

If the accounting treatment of a transaction is inconsistent in the financial statements at the Group level and at the Company or its subsidiary level, adjustment will be made from the perspective of the Group.

7. Classification of joint arrangement and joint operation

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

A joint operator recognises the following items in relation to its interest in a joint operation: its solely-held assets and its share of any assets held jointly; its solely-assumed liabilities and its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; its solely-incurred expenses and its share of any expenses incurred jointly.

8. Cash and cash equivalents

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

9. Foreign currency transactions and foreign currency translation

The Group translates foreign currency transactions into its functional currency.

Foreign currency transactions are initially recorded, on initial recognition in the functional currency using the spot exchange rates prevailing at the dates of transactions in which the transactions occur, however, capital contributions in foreign currency by investors are recorded using the spot exchange rates prevailing at the dates of transactions. Monetary items denominated in foreign currencies are translated at the spot exchange rates ruling at the balance sheet date. Differences arising on settlement or translation of monetary items are recognised in profit or loss, with the exception of those relating to foreign currency borrowings specifically for the construction and acquisition of qualifying assets, which are capitalised in accordance with the guidance for capitalisation of borrowing costs. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rate on initial recognition, and the amount denominated in the

functional currency is not changed. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The resulting exchange differences are recognised in profit or loss or other comprehensive income depending on the nature of the non-monetary items.

For foreign operations, the Group translates their functional currency amounts into RMB when preparing the financial statements as follows: as at the balance sheet date, the assets and liabilities are translated using the spot exchange rates at the balance sheet date, and equity items other than "unappropriated profit" are translated at the spot exchange rates at the dates of transactions; revenue and expense items in profit or loss are translated using the average exchange rates (unless this average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the spot exchange rates prevailing on the dates of the transactions). The resulting exchange differences are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss. If the disposal only involves a portion of a particular foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss on a pro-rata basis.

Foreign currency cash flows and the cash flows of foreign subsidiaries are translated using the average exchange rates (unless this average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case cash flows are translated using the spot exchange rates prevailing on the dates of cash flows). The effect of exchange rate changes on cash is separately presented as an adjustment item in the statement of cash flows.

10. 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.

Recognition and derecognition

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

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated balance sheet) when:

- (1) the rights to receive cash flows from the financial asset have expired; or
- (2) the Group has transferred its rights to receive cash flows from the financial 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 has transferred substantially all the risks and rewards of the financial asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the financial asset.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

10. Financial instruments (continued)

Recognition and derecognition (continued)

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised using trade date accounting. Regular way purchases or sales are purchases or sales of financial assets under contracts whose terms require delivery within the time frame generally established by regulation or convention in the marketplace concerned. The trade date is the date that the Group committed to purchase or sell a financial asset.

Classification and measurement of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them: financial assets at amortised cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss. All affected related financial assets will be reclassified only if the Group changes its business model for managing financial assets.

Financial assets are measured at fair value on initial recognition, but accounts receivable or notes receivable arising from the sale of goods or rendering of services that do not contain significant financing components or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component due within one year, are initially measured at the transaction price.

For financial assets at fair value through profit or loss, relevant transaction costs are directly recognised in profit or loss, and transaction costs relating to other financial assets are included in the initial recognition amounts.

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

Debt investments measured at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met: the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Debt investments at fair value through other comprehensive income

The Group measures debt investment held at fair value through other comprehensive income if both of the following conditions are met: the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognised using the effective interest method. The interest income, impairment losses and foreign exchange revaluation are recognised in profit or loss. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Equity investments at fair value through other comprehensive income

The Group can elect to classify irrevocably its equity investments which are not held for trading as equity investments designated at fair value through other comprehensive income. Only the relevant dividend income (excluding the dividend income explicitly recovered as part of the investment cost) is recognised in profit or loss. Subsequent changes in the fair value are included in other comprehensive income, and no impairment allowance is made. When the financial asset is derecognised, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income to retained earnings.

Financial assets at fair value through profit or loss

The financial assets other than the above financial assets measured at amortised cost and financial assets at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value with net changes in fair value recognised in profit or loss.

Classification and measurement of financial liabilities

Except for the financial guarantee contracts issued and the financial liabilities caused by financial assets that do not qualify for derecognition or by continuing involvement in transferred assets, the Group's financial liabilities are, on initial recognition, classified into financial liabilities at fair value through profit or loss, or financial liabilities at amortised cost. For financial liabilities at fair value through profit or loss, relevant transaction costs are directly recognised in profit or loss, and transaction costs relating to financial liabilities at amortised cost are included in the initial recognition amounts.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

10. Financial instruments (continued)

Classification and measurement of financial liabilities (continued)

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss consist of financial liabilities held for trading (including derivative instruments that are financial liabilities) and those designated upon initial recognition as at fair value through profit or loss. Financial liabilities held for trading (including derivative instruments that are financial liabilities) are subsequently measured at fair value. All changes in fair value of such financial liabilities are recognised in profit or loss. Financial liabilities designated at fair value through profit or loss are subsequently measured at fair value and gains or losses are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income. If gains or losses arising from the Group's own credit risk which are presented in other comprehensive income will lead to or expand accounting mismatch in profit or loss, the Group will include all the changes in fair value (including the amount affected by changes in the Group's own credit risk) of such financial liabilities in profit or loss.

Financial liabilities at amortised cost

For such financial liabilities, the effective interest rate method is adopted and the subsequent measurement is carried out according to the amortized cost.

Impairment of financial assets

Based on the expected credit losses ("ECLs"), the Group recognises an allowance for ECLs for the financial assets measured at amortised cost, debt investments at fair value through other comprehensive income, lease receivables, contract assets, and financial guarantee contracts.

For accounts receivable and contract assets excluding significant financing components, the Group applies the simplified approach to recognise a loss allowance based on lifetime ECLs.

For accounts receivable and contract assets including significant financing components and lease receivable, the Group applies the simplified approach to recognise a loss allowance based on lifetime ECLs.

Except for financial assets which apply the simplified approach as mentioned above, the Group assesses whether the credit risks of other financial assets and financial guarantee contracts has increased significantly

since initial recognition at each end of the reporting period. If the credit risk has not increased significantly since initial recognition (stage 1), the loss allowance is measured at an amount equal to 12-month ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate; if the credit risk has increased significantly since initial recognition but are not credit-impaired (stage 2), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate; if such financial assets are credit-impaired after initial recognition (stage 3), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the amortised cost and the effective interest rate. If the credit risk of financial instruments is low at the end of the reporting period, the Group assumes that the credit risk has not increased significantly since initial recognition.

The Group assesses the expected credit loss of financial instruments based on individual and portfolio. Taking into account the credit risk characteristics of different customers, the Group evaluates the expected credit loss of accounts receivable and contract assets on the basis of ageing portfolio based on common risk characteristics.

In case the ECLs of individually assessed accounts receivable and contract assets cannot be evaluated with reasonable cost, the Group divides accounts receivable and contract assets into certain groupings based on credit risk characteristics, and calculates the ECLs of the groupings of accounts receivable. The groupings of accounts receivable are as follows:

Grouping 1	Due from government, authorities and central state-owned enterprises
Grouping 2	Due from overseas and enterprises
Grouping 3	Due from other customers

The Group, with consideration to historical credit loss experience, current conditions and forecasts of future economic conditions, prepares the cross-reference between the ageing of accounts receivable and the lifetime ECLs rates, and calculates the ECLs of the groupings of contract assets.

Grouping 1	Engineering projects
Grouping 2	Unmatured warranties
Grouping 3	Investments not confirmed by projects owner
Grouping 4	Primary land development projects
Grouping 5	Other contract assets

Based on the exposure at default and the lifetime ECLs rate, the Group calculates the ECLs of contract assets that are classified into groupings with consideration to historical credit losses experience, current conditions and forecasts of future economic conditions.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

10. Financial instruments (continued)

Impairment of financial assets (continued)

For long-term receivables arising from sales of goods or rendering of services in the ordinary course of the activities, such as receivables for BT projects, receivables for primary land development, advances for demolition, and receivables for other infrastructure projects, the Group calculates the ECLs through default risk exposure and the lifetime ECLs rate, on the basis of historical credit loss experience, the current conditions and forecasts of future economic conditions. Based on the exposure at default and the 12-month/lifetime ECLs rate, the Group calculates the ECLs of other long-term receivables with consideration of historical credit loss experience, the current conditions and forecasts of future economic conditions.

In the case where the ECLs of other receivables individually assessed cannot be evaluated with reasonable cost, the Group divides other receivables into certain groupings based on credit risk characteristics, and calculates the ECLs for the groupings. The groupings of other receivables are as follows:

Grouping 1	Guarantees, deposits and reserves receivables
Grouping 2	Advances receivable
Grouping 3	Other receivables

The Group, on the basis of the exposure at default and the 12-month/lifetime ECLs rate, calculates the ECLs of other receivables that are classified into groupings with consideration to historical credit loss experience, the current conditions and forecasts of future economic conditions.

The Group's judgement criteria for a significant increase of credit risk, the definition of credit-impaired assets are disclosed in Note X. 2.

The factors reflected in the Group's method of measuring the expected credit losses of financial instruments include: the unbiased probability weighted average amount determined by evaluating a series of possible results, the time value of money, and the reasonable and reliable information about past events, current conditions and future economic conditions that can be obtained without unnecessary extra costs or efforts on the balance sheet date.

When the Group no longer reasonably expects to be able to recover all or part of the contractual cash flows of a financial asset, the Group directly writes down the carrying amount of the financial asset.

Offsetting of financial instruments

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

Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made by the issuer to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are measured, on initial recognition, at fair value. For financial guarantee contracts that are not designated as financial liabilities at fair value through profit or loss, they are, after initial recognition, subsequently measured at the higher of: (i) the amount of provisions for ECLs at the balance sheet date, and (ii) the amount initially recognised less the cumulative amortisation recognised in accordance with the guidance for revenue recognition.

Transfer of financial assets

A financial asset is derecognised when the Group has transferred substantially all the risks and rewards of the asset to the transferee. A financial asset is not derecognised when the Group retains substantially all the risks and rewards of the financial asset.

When the Group has neither transferred nor retained substantially all the risks and rewards of the financial asset, it either (i) derecognises the financial asset and recognises the assets and liabilities created in the transfer when it has not retained control of the asset; or (ii) continues to recognise the transferred asset to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability.

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

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

11. Inventories

The inventories include inventories of raw materials, work in progress, finished goods, properties under development and completed properties for sale, etc.

Inventories are initially carried at cost. Cost of inventories comprises all costs of purchase, laid down cost, costs of conversion and other costs.

Cost is determined using the first-in first-out or weighted average method when raw materials, turnover materials, work in progress and finished goods are delivered. The cost of finished goods and work in progress comprises raw materials, direct labour and systematically allocated production overhead based on the normal production capacity.

Properties under development and completed properties for sale mainly include costs for acquiring the land use rights, expenditures of basic facilities, expenditures of construction and installation work, borrowing costs incurred before the completion of development and other related expenses during the development process. Properties under development will be carried forward to the completed properties for sale according to the actual cost after the completion of the project, completed properties for sale are measured at actual cost.

Turnover materials are amortised based upon numbers of usage.

The Group adopts the perpetual inventory system.

At the end of the reporting period, inventories are stated at the lower of cost and net realisable value. The inventories are written down below cost to net realisable value and the write-down is recognised in profit or loss if the cost is higher than the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. For inventories with large quantity and low values, provision for decline in value is made based on categories of inventories, and other inventories are written down item by category. Items of inventories relating to the same product line that have the same or similar end uses or purposes, are produced and marketed in the same geographical area, and cannot be practicably evaluated separately from other items in that product line, are grouped and written down on an aggregate basis.

12. 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 long-term equity investment acquired through a business combination involving entities under common control, the initial investment cost of the long-term equity investment is the acquirer's share of the carrying value

of shareholder's equity of the party being absorbed at the combination date. For the difference between the initial investment cost and the book value of the merger consideration, the capital reserve shall be adjusted (if it is not enough to offset, the retained earnings shall be offset); For a long-term equity investment through a business combination not involving entities under common control, the initial investment cost of the long-term equity investment is the cost of combination (for a business combination not involving entities under common control achieved in stages that involves multiple exchange transactions, the initial investment cost is carried at the aggregate of the carrying amount of the acquirer's previously held equity interest in the acquiree and the new investment cost incurred on the acquisition date). For a long-term equity investment acquired otherwise than through a business combination, the initial investment cost is determined as follows: for a long-term equity investment acquired by cash, the initial investment cost is the actual purchase price paid and direct costs, taxes and other necessary expenditures directly attributable to the acquisition of the long-term equity investment; for a long-term equity investment 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 investment is accounted for using the cost method in the Company's individual financial statements. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Under the cost method, the long-term equity investment is measured at its initial investment cost. When additional investment is made or the investment is recouped, the cost of long-term equity investment is adjusted accordingly. Cash dividends or profit distributions declared by the investee are recognised as investment income in profit or loss.

The equity method is adopted when the Group has joint control, or exercises significant influence over the investee. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control with other parties over those policies.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the acquisition date, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group'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, and the cost of the long-term equity investment is adjusted accordingly.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

12. Long-term equity investments (continued)

Under the equity method, after it has acquired a long-term equity investment, the Group recognises its share of the investee's profit or loss, as well as its share of the investee's other comprehensive income, as investment income or loss and other comprehensive income, and adjusts the carrying amount of the investment accordingly. The Group recognises its share of the investee's profit or loss after making appropriate adjustments to the investee's profit or loss based on the fair value of the investee's identifiable assets at the acquisition date, using the Group's accounting policies and periods. Unrealised profits and losses from transactions with its joint ventures and associates are eliminated to the extent of the Group's investments in the associates or joint ventures (except for assets that constitute a business) (However, any loss arising from such transactions which are attributable to an impairment loss shall be recognised at its entirety). 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 that 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 the obligations to assume further losses. The Group's share of the investee's equity changes, other than those arising from the investee's profit or loss, other comprehensive income or profit distribution, is recognised in the Group's equity, and the carrying amount of the long-term equity investment is adjusted accordingly.

13. Investment properties

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

An investment property is measured initially at cost. If the economic benefits relating to an investment property will probably flow in and the cost can be reliably measured, subsequent costs incurred for the property are included in the cost of the investment property. Otherwise, subsequent costs are recognised in profit or loss as incurred.

The Group uses the cost model for the subsequent measurement of its investment properties. Buildings and land use rights are depreciated or amortised according to their service life and estimated net residual values rate.

14. Fixed assets

A fixed asset is recognised only when the economic benefits associated with the asset will probably flow into the Group and the cost of the asset can be measured reliably. Subsequent expenditures incurred for a fixed asset that meets the recognition criteria shall be included in the cost of the fixed asset, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditures are recognised in profit or loss as incurred.

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

In addition to the safety production expenses extracted, depreciation of fixed assets is calculated using the straight-line method. The useful lives, estimated net residual value rates and annual depreciation rates of each category of the fixed assets are as follows:

	Useful life	Estimated net residual value rate	Annual depreciation rate
Buildings	8 to 35 years	0% to 5%	2.71% to 12.50%
Machinery and equipment	5 to 14 years	0% to 5%	6.79% to 20.00%
Motor vehicles	3 to 10 years	0% to 5%	9.50% to 33.33%
Office equipment, temporary facilities and others	5 to 10 years	0% to 5%	9.50% to 20.00%

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

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

15. Construction in progress

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

The standards for construction in progress being transferred to fixed assets, intangible assets or investment properties are as follows:

	Standards
Buildings	Meet the predetermined usable state
Machinery and equipment	Complete installation and commissioning
Motor vehicles	Obtain driving certificates
Others	Actually in use

16. Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised. Other borrowing costs are included in current profit and loss.

The capitalisation of borrowing costs commences only when the expenditures for the asset and the borrowing costs have been incurred, and the activities that are necessary to acquire, construct or produce the asset for its intended use or sale have been undertaken.

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

During the capitalisation period, the amount of interest eligible for capitalisation for each accounting period shall be determined as follows: where funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of interest eligible for capitalisation is the actual interest costs incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds; or where funds are borrowed generally for the purpose of obtaining a qualifying asset, the amount of interest eligible for capitalisation is determined by applying a weighted average interest rate on the general borrowings to the weighted average of the excess of the cumulative expenditures on the asset over the expenditures on the asset funded by the specific borrowings.

Capitalisation of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally by activities other than those necessary to get the asset ready for its intended use or sale, when the suspension is for a continuous period of more than 3 months. Borrowing costs incurred during these periods are recognised as an expense in profit or loss until the acquisition, construction or production is resumed.

17. Intangible assets

An intangible asset shall be recognised only when it is probable that the economic benefits associated with the asset will flow to the Group and the cost of the asset can

be measured reliably. Intangible assets are measured initially at cost. However, intangible assets acquired in a business combination not involving entities under common control with a fair value that can be measured reliably are recognised separately as intangible assets and initially measured at the fair value at the date of acquisition.

The useful life of an intangible asset is determined according to the period over which it is expected to generate economic benefits for the Group. An intangible asset is regarded as having an indefinite useful life when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group.

Land use rights that are purchased by the Group are accounted for as intangible assets. Buildings, such as plants that are developed and constructed by the Group, and relevant land use rights are accounted for as fixed assets and intangible assets, respectively. Payments for the land and buildings purchased are allocated between the land use rights and the buildings; they are accounted for as fixed assets if they cannot be reasonably allocated.

The Group is involved in a number of service franchising arrangements. The Group carries out infrastructure projects for the licensor in accordance with the preconditions set by the licensor in exchange for the right to operate the relevant assets. Prescribed in the contract after the completion of the infrastructure, the Group engaged in business has rights to access the service object for a certain period of time of charge with uncertain amount, those rights do not constitute an unconditional charge right which can collect the certain amount of money or other financial assets, and is attributed to intangible assets. The Group will present the franchise acquired under such franchise arrangement as an intangible asset on its balance sheet. When the project assets reach a predetermined usable state, the group recognizes the difference between the consideration amount of the relevant project assets or the recognized construction income amount and the cash (or other financial assets) it is entitled to collect a determinable amount as intangible assets and amortizes it using the straight-line method during the franchise period.

An intangible asset with a finite useful life is amortised using the straight-line method over its useful life. For an intangible asset with a finite useful life, the Group reviews the useful life and amortisation method at least at each year end and makes adjustment if necessary.

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

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

18. Impairment of assets

The Group determines the impairment of assets, other than the impairment of inventories, contract assets and contract cost assets, deferred tax assets, and financial assets, by using the following methods: The Group assesses at the end of the reporting period 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 impairment testing; Goodwill arising from a business combination an intangible asset with an indefinite useful life and intangible assets that have not been ready for their intended use are tested for impairment at least at each year end, 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 expected to be derived from the asset. The Group estimates the recoverable amount on an individual basis unless it is not possible to estimate the recoverable amount of the individual asset, in which case the recoverable amount is determined for the asset group to which the asset belongs. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups.

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

For the purpose of 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 the related sets of asset groups. Each of the related asset groups or sets of asset groups is an asset group or a set of asset groups that is expected to benefit from the synergies of the business combination and shall not be larger than an operating segment as determined by the Group.

The carrying amount of the related asset group (set of asset groups) to which goodwill has been allocated for impairment is compared to its recoverable amount. If the carrying amount of the asset group (set of asset groups) is higher than its recoverable amount, the amount of the impairment loss is firstly used to reduce the carrying amount of the goodwill allocated to the asset group (set of asset groups), and then used to reduce the carrying amount of other assets (other than the goodwill) within the asset group (set of asset groups), on a pro-rata basis of the carrying amount of each asset.

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

19. Long-term prepaid expenses

Long-term prepaid expenses include the expenditure for improvements to fixed assets held under operating leases, and other expenditures that have been incurred but should be recognised as expenses over more than one year in the current and subsequent periods. Long-term prepaid expenses are amortised on the straight-

line basis over the expected beneficial period and are presented at actual expenditure net of accumulated amortisation.

20. Employee benefits

Employee benefits refer to all forms of consideration or compensation other than share-based payments given by the Group in exchange for services rendered by employees or for termination of employment. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits.

Short-term employee benefits

The short-term employee benefits actually occurred are recognised as a liability in the accounting period in which the service is rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

Post-employment benefits (defined contribution plan)

The employees of the Group participate in a pension scheme and unemployment insurance managed by the local government, and an enterprise pension fund, the corresponding expenses shall be included in the cost of related assets or profit or loss.

Post-employment benefits (defined benefit plan)

The Group operates a defined benefit pension plan which requires contributions to be made to a separately administered fund. The benefits are unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements arising from the defined benefit pension plan, comprising actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to equity through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earlier of the date of the plan amendment and the date that the Group recognises restructuring-related costs or termination benefits.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under administrative expenses, and finance expenses in the income statement: service costs comprising current service costs, past service costs, gains and losses on settlements; net interest comprising interest income on plan assets, interest costs on the defined benefit obligation and interest on the effect of the asset ceiling.

Termination benefits

The Group provides termination benefits to employees and recognises an employee benefits liability for termination benefits, with a corresponding charge to profit or loss, at the earlier of when the Group can no longer withdraw the offer of those benefits resulting from an employment termination plan or a curtailment proposal and when the Group recognise costs involving the payment of termination benefits.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

20. Employee benefits (continued)

Early retirement benefits

The Group offers early retirement benefits to those employees who accept early retirement arrangements. The early retirement benefits refer to the salaries and social security contributions to be paid to and for the employees who accept voluntary retirement before the statutory retirement age, as approved by management. The Group pays early retirement benefits to those early retired employees from the early retirement date until the normal retirement date. The Group accounts for the early retirement benefits in accordance with the treatment for termination benefits, in which the salaries and social security contributions to be paid to and for the early retired employees from the off-duty date to the normal retirement date are recognised as liabilities with a corresponding charge to the profit or loss for the current period. The differences arising from the changes in the respective actuarial assumptions of the early retirement benefits and the adjustments of benefit standards are recognised in profit or loss in the period in which they occur.

The termination benefits expected to be settled within one year since the balance sheet date are classified as current liabilities.

21. Provisions

An obligation related to a contingency shall be recognised by the Group as a provision when the obligation is a present obligation of the Group and it is probable that an outflow of economic benefits from the Group will be required to settle the obligation, together with a reliable estimate can be made of the amount of the obligation, except for contingent considerations and contingent liabilities assumed in a business combination not involving entities under common control.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money as a whole. Provisions are reviewed and adjusted appropriately at each balance sheet date to reflect the current best estimate.

The expected credit losses of financial guarantees are listed as provisions.

22. Share-based payments

A share-based payment is classified as either an equity-settled share-based payment or a cash-settled share-based payment. An equity-settled share-based payment is a transaction in which the Group receives services and uses shares or other equity instruments as consideration for settlement.

An equity-settled share-based payment in exchange for services received from employees is measured at the fair value of the equity instruments granted to the employees. If such equity-settled share-based payment could vest immediately, related costs or expenses at an amount equal to the fair value on the grant date are recognised, with a corresponding increase in capital reserve; if such equity-settled share-based payment could not vest until the completion of services for a vesting period, or until the achievement of a specified performance condition, the Group at each balance sheet date during the vesting period recognises the services received for the current period as related costs and expenses, with a corresponding increase in capital reserve, at an amount equal to the fair value of the equity instruments at the grant date, based on the best estimate of the number of equity instruments expected to vest, which is made on the basis of the latest available information such as the changes in the number of covered employees. The fair value of the Share Options was determined by the Binomial Options Pricing Model, as stated in Note XIII.

Where the terms of an equity-settled share-based award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled share-based award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award.

23. Other equity instruments

After the maturity of the perpetual bonds issued by the Group, the Group has the right to extend the term for an unlimited number of times. For the coupon interest of the perpetual bonds, the Group has the right to defer payment. The Group has no contractual obligation to pay cash or other financial assets, which are classified as equity instruments.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

24. Revenue from contracts with customers

Revenue from contracts with customers is recognised when the Group has fulfilled its performance obligations in the contracts, that is, when the customer obtains control of relevant goods or services. Control of relevant goods or services refers to the ability to direct the use of the goods, or the provision of the services, and obtain substantially all of the remaining benefits from the goods or services.

Revenue from construction contracts

The revenue from construction contracts between the Group and the customer usually includes performance obligations of housing construction and infrastructure construction. Because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced, the revenue is recognised over time only if the Group can reasonably measure its progress towards the complete satisfaction of the performance obligation. The Group uses the input method and determines the progress towards the complete satisfaction of the rendering of services on the basis of costs incurred. If the progress towards the complete satisfaction of the performance obligation cannot be reasonably measured, but the Group expects to recover the costs incurred in satisfying the performance obligation, the revenue is recognised only to the extent of the costs incurred until such time that the Group can reasonably measure the progress towards the complete satisfaction of the performance obligation.

Revenue from sales of real estate

Revenue from the Group's property development business is recognised when control of the property is transferred to the customer; Generally, revenue is recognised at a point in time after taking into account the following factors: the acquisition of the present right to collect the goods, the transfer of the principal risks and rewards of ownership of the goods, the transfer of legal ownership of the goods, the transfer of physical assets of the goods, and the customer's acceptance of the goods. The Group recognizes the realization of real estate sales revenue when the house is completed and accepted, the sales contract is signed with the purchaser, the purchaser's payment certificate is obtained and the house is delivered for use. If the purchaser refuses to accept the written house delivery notice without justified reasons, the realization of real estate sales revenue shall be recognized after the end of the delivery and use time limit determined in the written house delivery notice.

Revenue from design services

Due to the reason that the design services provided by the Group during the performance of contracts have irreplaceable uses, and the Group has the right to receive payments for the completed portions of the projects during the entire contract period. Therefore, such services are accounted for as performance obligations to be fulfilled within certain periods of time, and revenue is recognised based on the performance schedule, unless the performance of the contract cannot be reasonably determined. The Group determines the performance progress for the services rendered by using the input method. Where the performance of the contract cannot be reasonably determined, revenue is recognised at the amount of costs incurred if it is predicted that the costs can be compensated till the performance progress can be reasonably determined.

Contracts for the sale of goods

A contract for the sale of goods between the Group and the customer usually only includes the performance obligation to transfer the goods. The revenue is recognised at transfer control point in time based on the

following indicators, which include: a present right to payment for goods, the transfer of significant risks and rewards of ownership of goods, the transfer of legal title to goods, the transfer of physical possession of goods, the customer's acceptance of goods.

Variable consideration

Some of the Group's contracts with customers include arrangements of variable consideration. The Group determines the best estimate of variable consideration by using the expected value method or the most likely amount method. However, the transaction price including variable consideration is only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Significant financing components

When the contract contains a significant financing component, the Group determines the transaction price based on an amount that reflects the price that a customer would have paid for the goods or services in cash at the time of obtaining the control of the goods or services, and amortises the difference between the transaction price and the consideration promised in the contract under the effective interest method within the contract period using the discount rate that discounts the nominal amount of the contract consideration to the current selling price of the goods or services. The Group does not consider the effects of a significant financing component in the contract if it is expected that the period between when the customer obtains control of the goods or services and when the customer pays for such goods or services will be one year or less.

Warranties

The Group provides a warranty in connection with the sale of a good or the construction of an asset in accordance with the contract and the relevant laws and regulations, etc. For an assurance-type warranty that provides the customer the assurance that the goods sold or the assets built complies with agreed-upon specifications, the Group accounts for the warranty in accordance with Notes III.21. For a service-type warranty that provides a customer with a service in addition to the assurance that the product complies with agreed-upon specifications, the Group accounts for it as a separate performance obligation. On the basis of the relative proportion between the stand-alone selling price of the good and the service-type warranty, a portion of the transaction price is allocated to the service-type warranty and revenue is recognised when a customer obtained control of the good. When assessing whether a service-type warranty provides a customer with a separate service in addition to the assurance that the good complies with agreed-upon specifications, the Group considers whether the warranty is required by law, the length of the warranty coverage period and the nature of the tasks that the Group promises to perform, etc.

Principal/agent

The Group judges whether the identity of the group is a principal or an agent when the transaction is conducted based on whether the Group has control over the product or service before transferring to the customer. Under the circumstance that the Group controls goods or services before goods or services are transferred to the customer, the Group is a principal and recognises revenue in the gross amount of consideration received or receivable. Otherwise, the Group is an agent and recognises revenue in the amount of any fee or commission to which it expects to be entitled from the customer. The amount is the net amount of the gross consideration received or receivable after paying the other party the consideration received in exchange for the goods or services to be provided by that party or determined by the agreed-upon amount or proportion of commissions, etc.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

24. Revenue from contracts with customers (continued)

Recognition of revenue from Public-Private Partnership (“PPP”)

Public-Private-Partnership project contracts refers to the contract established by the Group as social capital and the government for PPP project cooperation in accordance with laws and regulations, and the contract shall meet the following features at the same time (hereinafter referred to as “double features”):

- (1) The Group provides public products and services on behalf of the government by using PPP project assets during the contractually agreed operation period;
- (2) The Group is compensated for the public goods and services it provides for the period agreed in the contract.

The following conditions shall be met at the same time (hereinafter referred to as “double controls”):

- (1) The government controls or regulates the type, object and price of public goods and services that the Group must provide in the use of PPP project assets;
- (2) When the PPP project contract is terminated, the government party controls the significant residual interests of the PPP project assets through ownership, income rights or other forms of control.

The social capital party who provides multiple service (e.g. providing construction service for PPP project and operation and maintenance service after the construction is complete) base on PPP contract, recognises revenues and costs of construction service in accordance with construction contract. Revenue from construction service is measured by consideration collected or entitled to charge and recognise contract assets at the same time. When the labor service is provided, the corresponding revenue is recognized in period of operation; Daily maintenance or repair expenses incurred are recognized as current expenses.

In accordance with the PPP contract, during the operation of PPP project, the Group, entitled to collect certain cash flows (or other financial assets), should recognise revenue and receivables simultaneously when the social capital party has the right to collect such consideration (a right is only determined by the passage of time), in accordance with “Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments”.

In accordance with the PPP contract, during the operation of PPP project, the Group is entitled to collect cash flows from parties who received public products and services with uncertain amount, and such right doesn't constitute an unconditional right to collect cash. The Group should recognise the consideration or the revenue recognised from construction activity of PPP assets as intangible assets when the PPP assets reach working condition, in accordance with “Accounting Standards for Business Enterprises No. 6 – Intangible Assets”.

After PPP assets reach working condition, the social capital party should recognise revenue for operation of PPP projects in accordance with “Accounting Standards for Business Enterprises No. 14 – Revenue”.

Recognition of revenue from Build-Transfer (“BT”)

For construction services rendered by the Group, related revenue and costs are recognised during the stage of construction according to the construction contract. Revenue from construction services is measured at the consideration received or receivable by the Group. The Group recognises contract assets when recognising revenue, and accounts for any significant financing component in the contractual arrangement. The contract assets are transferred to financial assets when the Group obtains the right to unconditionally collect consideration and is deducted against long-term receivables after the Group receives the payment from the project owner.

25. Contract assets and contract liabilities

The Group presents contract assets or contract liabilities depending on the relationship between the satisfaction of its performance obligations and the customer's payment in the balance sheet. The Group offsets the contract assets and contract liabilities under the same contract and presents the net amount.

Contract assets

A contract asset is the right to consideration in exchange for goods or services that the Group has transferred to a customer, and that right is conditioned on something other than the passage of time.

For details of how the Group measures and accounts for the ECLs of a contract asset, refer to Notes III.10.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration or an amount of consideration is due from the customer, such as an amount of consideration that an entity has received before the transfer of the promised goods or services.

26. Contract cost assets

The Group's contract cost assets include the costs to obtain and fulfil a contract and are classified as inventories, other current assets and other non-current assets by liquidity.

The Group recognises as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs, unless the amortisation period of the asset is one year or less.

Other than the costs which are capitalised as inventories, fixed assets and intangible assets, etc., costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (1) the costs relate directly to a contract or to an anticipated contract, including direct labour, direct materials, overheads (or similar expenses), costs that are explicitly chargeable to the customer and other costs that are incurred only because an entity entered into the contract;
- (2) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and
- (3) the costs are expected to be recovered.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

26. Contract cost assets (continued)

The contract cost asset is amortised and charged to profit or loss on a systematic basis that is consistent with the pattern of the revenue to which the asset related is recognised.

The Group accrues provisions for impairment and recognises impairment losses to the extent that the carrying amount of a contract cost asset exceeds:

- (1) the remaining amount of consideration that the entity expects to receive in exchange for the goods or services to which the asset relates; less
- (2) the costs that are expected to be incurred to transfer those related goods or services.

27. Government grants

Government grants are recognised when all attaching conditions will be complied with and the grants will 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 is not reliably determinable, it is measured at a nominal amount.

According to the government documents, those used for the purposes of purchase, construction or other formations of long-term assets shall be regarded as the government grants related to assets; if the government documents are not clear, the judgment shall be made on the basis of the basic conditions that must be met to obtain the grants. The government grants related to assets shall be those based on the purchase, construction or other formations of long-term assets, and the others shall be regarded as the government grants related to income.

The group adopts the total method to measure government grants.

A government grant related to income is accounted for as follows: (i) if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognised as deferred income, and released in profit or loss over the periods in which the related costs are recognised; or (ii) if the grant is a compensation for related expenses or losses already incurred, it is recognised immediately in profit or loss.

A government grant relating to an asset shall be offset against the carrying amounts of relevant assets, or recognised as deferred income and amortised in profit or loss over the useful life of the related asset by annual instalments in a systematic and rational way (however, a government grant measured at a nominal amount is recognised directly in profit or loss). Where the assets are sold, transferred, retired or damaged before the end of their useful lives, the rest of the remaining deferred income is released to profit or loss for the period in which the relevant assets are disposed of.

Where the Group receives loans granted at a below-market rate of interest from a lending bank funded with financial interest subsidies, the initial carrying amount of the borrowings is the actual proceeds received, and the calculation of the borrowing costs shall be based on the principal and the below-market rate of interest.

28. Deferred Income tax

Deferred tax is provided using the balance sheet liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts, and temporary differences between the tax bases and the carrying amounts of the items, which have a tax base according to related tax laws but are not recognised as assets and liabilities.

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

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

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax losses and any unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax losses and unused tax credits can be utilised, except:

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

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

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

28. Deferred Income tax (continued)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future periods to allow the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at the end of the reporting period 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 tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

29. Leases

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

Except for short-term leases and leases for which the underlying asset is of low value, the Group shall recognise right of use assets and lease liabilities.

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group shall allocate the consideration in the contract according to stand-alone selling prices.

Right-of-use assets

At the commencement date of the lease, the Group recognises a right-of-use asset. Right-of-use assets are initially measured at cost. The cost of the right-of-use asset comprises: (i) the amount of the initial measurement of the lease liability; (ii) any lease payments made at or before the commencement date of the lease less any lease incentives received; (iii) any initial direct cost incurred; and (iv) an estimate of costs incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Group remeasures the lease liability for the revision to the lease payments and adjusts the carrying amount of the right-of-use assets accordingly. The right-of-use assets are depreciated on a straight-line basis subsequently by the Group. If the Group is reasonably certain that the ownership of the

underlying asset will be transferred to the Group at the end of the lease term, the Group depreciates the asset from the commencement date to the end of the useful life of the asset. Otherwise, the Group depreciates the assets from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group measures the lease liability at the present value of the lease payments that are not paid at that date, except for short-term leases and leases of low-value assets. The lease payments include fixed payments (including 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 reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease.

In calculating the present value of the lease payments, the Group uses the interest rate implicit in the lease as the discount rate. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate. The Group calculates the interest expenses of the lease liability in each period during the lease term using the constant periodic rate of interest, and recognises such interest expenses in profit or loss, except those in the costs of the related asset as required. Variable lease payments that are not included in the measurement of the lease liabilities are recognised in profit or loss as incurred, except those in the costs of the related asset as required.

After the commencement date of the lease, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the Group remeasures the lease liability at the present value of revised lease payments upon a change in any of the following: in-substance fixed payments, the amounts expected to be payable under residual value guarantees, the index or rate used to determine lease payments, or the assessment or exercise of the purchase option, the renewal option or the option to terminate the lease.

Short-term leases and leases of low-value assets

The Group considers a lease that, at the commencement date of the lease, has a lease term of 12 months or less, and does not contain any purchase option as a short-term lease; and a lease of the individual underlying asset with low value, when new, as a lease of low-value assets. The Group does not recognise the right-of-use assets and lease liabilities for short-term leases and of low-value assets. The Group recognises lease payments on short-term leases and leases of low-value assets in the costs of the related asset or profit or loss on a straight-line basis over the lease term.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

29. Leases (continued)

As lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, except that a lease is classified as an operating lease at the inception date. The Group, as an intermediate lessor, classifies the sublease by reference to the right-of-use asset arising from the head lease. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group shall allocate the consideration in the contract according to stand-alone selling prices.

As lessor of an operating lease

Rent income under an operating lease is recognised on a straight-line basis over the lease term, through profit or loss. Variable lease payments that are not included in the measurement of lease receivables are charged to profit or loss as incurred. The Group shall add initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognise those costs as an expense over the lease term on the same basis as the lease income.

Sale and leaseback transactions

The Group assess and determine whether the assets transferred in sale and lease back transactions is sales activity in accordance with Note III. 24.

As a seller-lessee

For assets transferred in sale and lease back transactions constitutes a sale, the Group, as a seller-lessee, measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained, and recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. For assets transferred in sale and lease back transactions doesn't constitute a sale, the Group, as a lessee, continues to recognise the transferred asset, and recognises a financial liability which equals to the transfer proceeds and accounts for the financial liability in accordance with Note III.10.

30. Share repurchase

Considerations and transaction costs paid for repurchase of our equity instruments should be accounted for a deduction from equity. In addition to share-based payment, the issuance (including refinancing), repurchase, sales or cancellations of own equity instruments shall be treated as changes in equity.

31. Safety production expenses

Safety production expenses provided according to the regulations are included in costs of related products or profit or loss, and credited to the special reserve. They are treated differently when being utilised: (i) the special reserve are debited for those expenditure with the expense nature; or (ii) the cumulative expenditures are capitalised as a fixed asset for those expenditure to be capitalised when the working condition for the intended use is reached, and at the same time, special reserve are debited with the full depreciation of the fixed asset of the same amount.

32. Fair value measurement

The Group measures part of its debt instruments and equity investments at fair value at each end of the reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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 Based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly;

Level 3 Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

33. Asset securitization

The Group has securitized certain receivables (the "trust property") and transferred the assets to a structured entity, which issues priority/inferior asset-backed securities to investors. After settling trust tax liabilities and related fees, the trust property is utilized to service the principal and interest of the priority asset-backed securities first, with any remaining trust property after full repayment of principal and interest being allocated as income for the inferior asset-backed securities held by their respective holders.

For the securitization business of financial assets, the Group initially assesses whether consolidation of the structured entity is necessary based on ownership stake, performance incentives received, and control exerted. If the Group retains contractual rights to receive cash flows from a financial asset but also assumes obligations to pass these cash flows on to one or more ultimate recipients under specific conditions – namely: only being obligated to pay equivalent cash flows when received; being prohibited from selling or pledging the financial asset while able to use it as collateral for payment obligations; and being required to promptly transfer all collected cash flows without significant delay – then accounting treatment will be determined according to risk exposure and remuneration associated with assets transferred to other entities in accordance with Notes III.10. Otherwise, recognition of transferred financial assets will continue unchanged. The Group is obligated to make payment of the financial asset to the ultimate recipient only upon receipt of an equivalent cash flow from the financial asset. The terms of the transfer contract prohibit the Group from selling or mortgaging the financial asset, except the Group may utilize it as guarantee for fulfilling cash flow obligations to the ultimate recipient. Furthermore, it is mandatory for the Group to promptly transfer all cash flows received on behalf of the ultimate recipient to them without any significant delay.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

34. Significant accounting judgements and estimates

The preparation of the financial statements requires management to make judgements, 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.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have a significant effect on the amounts recognised in the financial statements:

Operating leases – the Group as lessor

The Group has entered into lease agreements on its investment property portfolio. The Group has determined these leases to be operating leases, based on an evaluation of the terms and conditions of the agreements, that it retains almost all the significant risks and rewards of ownership of these properties.

Division of investment properties and inventories

The properties constructed by the group may be used for sale, rent earning and/or capital appreciation. At the initial stage of construction, the Group classifies the property into inventory or investment property according to the holding purpose. During the period under construction, the properties used for sale after completion are classified as inventories-properties under development and included in current assets, and the properties used to earn rent and/or capital appreciation after completion are classified as investment properties in progress and included in non-current assets. After completion, the properties used for sale are transferred to inventories-completed properties for sale, while the properties used to earn rent and/or capital appreciation are transferred to investment properties.

Division of investment properties and fixed assets

The Group determines whether the property it holds meets the definition of investment property and establishes relevant standards when making judgments. The Group classifies the property held for earning rent or capital appreciation, or both (including buildings under construction or development for future use for rental). The Group will consider whether the cash flow generated by the property is largely independent of other assets held by the group. Some properties are used to earn rent or capital appreciation, and the remaining part is used to produce goods, provide services or operation and management. If the part used to earn rent or capital appreciation can be sold or leased separately, the Group

measures that part separately. If not, the property will be classified as investment property only if the part used for producing goods, providing labor services or operation and management is not significant. When determining whether the importance of auxiliary services is sufficient to make the property not meet the recognition conditions of investment property, the Group will make a separate judgment based on individual property benchmark.

Determination method of construction contract performance schedule

The Group determines the performance progress of the construction contract according to the input method. Specifically, the Group determines the performance progress according to the proportion of the accumulated actual construction cost in the estimated total cost. The accumulated actual cost includes the direct cost and indirect cost incurred in the process of the Group transferring goods to customers. The construction contract price with the customer is determined based on the construction cost. The proportion of the actual construction cost to the estimated total cost can truly reflect the performance progress of the construction service. In view of the long lifetime of the construction contract and the possibility of spanning several accounting periods, the Group will review and revise the budget with the progress of the construction contract, and adjust the revenue recognition amount accordingly.

Business model

The classification of financial assets at initial recognition depends on the Group's business model for managing financial assets. When determining the business model, the Group considers the methods to include evaluation and report financial asset performance to key management, the risks affecting the performance of financial assets and the risk management, and the manner in which the relevant management receives remuneration. When assessing whether the objective is to collect contractual cash flows, the Group needs to analyse and judge the reason, timing, frequency and value of the sale before the maturity date of the financial assets.

Contractual cash flow characteristics

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics, and the judgements on whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding, including when assessing the modification of the time value of money, the judgement on whether there is any significant difference from the benchmark cash flow and whether the fair value of the prepayment features is insignificant for financial assets with prepayment features, etc.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

34. Significant accounting judgements and estimates (continued)

Judgements (continued)

Whether a contract is, or contains, a lease

The Group signed the lease agreement on equipments for some engineering construction projects. The Group believes that, based on the agreement, there is no identified asset, or the supplier has the substantive right to substitute the underlying asset throughout the period of use. Therefore, the agreement does not contain a lease, and the Group treats it as acceptance of a service.

Revenue from sales of real estate

According to the accounting policies described in Note III. 24, the Group recognizes the revenue at the point which the customer obtains physical ownership and when the Group has acquired the current collection right and is likely to recover the consideration.

When the Group signs a sales contract with a properly buyer, according to the requirements of some banks, if the buyer needs to obtain a mortgage loan from the bank to pay the house money, the Group will enter into a tripartite mortgage guarantee loan agreement with the buyer and the bank. The Group will provide phased joint liability guarantee for mortgage loans issued by banks to the properly buyer. The phased joint liability guarantee will be released after the properly buyer has completed the house ownership certificate and completed the real estate mortgage registration procedures. The Group only needs to provide guarantee to the bank for the outstanding mortgage loan of the buyer within the guarantee period. The bank will only claim against the Group if the buyer defaults and fails to repay the mortgage loan.

According to the Group's historical experience in selling similar developed products, the Group believes that during the period of phased joint liability guarantee, the ratio of the Group's guarantee liability to the bank due to the buyer's failure to repay the mortgage loan is very low, and the Group can claim the advance payment paid by the buyer for undertaking the guarantee of phased joint liability. In the case of non-repayment by the buyer, the Group can avoid loss by giving priority to the relevant property according to the relevant purchase contract. Therefore, the Group believes that the financial guarantee has no significant impact on the recognition of sales revenue of development products.

Equity instruments

Equity instruments such as perpetual bonds issued by the Group do not need to be settled by the Group's own equity instruments, excluding the contractual obligations to deliver cash or other financial assets to other parties, or to exchange financial assets or financial liabilities with other parties under potential adverse conditions. Therefore, the Group calculates them as other equity instruments.

Estimation uncertainty

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 described below.

Impairment of financial instruments and contract assets

The Group uses the expected credit loss model to assess the impairment of financial instruments and contract assets. The Group is required to perform significant judgements and estimations and take into account all reasonable and supportable information, including forward-looking information. When making such judgements and estimates, the Group infers the expected changes in the debtor's credit risk based on historical repayment data combined with economic policies, macroeconomic indicators, industry risks and other factors. The different estimates may impact the impairment assessment, and the impairment allowance may also not be representative of the actual impairment loss in the future.

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

The Group assesses whether there are any indications 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 an indication exists. Other non-current assets other than financial assets are tested for impairment when there are indications that the carrying amounts may not be recoverable. An impairment exists when the carrying amount of an asset or asset group exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from it. The calculation of the fair value less costs of disposal based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the assets. When the calculations of the present value of the future cash flows expected to be derived from an asset or asset group are undertaken, management must estimate the expected future cash flows from the asset or asset group and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill has been allocated. Testing the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

34. Significant accounting judgements and estimates (continued)

Estimation uncertainty (continued)

Fair value of unlisted equity investments

For a part of unlisted equity investments, the Group adopts the market approach to estimate the fair value, which involves choosing comparable companies and market multiples and estimating the liquidity discount rate. Therefore, it is subject to uncertainty. For all the other unlisted equity investments, the Group estimates the fair value through the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics. This valuation requires the Group to make estimates about expected future cash flows, credit risk, volatility and discount rates, and hence they are subject to uncertainty.

Construction and service contracts

Recognition of revenue and expenses from construction and service contracts requires management to make relevant estimates. If losses are expected to occur in construction and service contracts, such losses should be recognised as current costs. The management of the Group estimates the possible losses based on the construction and service contract budget. Due to the characteristics of housing construction, infrastructure construction, and design businesses, the date at which the contract activity is entered into and the date when the activity is completed usually fall into different accounting periods. The Group reviews and revises the estimates of both contract revenue and contract costs in each contract budget as the contract progresses.

Deferred tax assets

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

Land appreciation tax

The Group is required to pay land appreciation tax in accordance with tax laws on the value-added portion of property sales. The provision for land appreciation tax is the best estimate made by the management based on the understanding of relevant tax laws and regulations. The actual land appreciation tax liability must be determined by the tax authority when the land appreciation tax is settled. The Group has not yet determined its land appreciation tax settlement and taxation plans for certain real estate development projects with tax authorities. The final land appreciation tax calculation result may be different from the amount initially recorded, and any difference will affect the land appreciation tax expenditure and related provision amount during the period when the difference is realised.

Confirmation and allocation of properties under development

The cost of real estate construction is recorded as inventory during the construction period, and will be carried forward to the income statement after real estate sales revenue is confirmed. Before the final settlement of project costs and other related real estate development costs, such costs need to be estimated by the management of the Group based on budgeted costs and development progress. The Group's real estate development is generally carried out in stages, and the cost directly related to the development of a certain period is recorded as the cost of that period. The common costs of different stages are allocated to each stage according to the saleable area. If the final settlement of the project cost and the related cost allocation are different from the initial estimate, the increase or decrease of the project cost and other costs will affect the profit and loss in the future years.

Inventory impairment

The Group's inventory is measured at the lower of cost and net realisable value. The net realisable value of inventory refers to the estimated selling price of the inventory minus the estimated cost, estimated selling expenses and relevant taxes and fees at the time of completion. The management's calculation of the net realisable value of inventories involves the estimation of estimated selling prices, estimated costs to be incurred by the time of completion, estimated selling expenses and relevant taxes. Changes in these estimates will affect the book value of inventories and the profit and loss of future changes.

(All amounts in RMB Thousand Yuan unless otherwise stated)

III. Significant Accounting Policies and Estimates (continued)

34. Significant accounting judgements and estimates (continued)

Estimation uncertainty (continued)

Measurement of defined benefit obligations

The Group recognised the supplementary allowances and benefits paid to certain retired and early retirement employees as liabilities. The amount of these welfare expenses and liabilities are determined using actuarial valuations conducted by independent professional actuaries. Independent professional actuaries evaluate the actuarial status of the Group's retirement plan every year. These actuarial valuations involve assumptions made on discount rates, retirement benefit inflation rates and other factors. In view of its long-term nature, the above estimates are uncertain.

Useful lives and residual values of fixed assets

After considering the residual value of the fixed assets, the Group accrues depreciation within the estimated useful life. The Group regularly reviews the estimated useful life and residual value of related assets to determine the amount of depreciation expenses that will be included in each reporting period. The useful life and residual value of assets are determined by the Group based on the past experience of similar assets and combined with expected technological changes. If the previous estimate changes significantly, the depreciation expense will be adjusted in the future period.

Lessee's incremental borrowing rate

If the interest rate implicit in the lease cannot be readily determined, the Group measures the lease liability at the present value of the lease payments discounted using the lessee's incremental borrowing rate. According to the economic environment, the Group takes the observable interest rate as the reference basis for determining the incremental borrowing rate, then adjusts the observable interest rate based on its own circumstances, underlying assets, lease terms and amounts of lease liabilities to determine the applicable incremental borrowing rate.

IV. Taxation

1. Main taxes and rates

Value-added tax	–	Taxable income is calculated at the corresponding tax rate as output tax, and the value-added tax is calculated on the basis of the difference after deducting the input tax allowed to be deducted in the current period. The applicable tax rates of the Group for the year ended 31 December 2023 included 13%, 9%, 6%, 5% and 3%.
		According to the "Regulations on Issues Related to the Pilot Reform of Business Tax to Value-Added Tax" issued by the Ministry of Finance and the State Administration of Taxation in 2016, the Group calculates tax payable at 3% and 5% of taxable income for old projects in the construction industry based on simple tax calculation methods and in the real estate development industry, respectively.
City maintenance and	–	Calculated and paid at 7% or 5% of the actual turnover tax construction tax paid.
Corporate income tax	–	The Group's corporate income tax in Mainland China is calculated and paid at 25% of the taxable income (except for the tax incentives described in Note IV.2). The corporate income tax in Hong Kong, China is calculated and paid at 16.5% of the taxable income. For other overseas regions, the taxable income shall be 0 to 35% of the taxable income.
Education surcharge	–	Calculated and paid at 3% of the actual turnover tax paid.
Land appreciation tax	–	If the Group transfers land use rights and the property rights of buildings or other attachments on the ground for a fee, the land appreciation tax is calculated and paid at a four-tier progressive tax rate of 30% to 60%.
Real estate tax	–	Real estate tax is levied at 1.2% of the original value of the property or 12% of the rental income.

(All amounts in RMB Thousand Yuan unless otherwise stated)

IV. Taxation (continued)

2. Preferential tax treatments

The corporate income tax preferences enjoyed by the Group are as follows:

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows:

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
China State Construction Northeast Architectural Design Institute Co., Ltd.	GR202321001906	15%
China Construction Aolian Decoration Engineering Co., Ltd.	GR202244207198	15%
Shanghai Haida Communication Co., Ltd.	GR202131000679	15%
China Construction Port and Shipping Bureau Group Co., Ltd.	GR202131001570	15%
China Construction Port Group Co., Ltd.	GR202337101592	15%
China Construction Sixth Bureau First Construction Co., Ltd.	GR202361002051	15%
China Construction Sixth Engineering Bureau Civil Engineering Co., Ltd.	GR202312002373	15%
China Construction Sixth Engineering Bureau (Tianjin) Green Building Technology Co., Ltd.	GR202212003417	15%
China Construction Sixth Engineering Bureau Construction and Development Co., Ltd.	GR202112001037	15%
China Construction Sixth Engineering Bureau Co., Ltd.	GR202212003407	15%
China Construction Sixth Engineering Bureau Decoration Engineering Co., Ltd.	GR202231002194	15%
China Construction Bridge Co., Ltd.	GR202251101476	15%
CSCEC Technology Tianjin Co., Ltd.	GR202212002407	15%
CSCEC Urban Construction Development Co., Ltd.	GR202211005977	15%
Tianjin CSCEC International Engineering Design Co., Ltd.	GR202212004105	15%
China Construction Sixth Engineering Bureau Water Conservancy and Hydropower Construction Group Co., Ltd.	GR202112001611	15%
China Construction Sixth Engineering Bureau South China Construction Co., Ltd.	GR202144207418	15%
China Construction Seventh Bureau Fourth Construction Co., Ltd.	GR202261000473	15%
China State Construction Technology (Fuzhou) Co., Ltd.	GR202335000504	15%
China State Construction Northeast Architectural Design Institute (Xiamen) Co., Ltd.	GR202335100238	15%
China Construction Strait Construction Development Co., Ltd.	GR202235001605	15%
China Construction Seventh Engineering Bureau Installation Engineering Co., Ltd.	GR202341002353	15%
China Construction Technology Henan Co., Ltd.	GR202241000224	15%
China Construction Science and Industry Group Co., Ltd.	GR202344201668	15%
China Construction Steel Wuhan Co., Ltd.	GR202242005943	15%
China Construction Steel Structure Tianjin Co., Ltd.	GR202212002663	15%
China Construction Steel Structure Engineering Co., Ltd.	GR202144205230	15%
China Construction Science and Technology Group Smart Parking Technology Co., Ltd.	GR202244200933	15%
China Construction Science & Engineering Group Wuhan Co., Ltd.	GR202342000934	15%
China Construction Science and Engineering Group Operations Management Co., Ltd.	GR202244207907	15%
China Construction Railway Investment Testing Co., Ltd.	GR202121002182	15%
China Architecture Shanghai Design & Research Institute Co., Ltd.	GR202131003421	15%
China Municipal Engineering Northwest Design & Research Institute Co., Ltd.	GR202162000417	15%

(All amounts in RMB Thousand Yuan unless otherwise stated)

IV. Taxation (continued)

2. Preferential tax treatments (continued)

The corporate income tax preferences enjoyed by the Group are as follows: (continued)

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state (continued)

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows: (continued)

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
Shenzhen Shenzhen-Shantou Special Cooperation Zone China Construction Technology Co., Ltd.	GR202344207016	15%
China Construction Fourth Engineering Bureau First Construction Co., Ltd.	GR202144000186	15%
China Construction Fourth Engineering Bureau Installation Engineering Co., Ltd.	GR202252000123	15%
China Construction Fourth Engineering Bureau Fifth Construction Engineering Co., Ltd.	GR202344203111	15%
China Construction Fourth Engineering Bureau Third Construction Co., Ltd.	GR202152000142	15%
China Construction Fourth Engineering Bureau Sixth Construction Engineering Co., Ltd.	GR202234000052	15%
China Construction Fourth Engineering Bureau Construction Development Co., Ltd.	GR202235100237	15%
China Construction Fourth Engineering Bureau South China Construction Co., Ltd.	GR202244003699	15%
China Construction Fourth Bureau Wuhu Construction Investment Co., Ltd.	GR202334003046	15%
China Construction Fourth Engineering Bureau Electromechanical Installation Co., Ltd.	GR202344003991	15%
China Construction Fifth Engineering Bureau Building Energy Saving Technology Co., Ltd.	GR202143003490	15%
China Construction Buer Curtain Wall & Decoration Co., Ltd.	GR202143000237	15%
China Construction Fifth Engineering Bureau Decorative Curtain Wall Co., Ltd.	GR202143002509	15%
The Third Construction Engineering Co., Ltd. of China Construction Fifth Engineering Bureau.	GR202143001620	15%
China State Construction Technology Hunan Co., Ltd.	GR202143000481	15%
China Construction Fifth Engineering Bureau Installation Engineering Co., Ltd.	GR202344201438	15%
China Construction Fifth Engineering Bureau East China Construction Co., Ltd.	GR202231001316	15%
China State Construction Fifth Engineering Bureau Co., Ltd.	GR202343003701	15%
China Construction Fifth Engineering Bureau Civil Engineering Co., Ltd.	GR202243000667	15%
China Construction Fifth Engineering Bureau Garden Co., Ltd.	GR202143002615	15%
China Construction Fifth Engineering Bureau South China Construction Co., Ltd.	GR202244201874	15%
China Construction Fifth Engineering Bureau Second Construction Co., Ltd.	GR202343004939	15%
China Construction Southwest Survey and Design Institute Co., Ltd.	GR202351004474	15%
China Construction Underground Space Co., Ltd.	GR202251005258	15%
China Architecture Southwest Design & Research Institute Co., Ltd.	GR202351000767	15%
China State Construction Xinjiang Construction Group Fifth Construction Engineering Co., Ltd.	GR202265000206	15%
China Construction Xinjiang Construction Engineering Group First Construction Engineering Co., Ltd.	GR202265000227	15%
China State Construction Xinjiang Construction Engineering (Group) Co., Ltd.	GR202165000046	15%
China State Construction Xinjiang Construction Group Third Construction Engineering Co., Ltd.	GR202365000251	15%
China Construction Western Construction Building Materials Science Research Institute Co., Ltd.	GR202251003078	15%
China State Construction West Construction Hunan Co., Ltd.	GR202243000326	15%
Henan Zhongjian Western Construction Co., Ltd.	GR202141003468	15%
China Construction Commodity Concrete Co., Ltd.	GR202142000108	15%

(All amounts in RMB Thousand Yuan unless otherwise stated)

IV. Taxation (continued)

2. Preferential tax treatments (continued)

The corporate income tax preferences enjoyed by the Group are as follows: (continued)

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state (continued)

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows: (continued)

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
China Construction West Construction New Material Technology Co., Ltd.	GR202251004147	15%
Xinjiang Institute of Building Research (Limited Liability Company)	GR202365000142	15%
Xinjiang Construction Engineering Quality and Safety Testing Center (Limited liability Company)	GR202265000205	15%
Zhongjian Xinyue Construction Engineering Co., Ltd.	GR202244007078	15%
Zhongjian Xinyuan Construction Co., Ltd.	GR202361001046	15%
China Construction Xinke Decoration Engineering Co., Ltd.	GR202211000432	15%
China State Construction Zhongxin Engineering Co., Ltd.	GR202337100495	15%
CSEEC (Tianjin) Industrial Construction Engineering Co., Ltd.	GR202112003765	15%
China Construction First Engineering Bureau Group Construction & Development Co., Ltd.	GR202311000140	15%
China Construction First Engineering Bureau Huajiang Construction Co., Ltd.	GR202111002519	15%
The Second Construction Co., Ltd. of China Construction First Group.	GR202111000744	15%
China Construction Municipal Engineering Co., Ltd.	GR202111000695	15%
Beijing Construction Engineering Quality Sixth Testing Institute Co., Ltd.	GR202211002384	15%
China Construction Communications Construction Group Co., Ltd.	GR202111000067	15%
Beijing Zhongjian Building Research Institute Co., Ltd.	GR202311005140	15%
China Construction First Engineering Bureau (Group) Co., Ltd.	GR202111000630	15%
China Construction Eighth Engineering Bureau Environmental Protection Technology Co., Ltd.	GR202231004662	15%
China Construction Eighth Engineering Group Heilongjiang Construction Co., Ltd.	GR202323001562	15%
China Construction Integrated Technology Co., Ltd.	GR202111008263	15%
China State Construction Technology Group Co., Ltd.	GR202344207427	15%
China Construction Technology Changchun Co., Ltd.	GR202322000832	15%
China State Construction Engineering Industry Technology Research Institute Co., Ltd.	GR202111005533	15%
China Construction First Engineering Bureau Group Decoration Engineering Co., Ltd.	GR202311004997	15%
The Third Construction Engineering Co., Ltd. of China Construction First Engineering Bureau.	GR202311001104	15%
The Fifth Construction Engineering Co., Ltd. of China Construction First Engineering Bureau.	GR202111000242	15%
Beijing Zhongjian Architectural Design Institute Co., Ltd.	GR202211007788	15%
China Building Decoration Group Co., Ltd.	GR202211008320	15%
Shenzhen Overseas Decoration Engineering Co., Ltd.	GR202344206100	15%
China State Construction Curtain Wall Co., Ltd.	GR202242008622	15%
China Construction Oriental Decoration Co., Ltd.	GR202131000852	15%
China Construction Engineering Design & Research Institute Co., Ltd.	GR202311005463	15%
China Construction Integrated Construction (Henan) Co., Ltd.	GR202241004488	15%
The Third Construction Engineering Co., Ltd. of China Construction Second Engineering Bureau.	GR202111006398	15%
China Construction Second Engineering Bureau First Construction Engineering Co., Ltd.	GR202111000524	15%
China Construction Second Engineering Bureau Co., Ltd.	GR202311001075	15%
China Construction Second Engineering Bureau Decoration Engineering Co., Ltd.	GR202311003272	15%

(All amounts in RMB Thousand Yuan unless otherwise stated)

IV. Taxation (continued)

2. Preferential tax treatments (continued)

The corporate income tax preferences enjoyed by the Group are as follows: (continued)

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state (continued)

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows: (continued)

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
China Construction Second Engineering Bureau Installation Engineering Co., Ltd.	GR202111000676	15%
China Construction 2nd Engineering Bureau Hebei Construction Co., Ltd.	GR202213004738	15%
CSCEC Jiuhe Development Group Co., Ltd.	GR202211004893	15%
China Construction Second Engineering Bureau Civil Engineering Group Co., Ltd.	GR202111008514	15%
The Second Construction Engineering Co., Ltd. of China Construction Second Engineering Bureau.	GR202344202805	15%
China Construction Second Engineering Bureau sunshine Intelligent Manufacturing Co., Ltd.	GR202344009095	15%
China Construction 2nd Bureau Public Facilities Operation and Management Co., Ltd.	GR202211004170	15%
China Construction Zhonghuan New Energy Co., Ltd.	GR202232014683	15%
China Construction Zhonghuan Ecological Environmental Protection Technology Co., Ltd.	GR202332014616	15%
China Construction Ecological Environment Group Co., Ltd.	GR202311000494	15%
China State Construction Intelligent Technology Co., Ltd.	GR202311002504	15%
China Construction Infrastructure Co., Ltd.	GR202311000228	15%
Nanjing Huajian Testing Technology Co., Ltd.	GR202232014332	15%
CSCEC Wuzhou Engineering Equipment Co., Ltd.	GR202332003868	15%
China State Construction Electronic Engineering Co., Ltd.	GR202211000245	15%
China Construction Industrial & Energy Engineering Group Co., Ltd.	GR202132010981	15%
CSCEC Xinjiang Installation Engineering Co., Ltd.	GR202365000335	15%
China Construction Eight Engineering Bureau Guangxi Construction Co., Ltd.	GR202145001083	15%
China Construction Eighth Engineering Bureau Tianjin Construction Engineering Co., Ltd.	GR202212003168	15%
The Second Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau.	GR202137002542	15%
China Construction Eighth Engineering Group Construction Technology (Shandong) Co., Ltd.	GR202337000181	15%
China Construction Eighth Engineering Bureau Third Construction Co., Ltd.	GR202132007163	15%
China Construction Eighth Engineering Bureau Urban Construction Co., Ltd.	GR202321201384	15%
China Construction Eighth Engineering Bureau Fourth Construction Co., Ltd.	GR202137101123	15%
China Construction Eighth Engineering Bureau. Co., Ltd.	GR202231009889	15%
The First Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau.	GR202337003691	15%
Investment Construction Co., Ltd. of China Construction Eighth Engineering Division (Shandong)	GR202137000714	15%
China Construction Eighth Engineering Bureau Southeast Construction Co., Ltd.	GR202135100676	15%
China Construction Eighth Engineering Group Decoration Co., Ltd.	GR202131000520	15%
China Construction Eighth Engineering Bureau Decoration Curtain Wall Co., Ltd.	GR202232012957	15%
China Construction Eighth Engineering Bureau South China Construction Co., Ltd.	GR202144014361	15%
China Construction Eighth Engineering Bureau Rail Transit Construction Co., Ltd.	GR202332010839	15%
China Construction Eighth Engineering Bureau Northwest Construction Co., Ltd.	GR202161002076	15%
China Construction Eighth Engineering Bureau Zhejiang Construction Co., Ltd.	GR202233009838	15%
China Construction Eighth Engineering Bureau Technology Construction Co., Ltd.	GR202131000014	15%

(All amounts in RMB Thousand Yuan unless otherwise stated)

IV. Taxation (continued)

2. Preferential tax treatments (continued)

The corporate income tax preferences enjoyed by the Group are as follows: (continued)

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state (continued)

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows: (continued)

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
China Construction Eighth Bureau Development and Construction Co., Ltd.	GR202237102146	15%
China Construction Eighth Engineering Bureau Southwest Construction Engineering Co., Ltd.	GR202351002890	15%
Beijing Jingang Changdao Engineering Construction Co., Ltd.	GR202211008426	15%
China Construction Eighth Engineering Bureau New Construction Engineering Co., Ltd.	GR202231001001	15%
China State Construction Fourth Engineering Bureau Group Co., Ltd.	GR202244002938	15%
Guangdong Zhongjian New Building Components Co., Ltd.	GR202144001673	15%
China Construction Fourth Engineering Bureau Civil Engineering Co., Ltd.	GR202344208197	15%
China Construction First Engineering Group First Construction Co., Ltd.	GR202231006976	15%
China State Construction Xinjiang Construction Engineering Civil Engineering Co., Ltd.	GR202165000059	15%
Yili Western Construction Co., Ltd.	GR202265000427	15%
Henan Yanke Engineering Testing Co., Ltd.	GR202241001906	15%
China Construction Zhongyuan Architectural Design Institute Co., Ltd.	GR202241003089	15%
China Construction Seventh Engineering Bureau Co., Ltd.	GR202241001707	15%
China Construction Eighth Engineering Bureau Decoration Engineering Co., Ltd.	GR202131000520	15%
China Construction Industrial & Energy Engineering Group Xi'an Construction Investment Co., Ltd.	GR202361000389	15%
China Construction Second Engineering Bureau Fourth Construction Engineering Co., Ltd.	GR202212003723	15%
China Construction Second Engineering Bureau Northwest Investment and Construction Co., Ltd.	GR202361007361	15%
China Construction Engineering Development (Beijing) Co., Ltd.	GR202211008826	15%
China Construction Cultural Tourism Development Co., Ltd.	GR202111007441	15%
Beijing China Construction Engineering Consulting Co., Ltd.	GR202211008448	15%
China Railway Construction Investment Rail Transit Construction Co., Ltd.	GR202244011548	15%
China Construction Third Engineering Bureau Installation Engineering Co., Ltd.	GR202242002833	15%
China Construction Third Engineering Bureau Intelligent Technology Co., Ltd.	GR202142003113	15%
Liaoning traffic engineering Co., Ltd.	GR202121000707	15%
China Construction Third Engineering Bureau Infrastructure Construction investment Co., Ltd.	GR202142004991	15%
China Construction Third Engineering Group South China Co., Ltd.	GR202244013374	15%
China Construction Third Engineering Group Beijing Co., Ltd.	GR202211003712	15%
Hubei China Construction Third Bureau Construction Engineering Technology Co., Ltd.	GR202242000742	15%
China Construction Third Engineering Bureau Third Construction Engineering Co., Ltd.	GR202342005655	15%
China Construction Third Engineering Group (Hainan) Co., Ltd.	GR202346000263	15%
China Construction Third Engineering Bureau 1st Construction and Installation Co., Ltd.	GR202344202645	15%

(All amounts in RMB Thousand Yuan unless otherwise stated)

IV. Taxation (continued)

2. Preferential tax treatments (continued)

The corporate income tax preferences enjoyed by the Group are as follows: (continued)

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state (continued)

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows: (continued)

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
China Construction Third Engineering Bureau Information Technology Co., Ltd.	GR202342002533	15%
China Construction Third Engineering Design Co., Ltd.	GR202242001692	15%
China Construction Third Engineering Bureau Group Co., Ltd.	GR202242002413	15%
China Construction Third Engineering Bureau First Construction Engineering Co., Ltd.	GR202142002193	15%
China Construction Third Engineering Bureau Green Industry Investment Co., Ltd.	GR202242006156	15%
China Construction Railway Investment and Construction Group Co., Ltd.	GR202111005102	15%
China Construction Third Engineering Bureau Urban Construction Co., Ltd.	GR202322000575	15%
Zhongjian Hailong Technology Co., Ltd.	GR202144205013	15%
Anhui Hailong Construction Industry Co., Ltd.	GR202134004805	15%
Shandong Hailong Construction Technology Co., Ltd.	GR202237005327	15%
Zhonghai Construction Co., Ltd.	GR202244203757	15%
Shenzhen Xinghai Electromechanical Engineering Co., Ltd.	GR202144204632	15%
Hong Kong Huayi Design Consultants (Shenzhen) Co., Ltd.	GR202344207497	15%
Shenzhen Xinghai Internet of Things Technology Co., Ltd.	GR202344207868	15%
Guangdong Hailong Construction Technology Co., Ltd.	GR202244015556	15%
Guizhou Zhongjian Architectural Research and Design Institute Co., Ltd.	GR202352000180	15%
Xinjiang Xinzheng Testing Technology Co., Ltd.	GR202265000088	15%
China Construction Industrial & Energy Engineering Group East China Construction Investment Co., Ltd.	GR202331007272	15%
China Construction Shenzhen Decoration Co., Ltd.	GR202344203023	15%
China Construction Lighting Co., Ltd.	GR202344200947	15%
Tong Lian Technology Co., Ltd.	GR202351005700	15%
China Construction Technology Chengdu Co., Ltd.	GR202351005741	15%
China Construction Technology Guizhou Co., Ltd.	GR202352000198	15%
China Construction Machinery Co., Ltd.	GR202313002502	15%
China Construction 2nd Engineering Bureau (Xiamen) Construction Co., Ltd.	GR202335100877	15%
China Shipping Supervision Co., Ltd.	GR202244207579	15%
Shanghai Lijin Aluminum Engineering Co., Ltd.	GR202131004673	15%
Far East Curtain Wall (Zhuhai) Co., Ltd.	GR202344004163	15%
Shenyang Huanggu Thermal Power Co., Ltd.	GR202321002568	15%
China Construction International Engineering Co., Ltd.	GR202334005851	15%
China Construction Technology (Jinan) Co., Ltd.	GR202337003931	15%
China Construction Third Engineering Group (Shenzhen) Co., Ltd.	GR202344206959	15%
China Construction Third Engineering Bureau Construction Technology Hubei Co., Ltd.	GR202342002860	15%
Heshan Tianshan Metal Material Products Co., Ltd.	GR202244000911	15%

(All amounts in RMB Thousand Yuan unless otherwise stated)

IV. Taxation (continued)

2. Preferential tax treatments (continued)

The corporate income tax preferences enjoyed by the Group are as follows: (continued)

(2) Preferential tax policy related with Western Development Strategies

Company name	Effective tax rate
Chongqing Jinsha Yangtze River Bridge Construction and Development Co., Ltd.	15%
China Construction Xi'an Sponge City Construction Investment Co., Ltd.	15%
CSCEC Silk Road Xi'an Construction and Operation Co., Ltd.	15%
CSCEC Wuzhou Infrastructure Investment Co., Ltd.	15%
Zunyi Zhongjian Property Management Co., Ltd.	15%
Chongqing Maohe Infrastructure Construction Co., Ltd.	15%
Urumqi Zhongjian Xinyuan Construction Investment Co., Ltd.	15%
Haidong Underground Tube Construction and Operation Management Co., Ltd.	15%
Chongqing Kaizhou China Construction Tube Installation Co., Ltd.	15%
China Construction Tunnel Construction Co., Ltd.	15%
Shaanxi China Construction Northwest Engineering Supervision Co., Ltd.	15%
China Northwest Design and Research Institute Co., Ltd.	15%
Sichuan Southwest Engineering Project Management Consulting Co., Ltd.	15%
Qinghai Zhongjian Jiaxi Engineering Management Co., Ltd.	15%
CSCEC Southwest Consulting Company Limited	15%
Shihezi Jianfu City Pipe Gallery Construction Investment Co., Ltd.	15%
Sichuan West Construction Xingcheng Building Materials Co., Ltd.	15%
Chengdu West Construction Xiangtou New Material Co., Ltd.	15%
Nanning China Construction West Construction Co., Ltd.	15%
Guangxi China Construction West Construction Co., Ltd.	15%
Chongqing China Construction West Construction Co., Ltd.	15%
China Construction Bairun Commercial Concrete Chongqing Co., Ltd.	15%
CSCEC Rongcheng Building Materials Chengdu Co., Ltd.	15%
CSCEC West Construction Southwest Co., Ltd.	15%
Yunnan China Construction West Construction Co., Ltd.	15%
Meishan China Construction West Construction Co., Ltd.	15%
Chengdu West Construction Sancha Lake Building Materials Co., Ltd.	15%
Leshan West Construction Suxing Building Materials Co., Ltd.	15%
Kashgar West Construction Co., Ltd.	15%
CSCEC Western Construction Xinjiang Co., Ltd.	15%
Gansu China Construction West Construction Co., Ltd.	15%
Khorgos West Construction Co., Ltd.	15%
China Railway Construction (Chengdu) Co., Ltd.	15%

(All amounts in RMB Thousand Yuan unless otherwise stated)

IV. Taxation (continued)

2. Preferential tax treatments (continued)

The corporate income tax preferences enjoyed by the Group are as follows: (continued)

(2) Preferential tax policy related with Western Development Strategies (continued)

Company name	Effective tax rate
Xinjiang West Construction Qingsong Co., Ltd.	15%
Shihezi Western Construction Co., Ltd.	15%
Hami West Construction Co., Ltd.	15%
Guiyang Zhongjian West Construction Co., Ltd.	15%
China Construction Technology Mianyang Co., Ltd.	15%
Ya'an West Land and Sea Construction Engineering Management Co., Ltd.	15%
China Construction Communications Engineering (Xizang) Co., Ltd.	15%
China Construction West Construction North Co., Ltd.	15%
Yanqi Xiqingjiyuan Construction Co., Ltd.	15%
Liuzhou Zhongjian Western Construction Co., Ltd.	15%
China Construction Steel Structure Sichuan Co., Ltd.	15%
Chengdu Zhonghai Property Management Co., Ltd.	15%
Xi'an Zhonghai Property Management Co., Ltd.	15%
Xinjiang Zhonghai Property Management Co., Ltd.	15%
Haina Wanshang Property Management Co., Ltd.	15%
Hohhot Zhonghai Property Service Co., Ltd.	15%
Chongqing Haitou Property Management Co., Ltd.	15%
Chongqing Zhonghai Haihui Property Management Co., Ltd.	15%
Kunming Haixiang Real Estate Development Co., Ltd.	15%
Kunming Haijia Real Estate Development Co., Ltd.	15%
Chongqing Xinyue Real Estate Co., Ltd.	15%
Chongqing Jinjiahai Real Estate Development Co., Ltd.	15%
Chongqing Zhonghai Haihui Real Estate Development Co., Ltd.	15%
Chongqing Xinyi Real Estate Co., Ltd.	15%
Chongqing Xinyang Real Estate Co., Ltd.	15%
Chongqing Xinchu Real Estate Co., Ltd.	15%
Chengdu Xinqin Real Estate Co., Ltd.	15%
Chengdu Xinxin Real Estate Co., Ltd.	15%

Note: According to the Notice Concerning the Continuation of the Western Development Enterprise Income Tax Policies (Ministry of Finance Notice No. 23 of 2020), the eligible enterprises are entitled 15% preferential income tax rate. The period of tax preference is from January 1, 2021 to December 31, 2030.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements

1. Cash and bank balances

	31 December 2023	31 December 2022
Cash on hands	58,194	128,867
Cash at banks	343,197,184	328,536,332
Other cash and bank balances	15,535,521	6,588,903
Total	358,790,899	335,254,102
Including: Total amount of funds stored overseas	27,510,361	35,751,807

Other cash and bank balances represents deposits for bank acceptance notes, guarantee deposits and deposits for migrant workers' wages, etc.

As at 31 December 2023, the amount of fixed deposit with maturity of more than 3 months in the Group's bank deposits is 1,876,962 thousand (31 December 2022: 715,000 thousand).

Restricted cash and bank balances mainly represents reserves with Central Bank, deposits for bank acceptance notes, guarantee deposits, pre-sale supervision fund, mortgage deposits and salary deposit for migrant workers. As at 31 December 2023, the restricted cash and bank balances is 27,783,002 thousand (31 December 2022: 21,538,911 thousand).

2. Financial assets held for trading

	31 December 2023	31 December 2022
Financial assets at fair value through profit or loss		
Equity investments (Note 1)	14,854	20,153
Total	14,854	20,153

Note 1: The fair value of an investment in equity instrument held for trading is determined based on the closing price of the last trading day of the current period of the stock exchange in which the instrument trades.

3. Notes receivable

	31 December 2023	31 December 2022
Commercial acceptance bills	2,627,572	6,455,791
Less: Impairment allowance	(14,408)	(64,867)
Total	2,613,164	6,390,924

As at 31 December 2023 and 31 December 2022, the notes receivable that were pledged by the Group to banks for borrowings are presented in details in Note V.26.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

3. Notes receivable (continued)

Notes receivable and impairment provisions disclosed by category:

	31 December 2023				
	Carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment of individually accrued	57,259	2.18	4,221	7.37	53,038
Impairment of collectively accrued by credit risk portfolio	2,570,313	97.82	10,187	0.40	2,560,126
Total	2,627,572	100.00	14,408	0.55	2,613,164

	31 December 2022				
	Carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment of individually accrued	684,853	10.61	41,776	6.10	643,077
Impairment of collectively accrued by credit risk portfolio	5,770,938	89.39	23,091	0.40	5,747,847
Total	6,455,791	100.00	64,867	1.00	6,390,924

Regardless of whether there is a significant financing component or not, the impairment provision of the Group's notes receivables are measured based on the lifetime ECL.

Commercial acceptance bills which had not matured but had been endorsed to other parties are as follows:

	31 December 2023	
	Derecognised	Recognised
Commercial acceptance bills	–	1,110,146

4. Accounts receivable

(1) The ageing of accounts receivable is analysed as follows:

	31 December 2023	31 December 2022
Within 1 year	202,096,089	163,872,112
1-2 years	50,135,124	44,799,267
2-3 years	24,077,124	16,856,351
3-4 years	9,784,106	9,754,016
4-5 years	6,603,526	6,823,066
Over 5 years	10,287,407	6,261,543
Sub-total	302,983,376	248,366,355
Less: Impairment allowance	(45,284,717)	(37,934,735)
Total	257,698,659	210,431,620

The Group's accounts receivable arising from engineering and construction services are settled with the terms stipulated in the relevant transaction contracts, and the aging of the relevant accounts receivable is calculated based on the time point of project settlement.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**4. Accounts receivable (continued)****(2) Provision for impairment:**

Accounts receivable and impairment allowance are disclosed by category:

	31 December 2023				
	Carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment of individually accrued	112,222,022	37.04	25,781,746	22.97	86,440,276
Impairment of collectively accrued by credit risk portfolio	190,761,354	62.96	19,502,971	10.22	171,258,383
Total	302,983,376	100.00	45,284,717	14.95	257,698,659

	31 December 2022				
	Carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment of individually accrued	91,210,378	36.72	21,844,067	23.95	69,366,311
Impairment of collectively accrued by credit risk portfolio	157,155,977	63.28	16,090,668	10.24	141,065,309
Total	248,366,355	100.00	37,934,735	15.27	210,431,620

Impairment allowance of material accounts receivable individually accrued is as follows:

	31 December 2023				31 December 2022	
	Carrying amount	Impairment allowance	Ratio (%)	Reasons	Carrying amount	Impairment allowance
Company 1	1,314,400	1,314,400	100.00	Recovery possibility	1,543,000	1,543,000
Company 2	850,727	349,127	41.04	Recovery possibility	650,727	273,305
Company 3	831,593	679,431	81.70	Recovery possibility	831,593	654,920
Company 4	702,708	422,214	60.08	Recovery possibility	346,185	223,197
Company 5	430,519	342,721	79.61	Recovery possibility	431,478	318,109

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**4. Accounts receivable (continued)****(2) Provision for impairment: (continued)**

As at 31 December 2023, the accounts receivable with impairment allowance collectively accrued by credit risk portfolio are as follows:

Portfolio 1:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	34,690,180	694,639	2.00
1-2 years	10,331,877	516,583	5.00
2-3 years	4,865,614	729,846	15.00
3-4 years	1,580,173	474,063	30.00
4-5 years	1,138,079	512,150	45.00
Over 5 years	679,353	679,353	100.00
Total	53,285,276	3,606,634	

Portfolio 2:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	4,423,169	265,390	6.00
1-2 years	664,679	79,761	12.00
2-3 years	170,663	42,666	25.00
3-4 years	130,844	58,880	45.00
4-5 years	194,576	136,203	70.00
Over 5 years	450,244	450,244	100.00
Total	6,034,175	1,033,144	

Portfolio 3:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	94,183,796	4,241,673	4.50
1-2 years	17,894,807	1,789,481	10.00
2-3 years	9,143,709	1,828,742	20.00
3-4 years	3,663,382	1,465,353	40.00
4-5 years	2,909,329	1,891,064	65.00
Over 5 years	3,646,880	3,646,880	100.00
Total	131,441,903	14,863,193	

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**4. Accounts receivable (continued)****(2) Provision for impairment: (continued)**

The movements in impairment allowance for accounts receivable are as follows:

Opening balance	Provision	Reversal	Write-off	Other movements	Closing balance
37,934,735	23,270,512	(16,022,313)	(38,024)	139,807	45,284,717

There is no material recovered, reversed or written off during reporting period of impairment allowance for accounts receivable.

(3) As at 31 December 2023, the five largest accounts receivable and contract assets due to customers are as follows:

	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage of total accounts receivable and contract assets (%)	Closing balance of bad debt provision
Company 1	208,868	12,058,984	12,267,852	1.27	54,215
Company 2	–	8,402,455	8,402,455	0.87	26,225
Company 3	–	8,097,682	8,097,682	0.83	11,851
Company 4	–	8,094,927	8,094,927	0.83	438,996
Company 5	–	7,846,140	7,846,140	0.81	23,538
Total	208,868	44,500,188	44,709,056	4.61	554,825

As at 31 December 2023 and 31 December 2022, accounts receivable that were pledged by the Group to banks for borrowings are presented in details in Note V. 26.

5. Accounts receivable financing

	31 December 2023	31 December 2022
Bank acceptance bills	4,353,284	4,658,182

The Group discounts and endorses some bank acceptance bills according to the needs of daily capital management. Therefore, bank acceptance bills are classified as financial assets measured at fair value fund their changes included in other comprehensive income.

Accounts receivable financing that have been endorsed or discounted on the balance sheet date but not overdue are as follows:

	31 December 2023	
	Derecognised	Recognised
Bank acceptance bills	374,610	269,636

As at 31 December 2023, the Group measured impairment allowance based on the expected credit loss of the entire lifetime. The bank acceptance bills held by the assessment was not subject to significant credit risk, and the amount of expected credit loss was not significant.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

6. Prepayments

The ageing analysis of prepayments is as follows:

	31 December 2023		31 December 2022	
	Carrying amount	Ratio (%)	Carrying amount	Ratio (%)
Within 1 year	25,219,552	87.63	31,772,261	85.36
1-2 years	2,381,588	8.28	4,518,940	12.14
2-3 years	550,153	1.91	595,982	1.60
Over 3 years	627,303	2.18	335,978	0.90
Total	28,778,596	100.00	37,223,161	100.00

As at 31 December 2023, prepayments aged more than 1 year amounted to 3,559,044 thousand (31 December 2022: 5,450,900 thousand), mainly including advances to subcontractors and prepayments for land use rights, where the project is not completed, or land has not been obtained.

As at 31 December 2023, the five largest prepayments to suppliers are as follows:

	Amount	Percentage of total balance
Total amount of the five largest prepayments to suppliers	7,431,000	25.82%

7. Other receivables

	31 December 2023	31 December 2022
Other receivables	76,554,995	73,584,067

The ageing analysis of other receivables is as follows:

	31 December 2023	31 December 2022
Within 1 year	56,944,076	58,670,492
1 to 2 years	14,083,072	10,147,845
2 to 3 years	5,319,706	4,697,506
3 to 4 years	3,010,232	3,915,904
4 to 5 years	2,660,373	2,529,849
Over 5 years	3,937,614	1,780,768
Sub-total	85,955,073	81,742,364
Less: Impairment allowance	(9,400,078)	(8,158,297)
Total	76,554,995	73,584,067

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**7. Other receivables (continued)**

Natures of other receivables are as follows:

	31 December 2023	31 December 2022
Deposits and petty cash receivable	17,315,024	16,405,471
Advance payment on behalf of others	38,121,901	32,021,771
Receivables from related parties (Note XII. 7)	5,334,756	5,593,651
Deposit receivable	4,133,107	4,702,770
Others	21,050,285	23,018,701
Sub-total	85,955,073	81,742,364
Less: Impairment allowance	(9,400,078)	(8,158,297)
Total	76,554,995	73,584,067

31 December 2023

	Carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment of individually accrued	42,590,250	49.55	5,191,521	12.19	37,398,729
Impairment of collectively accrued by credit risk portfolio	43,364,823	50.45	4,208,557	9.71	39,156,266
Total	85,955,073	100.00	9,400,078	10.94	76,554,995

31 December 2022

	Carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment of individually accrued	36,596,495	44.77	4,432,530	12.11	32,163,965
Impairment of collectively accrued by credit risk portfolio	45,145,869	55.23	3,725,767	8.25	41,420,102
Total	81,742,364	100.00	8,158,297	9.98	73,584,067

Impairment allowance of material other receivables individually accrued is as follows:

	31 December 2023				31 December 2022	
	Carrying amount	Impairment allowance	Ratio (%)	Reasons	Carrying amount	Impairment allowance
Company 1	454,775	454,775	100.00	Recovery possibility	454,775	454,775

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**7. Other receivables (continued)**

As at 31 December 2023, the other receivables with impairment allowance collectively accrued by credit risk portfolio are as follows:

Portfolio 1:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	5,082,827	101,657	2.00
1 to 2 years	1,353,802	54,152	4.00
2 to 3 years	1,072,580	107,258	10.00
3 to 4 years	644,968	109,645	17.00
4 to 5 years	721,376	216,413	30.00
Over 5 years	612,928	612,928	100.00
Total	9,488,481	1,202,053	

Portfolio 2:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	7,295,640	218,869	3.00
1 to 2 years	3,116,173	218,132	7.00
2 to 3 years	648,937	84,362	13.00
3 to 4 years	284,919	56,984	20.00
4 to 5 years	243,967	85,388	35.00
Over 5 years	153,624	153,624	100.00
Total	11,743,260	817,359	

Portfolio 3:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	13,536,934	541,477	4.00
1 to 2 years	4,914,229	393,138	8.00
2 to 3 years	1,890,377	378,075	20.00
3 to 4 years	740,202	222,061	30.00
4 to 5 years	661,577	264,631	40.00
Over 5 years	389,763	389,763	100.00
Total	22,133,082	2,189,145	

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

7. Other receivables (continued)

Changes in impairment allowance recognised for the future 12-month ECLs and lifetime ECLs on other receivables are as follows:

	Stage 1 12-month expected credit losses	Stage 3 Credit-impaired financial assets (Lifetime expected credit losses)	Total
Opening balance of the year	2,455,380	5,702,917	8,158,297
Provision	2,215,204	957,119	3,172,323
Reversal	(1,679,576)	(322,816)	(2,002,392)
Write-off	(32,767)	(1,620)	(34,387)
Others	(221,178)	327,415	106,237
Closing balance of the year	2,737,063	6,663,015	9,400,078

There is no material recovered, reversed or written off during reporting period of impairment allowance for other receivable.

As at 31 December 2023, other receivables from the five largest customers are as follows:

	Amount	% of total balance	Nature	Ageing	Impairment allowance Amount
Company 1	1,005,565	1.17	Advance payment on behalf of others	Within 1 year, 1 to 2 years	132,343
Company 2	932,000	1.08	Cash deposit	Within 1 year	37,280
Company 3	864,834	1.01	Account current	Within 1 year, 1 to 2 years, 2 to 3 years	59,146
Company 4	664,389	0.77	Account current	Within 1 year, 1 to 2 years, 2 to 3 years, 4 to 5 years	10,819
Company 5	637,443	0.74	Cash deposit	Within 1 year	1,912
Total	4,104,231	4.77			241,500

8. Inventories

	31 December 2023			31 December 2022		
	Carrying amount	Impairment provision	Net value	Carrying amount	Impairment provision	Net value
Properties under development	573,361,641	(6,051,599)	567,310,042	601,559,471	(5,041,972)	596,517,499
Completed properties for sale	206,885,166	(2,170,933)	204,714,233	150,927,611	(1,704,555)	149,223,056
Raw materials	18,401,873	(14,705)	18,387,168	19,849,281	(880)	19,848,401
Work in progress	886,991	–	886,991	1,506,507	–	1,506,507
Finished goods	4,738,025	(3,255)	4,734,770	4,187,585	(7,550)	4,180,035
Others	309,691	–	309,691	273,102	–	273,102
Total	804,583,387	(8,240,492)	796,342,895	778,303,557	(6,754,957)	771,548,600

As at 31 December 2023 and 31 December 2022, the inventories that were pledged by the Group to banks for borrowings are presented in details in Note V. 26.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

8. Inventories (continued)

The details of properties under development are as follows:

Project Name	Date of commencement	Estimated completion time	Estimated completion investment	31 December 2023	31 December 2022
Jianguo East Road 69th Street	December 2022	December 2025	35,754,365	29,166,843	21,582,926
No. 4 and 5 of Xuhui Longhua Project	December 2023	September 2026	21,034,200	17,474,056	–
Beijing Fuhuali	November 2022	October 2024	13,088,490	12,135,133	10,897,285
Super Headquarters Base Project	November 2023	December 2026	11,659,920	10,270,538	–
Shangyong Plot Project in Haizhu District	November 2023	May 2025	17,884,082	10,136,394	–
Beijing Daji Critical Reform Project	January 2003	December 2026	33,966,945	8,679,708	11,466,640
Yangpu Project	June 2022	December 2024	9,300,000	8,582,703	7,953,446
The 02 and 03 Group Project of the World's Top Scientist Communities	June 2021	December 2024	10,680,000	7,919,304	7,168,690
Guangzhou Asian Games City	November 2011	October 2025	18,153,341	7,593,457	17,062,620
Shanghai Hongkou District Duolun Road Project	November 2015	March 2028	12,000,000	7,482,088	7,473,286
Guanggang No. 234 Plot	March 2022	January 2025	11,193,700	7,323,501	6,897,955
Dalian CITIC Harbour City	January 2013	December 2028	10,455,790	7,193,933	6,831,337
Xiamen Fenghuili	August 2023	May 2025	8,015,790	6,925,587	–
Lake Light	August 2022	December 2024	8,856,520	6,795,889	5,977,119
Sun Palace	August 2022	April 2025	8,615,930	6,429,162	6,079,577
Herui 3th	December 2022	December 2024	6,596,620	5,981,658	5,541,428
China Construction LuMing Mansion Project	June 2021	September 2024	7,129,000	5,844,104	4,999,969
Zhonghai Huideli Mansion	March 2022	December 2024	8,103,847	5,770,063	5,488,250
Xihongmen Project – Jiuyue Mansion	August 2023	September 2025	7,676,420	5,682,997	–
CSCEC Yipin Xuefu Residence	March 2022	June 2024	5,676,450	5,549,511	5,400,243
Zhonghai Xinchuan Hua Fu	September 2022	November 2024	6,439,191	5,546,336	4,689,335
Guogongzhuang Project	November 2023	December 2025	7,519,390	5,425,293	–
Zhonghai Jianqiao	July 2020	December 2027	22,200,054	5,212,610	5,151,745
Xiamen Xueshili Project	December 2022	December 2024	5,374,103	5,090,049	2,219,985
CSCEC Yipin Xuefu Residence West District	February 2022	June 2024	6,000,000	5,013,503	4,863,852
Suzhou High Tech Zone Headquarters Base Residence	April 2022	March 2024	5,800,000	4,689,476	4,203,976
Shanghai Shenggang Academy B0701 Project	July 2021	June 2024	4,897,830	4,575,853	3,530,708
Huizhili	March 2022	June 2024	5,017,142	4,409,732	3,711,573
Xihongmen Project	July 2022	June 2024	5,289,020	4,350,124	3,801,914
Plot 002 and 003, Qianweigou, Sunhe Township, Chaoyang District, Beijing	July 2023	December 2025	5,845,634	4,283,738	–
Guanjiang Jiayuan	September 2022	December 2024	5,419,780	4,269,956	3,600,644
Nanyuan Project	December 2023	September 2025	5,000,000	4,137,861	–

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

8. Inventories (continued)

The details of properties under development are as follows: (continued)

Project Name	Date of commencement	Estimated completion time	Estimated completion investment	31 December 2023	31 December 2022
Zhonghai Huawan	September 2021	June 2025	6,222,670	4,125,137	5,033,112
Zhongjian One Product Pujiang Star	October 2023	July 2026	5,300,260	3,990,249	–
Garden of Time	March 2023	September 2025	4,812,540	3,974,328	3,397,424
Zhonghai Wenhuali	March 2022	June 2024	4,155,857	3,953,389	4,036,210
Parcels 32-34 Jiefang South Road	December 2022	April 2025	4,481,120	3,745,917	1,506,081
Spring Scenery Yayuan Project	April 2021	September 2024	4,193,690	3,615,851	3,060,978
Xi'an High-tech Zone 127 Mu Project	February 2023	June 2025	4,950,000	3,530,036	–
Shanghai Fish Project	October 2023	November 2025	4,979,660	3,523,798	–
Ningbo Fuhuali	December 2022	December 2024	4,784,260	3,450,240	2,977,701
Xi'an Yuhazhai Project	October 2022	June 2026	6,418,130	3,358,172	1,904
Suzhou Gaoxin Nanda Supporting Project	March 2022	May 2024	5,500,000	3,288,906	3,179,533
Beijing Chaoyang Cuigezhuang Naixi Village 318 Plot	September 2022	December 2024	4,255,520	3,255,995	3,154,078
Zhonghailu Mansion	July 2022	December 2024	4,080,166	3,253,078	2,840,380
Zhongjian Taize Star – Imperial Lake	October 2021	August 2024	3,500,000	3,184,663	132,794
West Pacific Road Project	December 2022	December 2024	3,913,301	3,174,493	1,345,248
Ancient City 626 Plot Chang'an Yu Project	March 2023	December 2024	3,900,979	3,171,304	1,423,994
246 Xiangshan's Island Project	December 2020	June 2025	6,687,242	3,097,907	4,701,208
Tianjin Park City	May 2013	December 2028	16,813,110	3,071,282	3,588,152
Suzhou Hu Shu Guan Project	December 2021	June 2025	5,000,000	3,065,732	2,802,090
Sea Source Environment	April 2021	October 2024	3,898,065	3,039,077	2,813,343
Jiangxinzhou Project	May 2023	December 2024	4,500,000	3,013,532	–
The West E-1 Project	September 2021	December 2024	7,794,464	3,006,471	2,261,305
Yipin Xingchuang Yihe Mansion	August 2023	June 2026	4,250,000	3,002,390	–
Baoshan District Gucun Large Residential Community BSP0-0104 Unit 0427-01 Plot Residential Project	July 2022	September 2024	3,722,797	3,002,228	2,673,336
Yamenkou 713 Project	July 2023	December 2024	4,011,850	2,989,999	–
China Construction Tide Reading Shangjing	November 2022	June 2024	4,000,000	2,923,990	255,666
Guangzhou Zhongjian Star City	March 2021	June 2024	3,254,019	2,897,951	2,577,361
Beijing Donggerqi Residential Overground Project	October 2023	September 2027	5,177,130	2,816,287	–
Jinan Zhonghai Dangjia Smart City Phase I Project	December 2022	December 2025	4,336,369	2,737,118	2,333,324
99 Hudson	January 2017	December 2024	6,777,926	2,704,182	2,789,220
Shenzhen Longhua North Station East Project	September 2022	December 2024	3,148,723	2,685,222	2,293,083
6066, 6067 and Other Land Projects	October 2021	December 2024	7,684,640	2,611,320	4,667,716
Zhonghai Chunlang Garden	April 2021	March 2024	5,514,270	2,594,792	4,903,312
Others				227,565,445	364,216,415
Total				573,361,641	601,559,471

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

8. Inventories (continued)

The details of completed properties held for sale are as follows:

Project Name	completion time of the latest phase	At the beginning of the balance	Additions	Deductions	At the end of the balance
Hong Kong Kai Tak 6575 Plot Project	December 2022	7,008,432	55,990	(1,310,189)	5,754,233
Zhonghai Huanyu Mansion	December 2023	587,793	7,924,726	(3,180,909)	5,331,610
Zhonghai Liyue Shangchen Hospital	December 2023	–	4,826,915	(676,637)	4,150,278
Guangzhou Asian Games City	June 2023	1,969,566	11,372,511	(9,728,155)	3,613,922
Consulate No. 1	April 2023	276,870	4,134,735	(877,856)	3,533,749
Zhongjian Jinxiu World	April 2023	3,629,494	276,018	(1,258,288)	2,647,224
No.New District 2021G15	December 2023	–	4,989,009	(2,546,108)	2,442,901
Nanjing Xiyuan Mansion	December 2023	597,028	4,070,899	(2,248,173)	2,419,754
Baolong Project in Longgang District	December 2023	–	4,112,726	(1,713,664)	2,399,062
Tianjin City Park Project	August 2023	2,563,538	781,400	(946,433)	2,398,505
Kunming Huideli Garden	September 2023	–	3,229,478	(933,621)	2,295,857
Zhonghai Jincheng International	November 2021	2,370,916	8,537	(118,407)	2,261,046
Haizhu Jiangtai Road Plot Project	December 2023	–	2,982,527	(852,846)	2,129,681
Zhonghai • Shangxuefu Phase 2	December 2022	2,329,523	–	(209,323)	2,120,200
Shenyang Huideli	December 2023	554,224	2,509,015	(967,584)	2,095,655
Shenzhen Zhonghai Minzhi Project	December 2023	3,957,517	21,782	(1,972,087)	2,007,212
Changxindian Plot C	March 2023	1,805,076	464,015	(300,981)	1,968,110
Tianfuli	November 2023	455,886	2,674,252	(1,249,714)	1,880,424
246 Xiangshan Island Project	December 2023	–	2,234,947	(446,582)	1,788,365
Rice Field Project of Beijing Company	January 2023	–	5,050,769	(3,271,226)	1,779,543
Huashan Long City	December 2023	266,632	7,259,400	(5,788,781)	1,737,251
Jilin Changchun Zhonghai Shengshi City D	September 2022	2,084,792	–	(353,166)	1,731,626
Qixia District 2021G80 Tianyou Road	June 2023	–	3,041,718	(1,341,654)	1,700,064
Technology City Project	June 2023	1,126,145	1,116,126	(598,471)	1,643,800
Kunming Zhonghai Universe World Plot 11#	December 2020	1,821,987	87,235	(289,288)	1,619,934
The Old Palace	December 2023	–	3,468,727	(1,884,547)	1,584,180
Zhonghai Universe Times	June 2023	1,698,477	142,228	(279,874)	1,560,831
Zhongjian Yipin Xinyue	November 2023	–	1,500,890	–	1,500,890
Zhonghai Yunzhuhuju	September 2023	–	2,248,259	(759,750)	1,488,509
Yunlujiuli II Phase	December 2021	2,094,227	1,954	(618,005)	1,478,176
Taizhou Wenhua Road	December 2023	–	1,660,209	(209,444)	1,450,765
Zhonghai Universe World IV Phase	July 2023	1,525,930	1,341,044	(1,458,030)	1,408,944
Anjiang Li	July 2023	–	4,054,284	(2,655,740)	1,398,544
Zhonghai Xi Garden	December 2021	1,612,353	–	(216,002)	1,396,351
Zhonghai Huideli	June 2023	–	2,664,169	(1,279,014)	1,385,155

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

8. Inventories (continued)

The details of completed properties held for sale are as follows: (continued)

Project Name	Completion time of the latest phase	At the beginning of the balance	Additions	Deductions	At the end of the balance
Xinzhiyuanjing	September 2022	1,804,433	–	(450,449)	1,353,984
No. 9 Mansion	December 2019	1,423,456	–	(108,467)	1,314,989
Zhongjian Outlook	October 2023	–	1,859,126	(562,033)	1,297,093
Beijing Shougang Park Phase IV Project	December 2023	–	1,533,437	(246,364)	1,287,073
Chongqing Kafu Project	March 2023	867,089	682,472	(289,477)	1,260,084
Shili Changjiang	September 2023	453,168	785,122	–	1,238,290
Harbin Zhonghai Yunlu Mansion (Phase II)	December 2023	–	2,860,848	(1,649,483)	1,211,365
Taihang Park Linnan District	December 2023	–	1,252,913	(71,022)	1,181,891
Zhonghai Erqi Binjiang (business zone)	November 2022	1,116,086	–	–	1,116,086
Zhongjian Platinum Residence	August 2023	162,063	3,585,755	(2,635,220)	1,112,598
Fengtai Zaojia Village	December 2023	2,386,136	468,965	(1,743,710)	1,111,391
Guangzhou Zhonghai Litchi Mansion	August 2022	1,218,682	–	(107,293)	1,111,389
Yantai Zhonghai Changan Yunjin	December 2023	290,131	1,679,223	(875,613)	1,093,741
Dongguan Zhonghai Qirui Garden	December 2023	–	2,116,072	(1,031,224)	1,084,848
Haizhu Shigang Road Plot Project	June 2023	–	2,603,805	(1,564,740)	1,039,065
Shenzhen Peninsula Second Bay	June 2023	526,323	1,284,027	(799,744)	1,010,606
Zhonghai New City No. 1 Mansion I	June 2023	1,012,028	621	(9,849)	1,002,800
Jilin Changchun Zhonghai Shengshi City C	August 2023	1,044,550	4,953	(52,167)	997,336
Zhonghairuyuan	March 2022	1,408,025	–	(410,806)	997,219
Zhonghai Longwan peninsula Garden A	June 2023	1,528,483	797,292	(1,336,877)	988,898
BAC Plot in Dalian High-tech Zone	December 2023	–	1,451,235	(473,338)	977,897
Cuijingyuan	June 2023	458,392	719,275	(216,385)	961,282
Yuehu County	June 2023	–	2,463,289	(1,512,638)	950,651
Taiyuan Zhonghai International Community	May 2023	910,762	1,652,770	(1,625,195)	938,337
Zhongjian Grand Residence Project	November 2023	499,510	3,483,454	(3,046,970)	935,994
Dongsha Project	March 2023	–	1,927,923	(1,010,893)	917,030
Yamenkou Lot 670	December 2023	–	3,252,438	(2,337,130)	915,308
Taiyuan Lihua North Project	May 2023	–	1,615,030	(699,860)	915,170
Jiangsu 2017-WG-40 Plot	January 2022	1,992,720	–	(1,105,307)	887,413
Changzhou Hongken Project Phase I	December 2023	–	3,307,524	(2,434,281)	873,243
Zhongjian Mofang	October 2023	–	868,685	–	868,685
Yuanmei Huating	December 2023	–	1,907,158	(1,040,594)	866,564
Zhonghai Songhu Huating	June 2023	431,242	963,117	(537,828)	856,531
Taikang South	December 2023	–	2,404,605	(1,548,127)	856,478

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

8. Inventories (continued)

The details of completed properties held for sale are as follows: (continued)

Project Name	Completion time of the latest phase	At the beginning of the balance	Additions	Deductions	At the end of the balance
Zhonghai Ming De Li	June 2023	–	1,339,632	(493,474)	846,158
Eastlight	June 2023	1,058,180	124,064	(345,354)	836,890
Zhongjian • Meixi Shangjun	September 2022	991,202	–	(158,885)	832,317
Harbin Zhonghai Yunlu Mansion (Phase I)	December 2023	–	2,367,720	(1,544,068)	823,652
6066, 6067 and Other Plot Projects	December 2023	–	2,641,385	(1,829,546)	811,839
Yantai Zhonghai Wanjin Community	December 2023	244,379	712,591	(145,927)	811,043
China Construction International Innovation Smart City	June 2023	423,838	374,338	(6,062)	792,114
Zhonghai Yunchuan Yuanjing	September 2023	1,125,957	409,396	(754,654)	780,699
Guiyang Zhonghai Yingshan Lake Project	June 2023	395,446	926,666	(545,488)	776,624
Zhonghai Lixianghu Project	December 2023	741,107	79,656	(74,926)	745,837
Block A-2, Northwest Corner of Shandong First Medical University	June 2023	–	2,555,225	(1,815,148)	740,077
Fang Fourth Road Project	December 2023	205,027	1,357,512	(825,795)	736,744
Wuxi Jiangyin Yuecheng River	September 2022	880,116	–	(165,780)	714,336
Shougang Garden II	September 2022	688,023	18,846	(3,399)	703,470
Luzhou Mansion	June 2023	–	1,013,430	(311,498)	701,932
Riverside	October 2023	–	7,066,338	(6,365,287)	701,051
Dalian Zhonghai Park Uptown Project	October 2022	2,063,727	–	(1,371,806)	691,921
Dalian CITIC Harbour City	December 2022	1,513,483	–	(827,436)	686,047
Plot G16, Jiyin Avenue, Jiangning District	December 2023	–	1,433,473	(765,057)	668,416
Zhongjian Changanlu Mansion	December 2023	–	1,839,465	(1,171,480)	667,985
Zhonghai Songhu Yasong Garden	December 2023	–	2,100,805	(1,460,617)	640,188
Others		80,727,441	136,625,478	(139,810,773)	77,542,146
Total		150,927,611	300,823,648	(244,866,093)	206,885,166

Note: As at 31 December 2023, The amount of interest expense capitalised in Properties under development and Completed properties for sale is 47,889,074 thousand (31 December 2022: 47,373,476 thousand), and is 11,136,618 thousand this year (2022: 11,545,216 thousand). The capitalization rates range from 1.20% to 7.00% (2022: from 1.20% to 7.36%).

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

8. Inventories (continued)

Movements in the carrying amount of inventories are as follows:

	At the beginning of the balance	Additions	Deductions	At the end of the balance
Properties under development	601,559,471	280,322,647	(308,520,477)	573,361,641
Completed properties for sale	150,927,611	300,823,648	(244,866,093)	206,885,166
Raw materials	19,849,281	629,225,360	(630,672,768)	18,401,873
Work in progress	1,506,507	3,104,359	(3,723,875)	886,991
Finished goods	4,187,585	60,652,124	(60,101,684)	4,738,025
Others	273,102	14,128,717	(14,092,128)	309,691
Total	778,303,557	1,288,256,855	(1,261,977,025)	804,583,387

Movements in the impairment provision of inventories are as follows:

	1 January 2023	Increase during the year		Decrease during the year		31 December 2023
		Accrual	Others	Reversal	Write-off	
Properties under development	5,041,972	1,514,784	(414,678)	–	(90,479)	6,051,599
Completed properties for sale	1,704,555	943,654	474,379	(37,078)	(914,577)	2,170,933
Raw materials	880	13,956	–	(131)	–	14,705
Finished goods	7,550	24,619	63	(2,231)	(26,746)	3,255
Total	6,754,957	2,497,013	59,764	(39,440)	(1,031,802)	8,240,492

	Net realisable value	Reasons of reversal and write-off during the period
Properties under development	Expected selling price less estimated costs to be incurred at completion, the estimated selling expenses and the relevant taxes and fees	Net realisable value increased or sales realised
Completed properties for sale		
Raw materials		

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**9. Contract assets**

	31 December 2023	31 December 2022
Unconfirmed Investment payment	259,309,337	220,578,461
Receivables for Construction project	251,357,834	193,324,278
Project quality warranty	126,790,505	110,188,617
Franchise rights not yet in operation	15,308,340	11,087,255
Primary land development	12,038,799	9,513,644
Others	2,988,892	3,185,013
Sub-total	667,793,707	547,877,268
Less: Provision for impairment allowance of contract assets	(14,067,938)	(11,311,279)
Sub-total	653,725,769	536,565,989
Less: Contract assets disclosed within the other non-current assets (Note V. 25)	(303,897,638)	(263,334,996)
Less: Contract assets disclosed within the intangible assets (Note V.21)	(14,873,937)	(10,719,669)
Total	334,954,194	262,511,324
Include: Original value of current contract assets	344,801,478	269,902,884
Provision for impairment allowance of current contract assets	(9,847,284)	(7,391,560)

The Group provides construction services to customers and recognizes revenue and contract assets over a period of time. These contract assets are transferred to accounts receivable after the formation of unconditional payment rights, or to intangible assets after reaching the predetermined usable state.

Changes in provision for impairment of contract assets are as follows:

1 January 2023	Provision	Reversal	Write-offs	Other changes	31 December 2023
11,311,279	4,934,751	(2,262,983)	(31,596)	116,487	14,067,938

The changes in the impairment allowance of the current part of contract assets are as follows:

1 January 2023	Provision	Reversal	Write-offs	Other changes	31 December 2023
7,391,560	4,064,509	(1,605,886)	(31,596)	28,697	9,847,284

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

9. Contract assets (continued)

Whether the contract assets have significant financing components or not, the provisions for impairment is measured according to the expected credit loss of the whole duration.

	31 December 2023			
	Carrying amount		Provision for bad debts	
	Amount	Ratio (%)	Amount	Ratio (%)
Impairment of individually accrued	62,946,313	18.26	8,123,591	12.91
Impairment of collectively accrued by credit risk portfolio	281,855,165	81.74	1,723,693	0.61
Total	344,801,478	100.00	9,847,284	2.86

	31 December 2022			
	Carrying amount		Provision for bad debts	
	Amount	Ratio (%)	Amount	Ratio (%)
Impairment of individually accrued	57,492,327	21.30	6,091,220	10.59
Impairment of collectively accrued by credit risk portfolio	212,410,557	78.70	1,300,340	0.61
Total	269,902,884	100.00	7,391,560	2.74

Contract assets individually assessed for expected credit losses are as follows:

	31 December 2023				31 December 2022	
	Carrying amount	Provision for bad debts	Ratio (%)	Reasons	Carrying amount	Provision for bad debts
Company 1	857,442	39,213	4.57	Note	781,310	32,665
Company 2	713,747	503,991	70.61	Note	686,319	420,080
Company 3	403,009	204,597	50.77	Note	385,994	170,524
Company 4	356,170	146,323	41.08	Note	358,580	146,744
Company 5	204,822	81,929	40.00	Note	–	–
Others	60,411,123	7,147,538	11.83	Note	55,280,124	5,321,207
Total	62,946,313	8,123,591			57,492,327	6,091,220

Note: The Group provides construction services to customers above. Due to the shortage of funds of the customers, the Group expected some contract assets are difficult to be settled and impairment allowance is provided accordingly.

As at 31 December 2023, the contract assets with impairment allowance collectively accrued by credit risk portfolio are as follows:

	Carrying amount	Provision for bad debts	Ratio (%)
Portfolio 1	203,047,764	1,487,270	0.73
Portfolio 2	67,822,632	203,468	0.30
Portfolio 3	10,955,264	32,866	0.30
Portfolio 4	13,927	42	0.30
Portfolio 5	15,578	47	0.30
Total	281,855,165	1,723,693	

The terminated contract assets by the Group are presented in detail in Note X.4.

As at 31 December 2023 and 31 December 2022, the contract assets that were pledged by the Group to banks for borrowings are presented in detail in Note V. 26.

There is no material recovered, reversed or written off during reporting period of impairment allowance for contract assets.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**10. Current portion of non-current assets**

	31 December 2023	31 December 2022
Current portion of long-term receivables (Note V. 13)	49,277,329	41,729,496
Current portion of debt Investments (Note V. 12)	4,521,644	6,920,385
Others	491,605	604,161
Total	54,290,578	49,254,042

11. Other current assets

	31 December 2023	31 December 2022
Input VAT to be credited	49,772,733	46,987,300
Prepaid taxes	55,078,034	47,007,377
Receivables from related parties (Note XII. 7)	13,892,338	15,065,951
Short term debt investment measured at amortization cost	6,974,886	5,162,736
Others	10,521,182	11,363,641
Sub-total	136,239,173	125,587,005
Less: Provision for impairment allowance	(1,668,546)	(1,675,125)
Total	134,570,627	123,911,880

12. Debt investments

	31 December 2023		
	Carrying amount	Provision for impairment	Carrying value
Loans receivable from related parties (Note XII. 7)	22,917,780	(91,403)	22,826,377
Entrusted loans	6,583	(20)	6,563
Others	3,382,533	(11,913)	3,370,620
Sub-total	26,306,896	(103,336)	26,203,560
Less: Debt investments of non-current assets due within one year (Note V. 10)	4,523,402	(1,758)	4,521,644
Total	21,783,494	(101,578)	21,681,916

	31 December 2022		
	Carrying amount	Provision for impairment	Carrying value
Loans receivable from related parties (Note XII. 7)	24,647,313	(95,197)	24,552,116
Entrusted loans	498,116	(3,999)	494,117
Including: Entrusted loans from related parties (Note XII. 7)	357,867	(3,578)	354,289
Others	4,631,706	(212,515)	4,419,191
Sub-total	29,777,135	(311,711)	29,465,424
Less: Debt investments of non-current assets due within one year (Note V. 10)	7,126,817	(206,432)	6,920,385
Total	22,650,318	(105,279)	22,545,039

Material debt investments refers to Note XII.7.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**13. Long-term receivables**

	31 December 2023	31 December 2022
Receivables from PPP projects	28,728,991	28,455,821
Receivables from BT projects	58,403,683	63,201,890
Primary land development	18,955,192	28,402,595
Receivables from Infrastructure construction projects	53,347,050	30,163,780
Project quality warranty	2,674,009	2,474,659
Receivables from related parties (Note XII. 7)	337,068	22,130
Others	668,678	379,164
Sub-total	163,114,671	153,100,039
Less: Impairment allowance	(2,507,941)	(2,278,941)
Sub-total	160,606,730	150,821,098
Less: Due within 1 year (Note V. 10)	(49,277,329)	(41,729,496)
Total	111,329,401	109,091,602

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

13. Long-term receivables (continued)

The movements in impairment allowance for long-term receivables are as follows:

Opening balance	Provision	Reversal	Other movements	Closing balance
2,278,941	624,139	(414,336)	19,197	2,507,941

Changes in impairment allowance recognised for the future 12-month ECLs and lifetime ECLs on long-term receivables are as follows:

	Stage 1 12-month expected credit losses	Stage 3 Credit-impaired financial assets (Lifetime expected credit losses)	Total
Opening balance of the year	1,719,617	559,324	2,278,941
Provision	426,125	198,014	624,139
Reversal	(401,553)	(12,783)	(414,336)
Others	19,163	34	19,197
Closing balance of the year	1,763,352	744,589	2,507,941

As at 31 December 2023 and 31 December 2022, the Group pledged long-term receivables to banks as guarantees for obtaining loans, please refer to Note V.26.

There is no material recovered, reversed or written off during reporting period of impairment allowance for long-term receivables.

14. Long-term equity investments

	31 December 2023	31 December 2022
Joint ventures	56,465,701	52,430,699
Associates	57,814,542	58,967,722
Sub-total	114,280,243	111,398,421
Less: Impairment allowance for long-term equity investments	(296,270)	(296,270)
Total	113,983,973	111,102,151

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**14. Long-term equity investments (continued)****(a) Joint ventures**

	Opening Balance of the year	Movement during the year					Closing balance of the year	Impairment allowance at the end of the year
		Increase/ (Decrease) investment	Investment profits/(losses) under equity method	Other comprehensive income adjustment	Declaration of cash dividends	Others (Note 1)		
Guilong Investment Co., Ltd.	2,602,988	-	216,318	-	-	-	2,819,306	-
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	2,648,612	37,652	(17,321)	(44,149)	-	44,481	2,669,275	-
Xiamen Haimao Real Estate Co., Ltd.	2,123,718	-	227,125	38,699	-	(38,699)	2,350,843	-
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	1,973,348	-	9,741	-	-	-	1,983,089	292,462
Guizhou Leirong Expressway Investment Management Co., Ltd.	1,887,917	-	13,338	(60,912)	-	60,502	1,900,845	-
Zunyi Nanhuan Expressway Development Co., Ltd.	1,627,878	-	161,437	-	-	-	1,789,315	-
CSCEC Jianxin No. 9 Urbanization Investment Private Equity Fund.	1,284,305	-	-	-	-	-	1,284,305	-
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd.	1,237,693	-	2,473	-	-	-	1,240,166	-
CSCEC Road & Bridge Group Co., Ltd.	1,180,162	-	45,316	1,212	-	(7,323)	1,219,367	-
Anhui Bengwu Expressway Investment Management Co., Ltd.	1,053,999	-	160,487	(33,666)	-	37,303	1,218,123	-
Beijing Chenxing International Convention and Exhibition Co., Ltd.	1,199,964	-	-	-	-	-	1,199,964	-
Nanjing Second Yangtze River Bridge Co., Ltd.	1,132,353	-	103,395	(13,972)	(264,786)	26,499	983,489	-
Shanghai Lingang New District Jingang Dongjiu Real Estate Co., Ltd.	901,164	-	71,553	-	-	-	972,717	-
Shanghai Linbo Haihui City Construction and Development Co., Ltd.	886,975	14,194	(13,897)	(24,717)	-	30,429	872,984	-
China Overseas South Airlines Construction and Development Co., Ltd.	805,592	-	1,036	-	-	-	806,628	-
Chongqing Zhongjia Erhengxian Infrastructure Construction Co., Ltd.	727,422	-	32,693	-	(249)	-	759,866	-
Liupanshui Urban Pipe Gallery Construction and Development Investment Co., Ltd.	837,191	-	(85,456)	-	-	-	751,735	-
Beijing Nanyue Real Estate Development Co., Ltd.	745,496	-	(23,461)	-	-	-	722,035	-
Zhengzhou Zhongjia Zhicheng Comprehensive Pipe Gallery Construction Management Co., Ltd.	572,617	4,296	132,953	-	-	-	709,866	-
Xingjui Investment Co., Ltd.	600,182	-	21,311	-	-	-	621,493	-
Qingdao Haijie Real Estate Co., Ltd.	1,086,711	(774,400)	54,791	-	-	-	367,102	-
Others	25,334,412	1,597,274	1,397,967	(48,882)	(569,379)	1,511,796	29,223,188	1,358
Joint ventures sub-total	52,430,699	879,016	2,511,799	(186,387)	(834,414)	1,664,988	56,465,701	293,820

Note 1: Other changes are mainly caused by changes in the scope of consolidation this year, changes in equity of the invested party other than other comprehensive income, and changes in exchange rates.

V. Notes to the Consolidated Financial Statements (continued)

14. Long-term equity investments (continued)

(b) Associates

	Movement during the year						Closing balance of the year	Impairment allowance at the end of the year
	Opening Balance of the year	Increase/ (Decrease) investment	Investment profits/(losses) under equity method	Other comprehensive income adjustment	Declaration of cash dividends	Others (Note 1)		
China Overseas Grand Oceans Group Ltd.	11,866,092	-	802,492	(115,653)	(259,497)	112,156	12,405,590	-
Anhui Guoyuan Trust Co., Ltd.	3,412,091	-	273,079	-	(61,537)	-	3,623,633	-
Jiqing Express Railway Co., Ltd.	2,202,251	(297,490)	1,061	-	-	-	1,905,822	-
CCCC Jijiao Expressway Investment & Development Co., Ltd.	1,919,604	-	(69,897)	-	-	-	1,849,707	-
Everbright Securities Co., Ltd.	1,698,124	-	129,448	-	(31,431)	(80,367)	1,715,774	-
Yunnan Huali expressway investment and Development Co., Ltd.	1,583,764	-	(101,997)	-	-	-	1,481,767	-
Nantong Ring Expressway Co., Ltd.	888,624	592,416	-	-	-	-	1,481,040	-
Samnengxia National Highway 310 South Moving Project Construction Management Co., Ltd.	1,086,106	-	36,114	-	-	-	1,122,220	-
Shandong Ningliang Expressway Co., Ltd.	1,123,848	-	(20,581)	-	-	-	1,103,267	-
Anhui Guoyuan Investment Co., Ltd.	1,018,967	-	20,946	-	(7,948)	-	1,031,965	-
Taizhongyin Railway Co., Ltd.	966,483	-	52,392	-	-	-	1,018,875	-
Sherzhen Zhaohang Real Estate Co., Ltd.	917,003	-	(3,002)	8,012	-	(16,020)	905,993	-
Fast Shift Investments Limited	787,304	-	24,941	-	-	25,441	837,686	-
Jinmao Investment (Changsha) Co., Ltd.	830,690	-	12,288	-	(30,046)	-	812,932	-
Xiamen Yueqin Hailian Construction and Development Co., Ltd.	799,144	-	(13,297)	-	-	(5,317)	780,530	-
Xiamen International Trade Exhibition Center Co., Ltd.	447,656	192,760	(17,881)	-	-	-	622,535	-
Shanghai Jiaosheng Real Estate Development Co., Ltd.	587,526	(88,000)	(3,810)	-	-	-	485,716	-
China Construction Electronic Commerce Co., Ltd	480,901	-	-	-	-	-	480,901	-
Tianjin Zhonghai Haixin Real Estate Co., Ltd.	614,799	(258,400)	(12,071)	6,781	-	(6,781)	344,328	-
Chongqing Jinke Zhaoji Real Estate Development Co., Ltd.	622,939	(279,198)	3	-	(80,802)	-	262,942	-
China State Construction Xi'an Urban Construction Investment Co., Ltd.	676,919	-	27,493	-	(3,193)	(701,219)	-	-
Others	24,436,887	1,938,065	203,697	(113,532)	(436,878)	(2,486,920)	23,541,319	2,450
Associates sub-total	58,967,722	1,790,153	1,341,418	(214,392)	(911,332)	(3,159,027)	57,814,542	2,450
Total	111,398,421	2,669,169	3,853,217	(400,779)	(1,745,746)	(1,494,039)	114,280,243	296,270

Note 1: Other changes are mainly caused by changes in the scope of consolidation this year, changes in equity of the invested party other than other comprehensive income, and changes in exchange rate.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

14. Long-term equity investments (continued)

The movements in provision for impairment of long-term equity investments are as follows:

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	292,462	–	–	292,462
Others	3,808	–	–	3,808
Total	296,270	–	–	296,270

15. Investments in other equity instruments

	31 December 2023	31 December 2022
Equity investments		
Listed equity investments	–	300,867
Unlisted equity investments	6,107,503	4,309,604
Total	6,107,503	4,610,471

	31 December 2023	31 December 2022
Equity investments		
Cost		
Listed equity investments	–	241,479
Unlisted equity investments	5,374,099	3,959,989
Cumulative changes in fair value		
Listed equity investments	–	59,388
Unlisted equity investments	733,404	349,615
Total	6,107,503	4,610,471

	Other comprehensive income gain of the year	Other comprehensive income loss of the year	Other comprehensive income Accumulated gain	Other comprehensive income Accumulated loss	Dividend income of the year	Reasons for being designated as at fair value through other comprehensive income
Listed equity investments	–	59,388	–	–	21,225	Non-tradable
Unlisted equity investments	383,790	–	969,963	236,559	47,314	Non-tradable
Total	383,790	59,388	969,963	236,559	68,539	

Investments in other equity instruments derecognised during the year are as follows:

	Fair value on derecognition	Accumulated gain on derecognition transferred to retained earnings	Accumulated loss on derecognition transferred to retained earnings	Reason for derecognition
Company 1	329,005	74,376	–	Disposal
Others	399,188	31,845	(90,210)	Disposal
Total	728,193	106,221	(90,210)	

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**16. Other non-current financial assets**

	31 December 2023	31 December 2022
Financial assets measured at fair value and the change of which is included in the profit or loss of the current period	1,525,114	1,565,153

17. Investment properties

Subsequent measurement under the cost model:

	Buildings	Land use rights	Investment properties in progress	Total
Cost				
Opening balance	86,033,747	30,747,274	46,148,884	162,929,905
Increase in the current year	19,902,794	16,868,480	14,605,602	51,376,876
Decrease in the current year	(6,709,647)	(694,851)	(29,652,394)	(37,056,892)
Closing balances	99,226,894	46,920,903	31,102,092	177,249,889
Accumulated depreciation and amortisation				
Opening balance	(11,907,161)	(3,294,977)	–	(15,202,138)
Increase in the current year	(3,180,574)	(1,009,690)	–	(4,190,264)
Decrease in the current year	630,223	55,932	–	686,155
Closing balance	(14,457,512)	(4,248,735)	–	(18,706,247)
Provision for impairment				
Opening balance	(52,561)	–	–	(52,561)
Decrease in the current year	394	–	–	394
Closing balance	(52,167)	–	–	(52,167)
Net book value				
At the end of the year	84,717,215	42,672,168	31,102,092	158,491,475
At the beginning of the year	74,074,025	27,452,297	46,148,884	147,675,206

The investment property is leased out to a third party or a related party under an operating leases.

*(All amounts in RMB Thousand Yuan unless otherwise stated)***V. Notes to the Consolidated Financial Statements (continued)****17. Investment properties (continued)**

For the year ended 31 December 2023, the Group changes the houses and buildings with a book value of 2,573,750 thousand (original price: 2,909,894 thousand) for self use and transferred them into fixed assets accounting from the date of change of use.

For the year ended 31 December 2023, the Group changes the investment properties with book value of 75,435 thousand (original price: 80,602 thousand) to inventories accounting.

For the year ended 31 December 2023, the Group changes the inventories with book value of 2,280,126 thousand (original price: 2,282,869 thousand) to lease, and turns the inventories into investment properties accounting from the date of change of use.

For the year ended 31 December 2023, the Group changes fixed assets with book value of 250,667 thousand (original price: 349,084 thousand) to lease, and turns the fixed assets into investment properties accounting from the date of change of use.

For the year ended 31 December 2023, the Group changes construction in progress with book value of 1,070,661 thousand (original price: 1,070,661 thousand) to lease, and turns the construction in progress into investment properties accounting from the date of change of use.

For the year ended 31 December 2023, the Group disposed the investment properties with book value of 1,215,245 thousand with a disposal income of 279,512 thousand.

For the year ended 31 December 2023 and December 31 2022, refers to Note V. 26 for details of the group's mortgage of investment properties to the bank as a guarantee for obtaining loans.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**18. Fixed assets**

	Buildings	Machinery and equipment	Motor vehicles	Office equipment, temporary facilities and others	Total
Cost					
Opening balance of the year	42,917,648	19,593,731	3,278,600	24,487,000	90,276,979
Purchases	1,629,010	1,457,828	341,646	3,393,519	6,822,003
Transfers from construction in progress	710,496	353,041	1,060	977,902	2,042,499
Other addition	3,635,868	290,918	187,336	395,575	4,509,697
Disposals or retirements	(942,051)	(715,833)	(454,013)	(1,195,249)	(3,307,146)
Other decrease	(1,168,508)	(153,731)	(79,283)	(363,768)	(1,765,290)
Closing balance of the year	46,782,463	20,825,954	3,275,346	27,694,979	98,578,742
Accumulated depreciation					
Opening balance of the year	(7,678,223)	(11,601,328)	(2,202,318)	(18,692,301)	(40,174,170)
Depreciation accrued during the year	(1,329,004)	(1,632,002)	(255,924)	(4,083,258)	(7,300,188)
Other additions	(684,732)	(116,746)	(82,533)	(352,009)	(1,236,020)
Disposals or retirements	422,417	493,125	396,539	1,126,355	2,438,436
Other decrease	208,551	89,437	66,532	287,300	651,820
Closing balance of the year	(9,060,991)	(12,767,514)	(2,077,704)	(21,713,913)	(45,620,122)
Impairment allowance					
Opening balance of the year	(228,592)	(29,706)	(65)	(35)	(258,398)
Impairment accrued during the year	(5,954)	(678)	–	–	(6,632)
Other additions	(512)	–	–	–	(512)
Disposals or retirements	–	28,439	58	–	28,497
Other decrease	(235,058)	(1,945)	(7)	(35)	(237,045)
Net book value					
At the end of the year	37,486,414	8,056,495	1,197,635	5,981,031	52,721,575
At the beginning of the year	35,010,833	7,962,697	1,076,217	5,794,664	49,844,411

Operating leased fixed assets are as follows:

As at 31 December 2023, the fixed assets with a carrying amount of 97,382 thousand, and a cost of 215,982 thousand are leased out under operating leases.

As at 31 December 2023 and 31 December 2022, the fixed assets that were pledged by the Group to banks for borrowings are presented in detail in Note V.26.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

19. Construction in progress

	31 December 2023			31 December 2022		
	Carrying amount	Impairment allowance	Net book value	Carrying amount	Impairment allowance	Net book value
Construction in progress	4,338,282	(251,402)	4,086,880	4,250,969	(251,268)	3,999,701

Changes of significant projects of construction in progress are as follows:

	Budgeted amount	Opening balance of the year	Additions	Closing balance of the year	Source of funds	Proportion of investment to budget (%)
Zhangjiang Project B07-9 Office Building Project	1,800,000	811,326	83,955	895,281	Self-funding	49.74

As at 31 December 2023 and 31 December 2022, the construction in progress that were pledged by the Group to banks for borrowings are presented in details in Note V. 26.

Changes in impairment provision for construction in progress in the current year are due to changes in exchange rates.

20. Right of use assets

	Buildings	Machinery and equipment	Motor vehicles	Other equipments	Total
Cost					
Opening balance of the year	8,854,596	1,433,888	28,568	192,324	10,509,376
Increase during the year	2,192,280	346,306	18,286	16,837	2,573,709
Decrease during the year	(2,103,493)	(197,500)	(6,659)	(25,407)	(2,333,059)
Closing balance of the year	8,943,383	1,582,694	40,195	183,754	10,750,026
Accumulated amortisation					
Opening balance of the year	(2,747,966)	(676,340)	(15,328)	(135,304)	(3,574,938)
Increase during the year	(1,391,320)	(320,272)	(10,272)	(23,025)	(1,744,889)
Decrease during the year	1,145,224	84,556	3,093	26,110	1,258,983
Closing balance of the year	(2,994,062)	(912,056)	(22,507)	(132,219)	(4,060,844)
Net book value					
Closing balance of the year	5,949,321	670,638	17,688	51,535	6,689,182
Opening balance of the year	6,106,630	757,548	13,240	57,020	6,934,438

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**21. Intangible assets**

	Land use rights	Franchise rights	Software	Others	Total
Cost					
Opening balance of the year	9,287,536	22,353,949	1,246,298	754,813	33,642,596
Increase during the year	991,964	6,935,338	429,235	128,334	8,484,871
Decrease during the year	(53,526)	(613,503)	(78,229)	(2,685)	(747,943)
Closing balance of the year	10,225,974	28,675,784	1,597,304	880,462	41,379,524
Accumulated amortisation					
Opening balance of the year	(1,389,012)	(1,909,443)	(736,897)	(398,029)	(4,433,381)
Increase during the year	(228,583)	(292,105)	(139,062)	(49,780)	(709,530)
Decrease during the year	22,868	–	57,005	138	80,011
Closing balance of the year	(1,594,727)	(2,201,548)	(818,954)	(447,671)	(5,062,900)
Impairment allowance					
Opening balance of the year	(1,685,473)	(1,320,115)	–	–	(3,005,588)
Increase during the year	–	(580,895)	–	–	(580,895)
Closing balance of the year	(1,685,473)	(1,901,010)	–	–	(3,586,483)
Net book value					
Closing balance of the year	6,945,774	24,573,226	778,350	432,791	32,730,141
Opening balance of the year	6,213,051	19,124,391	509,401	356,784	26,203,627

As at 31 December 2023, the franchise rights in the construction period of contract assets 14,873,937 thousand are listed as Intangible assets – franchise rights (31 December 2022: 10,719,669 thousand).

This year, the management conducted an impairment test on the intangible asset – franchise rights with signs of impairment, and the recoverable amount was determined according to the present value of the expected future cash flow. The management determines the growth rate of traffic volume based on regional economic development, road network planning, traffic capacity and other factors. The future cash flow is estimated according to the detailed forecast period from 2024 to the end of the franchise life, and the discount rate is determined according to reflecting the time value of current market money and specific risks of relevant asset groups. Provision for impairment of intangible assets shall be made for the part where the carrying value is higher than the recoverable amount.

As at 31 December 2023 and 31 December 2022, the intangible assets that were pledged by the Group to banks for borrowings are presented in details in Note V. 26.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**22. Goodwill**

The invested entity	Opening balance of the year	Increase during the year	Other movements (Note)	Closing balance of the year
China Overseas Land & Investment Ltd.	1,490,421	–	47,422	1,537,843
China State Construction Development Holdings Limited	508,344	–	16,175	524,519
Plaza Construction LLP	105,374	–	3,706	109,080
Financiere Groupe Betom	59,407	–	–	59,407
China Construction Sixth Engineering Division Water Conservancy and Hydropower Construction Group	42,797	–	–	42,797
China Construction Zhonghuan New Energy Co., Ltd. (Original name: CSCEC Zhong Huan Engineering Co., Ltd.)	40,103	–	–	40,103
Yueyang Hecheng Construction Investment	27,027	–	–	27,027
China State Construction Built Port Group	15,583	–	–	15,583
Xinjiang Zhongjian West Construction Cement Manufacturing Co., Ltd.	14,601	–	–	14,601
China Construction Sixth Bureau (Qingdao) Construction Engineering Co., Ltd. (Original name: Dezhou Haoyu Investment Co., Ltd.)	13,142	–	–	13,142
China Construction Third Engineering Bureau Construction Engineering Co., Ltd. Civil Air Defense Construction Design Institute	11,563	–	–	11,563
Yunnan Changkun Hydropower Base Construction Management Co., Ltd.	11,163	–	–	11,163
Liaoning Road & Bridge Construction Group	10,562	–	–	10,562
Chongqing Zhonghai Investment Co., Ltd.	11,104	–	353	11,457
Others	30,624	–	(18,618)	12,006
Sub-total	2,391,815	–	49,038	2,440,853
Less: Impairment allowance	52,535			52,893
Total	2,339,280			2,387,960

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

22. Goodwill (continued)

Changes in allowance of goodwill are as below:

	Opening balance of the year	Accrued this year	Other movements (Note)	Closing balance of the year
Xinjiang Zhongjian West Construction Cement Manufacturing Co., Ltd.	14,601	–	–	14,601
China Construction Sixth Bureau (Qingdao) Construction Engineering Co., Ltd. (Original name: Dezhou Haoyu Investment Co., Ltd.)	13,142	–	–	13,142
China Construction Zhonghuan New Energy Co., Ltd. (Original name: CSCEC Zhong Huan Engineering Co., Ltd.)	12,031	–	–	12,031
Chongqing Zhonghai Investment Co., Ltd.	11,104	–	353	11,457
Others	1,657	–	5	1,662
Total	52,535	–	358	52,893

Note: Other movements are mainly due to changes in exchange rates.

The group allocates the book value of goodwill to the asset group or portfolio that can benefit from the synergy of business combination, and carries out impairment test on this basis.

The goodwill obtained from business combination has been allocated to the following asset groups or portfolio for impairment test:

Asset group-China Overseas Land & Investment

Asset group-State Construction Development

The measurement basis and main assumptions of the recoverable amount of the above asset groups are as follows:

The recoverable amounts of the assets groups are determined based on future cash flows:

	Carrying value	Amount recoverable	Impairment	Years of the budget/ forecast period	Key parameters of the budget/ forecast period	Key parameters of stable period	Basis of key parameters in stable period
Asset group-China Overseas Land & Investment	505,269,474	515,660,405	–	5 years	Revenue growth 0.3% -5% Discount rate 8%	Revenue growth 3% Discount rate 8%	Post-tax discount rate for specific risks of the relevant asset group approved by management

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

22. Goodwill (continued)

The measurement basis and main assumptions of the recoverable amount of the above asset groups are as follows: (continued)

The recoverable amounts of the assets groups are determined based on fair value net of disposal expenses:

	Carrying value	Amount recoverable	Impairment	The method of determining fair value and disposal expenses	Key parameter	Basis of key parameters
Asset group-State Construction Development	2,825,702	3,334,078	–	Market quotation	Not applicable	Not applicable

23. Long-term prepaid expenses

	Opening balance of the year	Increase	Amortisation	Other decrease	Closing balance of the year
Expenditure on improvement of leased fixed assets	590,894	334,779	(213,086)	(601)	711,986
Others	697,216	328,253	(286,420)	(2,296)	736,753
Total	1,288,110	663,032	(499,506)	(2,897)	1,448,739

24. Deferred tax assets/liabilities

Deferred tax assets and liabilities without taking into consideration the offsetting of balances:

	31 December 2023		31 December 2022	
	Deductible temporary differences and losses	Deferred tax assets	Deductible temporary differences and losses	Deferred tax assets
Deferred tax assets				
Impairment allowance of assets	59,644,535	10,892,590	55,232,889	9,755,897
Elimination of intra group unrealised profit	12,582,614	2,621,535	9,270,681	1,850,124
Accrued expenses	21,920,895	5,338,359	22,195,727	5,394,162
Accrued liabilities	3,532,046	600,488	2,628,236	482,981
Deductible losses	21,657,829	5,311,738	16,712,358	4,181,507
Tax differences on lease liabilities	7,347,244	1,504,461	7,092,352	1,433,132
Others	4,308,535	1,047,007	4,383,044	1,072,272
Total	130,993,698	27,316,178	117,515,287	24,170,075

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**24. Deferred tax assets/liabilities (continued)**

Deferred tax assets and liabilities without taking into consideration the offsetting of balances: (continued)

	31 December 2023		31 December 2022	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Deferred tax liabilities				
Depreciation of fixed assets	361,666	66,447	334,834	60,620
Depreciation of investment properties	7,278,744	1,819,686	6,679,785	1,669,946
Fair value adjustment of business combinations involving enterprises not under common control	18,502,864	4,620,147	23,322,873	5,821,068
Gain from special restructuring of subsidiaries (Note 1)	1,179,437	294,859	1,179,437	294,859
Withholding tax for dividends (Note 2)	3,016,028	150,801	2,978,567	148,928
Revenue from BT/PPP projects	16,779,752	4,184,131	10,307,967	2,576,973
Tax differences on right of use assets	6,973,644	1,404,562	6,613,463	1,315,859
Others	3,400,914	689,305	3,988,262	981,057
Total	57,493,049	13,229,938	55,405,188	12,869,310

Note 1: According to Notice of the Ministry of Finance and the State Administration of Taxation on Enterprise Income Tax Treatment of Enterprise Reorganization (Cai Shui [2009] No. 59), deferred tax liabilities are recognised by the Company and other related subsidiaries for the difference between tax base and accounting base of equity investment arising from reorganization of West Construction.

Note 2: According to the arrangement between Mainland China and Hong Kong Special Administrative Region over income taxes to avoid double taxation and tax evasion, signed between Mainland China and Hong Kong, withholding tax for dividends are provided by domestic subsidiaries, domestic associates and domestic joint ventures of the subsidiaries of China Overseas Land & Investment and China State Construction International Holdings Limited ("China State Construction International") for profit estimated to be distributed to the subsidiaries of China Overseas Land & Investment and China State Construction International at the tax rate of 5%.

Deferred tax assets and deferred tax liabilities that are presented at the net amount after offsetting:

	31 December 2023		31 December 2022	
	Offsetting amount	Net amount after offsetting	Offsetting amount	Net amount after offsetting
Deferred tax assets	4,430,909	22,885,269	3,331,806	20,838,269
Deferred tax liabilities	4,430,909	8,799,029	3,331,806	9,537,504

Deductible temporary differences and deductible tax losses for which deferred tax assets are not recognised are listed as follows:

	31 December 2023	31 December 2022
Deductible temporary differences	26,815,777	23,357,459
Deductible tax losses	29,472,859	23,381,631
Total	56,288,636	46,739,090

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**24. Deferred tax assets/liabilities (continued)**

As at 31 December 2023, the Group's deductible loss on unrecognized deferred tax assets was 29,472,859 thousand (31 December 2022: 23,381,631 thousand), and the deductible loss is expected to expire in 1 to 10 years.

25. Other non-current assets

	31 December 2023	31 December 2022
Contract assets (Note V. 9)	307,697,150	266,887,129
Include: PPP Project	228,020,912	190,927,489
Warranty deposit	54,316,787	51,180,886
Others	25,359,451	24,778,754
Input VAT to be verified	863,120	816,807
Prepayment of purchase of long-term assets	316,100	2,432,438
Others	13,241,799	3,384,630
Sub-total	322,118,169	273,521,004
Less: Impairment allowance	(3,964,097)	(3,716,135)
Total	318,154,072	269,804,869

As at 31 December 2023, the impairment allowance of the above contract assets is 3,799,512 thousand (31 December 2022: 3,552,133 thousand).

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**26. Assets with restricted ownership or right to use**

31 December 2023

	Carrying amount	Carrying value	Restriction type	Restriction notes
Cash and bank balances	27,783,002	27,783,002	Guarantee/Freeze/Regulatory	Note 1
Notes receivable	37,278	37,278	Pledge	Note 2
Accounts receivable	9,852,604	9,671,066	Pledge	Note 2
Inventories	72,402,139	72,402,139	Mortgage	Note 2
Contract assets	117,932,085	117,871,390	Pledge	Note 2
Investment properties	57,383,271	39,633,365	Mortgage	Note 2
Fixed assets	648,399	600,395	Mortgage	Note 2
Construction in progress	57,448	57,448	Mortgage	Note 2
Intangible assets	14,641,414	14,635,698	Mortgage/Pledge	Note 2
Long-term receivables	50,720,164	50,692,421	Pledge	Note 2
Total	351,457,804	333,384,202		

31 December 2022

	Carrying amount	Carrying value	Restriction type	Restriction notes
Cash and bank balances	21,538,911	21,538,911	Guarantee/Freeze/Regulatory	Note 1
Notes receivable	64,736	64,736	Pledge	Note 2
Accounts receivable	2,115,334	2,107,710	Pledge	Note 2
Inventories	38,888,815	38,888,815	Mortgage	Note 2
Contract assets	66,511,639	66,492,011	Pledge	Note 2
Investment properties	30,083,394	20,345,263	Mortgage	Note 2
Fixed assets	1,005,573	961,405	Mortgage	Note 2
Construction in progress	394,568	394,568	Mortgage	Note 2
Intangible assets	9,995,317	9,990,438	Mortgage/Pledge	Note 2
Long-term receivables	64,296,118	64,249,109	Pledge	Note 2
Total	234,894,405	225,032,966		

Note 1: Cash and bank balances are restricted in terms of ownership or use due to deposits held with central banks, deposits for banker's acceptance bills, performance guarantees, and court-imposed freezes, and other reasons.

Note 2: Restriction of ownership or use right due to assets being mortgaged or pledged to obtain loans.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**27. Impairment allowance of assets**

2023

	Opening balance of the year	Provision for the year	Decrease during the year		Other movement	Closing balance of the year
			Reversal	Transfer/ Write-off		
Impairment allowance of notes receivable	64,867	6,768	(57,227)	–	–	14,408
Impairment allowance of accounts receivable	37,934,735	23,270,512	(16,022,313)	(38,024)	139,807	45,284,717
Impairment allowance of other receivables	8,158,297	3,172,323	(2,002,392)	(34,387)	106,237	9,400,078
Impairment allowance of other current assets	1,675,125	142,458	(160,134)	–	11,097	1,668,546
Impairment allowance of current portion of non-current assets	642,154	361,979	(159,486)	–	8,994	853,641
Impairment allowance of other non-current assets	3,716,135	849,537	(708,998)	–	107,423	3,964,097
Other ECLs provisions	26,451	107,173	(9,157)	–	(96,897)	27,570
Impairment allowance of debt investments	105,279	664	(4,560)	–	195	101,578
Impairment allowance of long-term receivables	1,636,787	266,463	(254,851)	–	10,203	1,658,602
Impairment allowance of contract assets (Note)	7,391,560	4,064,509	(1,605,886)	(31,596)	28,697	9,847,284
Impairment allowance of inventories	6,754,957	2,497,013	(39,440)	(1,031,802)	59,764	8,240,492
Impairment allowance of long-term equity investments	296,270	–	–	–	–	296,270
Impairment allowance of fixed assets	258,398	6,632	–	(28,497)	512	237,045
Impairment allowance of construction in progress	251,268	–	–	–	134	251,402
Impairment allowance of investment properties	52,561	–	–	–	(394)	52,167
Impairment allowance of intangible assets	3,005,588	580,895	–	–	–	3,586,483
Impairment allowance of goodwill	52,535	–	–	–	358	52,893
Total	72,022,967	35,326,926	(21,024,444)	(1,164,306)	376,130	85,537,273

Note: The impairment allowance of contract assets listed here only includes the impairment of current portion of contract assets.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**27. Impairment allowance of assets (continued)**

2022

	Opening balance of the year	Provision for the year	Decrease during the year		Other movement	Closing balance of the year
			Reversal	Transfer/ Write-off		
Impairment allowance of notes receivable	502,016	50,314	(469,360)	–	(18,103)	64,867
Impairment allowance of accounts receivable	33,239,590	21,559,382	(14,839,522)	(246,155)	(1,778,560)	37,934,735
Impairment allowance of other receivables	7,093,588	2,696,940	(1,698,233)	(85,906)	151,908	8,158,297
Impairment allowance of other current assets	938,046	1,254,844	(517,757)	–	(8)	1,675,125
Impairment allowance of current portion of non-current assets	459,492	249,330	(69,503)	(61)	2,896	642,154
Impairment allowance of other non-current assets	2,806,601	1,245,520	(389,583)	–	53,597	3,716,135
Other ECLs provisions	27,201	–	(750)	–	–	26,451
Impairment allowance of debt investments	17,545	89,764	(2,342)	–	312	105,279
Impairment allowance of long-term receivables	1,365,997	308,117	(106,430)	–	69,103	1,636,787
Impairment allowance of contract assets (Note)	6,095,002	3,319,629	(1,813,081)	(1,208)	(208,782)	7,391,560
Impairment allowance of inventories	4,082,255	2,514,753	(295,323)	(25,528)	478,800	6,754,957
Impairment allowance of long-term equity investments	293,820	2,450	–	–	–	296,270
Impairment allowance of fixed assets	237,726	24,398	–	(4,149)	423	258,398
Impairment allowance of construction in progress	250,945	–	–	–	323	251,268
Impairment allowance of investment properties	54,344	–	–	–	(1,783)	52,561
Impairment allowance of intangible assets	2,571,560	434,159	–	–	(131)	3,005,588
Impairment allowance of goodwill	51,665	–	–	–	870	52,535
Total	60,087,393	33,749,600	(20,201,884)	(363,007)	(1,249,135)	72,022,967

Note: The impairment allowance of contract assets listed here only includes the impairment of current portion of contract assets.

28. Short-term borrowings

	31 December 2023	31 December 2022
Unsecured borrowings	120,178,874	74,694,488
Guaranteed borrowings	1,602,692	1,632,714
Pledged borrowings	2,142,939	1,499,896
Mortgaged borrowings	427,629	327,061
Total	124,352,134	78,154,159

As at 31 December 2023 and 31 December 2022, the Group has mortgaged or pledged various assets to banks as security for borrowings that are presented in details in Note V.26.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**29. Notes payable**

	31 December 2023	31 December 2022
Commercial acceptance bills	288,407	723,120
Bank acceptance bills	10,481,778	9,580,861
Total	10,770,185	10,303,981

30. Accounts payable

	31 December 2023	31 December 2022
Payables for projects and for real estate development	329,613,915	284,284,912
Payables for purchase of materials	234,195,690	200,712,588
Payables for services	90,624,294	68,651,444
Payables for the usage fee of construction machinery	20,275,460	17,834,521
Others	15,248,481	14,260,808
Total	689,957,840	585,744,273

As at 31 December 2023, accounts payable over 1 year with a carrying amount of 182,352,433 thousand (31 December 2022: 157,976,975 thousand) are mainly payables for projects, which are unsettled as the projects have not been completed or settled. As at 31 December 2023, there is no material accounts payable over one year.

31. Advances from customers

	31 December 2023	31 December 2022
Rent and others	843,074	729,857

As at 31 December 2023, advances from customers over 1 year with a carrying amount of 116,660 thousand (31 December 2022: 37,024 thousand) are mainly for rent receipts.

32. Contract liabilities

	31 December 2023	31 December 2022
Amount due to customers for contract work	53,990,016	72,781,751
Advances for projects	41,786,028	59,062,934
Advances for sale of properties	214,717,309	200,565,988
Others	6,490,725	5,282,546
Total	316,984,078	337,693,219

As at 31 December 2023, Material contract liabilities with an account age of more than 1 year are listed below:

Project name	Balance of contract liabilities	Reasons for not carrying forward
Sun Palace	7,002,765	Undelivered, not carried forward
CSCEC Yipin Xuefu Residence	5,147,200	Undelivered, not carried forward
China Construction • LuMing Mansion Project	4,253,879	Undelivered, not carried forward
CSCEC Yipin Xuefu Residence West District	4,602,069	Undelivered, not carried forward
Top Scientist Community 02 Group Project	3,388,835	Undelivered, not carried forward
Xueshili Project	3,218,407	Undelivered, not carried forward
Total	27,613,155	

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

32. Contract liabilities (continued)

At the balance sheet date, the details of advances for sale of properties are as follows:

Project name	31 December 2023	31 December 2022	Estimated completion/ completion date (Note)	Pre-sale percentage (%) (Note)
Sun Palace	8,353,861	7,002,765	April 2025	75.36
Yangpu Project	8,075,097	–	December 2024	78.00
Beijing Fuhuali	7,331,500	819,534	October 2024	66.00
Lake Light	6,927,272	1,576,835	December 2024	100.00
CSCEC Yipin Xuefu Residence	5,999,738	5,147,200	June 2024	86.00
China Construction • LuMing Mansion Project	5,690,448	4,307,832	September 2024	79.75
CSCEC Yipin Xuefu Residence West District	5,413,918	4,602,069	June 2024	89.61
Zhonghai Xinchuan Hua Fu	5,143,467	98,412	November 2024	84.00
Xihongmen Project	4,713,212	633,418	June 2024	92.00
Top Scientist Community 02 Group Project	4,699,377	3,388,835	December 2024	60.05
Herui 3th	4,604,987	481,511	December 2024	79.00
Zhonghai Wenhuali	4,525,695	2,988,032	June 2024	90.00
Xiamen Xueshili Project	4,518,758	–	December 2024	66.00
Beijing Chaoyang Cuigezhuang Naixi Village 318 Plot	4,513,806	2,143,480	December 2024	100.00
West Pacific Road Project	4,264,704	–	December 2024	95.00
Guanggang No. 234 Plot	4,176,075	1,219,001	January 2025	44.00
Huizhili	3,820,694	1,119,367	June 2024	85.00
Residential project of Unit 0427-01, BSP 0-0104, Gucun Village, Baoshan District	3,689,114	1,182,144	September 2024	100.00
Xi'an High-tech Zone 127 Mu Project	3,506,482	–	June 2025	100.00
Xueshili Project	3,448,035	3,295,117	June 2024	97.00
Chunjing Yayuan Project	3,391,469	2,325,586	September 2024	74.13
Top Scientist Community 03 Group Project	3,147,876	2,198,747	December 2024	71.38
Software New City project	2,892,875	187,643	June 2024	96.00
Suzhou High Tech Zone Headquarters Base Residence	2,844,133	1,429,510	March 2024	100.00
Ancient City 626 Plot Chang'an Yu Project	2,827,252	–	December 2024	90.00
Plot A, North of Tianchen Street and East of Development Road, Xianwen Area	2,499,824	955,614	September 2024	78.97
Shanghai Shenggang Academy B0701 Project	2,374,970	1,130,338	June 2024	56.73
Changsha Zhongjian Yuhe City	2,300,415	2,603,234	December 2025	80.62
The Mid-mountains and The Clouds	2,064,893	229,593	June 2024	65.00
Taihu Lake Star Residential Project	2,019,201	1,558,949	August 2024	76.47
Left Bank International	1,999,304	49,893	October 2024	72.00
Shanghai Pudong Huinan Minle Affordable Housing Project	1,992,869	2,276,232	December 2025	90.00
Xiaoshan District Century City 02 Block Project	1,878,518	–	December 2024	100.00
Plot B-11, Shengfu Area	1,840,718	339,439	August 2024	69.62
CSCEC Chaoyue Shangjing	1,821,126	–	June 2024	100.00

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

32. Contract liabilities (continued)

At the balance sheet date, the details of advances for sale of properties are as follows: (continued)

Project name	31 December 2023	31 December 2022	Estimated completion/ completion date (Note)	Pre-sale percentage (%) (Note)
Changzhou Zhongwu Project	1,746,201	632,875	September 2024	81.54
Parcels 32-34 Jiefang South Road	1,689,883	–	April 2025	55.00
CSCEC Yushan Lake	1,652,775	224,283	June 2025	6.29
Zhonghai Feng No. 3 Institute	1,538,664	–	December 2025	39.00
Ningbo Huideli	1,531,543	203,363	June 2024	83.00
Zhonghai Xiangshui Mansion	1,512,901	791,609	December 2024	92.00
Suzhou Hu Shu Guan Project	1,494,500	448,912	June 2025	35.71
Guanjiang Jiayuan	1,397,565	–	December 2024	51.00
Zhangjiang B05-15 Plot Project	1,324,466	–	December 2024	96.00
Block 27-02, Unit 16, Fengxian New Town, Fengxian District	1,313,828	–	December 2024	100.00
6066 Plot Projects	1,247,652	221,152	December 2024	67.00
Ningbo Xiaoyuanchen Project	1,226,872	70,393	December 2024	100.00
Xinzhiyuanjing	1,159,872	–	December 2024	55.00
Plot of Tianjin University of Traditional Chinese Medicine	1,110,724	–	October 2025	52.00
Zhonghai Huanyu Longchen	1,044,025	1,765,719	April 2024	64.00
B, West Side of Yelian Road, Xujing Town, Qingpu District, Shanghai	998,971	400,270	January 2024	83.00
CSCEC First Grade Hubei Cultural Tourism • XingGuangli Xingzhu	961,716	–	August 2025	96.78
Zhonghai Jianqiao	957,279	170,807	December 2027	15.00
Zhonghai Universe World four Period	945,264	1,771,057	April 2024	75.00
Garden of Time	937,433	–	September 2025	23.00
CSCEC Xiwang Phase I	915,209	63,731	December 2025	30.00
Meijiang Plot 16	887,198	–	August 2024	87.00
Jinan Zhonghai Dangjia Smart City Phase I Project	883,430	341,653	December 2025	52.00
Wuqing 023 Project	879,142	157,363	December 2024	76.93
Beijing Fangshan District 17, 19 Land Project	876,350	45,275	October 2024	19.56
Zhidi Project	846,912	371,848	June 2024	55.83
Nanjing Xiyuan Mansion	824,214	1,309,366	December 2024	70.00
Jinan Zhangma New East Railway Station Project A8 Plot	809,527	593,629	June 2024	79.00
Beijing Fangshan District High Education 9 Plot – above-ground Project	805,815	–	December 2025	50.00
CSCEC • Yuanxi Mansion Project	775,179	–	October 2025	32.51
Sea Source Environment	772,513	295,164	October 2024	19.00
Zhongjian Meixi Lake Center	765,626	682,890	December 2024	99.00
Plot A-2, Shengfu Area	731,445	–	September 2024	30.27
No. 2022 G15 Plot Project	727,900	–	September 2024	22.00
Plot 3#, Yangzhuang Project, Taiyuan Comprehensive Reform Zone	717,201	–	December 2025	40.00
CSCEC Taoli Jiuzhang Phase I	703,122	–	June 2025	43.74

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

32. Contract liabilities (continued)

At the balance sheet date, the details of advances for sale of properties are as follows: (continued)

Project name	31 December 2023	31 December 2022	Estimated completion/ completion date (Note)	Pre-sale percentage (%) (Note)
Suzhou City Gusu District Sulongchang South Plot Residential Project	698,194	–	May 2026	100.00
Parcel of Land Products of Beijing 0045 Plot Project	676,423	111,525	October 2024	29.98
Plot A7 of Jinan Zhangmaxin East Station	660,404	133,461	September 2024	61.00
Suzhou Gaoxin Nanda Supporting Project	643,917	337,441	May 2024	26.00
CSCEC Longyuetai Phase I	627,496	799,973	December 2024	73.00
Guiyang Zhonghai Yingshan Lake Project	614,779	548,691	June 2024	91.00
20 Mu Plot Project in the East of Guohuai Street, Jinjiang District	607,123	–	August 2024	52.31
Beijing Yanqing District Xiaoying Village, Shiheyang Village Shed Renovation Project YQ00-0006-0029 Land Real Estate Development Project	604,345	74,427	December 2024	90.05
CSCEC • Guanhu Chenfu Phase I	590,610	470,586	January 2024	90.00
CSCEC • Xiyue Mansion	584,599	–	December 2025	32.04
Suzhou Baofeng Road Project	579,491	734,425	February 2024	61.00
Tianjin Jinnan A6 Project	577,677	224,978	June 2024	50.00
Taiyuan Zhonghai International Community	574,911	768,940	June 2026	81.00
Baiyun District Design Capital Plot	570,000	–	December 2024	13.00
Changsha Zhongjian Phoenix Terrace Project	562,712	625,155	December 2024	95.00
Guiyang Zhonghai Yinlongquan Project	558,237	201,550	June 2024	43.00
Shenzhen Longhua North Station East Project	548,798	–	December 2024	29.00
East Lake Star Project	498,813	1,404,547	June 2024	63.09
Beijing Xiaohongmen Township 11 Plot Project	491,993	–	December 2025	40.00
Zhonghai Yunzhuhuju	486,017	241,861	June 2024	27.00
Xi'an Yuhuaazhai Project	485,211	–	June 2026	7.00
No. 6066, 6067 and Other Plots Projects	472,287	816,535	December 2024	56.00
Kaiyuan No. 1	461,417	178,199	June 2024	77.00
Xihongmen Project – Jiuyue Mansion	455,860	–	September 2025	6.00
Beijing Donggerqi Residential Overground Project	455,554	–	September 2027	7.61
Guangxi Zhongjian Yonghe Mansion	447,332	524,216	June 2024	96.00
B4 Plot, Zhangma New East Railway Station, Jinan	437,466	19,498	March 2025	99.17
The West E-1 Project	433,793	436,898	December 2024	73.00
Plot 002 and 003, Qianweigou, Sunhe Township, Chaoyang District, Beijing	433,754	–	December 2025	100.00
Taiyuan Lihua North Project	429,842	392,528	March 2024	43.00
Others	20,423,654	125,668,865		
Total	214,717,309	200,565,988		

Note: Most of the above projects are phased development projects. The estimated completion time is the last phase of completion, and the pre-sale ratio is the proportion of the contracted area of the housing area that not meets the sales conditions at the end of each year.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**33. Employee benefits payable**

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Short-term employee benefits payable	9,916,514	96,279,485	(95,280,624)	10,915,375
Post-employment benefits (Defined contribution plans)	403,465	10,998,545	(10,828,951)	573,059
Termination benefits payable (Note V. 42)	9,560	4,522	(7,862)	6,220
Total	10,329,539	107,282,552	(106,117,437)	11,494,654

Short-term employee benefits payable are as follows:

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Salaries, bonuses, allowances and subsidies	8,033,991	73,715,763	(73,040,996)	8,708,758
Staff welfare	46,359	7,802,526	(7,704,967)	143,918
Social security	177,392	4,931,223	(4,903,318)	205,297
Including: Medical insurance	149,772	4,422,827	(4,400,400)	172,199
Work injury insurance	17,420	379,760	(377,339)	19,841
Maternity insurance	10,200	128,636	(125,579)	13,257
Supplementary commercial insurance	5,689	219,480	(215,155)	10,014
Housing funds	135,999	6,391,182	(6,274,220)	252,961
Union running costs and employee education costs	1,461,876	2,302,866	(2,251,076)	1,513,666
Other short-term benefits	55,208	916,445	(890,892)	80,761
Total	9,916,514	96,279,485	(95,280,624)	10,915,375

Defined contribution plans are as follows:

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Basic pension insurance	270,888	8,759,492	(8,700,477)	329,903
Contribution to annuity	112,712	1,910,472	(1,858,837)	164,347
Unemployment insurance	19,865	328,581	(269,637)	78,809
Total	403,465	10,998,545	(10,828,951)	573,059

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**34. Taxes and surcharges payable**

	31 December 2023	31 December 2022
Land appreciation tax	29,268,725	29,812,248
Corporate income tax	23,313,582	21,114,103
Value-added tax	10,775,504	12,546,057
Individual income tax	1,342,476	1,118,494
Urban maintenance and construction tax	497,271	506,551
Educational surcharge	274,687	277,362
Others	614,935	489,880
Total	66,087,180	65,864,695

35. Other payables

	31 December 2023	31 December 2022
Dividends payable	854,711	1,771,700
Other payables	138,885,123	135,782,465
Total	139,739,834	137,554,165

Dividends payable

	31 December 2023	31 December 2022
Dividends payable to non-controlling interests	854,711	1,454,400
Perpetual bond dividends payable	–	317,300
Total	854,711	1,771,700

Other payables

	31 December 2023	31 December 2022
Guarantees payable	36,303,893	34,461,711
Project financing payables	44,662,357	43,840,048
Deposits payable	9,227,788	9,294,574
Payable on behalf of collection	20,921,413	22,521,661
Payments due to restricted stock incentive object	1,891,641	1,939,955
Others	25,878,031	23,724,516
Total	138,885,123	135,782,465

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**35. Other payables (continued)**

As at 31 December 2023, other payables over 1 year with a carrying amount of 39,114,468 thousand (31 December 2022: 47,190,222 thousand) are mainly guarantees payable and project financing payables, As the construction project has not yet been completed, the transactions between both parties will still occur. There are no significant other payables with an account age of more than 1 year or overdue.

36. Current portion of non-current liabilities

	31 December 2023	31 December 2022
Current portion of long-term borrowings (Note V. 38)	82,477,371	61,453,543
Current portion of bonds payable (Note V. 39)	24,727,544	35,441,981
Current portion of long-term payables (Note V. 41)	15,824,065	13,927,227
Current portion of lease liabilities (Note V. 40)	2,449,880	2,347,216
Current portion of other non-current liabilities (Note V. 45)	2,379,713	4,967,342
Others	14,575	46,634
Total	127,873,148	118,183,943

37. Other current liabilities

	31 December 2023	31 December 2022
VAT output to be transferred	89,677,684	79,757,803
Absorption deposits	3,143,445	3,071,922
Short term financing bonds (Note 1)	6,700,012	–
Estimated liabilities (Note V. 43)	2,454,198	1,803,708
Including: Estimated contract losses	1,102,933	836,638
Warranties	1,274,673	925,844
Pending litigations	56,795	33,473
Others	355,403	111,294
Total	102,330,742	84,744,727

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**37. Other current liabilities (continued)**

Note 1: The information of short-term financing bonds is listed as follows:

	Issuance date	Maturity	Opening balance	Issue of current year	Ending Balance	Annual interest rate (%)
Tranche 14 of Ultra-short-term Financing Bond of 2023 of China Construction Third Engineering Bureau (Science and Technology Innovation Notes)	25 December 2023	89 days	–	3,000,000	3,000,012	2.55
Tranche 1 of Ultra-short-term Financing Bond of 2023 of China Construction Seventh Engineering Bureau (Science and Technology Innovation Notes)	11 December 2023	55 days	–	1,000,000	1,000,000	2.90
Tranche 2 of Ultra-short-term Financing Bond of 2023 of China Construction Seventh Engineering Bureau (Science and Technology Innovation Notes)	20 December 2023	64 days	–	1,000,000	1,000,000	2.78
Tranche 3 of Ultra-short-term Financing Bond of 2023 of China Construction Seventh Engineering Bureau (Science and Technology Innovation Notes)	21 December 2023	43 days	–	1,000,000	1,000,000	2.85
Tranche 4 of Ultra-short-term Financing Bond of 2023 of China Construction Seventh Engineering Bureau (Science and Technology Innovation Notes)	21 December 2023	99 days	–	700,000	700,000	2.68
Total			–	6,700,000	6,700,012	

38. Long-term borrowings

	31 December 2023	31 December 2022
Unsecured borrowings	333,300,442	299,689,759
Guaranteed borrowings	10,130,164	13,571,608
Pledged borrowings	137,227,335	126,804,400
Mortgage borrowings	59,931,893	20,358,669
Sub-total	540,589,834	460,424,436
Less: Long-term borrowings due within 1 year (Note V. 36)		
Including: Unsecured borrowings	(63,379,218)	(42,301,352)
Guaranteed borrowings	(447,038)	(1,083,393)
Pledged borrowings	(15,156,431)	(14,489,861)
Mortgage borrowings	(3,494,684)	(3,578,937)
Total	458,112,463	398,970,893

As at 31 December 2023, the annual interest rate of long-term borrowings (including current portion of long-term borrowings) varied from 1.20% to 7.00% (31 December 2022: 1.20% to 7.36%).

At 31 December 2023 and 31 December 2022, the Group has mortgaged or pledged various assets to banks as security for borrowings that are presented in detail in Note V. 26.

39. Bonds payable

	31 December 2023	31 December 2022
Corporate bonds	38,859,473	37,726,099
Non-public targeted bond financing instruments	66,482,723	82,629,210
Others	11,758,179	18,883,867
Sub-total	117,100,375	139,239,176
Less: Bonds payable due within 1 year (Note V. 36)	(24,727,544)	(35,441,981)
Total	92,372,831	103,797,195

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

39. Bonds payable (continued)

As at 31 December 2023, the amount of bonds payable is as follows:

	Par value	Coupon rate (%)	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year	Default or not
2012 Hong Kong Guaranteed Notes No. 4580	USD300 million	5.35	15-Nov-2012	30 years	USD300 million	2,012,736	-	109,927	508	(109,898)	63,596	2,076,869	No
2013 Hong Kong Class B Guaranteed Notes	USD500 million	5.38	29-Oct-2013	10 years	USD500 million	3,443,873	-	175,485	3,234	(3,832,267)	209,675	-	No
2013 Hong Kong Class C Guaranteed Notes	USD500 million	6.38	29-Oct-2013	30 years	USD500 million	3,418,041	-	197,982	696	(194,414)	107,652	3,529,957	No
2014 Hong Kong Guaranteed Notes No. 5746	USD700 million	5.95	8-May-2014	10 years	USD700 million	4,823,628	-	249,358	(1,715)	(301,794)	151,983	4,821,520	No
2014 Hong Kong Guaranteed Notes No. 6013	USD500 million	6.45	11-Jun-2014	20 years	USD500 million	3,379,767	-	220,969	1,635	(206,956)	107,281	3,502,696	No
2016 China Overseas Real Estate Phase I Corporate Bonds	6 billion	3.60	22-Aug-2016	10 years	6 billion	1,922,289	-	81,286	-	(103,316)	-	1,900,259	No
CSCEC I.I.N. 2707	USD500 million	3.50	5-Jul-2017	10 years	USD500 million	3,462,825	-	123,947	3,831	(61,974)	58,720	3,587,349	No
2017 Hong Kong Class B Guaranteed Notes	USD250 million	3.88	29-Nov-2017	10 years	USD250 million	1,714,899	-	68,854	1,334	(66,701)	54,399	1,770,785	No
2018 China Construction Second Bureau Phase I Medium-term Notes	1 billion	5.03	17-Apr-2018	5 years	1 billion	1,035,450	-	16,851	-	(1,052,301)	-	-	No
2018 Hong Kong Guaranteed Notes No. 4475	USD750 million	4.25	26-Apr-2018	5 years	USD750 million	5,201,080	-	149,984	1,749	(5,314,761)	(38,052)	-	No
2018 Hong Kong Guaranteed Notes No. 4476	USD750 million	4.75	26-Apr-2018	10 years	USD750 million	5,157,739	-	167,629	3,569	(152,714)	163,197	5,339,420	No
2018 China State Construction Transportation Phase I Medium-term Notes	500 million	5.10	23-Jul-2018	5 years	500 million	511,248	-	14,252	-	(525,500)	-	-	No
2018 First Medium-term Notes	5 billion	4.70	15-Aug-2018	5 years	5 billion	5,087,257	-	146,795	948	(5,235,000)	-	-	No
2018 Second Medium-term Notes	5 billion	4.70	15-Aug-2018	5 years	5 billion	5,087,257	-	146,795	948	(5,235,000)	-	-	No
2019 China Overseas Real Estate Phase I Corporate Bond Variety II	1.5 billion	3.75	23-Jan-2019	7 years	1.5 billion	1,517,596	-	64,173	-	(60,364)	-	1,521,405	No
2019 China State Construction Transportation Phase I Medium-term Notes	300 million	4.75	10-Apr-2019	5 years	300 million	310,307	-	14,250	-	(14,250)	-	310,307	No
2019 Hong Kong Guaranteed Notes No. 4437	HKD2 billion	2.90	15-Jul-2019	5.5 years	HKD2 billion	1,782,266	-	44,945	1,314	(52,893)	55,934	1,831,566	No
2019 Hong Kong Guaranteed Notes No. 4438	USD450 million	3.45	15-Jul-2019	10 years	USD450 million	3,111,133	-	78,913	1,284	(73,725)	98,225	3,215,830	No
2019 Hong Kong Guaranteed Notes No. 40076	USD294 million	3.05	27-Nov-2019	10 years	USD294 million	2,037,135	-	51,411	2,067	(59,524)	63,973	2,095,062	No

V. Notes to the Consolidated Financial Statements (continued)

39. Bonds payable (continued)

As at 31 December 2023, the amount of bonds payable is as follows: (continued)

	Par value	Coupon rate (%)	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year	Default or not
China Construction Third Bureau – Shiyao Pipe Corridor PPP Project Asset-Backed Special Plan Priority 02 Asset-Backed Securities	129 million	2.98	20-Dec-2019	6.088 years	129 million	82,443	-	187	-	(82,443)	-	187	No
China Construction Third Bureau – Shiyao Pipe Corridor PPP Project Asset-Backed Special Plan Priority 03 Asset-Backed Securities	149 million	2.98	20-Dec-2019	9.085 years	149 million	154,861	-	3,151	-	(154,861)	-	3,151	No
China Construction Third Bureau – Shiyao Pipe Corridor PPP Project Asset-Backed Special Plan Priority 04 Asset-Backed Securities	174 million	2.98	20-Dec-2019	12.09 years	174 million	180,845	-	3,680	-	(112,973)	-	71,552	No
China Construction Third Bureau – Shiyao Pipe Corridor PPP Project Asset-Backed Special Plan Priority 05 Asset-Backed Securities	201 million	2.98	20-Dec-2019	15.088 years	201 million	208,907	-	4,251	-	(7,907)	-	205,251	No
China Construction Third Bureau – Shiyao Pipe Corridor PPP Project Asset-Backed Special Plan Priority 06 Asset-Backed Securities	234 million	2.98	20-Dec-2019	18.096 years	234 million	243,205	-	4,949	-	(9,205)	-	238,949	No
China Construction Third Bureau – Shiyao Pipe Corridor PPP Project Asset-Backed Special Plan Priority 07 Asset-Backed Securities	271 million	2.98	20-Dec-2019	21.033 years	271 million	281,661	-	7,164	-	(10,661)	-	278,164	No
China Construction Third Bureau – Shiyao Pipe Corridor PPP Project Asset-Backed Special Plan Priority 08 Asset-Backed Securities	315 million	2.98	20-Dec-2019	24.099 years	315 million	327,392	-	9,517	-	(12,392)	-	324,517	No
China Construction Third Bureau – Shiyao Pipe Corridor PPP Project Asset-Backed Special Plan Priority 09 Asset-Backed Securities	385 million	2.98	20-Dec-2019	27.096 years	385 million	379,359	-	11,028	-	(14,359)	-	376,028	No
China Construction Third Bureau – Shiyao Pipe Corridor PPP Project Asset-Backed Special Plan Priority 10 Asset-Backed Securities	274 million	2.98	20-Dec-2019	29.104 years	274 million	284,779	-	20,054	-	(22,554)	-	282,279	No
2020 Hong Kong Guaranteed Notes No. 40177	USD300 million	2.38	2-Mar-2020	5 years	USD300 million	2,092,929	-	52,412	2,770	(77,455)	65,209	2,135,865	No
2020 Hong Kong Guaranteed Notes No. 40178	USD500 million	2.75	2-Mar-2020	10 years	USD500 million	3,410,677	-	86,939	3,149	(66,068)	108,189	3,542,886	No
2020 Hong Kong Guaranteed Notes No. 40179	USD200 million	3.13	2-Mar-2020	15 years	USD200 million	1,371,985	-	93,045	296	(77,713)	43,437	1,431,050	No
Beijing Zhonghai Plaza Commercial Development Co., Ltd. CMBS Phase I	3,701 billion	2.50	28-Apr-2020	18 years	3,701 billion	3,687,777	-	25,735	-	(3,713,512)	-	-	No
China State Construction International Group Co., Ltd. 2020 for Professional Investors – Public Offering of Corporate Bonds (Phase I)	2 billion	3.48	28-Jul-2020	3 years	2 billion	2,152,750	-	40,076	855	(2,070,265)	(123,416)	-	No
China Overseas Enterprise Development Group Co., Ltd. 2020 for Professional Investors – Public Offering of Special Corporate Bonds for Housing Leasing (Phase I)	2 billion	3.20	13-Aug-2020	6 years	2 billion	2,023,462	-	61,657	-	(2,085,119)	-	-	No
Beijing China Overseas Plaza Commercial Development Co., Ltd. CMBS Phase II	3 billion	3.90	17-Aug-2020	18 years	3 billion	2,999,342	-	56,228	-	(3,055,570)	-	-	No

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

39. Bonds payable (continued)

As at 31 December 2023, the amount of bonds payable is as follows: (continued)

	Par value	Coupon rate (%)	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year	Default or not
China State Construction International Investment Group Co., Ltd. 2020 First Medium-term notes	500 million	3.45	26-Oct-2020	3 years	500 million	500,067	-	17,250	-	(525,317)	-	-	No
China Overseas Enterprise Development Group Co., Ltd. 2020 for Professional Investors - Public Offering of Corporate Bonds (Phase I)	2.4 billion	3.40	6-Nov-2020	3 years	2.4 billion	2,428,154	-	102,560	-	(2,530,714)	-	-	No
China Overseas Enterprise Development Group Limited 2020 First Medium-term Notes	1.5 billion	3.60	10-Dec-2020	3 years	1.5 billion	1,517,596	-	71,959	-	(1,589,555)	-	-	No
China Overseas Enterprise Development Group Co., Ltd. 2021 First Medium-term Notes	1.5 billion	3.35	13-Jan-2021	3 years	1.5 billion	1,517,596	-	64,173	-	(60,364)	-	1,521,405	No
CITIC Securities - China Overseas Commercial Management No. 3 Asset-Backed Special Plan	1,001 billion	3.85	23-Mar-2021	18 years	1,001 billion	1,010,517	-	123,468	-	(121,226)	-	1,012,759	No
China State Construction International Investment Group Co., Ltd. 2021 First Medium-term Notes	1 billion	3.52	27-May-2021	3 years	1 billion	1,055,782	-	31,882	-	(66,930)	-	1,020,734	No
China Overseas Enterprise Development Group Co., Ltd. Open to Professional Investors in 2021 - Public Issuance of Corporate Bonds (Phase I) (Variety 1)	2 billion	3.25	11-Jun-2021	3 years	2 billion	2,023,462	-	85,564	-	(80,485)	-	2,028,541	No
China Overseas Enterprise Development Group Co., Ltd. Open to Professional Investors in 2021 - Public Issuance of Corporate Bonds (Phase II) (Variety 2)	1 billion	3.55	11-Jun-2021	5 years	1 billion	1,011,731	-	42,782	-	(40,243)	-	1,014,270	No
CITIC Securities - Chengdu China Overseas International Center Green Asset-Backed Special Program	2,101 billion	3.60	23-Jun-2021	18 years	2,101 billion	2,068,079	-	67,282	-	(124,889)	-	2,010,472	No
China Overseas Enterprise Development Group Co., Ltd. Public Issues Corporate Bonds to Professional Investors in 2021 (Phase II) (Variety 1)	1 billion	3.10	9-Jul-2021	4 years	1 billion	1,011,731	-	29,792	-	(1,041,523)	-	-	No
China Overseas Enterprise Development Group Co., Ltd. Public Issues Corporate Bonds to Professional Investors in 2021 (Phase II) (Variety 2)	2 billion	3.25	9-Jul-2021	4 years	2 billion	2,023,462	-	85,564	-	(80,485)	-	2,028,541	No
China Overseas Enterprise Development Group Co., Ltd. Public Issues Corporate Bonds to Professional Investors in 2021 (Phase III) (Variety 1)	500 million	2.75	6-Aug-2021	4 years	500 million	505,865	-	15,028	-	(520,893)	-	-	No
China Overseas Enterprise Development Group Co., Ltd. Public Issues Corporate Bonds to Professional Investors in 2021 (Phase III) (Variety 2)	1.5 billion	3.25	6-Aug-2021	7 years	1.5 billion	1,517,596	-	64,173	-	(60,364)	-	1,521,405	No
2021 China State Construction West Construction Phase I Medium-term Notes	700 million	3.35	18-Aug-2021	3 years	700 million	707,961	-	23,450	350	(23,450)	-	708,311	No
CITIC Securities - China Overseas Business Management Corporation 2021 Phase I Asset Support Special Plan	1.9 billion	3.50	10-Nov-2021	18 years	1.9 billion	1,911,391	-	46,279	-	(55,057)	-	1,902,613	No
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase IV) (Variety 1)	1.7 billion	3.08	24-Nov-2021	3 years	1.7 billion	1,719,943	-	72,729	-	(68,412)	-	1,724,260	No
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase IV) (Variety 2)	1.2 billion	3.38	24-Nov-2021	5 years	1.2 billion	1,214,077	-	51,338	-	(48,291)	-	1,217,124	No
2021 China Construction Fourth Bureau Phase III Medium-term Notes (Variety 1)	1 billion	3.30	16-Dec-2021	5 years	1 billion	1,001,844	-	32,819	-	(33,000)	-	1,001,663	No

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

39. Bonds payable (continued)

As at 31 December 2023, the amount of bonds payable is as follows: (continued)

	Par value	Coupon rate (%)	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year	Default or not
2021 China Construction Fourth Bureau Phase III Medium-term Notes (Variety 2)	1 billion	3.95	16-Dec-2021	5 years	1 billion	999,100	-	39,284	-	(39,500)	-	998,884	No
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase VI) (Variety 1)	1.3 billion	2.98	20-Dec-2021	3 years	1.3 billion	1,315,250	-	55,617	-	(52,315)	-	1,318,552	No
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase VI) (Variety 2)	800 million	3.38	17-Dec-2021	5 years	800 million	809,385	-	34,226	-	(32,194)	-	811,417	No
China State Construction International Investment Group Co., Ltd. 2021 Second Medium-term Notes	1.5 billion	3.10	27-Dec-2021	3 years	1.5 billion	1,512,881	-	46,500	-	(40,283)	-	1,519,098	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase I Medium-term Notes (Variety 1)	1.8 billion	2.88	12-Jan-2022	3 years	1.8 billion	1,850,832	-	2,466	-	(27,611)	-	1,825,687	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase I Medium-term Notes (Variety 2)	1.2 billion	3.25	12-Jan-2022	5 years	1.2 billion	1,238,242	-	35,532	-	(18,407)	-	1,255,367	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase II Green Medium-term Notes	1 billion	3.22	21-Feb-2022	5 years	1 billion	1,027,996	-	1,614	-	(15,339)	-	1,014,271	No
CITIC Securities - Shanghai Zhonghai International Center Green Asset Support special plan (special for carbon neutrality)	5 billion	3.35	29-Mar-2022	18 years	5 billion	5,063,308	-	173,907	-	(184,960)	-	5,052,255	No
China Construction International Investment Group Co., Ltd. 2022 Phase I Green Medium-term Notes	960 million	2.98	31-Mar-2022	3 years	960 million	960,159	-	28,608	-	(16,545)	-	972,222	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase II) (Variety 1)	2 billion	3.05	6-Apr-2022	3 years	2 billion	2,045,581	-	13,639	-	(30,679)	-	2,028,541	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase II) (Variety 2)	1 billion	3.50	6-Apr-2022	5 years	1 billion	1,026,153	-	3,457	-	(15,339)	-	1,014,271	No
China Construction International Investment Group Co., Ltd. 2022 Phase II Medium-term Notes	1.5 billion	3.09	25-Apr-2022	3 years	1.5 billion	1,500,258	-	46,500	-	(27,661)	-	1,519,097	No
China Construction Capital Holdings Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase II)	1 billion	3.30	27-Apr-2022	3 years	1 billion	1,021,045	-	33,000	632	(33,000)	-	1,021,677	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase II) (Variety 1)	1.5 billion	2.75	9-May-2022	3 years	1.5 billion	1,527,042	-	17,373	-	(23,009)	-	1,521,406	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase II) (Variety 2)	1.5 billion	3.48	9-May-2022	5 years	1.5 billion	1,534,220	-	10,195	-	(23,009)	-	1,521,406	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase III Medium-term Notes (Variety 1)	2 billion	2.63	25-May-2022	3 years	2 billion	2,032,144	-	27,075	-	(30,679)	-	2,028,540	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase III Medium-term Notes (Variety 2)	1 billion	3.10	25-May-2022	5 years	1 billion	1,018,944	-	10,665	-	(15,339)	-	1,014,270	No

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

39. Bonds payable (continued)

As at 31 December 2023, the amount of bonds payable is as follows: (continued)

	Par value	Coupon rate (%)	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year	Default or not
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase IV Medium-term Notes	2 billion	3.26	21-Jul-2022	5 years	2 billion	2,029,521	-	29,698	-	(30,680)	-	2,028,539	No
China Construction International Investment Group Co., Ltd. 2022 Phase III Medium-term Notes	1.04 billion	2.70	11-Aug-2022	5 years	1.04 billion	1,050,452	-	28,158	-	(25,369)	-	1,053,241	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase III) (Variety 1)	1 billion	2.40	19-Sep-2022	3 years	1 billion	1,006,800	-	22,810	-	(15,340)	-	1,014,270	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase III) (Variety 2)	500 million	3.15	19-Sep-2022	5 years	500 million	504,463	-	10,342	-	(7,670)	-	507,135	No
China State Construction Seventh Engineering Bureau Co., Ltd. 2022 Phase I Medium-term Notes	1.5 billion	2.79	26-Oct-2022	3 years	1.5 billion	1,500,000	-	41,850	-	(41,850)	-	1,500,000	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase V Medium-term Notes	1 billion	2.85	25-Oct-2022	5 years	1 billion	1,005,304	-	24,306	-	(15,339)	-	1,014,271	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase VI Green Medium-term Notes	2 billion	2.70	12-Dec-2022	5 years	2 billion	2,002,850	-	56,370	-	(30,679)	-	2,028,541	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase VII Green Medium-term Notes	1 billion	2.70	12-Dec-2022	5 years	1 billion	1,001,425	-	28,183	-	(15,338)	-	1,014,270	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase IV) (Variety 1)	1.5 billion	2.25	19-Dec-2022	3 years	1.5 billion	1,501,031	-	43,383	-	(23,009)	-	1,521,405	No
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase IV) (Variety 2)	1.5 billion	2.70	19-Dec-2022	5 years	1.5 billion	1,501,036	-	92,476	-	(9,109)	-	1,584,403	No
China Construction Fangcheng Investment & Development Group Co., Ltd. Publicly Issued Corporate Bonds to Professional Investors in 2023 (Phase I)	800 million	3.38	24-Mar-2023	3 years	800 million	-	800,000	20,725	(689)	-	-	820,036	No
China State Construction Seventh Engineering Bureau Co., Ltd. 2023 Phase I Medium-term Notes	1.5 billion	3.20	18-Apr-2023	3 years	1.5 billion	-	1,500,000	9,600	-	-	-	1,509,600	No
Medium-term Notes for the First Phase of China Western Construction in 2023	1 billion	3.40	19-Apr-2023	3 years	1 billion	-	999,700	23,660	67	-	-	1,023,427	No
China Overseas Development Co., Ltd. N 20261025	3.19 billion	3.50	25-Oct-2023	3 years	3.19 billion	-	3,190,000	20,778	204	-	(3,514)	3,207,468	No
China Overseas Enterprise Development Group Co., Ltd. 2023 Public Offering of Corporate Bonds to Professional Investors (Phase II) (Variety 1)	2 billion	2.90	3-Nov-2023	3 years	2 billion	-	2,000,000	8,700	-	-	-	2,008,700	No
China Overseas Enterprise Development Group Co., Ltd. 2023 Public Offering of Corporate Bonds to Professional Investors (Phase II) (Variety 2)	1 billion	3.25	3-Nov-2023	5 years	1 billion	-	1,000,000	4,875	-	-	-	1,004,875	No
China Overseas Enterprise Development Group Co., Ltd. 2023 Public Offering of Corporate Bonds to Professional Investors (Phase II) (Variety 2)	3 billion	3.20	8-Dec-2023	5 years	3 billion	-	3,000,000	5,066	-	-	-	3,005,066	No
China Construction Technology Group Co., Ltd. Publicly Issued Technology Transformation Low-carbon Transformation Linked Corporate Bonds to Professional Investors in 2023 (Phase I)	500 million	3.19	19-Sep-2023	3 years	500 million	-	498,585	3,988	176	-	-	502,749	No

(All amounts in RMB Thousand Yuan unless otherwise stated)

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

39. Bonds payable (continued)

As at 31 December 2023, the amount of bonds payable is as follows: (continued)

	Par value	Coupon rate (%)	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year	Default or not
China Construction International Investment Group Co., Ltd. Publicly Issued Green Corporate Bonds to Professional Investors in 2023 (Phase I)	1.1 billion	2.88	18-Aug-2023	3 years	1.1 billion	-	1,098,900	11,370	146	-	-	1,110,416	No
Sub-total						139,239,176	14,087,185	4,697,967	29,358	(42,139,799)	1,186,488	117,100,375	
Less: Bonds payable due within one year (Note V. 36)						(35,441,981)						(24,727,544)	
Total						103,797,195						92,372,831	

Note: Others are mainly caused by change of foreign exchange rate.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**40. Lease liabilities**

	31 December 2023	31 December 2022
Buildings	6,112,521	6,387,714
Machinery and equipment	673,500	570,361
Motor vehicles	22,329	18,449
Other equipments	249,036	211,200
Sub-total	7,057,386	7,187,724
Less: Lease liabilities due within one year (Note V. 36)	(2,449,880)	(2,347,216)
Total	4,607,506	4,840,508

41. Long-term payables

	31 December 2023	31 December 2022
Project quality warranty payable	20,630,376	21,719,856
Payables for minority interest financing	2,007,772	2,360,837
Payables for leasing companies	1,215,316	1,349,254
Others	4,351,044	3,489,952
Sub-total	28,204,508	28,919,899
Less: Current portion of long-term payables (Note V. 36)	(15,824,065)	(13,927,227)
Total	12,380,443	14,992,672

42. Long-term employee benefits payable

	31 December 2023	31 December 2022
Net defined benefit liability (a)	1,525,330	1,645,740
Long-term termination benefits (b)	22,770	31,750
Sub-total	1,548,100	1,677,490
Less: Termination benefits expected to be paid within one year (Note V. 33)	(6,220)	(9,560)
Total	1,541,880	1,667,930

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**42. Long-term employee benefits payable (continued)**

Movements in the present value of defined benefit obligations are as follows:

	2023	2022
Opening balance	1,645,740	1,778,960
Included in profit or loss		
Past service cost	7,530	6,190
Net interest	42,070	49,700
Included in other comprehensive income		
Actuarial losses/(gains)	3,180	(7,120)
Other changes		
Benefits paid	(173,190)	(181,990)
Closing balance	1,525,330	1,645,740

(a) Net defined benefit liability

The company pays supplementary retirement benefits for its employees who retire on or before 31 March 2007 in addition to the contribution made to statutory insurance schemes. Such supplementary retirement benefits are defined benefit plans. The present value of the defined benefit plan obligation is calculated annually by the external independent actuary Towers Watson Consulting Company based on the interest rate of the national debt similar to the obligation period and currency, using the expected cumulative benefit unit method.

The principal actuarial assumptions used as at the balance sheet date are as follows:

	31 December 2023	31 December 2022
Discount rate	2.50%	2.75%
Annual growth rate of living expenses for the family dependents of deceased employees	4.50%	4.50%
Annual growth rate of average medical expenses	8.00%	8.00%
Annual growth rate of supplementary welfare for retired employees	0.00%	0.00%
Mortality rate	Move three years backward annuity life chart of China's Life Insurance Industry of man/women (Year 2010-2013)	Move three years backward annuity life chart of China's Life Insurance Industry of man/women (Year 2010-2013)

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**42. Long-term employee benefits payable (continued)****(a) Net defined benefit liability (continued)**

The quantitative sensitivity analysis for significant assumptions used is as follows:

31 December 2023

	Increase %	Decrease in defined benefit obligations	Decrease%	Increase in defined benefit obligations
Discount rate	0.25	(28,470)	0.25	29,530

31 December 2022

	Increase %	Decrease in defined benefit obligations	Decrease%	Increase in defined benefit obligations
Discount rate	0.25	(31,040)	0.25	32,210

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the balance sheet date. The sensitivity analysis is based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligations as it is unlikely that changes in assumptions would occur in isolation of one another.

The total expenses recognised in profit or loss in respect of the plan are as follows:

	2023	2022
Past service cost	7,530	6,190
Net interest	42,070	49,700
Net cost of post-employment benefits	49,600	55,890
Recognised in administrative expenses	7,530	6,190
Recognised in finance expenses	42,070	49,700
Total	49,600	55,890

(b) Long-term termination benefits

Some of the Group's employees early retired. At the balance sheet date, the main actuarial assumptions used to determine the Group's early retirement benefits payable are as follows:

	31 December 2023	31 December 2022
Discount rate	2.25%	2.50%
Annual growth rate of living expenses for the family dependents of deceased employees	4.50%	4.50%
Annual growth rate of average medical expenses	8.00%	8.00%
Mortality rate	Move three years backward annuity life chart of China's Life Insurance Industry of man/women (Year 2010-2013)	Move three years backward annuity life chart of China's Life Insurance Industry of man/women (Year 2010-2013)

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**42. Long-term employee benefits payable (continued)****(b) Long-term termination benefits (continued)**

Early retirement benefits recognised in profit or loss for the current period:

	2023	2022
(Write-off)/Recognised in administrative expenses	(560)	30
Financial expenses	590	860
Total	30	890

43. Provisions

	Opening balance	Increase	Decrease	Closing balance
Pending litigations	2,844,638	187,208	(2,674,866)	356,980
Warranties	2,290,992	1,482,775	(914,441)	2,859,326
Estimated contract losses	846,682	894,095	(604,269)	1,136,508
Others	138,959	46,805	(51,872)	133,892
Sub-total	6,121,271	2,610,883	(4,245,448)	4,486,706
Less: Current portion of provisions (Note V. 37)	(1,803,708)			(2,454,198)
Total	4,317,563			2,032,508

44. Deferred income

	Opening balance	Increase	Decrease	Closing balance
Government grants	411,592	83,877	(106,965)	388,504
Others	5,000	550	(5,550)	—
Total	416,592	84,427	(112,515)	388,504

45. Other non-current liabilities

	31 December 2023	31 December 2022
Exchangeable bonds in 2016 (Note 1)	—	4,967,342
Prepaid investment of convertible bonds in 2015 (Note 2)	2,379,713	2,333,865
VAT output to be transferred	1,037,733	893,468
Others	546,644	1,445,648
Sub-total	3,964,090	9,640,323
Less: Current portion of non-current liabilities (Note V. 36)	(2,379,713)	(4,967,342)
Total	1,584,377	4,672,981

Note 1: The Group's subsidiary China Overseas Finance Investment (Cayman) V Limited (here in after "the issuer") publicly issued exchangeable bonds of USD1.5 billion on Hong Kong Stock Exchange on 6 January 2016. The bonds are guaranteed by China Overseas Holdings Limited, and the maturity date is 5 January 2023. The above exchangeable bonds were redeemed on January 5, 2023.

Note 2: Related information regarding prepaid investment of convertible bonds in 2015:

Strategic Capital, LLC, a subsidiary of the Group, received a prepaid investment of USD300 million from Riton Holdings Corporation Limited, a wholly-owned subsidiary of Guoxin International Investment Co., Ltd. The interest of the above convertible bonds is calculated from the issuance date to the date of full repayment or conversion, and the annual interest rate is LIBOR average interest rate plus 370 basis points, and the principal and interest will be repaid in a lump sum in August 2024. As at 31 December 2023, under the convertible bond framework agreement entered into by both parties, and the relevant conversion clauses under the framework agreement have not yet been determined, and Strategic Capital, LLC has redeemed a total of USD67 million.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

46. Paid-in capital

	Opening balance of the year	Movement during the year	Closing balance of the year
Shares not subjected to trading restriction	40,835,367	485,023	41,320,390
Shares subjected to trading restriction	1,099,066	(499,942)	599,124
Total	41,934,433	(14,919)	41,919,514

47. Other equity instruments

	Opening balance of the year		Increase during the year		Decrease during the year		Closing balance of the year	
	amount	net book value	amount	net book value	amount	net book value	amount	net book value
Perpetual Bond	-	10,000,000	-	9,131,494	-	(10,000,000)	-	9,131,494

- (1) The Company exercised its redemption right in full under the terms of the issuance agreement on April 2023, redeeming the three series of medium-term notes issued by the Company in 2020 at par value plus accrued interest, with a total face value of 10 billion.
- (2) During the period from June 19 to 20 June 2023, the Company issued the 2023 first-phase medium-term notes of which the value date was June 21 2023, and it can be redeemed by the Company on 21 June 2026 and there after. The total issuance amount was 3 billion, and the actual amount received was 3 billion. The second-phase medium-term notes the value date of issuance from July 11 to July 12, 2023 is July 13, 2023, it can be redeemed on July 13, 2026 and beyond and thereafter has a total issuance of 3 billion, and the actual receipt of 3 billion. The value date of the company's issuance from August 10 to August 11, 2023 is August 14, 2023, the 2023 third-phase medium-term notes, which can be redeemed on and after August 14, 2026, have a total issuance of 3 billion, and actually received 3 billion. According to the issuance terms of the batch of medium-term notes, the batch of medium-term notes will last for a long time before being redeemed by the Company. On the third and every subsequent interest payment date of the batch of medium-term notes, the company has the right to redeem the batch of medium-term notes (hereinafter referred to as Right of "redemption") at face value plus interest payable (including all deferred interest and its yield). Investors of this batch of medium-term notes have no right to sell back. Unless there is a compulsory interest payment event that can be determined by the company to control whether it occurs, on each interest payment date of the batch of medium-term notes, the company can choose to include the current interest and all interest and its fruits that have been deferred in accordance with the terms. Interest is deferred to the next interest payment date, and is not subject to any restrictions on the number of deferred interest payments.

The coupon rate of this batch of medium-term notes remained unchanged for the first three interest-bearing years. The annual interest rate of the first phase of medium-term notes in 2023 is 3.24%, and the annual interest rate of the second phase of medium-term notes in 2023 is 3.14%. The annual interest rate of the third-phase medium-term notes is 3.08%. If the Company does not exercise the Right of redemption, the annual interest rate will be reset every 3 years based on the current benchmark interest rate plus the initial spread plus 200 basis points from the fourth interest calculation year. Among them, the initial spread is the difference between the coupon rate and the initial benchmark interest rate.

The aforementioned compulsory interest payment event refers to one of the following circumstance occurring within 12 months before the interest payment date: (1) Dividend distribution to ordinary shareholders (Except for the return on state-owned capital paid in accordance with relevant regulations on state-owned asset management); (2) Reduction of registered capital.(Except for capital reduction caused by equity incentives, employee stock ownership plans, and repurchase of shares to maintain stable stock prices). The issuer promises that there is no hidden compulsory dividend.

As of 31 December 2023, the carrying amount of the perpetual bonds issued by the Company was 9,131,494 thousand (31 December 2022: 10,000,000 thousand).

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**48. Capital reserve**

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Capital premium	10,002,359	460,931	(54,052)	10,409,238
Others	1,805,661	1,371	(166,073)	1,640,959
Total	11,808,020	462,302	(220,125)	12,050,197

Note: The change in share premium in 2023 is mainly due to the impact of acquiring minority shareholder equity. Changes in other capital reserves are mainly caused by changes in equity of the investee other than comprehensive income and profit distribution accounted for by the Equity method and the current share based payment included in shareholders' equity.

49. Other comprehensive income

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

2023

	1 January 2023	Increase/ decrease	31 December 2023
Remeasurement gains or losses of a defined benefit plan	(235,258)	(3,407)	(238,665)
Change in the fair value of other equity investments	(1,345,889)	489,049	(856,840)
Other comprehensive income of the investee accounted for under the equity method which will be reclassified to profit or loss subsequently	(1,492,630)	(285,892)	(1,778,522)
Change in the fair value of other debt investments	(53,596)	10,764	(42,832)
Exchange differences on translation of foreign currency financial statements	1,173,624	(832,337)	341,287
Total	(1,953,749)	(621,823)	(2,575,572)

2022

	1 January 2022	Increase/ decrease	31 December 2022
Remeasurement gains or losses of a defined benefit plan	(242,214)	6,956	(235,258)
Change in the fair value of other equity investments	(1,122,227)	(223,662)	(1,345,889)
Other comprehensive income of the investee accounted for under the equity method which will be reclassified to profit or loss subsequently	(925,600)	(567,030)	(1,492,630)
Change in the fair value of other debt investments	(19,426)	(34,170)	(53,596)
Exchange differences on translation of foreign currency financial statements	1,696,215	(522,591)	1,173,624
Total	(613,252)	(1,340,497)	(1,953,749)

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**49. Other comprehensive income (continued)**

Amount of other comprehensive income:

2023

	Before tax	Less: Reclassification of other comprehensive income to profit or loss	Less: Income tax	Attributable to owners of the parent	Attributable to non-controlling interests
Other comprehensive income that will not be reclassified to profit or loss					
Remeasurement gains or losses of a defined benefit plan	(3,180)	–	–	(3,407)	227
Change in the fair value of other equity investments	582,296	(55,461)	115,746	489,049	32,962
Other comprehensive income that may be reclassified to profit or loss					
Other comprehensive income of the investee accounted for under the equity method which will be reclassified to profit or loss	(400,779)	–	–	(285,892)	(114,887)
Change in the fair value of other debt investments	17,851	–	–	10,764	7,087
Exchange differences on translation of foreign currency financial statements	(1,169,382)	–	–	(832,337)	(337,045)
Total	(973,194)	(55,461)	115,746	(621,823)	(411,656)

2022

	Before tax	Less: Reclassification of other comprehensive income to profit or loss	Less: Income tax	Attributable to owners of the parent	Attributable to non-controlling interests
Other comprehensive income that will not be reclassified to profit or loss					
Remeasurement gains or losses of a defined benefit plan	7,120	–	–	6,956	164
Change in the fair value of other equity investments	(170,004)	97,017	(32,664)	(223,662)	(10,695)
Other comprehensive income that may be reclassified to profit or loss					
Other comprehensive income of the investee accounted for under the equity method which will be reclassified to profit or loss	(1,350,340)	–	–	(567,030)	(783,310)
Change in the fair value of other debt investments	(61,518)	–	–	(34,170)	(27,348)
Exchange differences on translation of foreign currency financial statements	(1,286,713)	–	–	(522,591)	(764,122)
Total	(2,861,455)	97,017	(32,664)	(1,340,497)	(1,585,311)

50. Special reserve

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Safety production funds	305,176	56,607,331	(55,996,628)	915,879

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**51. Surplus reserve**

	Opening balance of the year	Increase during the year	Closing balance of the year
Statutory surplus reserve	14,349,125	1,230,235	15,579,360

According to the provisions of the Company Law and the Company's Articles of Association, the Company appropriates 10% of the net profit to the statutory surplus reserve. Where the accumulated amount of the surplus reserve reaches 50% or more of the Company's registered capital, further appropriation is not required.

When approved, the statutory surplus reserve can be used to make up for accumulated losses or converted to the paid-in capital.

52. Retained earnings

	2023	2022
Retained earnings at the beginning of the year before adjustment	307,574,145	270,081,501
Adjustments (Note 1)	–	285,950
Retained earnings at the beginning of the year after adjustment	307,574,145	270,367,451
Net profit attributable to owners of the parent	54,264,173	50,950,301
Other comprehensive income included in the previous year	(55,461)	97,017
Impact on changes in shareholding ratios of subsidiaries	619,732	(1,293,073)
Others	(208,313)	203,872
Less: Appropriation for statutory surplus reserve (Note V. 51)	1,230,235	1,505,458
Ordinary share dividends payable (Note 2)	10,596,831	10,485,215
Dividends payable to other equity holders (Note 3)	131,494	317,300
Appropriation to general reserve (Note 4)	397,484	443,450
Retained earnings at the end of year	349,838,232	307,574,145

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

52. Retained earnings (continued)

Note 1: In 2022, China Construction Seventh Engineering Bureau Co., Ltd., a subsidiary of the group, completed the business combination under the common control of China Construction Seventh Bureau Sixth Construction Co., Ltd. (hereinafter referred to as "China Construction Seventh Bureau Sixth Company"). In addition, China Construction Development Co., Ltd., a subsidiary of the group, completed the business combination under the common control of China Construction Ecological Environment Group Co., Ltd. (hereinafter referred to as "China Construction Ecological Environment"). Due to the fact that China Construction Ecological Environment Group Co., Ltd. and China Construction Seventh Engineering Bureau Co., Ltd., a subsidiary of the group, jointly control Liyang China Construction Water Co., Ltd., and China Construction Ecological Environment and China Construction Installation Group Co., Ltd., a subsidiary of the group, jointly control China Construction Taixing Water Co., Ltd., after the combination under the common control mentioned above, both companies are included in the scope of the group consolidation. China Construction Seventh Bureau Sixth Construction Co., Ltd., China Construction Ecological Environment Group Co., Ltd., Liyang China Construction Water Co., Ltd., China Construction Taixing Water Co., Ltd. are deemed to have existed since the controlling shareholder began to take the control, and the retained earnings at the beginning of 2022 have been retroactively increased by 285,950 thousand.

Note 2: According to the resolution at the General Meeting of Shareholders dated 19 May 2023, the Company proposed a cash dividend of 0.2527 (before tax) per share to the shareholders before 31 December 2023, multiplied by the number which resulted in the total amount of 10.597 billion of shares of 41.934 billion before the implementation of the profit distribution plan (2022: 10.485 billion).

Note 3: The total dividend provision for perpetual bonds in 2023 was 131 million (2022: 317 million).

Note 4: Appropriation to general reserve

China State Construction Finance Co., Ltd., a subsidiary of the company:

In accordance with the requirements of the Administrative Measures for the Provision of Reserves of Financial Enterprises (Cai Jin [2012] No. 20), financial institutions (including financial companies) should provide general risk reserve for assets bearing risks and losses at the balance sheet date. The general reserve shall be appropriated from net profit as profit distribution with an appropriation ratio not lower than 1.5% of risk assets at the end of year. If it's difficult for financial institutions to appropriate 1.5% general reserve at one time, it can also be made in years but principally not more than 5 years. The general risk reserve of China State Construction Finance Co., Ltd. in 2023 was 433,973 thousand, of which the amount attributable to shareholders of the parent company was 347,178 thousand. It was fully accrued on 31 December 2023.

China State Construction Commercial Factoring Co., Ltd. the subsidiaries of the company:

According to the Notice of the General Office of the China Banking and Insurance Regulatory Commission on Strengthening the Supervision and Management of Commercial Factoring Enterprises (No. 205) issued by the China Banking and Insurance Regulatory Commission, China State Construction Commercial Factoring Co., Ltd. shall set aside risk reserves, which shall not be less than 1% of the ending balance of financing factoring business. The general risk reserve of China State Construction Commercial Factoring Co., Ltd. on 31 December 2023 was 50,306 thousand. It was fully accrued on 31 December 2023.

53. Revenue and cost of sales

	2023		2022	
	Revenue	Cost	Revenue	Cost
Revenue from main operations	2,255,223,368	2,035,160,405	2,046,879,464	1,833,011,813
Revenue from other operations	10,305,876	7,563,426	8,172,606	7,170,568
Total	2,265,529,244	2,042,723,831	2,055,052,070	1,840,182,381

For breakdown of operating income by main operating regions and main product types, please refer to Note XVI. 1.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

53. Revenue and cost of sales (continued)

Revenue is as follows:

2023

	Building construction engineering	Infrastructure construction and investment	Real estate development and investment	Prospecting and design	Others	Total
Revenue from main operations	1,356,824,323	551,330,256	308,351,934	11,042,282	27,674,573	2,255,223,368
Revenue recognised at a point of time	–	–	291,500,278	–	12,024,099	303,524,377
Revenue recognised over time	1,356,824,323	551,330,256	11,565,252	11,042,282	14,689,086	1,945,451,199
Rentals	–	–	5,286,404	–	961,388	6,247,792
Revenue from other operations	–	–	–	–	10,305,876	10,305,876
Including: Rentals	–	–	–	–	1,321,137	1,321,137
Total	1,356,824,323	551,330,256	308,351,934	11,042,282	37,980,449	2,265,529,244

2022

	Building construction engineering	Infrastructure construction and investment	Real estate development and investment	Prospecting and design	Others	Total
Revenue from main operations	1,239,221,344	488,963,911	281,747,260	10,242,691	26,704,258	2,046,879,464
Revenue recognised at a point of time	–	–	267,397,464	–	14,934,573	282,332,037
Revenue recognised over time	1,239,221,344	488,963,911	9,557,391	10,242,691	11,182,852	1,759,168,189
Rentals	–	–	4,792,405	–	586,833	5,379,238
Revenue from other operations	–	–	–	–	8,172,606	8,172,606
Including: Rentals	–	–	–	–	1,266,106	1,266,106
Total	1,239,221,344	488,963,911	281,747,260	10,242,691	34,876,864	2,055,052,070

The breakdown information of cost of sales for this year is as follows:

	Building construction engineering	Infrastructure construction and investment	Real estate development and investment	Prospecting and design	Others	Total
Revenue from main operations	1,260,638,324	495,864,580	252,070,983	9,085,622	17,500,896	2,035,160,405
Revenue recognised at a point of time	–	–	238,844,911	–	6,995,977	245,840,888
Revenue recognised over time	1,260,638,324	495,864,580	10,925,237	9,085,622	9,921,755	1,786,435,518
Rentals	–	–	2,300,835	–	583,164	2,883,999
Revenue from other operations	–	–	–	–	7,563,426	7,563,426
Including: Rentals	–	–	–	–	752,369	752,369
Total	1,260,638,324	495,864,580	252,070,983	9,085,622	25,064,322	2,042,723,831

As of 31 December 2023, the group's remaining performance contract obligations are mainly related to the group's real estate sales and project contracting contracts, and the remaining performance obligations are expected to be recognized as revenue according to the progress of performance during the future performance period of the corresponding property transfer of control and project contracting contracts.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**53. Revenue and cost of sales (continued)**

The revenue recognised in the current year included in the carrying amount of contract liabilities at the beginning of the year is as follows:

	2023	2022
Advances for sale of properties	140,172,378	157,604,351
Amount due to customers for contract work	68,878,753	80,183,632
Advances for projects	53,916,139	56,475,805
Others	4,032,997	4,464,783
Total	267,000,267	298,728,571

54. Taxes and surcharges

	2023	2022
Land appreciation tax	8,436,393	5,608,989
Urban maintenance and construction tax	1,592,052	1,810,667
Educational surcharge	809,407	947,523
Others	3,473,803	3,388,038
Total	14,311,655	11,755,217

55. Selling and distribution expenses

	2023	2022
Operating expenses	3,901,321	2,854,043
Advertising and communication fees	1,886,713	2,054,746
Employee benefits	1,049,482	902,227
Others	790,666	732,614
Total	7,628,182	6,543,630

56. General and administrative expenses

	2023	2022
Employee benefits	23,361,616	23,618,262
Depreciation and amortisation	2,491,110	2,231,884
Office and travelling expenses	2,466,691	2,094,143
Rental and property management fees	1,911,849	1,978,734
Service fees of specialist agency	988,137	1,017,657
Others	3,182,772	3,056,099
Total	34,402,175	33,996,779

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**57. Research and development expenses**

	2023	2022
Materials, fuels and power of consumption	30,172,033	34,460,059
Employee benefits	11,001,757	10,774,034
Maintenance and lease expenses	2,493,854	2,196,685
Others	2,405,928	2,322,458
Total	46,073,572	49,753,236

58. Finance expenses

	2023	2022
Interest expenses	32,126,401	30,106,722
Less: Interest income	(4,573,352)	(3,913,677)
Less: Capitalised amount of interest	(12,015,311)	(12,211,301)
Commission charges	1,941,555	2,224,397
Exchange Gains or losses	1,208,502	3,343,780
Others	(110,722)	123,841
Total	18,577,073	19,673,762

The Group capitalizes the borrowing costs incurred for the acquisition, construction or production of assets that meet the capitalization conditions. The capitalized amount of borrowing costs in 2023 was 12,015,311 thousand (2022: 12,211,301 thousand), which is included inventory, construction in progress, and intangible assets.

59. Other income

	2023	2022	Related to income/assets
Government rewards	199,692	209,820	related to income
Research Subsidies	50,648	54,200	related to assets and income
Additional deduction for value-added tax	53,066	74,999	related to income
Refund of Surcharge on individual income tax	75,283	64,859	related to income
Tax return	185,956	301,663	related to income
Government appropriation	26,955	55,279	related to income
Others	774,382	348,001	related to assets and income
Total	1,365,982	1,108,821	

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**60. Investment income**

	2023	2022
Long-term equity investments income under the equity method	3,853,217	4,459,665
Investment losses from disposal of financial assets measured at amortized cost	(1,673,249)	(2,153,251)
Investment income from disposal of long-term equity investments	318,635	385,929
Investment income from disposal of financial assets at fair value through profit or loss	96,532	18,539
Investment (loss)/income from financial assets held for trading	(1,491)	12,823
Investment income obtained during the holding period of debt investments	1,060,278	1,633,982
Dividend income from other equity instruments	68,539	106,433
Investment income from other debt investments	12,980	22,875
Investment income from transactions through a step-by-step business combination	20,247	1,251,160
Others	280,372	(62,632)
Total	4,036,060	5,675,523

Due to the expansion of factoring and asset securitization operations during the current year, the Group derecognized certain financial assets measured at amortized cost, resulting in a loss of 1,673,249 thousand (2022: 2,153,251 thousand loss). This loss was recognized as investment losses.

61. Losses arising from changes in fair value

	2023	2022
Financial assets measured at fair value through profit or loss		
Investment in debt instrument held for trading	–	3,044
Investment in equity instrument held for trading	(11,246)	(23,671)
Financial liabilities measured at fair value through profit or loss		
Others	1,802	(95,670)
Total	(9,444)	(116,297)

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**62. Credit impairment losses**

	2023	2022
Reversal from impairment of notes receivable	50,459	419,046
Loss from impairment of account receivable	(7,248,199)	(6,719,860)
Loss from impairment of other receivables	(1,169,931)	(998,707)
Reversal/(loss) from impairment of other current assets	73,837	(737,087)
Loss from impairment of long-term receivables	(209,803)	(381,514)
Others	(92,633)	(173,782)
Total	(8,596,270)	(8,591,904)

63. Asset impairment losses

	2023	2022
Loss from impairment of inventories	(2,457,573)	(2,219,430)
Loss from impairment of contract assets	(2,604,951)	(2,273,730)
Loss from impairment of intangible assets	(580,895)	(434,159)
Others	(62,793)	(28,493)
Total	(5,706,212)	(4,955,812)

64. Non-operating income

	2023	2022	Non-recurring profit or loss in 2023
Accounts payable exemption	158,180	168,841	158,180
Government grants not related to the ordinary course of business	152,753	152,551	152,753
Liquidated damages	276,173	209,133	276,173
Gains on penalties and fines	100,116	103,186	100,116
Gains from damage and retirement of non-current assets	24,176	10,933	24,176
The cost of business merger is less than the fair value of the identifiable net assets of the merged party that should be enjoyed at the time of merger	–	1,236,618	–
Others	454,895	437,017	454,895
Total	1,166,293	2,318,279	1,166,293

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**65. Non-operating expenses**

	2023	2022	Non-recurring profit or loss in 2023
Forfeiture loss	744,218	148,155	744,218
Public welfare donations	151,250	162,680	151,250
Provision/(reversal) litigation Estimated Liabilities	142,107	(319,936)	142,107
Liquidated damages	51,068	58,406	51,068
Losses on damage and retirement of non-current assets	27,536	44,235	27,536
Late fees	23,293	20,429	23,293
Others	163,655	101,961	163,655
Total	1,303,127	215,930	1,303,127

66. Expenses by nature

The supplemental information for the total amount of cost of sales, selling and distribution expenses, general and administrative expenses, and research and development expenses which categorised by nature is as follows:

	2023	2022
Subcontracting cost	749,033,433	587,100,251
Consumed raw materials	513,758,332	508,097,282
Labor expenditure	295,990,992	293,169,966
Changes in inventories of finished goods and work in progress	228,234,490	217,259,901
Other construction cost	179,951,867	170,342,182
Employee benefits	104,375,541	97,859,885
Cost of sales from other products	29,507,903	32,520,196
Depreciation and amortization expenses	14,444,377	13,301,922
Others	15,530,825	10,824,441
Total	2,130,827,760	1,930,476,026

67. Income tax expenses

	2023	2022
Current tax	22,652,019	21,176,403
Deferred tax	(3,196,259)	(1,552,731)
Total	19,455,760	19,623,672

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**67. Income tax expenses (continued)**

The reconciliation between income tax expenses and profit before income taxes is as follows:

	2023	2022
Profit before income tax	92,995,473	88,835,435
Tax at the applicable (25%) tax rate	23,248,868	22,208,859
Effect of preferential tax rates for certain subsidiaries	(4,229,575)	(4,468,135)
Income not subject to tax	(1,807,070)	(2,028,276)
Weighted deduction of expenditure on research	(1,647,927)	(1,613,290)
Non-deductible costs, expenses and loss	2,771,210	4,168,884
Unrecognised deductible losses	2,463,312	1,553,276
The impact of utilizing deductible loss on previously unrecognized deferred tax assets	(390,494)	(382,789)
Utilization of deductible losses for which no deferred tax assets was recognised in prior periods	(898,537)	(64,578)
Deductible temporary differences in unrecognized deferred tax assets in the current period	1,655,531	1,131,382
Deductible temporary differences resulting from rehearsal or recognition of previously unrecognised deferred tax assets in current periods	(507,797)	(677,667)
Adjustments of tax expenses for prior periods	(1,201,761)	(203,994)
Tax expenses at the Group's effective tax rate	19,455,760	19,623,672

68. Earnings per share

	2023 RMB/share	2022 RMB/share
Basic earnings per share		
Continuing operations	1.31	1.23
Diluted earnings per share		
Continuing operations	1.31	1.23

The basic earnings per share is calculated based on the net profit for the year attributable to ordinary shareholders of the Company and the weighted average number of outstanding ordinary shares during the year.

The numerator of the diluted earnings per share is determined based on the current net profit attributable to ordinary shareholders of the Company after adjusting the following factors: (1) the interest of the diluted potential ordinary shares that have been recognised as expenses in the current period; (2) the income or expenses of dilution potential ordinary that will be generated when the shares are converted; and (3) the income tax impact related to the above adjustments.

The denominator of the diluted earnings per share is equal to the sum of the following two items: (1) the weighted average number of issued ordinary shares of the parent company in the basic earnings per share; and (2) the increase of the weighted average number of ordinary shares, assuming the conversion of dilutive potential ordinary shares into ordinary shares.

When calculating the weighted average of the number of ordinary shares increased by the conversion of diluted potential ordinary shares into issued ordinary shares, the diluted potential ordinary shares issued in the previous period are assumed to be converted at the beginning of the current period; the current diluted potential ordinary shares issued, assuming the conversion on the issue date.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

68. Earnings per share (continued)

The calculation of basic earnings per share is as follows:

	2023	2022
Revenue		
Net profit attributable to ordinary shareholders of the Company	54,264,173	50,950,301
Less: The effect of other equity instruments dividends (Note 1)	(131,494)	(317,300)
The effect of restricted shares (Note 2)	(75,699)	(268,361)
	54,056,980	50,364,640
Shares		
Weighted average number of ordinary shares outstanding (in units of 1000 shares) (Note 3)	41,289,917	40,836,893
Basic earnings per share (RMB/share)	1.31	1.23

Note 1: In accordance with the relevant clauses and regulations of perpetual bonds as stated in Note V. 47, in calculating the basic earnings per share, the dividends of other equity instruments included in the net profit attributable to shareholders of the parent company is deducted. The accrued dividends of perpetual bonds with a value date of 21 June 2023 amounted to 52 million in 2023, The accrued dividends of perpetual bonds with a value date of 13 July 2023 amounted to 44 million in 2023, The accrued dividends of perpetual bonds with a value date of 14 August 2023 amounted to 35 million. In 2023, the above was 131 million in total (2022: 317 million).

Note 2: As stated in Note XIII, the granting of the third batch of restricted shares to the third batch incentive targets in accordance with the third batch incentive plan on 26 December 2018. On December 23, 2020, the grant of restricted stocks for the fourth phase of incentive objects will be completed in accordance with the fourth batch incentive plan. In accordance with the relevant stipulations in Explanation of Accounting Standards for Business Enterprises No. 7 issued by the Ministry of Finance in 2015, the Company deducted net profits attributable to restricted shares, which are expected to be unlocked in the future from net profits attributable to shareholders of the Company in calculating the basic earnings per share. The net profits attributable to restricted shares which are expected to be unlocked in the future was about 80 million and 270 million in 2023 and 2022 respectively.

Note 3: As stated in Note XIII, in accordance with the regulations of the fourth batch incentive plan, whether the unlocked shares granted could be listed and circulated depended on whether the restricted shares met the unlocking conditions at the unlocking date. Therefore, the impacted amount of the restricted shares not yet meeting the unlocking conditions and those invalid restricted shares were deducted from weighted average number of outstanding ordinary shares in calculating the basic earnings per share.

The calculation of diluted earnings per share is as follows:

	2023	2022
Net profit attributable to ordinary shareholders of the Company after adjustment	54,056,980	50,364,640
Dilutive potential common shares will generate gains upon conversion	71,079	268,361
Consolidated net profit attributable to ordinary shareholders of the Company used for calculating diluted earnings per share	54,128,059	50,633,001
Weighted average of the Company's outstanding ordinary shares (in units of 1000 shares)	41,289,917	40,836,893
Dilution effect - the weighted average number of common shares	101,191	289,593
Weighted average number of ordinary shares outstanding used for calculating diluted earnings per share (in units of 1000 shares)	41,391,108	41,126,486
Diluted earnings per share (RMB/share)	1.31	1.23

In 2023, the restricted shares outstanding and the share options issued by the company have dilutive effects in calculating the earnings per share. The restricted shares outstanding and the share options issued by the Company's subsidiary China Overseas Land & Investment Ltd. have no dilutive effects in calculating the earnings per share. However, the convertible bond issued by the Company's subsidiary China Overseas Holdings Limited has dilutive effects on consolidated net profit attributable to ordinary shareholders of the Company. (In 2022, the restricted shares outstanding and the share options issued by the company have dilutive effects in calculating the earnings per share. The restricted shares outstanding and the share options issued by the Company's subsidiary China Overseas Land & Investment Ltd. have no dilutive effects in calculating the earnings per share. However, the convertible bond issued by the Company's subsidiary China Overseas Holdings Limited has anti dilutive effects on consolidated net profit attributable to ordinary shareholders of the Company.)

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**69. Notes to the consolidated cash flow statement****(1) Cash related to operating activities**

	2023	2022
Cash receipts relating to other operating activities		
Receivables, Taxes withheld and Construction reward	2,349,671	2,569,959
Deposits and warrant received and returned	6,274,708	6,104,099
Increase of deposits absorbed by China State Construction Finance Co., Ltd.	71,523	–
Interest income	2,683,143	1,527,306
Other receivables received and returned	1,599,876	1,948,288
Others	3,729,886	2,942,919
Total	16,708,807	15,092,571
Cash payments relating to other operating activities		
Other payables paid to third party	10,730,002	13,205,907
Deposits and warrant paid and refunded to third party	4,325,220	3,827,351
Increase of restricted cash	6,244,091	4,258,904
Decrease of deposits absorbed by China State Construction Finance Co., Ltd.	–	921,269
Others	9,116,355	9,388,348
Total	30,415,668	31,601,779

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**69. Notes to the consolidated cash flow statement (continued)****(2) Cash related to investing activities**

	2023	2022
Cash receipts relating to important investing activities		
Loans from related parties	9,626,810	10,436,394
Loans to co-operative corporation and projects	6,584,564	2,489,995
Recoup the initial capital investment in the joint venture and any other equity contributions	4,097,507	3,780,457
Entrusted loan	2,749,582	2,299,327
Cash received from distribution of dividends on equity investments	2,565,372	4,261,963
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets	2,552,102	2,482,917
Fixed deposits of which maturity is more than three months	–	7,943,299
Total	28,175,937	33,694,352
Cash payments relating to important investing activities		
Cash payments to acquire fixed assets, intangible assets and other long-term assets	34,055,554	25,948,593
Payment of capital contribution to joint ventures	7,896,596	12,447,586
Payment to co-operative corporation and projects	5,753,206	3,311,099
Loans to related parties	4,782,304	5,167,040
Total	52,487,660	46,874,318
Cash receipts relating to other investing activities		
Loans from related parties	9,626,810	10,436,394
Loans to co-operative corporation and projects	6,584,564	2,489,995
Entrusted loan	2,749,582	2,299,327
Fixed deposits of which maturity is more than three months	–	7,943,299
Total	18,960,956	23,169,015
Cash payments relating to other investing activities		
Payment to co-operative corporation and projects	5,753,206	3,311,099
Loans to related parties	4,782,304	5,167,040
Purchase time deposits over three months	1,161,962	–
Total	11,697,472	8,478,139

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**69. Notes to the consolidated cash flow statement (continued)****(3) Cash related to financing activities**

	2023	2022
Cash receipts relating to other financing activities		
Obtaining loans from related parties and third parties	10,015,322	16,783,523
Equity transactions with non-controlling interests	–	345,553
Total	10,015,322	17,129,076
Cash payments relating to other financing activities		
Cash paid for redemption of other equity instruments	40,523,955	8,835,161
Repayment of related parties and third-party loans	10,010,850	2,610,164
Rental payment	2,514,880	2,201,104
Minority shareholders withdrawing investment	2,000,000	–
Business combination under common control	1,731,165	–
Purchase of minority interests from subsidiaries	1,291,512	69,520
Repurchase of unlocked restricted stock	48,313	45,671
Total	58,120,675	13,761,620

Changes in liabilities arising from financing activities are as follows:

	Opening balance	Increase in the current year		Decrease in the current year		Closing balance
		Cash changes	Non cash changes	Cash changes	Non cash changes	
Dividends payable	1,771,700	–	–	(916,989)	–	854,711
Short-term borrowings	78,154,159	384,157,866	7,860,394	(345,820,285)	–	124,352,134
Long-term borrowings (Including due within 1 year)	460,424,436	225,019,057	32,146,442	(177,000,101)	–	540,589,834
Bonds payable (Including due within 1 year)	139,239,176	14,087,185	5,913,813	(42,139,799)	–	117,100,375
Other payables	45,780,003	10,015,322	–	(9,241,327)	–	46,553,998
Lease liabilities (Including due within 1 year)	7,187,724	–	3,006,670	(2,514,880)	(622,128)	7,057,386
Long-term payables (Including due within 1 year)	3,710,091	–	–	(487,003)	–	3,223,088
Other current liabilities	–	125,501,111	–	(118,801,099)	–	6,700,012
Other non-current liabilities (Including due within 1 year)	7,301,207	–	45,848	(4,967,342)	–	2,379,713
Total	743,568,496	758,780,541	48,973,167	(701,888,825)	(622,128)	848,811,251

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**69. Notes to the consolidated cash flow statement (continued)****(4) Net amounts presented in cash flows**

	Related facts	The basis of net presentation	The Financial impact
Absorption deposits	Presented on a net basis	High frequency of occurrence	No significant impact

(5) Significant non-cash activities during the current period

- During the year, the Group derecognized the account receivables financing by endorsing without recourse, with a total book value of 374,610 thousand;
- During the year, the group's right to use assets and lease liabilities increased by non cash means in connection with the lease arrangements for buildings, machinery and equipment, motor vehicles and other equipment were 2,573,709 thousand;
- During the year, the amount of creditor's rights of the Group recovered with non cash assets was 8,153,872 thousand, and the amount of debt repaid with non cash assets was 8,113,957 thousand.

70. Supplementary information to the consolidated cash flow statement**(1) Supplementary information to the consolidated cash flow statement**

Reconciliation from net profit to cash flows from operating activities:

	2023	2022
Net profit	73,539,713	69,211,763
Add: Asset impairment losses	5,706,212	4,955,812
Credit impairment losses	8,596,270	8,591,904
Depreciation of fixed assets	7,300,188	6,816,574
Depreciation of right of use assets	1,744,889	2,175,197
Depreciation of investment properties	4,190,264	3,239,402
Amortisation of intangible assets	709,530	625,533
Amortisation of long-term prepaid expenses	499,506	445,216
Profit from disposal of fixed assets, intangible assets and other long-term assets	(226,075)	(432,388)
Losses arising from changes in fair value	9,444	116,297
Finance expenses	19,271,893	19,031,891
Investment income	(4,036,060)	(5,675,523)
Increase in deferred tax assets	(3,171,369)	(2,060,060)
(Decrease)/Increase in deferred tax liabilities	(24,890)	507,329
Increase in inventories	(14,815,069)	(48,448,760)
Increase of restricted cash	(6,244,091)	(4,258,904)
Increase in operating receivables	(206,812,517)	(133,010,586)
Increase in operating payables	124,181,582	83,052,911
Others	610,703	(1,054,681)
Net cash flows from operating activities	11,030,123	3,828,927

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**70. Supplementary information to the consolidated cash flow statement (continued)****(1) Supplementary information to the consolidated cash flow statement (continued)**

Changes in cash and cash equivalents:

	2023	2022
Closing balance of cash	329,130,935	313,000,191
Less: Opening balance of cash	313,000,191	302,070,251
Net increase in cash and cash equivalents	16,130,744	10,929,940

(2) Cash and cash equivalents

	31 December 2023	31 December 2022
Cash		
Including: Cash on hand	58,194	128,867
Cash at bank that can be readily drawn on demand	329,070,336	312,847,563
Other cash that can be readily drawn on demand	2,405	23,761
Cash and cash equivalents at the end of the year	329,130,935	313,000,191

(3) Monetary funds that do not belong to cash and cash equivalents

	31 December 2023	31 December 2022	Reasons
Cash and bank balances with restricted ownership or use rights	27,783,002	21,538,911	Restricted ownership or right to use
Fixed deposits of which maturity is more than three months	1,876,962	715,000	Belongs to investment activities
Total	29,659,964	22,253,911	

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**71. The foreign currency monetary items**

	31 December 2023			31 December 2022		
	Amount in foreign currency	Exchange rate	Amount in RMB	Amount in foreign currency	Exchange rate	Amount in RMB
Cash and Bank balance						
HKD	8,046,629	0.9062	7,291,855	12,970,388	0.8933	11,586,448
USD	1,357,078	7.0827	9,611,776	1,419,367	6.9646	9,885,323
SGD	562,946	5.3772	3,027,073	375,400	5.1831	1,945,736
DZD	27,556,235	0.0525	1,446,702	27,734,076	0.0501	1,389,477
MOP	871,700	0.8824	769,188	1,761,206	0.8586	1,512,171
EUR	163,137	7.8592	1,282,126	158,717	7.4229	1,178,140
GBP	20,958	9.0411	189,483	14,617	8.3941	122,697
Others	N/A	N/A	10,840,700	N/A	N/A	10,405,477
Total			34,458,903			38,025,469
Accounts receivable						
USD	625,568	7.0827	4,430,710	694,510	6.9646	4,836,984
HKD	1,226,630	0.9062	1,111,572	3,452,403	0.8933	3,084,032
MOP	531,195	0.8824	468,726	444,303	0.8586	381,479
AED	696,289	1.9326	1,345,648	559,288	1.8966	1,060,746
XAF	88,617,310	0.0119	1,054,546	86,455,146	0.0113	976,943
DZD	19,741,405	0.0525	1,036,424	14,853,535	0.0501	744,162
SGD	43,020	5.3772	231,327	100,718	5.1831	522,031
Others	N/A	N/A	3,337,318	N/A	N/A	2,769,397
Total			13,016,271			14,375,774
Other receivables						
USD	357,042	7.0827	2,528,821	312,804	6.9646	2,178,555
AED	917,474	1.9326	1,773,110	931,547	1.8966	1,766,772
HKD	306,839	0.9062	278,058	226,084	0.8933	201,961
XAF	12,634,737	0.0119	150,353	9,777,604	0.0113	110,487
Others	N/A	N/A	4,112,527	N/A	N/A	2,358,860
Total			8,842,869			6,616,635
Current portion of non-current assets						
USD	–	7.0827	–	129	6.9646	898
THB	2,416	0.2074	501	1,882	0.2014	379
Others	N/A	N/A	5,050	N/A	N/A	2,167
Total			5,551			3,444
Debt investments						
HKD	13,418,171	0.9062	12,159,547	12,285,702	0.8933	10,974,818
EUR	2,634	7.8592	20,701	2,634	7.4229	19,552
Others	N/A	N/A	269	N/A	N/A	–
Total			12,180,517			10,994,370
Long-term receivables						
HKD	9,256	0.9062	8,388	369,352	0.8933	329,942
USD	11,355	7.0827	80,424	13,651	6.9646	95,074
Others	N/A	N/A	15,073	N/A	N/A	4,811
Total			103,885			429,827

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**71. The foreign currency monetary items (continued)**

	31 December 2023			31 December 2022		
	Amount in foreign currency	Exchange rate	Amount in RMB	Amount in foreign currency	Exchange rate	Amount in RMB
Short-term borrowings						
USD	264,905	7.0827	1,876,243	300,700	6.9646	2,094,255
Others	N/A	N/A	3,432,471	N/A	N/A	1,051,738
Total			5,308,714			3,145,993
Accounts payable						
HKD	11,281,034	0.9062	10,222,873	11,021,139	0.8933	9,845,183
USD	751,346	7.0827	5,321,558	800,459	6.9646	5,574,877
AED	1,384,634	1.9326	2,675,944	725,549	1.8966	1,376,076
SGD	472,514	5.3772	2,540,802	436,296	5.1831	2,261,366
DZD	23,437,099	0.0525	1,230,448	36,423,705	0.0501	1,824,828
MOP	2,000,156	0.8824	1,764,938	2,552,370	0.8586	2,191,465
PKR	1,838,939	0.0252	46,341	988,872	0.0305	30,161
Others	N/A	N/A	10,102,521	N/A	N/A	6,063,746
Total			33,905,425			29,167,702
Other payables						
USD	680,427	7.0827	4,819,260	757,263	6.9646	5,274,034
AED	614,053	1.9326	1,186,719	737,179	1.8966	1,398,134
AUD	2,324	4.6220	10,742	18,853	4.6220	87,139
HKD	1,839,498	0.9062	1,666,953	383,865	0.8933	342,907
XAF	6,698,499	0.0119	79,712	6,755,348	0.0113	76,335
PKR	187,972	0.0252	4,737	190,710	0.0305	5,817
Others	N/A	N/A	2,037,570	N/A	N/A	1,642,222
Total			9,805,693			8,826,588
Current portion of non-current Liabilities						
HKD	1,734,251	0.9062	1,571,578	1,479,861	0.8933	1,321,960
USD	34,370	7.0827	243,432	723,680	6.9646	5,040,142
Others	N/A	N/A	1,149,887	N/A	N/A	115,386
Total			2,964,897			6,477,488
Long-term borrowings						
HKD	85,051,260	0.9062	77,073,452	103,807,169	0.8933	92,730,944
USD	180,759	7.0827	1,280,262	1,046,873	6.9646	7,291,052
GBP	99,995	9.0411	904,065	100,000	8.3941	839,410
SGD	–	5.3772	–	66,300	5.1831	343,640
Others	N/A	N/A	252,322	N/A	N/A	1,375,188
Total			79,510,101			102,580,234

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)

71. The foreign currency monetary items (continued)

	31 December 2023			31 December 2022		
	Amount in foreign currency	Exchange rate	Amount in RMB	Amount in foreign currency	Exchange rate	Amount in RMB
Bonds payable						
USD	4,752,057	7.0827	33,657,394	6,012,341	6.9646	41,873,550
HKD	2,012,710	0.9062	1,823,918	2,025,304	0.8933	1,809,204
Others	N/A	N/A	37	N/A	N/A	–
Total			35,481,349			43,682,754
Long-term payables						
AED	51,159	1.9326	98,870	629,799	1.8966	1,194,477
HKD	3,030,688	0.9062	2,746,409	2,842,825	0.8933	2,539,496
MOP	920,704	0.8824	812,429	1,029	0.8586	883
SGD	68	5.3772	366	14,796	5.1831	76,689
Others	N/A	N/A	511,600	N/A	N/A	287,604
Total			4,169,674			4,099,149
Other non-current liabilities						
USD	71,276	7.0827	504,827	–	6.9646	–
EUR	5,320	7.8592	41,811	7,762	7.4229	57,615
Total			546,638			57,615

72. Leases

(1) As lessee

	2023	2022
Interest expense on lease liabilities	301,503	250,049
Expenses relating to short-term leases accounted for applying practical expedients	1,448,658	2,275,187
Expenses relating to leases of low-value assets accounted for applying practical expedients (other than short-term leases)	122,239	34,550
Total cash outflow for leases	3,947,562	4,440,111

The Group has lease contracts for various items of houses and buildings, machinery, vehicles and other equipment used in its operations. Leases of houses and buildings and machinery generally have lease terms of 1-10 years, while those of vehicles and other equipment generally have lease terms of 0.5-3 years. Generally, the Group is restricted from assigning and subleasing the underlying assets and some contracts require the Group to maintain certain financial ratios.

(All amounts in RMB Thousand Yuan unless otherwise stated)

V. Notes to the Consolidated Financial Statements (continued)**72. Leases (continued)****(2) As lessor**

The Group has entered into operating leases on some of its houses and buildings, and the lease term is 1-10 years. All leases include a clause to enable revision of the rental charge on an annual basis according to prevailing market conditions. In 2023, the rental income recognised by the Group on those houses and buildings was 7,001,156 thousand (2022: 6,084,162 thousand). Details of the underlying houses and buildings are disclosed in Note V.17 Investment properties.

The Group has also entered into operating leases on idle machinery equipment and transportation equipment, and the lease term is 1-5 years. The rental income recognised by the Group this year was 567,773 thousand (For the year ended 31 December 2022: 561,182 thousand).

Operating leases

The profit or loss relating to operating leases is as follows:

	2023	2022
Lease income	7,568,929	6,645,344

The Group had total future minimum lease receivables under non-cancellable leases with its tenants falling due as follows:

	31 December 2023	31 December 2022
Within 1 year, inclusive	5,211,639	4,818,292
1 to 2 years, inclusive	3,854,460	3,373,994
2 to 3 years, inclusive	2,574,175	2,300,724
3 to 4 years, inclusive	1,587,414	1,388,674
4 to 5 years, inclusive	1,120,118	921,223
Over 5 years	2,749,162	2,754,140
Total	17,096,968	15,557,047

For fixed assets leased out under operating leases, refer to Note V.18.

Other information relating to leases

For right-of-use assets, refer to Notes V. 20; For simplified treatment of short-term leases and leases of low-value assets, refer to Notes III. 29; For lease liabilities, refer to Notes V. 40.

(All amounts in RMB Thousand Yuan unless otherwise stated)

VI. Research and Development Expenses

Classified by nature as follows:

	2023	2022
Materials, fuels and power of consumption	30,172,033	34,460,059
Employee benefits	11,001,757	10,774,034
Maintenance and lease expenses	2,493,854	2,196,685
Others	2,405,928	2,322,458
Total	46,073,572	49,753,236
Including: Expensed research and development expenses	46,073,572	49,753,236

VII. Changes of Consolidation Scope

1. Business combination not under common control

In 2023, the main subjects newly included in the merger scope of the Group through the merger of enterprises not under the same control are not significant.

2. Business combination under common control

In 2023, there were no entities newly included in the consolidation scope through the merger of enterprises under the same control in the Group.

3. Disposal of subsidiaries

The entities which were excluded from the consolidated scope due to disposal of subsidiaries in 2023 were not significant to the Group.

(All amounts in RMB Thousand Yuan unless otherwise stated)

VIII. Interests in Other Entities

1. Interests in subsidiaries

Significant subsidiaries obtained through incorporation:

	Main operation Location	Place of registration	Nature of business	Registered capital	Shareholding Percentage (%)	
					Direct	Indirect
The significant subsidiaries acquired through establishing or investment						
China Overseas Holdings Limited	Hong Kong	Hong Kong	Investment	31.03 billion	100.00	–
China Overseas Land & Investment Ltd.	Hong Kong	Hong Kong	Real Estate Investment and Development	HKD1.095 billion	–	56.10
China State Construction Engineering Corporation International Operations	Hong Kong	Cayman Islands	Construction and Installation	HKD1.5 billion	–	64.81
China Overseas Property Holdings Ltd.	Hong Kong	Cayman Islands	Property Management	HKD0.03 billion	–	61.18
China Construction First Group Corporation Limited	Beijing	Beijing	Construction and Installation	10 billion	100.00	–
China Construction Second Engineering Bureau Ltd.	Beijing	Beijing	Construction and Installation	10 billion	100.00	–
China Construction Third Engineering Bureau Co., Ltd.	Wuhan, Hubei	Wuhan, Hubei	Construction and Installation	5.09 billion	100.00	–
China Construction Fourth Engineering Division Corp., Ltd.	Guangzhou, Guangdong	Guangzhou, Guangdong	Construction and Installation	8 billion	100.00	–
China Construction Fifth Engineering Division Corp., Ltd.	Changsha, Hunan	Changsha, Hunan	Construction and Installation	10 billion	100.00	–
China Construction Sixth Engineering Division Corp., Ltd.	Tianjin	Tianjin	Construction and Installation	5.28 billion	100.00	–
China Construction Seventh Engineering Division. Corp., Ltd.	Zhengzhou, Henan	Zhengzhou, Henan	Construction and Installation	9 billion	100.00	–
China Construction Eighth Engineering Division. Corp., Ltd.	Shanghai	Shanghai	Construction and Installation	15.22 billion	100.00	–
China Architecture Southwest Design & Research Institute Co., Ltd.	Chengdu, Sichuan	Chengdu, Sichuan	Prospecting, design, etc.;	0.38 billion	100.00	–
China Construction Decoration Group Co., Ltd.	Beijing	Beijing	Industrial Decoration	1 billion	50.00	50.00
China Construction Fangcheng Investment & Development Group Co., Ltd.	Beijing	Beijing	Infrastructure Construction	5 billion	100.00	–
The significant subsidiaries acquired through a business combination not involving under common control						
China State Construction Development Holdings Limited (Note)	Hong Kong	Cayman Islands	Construction and Installation	HKD0.1 billion	–	45.87
China Construction Harbour and Channel Engineering Bureau Group Co., Ltd.	Shanghai	Shanghai	Infrastructure Construction	1.33 billion	70.00	–
The significant subsidiaries acquired through a business combination involving entities under common control						
CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd.	Wulumuqi, Xinjiang	Wulumuqi, Xinjiang	Construction and Installation	3.60 billion	85.00	–
China West Construction Group Co., Ltd.	Chengdu, Sichuan	Wulumuqi, Xinjiang	Construction Materials	1.26 billion	12.29	45.50
China State Construction Finance Co., Ltd.	Beijing	Beijing	Finance	15 billion	80.00	–

Note: The Group holds 45.87% of shares of China State Construction Development Holdings Limited. The board of directors has the rights to determine the relevant activities of China State Construction Development Holdings Limited. The Group holds 70.78% of voting rights of China State Construction Development Holdings Limited according to the proportion of the board of directors.

(All amounts in RMB Thousand Yuan unless otherwise stated)

VIII. Interests in Other Entities (continued)

1. Interests in subsidiaries (continued)

Significant subsidiaries involving non-controlling interest:

	Shareholding of Non-controlling Interest	Non-controlling Interest	Dividend attributable to the non-controlling shareholders	Non-controlling Interest
China Overseas Land & Investment Ltd.	43.90%	8,171,341	4,532,467	150,429,524
China State Construction Engineering Corporation International Operations	35.19%	2,756,162	816,186	30,130,001
China West Construction Group Co., Ltd.	42.21%	272,216	44,974	4,192,661
China State Construction Finance Co., Ltd.	20.00%	225,854	82,879	3,879,973

The summarised financial information of the above subsidiaries which progress necessary adjustments in accordance with the company's accounting policies is set out below. The amounts disclosed are before inter-company eliminations:

2023

	China Overseas Land & Investment Ltd.	China State Construction Engineering Corporation International Operations	China West Construction Group Co., Ltd.	China State Construction Finance Co., Ltd.
Current Assets	656,635,064	130,556,303	28,888,574	24,913,196
Non-current Assets	179,538,365	91,134,558	5,514,588	67,851,429
Total Assets	836,173,429	221,690,861	34,403,162	92,764,625
Current Liabilities	283,966,288	100,531,352	21,282,666	73,359,262
Non-current Liabilities	232,629,787	56,511,641	2,044,106	5,497
Total Liabilities	516,596,075	157,042,993	23,326,772	73,364,759
Revenue	205,277,564	102,009,956	22,863,302	2,812,180
Net Profit	20,259,957	8,324,300	725,019	1,129,272
Total Comprehensive Income	21,661,938	5,891,899	724,583	1,120,872
Cash flow from/(used in) operating activities	35,279,336	454,904	328,893	(161,293)

(All amounts in RMB Thousand Yuan unless otherwise stated)

VIII. Interests in Other Entities (continued)

1. Interests in subsidiaries (continued)

The summarised financial information of the above subsidiaries which progress necessary adjustments in accordance with the company's accounting policies is set out below. The amounts disclosed are before inter-company eliminations: (continued)

2022

	China Overseas Land & Investment Ltd.	China State Construction Engineering Corporation International Operations	China West Construction Group Co., Ltd.	China State Construction Finance Co., Ltd.
Current Assets	659,772,495	110,165,259	28,292,472	24,558,631
Non-current Assets	167,187,742	86,996,275	5,011,372	73,239,120
Total Assets	826,960,237	197,161,534	33,303,844	97,797,751
Current Liabilities	273,749,836	86,716,348	20,487,515	79,088,247
Non-current Liabilities	246,330,011	53,478,908	2,384,844	16,117
Total Liabilities	520,079,847	140,195,256	22,872,359	79,104,364
Revenue	186,308,872	90,078,412	24,856,131	3,105,349
Net Profit	18,460,185	7,550,380	715,148	1,031,350
Total Comprehensive Income	21,277,627	3,678,380	717,830	1,030,600
Cash flow (used in)/from operating activities	(10,641,457)	183,348	309,158	(13,542,076)

Perpetual bonds of subsidiaries are as follows:

As of 31 December 2023, the balance of perpetual bonds and renewable loans issued by Company's subsidiaries (hereinafter collectively referred to as the "subsidiary perpetual bonds") amounted to 62,703,988 thousand (31 December 2022: 65,217,933 thousand). The perpetual bonds of these subsidiaries exist for a long time, and the subsidiaries of the Company can decide whether to redeem and repay them. Unless there is a compulsory interest payment event that can be determined and controlled to occur by the Company's subsidiary, on each interest payment date, the Company's subsidiaries can choose to postpone the current interest and all deferred interest to the next interest payment date and is not subject to any restrictions on the number of deferred interest payments. The Group accounted for these perpetual bonds as non-controlling shareholders' equity.

Debt-to-equity swaps of subsidiaries are as follows:

In December 2019, some of the Company's subsidiaries entered into capital increase agreements and shareholder agreements with a number of third-party investors. In accordance with the Capital Increase Agreement and the Shareholder Agreement (collectively referred to as the "Agreement"), third-party investors increase their capital in cash to the subsidiaries of such subsidiaries (hereinafter referred to as "the underlying company"), and upon completion of the capital increase, the shareholding of the Company's subsidiaries in the underlying company decreases, but there is no loss of control over the underlying company. The agreement stipulates that the profit distribution of the underlying company shall be determined by the shareholders' meeting, that the exit method of the third-party investor shall be agreed with the controlling shareholder of the target company, and that the controlling shareholder of the target company shall have the right to acquire or designate other parties to acquire the shares of the target company held by the third party investor after the expiration of a certain period ("investment period") from the date of payment of the investment price. In the event of a specific situation or the expiry of the investment period of the underlying company, a third-party investor may make a request to the subsidiary of the Company to acquire the shares of the underlying company held by the Company's subsidiaries, and if the subsidiary of the Company does not choose to acquire such shares, the annual expected dividend ratio will up to until the agreed upper limit of the dividend ratio. However, if the shareholders of the underlying company will not pay dividends it do not constitute a breach of contract; A third party investor can transfer all or part of its equity interest in the underlying company to any third part or increase the voting rights of third-party investors in the shareholders' meeting or board of directors of the underlying company in order to achieve the joint control of the underlying company with the Company's subsidiaries. The above-mentioned arrangement does not constitute a contractual obligation of the Company or its subsidiaries to deliver cash or other financial assets to other parties or to exchange financial assets or financial liabilities with other parties under potential adverse conditions, and the Company shall therefore account for such capital increases as the equity of the underlying company. The relevant provisions in the 2020 and 2021 Capital Increase Agreement and the Shareholders' Agreement are consistent with these provisions.

As of 31 December, 2023, the total amount of debt-to-equity swaps by third-party investors in the underlying company was 30,098,886 thousand (31 December 2022: 31,540,525 thousand), and there was no new investment amount in the current period.

(All amounts in RMB Thousand Yuan unless otherwise stated)

VIII. Interests in Other Entities (continued)

2. Interests in joint ventures and associates

	Main operation location	Place of registration	Nature of business	Registered capital	Percentage of Shares (%)		Accounting treatment
					Direct	Indirect	
Associates							
China Overseas Grand Oceans Group Limited	Hong Kong	Hong Kong	Real Estate Investment and Development	6,047,372	–	39.63	Equity method

As an important associated company of the Group, The summarised financial information in respect of China Overseas Grand Oceans Group Limited (hereinafter referred to as “China Overseas Grand Oceans”) adjusted for any differences in accounting policies and reconciled to the book value in the financial statements is as follows:

	31 December 2023	31 December 2022
Current Assets	143,634,340	172,725,660
Including: Cash and cash equivalents	26,020,603	19,433,181
Non-current Assets	8,396,114	8,056,171
Total Assets	152,030,454	180,781,831
Current Liabilities	81,305,554	105,287,362
Non-current Liabilities	32,595,384	38,093,317
Total Liabilities	113,900,938	143,380,679
Non-controlling Interests	6,825,984	7,458,956
Attributable to shareholders of the Company	31,303,532	29,942,196
Net assets calculated by the percentage of shares holding	12,405,590	11,866,092
Book value of investment	12,405,590	11,866,092
The fair value of publicly quoted prices	3,292,089	4,208,043
	2023	2022
Revenue	56,408,144	57,492,018
Income tax expenses	(2,097,753)	(2,922,587)
Net Profit	2,024,960	3,056,124
Other Comprehensive Income	(291,831)	(1,642,515)
Total Comprehensive Income	1,733,129	1,413,609
Dividends received	259,497	413,767

(All amounts in RMB Thousand Yuan unless otherwise stated)

VIII. Interests in Other Entities (continued)

2. Interests in joint ventures and associates (continued)

Except for China Overseas Grand Oceans, the Group has no single significant joint ventures and associates. The following table shows the summary financial information of the non-significant joint ventures and associates of the Group:

	2023	2022
Joint Ventures		
Total book value of investment	56,171,881	52,136,879
Subtotals by the percentage of share holding		
Net Profit (Note 1)	2,511,799	1,868,780
Other Comprehensive Income (Note 1)	(186,387)	(614,559)
Total Comprehensive Income	2,325,412	1,254,221
Associates		
Total book value of investment	45,406,502	47,099,180
Subtotals by the percentage of share holding		
Net Profit (Note 1)	538,926	1,342,366
Other Comprehensive Income (Note 1)	(98,739)	(192,592)
Total Comprehensive Income	440,187	1,149,774

Note 1: Both the net profit and other comprehensive income have considered the fair value of the identifiable assets and liabilities at the time the investment is obtained and the adjustment effects of the unified accounting policy.

3. Interests in consolidated structured entities

As at 31 December 2023 the main consolidated structured entities which set up by the Group's subsidiary China State Construction Fund (BEIJING) Management Ltd. (hereinafter referred to as "China Construction Fund") amounted to 13,486,189 thousand, and the Group's subscribed amount is 6,739,319 thousand. As at 31 December 2023, the Group's paid-in amount is 4,849,048 thousand and other parties is 1,742,389 thousand. The Group classified other parties' paid-in amount as non-controlling interests. The Group has no obligation and intention to provide financial supporting to these structured entities.

4. Interests in non-consolidated structured entities

As at 31 December 2023, the non-consolidated structured entities China Construction Fund participated in is amounted to 30,501,622 thousand, and the Group's subscribed amount is 8,050,637 thousand and other parties is 22,450,985 thousand. The Group has no control power over these entities, thus The Group doesn't consolidate them. As at 31 December 2023, the Group's paid-in amount is 4,619,315 thousand and classified as long-term equity investments. The largest risk exposure of the Group is the paid-in amount as at the balance sheet date. The Group has no obligation and intention to provide financial supporting to these structured entities.

(All amounts in RMB Thousand Yuan unless otherwise stated)

IX. Government Grants

As at 31 December 2023, government grants related to liabilities were as follows:

	Opening balance of the year	Increase during the year	Amount recognised in non-operating income during the year	Amount recognised in other income during the year	Other changes during the year	Closing balance of the year	Related to assets/ Related to income
Guangdong Construction Base Phase I of China Construction Second Engineering Bureau	141,663	–	–	(4,167)	–	137,496	Related to assets
Compensation: 678 Acres of Industrial Land	58,208	–	(4,431)	–	–	53,777	Related to assets
First Company Headquarters Fuli Yingdong Office Building	51,726	–	–	(1,826)	–	49,900	Related to assets
Other the government grants related to assets	83,717	216	(114)	(659)	(25,057)	58,103	Related to assets
Other the government grants related to income	76,278	83,661	(3,891)	(70,092)	3,272	89,228	Related to income
Total	411,592	83,877	(8,436)	(76,744)	(21,785)	388,504	

Government grants recognised in profit or loss for the current period are as follows:

	2023	2022
The government grants related to assets	16,104	24,666
Recognized in other income	11,518	9,691
Recognized in non-operating income	4,586	14,975
The government grants related to income	1,021,097	1,230,996
Recognized in other income	872,930	1,093,420
Recognized in non-operating income	148,167	137,576
Total	1,037,201	1,255,662

X. Financial Instruments and Related Risks

1. Financial instruments by category

As of December 31, 2023, the financial assets measured at fair value and recorded into the profit and loss of the current period amount to 1,539,968 thousand (December 31, 2022: 1,585,306 thousand), mainly listed in financial assets held for trading and other non-current financial assets; Financial assets measured at fair value and whose changes are included in other comprehensive income total 11,427,312 thousand (December 31, 2022: 11,272,136 thousand), mainly listed in accounts receivable financing, other current assets, other debt investments and investments in other equity instruments; Financial assets measured at amortized cost total 901,844,152 thousand (December 31, 2022: 824,530,886 thousand), mainly listed in cash and bank balances, notes receivable, accounts receivable, other receivables, current portion of non-current assets, other current assets, debt investments and long-term receivables; There are no financial liabilities measured at fair value and whose changes are included in the current profit and loss (December 31, 2022: 4,967,342 thousand), which are mainly listed as current portion of non-current liabilities; Financial liabilities measured at amortized cost total 1,662,937,878 thousand (December 31, 2022: 1,445,745,876 thousand), mainly listed in short-term borrowings, notes payable, accounts payable, other payables, current portion of non-current liabilities, other current liabilities, long-term borrowings, bonds payable, long-term payables and other non-current liabilities.

(All amounts in RMB Thousand Yuan unless otherwise stated)

X. Financial Instruments and Related Risks (continued)

2. Financial instrument risks

The Group's activities expose it to a variety of financial risks: mainly include credit risk, liquidity risk and market risk (including interest rate risk, currency risk and equity instrument price risk). The risk management policy of this group is outlined below.

The Board of Directors is responsible for planning and establishing the Group's risk management structure, formulating the Group's risk management policies and related guidelines, and supervising the implementation of risk management measures. The Group has formulated risk management policies to identify and analyze the risks faced by the Group. These risk management policies specify specific risks, covering market risk, credit risk and liquidity risk management. The Group regularly assesses changes in the market environment and the Group's operating activities to decide whether to update the risk management policies and systems. The risk management of the Group is carried out by the Risk Management Committee in accordance with the policies approved by the Board of Directors. The Risk Management Committee identifies, evaluates and avoids related risks through close cooperation with other business departments of the Group. The internal audit department of the Group conducts regular audits on risk management controls and procedures, and reports the audit results to the audit committee of the Group.

The Group diversifies the risk of financial instruments through appropriate diversified investment and business portfolios, and formulates corresponding risk management policies to reduce the risk of concentration in any single industry, specific region or specific counterparty.

Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable and contract assets balances are monitored on an ongoing basis to ensure that the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Department of Credit Control in the Group.

Since the counterparties of monetary funds, bank acceptance bills receivable are banks with good reputations and high credit ratings, these financial instruments have low credit risks.

Other financial assets of the Group include notes receivable, accounts receivable, financial assets held for trading, other receivables, debt investments, long-term receivable, other debt investments, other equity instrument investments, and other non-current financial assets. The credit risk of these financial assets stems from the default of the counterparty. The maximum risk exposure is equal to the book value of these instruments.

The maximum credit risk exposure that the Group faces on each balance sheet date is the total amount collected from customers minus the amount of impairment allowances.

The Group also faces credit risks due to the provision of financial guarantees, as disclosed in Note XIV. 2 for details.

Since the Group only conducts transactions with recognised and reputable third parties, there is no need for collateral. Credit risk is centralized and managed according to customers/counterparties, geographic regions and industries. Because the Group's accounts receivable customer base is relatively wide. Therefore, there is no significant concentration of credit risk within the Group.

(All amounts in RMB Thousand Yuan unless otherwise stated)

X. Financial Instruments and Related Risks (continued)**2. Financial instrument risks (continued)****Credit risk (continued)***The judgment criteria for the significant increase of credit risk*

The Group evaluates on each balance sheet date whether the credit risk of relevant financial instruments has increased significantly since the initial recognition. The primary criteria used by the group to assess a significant increase in credit risk include the following: if the number of overdue days exceeds 30, or if there is a substantial change in one or more of the following indicators – the debtor's business environment, internal and external credit ratings, and significant adverse changes in actual or expected operating results.

Definition of credit-impaired assets

- (1) The group's main criterion for determining that credit impairment has occurred is that the number of days overdue exceeds 90 days, but in some cases, the group will also consider that credit impairment has occurred if internal or external information shows that the contract amount may not be recovered in full before considering any credit enhancements held.

The credit impairment of financial assets may be caused by a combination of multiple events, and may not be caused by a separately identifiable event.

The exposure to credit risk

As at 31 December 2023 and 31 December 2022, the exposure to credit risk of notes receivable, accounts receivable, accounts receivable financing, other receivable, contract assets, debt investments and long-term receivable refers to Note V.3, 4, 5, 7, 9, 12, and 13.

(All amounts in RMB Thousand Yuan unless otherwise stated)

X. Financial Instrument and Related Risk (continued)

2. Financial instrument risks (continued)

Liquidity risk

The objective of the Group is to maintain a balance between sustainability and flexibility in financing through the use of a variety of financing instruments. The group's operating financing refers to funds generated through operations and borrowings.

The tables below summarise the maturity profile of the Group's financial liabilities and other liabilities based on contractual undiscounted payments and earliest payment date required by related parties for the maximum amount under financial guarantee contracts:

31 December 2023

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	126,343,648	–	–	–	126,343,648
Notes payable	10,770,185	–	–	–	10,770,185
Accounts payable	689,957,840	–	–	–	689,957,840
Other payables	139,739,834	–	–	–	139,739,834
Other current liabilities	9,890,802	–	–	–	9,890,802
Long-term borrowings	101,388,567	135,741,675	224,602,025	154,417,710	616,149,977
Bonds payable	31,258,104	22,362,662	52,791,334	36,226,583	142,638,683
Lease liabilities	2,449,880	1,867,152	1,593,497	1,942,649	7,853,178
Long-term payables	17,076,438	5,516,055	4,569,530	62,096	27,224,119
Other non-current liabilities	2,461,783	–	–	–	2,461,783
Financial guarantee contracts	123,962,504	4,134,913	3,102,811	2,070,847	133,271,075
Total	1,255,299,585	169,622,457	286,659,197	194,719,885	1,906,301,124

31 December 2022

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	79,184,430	–	–	–	79,184,430
Notes payable	10,303,981	–	–	–	10,303,981
Accounts payable	585,744,273	–	–	–	585,744,273
Other payables	137,554,165	–	–	–	137,554,165
Other current liabilities	3,082,674	–	–	–	3,082,674
Long-term borrowings	77,240,840	132,854,090	191,488,381	123,394,857	524,978,168
Bonds payable	45,041,972	20,468,708	60,921,558	59,426,818	185,859,056
Lease liabilities	2,347,216	1,540,322	2,129,693	2,017,605	8,034,836
Long-term payables	14,523,373	9,934,264	4,934,431	85,847	29,477,915
Other non-current liabilities	4,980,549	2,669,891	–	–	7,650,440
Financial guarantee contracts	124,091,982	4,855,343	9,039,133	1,193,323	139,179,781
Total	1,084,095,455	172,322,618	268,513,196	186,118,450	1,711,049,719

Note: The above-mentioned long-term borrowings, bonds payable, lease liabilities and long-term payables and other non-current liabilities all include the parts due within one year.

(All amounts in RMB Thousand Yuan unless otherwise stated)

X. Financial Instrument and Related Risk (continued)**2. Financial instrument risks (continued)****Market risk***Interest rate risk*

The Group's interest rate risk arises from interest bearing borrowings including borrowings, bonds payable. Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk.

As at 31 December 2023, the Group's interest bearing borrowings with fixed rates amounted to 361,082,594 thousand (31 December 2022: 314,850,545 thousand), and floating rates interest bearing borrowings amounted to 438,806,005 thousand (31 December 2022: 377,089,607 thousand).

The Group's finance department at its headquarters continuously monitors the interest rate position of the Group. Increases in interest rates will increase the cost of new borrowings and the interest expenses with respect to the Group's outstanding floating rate borrowings, which could have a material adverse effect on the Group's financial position. The management of the Group makes decisions with reference to the latest market conditions. The Group may enter into interest rate swap agreements to mitigate its exposure to interest rate risk. For 2023 and 2022 the Group did not enter into any significant interest rate swap agreements.

As at 31 December 2023, if the borrowing interest rate calculated at floating interest rate had been 50 basis points higher/lower, with all other variables held constant, the Group's net profit would have been decreased/increased by approximately 1,506 million (31 December 2022: approximately 1,384 million).

Currency risk

The Group's major operational activities are carried out in Mainland China and a majority of the transactions is denominated in RMB. The Group's confirmed foreign currency assets and liabilities and future foreign currency transactions (foreign currency assets and liabilities and foreign currency transactions are mainly denominated in US dollars and HK dollars) are subject to foreign exchange risks. The Group's finance department at its headquarters is responsible for monitoring the foreign currency transactions and the scale of foreign currency assets and liabilities to minimize foreign exchange risks;. The Group may consider entering into forward exchange contracts or currency swap contracts to mitigate the foreign exchange risk. During 2023 and 2022, the Group did not enter into any significant forward exchange contracts or currency swap contracts.

As at 31 December 2023, for Group's all kinds of foreign currency financial assets and foreign currency financial liabilities, if RMB appreciation or devaluation against foreign currency were 10%, other factors remain unchanged, the Group would increase or decrease by approximately 8.137 billion (31 December, 2022: approximately 9.916 billion).

Equity instrument price risk

The Group's equity instrument price risk mainly arises from various types of equity instrument investments, and there is a risk of changes in equity instrument prices.

As at 31 December 2023, if the expected price of various types of equity instrument investments of the Group increased or decreased by 10% and other factors remained unchanged, the Group's net profit would increase or decrease by approximately 141,452 thousand (31 December 2022: approximately 131,275 thousand), other comprehensive income would increase or decrease by approximately 551,218 thousand (31 December 2022: approximately 508,823 thousand).

(All amounts in RMB Thousand Yuan unless otherwise stated)

X. Financial Instrument and Related Risk (continued)

3. Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support business development and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk profile of related assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to owners, return capital to owners or issue new shares. The Group is not subject to external mandatory capital requirements. No changes in the objectives, policies or processes for managing capital were made in 2023 and 2022.

The Group's total capital is the shareholders' equity shown in the consolidated balance sheet. The Group uses the gearing ratio to monitor its capital. The debt to assets ratio refers to the consolidated balance sheet total liabilities divided by total assets. The debt to assets ratio of the Group at 31 December 2023 and 31 December 2022 was as follows:

	31 December 2023	31 December 2022
Total liabilities	2,172,252,410	1,972,516,396
Total assets	2,903,322,519	2,652,903,306
Debt to assets ratio	74.82%	74.35%

4. Transfer of financial assets

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Termination of recognition	Judgment basis for termination of recognition
Notes endorsed/ Discount of bills	Notes receivable/ accounts receivables financing	1,379,782	Derecognised	Retained almost all risks and rewards, including the risk of default associated with it
Notes endorsed	Accounts receivables financing	374,610	Recognised	Almost all the risks and rewards have been transferred
Factoring	Accounts receivable	43,439,385	Recognised	Almost all the risks and rewards have been transferred
Asset Securitization	Accounts receivable/ contract assets	8,746,018	Recognised	Almost all the risks and rewards have been transferred
Total		53,939,795		

As at 31 December 2023, the financial assets derecognized due to transfer were as follows:

	Transfer method	Amount of derecognised financial assets	Losses related to derecognition
Accounts receivables financing	Notes endorsed	374,610	–
Accounts receivable	Factoring	43,439,385	(1,154,928)
Accounts receivable/Contract assets	Asset Securitization	8,746,018	(518,321)
Total		52,560,013	(1,673,249)

(All amounts in RMB Thousand Yuan unless otherwise stated)

X. Financial Instrument and Related Risk (continued)**4. Transfer of financial assets (continued)****Transferred financial assets that are not derecognised in their entirety**

As at 31 December 2023, the book value of bank acceptance and commercial acceptance bills approved and discounted by the Group was 1,379,782 thousand (31 December 2022: 4,307,599 thousand). In the view of the Group, the Group retains almost all of its risks and remuneration, including the risk of default associated with it, and therefore continues to fully recognise it and the settled accounts payable or short-term borrowings associated with it. After endorsement or discount, the Group no longer reserves the right to use it, including the right to sell, transfer or pledge it to other third parties. As of 31 December 2023, the Group's book value of its settled accounts payable or short-term borrowings received totalled 1,379,782 thousand (31 December 2022: 4,307,599 thousand).

Transferred financial assets that are derecognised in their entirety in which continuing involvement exists

As of 31 December 2023, the book value of the Group's endorsed and discounted but not yet due bank acceptance bill was 374,610 thousand (31 December 2022: 1,246,298 thousand). On 31 December 2023, its maturity date is 1 to 12 months. According to the relevant provisions of the "Negotiable Instruments Law", if the acceptance bank refuses to pay, its holder has the right to claim against the group ("continue involvement"). The Group believes that the group has transferred almost all of its risks and rewards, therefore, fully derecognized it and related settled accounts payable and recognize the discount fees. The maximum loss and undiscounted cash flow of continued involvement and repurchase is equal to its book value. The Group believes that the continued involvement in fair value is not significant.

During the year ended 31 December 2023, the Group did not recognise gains or losses on the transfer date. There was no income or expenses recognised in the current year and accumulatively due to the Group's continued involvement in the derecognised financial assets.

(All amounts in RMB Thousand Yuan unless otherwise stated)

XI. Disclosure of Fair Value

1. Assets and liabilities measured at fair value

31 December 2023

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Recurring fair value measurements				
Financial assets held for trading				
Equity investments	14,854	–	–	14,854
Accounts receivables financing	–	–	4,353,284	4,353,284
Other current assets				
Investment in listed equity instrument	829,951	–	–	829,951
Other non-current financial assets				
Investment in fund	–	–	1,525,114	1,525,114
Other investment in debenture instrument	136,574	–	–	136,574
Other investment in equity instrument				
Investment in non-listed equity instrument	–	–	6,107,503	6,107,503
Total financial assets	981,379	–	11,985,901	12,967,280

31 December 2022

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Recurring fair value measurements				
Financial assets held for trading				
Equity investments	20,153	–	–	20,153
Accounts receivable financing	–	–	4,658,182	4,658,182
Other current assets				
Investment in listed equity instrument	1,730,559	–	–	1,730,559
Other non-current financial assets				
Investment in stock	–	–	35,510	35,510
Investment in fund	–	–	1,529,643	1,529,643
Other investment in debt investments	272,924	–	–	272,924
Other investment in equity instrument				
Investment in listed equity instrument	300,867	–	–	300,867
Investment in non-listed equity instrument	–	–	4,309,604	4,309,604
Total financial assets	2,324,503	–	10,532,939	12,857,442
Recurring fair value measurements				
Other non-current liabilities	–	4,967,342	–	4,967,342
Total financial liabilities	–	4,967,342	–	4,967,342

(All amounts in RMB Thousand Yuan unless otherwise stated)

XI. Disclosure of Fair Value (continued)

2. Valuation of fair value

(1) Fair value measurements within Level 1

The fair value of listed equity instrument investment and debt investment is determined at the market price.

(2) Fair value measurements within Level 3

The Group's finance department headed by the person in charge of the accounting institution is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The person in charge of the accounting institution reports directly to the person in charge of accounting work and the audit committee. At each reporting date, the finance department analyses the movements in the value of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the person in charge of accounting work.

For investment in unlisted equity instruments, valuation models such as market-comparable company models and discounted cash flow models are used to estimate fair value. For the market-comparable company models, the market method is used to estimate the fair value based on unobservable market prices or interest rate assumptions. The Group needs to identify comparable listed companies based on industry, size, leverage and strategy and calculate appropriate market multipliers such as enterprise value multiplier, price-to-book multiplier and price-to-earnings multiplier for each identified comparable listed company. Adjustments are made according to enterprise-specific facts and circumstances, taking into account factors such as liquidity and size differences with comparable listed companies. For the discounted cash flow model, the discounted valuation model is used to estimate the fair value according to the unobservable market price or interest rate assumption. The Group is required to provide estimates of expected future cash flows, including expected future dividends and disposal income. The Group believes that the fair value and its changes estimated by valuation techniques are reasonable and are the most appropriate value on the balance sheet date.

3. Reconciliation of recurring fair value measurements within Level 3

Reconciliation of recurring fair value measurements within Level 3 is as follows:

2023

	Total gains or losses during the year			Purchases	Sales	Closing balance of the year	Changes in unrealised gains or losses included in profit or loss for assets held at end of the year
	Opening balance of the year	Included in profit or loss	Included in other comprehensive income				
Accounts receivable financing	4,658,182	-	-	4,267,515	(4,572,413)	4,353,284	-
Other non-current financial assets							
Investment in stock	35,510	-	-	-	(35,510)	-	-
Investment in fund	1,529,643	3,808	-	500,626	(517,872)	1,525,114	12,717
Other investment in equity instrument							
Investment in non-listed equity instrument	4,309,604	47,314	383,790	1,987,552	(573,443)	6,107,503	-
Total	10,532,939	51,122	383,790	6,755,693	(5,699,238)	11,985,901	12,717

(All amounts in RMB Thousand Yuan unless otherwise stated)

XI. Disclosure of Fair Value (continued)**3. Reconciliation of recurring fair value measurements within Level 3 (continued)**

2022

	Opening balance of the year	Total gains or losses during the year		Purchases	Sales	Closing balance of the year	Changes in unrealised gains or losses included in profit or loss for assets held at end of the year
		Included in profit or loss	Included in other comprehensive income				
Accounts receivable financing	3,773,078	–	–	4,117,244	(3,232,140)	4,658,182	–
Other non-current financial assets							
Investment in stock	35,510	–	–	–	–	35,510	–
Investment in fund	1,523,844	9,855	–	30,600	–	1,529,643	(24,801)
Other investment in equity instrument							
Investment in non-listed equity instrument	3,857,206	46,095	349,615	231,104	(128,321)	4,309,604	–
Total	9,189,638	55,950	349,615	4,378,948	(3,360,461)	10,532,939	(24,801)

For recurring fair value measurements categorised within Level 3 of the fair value hierarchy, gains and losses included in profit or loss that relate to financial assets and non-financial assets are as follows:

2023

	Profit or loss related to financial assets	Profit or loss related to non-financial assets
Total realised gains included in profit or loss	51,122	–
Changes in unrealised gains included in profit or loss for assets held at end of year	12,717	–

2022

	Profit or loss related to financial assets	Profit or loss related to non-financial assets
Total realised gains included in profit or loss	55,950	–
Changes in unrealised gains included in profit or loss for assets held at end of year	(24,801)	–

4. Transfers of recurring fair value measurements between different levels of fair value hierarchy

During the year 2023 and 2022, the fair value level of the equity instrument or debt investment continuously measured at fair value has no change.

(All amounts in RMB Thousand Yuan unless otherwise stated)

XI. Disclosure of Fair Value (continued)

5. Financial assets and financial liabilities not measured at fair value

The illustration below is the disclosure on comparison between the fair value and the carrying amount for each class of financial instruments other than financial instruments where the difference between the carrying amount and the fair value is insignificant:

2023

	Carrying amounts	Fair values	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs ((Level 3)
Financial liabilities					
Bonds payable	92,372,831	98,607,493	26,654,512	–	71,952,981

2022

	Carrying amounts	Fair values	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs ((Level 3)
Financial liabilities					
Bonds payable	103,797,195	110,150,168	33,852,492	–	76,297,676

The fair value of payable bonds that do not have a publicly quoted price is determined using the discounted future cash flow method, with the market yield of other financial instruments with similar contract terms, credit risk, and remaining maturity as the discount rate. The Group's non-performance risk for bonds payable as at 31 December 2023 was assessed to be insignificant.

XII. Related Party Relationships and Transactions

1. Parent

	Registered address	Nature of business	Registered capital	Proportion of ownership interest in the Company	Proportion of voting power in the Company
CSCEC	Beijing	Investment holding	10 billion	56.58%	56.58%

The Company's ultimate controlling party is State-owned Assets Supervision and Administration Commission of the State Council.

2. Subsidiaries

The Company's important subsidiaries refer to Note VIII. 1.

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

3. Joint ventures and associates

Except the general information and other related information of joint ventures and associates set out in Note VIII. 2, the situation of joint ventures and associated enterprises that have transactions with the Group is listed as follows:

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (Note 3)					
CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd. (Note 1)	Tianjin, China	Tianjin, China	Infrastructure construction business	No	98.00
Zhengzhou CSCEC Zhicheng Comprehensive Pipe Gallery Construction Management Co., Ltd. (Note 1)	Henan, China	Henan, China	Infrastructure construction business	No	80.00
Liupanshui Urban Pipe Gallery Construction and Development Investment Co., Ltd. (Note 1)	Guizhou, China	Guizhou, China	Infrastructure construction business	No	80.00
CSCEC (Tangshan Caofeidian) Engineering Construction Co., Ltd. (Note 1)	Hebei, China	Hebei, China	Infrastructure construction business	No	72.00
Guizhou Leirong Expressway Investment Management Co., Ltd. (Note 1)	Guizhou, China	Guizhou, China	Infrastructure construction business	No	70.00
Suizhou CSCEC North South Outer Ring Road Construction Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Infrastructure construction business	No	70.00
Chongqing Zhongjian Hailong Liangjiang Construction Technology Co., Ltd. (Note 1)	Chongqing, China	Chongqing, China	Housing construction business	No	70.00
Anhui Bengwu Expressway Investment Management Co., Ltd. (Note 1)	Anhui, China	Anhui, China	Infrastructure construction business	No	70.00
Jingyu Co., Ltd. (Note 1)	Hong Kong, China	Hong Kong, China	Other business	No	70.00
China Construction International (Xiangyang) Construction Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Housing construction business	No	70.00
Xuancheng Haijia Lancheng Real Estate Co., Ltd. (Note 1)	Anhui, China	Anhui, China	Real estate investment and development business	No	65.00
Shenzhen Shenzhen-Shantou Special Cooperation Zone Zhongpu Infrastructure Investment Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Infrastructure construction business	No	64.00
Liuzhou China Construction Science and Industry Exhibition Operation Management Co., Ltd. (Note 1)	Guangxi, China	Guangxi, China	Building decoration, decoration, and other construction industries	No	63.49
Wuhan Pinlian Real Estate Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Business service industry	No	63.20
Qufu Nishan Cultural Tourism Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	60.00
Hengshui CECSC Hangang Expressway Management Co., Ltd. (Note 1)	Hebei, China	Hebei, China	Public facilities management industry	No	59.93
Zunyi South Ring Expressway Development Co., Ltd. (Note 1)	Guizhou, China	Guizhou, China	Infrastructure construction business	No	59.00
Changsha Zhongjian International Development Co., Ltd. (Note 1)	Hunan, China	Hunan, China	Infrastructure construction business	No	56.00
Nanjing China Construction Fifth Engineering Bureau Lishui Development Area Affordable Housing Investment Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Housing construction business	No	51.00
Suzhou Star Investment Construction Development Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	51.00
Guangdong Haichao Technology Industry Development Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Other business	No	51.00
Beijing Xingying Real Estate Co., Ltd. (Note 1)	Beijing, China	Beijing, China	Real estate investment and development business	No	51.00
Tianjin Chuangqing Investment Management Co., Ltd. (Note 1)	Tianjin, China	Tianjin, China	Other business	No	51.00
Beijing Yipin Haikai Real Estate Development Co., Ltd. (Note 1)	Beijing, China	Beijing, China	Business service industry	No	51.00
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Real estate investment and development business	No	51.00

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (continued) (Note 3)					
Shanghai Heke Real Estate Co., Ltd. (Note 1)	Shanghai, China	Shanghai, China	Real estate investment and development business	No	51.00
Zhaotong Zhongjian Construction Investment Development Co., Ltd. (Note 1)	Yunnan, China	Yunnan, China	Infrastructure construction business	No	51.00
Liuan Haijia Lancheng Real Estate Co., Ltd. (Note 1)	Anhui, China	Anhui, China	Real estate investment and development business	No	51.00
Guangzhou Xinghong Real Estate Development Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	51.00
Foshan China Construction Yipin Pengyue Real Estate Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	51.00
Hengyang Lingsheng Real Estate Co., Ltd. (Note 1)	Hunan, China	Hunan, China	Real estate investment and development business	No	51.00
Leading Investment Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	51.00
Wuhan Hongtai Hongli CSCEC Yipin Real Estate Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Real estate investment and development business	No	51.00
Changsha CSCEC International High-speed Railway West Industrial City Investment Co., Ltd. (Note 1)	Hunan, China	Hunan, China	Infrastructure construction business	No	51.00
Xiamen International Trade Conference Center Co., Ltd.	Fujian, China	Fujian, China	Other business	No	50.00
Ezhou Chuangu Real Estate Development Co., Ltd.	Hubei, China	Hubei, China	Real estate investment and development business	No	50.00
Changchun Hairun Rongcheng Real Estate Development Co., Ltd.	Jilin, China	Jilin, China	Real estate investment and development business	No	50.00
China Resources Land Real Estate (Taiyuan) Development Co., Ltd.	Shanxi, China	Shanxi, China	Real estate investment and development business	No	50.00
Hing Chong Enterprise Co., Ltd.	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	50.00
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00
Zhongshan Kaixuan City Real Estate Development Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00
Chengdu Jingrui Real Estate Co., Ltd.	Sichuan, China	Sichuan, China	Real estate investment and development business	No	50.00
Chengdu Langxin Real Estate Co., Ltd.	Sichuan, China	Sichuan, China	Real Estate	No	50.00
Xi'an Jiarun Rongcheng Real Estate Co., Ltd.	Shaanxi, China	Shaanxi, China	Real estate investment and development business	No	50.00
Qingdao Haijie Real Estate Co., Ltd.	Shandong, China	Shandong, China	Real estate investment and development business	No	50.00
Guiheng Investments Co., Ltd.	Chongqing, China	Chongqing, China	Real estate investment and development business	No	50.00
Xi'an Hehui Xingshang Real Estate Co., Ltd.	Shaanxi, China	Shaanxi, China	Real estate investment and development business	No	50.00
Sunrise JV Limited	Hong Kong, China	Hong Kong, China	Other business	No	50.00
Xinggui Investment Co., Ltd.	Zhejiang, China	Zhejiang, China	Real estate investment and development business	No	50.00
Guangzhou XingLv Real Estate Development Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00
Guangzhou CSCEC Green Financial Holding Construction Investment Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (continued) (Note 3)					
Wuhan CSCEC Yipin Zhaoying Real Estate Co., Ltd.	Wuhan, China	Wuhan, China	Real estate investment and development business	No	50.00
CSCEC Dacheng Construction Co., Ltd.	Beijing, China	Beijing, China	Housing construction business	No	50.00
Dongguan Zhonghai Century City Education Technology Development Co., Ltd.	Guangdong, China	Guangdong, China	Other business	No	50.00
Fuzhou Strait culture and Art Center Construction and Development Co., Ltd.	Fujian, China	Fujian, China	Real estate investment and development business	No	50.00
Harbin Runzhi Real Estate Development Co., Ltd.	Heilongjiang, China	Heilongjiang, China	Real estate investment and development business	No	50.00
Xiamen Haimao Real Estate Co., Ltd.	Fujian, China	Fujian, China	Real estate investment and development business	No	50.00
Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	50.00
Shanghai Lingang New Area Jingang Dongjiu Real Estate Co., Ltd. (Note 1)	Shanghai, China	Shanghai, China	Real estate investment and development business	No	49.00
Yunnan Airport Construction and Development Co., Ltd. (Note 1)	Yunnan, China	Yunnan, China	Infrastructure construction business	No	49.00
Shanghai Linbo Haihui City Construction Development Co., Ltd. (Note 1)	Shanghai, China	Shanghai, China	Infrastructure construction business	No	49.00
Chongqing Qingneng Yuehe Real Estate Co., Ltd. (Note 1)	Chongqing, China	Chongqing, China	Real estate investment and development business	No	49.00
Changsha Yida Chuangzhi Real Estate Development Co., Ltd. (Note 1)	Hunan, China	Hunan, China	Real estate investment and development business	No	49.00
Changsha CSCEC International Blackstone Area Investment Construction Co., Ltd. (Note 1)	Hunan, China	Hunan, China	Real estate investment and development business	No	49.00
Xi'an Chuxin investment and Construction Co., Ltd. (Note 1)	Shaanxi, China	Shaanxi, China	Infrastructure construction business	No	49.00
Foshan Construction Investment China Construction Yipin Real Estate Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	49.00
Nanjing Kangyuan Real Estate Development Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	49.00
Zhongshan Shenshui Environmental Water Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Other business	No	48.98
Zhongshan Jinghanjin Environmental Management Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Infrastructure construction business	No	48.00
Yantai Zhongda Xinhong Science Education Investment Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Other business	No	47.50
Ezhou Sports Investment Construction Operation Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Infrastructure construction business	No	47.50
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd. (Note 1)	Chongqing, China	Chongqing, China	Infrastructure construction business	No	46.77
Xuzhou Metro Line Three Investment Development Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	44.44
Suzhou Wujiang Taihai Real Estate Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	44.00
Shanghai Baoxuan Technology Development Co., Ltd. (Note 1)	Shanghai, China	Shanghai, China	Real estate investment and development business	No	40.00
Suzhou Zhaowen Real Estate Development Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	40.00
Yili CSCEC Highway Construction and Operation Co., Ltd. (Note 1)	Xinjiang, China	Xinjiang, China	Infrastructure construction business	No	40.00

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (continued) (Note 3)					
Xiangyang Loop Line Speed Improvement Construction Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Infrastructure construction business	No	39.00
Shantou CSCEC New Urbanization Investment Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Infrastructure construction business	No	36.77
Beijing Nanyue Real Estate Development Co., Ltd. (Note 1)	Beijing, China	Beijing, China	Real estate investment and development business	No	35.00
Guangzhou Fuchuang Real Estate Development Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	34.00
Suzhou Fuyuan Real Estate Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	34.00
Top Colour Development Limited (Note 1)	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	34.00
Jingmen China Construction 207 Highway Construction Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Infrastructure construction business	No	34.00
Tianjin Chuangliang Investment Management Co., Ltd. (Note 1)	Tianjin, China	Tianjin, China	Other business	No	34.00
Beijing Chenxing International Exhibition Co., Ltd. (Note 1)	Beijing, China	Beijing, China	Other business	No	33.33
TEDA Group Co., Ltd. (Note 1)	Hong Kong, China	Hong Kong, China	Infrastructure construction business	No	33.00
Luminous Dream Limited (Note 1)	Hong Kong, China	Hong Kong, China	Infrastructure construction business	No	30.00
Clear Elegant Limited (Note 1)	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	30.00
Guizhou Zhengxi Expressway Investment Management Co., Ltd. (Note 1)	Guizhou, China	Guizhou, China	Infrastructure construction business	No	30.00
Cangzhou CSCEC Bohai Investment Logistics Park Construction Development Co., Ltd. (Note 1)	Hebei, China	Hebei, China	Infrastructure construction business	No	27.00
Shanghai Chenggang Real Estate Co., Ltd. (Note 1)	Shanghai, China	Shanghai, China	Real estate investment and development business	No	25.00
Guangzhou SuiHai Real Estate Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	25.00
Tongxiang Haoli Enterprise Management Co., Ltd. (Note 1)	Zhejiang, China	Zhejiang, China	Other business	No	25.00
CSCEC Xi'an Infrastructure Construction Investment Co., Ltd. (Note 4)	Shaanxi, China	Shaanxi, China	Infrastructure construction business	No	22.50
CSCEC Roads and Bridges Co., Ltd. (Note 1)	Hebei, China	Hebei, China	Infrastructure construction business	No	20.40
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd. (Note 1)	Xinjiang, China	Xinjiang, China	Infrastructure construction business	No	20.00
Gainable Development Limited (Note 1)	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	20.00
CSCEC Zhanjiang Avenue Investment and Construction Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Infrastructure construction business	No	20.00
Fansway Limited (Note 1)	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	20.00
Beijing Zhonghai Excellent Urban and Rural Construction Investment Fund (Note 1)	Beijing, China	Beijing, China	Public facilities management industry	No	18.09
Marble Edge Limited (Note 1)	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	18.00
Qingdao Fangchen Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (continued) (Note 3)					
Qingdao Maozhang Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Qingdao Fanghui Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Cangzhou Bohai New Area China Construction Port Construction Management Co., Ltd. (Note 1)	Hebei, China	Hebei, China	Infrastructure construction business	No	18.00
Qingdao Caimao Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Qingdao Fangchuan Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Qingdao Songmao Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Qingdao Fangyue Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Sanya Bihai Jincheng Business Management Co., Ltd. (Note 1)	Hainan, China	Hainan, China	Real estate investment and development business	No	17.00
Tianjin Shunji Real Estate Co., Ltd. (Note 1)	Tianjin, China	Tianjin, China	Real estate investment and development business	No	12.50
Chongqing Jiangjin Three Gorges Water Environment Comprehensive Treatment Co., Ltd. (Note 1)	Chongqing, China	Chongqing, China	Infrastructure construction business	No	8.00
Mianyang CSCEC Kefa Guanlang Road Investment and Construction Co., Ltd. (Note 1)	Sichuan, China	Sichuan, China	Housing construction business	No	7.44
Rizhao CSCEC Transportation Service Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Infrastructure construction business	No	5.00
Associates (Note 3)					
Zhuhai Haiyue Real Estate Development Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	80.00
Zhongshan Cuiheng New District Water Resources Investment and Construction Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Infrastructure construction business	No	63.00
Liyang Zhongjian Sangde Environmental Governance Co., Ltd. (Note 2)	Jiangsu, China	Jiangsu, China	Ecological protection and environmental governance industry	No	54.00
Wuhan Chongjiang Real Estate Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Real estate investment and development business	No	51.00
Qingyang CSCEC Yuanqing Highway Construction Management Co., Ltd. (Note 2)	Gansu, China	Gansu, China	Infrastructure construction business	No	51.00
Jinan Zhiying Real Estate Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Real Estate	No	50.00
Liupanshui Dongda Highway Investment and Development Co., Ltd. (Note 2)	Guizhou, China	Guizhou, China	Infrastructure construction business	No	50.00
Jiangmen Pengjiang Area Hebang Real Estate Development Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00
Commissioner Of Lands Sla	Singapore	Singapore	Real Estate	No	49.00
Putian CSCEC Mulan Construction Development Co., Ltd.	Fujian, China	Fujian, China	Infrastructure construction business	No	49.90
Guangzhou Kaitou Construction Technology Co., Ltd.	Guangdong, China	Guangdong, China	Sales materials	No	49.00
Hainan Xinsheng Green Building Materials Co., Ltd.	Hainan, China	Hainan, China	Housing construction business	No	49.00
Urumqi Linkong Construction Infrastructure Co., Ltd.	Xinjiang, China	Xinjiang, China	Other business	No	49.00
Grand Dunman Pte Ltd.	Singapore	Singapore	Real estate investment and development business	No	49.00

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (continued) (Note 3)					
Changsha Gengxin Real Estate Co., Ltd.	Hunan, China	Hunan, China	Real estate investment and development business	No	49.00
Haizhou Investment Co., Ltd.	Hong Kong, China	Hong Kong, China	Other business	No	49.00
Beijing Hengyi Real Estate Development Co., Ltd.	Beijing, China	Beijing, China	Real estate investment and development business	No	49.00
Shanghai Jiasheng Real Estate Development Co., Ltd.	Shanghai, China	Shanghai, China	Real estate investment and development business	No	49.00
Wuhan Transportation Investment Tongxiu High-speed Construction Management Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	48.00
Liuzhou CSCEC Dongcheng Cultural Development Co., Ltd.	Guangxi, China	Guangxi, China	Housing construction business	No	46.67
Yunnan Huali Expressway Investment and Development Co., Ltd.	Yunnan, China	Yunnan, China	Infrastructure construction business	No	46.00
China Construction Third Bureau Rongchang Chengdu Tianfu New District Construction Investment Co., Ltd.	Sichuan, China	Sichuan, China	Infrastructure construction business	No	46.00
China Construction Third Engineering Bureau Shiyan Linyin Avenue Construction and Operation Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	45.00
Chongqing Jinke Zhaoji Real Estate Development Co., Ltd.	Chongqing, China	Chongqing, China	Real estate investment and development business	No	45.00
China Construction Third Engineering Bureau Shiyan Aviation Road Construction Operation Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	45.00
China Construction Third Engineering Bureau Xianning Big Continent Lake Ecological Construction and Operation Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	45.00
Sichuan West Construction Zhonghe Machinery Co., Ltd.	Sichuan, China	Sichuan, China	Other business	No	44.44
Anhui Guoyuan Investment Co., Ltd.	Anhui, China	Anhui, China	Other business	No	42.73
Guigang Nine Roads and Two Bridges Construction Management Co., Ltd.	Guangxi, China	Guangxi, China	Infrastructure construction business	No	42.68
Zhongshan Public Utilities Sanlianwei Watershed Governance Co., Ltd.	Guangdong, China	Guangdong, China	Wholesale Business	No	40.00
Fuqing CSCEC Ronghai Construction and Development Co., Ltd.	Fujian, China	Fujian, China	Real estate investment and development business	No	40.00
Sanmenxia National Road 310 South Transplanted Project Construction Co., Ltd.	Henan, China	Henan, China	Infrastructure construction business	No	40.00
China State Construction Wuhan Yangsigang Road and Bridge Construction and Operation Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	40.00
Beijing Jinliang Xingye Real Estate Development Co., Ltd.	Beijing, China	Beijing, China	Real estate investment and development business	No	40.00
Zhijiang Jianxin Municipal Engineering Construction Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	40.00
Suining East Lake Bishui Environmental Investment Construction Co., Ltd.	Sichuan, China	Sichuan, China	Other business	No	39.00
Qingdao China Construction Eighth Engineering Bureau Education Development Co., Ltd.	Shandong, China	Shandong, China	Other business	No	38.65
China Construction Third Engineering Bureau Xiangyang Yuliangzhou Ecological Construction and Operation Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	36.00
Guangdong Huafa Zhongjian New Technology Investment Holding Co., Ltd.	Guangdong, China	Guangdong, China	Other business	No	35.00
China Construction Haoyun Co., Ltd.	Hebei, China	Hebei, China	Other business	No	35.00
Wuhan Binjiang Infrastructure Construction and Development Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	35.00
Shanghai Fuda Real Estate Co., Ltd.	Shanghai, China	Shanghai, China	Real estate investment and development business	No	34.00
Nantong City Ring Road Expressway Co., Ltd.	Jiangsu, China	Jiangsu, China	Housing construction business	No	33.00

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (continued) (Note 3)					
Vanlink Company Limited	Shandong, China	Shandong, China	Real estate investment and development business	No	32.14
Southwest Section of Wuhan Metropolitan Area Circle Line Investment Management Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	31.83
Hong Kong and Kowloon Concrete Co., Ltd.	Hong Kong, China	Hong Kong, China	Sales materials	No	31.50
Guangxi Nanbin Highway Construction and Development Co., Ltd.	Guangxi, China	Guangxi, China	Infrastructure construction business	No	31.50
Hunan Leiyi Lingdao Expressway Construction and Development Co., Ltd.	Hunan, China	Hunan, China	Infrastructure construction business	No	30.29
Sichuan West Construction Shantui Logistics Co., Ltd.	Sichuan, China	Sichuan, China	Other business	No	30.00
Wuhan CSCEC Wudi Development Construction Co., Ltd.	Hubei, China	Hubei, China	Other business	No	30.00
Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	Hunan, China	Hunan, China	Real estate investment and development business	No	30.00
Shandong Zhongcheng Machinery Leasing Co., Ltd.	Shandong, China	Shandong, China	Leasing business	No	30.00
Shandong CSCEC Zhongli Equipment Leasing Co., Ltd.	Shandong, China	Shandong, China	Leasing business	No	30.00
Shandong CSCEC Material Equipment Co., Ltd.	Shandong, China	Shandong, China	Other business	No	30.00
Xiamen Yueqin Real Estate Co., Ltd.	Fujian, China	Fujian, China	Real estate investment and development business	No	30.00
Shenzhen Zhaohang Real Estate Co., Ltd.	Guangdong, China	Guangdong, China	Real Estate	No	30.00
Xianyi International Co., Ltd.	Hong Kong, China	Hong Kong, China	Other business	No	30.00
Xiamen Haitou Construction Technology Co., Ltd.	Fujian, China	Fujian, China	Other business	No	30.00
Suzhou Xinghui West Ring Road construction Co., Ltd.	Anhui, China	Anhui, China	Infrastructure construction business	No	30.00
Nanjing Jinlingyi Cultural Tourism Development Co., Ltd.	Jiangsu, China	Jiangsu, China	Other business	No	30.00
Beijing CSCEC Runtong Electromechanic Engineering Co., Ltd.	Beijing, China	Beijing, China	Housing construction business	No	30.00
Fuzhou Modern Logistics City Investment Construction Development Co., Ltd.	Fujian, China	Fujian, China	Real estate investment and development business	No	30.00
Jingdezhen Taoyangli Scenic Spot Tourism Development Co., Ltd.	Jiangxi, China	Jiangxi, China	Other business	No	30.00
Wuxi Xitie Medical Investment Management Co., Ltd.	Jiangsu, China	Jiangsu, China	Other business	No	30.00
Jinyu Jiaxing Nanjing Real Estate Development Co., Ltd.	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	30.00
Yantai Yuanxin Zhongda Investment Co., Ltd.	Shandong, China	Shandong, China	Other business	No	28.00
Chongqing Derun Yipin Environmental Governance Co., Ltd.	Chongqing, China	Chongqing, China	Infrastructure construction business	No	26.91
Zhengzhou Public Zhongcheng Roads and Bridges Construction Management Co., Ltd.	Henan, China	Henan, China	Infrastructure construction business	No	25.00
Investment Center of Beiqi Industrial Park in Cangzhou Development Zone (Limited Partnership)	Hebei, China	Hebei, China	Real estate investment and development business	No	25.00
Luzhou Yangtze River Second Bridge Construction Co., Ltd.	Sichuan, China	Sichuan, China	Infrastructure construction business	No	24.35
Xiamen International Exhibition Center Co., Ltd.	Fujian, China	Fujian, China	Other business	No	24.00
Guangzhou Fangbai Intercity Rail Transit Co., Ltd.	Guangdong, China	Guangdong, China	Railway transportation industry	No	23.93
Henan Jiaotou Hexin Expressway Co., Ltd.	Henan, China	Henan, China	Other business	No	23.51
Hubei Jiaotou Wusong Expressway Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	23.30
Hubei Communications Investment Xiaogan South Expressway Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	22.50

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (continued) (Note 3)					
CCCC Jijiao Expressway Investment Development Co., Ltd.	Hebei, China	Hebei, China	Infrastructure construction business	No	21.03
Sichuan Dehui Expressway Co., Ltd.	Sichuan, China	Sichuan, China	Housing construction business	No	20.00
Nanjing CSCEC Travel Construction Investment Co., Ltd.	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	20.00
China Construction Third Engineering Bureau Jingzhou Huanchang Lake Construction Operation Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	20.00
Fernvale Lane Pte Ltd.	Singapore	Singapore	Real estate investment and development business	No	20.00
Dongguan Songrun Real Estate Co., Ltd.	Guangdong, China	Guangdong, China	Real Estate	No	20.00
Suzhou Junda National Highway 206 Construction Co., Ltd.	Anhui, China	Anhui, China	Housing construction business	No	20.00
Chengdu Beichen Tianchen Real Estate Co., Ltd.	Sichuan, China	Sichuan, China	Real estate investment and development business	No	20.00
Wuhan Chenzhan Real Estate Development Co., Ltd.	Hubei, China	Hubei, China	Real estate investment and development business	No	20.00
Jinmao Investment (Changsha) Co., Ltd.	Hunan, China	Hunan, China	Real estate investment and development business	No	20.00
Guangzhou Zengcheng Run Yu Real Estate Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	20.00
Xinjiang CSCEC City Construction Investment Co., Ltd.(Note 4)	Xinjiang, China	Xinjiang, China	Infrastructure construction business	No	20.00
Wuhan Chenfa Real Estate Development Co., Ltd.	Hubei, China	Hubei, China	Real estate investment and development business	No	20.00
Xi'an Chufeng Construction Co., Ltd.	Shaanxi, China	Shaanxi, China	Infrastructure construction business	No	20.00
Beijing Huiguang Enterprise Management Co., Ltd.	Beijing, China	Beijing, China	Real estate investment and development business	No	20.00
Beijing Yijing Real Estate Co., Ltd.	Beijing, China	Beijing, China	Real estate investment and development business	No	20.00
Shenzhen Runchao Real Estate Co., Ltd.	Shenzhen, China	Shenzhen, China	Housing construction business	No	20.00
Mingfa Co., Ltd.	Hong Kong, China	Hong Kong, China	Real Estate	No	20.00
Lentor Central Park Pte Ltd.	Singapore	Singapore	Real estate investment and development business	No	20.00
Zhangjiagang Xinmao Investment Construction Co., Ltd.	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	20.00
Chengdu Chuantou Airport Construction Co., Ltd.	Sichuan, China	Sichuan, China	Infrastructure construction business	No	20.00
Zhangzhou Zhanyuan Environmental Technology Co., Ltd. (Note 2)	Fujian, China	Fujian, China	Other business	No	19.00
Fujian Minxin Environmental Development Co., Ltd. (Note 2)	Fujian, China	Fujian, China	Infrastructure construction business	No	18.00
Guizhou Jianxin Water Environment Industry Co., Ltd. (Note 2)	Guizhou, China	Guizhou, China	Ecological protection and environmental governance industry	No	17.56
Shucheng Sanxia Phase I Comprehensive Water Environment Treatment Co., Ltd. (Note 2)	Anhui, China	Anhui, China	Other business	No	17.00
Xuzhou Line 1 Rail Transit Investment and Development Co., Ltd. (Note 2)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	16.69
Guangzhou Lvrong Real Estate Development Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	16.66
Qingdao Zhongrong Lianhui Transportation Investment Construction Development Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Infrastructure construction business	No	16.26

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (continued) (Note 3)					
Wuhan Metropolitan Circle Line North Section Investment Management Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Infrastructure construction business	No	16.18
Rizhao CSCEC Eighth Engineering Bureau Transportation Service Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Other business	No	15.66
Changchun Runde Construction Project Management Co., Ltd. (Note 2)	Jilin, China	Jilin, China	Infrastructure construction business	No	15.53
Henan Zhengxu Expressway Co., Ltd. (Note 2)	Henan, China	Henan, China	Other business	No	15.16
Hangzhou City Investment Wulin Investment Development Co., Ltd. (Note 2)	Zhejiang, China	Zhejiang, China	Infrastructure construction business	No	15.00
Wenzhou China Construction Science and Industry Olympic Sports Project Management Co., Ltd. (Note 2)	Zhejiang, China	Zhejiang, China	Business service industry	No	15.00
Suzhou Wujiang Three Gorges Water Environment Comprehensive Treatment Co., Ltd. (Note 2)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	15.00
Wuhan Sanxia Jiangnan Water Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Infrastructure construction business	No	14.50
Guangzhou Bisen Real Estate Development Co., Ltd. (Note 2)	Guangzhou, China	Guangzhou, China	Real estate investment and development business	No	14.00
Rizhao China Construction Eighth Engineering Bureau Culture and Technology Development Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Infrastructure construction business	No	14.00
Qingdao China Construction Eighth Engineering Bureau Airport City Construction Development Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Real estate investment and development business	No	13.00
Shanghai Tuoping Real Estate Co., Ltd. (Note 2)	Shanghai, China	Shanghai, China	Real estate investment and development business	No	12.50
Wuhan Anhe Shengtai Real Estate Development Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Real estate investment and development business	No	12.25
Jiangsu Susu Industrial Park Development Co., Ltd. (Note 2)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	11.00
Tangshan Caofeidian District Tonggang Interchange Development and Construction Co., Ltd. (Note 2)	Hebei, China	Hebei, China	Infrastructure construction business	No	11.00
Urumqi Linkong CSCEC Airport Construction Operation Co., Ltd. (Note 2)	Xinjiang, China	Xinjiang, China	Infrastructure construction business	No	10.00
Jinjiang Zhongyun Sports Construction Development Co., Ltd. (Note 2)	Fujian, China	Fujian, China	Infrastructure construction business	No	10.00
Guangzhou New Urban Construction Investment Development Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	10.00
Wuhan Huangpi Three Gorges Water Environment Comprehensive Treatment Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Other business	No	10.00
Xinyu Ring Road Construction Investment Co., Ltd. (Note 2)	Jiangxi, China	Jiangxi, China	Infrastructure construction business	No	10.00
Nanning Zongheng Era Liujing Phase I Project Management Co., Ltd. (Note 2)	Guangxi, China	Guangxi, China	Other business	No	10.00
Chongqing Qijiang Three Gorges Water Environment Comprehensive Treatment Co., Ltd. (Note 2)	Chongqing, China	Chongqing, China	Other business	No	10.00
Guizhou Wengma Railway North-South Extension Line Co., Ltd. (Note 2)	Guizhou, China	Guizhou, China	Other business	No	9.93
CSCEC Wuhan Huangxiao River Airport River Environment Comprehensive Treatment Construction Operation Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Infrastructure construction business	No	9.70
Panzhihua China Construction Third Engineering Bureau Government Service Center Construction Development Co., Ltd. (Note 2)	Sichuan, China	Sichuan, China	Infrastructure construction business	No	9.00
China Construction Wuhan Qingling Pipe Corridor Construction and Operation Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Infrastructure construction business	No	9.00
Jizheng High Speed Railway Limited (Note 2)	Shandong, China	Shandong, China	Infrastructure construction business	No	7.73

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (continued) (Note 3)					
Jiqing Express Railroad Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Infrastructure construction business	No	7.21
Dongfang Anzhen (Beijing) Hospital Management Co., Ltd. (Note 2)	Beijing, China	Beijing, China	Other business	No	5.98
Qingdao China Construction Eighth Bureau City Investment and Development Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Other business	No	5.96
Foshan Urban Rail Transit Line 3 Development Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Infrastructure construction business	No	5.59
Hebei Chenghong Pipelines Engineering Co., Ltd. (Note 2)	Hebei, China	Hebei, China	Infrastructure construction business	No	5.00
Putian Jiangkou Suanxi CSCEC Strait Infrastructure Investment Development Co., Ltd. (Note 2)	Fujian, China	Fujian, China	Real estate investment and development business	No	5.00
Nanjing CSCEC Gubei City Development Co., Ltd. (Note 2)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	5.00
Shanwei Yuehai Qingyuan Environmental Protection Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Other business	No	5.00
Weihai CSCEC Eighth Engineering Bureau Construction Development Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Infrastructure construction business	No	4.99
Shangqiu New Voyage Development and Construction Management Co., Ltd. (Note 2)	Henan, China	Henan, China	Infrastructure construction business	No	4.16
Deyang Hongbo Construction Investment Co., Ltd. (Note 2)	Sichuan, China	Sichuan, China	Business service industry	No	3.00
Jinan Shengtang Hongyuan Construction Development Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Real estate investment and development business	No	3.00
Haikou Qiyue City Construction Co., Ltd. (Note 2)	Hainan, China	Hainan, China	Infrastructure construction business	No	2.00
Hebei Xiong'an Citizen Service Center Co., Ltd. (Note 2)	Hebei, China	Hebei, China	Infrastructure construction business	No	1.00
Chengdu Changtuo Dongjin Construction Co., Ltd. (Note 2)	Sichuan, China	Sichuan, China	Infrastructure construction business	No	1.00
Chongqing Water Affairs Shatian Environmental Governance Co., Ltd. (Note 2)	Chongqing, China	Chongqing, China	Other business	No	1.00
Anning Yuning Water Co., Ltd. (Note 2)	Yunnan, China	Yunnan, China	Infrastructure construction business	No	1.00

Note 1: The Group's shareholding ratio in some of the aforementioned joint ventures is less than 50% or more than 50%. Major business decisions made by the board of directors of these companies or similar institutions can only be approved after the unanimous consent of all investors; or according to the provisions of the articles of association of these companies, major business decisions must be approved by representatives of more than two-thirds of the voting rights. These decisions can be passed only if the Group and other shareholders agree unanimously. The Group has no substantial control over these companies, so these companies are accounted for as joint ventures.

Note 2: For invested companies with a shareholding ratio of less than 20%, the Group has the right to participate in their business decision-making by appointing directors to the board of directors of these companies, and has a significant influence; for invested companies with a shareholding ratio of not less than 50%, According to the provisions of the articles of association of these companies on the decision-making mechanism for major operations and financial decisions, they cannot be controlled or jointly controlled, but the Group can only exercise significant influence. Therefore, these companies are accounted for as associates.

Note 3: The aforementioned joint ventures include joint ventures and their subsidiaries, and associates include associates and their subsidiaries.

Note 4: Due to the acquisition of partial equity in these companies this year, these companies were changed from joint ventures to subsidiaries within the scope of consolidation on December 31, 2023.

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

4. Other related parties

	Relationship with the group
CSCEC Scimee Sci.&Tech. Co., Ltd.	Controlled by the same parent company
China Construction Aluminum New Materials Chengdu Co., Ltd.	Controlled by the same parent company
Beijing Zhongyi Chengjian Property Management Co., Ltd.	Controlled by the same parent company
CSCEC Electronic Commerce Co., Ltd.	Controlled by the same parent company
Beijing Hongde Materials Co., Ltd.	Controlled by the same parent company
China Construction Asset Management Co., Ltd.	Controlled by the same parent company
CSCEC Innovation Investment Co., Ltd. (formerly known as "Beijing CSCEC Qiming Enterprise Management Co., Ltd.")	Controlled by the same parent company
China State Construction Property Management Co., Ltd.	Controlled by the same parent company
Chengdu CSCEC Minjiang River Construction Engineering Investment Co., Ltd.	Controlled by the same parent company
China Construction Aluminum New Materials Co., Ltd.	Controlled by the same parent company
CSCEC Science and Technology Innovation (Shanghai) Investment Co., Ltd.	Controlled by the same parent company
China Automobile Trade Co., Ltd.	Controlled by the same parent company
Shanggang Group Ruitai Development Co., Ltd.	Controlled by another shareholder of a subsidiary of the Group
Shanghai International Port (Group) Co., Ltd.	Controlled by another shareholder of a subsidiary of the Group

5. Major transactions between the Group and its related parties

(1) Related party goods and services transactions

Purchase of goods and accepting services from related parties

Related parties	Nature of the transaction	2023	2022
CSCEC Electronic Commerce Co., Ltd.	Purchase of goods	2,434,134	2,866,041
Yunnan Airport Construction and Development Co., Ltd.	Purchase of goods and Accepting services	345,139	–
Hong Kong and Kowloon Concrete Co., Ltd.	Purchase of goods	277,609	383,113
Anhui Guoyuan Investment Co., Ltd.	Purchase of goods	270,627	163,463
Sichuan West Construction Shantui Logistics Co., Ltd.	Accepting services	51,231	50,459
Sichuan West Construction Zhonghe Machinery Co., Ltd.	Accepting services	41,167	63,385
Guangzhou Kaitou Construction Technology Co., Ltd.	Purchase of goods	36,887	–
Fujian Minxin Environmental Development Co., Ltd.	Purchase of goods	30,215	–
Guangdong Huafa Zhongjian New Technology Investment Holding Co., Ltd.	Purchase of goods	29,352	2,410
Hainan Xinsheng Green Building Materials Co., Ltd.	Accepting services	26,195	–
Others	Purchase of goods and Accepting services	51,785	76,886
Total		3,594,341	3,605,757

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**5. Major transactions between the Group and its related parties (continued)****(2) Contract engineering and projects sub-contracted out***Contract engineering*

Related parties	Nature of the transaction	2023	2022
Hubei Jiaotou Wusong Expressway Co., Ltd.	Contract engineering	2,271,058	–
Guizhou Leirong Expressway Investment Management Co., Ltd.	Contract engineering	2,261,055	3,344,392
CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd.	Contract engineering	2,166,451	2,123,936
Guangzhou Fangbai Intercity Rail Transit Co., Ltd.	Contract engineering	1,821,821	762,787
Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	Contract engineering	1,798,411	330,446
Beijing Chenxing International Exhibition Co., Ltd.	Contract engineering	1,747,323	799,690
Nantong City Ring Road Expressway Co., Ltd.	Contract engineering	1,725,110	2,215,543
Hengshui CECSC Hangang Expressway Management Co., Ltd.	Contract engineering	1,391,461	783,862
Jizheng High Speed Railway Limited	Contract engineering	1,384,832	378,328
Shanghai International Port (Group) Co., Ltd.	Contract engineering	1,177,367	717,475
Urumqi Linkong CSCEC Airport Construction Operation Co., Ltd.	Contract engineering	1,175,726	1,656,706
Urumqi Linkong Construction Infrastructure Co., Ltd.	Contract engineering	1,168,308	783,786
Xiamen International Exhibition Center Co., Ltd.	Contract engineering	1,139,244	808,927
Hangzhou City Investment Wulin Investment Development Co., Ltd.	Contract engineering	1,124,348	958,421
Jiqing Express Railroad Co., Ltd.	Contract engineering	990,377	3,265,944
Shanghai Chenggang Real Estate Co., Ltd.	Contract engineering	969,804	534,755
Nanjing China Construction Fifth Engineering Bureau Lishui Development Area Affordable Housing Investment Co., Ltd.	Contract engineering	944,796	421,748
Deyang Hongbo Construction Investment Co., Ltd.	Contract engineering	915,350	391,665
Shanghai Lingang New Area Jingang Dongjiu Real Estate Co., Ltd.	Contract engineering	858,661	275,647
CCCC Jijiao Expressway Investment Development Co., Ltd.	Contract engineering	782,995	2,484,973
Sichuan Dehui Expressway Co., Ltd.	Contract engineering	735,643	1,166,903
Jinan Shengtang Hongyuan Construction Development Co., Ltd.	Contract engineering	707,502	66,872
Zhongshan Public Utilities Sanlianwei Watershed Governance Co., Ltd.	Contract engineering	686,538	344,951
Xiamen International Trade Conference Center Co., Ltd.	Contract engineering	681,011	900,079
Jingyu Co., Ltd.	Contract engineering	675,377	–
Zhongshan Cuiheng New District Water Resources Investment and Construction Co., Ltd.	Contract engineering	652,400	–
Yantai Zhongda Xinhong Science Education Investment Co., Ltd.	Contract engineering	634,667	854,038
Guangxi Nanbin Highway Construction and Development Co., Ltd.	Contract engineering	617,491	247,759
Foshan Urban Rail Transit Line 3 Development Co., Ltd.	Contract engineering	609,605	538,280
Qingdao China Construction Eighth Engineering Bureau Airport City Construction Development Co., Ltd.	Contract engineering	577,789	697,607
Hebei Chenghong Pipelines Engineering Co., Ltd.	Contract engineering	572,400	630,861
Wuhan Sanxia Jiangnan Water Co., Ltd.	Contract engineering	558,552	262,095
Zhuhai Haiyue Real Estate Development Co., Ltd.	Contract engineering	526,939	–
Suzhou Star Investment Construction Development Co., Ltd.	Contract engineering	510,998	70,440

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(2) Contract engineering and projects sub-contracted out (continued)

Contract engineering (continued)

Related parties	Nature of the transaction	2023	2022
Wuhan CSCEC Wudi Development Construction Co., Ltd.	Contract engineering	506,813	957,856
Guangzhou Fuchuang Real Estate Development Co., Ltd.	Contract engineering	470,286	463,648
Nanjing CSCEC Travel Construction Investment Co., Ltd.	Contract engineering	469,161	293,423
Guizhou Wengma Railway North-South Extension Line Co., Ltd.	Contract engineering	459,106	255,116
Shanghai Baoxuan Technology Development Co., Ltd.	Contract engineering	444,199	29,056
Yunnan Airport Construction and Development Co., Ltd.	Contract engineering	410,385	66,812
Guangdong Haichao Technology Industry Development Co., Ltd.	Contract engineering	400,817	67,662
Xiangyang Loop Line Speed Improvement Construction Co., Ltd.	Contract engineering	394,084	572,184
China Construction Third Engineering Bureau Jingzhou Huanchang Lake Construction Operation Co., Ltd.	Contract engineering	384,842	287,410
Xuzhou Metro Line Three Investment Development Co., Ltd.	Contract engineering	367,917	94,863
Shanghai Linbo Haihui City Construction Development Co., Ltd.	Contract engineering	363,329	330,684
Wuhan Pinlian Real Estate Co., Ltd.	Contract engineering	354,612	–
Fuqing CSCEC Ronghai Construction and Development Co., Ltd.	Contract engineering	345,130	277,708
Luzhou Yangtze River Second Bridge Construction Co., Ltd.	Contract engineering	343,812	514,176
Guigang Nine Roads and Two Bridges Construction Management Co., Ltd.	Contract engineering	331,301	308,640
Chongqing Derun Yipin Environmental Governance Co., Ltd.	Contract engineering	315,499	4,709
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	Contract engineering	301,754	709,533
Wenzhou China Construction Science and Industry Olympic Sports Project Management Co., Ltd.	Contract engineering	298,739	546,665
Fujian Minxin Environmental Development Co., Ltd.	Contract engineering	289,492	201,205
Yantai Yuanxin Zhongda Investment Co., Ltd.	Contract engineering	286,155	608,114
Shanghai Tuoping Real Estate Co., Ltd.	Contract engineering	281,365	–
Beijing Xingying Real Estate Co., Ltd.	Contract engineering	275,977	249,202
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	Contract engineering	274,757	281,435
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd.	Contract engineering	266,799	432,136
Jinjiang Zhongyun Sports Construction Development Co., Ltd.	Contract engineering	263,117	36,008
Jiangsu Susu Industrial Park Development Co., Ltd.	Contract engineering	262,491	411,363
Guangzhou New Urban Construction Investment Development Co., Ltd.	Contract engineering	259,787	–
Zhengzhou Public Zhongcheng Roads and Bridges Construction Management Co., Ltd.	Contract engineering	254,072	233,379
Mianyang CSCEC Kefa Guanlang Road Investment and Construction Co., Ltd.	Contract engineering	242,442	171,340
Hunan Leiyi Lingdao Expressway Construction and Development Co., Ltd.	Contract engineering	240,266	7,780
Shanggang group Ruitai Development Co., Ltd.	Contract engineering	238,963	580,062
Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	Contract engineering	236,968	504,646
Suizhou CSCEC North South Outer Ring Road Construction Co., Ltd.	Contract engineering	226,230	55,668
Ezhou Chuanggu Real Estate Development Co., Ltd.	Contract engineering	225,748	25,077
CSCEC Wuhan Huangxiao River Airport River Environment Comprehensive Treatment Construction Operation Co., Ltd.	Contract engineering	214,903	1,282,355
Nanjing CSCEC Gubei City Development Co., Ltd.	Contract engineering	202,894	106,286
Others	Contract engineering	13,637,906	29,908,047
Total		61,703,528	69,693,164

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**5. Major transactions between the Group and its related parties (continued)****(2) Contract engineering and projects sub-contracted out (continued)***Projects sub-contracted out*

Related parties	Nature of the transaction	2023	2022
Yunnan Airport Construction and Development Co., Ltd.	Projects sub-contracted out	667,992	228,920
Mingfa Co., Ltd.	Projects sub-contracted out	137,888	–
CSCEC Electronic Commerce Co., Ltd.	Projects sub-contracted out	112,953	–
CSCEC Roads and Bridges Co., Ltd.	Projects sub-contracted out	74,346	133,887
China Construction Aluminum New Materials Chengdu Co., Ltd.	Projects sub-contracted out	50,034	24,835
Others	Projects sub-contracted out	48,378	232,166
Total		1,091,591	619,808

(3) Related party leasing*As lessor*

Related parties	Types of leased assets	2023	2022
CSCEC Electronic Commerce Co., Ltd.	Buildings	908	1,379
CSCEC Scimee Sci.&Tech. Co., Ltd.	Buildings	570	321
China State Construction Property Management Co., Ltd.	Buildings	495	248
China Construction Aluminum New Materials Chengdu Co., Ltd.	Buildings	264	83
Beijing Zhongyi Chengjian Property Management Co., Ltd.	Motor vehicles	83	83
Total		2,320	2,114

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**5. Major transactions between the Group and its related parties (continued)****(3) Related party leasing (continued)**

As lessee

2023

Related parties	Types of leased assets	Simplified management of leased costs for short-term leased and low-value leased assets	Paid rent	Interest expense accepted on rental obligations	Increased use of legal remedies
Shandong Zhongcheng Machinery Leasing Co., Ltd.	Machinery equipment	193,183	188,801	2	–
Shandong CSCEC Zhongli Equipment Leasing Co., Ltd.	Machinery equipment	184,977	180,434	–	–
China Overseas Grand Oceans	Buildings	–	61,601	436	419
China Construction Aluminum New Materials Chengdu Co., Ltd.	Buildings and Materials	45,592	52,962	974	–
Shanghai International Port (Group) Co., Ltd.	Buildings	751	7,004	446	14,164
China Construction Asset Management Co., Ltd.	Buildings	163	5,839	157	5,241
Shandong CSCEC Material Equipment Co., Ltd.	Machinery equipment	631	2,550	–	–
Beijing Zhongyi Chengjian Property Management Co., Ltd.	Buildings	781	1,866	551	–
Sichuan West Construction Shantui Logistics Co., Ltd.	Buildings	39,181	1,007	–	–
Changsha Zhongjian International Development Co., Ltd.	Buildings	–	509	51	–
Beijing Hongde Materials Co., Ltd.	Buildings	–	209	22	–
China Construction Aluminum New Materials Co., Ltd.	Buildings and Materials	141	141	–	–
Hebei Xiong'an Citizen Service Center Co., Ltd.	Buildings	–	–	10	–
Chongqing Qingneng Yuehe Real Estate Co., Ltd.	Buildings	–	–	–	722
Total		465,400	502,923	2,649	20,546

2022

Related parties	Types of leased assets	Simplified management of leased costs for short-term leased and low-value leased assets	Paid rent	Interest expense accepted on rental obligations	Increased use of legal remedies
China Overseas Grand Oceans	Buildings	–	230,517	7,942	–
Shandong Zhongcheng Machinery Leasing Co., Ltd.	Machinery equipment	183,447	189,149	462	–
Shandong CSCEC Zhongli Equipment Leasing Co., Ltd.	Machinery equipment	117,401	114,095	9	–
China Construction Aluminum New Materials Chengdu Co., Ltd.	Buildings and Materials	76,013	63,264	673	27,503
Beijing Zhongyi Chengjian Property Management Co., Ltd.	Buildings	950	7,495	977	1,373
Shanghai International Port (Group) Co., Ltd.	Buildings	675	6,587	618	–
China Construction Asset Management Co., Ltd.	Buildings	5,732	6,010	–	–
Shandong CSCEC Material Equipment Co., Ltd.	Machinery equipment	5,522	3,560	–	–
Hebei Xiong'an Citizen Service Center Co., Ltd.	Buildings	–	605	5	654
Changsha Zhongjian International Development Co., Ltd.	Buildings	–	509	70	–
Beijing Hongde Materials Co., Ltd.	Buildings	–	–	31	–
Others	Buildings and leasing	–	56,322	2,299	10,140
Total		389,740	678,113	13,086	39,670

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(4) Related party guarantee

Offering guarantee to related parties

Related parties	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Whether the guarantee has been fulfilled
Guangzhou Bizhen Real Estate Development Co., Ltd.	48,423	December 11, 2018	June 8, 2026	NO
Grand Ample Ltd.	892,669	June 22, 2021	June 22, 2024	NO
Grand Ample Ltd.	156,026	January 10, 2022	June 22, 2024	NO
Grand Ample Ltd.	128,160	January 11, 2023	June 22, 2024	NO
Grand Ample Ltd.	218,233	July 3, 2023	June 22, 2024	NO
Fernvale Lane Pte Ltd.	147,500	June 4, 2020	March 3, 2025	NO
Suzhou Fuyuan Real Estate Co., Ltd.	51,000	December 29, 2020	May 31, 2024	NO
Suzhou Fuyuan Real Estate Co., Ltd.	102,000	January 5, 2022	January 4, 2028	NO
Guangzhou Fuchuang Real Estate Development Co., Ltd.	646,000	August 5, 2021	December 30, 2024	NO
Guangzhou Fuchuang Real Estate Development Co., Ltd.	510,000	December 28, 2021	January 6, 2030	NO
Guangzhou Fuchuang Real Estate Development Co., Ltd.	102,000	April 3, 2023	January 6, 2030	NO
Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	30,825	March 31, 2022	September 28, 2027	NO
Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	103,575	September 29, 2021	September 28, 2026	NO
Infinite Sun Limited	1,119,148	December 4, 2019	December 4, 2024	NO
Infinite Sun Limited	257,145	January 25, 2022	December 4, 2024	NO
Infinite Sun Limited	281,720	January 30, 2023	December 4, 2024	NO
Infinite Sun Limited	130,021	July 18, 2023	December 4, 2024	NO
Marble Edge Investments Limited	810,475	June 1, 2020	December 1, 2024	NO
Marble Edge Investments Limited	143,568	May 12, 2022	December 1, 2024	NO
Marble Edge Investments Limited	113,441	February 9, 2023	December 1, 2024	NO
Marble Edge Investments Limited	109,284	July 12, 2023	December 1, 2024	NO
Dragon Star H.K. Investments Limited	928,534	July 27, 2020	January 27, 2025	NO
Dragon Star H.K. Investments Limited	125,569	January 17, 2022	January 27, 2025	NO
Dragon Star H.K. Investments Limited	115,248	January 11, 2023	January 27, 2025	NO
Dragon Star H.K. Investments Limited	179,392	July 10, 2023	January 27, 2025	NO
Ultra Keen Holdings Limited	1,745,958	November 11, 2020	October 30, 2025	NO
Ultra Keen Holdings Limited	215,642	January 31, 2022	October 30, 2025	NO
Ultra Keen Holdings Limited	301,815	January 19, 2023	October 30, 2025	NO
Ultra Keen Holdings Limited	375,256	July 19, 2023	October 30, 2025	NO
Asia Power Development Limited	1,199,970	May 27, 2022	May 27, 2026	NO
Asia Power Development Limited	378,401	January 27, 2023	May 27, 2026	NO
Asia Power Development Limited	205,989	July 27, 2023	May 27, 2026	NO
Changsha Yida Chuangzhi Real Estate Development Co., Ltd.	146,510	April 20, 2020	April 20, 2026	NO
Guangdong Haichao Technology Industry Development Co., Ltd.	39,163	October 31, 2022	October 31, 2041	NO
Guangdong Haichao Technology Industry Development Co., Ltd.	39,557	January 29, 2023	October 24, 2041	NO
Guangdong Haichao Technology Industry Development Co., Ltd.	89,376	July 19, 2023	October 24, 2041	NO

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(4) Related party guarantee (continued)

Offering guarantee to related parties (continued)

Related parties	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Whether the guarantee has been fulfilled
Chongqing Zhongjian Hailong Liangjiang Construction Technology Co., Ltd.	97,279	October 29, 2021	October 29, 2031	NO
Chongqing Zhongjian Hailong Liangjiang Construction Technology Co., Ltd.	7,700	October 29, 2023	October 29, 2031	NO
Chongqing Zhongjian Hailong Liangjiang Construction Technology Co., Ltd.	6,986	October 29, 2023	May 10, 2026	NO
Xiamen Yueqin Real Estate Co., Ltd.	89,850	February 28, 2023	February 28, 2028	NO
Changchun Hairun Rongcheng Real Estate Development Co., Ltd.	45,663	January 12, 2023	March 24, 2026	NO
Changchun Hairun Rongcheng Real Estate Development Co., Ltd.	5,189	August 4, 2023	March 24, 2026	NO
Anhui Bengwu Expressway Investment Management Co., Ltd.	238,000	March 17, 2023	March 20, 2041	NO
Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	150,000	September 13, 2022	September 15, 2040	NO
Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	373,857	January 13, 2023	January 13, 2041	NO
Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	175,000	August 8, 2023	August 8, 2044	NO
Grand Dunman Pte Ltd.	400,000	July 25, 2023	September 9, 2027	NO
Lentor Central Park Pte Ltd.	339,429	December 12, 2023	December 18, 2028	NO
Total	14,116,546			

(5) Inter bank loan of related parties

Capital borrowings

2023

Related parties	Borrowing amount	Starting date	Ending date
CSCEC	3,800,000	August 1, 2023	July 31, 2026
Dongguan Songrun Real Estate Co., Ltd.	362,000	December 20, 2023	No fixed maturity date
Tianjin Chuangda Real Estate Co., Ltd.	69,686	December 27, 2023	No fixed maturity date
Qingdao Changming Real Estate Co., Ltd.	46,714	March 30, 2023	No fixed maturity date
China Resources Land Real Estate (Taiyuan) Development Co., Ltd.	25,000	September 6, 2023	No fixed maturity date
Haishu Real Estate Development (Hangzhou) Co., Ltd.	12,000	October 16, 2023	No fixed maturity date
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	10,000	January 18, 2023	No fixed maturity date
Zhongshan Kaixuan City Real Estate Development Co., Ltd.	4,800	December 20, 2023	No fixed maturity date
Total	4,330,200		

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**5. Major transactions between the Group and its related parties (continued)****(5) Inter bank loan of related parties (continued)***Capital borrowings (continued)*

2022

Related parties	Borrowing amount	Starting date	Ending date
CSCEC	336,000	August 22, 2022	August 21, 2025
Qingdao Haijie Real Estate Co., Ltd.	210,000	September 27, 2022	No fixed maturity date
Xiamen Haimao Real Estate Co., Ltd.	159,771	December 31, 2022	No fixed maturity date
Xiamen Haimao Real Estate Co., Ltd.	106,700	November 25, 2022	No fixed maturity date
Guiheng Investments Co., Ltd.	75,000	October 13, 2022	No fixed maturity date
Guiheng Investments Co., Ltd.	50,000	March 9, 2022	No fixed maturity date
Xi'an Hehui Xingshang Real Estate Co., Ltd.	40,000	September 19, 2022	No fixed maturity date
Jinmao Investment (Changsha) Co., Ltd.	36,000	March 29, 2022	No fixed maturity date
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	34,056	December 14, 2022	No fixed maturity date
Sanya Bihai Jincheng Business Management Co., Ltd.	34,000	December 27, 2022	No fixed maturity date
Sanya Bihai Jincheng Business Management Co., Ltd.	25,500	June 29, 2022	No fixed maturity date
Sunrise JV Limited	26,543	January 1, 2022	No fixed maturity date
Hing Chong Enterprise Co., Ltd.	24,000	December 20, 2022	No fixed maturity date
Xinggui Investment Co., Ltd.	23,000	January 28, 2022	No fixed maturity date
Hing Chong Enterprise Co., Ltd.	20,750	January 24, 2022	No fixed maturity date
China Resources Land Real Estate (Taiyuan) Development Co., Ltd.	10,000	January 21, 2022	No fixed maturity date
Zhongshan Kaixuan City Real Estate Development Co., Ltd.	3,500	December 29, 2022	No fixed maturity date
Total	1,214,820		

Fund lent

2023

Related parties	Loan amount	Starting date	Ending date
CSCEC	2,000,000	October 19, 2023	October 18, 2024
Beijing Yipin Haikai Real Estate Development Co., Ltd.	1,412,700	January 4, 2023	December 31, 2025
King Tak Shing Co., Ltd.	971,560	September 11, 2023	No fixed maturity date
Xiamen Haimao Real Estate Co., Ltd.	931,986	April 3, 2023	No fixed maturity date
Xiamen Yueqin Real Estate Co., Ltd.	874,776	January 16, 2023	No fixed maturity date
Chengdu Jingrui Real Estate Co. Ltd.	781,054	December 19, 2023	No fixed maturity date
Chengdu Langxin Real Estate Co., Ltd.	571,929	June 15, 2023	No fixed maturity date
Changsha Gengxin Real Estate Co., Ltd.	427,863	July 5, 2023	December 31, 2024

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(5) Inter bank loan of related parties (continued)

Fund lent (continued)

2023 (continued)

Related parties	Loan amount	Starting date	Ending date
Changsha CSCEC International Blackstone Area Investment Construction Co., Ltd.	323,400	July 15, 2023	No fixed maturity date
Guizhou Leirong Expressway Investment Management Co., Ltd.	265,058	June 30, 2023	No fixed maturity date
Suzhou Zhaowen Real Estate Development Co., Ltd.	220,541	November 24, 2023	No fixed maturity date
Xi'an Jiarun Rongcheng Real Estate Co., Ltd.	200,000	December 14, 2023	No fixed maturity date
Marble Edge Limited	74,008	January 31, 2023	No fixed maturity date
TEDA Group Co., Ltd.	73,884	January 31, 2023	No fixed maturity date
Wuhan Chongjiang Real Estate Co., Ltd.	72,930	August 21, 2023	December 31, 2025
Suzhou Junda National Highway 206 Construction Co., Ltd.	70,926	October 11, 2023	October 11, 2026
Clear Elegant Limited	37,465	October 18, 2023	No fixed maturity date
Chengdu Beichen Tianchen Real Estate Co., Ltd.	30,000	January 13, 2023	January 12, 2024
Zhengzhou CSCEC Zhicheng Comprehensive Pipe Gallery Construction Management Co., Ltd.	23,000	June 1, 2023	June 1, 2024
Mianyang CSCEC Kefa Guanlang Road Investment and Construction Co., Ltd.	22,500	June 20, 2023	June 20, 2024
Mianyang CSCEC Kefa Guanlang Road Investment and Construction Co., Ltd.	22,000	March 20, 2023	March 20, 2024
Mianyang CSCEC Kefa Guanlang Road Investment and Construction Co., Ltd.	22,000	September 20, 2023	September 20, 2024
Luminous Dream Limited	10,728	February 9, 2023	No fixed maturity date
Wuhan Chenzhan Real Estate Development Co., Ltd.	5,200	September 19, 2023	September 18, 2024
Wuhan Chenzhan Real Estate Development Co., Ltd.	2,600	January 16, 2023	November 17, 2024
Sichuan West Construction Shantui Logistics Co., Ltd.	94	September 19, 2023	No fixed maturity date
Total	9,448,202		

2022

Related parties	Loan amount	Starting date	Ending date
CSCEC	2,000,000	October 21, 2022	October 20, 2023
Wuhan Pinlian Real Estate Co., Ltd.	1,769,350	May 25, 2022	December 31, 2023
Shenzhen Zhaohang Real Estate Co., Ltd.	1,541,700	September 1, 2022	No fixed maturity date
Beijing Yipin Haikai Real Estate Development Co., Ltd.	1,438,200	September 18, 2022	December 31, 2023
Wuhan Chongjiang Real Estate Co., Ltd.	1,317,075	January 21, 2022	December 31, 2023
Xiamen Yueqin Real Estate Co., Ltd.	825,527	November 10, 2022	August 30, 2025
Chengdu Langxin Real Estate Co., Ltd.	741,929	July 1, 2022	June 30, 2025
Anhui Bengwu Expressway Investment Management Co., Ltd.	495,642	December 15, 2022	No fixed maturity date
Xuancheng Haijia Lancheng Real Estate Co., Ltd.	317,691	July 7, 2022	No fixed maturity date
Guangzhou Zengcheng Run Yu Real Estate Co., Ltd.	230,000	July 1, 2022	No fixed maturity date
Dongguan Songrun Real Estate Co., Ltd.	223,960	December 16, 2022	June 14, 2023
Guangzhou SuiHai Real Estate Co., Ltd.	220,000	March 15, 2022	No fixed maturity date
Guangzhou XingLv Real Estate Development Co., Ltd.	100,000	September 22, 2022	March 21, 2023

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**5. Major transactions between the Group and its related parties (continued)****(5) Inter bank loan of related parties (continued)***Fund lent (continued)*

2022 (continued)

Related parties	Loan amount	Starting date	Ending date
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	73,604	December 19, 2022	No fixed maturity date
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	36,000	December 20, 2022	No fixed maturity date
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	30,000	January 18, 2022	No fixed maturity date
Vanlink Company Limited	60,750	December 26, 2022	No fixed maturity date
Vanlink Company Limited	20,780	December 26, 2022	No fixed maturity date
China Construction International (Xiangyang) Construction Co., Ltd.	51,000	December 18, 2022	No fixed maturity date
Putian CSCEC Mulan Construction Development Co., Ltd.	44,000	September 25, 2022	March 26, 2023
Putian CSCEC Mulan Construction Development Co., Ltd.	20,000	September 11, 2022	March 17, 2023
CSCEC Xi'an Infrastructure Construction Investment Co., Ltd.	40,000	December 13, 2022	May 31, 2023
Wuhan Chenzhan Real Estate Development Co., Ltd.	36,000	November 18, 2022	November 17, 2023
Wuhan Chenzhan Real Estate Development Co., Ltd.	8,000	June 28, 2022	June 27, 2023
Wuhan Chenzhan Real Estate Development Co., Ltd.	3,600	November 1, 2022	October 31, 2023
Wuhan Chenzhan Real Estate Development Co., Ltd.	2,800	April 2, 2022	April 1, 2023
Zhengzhou Public Zhongcheng Roads and Bridges Construction Management Co., Ltd.	34,113	September 13, 2022	March 13, 2023
Guangzhou CSCEC Green Financial Holding Construction Investment Co., Ltd.	33,000	July 26, 2022	No fixed maturity date
Guangzhou CSCEC Green Financial Holding Construction Investment Co., Ltd.	22,120	July 26, 2022	No fixed maturity date
TEDA Group Co., Ltd.	32,218	December 29, 2022	No fixed maturity date
Liupanshui Urban Pipe Gallery Construction and Development Investment Co., Ltd.	28,075	June 21, 2022	December 20, 2023
Mianyang CSCEC Kefa Guanlang Road Investment and Construction Co., Ltd.	23,500	December 20, 2022	December 19, 2023
Mianyang CSCEC Kefa Guanlang Road Investment and Construction Co., Ltd.	22,500	September 20, 2022	September 19, 2023
Mianyang CSCEC Kefa Guanlang Road Investment and Construction Co., Ltd.	5,000	November 18, 2022	November 17, 2023
Shanghai Linbo Haihui City Construction Development Co., Ltd.	23,000	December 19, 2022	No fixed maturity date
Xinjiang CSCEC City Construction Investment Co., Ltd.	20,000	December 13, 2022	June 12, 2023
Putian Jiangkou Suanxi CSCEC Strait Infrastructure Investment Development Co., Ltd.	10,400	September 25, 2022	March 27, 2023
Wuhan Chenfa Real Estate Development Co., Ltd.	8,400	April 28, 2022	April 27, 2023
Beijing Xingying Real Estate Co., Ltd.	8,370	May 16, 2022	December 21, 2023
Wuhan CSCEC Yipin Zhaoying Real Estate Co., Ltd.	7,658	August 3, 2022	December 31, 2023
CSCEC (Tangshan Caofeidian) Engineering Construction Co., Ltd.	3,400	September 13, 2022	No fixed maturity date
Xianyi International Co., Ltd.	3,213	March 31, 2022	No fixed maturity date
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	1,916	January 17, 2022	December 31, 2023
Top Colour Development Limited	29	May 16, 2022	No fixed maturity date
Total	11,934,520		

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(6) A takes deposits

2023

Related parties	1 January 2023	Increase in the current year	Decrease in the current year	31 December 2023
CSCEC Electronic Commerce Co., Ltd.	1,918,275	7,106,791	(6,639,420)	2,385,646
CSCEC Innovation Investment Co., Ltd. (formerly known as "Beijing CSCEC Qiming Enterprise Management Co., Ltd.")	94,639	2,512,273	(2,300,116)	306,796
CSCEC	252,923	18,498,140	(18,553,494)	197,569
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd.	140,127	88,291	(168,308)	60,110
Chengdu CSCEC Minjiang River Construction Engineering Investment Co., Ltd.	66,404	305	(23,594)	43,115
China Construction Asset Management Co., Ltd.	896	44,030	(5,000)	39,926
Beijing Zhongyi Chengjian Property Management Co., Ltd.	16,225	46,245	(22,828)	39,642
China Construction Aluminum New Materials Co., Ltd.	32,819	110,727	(111,383)	32,163
CSCEC Science and Technology Innovation (Shanghai) Investment Co., Ltd.	30,111	5,926	(22,060)	13,977
Liyang Zhongjian Sangde Environmental Governance Co., Ltd.	–	30,005	(17,166)	12,839
China Construction Aluminum New Materials Chengdu Co., Ltd.	28,202	183,455	(202,412)	9,245
Qingdao China Construction Eighth Engineering Bureau Airport City Construction Development Co., Ltd.	6,560	3,772	(9,444)	888
CSCEC Scimee Sci.&Tech. Co., Ltd.	6,017	33,558	(38,844)	731
Qingdao CSCEC Eighth Bureau Urban Investment Development Co., Ltd.	14,839	6,038	(20,566)	311
CSCEC Dacheng Construction Co., Ltd.	423	198,500	(198,742)	181
Nanjing CSCEC Gubei City Development Co., Ltd.	1,589	456,780	(458,268)	101
Nanjing CSCEC Travel Construction Investment Co., Ltd.	9,514	952,527	(961,955)	86
Rizhao China Construction Eighth Engineering Bureau Culture and Technology Development Co., Ltd.	67,156	45,117	(112,228)	45
China Automobile Trade Co., Ltd.	236	–	(200)	36
Guangzhou Fuchuang Real Estate Development Co., Ltd.	25	–	–	25
Qingdao China Construction Eighth Engineering Bureau Education Development Co., Ltd.	177,550	135,486	(313,028)	8
Weihai CSCEC Eighth Engineering Bureau Construction Development Co., Ltd.	167,153	349	(167,499)	3
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	2	–	–	2
Rizhao CSCEC Transportation Service Co., Ltd.	21,000	1	(21,001)	–
Shanghai Heke Real Estate Co., Ltd.	–	1,134	(1,134)	–
China Construction Haoyun Co., Ltd.	36	–	(36)	–
Total	3,052,721	30,459,450	(30,368,726)	3,143,445

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**5. Major transactions between the Group and its related parties (continued)****(6) A takes deposits (continued)**

2022

Related parties	1 January 2022	Increase in the current year	Decrease in the current year	31 December 2022
CSCEC Electronic Commerce Co., Ltd.	1,933,025	6,651,708	(6,666,458)	1,918,275
CSCEC	364,014	16,747,724	(16,858,815)	252,923
Qingdao China Construction Eighth Engineering Bureau Education Development Co., Ltd.	–	223,293	(45,743)	177,550
Weihai CSCEC Eighth Engineering Bureau Construction Development Co., Ltd.	–	390,360	(223,207)	167,153
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd.	–	140,127	–	140,127
CSCEC Innovation Investment Co., Ltd. (formerly known as "Beijing CSCEC Qiming Enterprise Management Co., Ltd.")	85,553	148,690	(139,604)	94,639
Rizhao China Construction Eighth Engineering Bureau Culture and Technology Development Co., Ltd.	–	90,156	(23,000)	67,156
Chengdu CSCEC Minjiang River Construction Engineering Investment Co., Ltd.	75,542	757	(9,895)	66,404
China Construction Aluminum New Materials Co., Ltd.	44,026	74,604	(85,811)	32,819
CSCEC Science and Technology Innovation (Shanghai) Investment Co., Ltd.	67,693	242	(37,824)	30,111
China Construction Aluminum New Materials Chengdu Co., Ltd.	15,276	232,277	(219,351)	28,202
Rizhao CSCEC Transportation Service Co., Ltd.	–	21,000	–	21,000
Beijing Zhongyi Chengjian Property Management Co., Ltd.	3,465	35,997	(23,237)	16,225
Qingdao China Construction Eighth Bureau City Investment and Development Co., Ltd.	–	89,147	(74,308)	14,839
Nanjing CSCEC Travel Construction Investment Co., Ltd.	721,071	57,160	(768,717)	9,514
Qingdao China Construction Eighth Engineering Bureau Airport City Construction Development Co., Ltd.	–	110,039	(103,479)	6,560
CSCEC Scimee Sci.&Tech. Co., Ltd.	28,210	169,613	(191,806)	6,017
Nanjing CSCEC Gubei City Development Co., Ltd.	569,449	85,952	(653,812)	1,589
China Construction Asset Management Co., Ltd.	5,875	21	(5,000)	896
CSCEC Dacheng Construction Co., Ltd.	578	2	(157)	423
China Automobile Trade Co., Ltd.	484	152	(400)	236
China Construction Haoyun Co., Ltd.	78,903	36	(78,903)	36
Guangzhou Fuchuang Real Estate Development Co., Ltd.	25	400,000	(400,000)	25
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	2	–	–	2
Total	3,993,191	25,669,057	(26,609,527)	3,052,721

(7) Transfer of related parties assets

Related parties	Nature of the transaction	2023	2022
China Overseas Grand Oceans	Trade mark use right	178,800	171,800

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(8) Other related parties transactions

Related parties	2023	2022
Key management's remuneration	2,773	7,779

The credit line of the Finance Company to the Group's affiliates as of December 31, 2023 is 15,000,000 thousand (December 31, 2022: 19,700,000 thousand), the used credit line is 2,187,560 thousand (December 31, 2022: 2,633,110 thousand), and the unused credit line is 12,812,440 thousand. (December 31, 2022: 17,066,890 thousand).

As of December 31, 2023, the amount of performance guarantee provided by the Finance Company to the group's affiliated parties is 159,927 thousand. (December 31, 2022: 427,013 thousand).

In 2023, the total service fee charged by the Finance Company for providing other financial services to the group's affiliated parties is 3,375 thousand. (December 31, 2022: 4,542 thousand).

6. Commitments of related parties

The following are the commitments of related parties that have been contracted at the balance sheet date and do not have to be set out on the balance sheet:

Providing construction services

Related parties	31 December 2023	31 December 2022
Southwest Section of Wuhan Metropolitan Area Circle Line Investment Management Co., Ltd.	14,726,432	917,431
Fuzhou Modern Logistics City Investment Construction Development Co., Ltd.	5,563,662	10,937,415
Hunan Leiyi Lingdao Expressway Construction and Development Co., Ltd.	4,429,889	–
Liupanshui Dongda Highway Investment and Development Co., Ltd.	4,192,670	–
Guangxi Nanbin Highway Construction and Development Co., Ltd.	3,937,140	3,972,023
Wuhan metropolitan Circle Line North Section Investment Management Co., Ltd.	3,599,717	–
Nanjing Jinlingyi Cultural Tourism Development Co., Ltd.	3,520,897	3,572,774
Putian CSCEC Mulan Construction Development Co., Ltd.	3,380,210	3,158,824
Henan Jiaotou Hexin Expressway Co., Ltd.	2,958,658	–
Shanghai Baoxuan Technology Development Co., Ltd.	2,751,130	–
Wuhan Transportation Investment Tongxiu High-speed Construction Management Co., Ltd.	2,632,429	566,101
Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	2,618,429	494,416
Wuhan Binjiang Infrastructure Construction and Development Co., Ltd.	2,541,397	2,839,640
Wuhan Pinlian Real Estate Co., Ltd.	2,451,620	–
Cangzhou CSCEC Bohai Investment Logistics Park Construction Development Co., Ltd.	2,357,641	–
Shanghai Chenggang Real Estate Co., Ltd.	2,160,413	19,526
Rizhao CSCEC Eighth Engineering Bureau Transportation Service Co., Ltd.	2,107,271	1,177,467
Henan Zhengxu Expressway Co., Ltd.	1,798,169	–
Zhongshan Jinghanjin Environmental Management Co., Ltd.	1,667,876	–
Nanning Zongheng Era Liujiang Phase I Project Management Co., Ltd.	1,604,779	–
Guangzhou Xinghong Real Estate Development Co., Ltd.	1,503,653	1,680,981
Jingdezhen Taoyangli Scenic Spot Tourism Development Co., Ltd.	1,473,579	–
Jinan Shengtang Hongyuan Construction Development Co., Ltd.	1,373,048	–
Qingdao Zhongrong Lianhui Transportation Investment Construction Development Co., Ltd.	1,371,135	–
Nanjing CSCEC Gubei City Development Co., Ltd.	1,369,632	207,260
Nanjing CSCEC Travel Construction Investment Co., Ltd.	1,345,469	5,713,337

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

6. Commitments of related parties (continued)

The following are the commitments of related parties that have been contracted at the balance sheet date and do not have to be set out on the balance sheet: (continued)

Providing construction services (continued)

Related parties	31 December 2023	31 December 2022
Zhangjiagang Xinmao Investment Construction Co., Ltd.	1,326,337	–
Suzhou Star Investment Construction Development Co., Ltd.	1,283,480	–
Chengdu Chuantou Airport Construction Co., Ltd.	1,239,866	826,500
Urumqi Linkong CSCEC Airport Construction Operation Co., Ltd.	1,226,806	2,871,982
Hubei Jiaotou Wusong Expressway Co., Ltd.	1,195,322	–
Qingyang CSCEC Yuanqing Highway Construction Management Co., Ltd.	1,020,375	–
Guangzhou XingLv Real Estate Development Co., Ltd.	1,010,656	1,176,458
China Construction Third Engineering Bureau Jingzhou Huanchang Lake Construction Operation Co., Ltd.	914,576	1,207,596
Haikou Qiyue City Construction Co., Ltd.	913,153	–
China Construction Third Engineering Bureau Xianning Big Continent Lake Ecological Construction and Operation Co., Ltd.	909,545	1,032,541
Wuxi Xitie Medical Investment Management Co., Ltd.	871,485	–
Mianyang CSCEC Kefa Guanlang Road Investment and Construction Co., Ltd.	866,422	181,477
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	846,697	854,332
Zhijiang Jianxin Municipal Engineering Construction Co., Ltd.	836,538	1,065,024
Foshan China Construction Yipin Pengyue Real Estate Co., Ltd.	834,718	1,165,560
Changsha CSCEC International High-speed Railway West Industrial City Investment Co., Ltd.	827,479	1,345,914
Xi'an Chuxin investment and Construction Co., Ltd.	821,163	–
Chongqing Jiangjin Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	820,884	–
Beijing Chenxing International Exhibition Co., Ltd.	766,206	41,496
Fuqing CSCEC Ronghai Construction and Development Co., Ltd.	747,774	1,092,905
Wuhan Chongjiang Real Estate Co., Ltd.	732,394	852,434
Putian Jiangkou Suanxi CSCEC Strait Infrastructure Investment Development Co., Ltd.	708,292	723,660
Xi'an Chufeng Construction Co., Ltd.	676,444	694,793
Chongqing Derun Yipin Environmental Governance Co., Ltd.	669,542	859,258
Chongqing Qijiang Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	661,575	8,472
Jiangsu Susu Industrial Park Development Co., Ltd.	653,499	976,637
Xiamen International Trade Conference Center Co., Ltd.	630,993	1,313,786
Nanjing Kangyuan Real Estate Development Co., Ltd.	620,603	1,504,459
Fuzhou Strait culture and Art Center Construction and Development Co., Ltd.	605,201	–
Shucheng Sanxia Phase I Comprehensive Water Environment Treatment Co., Ltd.	530,439	748,378
Suzhou Wujiang Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	500,040	–
Tangshan Caofeidian District Tonggang Interchange Development and Construction Co., Ltd.	483,188	–
Jingyu Co., Ltd.	477,263	933,557
Yunnan Airport Construction and Development Co., Ltd.	474,639	–
Dongfang Anzhen (Beijing) Hospital Management Co., Ltd.	463,062	–
Qingdao Fangyue Real Estate Co., Ltd.	460,522	–
Nantong City Ring Road Expressway Co., Ltd.	460,110	4,517,040
Yantai Zhongda Xinhong Science Education Investment Co., Ltd.	419,264	679,507
Others	15,463,475	62,161,663
Total	124,406,972	124,092,624

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

7. Amounts due from/to related parties

(1) Amounts due from related parties

		2023		2022	
		Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
	Related parties				
Notes receivable	Qingdao Fangchen Real Estate Co., Ltd.	-	-	31,352	(125)
Notes receivable	Qingdao Maozhang Real Estate Co., Ltd.	-	-	25,602	(102)
Notes receivable	Qingdao Fanghui Real Estate Co., Ltd.	-	-	23,171	(93)
Notes receivable	Others	-	-	500	(2)
Notes receivable	Total	-	-	80,625	(322)
Accounts receivable	CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd.	1,352,891	(60,880)	236,794	(10,954)
Accounts receivable	Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	735,656	(33,105)	52,856	(2,379)
Accounts receivable	Guangzhou Fangbai Intercity Rail Transit Co., Ltd.	550,928	(24,792)	-	-
Accounts receivable	Jiqing Express Railroad Co., Ltd.	463,836	(21,036)	387,259	(19,942)
Accounts receivable	Shanghai Linbo Haihui City Construction Development Co., Ltd.	430,601	-	233,845	-
Accounts receivable	Urumqi Linkong CSCEC Airport Construction Operation Co., Ltd.	422,761	(19,024)	41,281	(5,448)
Accounts receivable	Zhaotong Zhongjian Construction Investment Development Co., Ltd.	405,404	(115,778)	411,404	(115,971)
Accounts receivable	CSCEC New Urbanization (Xinjiang) Investment Co., Ltd.	390,290	(59,361)	510,773	(57,945)
Accounts receivable	Jinan Shengtang Hongyuan Construction Development Co., Ltd.	377,650	(7,634)	22,198	(999)
Accounts receivable	Xi'an Chufeng Construction Co., Ltd.	366,553	(99,655)	166,553	(91,124)
Accounts receivable	Guizhou Leirong Expressway Investment Management Co., Ltd.	362,085	(16,294)	328,296	(139)
Accounts receivable	Chengdu Changtuo Dongjin Construction Co., Ltd.	358,040	(7,192)	438,838	(8,777)
Accounts receivable	Hainan Xinsheng Green Building Materials Co., Ltd.	320,825	(8,624)	37,130	(1,671)
Accounts receivable	CSCEC (Tangshan Caofeidian) Engineering Construction Co., Ltd.	317,670	(136,405)	364,027	(91,155)
Accounts receivable	Shanggang group Ruitai Development Co., Ltd.	311,199	(27,432)	287,542	(63,419)
Accounts receivable	Zhongshan Shenshui Environmental Water Co., Ltd.	310,401	(44,135)	180,592	(16,559)
Accounts receivable	Liuan Haijia Lancheng Real Estate Co., Ltd.	301,765	-	194,381	(90)
Accounts receivable	China Construction International (Xiangyang) Construction Co., Ltd.	287,606	-	207,232	-
Accounts receivable	Anhui Bengwu Expressway Investment Management Co., Ltd.	281,306	(21,285)	571,291	(25,926)
Accounts receivable	Zhongshan Public Utilities Sanlianwei Watershed Governance Co., Ltd.	273,512	(12,308)	66,199	(2,979)
Accounts receivable	Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	256,853	-	272,770	-
Accounts receivable	Changsha Zhongjian International Development Co., Ltd.	255,757	-	99,408	(15)
Accounts receivable	Panzhuhua China Construction Third Engineering Bureau Government Service Center Construction Development Co., Ltd.	252,522	(26,121)	31,192	(14,732)
Accounts receivable	Zhuhai Haiyue Real Estate Development Co., Ltd.	214,561	-	-	-
Accounts receivable	Cangzhou Bohai New Area China Construction Port Construction Management Co., Ltd.	205,015	(102,508)	131,499	(65,750)
Accounts receivable	Qufu Nishan Cultural Tourism Real Estate Co., Ltd.	200,366	-	128	-
Accounts receivable	Shanwei Yuehai Qingyuan Environmental Protection Co., Ltd.	196,575	(19,098)	265,463	(13,814)
Accounts receivable	Beijing Chenxing International Exhibition Co., Ltd.	196,402	(9,217)	41,496	(1,867)
Accounts receivable	Putian Haijia Real Estate Co., Ltd.	195,936	-	200,917	-
Accounts receivable	China Construction Third Engineering Bureau Shiyuan Linyin Avenue Construction and Operation Co., Ltd.	150,132	(7,507)	35,132	(703)
Accounts receivable	China Construction Wuhan Qingling Pipe Corridor Construction and Operation Co., Ltd.	149,112	(8,856)	4,022	(181)
Accounts receivable	Deyang Hongbo Construction Investment Co., Ltd.	141,591	(2,837)	-	-

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**7. Amounts due from/to related parties (continued)****(1) Amounts due from related parties (continued)**

Related parties		2023		2022	
		Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Accounts receivable	Xuzhou Metro Line 1 Investment and Development Co., Ltd.	137,858	(61,968)	300,613	(111,745)
Accounts receivable	Chongqing Water Affairs Shatian Environmental Governance Co., Ltd.	129,026	(15,467)	111,769	(7,119)
Accounts receivable	CCCC Jijiao Expressway Investment Development Co., Ltd.	125,809	(5,318)	7,635	–
Accounts receivable	Shandong Public Ecological Construction Co., Ltd.	122,613	(10,494)	–	–
Accounts receivable	Yunnan Airport Construction and Development Co., Ltd.	121,497	(5,669)	79,008	(3,555)
Accounts receivable	Rizhao CSCC Transportation Service Co., Ltd.	118,848	(5,348)	–	–
Accounts receivable	Changsha Yida Chuangzhi Real Estate Development Co., Ltd.	113,468	–	128,351	–
Accounts receivable	Shanghai International Port (Group) Co., Ltd.	109,594	(13,279)	105,042	(10,552)
Accounts receivable	CSCC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	107,615	(26,579)	16,386	(16,074)
Accounts receivable	Qingdao China Construction Eighth Engineering Bureau Airport City Construction Development Co., Ltd.	100,053	(7,426)	113,294	(5,098)
Accounts receivable	Wuhan Huangpi Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	94,507	(6,358)	83,428	(3,754)
Accounts receivable	Chongqing Jinke Zhaoji Real Estate Development Co., Ltd.	92,198	(34,852)	22,970	(4,397)
Accounts receivable	Shanxi International Power Group Real Estate Development Co., Ltd.	92,110	(18,444)	14,973	–
Accounts receivable	Fuqing CSCC Ronghai Construction and Development Co., Ltd.	89,170	(4,013)	7,107	(320)
Accounts receivable	Investment Center of Beiqi Industrial Park in Cangzhou Development Zone (Limited Partnership)	89,088	(5,700)	14,363	(1,391)
Accounts receivable	Nantong City Ring Road Expressway Co., Ltd.	77,804	(3,501)	–	–
Accounts receivable	Xuzhou Metro Line Three Investment Development Co., Ltd.	76,963	(31,167)	45,791	(18,317)
Accounts receivable	Suzhou Star Investment Construction Development Co., Ltd.	75,039	(3,407)	173	(8)
Accounts receivable	Chengdu Beichen Tianchen Real Estate Co., Ltd.	72,122	(3,245)	100	(5)
Accounts receivable	Chongqing CSCC Erhengxian Infrastructure Construction Co., Ltd.	70,358	(1,407)	74,296	(1,486)
Accounts receivable	Liyang Zhongjian Sangde Environmental Governance Co., Ltd.	70,172	(3,844)	67,960	(3,064)
Accounts receivable	Anning Yuning Water Co., Ltd.	67,529	(3,372)	6,060	(273)
Accounts receivable	Others	2,818,226	(287,811)	3,512,146	(330,876)
Accounts receivable	Total	16,007,468	(1,449,753)	10,531,983	(1,130,573)
Other receivables	Guangzhou Fuchuang Real Estate Development Co., Ltd.	864,834	(59,146)	848,634	(33,964)
Other receivables	Jinan Zhiying Real Estate Co., Ltd.	664,389	(10,819)	580,318	(1,010)
Other receivables	Grand Dunman Pte Ltd.	620,659	–	532,513	–
Other receivables	Suzhou Fuyuan Real Estate Co., Ltd.	547,150	(85,738)	541,971	(40,931)
Other receivables	Commissioner Of Lands Sla	333,372	–	–	–
Other receivables	Wuhan Pinlian Real Estate Co., Ltd.	211,382	(8,147)	–	–
Other receivables	Qingdao China Construction Eighth Engineering Bureau Airport City Construction Development Co., Ltd.	182,262	(5,468)	–	–
Other receivables	Shanghai Heke Real Estate Co., Ltd.	163,937	–	–	–
Other receivables	Liupanshui Urban Pipe Gallery Construction and Development Investment Co., Ltd.	139,499	(27,471)	134,197	(16,135)
Other receivables	Putian CSCC Mulan Construction Development Co., Ltd.	131,785	(5,410)	45,504	(1,921)
Other receivables	Fernvale Lane Pte Ltd.	122,546	–	116,776	–
Other receivables	Guizhou Zhengxi Expressway Investment Management Co., Ltd.	110,653	(13,346)	142,968	(8,857)
Other receivables	Xiamen Haitou Construction Technology Co., Ltd.	74,250	(15,638)	74,250	(10,020)

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

7. Amounts due from/to related parties (continued)

(1) Amounts due from related parties (continued)

	Related parties	2023		2022	
		Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Other receivables	Suzhou Junda National Highway 206 Construction Co., Ltd.	73,279	(2,200)	75,004	(15,976)
Other receivables	Changchun Runde Construction Project Management Co., Ltd.	71,982	(52,023)	–	–
Other receivables	Shanghai Fuda Real Estate Co., Ltd.	68,393	(5,935)	68,393	(2,736)
Other receivables	CSCEC Roads and Bridges Co., Ltd.	68,193	(11,533)	39,299	(7,434)
Other receivables	Shantou CSCEC New Urbanization Investment Co., Ltd.	53,844	(21,215)	55,626	(21,276)
Other receivables	CCCC Jijiao Expressway Investment Development Co., Ltd.	51,858	(5,100)	51,858	(2,170)
Other receivables	Rizhao CSCEC Transportation Service Co., Ltd.	50,134	(50,004)	50,000	(15,000)
Other receivables	Wuhan Chongjiang Real Estate Co., Ltd.	48,996	(9,233)	46,234	(3,657)
Other receivables	Shangqiu New Voyage Development and Construction Management Co., Ltd.	48,006	(2,045)	47,412	(2,939)
Other receivables	Dongguan Zhonghai Century City Education Technology Development Co., Ltd.	46,564	(12,669)	69,064	(12,859)
Other receivables	Qingyang CSCEC Yuanqing Highway Construction Management Co., Ltd.	42,898	(1,716)	–	–
Other receivables	CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	40,569	(6,881)	34,657	(2,677)
Other receivables	China Construction Asset Management Co., Ltd.	34,774	–	47,665	–
Other receivables	Liuzhou China Construction Science and Industry Exhibition Operation Management Co., Ltd.	28,749	(1,788)	18,311	(1,895)
Other receivables	Ezhou Chuanggu Real Estate Development Co., Ltd.	24,474	(2,629)	17,328	(999)
Other receivables	Zhengzhou CSCEC Zhicheng Comprehensive Pipe Gallery Construction Management Co., Ltd.	23,143	(934)	4,383	(4,301)
Other receivables	Suzhou Xinghui West Ring Road construction Co., Ltd.	22,021	(662)	3,642	(110)
Other receivables	Putian Jiangkou Suanxi CSCEC Strait Infrastructure Investment Development Co., Ltd.	20,900	(418)	11,400	(228)
Other receivables	Hengshui CECS Hangang Expressway Management Co., Ltd.	18,378	(2,413)	18,378	(1,312)
Other receivables	Jingmen China Construction 207 Highway Construction Co., Ltd.	18,202	(1,456)	18,720	(749)
Other receivables	Guangzhou Xinghong Real Estate Development Co., Ltd.	17,450	(882)	8,951	(289)
Other receivables	Yili CSCEC Highway Construction and Operation Co., Ltd.	15,241	(2,820)	15,234	(1,776)
Other receivables	Wuhan CSCEC Yipin Zhaoying Real Estate Co., Ltd.	13,062	(1,093)	17,461	(715)
Other receivables	Guangzhou XingLv Real Estate Development Co., Ltd.	12,067	(372)	11,621	(491)
Other receivables	CSCEC Electronic Commerce Co., Ltd.	11,000	–	7,916	–
Other receivables	Liuzhou CSCEC Dongcheng Cultural Development Co., Ltd.	9,947	(656)	6,464	(581)
Other receivables	Urumqi Linkong Construction Infrastructure Co., Ltd.	9,894	(413)	5,952	(267)
Other receivables	Nanjing Jinlingyi Cultural Tourism Development Co., Ltd.	9,780	(404)	4,986	(199)
Other receivables	Liupanshui Dongda Highway Investment and Development Co., Ltd.	8,860	(1,772)	8,768	(1,128)
Other receivables	Guizhou Jianxin Water Environment Industry Co., Ltd.	8,820	(3,528)	8,820	(2,646)
Other receivables	CSCEC Zhanjiang Avenue Investment and Construction Co., Ltd.	8,324	(481)	7,364	(295)
Other receivables	Beijing Zhongyi Chengjian Property Management Co., Ltd.	8,057	–	7,005	–
Other receivables	Others	180,179	(21,562)	1,788,604	(71,233)
Other receivables	Total	5,334,756	(456,020)	5,593,651	(288,776)
Contract assets	Guizhou Zhengxi Expressway Investment Management Co., Ltd.	1,028,619	(5,668)	913,324	(3,681)
Contract assets	Wuhan Sanxia Jiangnan Water Co., Ltd.	773,152	(4,103)	262,095	(1,310)
Contract assets	Sanmenxia National Road 310 South Transplanted Project Construction Co., Ltd.	680,598	(5,199)	623,463	(3,117)

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

7. Amounts due from/to related parties (continued)

(1) Amounts due from related parties (continued)

	Related parties	2023		2022	
		Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Contract assets	Zhongshan Public Utilities Sanlianwei Watershed Governance Co., Ltd.	433,251	(2,540)	185,399	(1,352)
Contract assets	Mianyang CSCEC Kefa Guanlang Road Investment and Construction Co., Ltd.	419,796	(2,729)	218,223	(1,113)
Contract assets	China Construction Third Engineering Bureau Jingzhou Huanchang Lake Construction Operation Co., Ltd.	413,607	(36,836)	101,239	(398)
Contract assets	Beijing Chenxing International Exhibition Co., Ltd.	353,984	(2,104)	511	(511)
Contract assets	Anhui Bengwu Expressway Investment Management Co., Ltd.	264,587	(834)	–	–
Contract assets	Deyang Hongbo Construction Investment Co., Ltd.	262,017	(1,439)	57,868	(1,005)
Contract assets	Xiamen International Exhibition Center Co., Ltd.	232,569	(1,163)	17,100	(86)
Contract assets	Guizhou Wengma Railway North-South Extension Line Co., Ltd.	228,752	(1,951)	104,846	(825)
Contract assets	Hebei Chenghong Pipelines Engineering Co., Ltd.	225,797	(3,772)	515,392	(5,241)
Contract assets	Xuzhou Metro Line Three Investment Development Co., Ltd.	175,793	(916)	–	–
Contract assets	Foshan Urban Rail Transit Line 3 Development Co., Ltd.	172,781	(937)	149,899	(668)
Contract assets	Zhaotong Zhongjian Construction Investment Development Co., Ltd.	168,137	(38,444)	28,609	(28,609)
Contract assets	Ezhou Chuanguo Real Estate Development Co., Ltd.	161,575	(801)	3,450	(44)
Contract assets	Zhongshan Shenshui Environmental Water Co., Ltd.	153,549	(768)	102,955	(515)
Contract assets	Jiqing Express Railroad Co., Ltd.	136,386	(518)	156,022	(715)
Contract assets	Xiamen International Trade Conference Center Co., Ltd.	135,785	(679)	82,395	(412)
Contract assets	Shanggang Group Ruitai Development Co., Ltd.	134,891	(432)	122,490	(506)
Contract assets	China Construction Haoyun Co., Ltd.	129,312	(484)	139,238	(603)
Contract assets	Xi'an Chuxin Investment and Construction Co., Ltd.	128,205	(614)	–	–
Contract assets	Cangzhou CSCEC Bohai Investment Logistics Park Construction Development Co., Ltd.	119,222	(524)	117,254	(515)
Contract assets	Shanghai International Port (Group) Co., Ltd.	116,968	(531)	47,816	(440)
Contract assets	Yunnan Huali Expressway investment and Development Co., Ltd.	114,606	(573)	91,271	(456)
Contract assets	Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	111,365	(385)	6,875	(34)
Contract assets	CCCC Jijiao Expressway Investment Development Co., Ltd.	108,284	(519)	754	(1,030)
Contract assets	Wuhan Huangpi Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	105,408	(527)	93,690	(468)
Contract assets	Putian CSCEC Mulan Construction Development Co., Ltd.	105,215	(1,154)	5,651	(863)
Contract assets	Luzhou Yangtze River Second Bridge Construction Co., Ltd.	101,772	(8,140)	7,939	(7,939)
Contract assets	Nantong City Ring Road Expressway Co., Ltd.	100,748	(967)	42,086	(666)
Contract assets	China Construction Third Bureau Rongchang Chengdu Tianfu New District Construction Investment Co., Ltd.	95,312	(343)	–	–
Contract assets	Zunyi South Ring Expressway Development Co., Ltd.	93,648	(427)	150,607	(1,101)
Contract assets	China State Construction Wuhan Yangsigang Road and Bridge Construction and Operation Co., Ltd.	93,627	(288)	79,576	(270)
Contract assets	Panzhuhua China Construction Third Engineering Bureau Government Service Center Construction Development Co., Ltd.	82,127	(1,331)	135,092	(490)
Contract assets	Sichuan Dehui Expressway Co., Ltd.	80,720	(242)	–	–
Contract assets	China Construction Third Engineering Bureau Shiyan Aviation Road Construction Operation Co., Ltd.	79,914	(2,548)	53,132	(177)
Contract assets	Guangzhou Xinghong Real Estate Development Co., Ltd.	72,038	(360)	16,385	(82)
Contract assets	CSCEC Zhanjiang Avenue Investment and Construction Co., Ltd.	71,988	(429)	60,604	(406)

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**7. Amounts due from/to related parties (continued)****(1) Amounts due from related parties (continued)**

		2023		2022	
		Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
	Related parties				
Contract assets	Anning Yuning Water Co., Ltd.	68,387	(596)	25,838	(383)
Contract assets	Southwest Section of Wuhan Metropolitan Area Circle Line Investment Management Co., Ltd.	63,597	(786)	5,826	(29)
Contract assets	Haikou Qiyue City Construction Co., Ltd.	60,027	(300)	59,839	(299)
Contract assets	Others	2,518,762	(84,918)	2,684,713	(102,152)
Contract assets	Total	11,176,878	(218,819)	7,469,466	(168,511)
Other current assets	CSCEC	2,001,589	(58,793)	2,001,833	(58,800)
Other current assets	Guangzhou Xinghong Real Estate Development Co., Ltd.	921,263	(921)	-	-
Other current assets	Xuancheng Haijia Lancheng Real Estate Co., Ltd.	873,151	-	810,842	-
Other current assets	Xingui Investment Co., Ltd.	837,057	-	813,259	-
Other current assets	Chengdu Jingrui Real Estate Co., Ltd.	782,281	-	-	-
Other current assets	Tianjin Chuangliang Investment Management Co., Ltd.	777,318	(301,420)	449,216	(301,420)
Other current assets	Hing Chong Enterprise Co., Ltd.	681,306	-	51,023	-
Other current assets	Harbin Runzhi Real Estate Development Co., Ltd.	623,587	-	922,982	-
Other current assets	Chengdu Langxin Real Estate Co., Ltd.	622,034	-	758,359	-
Other current assets	Changchun Hairun Rongcheng Real Estate Development Co., Ltd.	609,821	-	587,220	-
Other current assets	Wuhan Anhe Shengtai Real Estate Development Co., Ltd.	505,008	(505)	-	-
Other current assets	Tianjin Chuangqing Investment Management Co., Ltd.	488,798	(488,783)	985,195	(488,783)
Other current assets	Tongxiang Haoli Enterprise Management Co., Ltd.	466,840	(364,776)	659,340	(364,776)
Other current assets	Suzhou Wujiang Taihai Real Estate Co., Ltd.	372,094	-	648,641	-
Other current assets	Guizhou Zhengxi Expressway Investment Management Co., Ltd.	316,496	-	311,276	-
Other current assets	Jinyu Jiaxing Nanjing Real Estate Development Co., Ltd.	300,000	(14,400)	300,000	(14,400)
Other current assets	Qingdao Haijie Real Estate Co., Ltd.	266,526	-	19,354	-
Other current assets	Guizhou Leirong Expressway Investment Management Co., Ltd.	265,058	-	-	-
Other current assets	Suzhou Zhaowen Real Estate Development Co., Ltd.	225,462	-	-	-
Other current assets	Tianjin Shunji Real Estate Co., Ltd.	219,186	(87,674)	242,668	(104,781)
Other current assets	Guangzhou Zengcheng Run Yu Real Estate Co., Ltd.	210,000	-	230,000	-
Other current assets	Xi'an Jiarun Rongcheng Real Estate Co., Ltd.	200,082	-	4,504	-
Other current assets	Others	1,327,381	(172,262)	5,270,239	(286,383)
Other current assets	Total	13,892,338	(1,489,534)	15,065,951	(1,619,343)
Long-term receivables	Jinjiang Zhongyun Sports Construction Development Co., Ltd.	301,000	(903)	-	-
Long-term receivables	CSCEC Scimee Sci.&Tech. Co., Ltd.	10,386	-	9,614	-
Long-term receivables	Hubei Communications Investment Xiaogan South Expressway Co., Ltd.	10,000	(30)	-	-
Long-term receivables	Sanmenxia National Road 310 South Transplanted Project Construction Co., Ltd.	7,200	(6,360)	6,000	(1,800)
Long-term receivables	China Construction Aluminum New Materials Chengdu Co., Ltd.	6,170	-	5,680	-
Long-term receivables	Beijing Zhongyi Chengjian Property Management Co., Ltd.	612	-	612	-
Long-term receivables	Others	1,700	(137)	224	(47)
Long-term receivables	Total	337,068	(7,430)	22,130	(1,847)

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)

7. Amounts due from/to related parties (continued)

(1) Amounts due from related parties (continued)

Related parties		2023		2022	
		Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Debt Investments	Clear Elegant Limited	2,956,291	–	2,770,274	–
Debt Investments	Luminous Dream Limited	1,873,271	–	1,768,486	–
Debt Investments	Jingyu Co., Ltd.	1,857,041	–	1,779,975	–
Debt Investments	TEDA Group Co., Ltd.	1,827,902	–	1,698,808	–
Debt Investments	Gainable Development Limited	1,516,864	–	1,470,089	–
Debt Investments	Marble Edge Limited	1,509,983	–	1,361,826	–
Debt Investments	Wuhan Chongjiang Real Estate Co., Ltd.	1,445,941	–	1,406,671	–
Debt Investments	Fansway Limited	971,560	–	–	–
Debt Investments	Vanlink Company Limited	906,103	–	748,800	–
Debt Investments	Beijing Yipin Haikai Real Estate Development Co., Ltd.	804,780	–	1,438,200	–
Debt Investments	Beijing Nanyue Real Estate Development Co., Ltd.	729,714	–	729,714	–
Debt Investments	Guangzhou SuiHai Real Estate Co., Ltd.	683,750	–	683,750	–
Debt Investments	Ezhou Chuangu Real Estate Development Co., Ltd.	510,565	–	510,565	–
Debt Investments	Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	453,879	–	473,879	–
Debt Investments	Changsha Gengxin Real Estate Co., Ltd.	427,863	(1,284)	–	–
Debt Investments	Changsha CSCEC International Blackstone Area Investment Construction Co., Ltd.	323,400	–	–	–
Debt Investments	Guiheng Investments Co., Ltd.	313,478	–	324,074	–
Debt Investments	Changsha Yida Chuangzhi Real Estate Development Co., Ltd.	309,139	–	288,835	–
Debt Investments	Wuhan Pinlian Real Estate Co., Ltd.	307,339	–	1,584,031	–
Debt Investments	Foshan China Construction Yipin Pengyue Real Estate Co., Ltd.	224,504	–	513,725	–
Debt Investments	Jiangmen Pengjiang District Hebang Real Estate Development Co., Ltd.	220,500	–	221,126	–
Debt Investments	Beijing Jinliang Xingye Real Estate Development Co., Ltd.	201,951	–	282,102	–
Debt Investments	Guangzhou Zengcheng Run Yu Real Estate Co., Ltd.	195,600	–	195,600	–
Debt Investments	Haizhou Investment Co., Ltd.	193,465	–	186,119	–
Debt Investments	Wuhan Chenzhan Real Estate Development Co., Ltd.	188,854	–	178,054	–
Debt Investments	Wuhan CSCEC Yipin Zhaoying Real Estate Co., Ltd.	166,860	(88,222)	266,860	(88,222)
Debt Investments	Wuhan Chenfa Real Estate Development Co., Ltd.	144,560	–	154,560	–
Debt Investments	Beijing Huiguang Enterprise Management Co., Ltd.	132,127	–	132,127	–
Debt Investments	Foshan Construction Investment China Construction Yipin Real Estate Co., Ltd.	127,400	–	186,200	–
Debt Investments	Others	1,393,096	(1,897)	3,650,730	(10,553)
Debt Investments	Total	22,917,780	(91,403)	25,005,180	(98,775)

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**7. Amounts due from/to related parties (continued)****(2) Amounts due to related parties**

	Related parties	2023	2022
Accounts payable	CSCEC Electronic Commerce Co., Ltd.	1,459,229	1,110,503
Accounts payable	CSCEC Roads and Bridges Co., Ltd.	359,479	356,942
Accounts payable	Anhui Guoyuan Investment Co., Ltd.	351,404	142,091
Accounts payable	Yunnan Airport Construction and Development Co., Ltd.	347,003	22,824
Accounts payable	CSCEC Dacheng Construction Co., Ltd.	219,845	260,633
Accounts payable	China Construction Aluminum New Materials Chengdu Co., Ltd.	149,032	107,714
Accounts payable	Shandong Zhongcheng Machinery Leasing Co., Ltd.	101,016	27,598
Accounts payable	CSCEC Scimee Sci.&Tech. Co., Ltd.	73,903	105,353
Accounts payable	Shandong CSCEC Zhongli Equipment Leasing Co., Ltd.	66,699	116,558
Accounts payable	Sichuan West Construction Zhonghe Machinery Co., Ltd.	37,729	37,095
Accounts payable	Beijing CSCEC Runtong Electromechanic Engineering Co., Ltd.	32,603	29,201
Accounts payable	China Overseas Grand Oceans	30,951	37,268
Accounts payable	Others	145,636	212,161
Accounts payable	Total	3,374,529	2,565,941
Other Payables	Sunrise JV Limited	3,393,172	997,707
Other Payables	CSCEC	2,694,284	–
Other Payables	Shanghai Heke Real Estate Co., Ltd.	1,417,800	–
Other Payables	Xinggui Investment Co., Ltd.	1,260,000	1,260,000
Other Payables	Xiamen Yueqin Real Estate Co., Ltd.	1,030,943	–
Other Payables	Xiamen Haimao Real Estate Co., Ltd.	991,471	266,471
Other Payables	Hing Chong Enterprise Co., Ltd.	817,750	805,750
Other Payables	Jinmao Investment (Changsha) Co., Ltd.	765,000	–
Other Payables	Nanjing CSCEC Gubei City Development Co., Ltd.	711,514	394,403
Other Payables	Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	409,213	555,218
Other Payables	Dongguan Songrun Real Estate Co., Ltd.	362,000	–
Other Payables	Beijing Yijing Real Estate Co., Ltd.	340,000	–
Other Payables	China Overseas Grand Oceans	315,129	400,944
Other Payables	Xi'an Jiarun Rongcheng Real Estate Co., Ltd.	297,394	297,394
Other Payables	Guiheng Investments Co., Ltd.	275,000	280,050
Other Payables	Shenzhen Shenzhen-Shantou Special Cooperation Zone Zhongpu Infrastructure Investment Co., Ltd.	237,266	230,618
Other Payables	Beijing Hengyi Real Estate Development Co., Ltd.	231,659	231,104
Other Payables	Sanya Bihai Jincheng Business Management Co., Ltd.	230,342	–
Other Payables	Beijing Xingying Real Estate Co., Ltd.	229,500	32,294
Other Payables	Guangzhou Lvrong Real Estate Development Co., Ltd.	217,413	217,413
Other Payables	Chongqing Jinke Zhaoji Real Estate Development Co., Ltd.	189,762	549,762
Other Payables	Shanghai Jiasheng Real Estate Development Co., Ltd.	156,775	205,761

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**7. Amounts due from/to related parties (continued)****(2) Amounts due to related parties (continued)**

	Related parties	2023	2022
Other Payables	Shenzhen Runchao Real Estate Co., Ltd.	152,000	–
Other Payables	Hengyang Lingsheng Real Estate Co., Ltd.	134,405	373,269
Other Payables	Vanlink Company Limited	132,664	86,922
Other Payables	Beijing Zhonghai Excellent Urban and Rural Construction Investment Fund	132,389	132,389
Other Payables	China Resources Land Real Estate (Taiyuan) Development Co., Ltd.	130,000	105,000
Other Payables	Qingdao Caimao Real Estate Co., Ltd.	122,622	120,150
Other Payables	Qufu Nishan Cultural Tourism Real Estate Co., Ltd.	120,300	7,757
Other Payables	Nanjing CSCEC Travel Construction Investment Co., Ltd.	119,614	369,717
Other Payables	Rizhao CSCEC Transportation Service Co., Ltd.	118,848	–
Other Payables	Leading Investment Co., Ltd.	104,099	124,499
Other Payables	Xi'an Hehui Xingshang Real Estate Co., Ltd.	100,155	105,190
Other Payables	Wuhan Hongtai Hongli CSCEC Yipin Real Estate Co., Ltd.	99,659	312,922
Other Payables	Qingdao Fangchuan Real Estate Co., Ltd.	93,471	91,577
Other Payables	Xinyu Ring Road Construction Investment Co., Ltd.	86,339	86,339
Other Payables	Nanjing Kangyuan Real Estate Development Co., Ltd.	80,785	40,200
Other Payables	China Construction Asset Management Co., Ltd.	80,595	56,625
Other Payables	Shenzhen Zhaohang Real Estate Co., Ltd.	79,460	–
Other Payables	Qingdao Songmao Real Estate Co., Ltd.	76,267	74,704
Other Payables	Tianjin Chuangqing Investment Management Co., Ltd.	69,686	2,550
Other Payables	Others	994,638	6,190,829
Other Payables	Total	19,601,383	15,005,528
Contract Liabilities	CCCC Jijiao Expressway Investment Development Co., Ltd.	680,813	770,321
Contract Liabilities	CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd.	642,789	–
Contract Liabilities	Urumqi Linkong CSCEC Airport Construction Operation Co., Ltd.	376,220	201,829
Contract Liabilities	Nantong City Ring Road Expressway Co., Ltd.	250,809	62,907
Contract Liabilities	Shanghai Lingang New Area Jingang Dongjiu Real Estate Co., Ltd.	250,558	196,828
Contract Liabilities	China Construction Third Engineering Bureau Xiangyang Yuliangzhou Ecological Construction and Operation Co., Ltd.	178,004	4,000
Contract Liabilities	Ezhou Chuanggu Real Estate Development Co., Ltd.	160,633	15,566
Contract Liabilities	Nanjing Jinlingyi Cultural Tourism Development Co., Ltd.	160,614	163,915
Contract Liabilities	Xuzhou Metro Line 1 Investment and Development Co., Ltd.	133,362	96,017
Contract Liabilities	Ezhou sports investment construction operation Co., Ltd.	121,008	22,428
Contract Liabilities	Suining East Lake Bishui Environmental Investment Construction Co., Ltd.	108,635	116,836
Contract Liabilities	Chongqing Derun Yipin Environmental Governance Co., Ltd.	96,169	86,978
Contract Liabilities	Zhangzhou Zhanyuan Environmental Technology Co., Ltd.	92,630	102,454
Contract Liabilities	Wuhan Metropolitan Circle Line North Section Investment Management Co., Ltd.	91,718	–

(All amounts in RMB Thousand Yuan unless otherwise stated)

XII. Related Party Relationships and Transactions (continued)**7. Amounts due from/to related parties (continued)****(2) Amounts due to related parties (continued)**

Related parties		2023	2022
Contract Liabilities	Others	1,198,334	5,402,391
Contract Liabilities	Total	4,542,296	7,242,470
Lease liabilities	Beijing Zhongyi Chengjian Property Management Co., Ltd.	22,416	21,570
Lease liabilities	China Construction Aluminum New Materials Chengdu Co., Ltd.	19,255	22,104
Lease liabilities	Shanghai International Port (Group) Co., Ltd.	8,681	13,639
Lease liabilities	Shandong CSCEC Zhongli Equipment Leasing Co., Ltd.	1,130	1,337
Lease liabilities	China Overseas Grand Oceans	841	93,582
Lease liabilities	Others	2,131	2,260
Lease liabilities	Total	54,454	154,492
Entrusted loans	CSCEC	6,201,171	2,398,638
Entrusted loans	Jinmao Investment (Changsha) Co., Ltd.	–	765,000
Entrusted loans	Total	6,201,171	3,163,638
Long-term payables	CSCEC Roads and Bridges Co., Ltd.	118,664	103,485
Long-term payables	Sunrise JV Limited	–	2,400,000
Long-term payables	Others	45,821	31,648
Long-term payables	Total	164,485	2,535,133

XIII. Share-based Payment

The equity instruments granted are as follows:

	Unlocked in current year Number	Invalid in current year Number
Share-based payment by the Company	–	299,562,000
Share Option Schemes by China Overseas Land & Investment Ltd.	172,156,000	14,526,000
Total	172,156,000	314,088,000

The equity instruments issued at the end of the year are as follows:

	Stock options issued at the end of the year		Other equity instruments issued at the end of the year	
	Range of exercise price	The remaining term of the contract	Range of exercise price	The remaining term of the contract
Share-based payment by the Company	–	–	3.06RMB/share	1 year
Share Option Schemes by China Overseas Land & Investment Ltd.	18.7-25.85 HKD/share	0.5-3.9 years	–	–

(All amounts in RMB Thousand Yuan unless otherwise stated)

XIII. Share-based Payment (continued)

Equity-settled share-based payments are as follows:

	2023	2022
The method of determining the fair value of equity instrument on the grant date	The Group determines the fair value of restricted shares on the basis of the single day closing price of circulating shares on the date of grant of equity instruments; The fair value of the granted stock options on the grant date is recognized using a binomial option pricing model combined with the terms and conditions of the stock options	The Group determines the fair value of restricted shares on the basis of the single day closing price of circulating shares on the date of grant of equity instruments; The fair value of the granted stock options on the grant date is recognized using a binomial option pricing model combined with the terms and conditions of the stock options
Important parameters of fair value of equity instruments on grant date	Restricted stock: the closing price on the grant date; Stock options: risk-free interest, historical volatility, dividend yield	Restricted stock: the closing price on the grant date; Stock options: risk-free interest, historical volatility, dividend yield
Basis for determining the number of exercisable equity instruments	Expected number of unlockable/exercised options	Expected number of unlockable/exercised options
Reasons for significant difference between the current estimate and previous estimate	Not Applicable	Not Applicable
Accumulated amount of equity settled share-based payments recognized in capital reserve	3,415,365	3,585,519

The share based payment expenses incurred in the year are as follows:

	Total expenses recognised in equity-settled share-based payment
Administrator	(170,154)

(a) Share-based payment by the Company

- (1) In accordance with the authorisation of the third extraordinary General Meeting of Shareholders held on 3 December 2018, the Company held the 15th meeting of the second session of the Board of Directors on 26 December 2018, and the Board of Directors approved the resolution of China State Construction Engineering Corporation Limited. Granted Third Batch Restricted Shares Incentive Plan (A share) ("the third batch Incentive Plan"), in which the Company was approved to grant the restricted shares incentive to 2,081 targets ("the third batch Incentive Targets"). From 4 December 2018 to 21 December 2018, the Company completed the repurchase of 599,910,000 shares ("the third batch of Restricted Shares") in total from secondary market and completed the granting to the third batch Incentive Targets on 26 December 2018 ("the third batch grant day"). The third batch Incentive Targets' purchase price is 3.468 per share and the limited sales period is 2 years. If the unlock condition of the restricted shares prescribed by the plan is met, the third batch Incentive Targets can unlock the shares with the upper limit of 1/3, 1/3 and 1/3 of the granted shares on 26 December 2020 (the first batch of Phase III), 26 December 2021 (the second batch of Phase III) and 26 December 2022 (the third batch of Phase III) respectively.

In accordance with the authorisation of the third extraordinary General Meeting of Shareholders held on 7 December 2020, the Company held the 50th meeting of the second session of the Board of Directors on 23 December 2020, and the Board of Directors approved the resolution of China State Construction Engineering Corporation Limited. Granted Fourth Batch Restricted Shares Incentive Plan (A share) ("the fourth batch Incentive Plan"), in which the Company was approved to grant the restricted shares incentive to 2,765 targets ("the fourth batch Incentive Targets"). From 30 October 2020 to 14 December 2020, the Company completed the repurchase of 912,036,000 shares ("the fourth batch of Restricted Shares") in total from secondary market and completed the granting to the fourth batch Incentive Targets on 23 December 2020 ("the fourth batch grant day"). The fourth batch Incentive Targets' purchase price is 3.06 per share and the limited sales period is 2 years. If the unlock condition of the restricted shares prescribed by the plan is met, the fourth batch Incentive Targets can unlock the shares with the upper limit of 1/3, 1/3 and 1/3 of the granted shares on 23 December 2022 (the first batch of Phase III), 23 December 2023 (the second batch of Phase III) and 23 December 2024 (the third batch of Phase III) respectively. If the business achievement or individual performance fail to meet the unlock condition, the unlocked restricted shares will be repurchased by the Company at the grant price and with no interests.

- (2) The market price of the third batch of Restricted Shares was 5.58 per share at the third batch grant date. The price paid by the third batch Incentive Targets was 3.468 per share, based on which, the fair value of the third batch of Restricted Shares granted this time was determined to be 2.2112 per share at the third batch grant date.

The market price of the fourth batch of Restricted Shares was 5.00 per share at the fourth batch grant date. The price paid by the fourth batch Incentive Targets was 3.06 per share, based on which, the fair value of the fourth batch of Restricted Shares granted this time was determined to be 1.94 per share at the fourth batch grant date.

(All amounts in RMB Thousand Yuan unless otherwise stated)

XIII. Share-based Payment (continued)**(a) Share-based payment by the Company (continued)**

- (3) In 2022, there are total 485,023,600 shares has been unlocked due to the third batch of Phase III and the first batch of Phase IV meet the unlock condition, and the treasury stock decreased by 1,559,638 thousand.
- (4) In 2023, The second batch of restricted shares in the Phase IV did not meet the unlocking conditions for restricted shares stipulated in the plan, with a total of 299,562,000 shares invalid and cancelled on February 29, 2024.

(b) Share Option Schemes by China Overseas Land & Investment Ltd.

On 29 June 2018, China Overseas Land & Investment Ltd. offered to grant share options (the "Share Options") to certain eligible persons (collectively, the "Grantees"), to subscribe for a total of 107,320,000 shares, subject to acceptance of the Grantees, under the share option scheme adopted by China Overseas Land & Investment Ltd. on 11 June 2018 with a term of 6 years. Out of the 107,320,000 Share Options granted, a total of 2,000,000 Share Options were granted to directors of China Overseas Land & Investment Ltd. The exercise price is HKD25.85 per share. The Share Options granted will vest on 29 June 2020, 29 June 2021 and 29 June 2022 respectively.

On 24 November 2020, China Overseas Land & Investment Ltd. offered to grant share options (the "Share Options") to certain eligible persons (collectively, the "Grantees"), to subscribe for a total of 285,840,000 shares, subject to acceptance of the Grantees, under the share option scheme adopted by China Overseas Land & Investment Ltd. on 11 June 2018 with a term of 6 years. Out of the 285,840,000 Share Options granted, a total of 6,300,000 Share Options were granted to directors of China Overseas Land & Investment Ltd. The exercise price is HKD18.724 per share. The Share Options granted will vest on 24 November 2022, 24 November 2023 and 24 November 2024 respectively.

On 11 November 2021, China Overseas Land & Investment Ltd. offered to grant share options (the "Share Options") to certain eligible persons (collectively, the "Grantees"), to subscribe for a total of 7,130,000 shares, subject to acceptance of the Grantees, under the share option scheme adopted by China Overseas Land & Investment Ltd. on 11 June 2018 with a term of 6 years. Out of the 7,130,000 Share Options granted, a total of 1,600,000 Share Options were granted to directors of China Overseas Land & Investment Ltd. The exercise price is HKD18.7 per share. The Share Options granted will vest on 11 November 2023, 11 November 2024 and 11 November 2025 respectively.

As at 31 December 2023, 139,430,500 Share Options were granted for the plan (31 December 2022: 326,112,500 share).

The fair value of the Share Options was determined by the Binomial Options Pricing Model. For the year ended 31 December 2023, There is no need to recognize the cost of employee services obtained from the outstanding share options for China Overseas Land & Investment Ltd. (For the year ended 31 December 2022: 128,840 thousand).

XIV. Commitments and Contingencies**1. Commitments**

	31 December 2023	31 December 2022
Purchase and construction of non-current assets	7,590,089	6,886,875
Investment commitments	15,380,632	16,745,497
Total	22,970,721	23,632,372

2. Contingencies

	31 December 2023	31 December 2022	
Contingent liabilities arising from pending litigations or arbitrations	12,465,383	9,274,297	Note 1
Contingent liabilities arising from the provision of guarantees	133,271,075	139,179,781	Note 2
Total	145,736,458	148,454,078	

(All amounts in RMB Thousand Yuan unless otherwise stated)

XIV. Commitments and Contingencies (continued)

2. Contingencies (continued)

Note 1: As at 31 December 2023 and 31 December 2022, pending litigations in which the Group was the defending party are listed as follows:

	31 December 2023 Disputed value	31 December 2022 Disputed value
China Construction Third Engineering Bureau Co., Ltd.	3,379,653	1,301,941
China Construction Seventh Engineering Bureau Co., Ltd.	1,627,158	1,452,639
The Company	1,278,578	688,382
CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd.	1,147,228	1,363,088
China Construction Second Engineering Bureau Co., Ltd.	948,237	481,320
China Construction Fifth Engineering Bureau Co., Ltd.	849,894	1,029,208
China Overseas Holdings Limited	833,702	873,937
China Construction Design and Research Institute Co., Ltd.	540,281	381,237
China Construction First Group Corporation Limited	484,762	25,390
China Construction Eighth Engineering Bureau Co., Ltd.	412,005	566,038
China Construction Decoration Group Ltd.	384,294	313,727
China Construction Sixth Engineering Bureau Co., Ltd.	246,490	2,018
China Construction Northeast Design and Research Institute Co., Ltd.	91,891	69,022
China Construction Harbour and Channel Engineering Bureau Group Co., Ltd.	67,150	67,150
China Construction Communications Engineering Group Co., Ltd.	62,877	60,926
China Northwest Design and Research Institute Co., Ltd.	39,105	–
China Construction Science & Technology Group Co., Ltd.	38,848	21,957
China Construction Fourth Engineering Bureau Co., Ltd.	26,357	234,224
Qinghai Zhongjian Jiaxi Engineering Management Co., Ltd.	5,264	–
China Architecture Shanghai Design & Research Institute Co., Ltd.	1,609	–
Jilin Zhongjian Construction Engineering Co., Ltd.	–	200,931
China Construction Southwest Investigation & Design Institute Co., Ltd.	–	140,953
China Construction Development Co., Ltd.	–	209
Total	12,465,383	9,274,297

Note: The above pending litigations are mostly related with project quality, progress payment, financing etc. Please refer to Note V. 43 for the progress of litigation matters at 31 December 2023 and the confirmed losses of judgment results, and relevant liabilities are not recognised for the event that the potential obligations generated do not meet the conditions for the recognition of provisions for other liabilities and charges.

Note 2: As at 31 December 2023 and 31 December 2022, the Group's external guarantees are listed as follows:

	31 December 2023 Guarantee amount	31 December 2022 Guarantee amount
Mortgage guarantee provided to property owners (Note)	118,905,613	124,008,036
Guarantees for bank loan	14,365,462	15,171,745
Total	133,271,075	139,179,781

Note: The Group provides guarantees to property owners and property owners pledge the houses they have bought when taking loans from banks. For the year of 2023 and for the year of 2022, there was no significant breach of contract from commodity house buyers and the Group considers the risk associated with the guarantee obligation is immaterial.

(All amounts in RMB Thousand Yuan unless otherwise stated)

XV. Events after the Balance Sheet Date

1. After the balance sheet date, the bonds issued by the subsidiaries of the Group are as follows:

Issuer	Type of bond	Value in issue	Issuance date	Interest rate (%)
China Construction First Group Corporation Limited	Ultra short-term financing bonds	3,000,000	18 January 2024	2.30
China Construction Second Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	2,500,000	31 January 2024	2.24
China Construction Second Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	3,300,000	22 March 2024	2.05
China Construction Third Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	2,000,000	26 January 2024	2.28
China Construction Third Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	3,000,000	22 January 2024	2.19
China Construction Third Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	3,000,000	26 March 2024	2.05
China Construction Third Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	3,000,000	6 March 2024	2.05
China Construction Third Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	2,000,000	5 March 2024	2.05
China Construction Third Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	2,000,000	2 April 2024	2.05
China Construction Fifth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	500,000	28 February 2024	2.02
China Construction Fifth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	500,000	27 March 2024	2.05
China Construction Sixth Engineering Bureau Co., Ltd.	Medium-Term Notes	800,000	27 February 2024	2.60
China Construction Sixth Engineering Bureau Co., Ltd.	Medium-Term Notes	600,000	1 March 2024	2.55
China Construction Seventh Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	1,000,000	6 March 2024	2.17
China Construction Seventh Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	1,000,000	18 March 2024	2.12
China Construction Seventh Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	1,000,000	2 April 2024	2.12
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	3,000,000	4 January 2024	2.14
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	3,000,000	10 January 2024	2.18
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	3,000,000	2 February 2024	2.18
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	3,000,000	28 February 2024	2.04
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	5,000,000	13 March 2024	2.04
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	2,000,000	20 March 2024	2.06
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	5,000,000	29 March 2024	2.08
China Construction Communications Engineering Group Co., Ltd.	Ultra short-term financing bonds	300,000	4 January 2024	2.99
China Construction Communications Engineering Group Co., Ltd.	Ultra short-term financing bonds	300,000	11 January 2024	2.75
China Overseas Enterprise Development Group Co., Ltd.	Medium-Term Notes	1,500,000	22 January 2024	2.80
China Overseas Enterprise Development Group Co., Ltd.	Medium-Term Notes	1,500,000	22 January 2024	3.05
China Construction International Investment Group Co., Ltd.	Medium-Term Notes	2,000,000	26 February 2024	2.84

2. Pursuant to the resolution proposed by the Board of Directors on April 18 2024, the Company distributes a cash dividend of 2.7145 (including tax) for every 10 ordinary shares to all ordinary shareholders on the basis of 41,619,952,444 shares as at the date of disclosure, and the dividends total to approximately 11.298 billion. In the event of any change in the total share capital of the Company before the date of registration of the dividend distribution, it is proposed to maintain the same distribution ratio per share but to adjust the total distribution accordingly. The details of the adjustment will be disclosed separately. The proposal for the distribution of dividends is yet to be approved by the shareholders of the Company in general meeting and is not recognised in this financial statement.
3. On February 29, 2024, the Company cancelled 299,562,000 restricted shares held by 2,727 incentive targets in the second batch of the Phase IV of A-share restricted stock plan which is announced to be repurchased on December 8, 2023 that did not meet the unlocking conditions, reducing the share capital by 299,562 thousand (shares) with 41,619,952 thousand (shares) remaining.

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVI. Other Important Matters

1. Segment reporting

Operating segments

For management purpose, the Group is organised into business units based on their products and has five reportable operating segments as follows:

- (1) Building construction engineering
- (2) Infrastructure construction and investment
- (3) Real estate development and investment
- (4) Prospecting and design
- (5) Others

Management monitors the results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the profit or loss of reportable segment.

The intersegment transactions are transacted with reference to the prices used for transactions made to third parties at then prevailing market prices.

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVI. Other Important Matters (continued)**1. Segment reporting (continued)****Operating segments (continued)**

2023

	2023							
	Building construction engineering	Infrastructure construction and investment	Real estate development and investment	Prospecting and design	Others	Unallocated	Elimination	Total
Revenue from external	1,356,824,323	551,330,256	308,351,934	11,042,282	37,980,449	–	–	2,265,529,244
Revenue from inter-segment	26,919,709	5,231,200	455,746	704,995	6,072,436	–	(39,384,086)	–
Total revenue	1,383,744,032	556,561,456	308,807,680	11,747,277	44,052,885	–	(39,384,086)	2,265,529,244
Cost of sales	(1,283,273,271)	(501,864,580)	(252,580,419)	(9,250,674)	(33,964,319)	–	38,209,432	(2,042,723,831)
Credit impairment losses	(5,106,071)	(1,938,277)	(743,698)	(409,490)	(398,734)	–	–	(8,596,270)
Asset impairment losses	(2,268,446)	(889,358)	(2,544,142)	(3,280)	(986)	–	–	(5,706,212)
Depreciation and amortisation	(6,298,497)	(2,005,255)	(3,803,567)	(307,465)	(2,029,593)	–	–	(14,444,377)
Profit/(losses) before income taxes	32,939,629	26,213,896	35,878,244	(199,652)	(730,806)	(838,626)	(267,212)	92,995,473
Less: Income tax expenses								(19,455,760)
Net profit								73,539,713
Total segment assets	786,419,885	699,856,189	1,194,296,429	2,212,033	340,492,142	110,413,199	(230,367,358)	2,903,322,519
Total segment liabilities	537,623,958	605,680,868	579,217,810	1,311,507	300,890,123	308,663,738	(161,135,594)	2,172,252,410

2022

	2022							
	Building construction engineering	Infrastructure construction and investment	Real estate development and investment	Prospecting and design	Others	Unallocated	Elimination	Total
Revenue from external	1,239,221,344	488,963,911	281,747,260	10,242,691	34,876,864	–	–	2,055,052,070
Revenue from inter-segment	25,860,175	4,534,449	297,369	520,869	3,817,280	–	(35,030,142)	–
Total revenue	1,265,081,519	493,498,360	282,044,629	10,763,560	38,694,144	–	(35,030,142)	2,055,052,070
Cost of sales	(1,164,411,378)	(441,893,060)	(228,551,609)	(8,522,205)	(30,475,497)	–	33,671,368	(1,840,182,381)
Credit impairment losses	(4,842,913)	(1,845,095)	(1,045,196)	(240,511)	(618,189)	–	–	(8,591,904)
Asset impairment (losses)/reversal	(1,843,599)	(818,053)	(2,301,033)	(2,326)	9,199	–	–	(4,955,812)
Depreciation and amortisation	(6,089,598)	(1,589,966)	(3,417,183)	(297,052)	(1,908,123)	–	–	(13,301,922)
Profit/(losses) before income taxes	31,891,933	23,885,206	34,647,283	274,941	(587,643)	(959,379)	(316,906)	88,835,435
Less: Income tax expenses								(19,623,672)
Net profit								69,211,763
Total segment assets	672,588,416	586,882,827	1,126,811,611	15,806,723	345,107,914	116,580,786	(210,874,971)	2,652,903,306
Total segment liabilities	479,379,971	466,744,096	573,661,326	8,721,083	294,033,724	322,802,505	(172,826,309)	1,972,516,396

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVI. Other Important Matters (continued)**1. Segment reporting (continued)****Other information**Information about products and services

Revenue from external customers

	2023	2022
Building construction engineering	1,356,824,323	1,239,221,344
Infrastructure construction and investment	551,330,256	488,963,911
Real estate development and investment	308,351,934	281,747,260
Prospecting and design	11,042,282	10,242,691
Others	37,980,449	34,876,864
Total	2,265,529,244	2,055,052,070

Revenue from external customers

	2023	2022
Mainland China	2,149,769,739	1,947,083,949
In other countries/geographical regions	115,759,505	107,968,121
Total	2,265,529,244	2,055,052,070

The revenue information above is based on the locations of the customers.

Non-current assets

	31 December 2023	31 December 2022
Mainland China	549,954,336	478,797,089
In other countries/geographical regions	26,755,688	29,292,553
Total	576,710,024	508,089,642

The non-current asset information above is based on the locations of the assets and excludes financial assets, long-term equity investments and deferred tax assets.

Information about a major customer

The Group does not rely on one or several major customers.

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements

1. Accounts receivable

The aging of accounts receivable is analysed as follows:

	31 December 2023	31 December 2022
Within 1 year	17,091,010	16,519,421
1-2 years	5,615,955	3,987,642
2-3 years	2,885,552	2,571,275
3-4 years	1,790,325	3,293,582
4-5 years	1,202,713	535,765
Over 5 years	989,663	959,443
Sub-total	29,575,218	27,867,128
Less: Impairment allowance	(3,314,836)	(3,121,268)
Total	26,260,382	24,745,860

Accounts receivable and impairment allowance are disclosed by category:

	31 December 2023				
	Carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment allowance individually accrued	12,542,139	42.41	1,302,214	10.38	11,239,925
Impairment allowance accrued by credit risk portfolio	17,033,079	57.59	2,012,622	11.82	15,020,457
Total	29,575,218	100.00	3,314,836	11.21	26,260,382

	31 December 2022				
	Carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment allowance individually accrued	12,233,023	43.90	1,240,427	10.14	10,992,596
Impairment allowance accrued by credit risk portfolio	15,634,105	56.10	1,880,841	12.03	13,753,264
Total	27,867,128	100.00	3,121,268	11.20	24,745,860

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements (continued)**1. Accounts receivable (continued)**

Impairment allowance of accounts receivable individually accrued is as follows:

	31 December 2023				31 December 2022	
	Carrying amount	Impairment allowance	Ratio (%)	Reasons	Carrying amount	Impairment allowance
Company 1	849,448	106,181	12.50	Recovery possibility	1,182,525	147,816
Company 2	512,923	189,782	37.00	Recovery possibility	304,467	112,661
Company 3	476,713	95,343	20.00	Recovery possibility	428,897	85,779
Company 4	376,186	112,856	30.00	Recovery possibility	382,186	114,656
Company 5	179,631	87,935	48.95	Recovery possibility	388,858	173,125
Others	10,147,238	710,117	7.00	Recovery possibility	9,546,090	606,390
Total	12,542,139	1,302,214			12,233,023	1,240,427

As at 31 December 2023, the accounts receivable with impairment allowance collectively accrued by credit risk portfolio are as follows:

Portfolio 1:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	3,667,175	73,344	2.00
1-2 years	1,199,938	59,997	5.00
2-3 years	436,232	65,435	15.00
3-4 years	145,131	43,539	30.00
4-5 years	465,956	209,680	45.00
Over 5 years	100,841	100,841	100.00
Total	6,015,273	552,836	

Portfolio 2:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	1,229,812	73,789	6.00
1-2 years	305,191	36,623	12.00
2-3 years	37,793	9,448	25.00
3-4 years	6,657	2,996	45.00
4-5 years	147,651	103,356	70.00
Over 5 years	54,069	54,069	100.00
Total	1,781,173	280,281	

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements (continued)**1. Accounts receivable (continued)**

As at 31 December 2023, the accounts receivable with impairment allowance collectively accrued by credit risk portfolio are as follows: (continued)

Portfolio 3:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	6,409,878	288,445	4.50
1-2 years	1,099,046	109,905	10.00
2-3 years	723,981	144,796	20.00
3-4 years	257,713	103,085	40.00
4-5 years	607,831	395,090	65.00
Over 5 years	138,184	138,184	100.00
Total	9,236,633	1,179,505	

Impairment allowance of accounts receivable are as follows:

Opening balance	Provision	Reversal	Other movements	Closing balance
3,121,268	1,210,870	(956,164)	(61,138)	3,314,836

In 2023, there was no significant recovery, reversal or write off of the provision for bad debts of accounts receivable.

As at 31 December 2023, the five largest accounts receivable and contract assets due to customers are as follows:

	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage of total accounts receivable and contract assets (%)	Closing balance of bad debt provision
Company 1	425,267	1,559,384	1,984,651	3.58	20,892
Company 2	–	1,616,847	1,616,847	2.92	–
Company 3	1,136,438	351,778	1,488,216	2.68	83,670
Company 4	1,352,891	16,406	1,369,297	2.47	61,528
Company 5	40,518	1,028,619	1,069,137	1.92	9,719
Total	2,955,114	4,573,034	7,528,148	13.57	175,809

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements (continued)**2. Other receivables**

	31 December 2023	31 December 2022
Dividend receivables	298,807	312,462
Other receivables	27,285,336	24,269,896
Total	27,584,143	24,582,358

The ageing analysis of other receivables is as follows:

	31 December 2023	31 December 2022
Within 1 year	23,719,090	20,447,154
1-2 years	1,559,095	2,199,734
2-3 years	920,380	1,000,594
3-4 years	698,706	867,661
4-5 years	720,114	581,479
Over 5 years	768,605	254,353
Sub-total	28,385,990	25,350,975
Less: Impairment allowance	(801,847)	(768,617)
Total	27,584,143	24,582,358

Natures of other receivables are as follows:

	31 December 2023	31 December 2022
Receivables from related parties	26,081,483	22,805,505
Dividends receivable	298,807	312,462
Deposits and petty cash receivable	723,342	682,653
Others	1,282,358	1,550,355
Sub-total	28,385,990	25,350,975
Less: Impairment allowance	(801,847)	(768,617)
Total	27,584,143	24,582,358

2023

	Carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment allowance individually accrued	27,905,398	98.31	712,448	2.55	27,192,950
Impairment allowance accrued by credit risk portfolio	480,592	1.69	89,399	18.60	391,193
Total	28,385,990	100.00	801,847	2.82	27,584,143

2022

	Carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment allowance individually accrued	24,580,380	96.96	660,663	2.69	23,919,717
Impairment allowance accrued by credit risk portfolio	770,595	3.04	107,954	14.01	662,641
Total	25,350,975	100.00	768,617	3.03	24,582,358

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements (continued)**2. Other receivables (continued)**

Impairment allowance of the material other receivables individually accrued is as follows:

	2023				2022	
	Carrying amount	Impairment allowance	Ratio (%)	Reasons	Carrying amount	Impairment allowance
Company 1	454,775	454,775	100.00	Recovery possibility	454,775	454,775

As at 31 December 2023, the other receivables with impairment allowance accrued by portfolio are as follows:

Portfolio 1:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	15,780	315	2.00
1-2 years	35,267	1,411	4.00
2-3 years	29,556	2,956	10.00
3-4 years	1,613	274	17.00
4-5 years	14,415	4,324	30.00
Over 5 years	9,773	9,773	100.00
Total	106,404	19,053	

Portfolio 2:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	53,840	1,615	3.00
1-2 years	6,355	445	7.00
2-3 years	6,210	807	13.00
3-4 years	1,781	356	20.00
4-5 years	2,028	710	35.00
Over 5 years	8,373	8,373	100.00
Total	78,587	12,306	

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements (continued)**2. Other receivables (continued)**

As at 31 December 2023, the other receivables with impairment allowance accrued by portfolio are as follows:
(continued)

Portfolio 3:

	Carrying amount	Impairment allowance	Ratio (%)
Within 1 year	157,322	6,293	4.00
1-2 years	23,349	1,868	8.00
2-3 years	9,822	1,964	20.00
3-4 years	6,176	1,853	30.00
4-5 years	88,117	35,247	40.00
Over 5 years	10,815	10,815	100.00
Total	295,601	58,040	

Changes in impairment allowance recognised for the 12-month expected credit losses and lifetime expected credit losses on other receivables are as follows:

	Stage 1 12-month expected credit losses	Stage 3 Credit losses of credit-impaired financial assets (Lifetime- expected credit losses)	Total
Opening balance	46,974	721,643	768,617
Accrual	29,841	41,540	71,381
Reversal	(26,824)	(10,633)	(37,457)
Other movements	(2,715)	2,021	(694)
Closing Balance	47,276	754,571	801,847

In 2023, there was no significant recovery, reversal or write off of bad debt reserves for other receivables.

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements (continued)**2. Other receivables (continued)**

As at 31 December 2023, the five largest other receivables due to customers are as follows:

	Closing Balance	% of total balance	Nature	Ageing	Impairment allowance
Company 1	1,974,777	6.96	Due from Related parties	Within 1 year	–
Company 2	1,641,000	5.78	Due from Related parties	Within 1 year	–
Company 3	1,128,387	3.98	Due from Related parties	Within 1 year, 1-2 years	–
Company 4	1,094,000	3.85	Due from Related parties	Within 1 year	–
Company 5	1,032,778	3.64	Due from Related parties	Within 1 year	–
Total	6,870,942	24.21			–

3. Long-term equity investments

	31 December 2023	31 December 2022
Subsidiaries	213,914,295	204,568,115
– Subsidiaries under direct control (1)	206,619,172	197,505,387
– Subsidiaries under indirect control (2)	7,295,123	7,062,728
Joint ventures (3)	7,011,151	7,304,375
Associates (4)	6,672,893	6,166,106
Sub-total	227,598,339	218,038,596
Less: Impairment allowance	(1,114,938)	(1,114,938)
Total	226,483,401	216,923,658

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements (continued)**3. Long-term equity investments (continued)****(1) Subsidiaries under direct control**

	Opening balance	Current year movements	Closing balance	Cash dividend declared
China Overseas Holdings Limited	49,444,328	–	49,444,328	3,564,370
China Construction First Group Corporation Limited	7,576,219	–	7,576,219	1,380,779
China Construction Second Engineering Bureau Co., Ltd.	10,209,149	–	10,209,149	1,347,992
China Construction Third Engineering Bureau Co., Ltd.	7,792,537	–	7,792,537	2,614,810
China Construction Fourth Engineering Bureau Co., Ltd.	5,199,701	1,000,000	6,199,701	309,519
China Construction Fifth Engineering Bureau Co., Ltd.	10,395,789	–	10,395,789	1,031,850
China Construction Sixth Engineering Bureau Co., Ltd.	4,277,946	1,000,000	5,277,946	167,250
China Construction Seventh Engineering Bureau Co., Ltd.	6,006,530	1,500,000	7,506,530	5,420
China Construction Eighth Engineering Bureau Co., Ltd.	15,857,151	–	15,857,151	2,599,580
China Construction Fangcheng Investment & Development Co., Ltd.	5,851,624	–	5,851,624	–
Shenzhen China Overseas Investment Management Co., Ltd.	301,537	–	301,537	–
China Construction Infrastructure Co., Ltd.	11,194,030	–	11,194,030	–
China State Construction Finance Co., Ltd.	11,924,554	–	11,924,554	331,514
China Construction America, Inc.	3,976,853	–	3,976,853	–
China State Construction Development Co., Ltd.	1,790,637	1,706,284	3,496,921	–
China Construction Liupanshui Infrastructure Investment and Development Co., Ltd.	800,000	–	800,000	–
China State Construction Thailand Co., Ltd.	656,107	–	656,107	5,575
CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd.	2,969,906	–	2,969,906	271,010
China Construction (South Pacific) Development Co Pte Ltd.	796,630	1,200,000	1,996,630	12,190
China Construction Decoration Group Ltd.	548,375	–	548,375	22,830
China Construction Capital Holdings Limited	8,305,000	–	8,305,000	138,420
China State Railway Investment Construction Group Co., Ltd.	200,000	–	200,000	–
China Construction Silu Construction Investment Company Limited	2,700,000	–	2,700,000	–
China Construction Changjiang Construction Investment Co., Ltd.	1,036,096	–	1,036,096	–
China Construction North Investment Co., Ltd.	1,115,083	–	1,115,083	–
China Construction Science & Technology Group Co., Ltd.	1,740,000	–	1,740,000	109,000
China Construction Communications Engineering Group Co., Ltd.	1,279,000	–	1,279,000	36,720
China State Construction International Holdings Limited	3,000,000	–	3,000,000	–
Others	20,560,605	2,707,501	23,268,106	478,835
Total	197,505,387	9,113,785	206,619,172	14,427,664

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements (continued)**3. Long-term equity investments (continued)****(2) Subsidiaries under indirect control**

	Opening balance	Current year movements	Closing balance	Cash dividend declared
China West Construction Group Co., Ltd.	942,264	–	942,264	14,739
China Construction Industrial & Energy Engineering Group Co., Ltd.	837,305	–	837,305	28,010
China Construction Science and Industry Corporation Ltd.	739,664	–	739,664	61,740
Hangzhou China Construction Guobo Property Investment Co., Ltd.	668,432	–	668,432	–
Shanxi China Construction Infrastructure Construction and Operation Co., Ltd.	612,000	–	612,000	–
CSCEC Strait Construction and Development Co., Ltd.	300,000	–	300,000	–
China Construction Tunnel Construction Co., Ltd.	300,000	–	300,000	–
China Construction Bridge Co., Ltd.	300,000	–	300,000	–
Shanghai China Construction Overseas Development Co., Ltd.	100,000	–	100,000	–
CSCEC Underground Space Co., Ltd.	100,000	–	100,000	–
Foshan China State Construction Transportation Joint Investment Co., Ltd.	4,800	–	4,800	–
China Construction Electric Power Construction Co., Ltd.	230,000	(230,000)	–	–
Others	1,928,263	462,395	2,390,658	897
Total	7,062,728	232,395	7,295,123	105,386

(3) Joint ventures

	Opening Balance	Movement during the period				Closing Balance
		Increase/ (Decrease) in investment	Investment income/ (losses) under equity method	Other comprehensive income adjustment	Others	
Zhengzhou China Construction Shenzhen Rail Transit Co., Ltd.	1,304,890	–	29,372	–	–	1,334,262
CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd.	1,015,774	–	3	–	–	1,015,777
CSCEC Zhanjiang Avenue Investment and Construction Co., Ltd.	527,190	13,000	1,146	–	508	541,844
CSCEC Zhaotong Construction Investment Development Co., Ltd.	513,934	–	(3,062)	–	–	510,872
CSCEC Road & Bridge Group Co., Ltd.	470,405	–	23,873	485	–	494,763
Xuzhou Metro Line Three Investment Development Co., Ltd.	386,000	–	18,827	–	(18,827)	386,000
Changsha China Construction Chengtuo Pipe Gallery Development Investment Co., Ltd.	328,219	–	4,206	–	(7,177)	325,248
ASEC CIMENT SPA	247,121	–	(233)	–	11,929	258,817
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	215,459	37,652	(14,055)	–	–	239,056
Yinchuan Shenyang Road Underground Comprehensive Pipe Gallery Construction Management Co., Ltd.	225,338	–	(4,134)	–	–	221,204
Dalian CSCEC Haimian City Construction Development Co., Ltd.	178,220	–	264	–	–	178,484
CSCEC Dacheng Construction Co., Ltd.	165,394	–	16,896	–	(10,000)	172,290
Others	1,726,431	(398,811)	13,735	–	(8,821)	1,332,534
Total	7,304,375	(348,159)	86,838	485	(32,388)	7,011,151

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements (continued)**3. Long-term equity investments (continued)****(4) Associates**

	Opening Balance	Movement during the period			Closing Balance
		Increase/ (Decrease) in investment	Investment income/ (losses) under equity method	Distribution of dividends	
CCCC Jijiao Expressway Investment & Development Co., Ltd.	1,919,603	–	(69,897)	–	1,849,706
Yunnan Huali Expressway Investment & Development Co., Ltd.	1,583,765	–	(101,997)	–	1,481,768
Nantong Ring Expressway Co., Ltd.	888,624	592,416	–	–	1,481,040
Sanmenxia National Road 310 South Transplanted Project Construction Co., Ltd.	543,061	–	18,349	–	561,410
Liyang Zhongjian Sangde Environmental Governance Co., Ltd.	158,668	–	566	–	159,234
Xuzhou Line 1 Rail Transit Investment and Development Co., Ltd.	100,000	–	31,366	(31,366)	100,000
Zhangzhou Zhanyuan Environmental Technology Co., Ltd.	82,594	–	2,237	–	84,831
Xinyu Ring Road Construction Investment Co., Ltd.	59,987	–	(13,478)	–	46,509
Cangzhou Development Zone BAIC Industrial Park Investment Center (limited partnership)	27,543	–	1,313	(1,637)	27,219
Taizhou Road & Bridge Xindao Investment and Development Co., Ltd.	19,239	–	(185)	–	19,054
Others	783,022	80,000	(900)	–	862,122
Total	6,166,106	672,416	(132,626)	(33,003)	6,672,893

4. Revenue and cost of sales

	2023		2022	
	Revenue	Cost	Revenue	Cost
Revenue from main operations	59,682,393	57,439,519	72,624,168	68,628,630
Revenue from other operations	117,613	93,357	45,861	28,539
Total	59,800,006	57,532,876	72,670,029	68,657,169

As at 31 December 2023, the transaction price allocated to the unfulfilled or partially unfulfilled performance obligations is related to the progress of the corresponding contract, and will be recognised as revenue according to the progress of performance in the future performance period.

The breakdown of revenue generated by the contract with customers is as follows:

	2023	2022
Timing of revenue recognition		
Recognise revenue at a point in time	214,916	293,379
Others	214,916	293,379
Recognise revenue over time	59,585,090	72,376,650
Housing construction project	14,163,599	17,004,703
Infrastructure construction and investment	45,266,260	55,303,351
Others	155,231	68,596
Total	59,800,006	72,670,029

(All amounts in RMB Thousand Yuan unless otherwise stated)

XVII. Notes to the Company's Financial Statements (continued)**4. Revenue and cost of sales (continued)**

The breakdown of revenue generated by the contract with customers for this year is as follows:

	2023	2022
Timing of revenue recognition		
Recognise revenue at a point in time	193,311	69,314
Others	193,311	69,314
Recognise revenue over time	57,339,565	68,587,855
Housing construction project	14,174,671	16,272,793
Infrastructure construction and investment	43,068,610	52,300,159
Others	96,284	14,903
Total	57,532,876	68,657,169

5. Investment income

	2023	2022
Investment income from disposal of long-term equity investments under cost method	14,533,050	16,445,679
Investment (losses)/income from disposal of long-term equity investments under equity method	(45,788)	277,925
Investment losses from disposal of financial assets measured at amortized cost	(4,600)	(2,510)
Investment (losses)/income from disposal of long-term equity investments	(248)	43,853
Losses on arrangement	—	(40,897)
Investment income obtained during the holding period of the held for trading financial assets	3,808	6,855
Investment income from debt investments	341,655	314,808
Investment income from other equity instrument investments	1,094	42,061
Total	14,828,971	17,087,774

Due to the processing of factoring business in this year, the company derecognized some financial assets measured at amortized cost, recognized a loss of 4,600 thousand (2022: 2,510 thousand loss), and included in investment losses.

The company has no major restrictions on the repatriation of investment income.

(All amounts in RMB Thousand Yuan unless otherwise stated)

SUPPLEMENTARY INFORMATION

For the year ended 31 December 2023

1. Statement of non-recurring profit or loss

	Amount
Gains from disposal of non-current assets, including the write-off portion of the provision for impairment of assets	226,075
Government grants recognized into the current profits and losses	631,101
Except the effective hedging business-related to normal business operations, the gains and losses from changes in fair value arising from the holding of financial assets and financial liabilities by non-financial enterprises and the gains and losses arising from the disposal of financial assets and financial liabilities	85,597
Interest income from loans to non-financial corporations	204,761
Reversal of the provision on receivables for impairment on an individual basis	5,349,746
Income from step-realized business combination	20,247
Other non-operating income and expenses than the above items	(286,227)
Other profit or loss items that meet the definition of non recurring profit or loss	818,480
Sub-total	7,049,780
Impact on income tax	(1,441,995)
Sub-total	5,607,785
Impact on non-controlling interests (after tax)	117,719
Total	5,725,504

The Group's recognition of non-recurring profit or loss items shall be carried out in accordance with the provisions of "Explanatory Notice of Corporate Information Disclosure of Public Securities Offering No. 1 – Non-recurring Profit or Loss (Revised in 2023)" (CSRC Announcement No. [2023]65).

2. Return on net assets and earnings per share

	Weighted average return on net assets (%)	Earnings per share (RMB/Share)	
		Basic	Diluted
Net profit attributable to the Company's ordinary shareholders	13.36	1.31	1.31
Net profit attributable to the Company's ordinary shareholders after deducting non-recurring profit or loss	11.94	1.17	1.17



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