北 京 金 隅 集 團 股 份 有 限 公 司

BBMG Corporation*

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

(Stock Code: 2009)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

HIGHLIGHTS

- Operating revenue of RMB110,711.8 million, an increase of approximately 2.6% from 2023
- Gross profit margin of principal business of approximately 9.9%, a decrease of approximately 0.9 percentage point from 2023
- Net loss of approximately RMB1,534.2 million, an increase of approximately RMB246.8 million or approximately 19.2% as compared to net loss in 2023
- Net loss attributable to the shareholders of the parent company of approximately RMB555.2 million, as compared with net profit attributable to the shareholders of the parent company of approximately RMB25.3 million in 2023
- Basic losses per share attributable to the shareholders of the parent company (before deducting interests on other equity instruments) was approximately RMB0.050, as compared with basic earnings per share of approximately RMB0.002 in 2023
- Basic losses per share attributable to the shareholders of the parent company (after deducting interests on other equity instruments) was approximately RMB0.15, an increase of approximately RMB0.07 or approximately 87.5% as compared with basic losses per share of approximately RMB0.08 in 2023
- The Board recommended a final dividend of RMB0.05 per share (before tax) for the year ended 31 December 2024

* *For identification purposes only*

ANNUAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of BBMG Corporation* (the "**Company**" or "**BBMG**") is pleased to present the audited annual results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2024 (the "**Reporting Period**") together with the comparative figures for the year of 2023. These results have been reviewed by the audit committee of the Company (the "**Audit Committee**"). This annual results announcement ("**this announcement**") is prepared on the basis of the audited financial results of the Group for the year ended 31 December 2024 and contains the audited consolidated financial statements of the Group for the year ended 31 December 2024.

RESULTS OF OPERATIONS

During the Reporting Period, the Group achieved a net loss attributable to shareholders of the parent company of approximately RMB555.2 million, as compared with a net profit of approximately RMB25.3 million for the same period in 2023; basic losses per share (after deducting other equity instrument indicators) was approximately RMB0.15 (for the year ended 31 December 2023: basic losses per share of approximately RMB0.08), representing an increase of approximately RMB0.07 or approximately 87.5% from 2023; total equity attributable to the shareholders of the parent company was approximately RMB73,717.5 million as at the end of the Reporting Period, representing an increase of approximately RMB710.5 million or approximately 1.0% from the beginning of the Reporting Period.

DIVIDEND

The Board recommended a final dividend of RMB0.05 per share (before tax) for the Reporting Period (for the year ended 31 December 2023: RMB0.025 per share (before tax)), subject to approval by the shareholders of the Company (the "**Shareholders**") at the forthcoming annual general meeting (the "**AGM**").

Subject to and upon the approval of the Shareholders at the forthcoming AGM, the final dividend for the Reporting Period is expected to be distributed on or around Wednesday, 9 July 2025 to the holders of H shares (the "**H Shares**") whose names appear on the register of members on Monday, 9 June 2025 (the "**Record Date**"). According to the Law on Enterprise Income Tax of the People's Republic of China and its implementing rules which came into effect on 1 January 2008, the Company is required to withhold enterprise income tax at the rate of 10% before distributing the final dividend to non-resident enterprise shareholders whose names appear on the Company's H share register of members. Any H Shares registered in the name of non-individual registered shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations, shall be deemed as shares held by non-resident enterprise shareholders and therefore their dividends receivables will be subject to the withholding of the enterprise income tax. The Company will not withhold individual income tax in respect of the dividends payable to any natural person shareholders whose names appear on the Company's H share register of members on the Record Date.

The Company will withhold payment of the enterprise income tax strictly in accordance with the relevant laws or requirements of the relevant governmental departments and strictly based on what has been registered on the Company's H share register of members on the Record Date. The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the shareholders or any disputes over the mechanism of withholding of enterprise income tax.

Profit Distribution for Investors of Northbound Trading

For investors (including enterprises and individuals) investing in the A shares of the Company (the "**A Shares**") listed on the Shanghai Stock Exchange through The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") (the "**Northbound Trading**"), their dividends will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for the withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of tax residency is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities of the Company for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate under such tax treaty will be refunded to those enterprises and individuals by the competent tax authorities.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Northbound Trading will be the same as those for the holders of A Shares.

Profit Distribution for Investors of Southbound Trading

For investors (including enterprises and individuals) investing in the H Shares listed on Hong Kong Stock Exchange through the Shanghai Stock Exchange (the "**Southbound Trading**"), in accordance with the Agreement on Distribution of Cash Dividends of H Shares for Southbound Trading (港股通H股股票現金紅利派發協議) signed between the Company and the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the holders of H Shares for Southbound Trading, will receive cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depositary and clearing system.

The cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB.

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知) (Caishui [2014] No. 81), for dividends received by domestic individual investors from investing in H Shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the companies of such H Shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The companies of such H Shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax payable themselves.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the holders of H Shares.

CONSOLIDATED INCOME STATEMENT

Unit: RMB

	Notes	**For the year ended 31 December 2024 Audited**	For the year ended 31 December 2023 Audited
Operating revenue	*5*	**110,711,819,398.74**	107,955,679,558.02
Less: Operating costs	*6*	**99,133,841,345.85**	95,971,802,978.31
Tax and surcharges		**1,349,662,765.82**	1,096,415,083.87
Selling expenses	*7*	**2,333,323,340.27**	2,397,957,824.88
Administrative expenses	*8*	**6,648,396,353.40**	6,565,649,925.72
Research and development expenses	*9*	**665,894,604.90**	530,171,118.93
Finance costs	*10*	**2,797,247,842.41**	2,275,478,938.02
Including: Interest expenses		***2,939,700,546.05***	*2,405,609,128.43*
Interest income		***210,204,723.33***	*267,644,276.41*
Add: Other gains	*11*	**604,687,659.64**	573,748,715.68
Investment gains	*12*	**1,063,076,974.32**	131,515,672.92
Including: Gains from investment in associates and joint ventures		***364,658,696.36***	*45,125,348.96*
Gains on financial assets measured at amortized cost		***610,318,847.54***	*(11,636,448.79)*
Gains from changes in fair value	*13*	**738,500,314.17**	1,166,742,940.79
Credit impairment losses	*14*	**222,244,867.29**	(123,831,834.73)
Asset impairment losses	*15*	**(1,228,372,052.49)**	(1,858,791,350.18)
Gains on disposal of assets	*16*	**1,199,012,007.98**	1,148,782,645.98
Operating profit		**382,602,917.00**	156,370,478.75
Add: Non-operating revenue	*5*	**415,215,502.37**	320,365,349.30
Less: Non-operating expenses	*6*	**341,719,053.44**	176,349,091.38
Total profit		**456,099,365.93**	300,386,736.67
Less: Income tax expenses	*17*	**1,990,308,295.08**	1,587,793,238.16
Net loss		**(1,534,208,929.15)**	(1,287,406,501.49)
Classified by continuity of operations			
Net loss from continuing operations		**(1,534,208,929.15)**	(1,287,406,501.49)
Classified by attribution of ownership			
Net (loss)/profit attributable to the shareholders of the parent company		**(555,162,082.74)**	25,262,828.59
Minority interests		**(979,046,846.41)**	(1,312,669,330.08)

CONSOLIDATED INCOME STATEMENT (CONTINUED)

Unit: RMB

	Note	**For the year ended 31 December 2024 Audited**	For the year ended 31 December 2023 Audited
Net other comprehensive income after tax		**19,516,768.43**	(100,366,290.04)
Net other comprehensive income after tax attributable to shareholders of the parent company		**40,094,074.59**	(53,940,051.63)
Other comprehensive income not allowed to be reclassified into profit or loss			
Changes arising from re-measurement of defined benefit plans		**(9,026,597.56)**	10,483,451.20
Changes in fair value of investment in other equity instruments		**21,321,263.70**	(53,392,076.82)
Other comprehensive income to be reclassified into profit or loss			
Other comprehensive income that may be reclassified to profit or loss under equity method		**1,554,022.73**	(8,246,099.83)
Exchange differences on foreign currency translation		**(4,077,472.38)**	(11,905,205.58)
The difference between the fair value and the carrying value of inventories/self-occupied properties on the date when it changed to investment properties measured with the fair value model		**30,322,858.10**	9,119,879.40
Net other comprehensive income after tax attributable to minority interests		**(20,577,306.16)**	(46,426,238.41)
Total comprehensive income		**(1,514,692,160.72)**	(1,387,772,791.53)
Including: Total comprehensive income attributable to the shareholders of the parent company		***(515,068,008.15)***	*(28,677,223.04)*
Total comprehensive income attributable to minority interests		***(999,624,152.57)***	*(1,359,095,568.49)*
Basic and diluted (losses)/earnings per share (RMB/share)			
Before deducting other equity instrument indicators	*18*	**(0.050)**	0.002
After deducting other equity instrument indicators		**(0.15)**	(0.08)

CONSOLIDATED BALANCE SHEET

Unit: RMB

	Notes	**As at 31 December 2024 Audited**	As at 31 December 2023 Audited
Assets			
Current Assets			
Cash and bank balances		**18,292,078,276.08**	17,332,116,734.92
Financial assets held for trading		**1,172,593,404.61**	550,397,005.33
Bills receivable	*20*	**807,322,521.79**	613,180,024.79
Accounts receivable	*21*	**10,587,441,407.24**	8,190,446,854.77
Financing receivables		**885,835,186.93**	763,501,720.37
Prepayments		**3,106,818,812.94**	2,019,452,127.40
Other receivables		**5,419,560,183.17**	6,132,077,812.09
Inventories	*22*	**83,656,491,773.69**	95,810,062,788.10
Contract assets		**489,245,361.82**	235,605,433.62
Non-current assets due within one year		**766,358,369.93**	696,330,818.56
Other current assets		**8,011,719,626.52**	8,731,169,477.37
Total current assets		**133,195,464,924.72**	141,074,340,797.32
Non-current assets			
Debt investments		**858,770,664.33**	865,628,511.12
Long-term receivables		**2,089,895,870.55**	1,709,779,597.92
Long-term equity investments		**9,358,406,745.44**	9,188,694,018.61
Investment in other equity instruments		**654,486,823.56**	649,405,596.88
Other non-current financial assets		**489,561,240.56**	369,093,598.93
Investment properties		**45,050,117,856.24**	43,671,254,377.67
Fixed assets		**45,233,562,353.34**	44,080,287,415.16
Construction in progress		**2,003,383,911.57**	2,604,995,214.22
Right-of-use assets		**946,709,363.05**	977,373,084.17
Intangible assets		**16,271,662,332.20**	16,170,020,963.38
Goodwill		**2,644,369,314.19**	2,528,344,651.55
Long-term deferred expenditures		**1,974,373,975.35**	1,849,754,144.59
Deferred income tax assets		**2,917,647,914.59**	3,479,773,641.60
Other non-current assets		**307,307,411.42**	460,393,602.36
Total non-current assets		**130,800,255,776.39**	128,604,798,418.16
Total assets		**263,995,720,701.11**	269,679,139,215.48

CONSOLIDATED BALANCE SHEET (CONTINUED)

Unit: RMB

	Notes	**As at 31 December 2024 Audited**	As at 31 December 2023 Audited
Liabilities and equity attributable to shareholders			
Current liabilities			
Short-term loans	*23*	**28,335,162,449.14**	29,527,007,127.21
Bills payable	*24*	**3,055,166,040.97**	3,835,290,150.26
Accounts payable	*25*	**20,944,153,978.57**	18,524,373,921.94
Receipts in advance		**326,427,424.85**	340,473,964.45
Contract liabilities		**5,988,832,582.80**	24,490,019,361.57
Wages payable		**297,399,921.72**	277,870,134.91
Tax payable		**1,204,735,864.89**	973,367,636.46
Other payables		**6,660,906,438.99**	6,352,234,808.50
Non-current liabilities due within one year		**20,823,307,618.07**	22,401,174,031.96
Short-term financing bonds	*26*	**6,026,458,630.14**	6,018,292,602.73
Other current liabilities		**3,116,401,307.48**	4,864,609,522.05
Total current liabilities		**96,778,952,257.62**	117,604,713,262.04
Non-current liabilities			
Long-term loans	*27*	**50,899,057,721.01**	37,741,846,739.36
Bonds payable	*26*	**14,913,432,646.31**	11,099,760,459.11
Lease liabilities		**458,491,118.63**	500,532,265.14
Long-term payables		**259,601,004.90**	213,484,881.59
Long-term wages payable		**389,947,884.18**	409,306,793.59
Accrued liabilities		**689,202,184.41**	516,634,238.79
Deferred income		**798,598,254.47**	786,216,497.15
Deferred income tax liabilities		**6,691,116,499.36**	6,442,273,261.85
Total non-current liabilities		**75,099,447,313.27**	57,710,055,136.58
Total liabilities		**171,878,399,570.89**	175,314,768,398.62

CONSOLIDATED BALANCE SHEET (CONTINUED)

Unit: RMB

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Equity attributable to shareholders		
Share capital	**10,677,771,134.00**	10,677,771,134.00
Other equity instruments	**30,457,376,000.00**	27,468,376,000.00
Including: Perpetual bonds	***30,457,376,000.00***	*27,468,376,000.00*
Capital reserve	**5,038,256,982.55**	5,461,112,758.98
Other comprehensive income	**672,456,324.65**	632,362,250.06
Specific reserve	**79,233,220.09**	68,415,551.23
Surplus reserve	**3,032,786,180.00**	2,935,800,236.68
General risk reserve	**497,216,299.67**	496,135,862.64
Retained earnings	**23,262,404,290.69**	25,267,051,623.61
Total equity attributable to the shareholders of the parent company	**73,717,500,431.65**	73,007,025,417.20
Minority interests	**18,399,820,698.57**	21,357,345,399.66
Total equity attributable to shareholders	**92,117,321,130.22**	94,364,370,816.86
Total liabilities and equity attributable to shareholders	**263,995,720,701.11**	269,679,139,215.48

NOTES:

1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Accounting Standards for Business Enterprises – Basic Standards issued by the Ministry of Finance and specific accounting standards, implementation guidance, interpretations and other relevant provisions issued and amended subsequently (collectively referred to as "**Accounting Standards for Business Enterprises**"). In addition, relevant financial information is disclosed in the financial statements according to the Regulations on Information Disclosure and Compilation of Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reporting.

The financial statements are presented on a going concern basis.

Except for certain financial instruments and investment properties, the financial statements have been prepared under the historical cost convention. If the assets are impaired, corresponding provisions for impairment shall be made according to relevant provisions.

2. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES FOR BUSINESS ENTERPRISES

The specific accounting policies and accounting estimation has been prepared by the Group based on actual production and operation characteristics, as mainly embodied in the provision for bad debt of accounts receivable, inventory valuation method, the depreciation of fixed assets, revenue recognition and measurement, the recognition and allocation of development costs on properties under construction.

3. STATEMENT OF COMPLIANCE WITH ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

The financial statements are prepared in accordance with the requirements of Accounting Standards for Business Enterprises and present fairly and fully the financial position of the Company and the Group as at 31 December 2024 and their operating performance and cash flows for 2024.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has two segments, namely modern green building materials segment and property development and operation segment.

The management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment results are evaluated based on the segment profits reported. It represents the indicator after adjustments have been made to total profit, and other than the exclusion of overheads attributable to the headquarters, the indicator is consistent with the Group's total profit.

Segment assets and segment liabilities exclude unallocated assets and liabilities of the headquarters as these assets and liabilities are under the unified management of the Group.

Pricing for transfer between operating segments is agreed upon by both parties of transactions with reference to the fair price quoted from transactions with third parties.

Unit: RMB

For the year ended 31 December 2024

	Modern green building materials segment	Property development and operation segment	Unallocated assets/liabilities/ expenses of the headquarters	Adjustments and eliminations	Total
Revenue from external transactions	**77,541,041,511.16**	**33,170,777,887.58**	**–**	**–**	**110,711,819,398.74**
Revenue from inter-segment transactions	**1,109,558,690.31**	**249,292,294.26**	**–**	**(1,358,850,984.57)**	**–**
	78,650,600,201.47	**33,420,070,181.84**	**–**	**(1,358,850,984.57)**	**110,711,819,398.74**
Gains on investment in joint ventures and associates	**103,237,489.80**	**261,421,206.56**	**–**	**–**	**364,658,696.36**
Asset impairment losses	**(458,751,008.72)**	**(753,590,392.11)**	**–**	**(16,030,651.66)**	**(1,228,372,052.49)**
Credit impairment losses	**204,770,730.80**	**17,474,136.49**	**–**	**–**	**222,244,867.29**
Depreciation and amortisation costs	**4,824,366,072.66**	**448,320,804.64**	**104,252,232.92**	**–**	**5,376,939,110.22**
Total losses	**(801,700,268.47)**	**2,377,033,253.81**	**(578,432,843.46)**	**(540,800,775.95)**	**456,099,365.93**
Income tax expense	**408,346,791.26**	**1,861,769,908.68**	**(144,608,210.87)**	**(135,200,193.99)**	**1,990,308,295.08**
Total assets	**131,162,339,761.28**	**175,059,160,386.98**	**131,075,853.42**	**(42,356,855,300.57)**	**263,995,720,701.11**
Total liabilities	**87,460,469,059.55**	**102,459,520,861.59**	**24,360,951,617.83**	**(42,402,541,968.08)**	**171,878,399,570.89**
Long-term equity investment in joint ventures and associates	**6,878,374,159.67**	**2,480,032,585.77**	**–**	**–**	**9,358,406,745.44**
Increase in other non-current assets, excluding long-term equity investments	**5,929,650,336.95**	**1,360,326,195.02**	**–**	**–**	**7,289,976,531.97**

For the year ended 31 December 2023

	Modern green building materials segment	Property development and operation segment	Unallocated assets/liabilities/ expenses of the headquarters	Adjustments and eliminations	Total
Revenue from external transactions	78,417,112,676.59	29,538,566,881.43	–	–	107,955,679,558.02
Revenue from inter-segment transactions	1,051,422,583.30	586,247,464.61	–	(1,637,670,047.91)	–
	79,468,535,259.89	30,124,814,346.04	–	(1,637,670,047.91)	107,955,679,558.02
Gains on investment in joint ventures and associates	71,010,722.99	(25,885,374.03)	–	–	45,125,348.96
Asset impairment losses	(307,791,475.37)	(1,550,999,874.81)	–	–	(1,858,791,350.18)
Credit impairment losses	(172,402,535.05)	48,570,700.32	–	–	(123,831,834.73)
Depreciation and amortisation costs	4,724,735,553.36	418,674,811.17	104,252,232.92	–	5,247,662,597.45
Total profits	(1,423,923,462.35)	2,049,741,025.43	(311,036,051.46)	(14,394,774.95)	300,386,736.67
Income tax expense	(5,977,066.79)	1,675,128,011.56	(77,759,012.87)	(3,598,693.74)	1,587,793,238.16
Total assets	113,677,887,593.71	191,233,087,038.61	158,429,598.19	(35,390,265,015.03)	269,679,139,215.48
Total liabilities	63,866,780,144.67	123,687,800,253.12	23,154,146,062.15	(35,393,958,061.32)	175,314,768,398.62
Long-term equity investment in joint ventures and associates	1,533,326,636.56	7,655,367,382.05	–	–	9,188,694,018.61
Increase in other non-current assets, excluding long-term equity investments	5,792,581,632.71	1,158,873,752.68	–	–	6,951,455,385.39

Geographical information

Unit: RMB

Operating revenue

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Asia	**110,550,394,061.46**	107,822,058,250.39
Europe	**144,429,847.16**	116,805,838.15
Africa	**16,995,490.12**	16,815,469.48
	110,711,819,398.74	107,955,679,558.02

Revenues from external transactions are attributable to the geographic locations where the customers are located.

Major non-current assets of the Group are located in the PRC.

Information about major customers

For the year ended 31 December 2024, no operating revenue from any one single customer of the Group accounted for more than 10% of the Group's revenue (for the year ended 31 December 2023: Nil).

5. OPERATING REVENUE AND NON-OPERATING REVENUE

Unit: RMB

Operating revenue is presented as follows:

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Operating revenue from principal business	**109,754,863,645.13**	107,068,654,154.25
Operating revenue from other business	**956,955,753.61**	887,025,403.77
	110,711,819,398.74	107,955,679,558.02

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Bulk commodity trade	**41,124,474,265.15**	39,225,956,086.77
Sale of products	**31,923,127,688.77**	35,850,042,491.04
Sale of properties	**29,153,652,308.36**	25,248,350,728.71
Rental income	**1,914,028,399.71**	1,827,157,545.30
Property management	**1,040,421,870.19**	988,961,306.67
Hotel operation	**474,518,558.84**	418,813,688.92
Income from decoration	**1,966,238,450.64**	1,111,993,331.35
Treatment of solid wastes	**961,981,779.89**	1,031,071,099.12
Interest income	**226,481,731.87**	277,065,252.07
Others	**1,926,894,345.32**	1,976,268,028.07
	110,711,819,398.74	107,955,679,558.02

Non-operating revenue is presented as follows:

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Gains on disposal of non-current assets	**22,988,146.64**	29,081,039.85
Net gains from fines	**37,283,713.71**	35,187,372.79
Relocation compensation/government grants	**6,592,261.88**	12,157,182.19
Amounts not required to be paid	**65,967,649.38**	106,180,644.50
Others	**282,383,730.76**	137,759,109.97
	415,215,502.37	320,365,349.30

6. OPERATING COSTS AND NON-OPERATING EXPENSES

Unit: RMB

Operating costs are presented as follows:

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Operating costs from principal business	**98,870,166,420.33**	95,550,472,031.04
Operating costs from other business	**263,674,925.52**	421,330,947.27
	99,133,841,345.85	95,971,802,978.31

Non-operating expenses are presented as follows:

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Losses on disposal of non-current assets	**53,351,767.89**	61,257,136.20
Including: Losses on disposal of fixed assets	***53,351,710.18***	*61,257,136.20*
Loss on disposal of other non-current assets	***57.71***	–
Abnormal losses	**–**	1,265,348.87
Losses on debt restructuring	**5,889,992.62**	–
Expenses on charity donation	**871,822.47**	17,100,506.17
Expenses on compensation, penalties and fines	**72,771,838.87**	40,365,219.87
Other expenses	**208,833,631.59**	56,360,880.27
	341,719,053.44	176,349,091.38

7. SELLING EXPENSES

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Employee remunerations	**1,019,743,425.85**	963,842,420.46
Office expenses	**385,043,802.09**	430,858,992.16
Lease fee	**69,988,667.27**	52,828,199.75
Agency intermediary fee	**422,696,104.41**	484,722,970.07
Advertisement fee	**361,918,362.45**	396,028,812.61
Transportation and traveling expenses	**47,112,694.61**	48,678,566.40
Others	**26,820,283.59**	20,997,863.43
	2,333,323,340.27	2,397,957,824.88

8. ADMINISTRATIVE EXPENSES

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Employee remunerations	**3,121,384,620.47**	2,769,479,413.32
Loss on shut down	**1,092,044,931.12**	1,022,055,187.21
Office expenses	**995,433,031.10**	909,332,728.59
Intermediary service fees	**253,108,471.79**	282,427,153.13
Utilities	**97,578,542.17**	79,108,961.69
Leasing expenses	**78,933,267.79**	119,759,753.82
Sewage and afforestation fees	**50,525,053.39**	31,532,024.73
Others	**959,388,435.57**	1,351,954,703.23
	6,648,396,353.40	6,565,649,925.72

The above-mentioned administrative expenses included the auditor's remuneration to Ernst & Young Hua Ming LLP for the audit of the annual report of the Company of RMB6,600,000.00 (tax inclusive) (for the year ended 31 December 2023: RMB6,800,000.00).

9. RESEARCH AND DEVELOPMENT EXPENSES

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Employee remunerations	**381,289,458.79**	329,795,897.34
Material and equipment cost	**166,517,314.27**	111,747,488.50
Others	**118,087,831.84**	88,627,733.09
	665,894,604.90	530,171,118.93

10. FINANCE COSTS

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Interest expense	**4,053,324,558.47**	3,946,386,499.61
Less: Interest income	**210,204,723.33**	267,644,276.41
Less: Amount of capitalised interest	**1,113,624,012.42**	1,540,777,371.18
Exchange gains	**(15,058,309.02)**	48,564,603.95
Handling charges	**35,116,359.10**	45,297,412.64
Others	**47,693,969.61**	43,652,069.41
	2,797,247,842.41	2,275,478,938.02

For the year ended 31 December 2024, the amount of capitalised borrowing costs has included in construction in progress of RMB6,358,691.32 (for the year ended 31 December 2023: RMB38,298,205.92), costs for properties under development of RMB1,007,740,128.35 (for the year ended 31 December 2023: RMB1,485,169,228.41) and investment properties of RMB99,525,192.75 (for the year ended 31 December 2023: RMB17,309,936.85).

11. OTHER GAINS

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited	Related to assets/gains
Refunds of VAT	**261,176,997.92**	279,883,875.61	Related to gains
Income from other subsidies	**336,245,261.72**	286,807,140.07	Related to assets/gains
Grants on sale of heat	**7,265,400.00**	7,057,700.00	Related to gains
	604,687,659.64	573,748,715.68	

12. INVESTMENT GAINS

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Gains from long-term equity investments under equity method	**364,658,696.36**	45,125,348.96
Investment gains from disposal of long-term equity investments	**(32,286,225.12)**	3,408,900.54
Investment gains from financial assets held for trading during the holding period	**17,815,493.99**	7,624,994.90
Dividend income from investment in other equity instruments on hand during the holding period	**10,127,412.97**	15,925,615.16
Interest income from debt investments during the holding period	**44,335,930.60**	55,376,727.74
Investment gains from disposal of financial assets held for trading	**–**	2,495,632.00
Investment gains from disposal of debts	**(28,332,528.46)**	(11,636,448.79)
Investment gains from disposal of other debt investments	**638,651,376.00**	7,998,755.53
Others	**48,106,817.98**	5,196,146.88
	1,063,076,974.32	131,515,672.92

During the year, due to the transfer of debts, the Group derecognized certain financial assets measured at amortized cost, and recognized a gain of RMB638,651,376.00 (2023: a gain of RMB7,998,755.53) and a loss of RMB28,332,528.46 (2023: a loss of RMB11,636,448.79), respectively, which were included in investment gains.

13. GAINS FROM CHANGES IN FAIR VALUE

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Financial assets at fair value through profit or loss	**62,817,196.38**	96,188,098.03
Investment properties measured at fair value	**675,683,117.79**	1,070,554,842.76
Total	**738,500,314.17**	1,166,742,940.79

14. CREDIT IMPAIRMENT LOSSES

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Losses on bad debts of bills receivable	**(6,498,578.95)**	(657,140.89)
Losses on bad debts of accounts receivable	**(180,571,139.01)**	159,452,046.34
Losses on bad debts of other receivables	**(26,754,794.18)**	(27,479,126.63)
Losses on bad debts of long-term receivables	**(8,420,355.15)**	(7,483,944.09)
	(222,244,867.29)	123,831,834.73

15. ASSET IMPAIRMENT LOSSES

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Losses on decline in value of inventory	**939,944,867.62**	1,720,255,885.12
Losses on impairment of contract assets	**6,883,493.77**	3,348,703.72
Losses on impairment of fixed assets	**229,704,602.74**	103,558,834.34
Losses on impairment of construction in progress	**47,737.31**	21,868,493.72
Losses on impairment of long-term equity investments	**19,141,121.02**	4,981,823.43
Prepayments	**1,744,064.92**	3,789,002.75
Losses on impairment of goodwill	**17,000,000.00**	–
Others	**13,906,165.11**	988,607.10
	1,228,372,052.49	1,858,791,350.18

16. GAINS ON DISPOSAL OF ASSETS

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Gains on disposal of fixed assets	**809,569,676.43**	22,641,273.77
Gains on disposal of intangible assets	**388,595,013.84**	1,066,751,642.71
Others	**847,317.71**	59,389,729.50
	1,199,012,007.98	1,148,782,645.98

17. INCOME TAX EXPENSES

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Current income tax expense	**1,316,374,269.28**	904,579,365.86
Deferred income tax expense	**673,934,025.80**	683,213,872.30
	1,990,308,295.08	1,587,793,238.16

A reconciliation of income tax expense and total profit is set out as follows:

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
Total profit	**456,099,365.93**	300,386,736.67
Income tax expense at the statutory income tax rate	**114,024,841.48**	75,096,684.17
Effect of different tax rates applicable to some subsidiaries	**(54,931,798.37)**	(20,498,878.35)
Adjustments on the current income tax of previous periods	**8,161,127.20**	(122,615,168.69)
Share of profits and losses of joint ventures and associates	**(91,164,674.09**	(1,680,688.00)
Income not subject to tax	**(15,812,266.32)**	(4,299,432.51)
Expenses not deductible	**19,303,794.36**	23,778,813.72
Effect of tax rate change on opening balance of deferred income tax	**–**	(31,809,684.46)
Effect of utilization of deductible losses on deferred income tax asset not recognized previously	**(126,654,275.69)**	(535,366,987.69)
Effect of deductible temporary difference or deductible losses on deferred income tax asset not recognized in the period	**1,599,190,110.18**	1,621,230,529.04
Reversal of deductible losses on deferred income tax asset previously recognized	**550,108,288.23**	583,128,103.87
Others	**(11,916,851.90)**	829,947.06
Income tax expense at the effective tax rate of the Group	**1,990,308,295.08**	1,587,793,238.16

18. (LOSSES) PER SHARE

The calculation of basic (losses)/earnings per share is as follows:

Unit: RMB

	For the year ended 31 December 2024 Audited	For the year ended 31 December 2023 Audited
(Losses)/earnings		
Net (loss)/profit for the year attributable to ordinary shareholders of the Company	**(555,162,082.74)**	25,262,828.59
Less: Interests on other equity instruments	**1,084,474,591.48**	882,597,950.00
Shares		
Weighted average number of ordinary shares in issue of the Company	**10,677,771,134.00**	10,677,771,134.00
Basic (losses) per share	**(0.15)**	(0.08)

The calculation of the basic (losses) per share is based on the net loss/profit for the period attributable to ordinary shareholders of the Company after deducting interests on other equity instruments divided by the weighted average number of ordinary shares in issue.

The Company did not have potentially dilutive ordinary shares, and the diluted (losses) per share was consistent with basic (losses) per share.

19. DIVIDEND

	For the year ended 31 December 2024 ***RMB'000***	For the year ended 31 December 2023 *RMB'000*
Proposed final dividend – RMB0.05 per ordinary share before tax (for the year ended 31 December 2023: RMB0.025 per share before tax)	**533,888.56**	266,944

The proposed final dividend for the Reporting Period is calculated based on the total number of shares in issue, including both A Shares and H Shares, as at the date of this announcement and is subject to the approval of the Company's shareholders at the forthcoming AGM.

In the event of any change in the total share capital of the Company after the date of this announcement but before the record date for implementing payment of the proposed final dividend, the total distribution amount will be kept unchanged and the distribution amount per share will be adjusted in proportion accordingly. In the event of subsequent changes in the total share capital, the Company will make further announcement on specific adjustments.

20. BILLS RECEIVABLE

Unit: RMB

	At 31 December 2024 Audited	At 31 December 2023 Audited
Bank acceptance bills	**113,666,910.13**	256,403,385.75
Commercial acceptance bills	**713,601,985.78**	383,900,242.57
Less: Provision for bad debts of bills receivables	**19,946,374.12**	27,123,603.53
	807,322,521.79	613,180,024.79

For the year ended 31 December 2024, the movements in provision for bad debts of bills receivables are as follows:

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Balance at the beginning of the Reporting Period	**27,123,603.53**	27,780,744.42
Provision for the Reporting Period	**4,461,815.11**	5,200,998.61
Reversal for the Reporting Period	**(10,960,393.95)**	(5,858,139.50)
Others	**(678,650.46)**	–
Balance at the end of the Reporting Period	**19,946,374.12**	27,123,603.53

21. ACCOUNTS RECEIVABLE

Unit: RMB

The credit periods of accounts receivable are generally 1 to 6 months. Accounts receivable are non-interest bearing. The aging of accounts receivable is calculated from the date of delivery of goods or provision of services to the customers and the date when the invoice issued.

An aging analysis of the accounts receivable is as follows:

	At 31 December 2024 Audited	At 31 December 2023 Audited
Within 1 year	**8,804,588,458.98**	6,189,659,061.37
1 to 2 years	**1,659,776,776.26**	1,712,414,104.79
2 to 3 years	**742,826,971.80**	969,555,899.61
3 to 4 years	**365,777,835.68**	483,129,415.95
4 to 5 years	**181,094,486.94**	263,346,501.24
Over 5 years	**1,500,012,573.94**	1,432,160,614.19
	13,254,077,103.60	11,050,265,597.15
Less: Provision for bad debts of accounts receivable	**2,666,635,696.36**	2,859,818,742.38
	10,587,441,407.24	8,190,446,854.77

Movements in provision for bad debts of accounts receivable are as follows:

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Balance at the beginning of the Reporting Period	**2,859,818,742.38**	2,721,890,819.75
Provision for the Reporting Period	**141,867,196.01**	173,037,229.09
Transferred in upon acquisition of subsidiaries	**26,130,224.02**	41,793,582.13
Reversal for the Reporting Period	**(322,438,335.02)**	(13,585,182.75)
Write-off for the Reporting Period	**(1,226,624.82)**	(37,314,018.38)
Removed from upon disposal of subsidiaries	**(37,515,506.21)**	(26,006,542.10)
Other transferred in	**–**	2,854.64
Balance at the end of the Reporting Period	**2,666,635,696.36**	2,859,818,742.38

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

	31 December 2023				
	Balance of carrying amount		Provision for bad debts		Carrying value
	Amount	Proportion (%)	Amount	Proportion (%)	
Individual provision for bad debts	1,446,636,893.99	13.09	761,717,087.64	52.65	684,919,806.35
Provision for bad debts by credit risk characteristics group	9,603,628,703.16	86.91	2,098,101,654.74	21.80	7,505,527,048.42
	11,050,265,597.15	100.00	2,859,818,742.38	25.88	8,190,446,854.77

22. INVENTORIES

Unit: RMB

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

	As at 31 December 2023		
	Balance of carrying amount	Provision for decline in value/impairment	Carrying value
Raw materials	1,904,254,102.49	60,875,495.89	1,843,378,606.60
Items in production	1,564,512,802.61	74,118,103.18	1,490,394,699.43
Finished goods	5,391,958,410.45	185,909,471.68	5,206,048,938.77
Turnover materials	8,126,063.29	–	8,126,063.29
Development costs	51,340,926,934.99	1,260,325,393.30	50,080,601,541.69
Products under development	38,217,628,230.10	1,116,631,333.01	37,100,996,897.09
Contract performance costs	80,516,041.23	–	80,516,041.23
	98,507,922,585.16	2,697,859,797.06	95,810,062,788.10

The movements in provision for decline in value of inventories and provision for impairment of contract performance cost are as follows:

2024

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

2023

			Decrease in the year			
	Opening balance	Provision for the year	Removed from upon disposal of subsidiaries	Reversal	Write-off	Closing balance
Raw materials	56,974,989.49	21,198,277.56	–	16,987,685.28	310,085.88	60,875,495.89
Items in production	50,284,699.15	88,364,876.31	–	64,531,472.28	–	74,118,103.18
Finished goods	169,559,607.36	83,397,916.18	7,404,127.60	59,643,924.26	–	185,909,471.68
Development costs	257,948,399.81	1,063,094,902.41	–	–	60,717,908.92	1,260,325,393.30
Products under development	1,020,990,038.16	475,302,503.99	3,698,463.73	436,680,654.33	(60,717,908.92)	1,116,631,333.01
	1,555,757,733.97	1,731,358,476.45	11,102,591.33	577,843,736.15	310,085.88	2,697,859,797.06

* Due to the completion of the development project, the corresponding provision for decline in value of inventory of RMB90,197,265.77 is transferred from the development costs to the products under development. The corresponding provision for decline in value of inventory of RMB9,777,078.72 is transferred out due to the transferring of inventories into investment properties.

As at 31 December 2024, the balance of development costs included the capitalised borrowing costs of RMB2,481,923,119.68 (31 December 2023: RMB3,679,334,038.33). The capitalised borrowing costs amounted to RMB1,007,740,128.35 in aggregate in 2024 (2023: RMB1,485,169,228.41), and the rate of interest capitalisation was 2.91% (2023: 3.41%).

23. SHORT-TERM LOANS

Unit: RMB

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Guaranteed loans *(Note)*	**3,482,621,163.88**	2,430,713,163.87
Credit loans	**24,297,398,062.05**	26,949,984,819.23
Pledged loans	**144,955,282.68**	146,309,144.11
Secured loans	**410,187,940.53**	–
	28,335,162,449.14	29,527,007,127.21

Note: As at 31 December 2024, all guaranteed loans were guaranteed by entities within the Group.

As at 31 December 2024, the Group had no overdue borrowings.

24. BILLS PAYABLE

Unit: RMB

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Commercial acceptance bills	**1,069,123,435.43**	92,968,347.39
Bank acceptance bills	**1,986,042,605.54**	3,742,321,802.87
	3,055,166,040.97	3,835,290,150.26

As at 31 December 2024, the Group had no outstanding bills payable that were due (31 December 2023: Nil).

25. ACCOUNTS PAYABLE

Unit: RMB

Accounts payable bear no interest and are generally settled within 30-360 days. An aging analysis of accounts payable based on the date of receipt of goods delivered by the suppliers or rendering of services from the suppliers is as follows:

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Within 1 year	**16,755,683,271.11**	12,579,807,756.03
1 to 2 years	**2,136,863,970.92**	3,611,932,583.23
2 to 3 years	**952,615,068.78**	1,395,902,637.03
Over 3 years	**1,098,991,667.76**	936,730,945.65
	20,944,153,978.57	18,524,373,921.94

26. SHORT-TERM FINANCING BONDS AND BONDS PAYABLE

Unit: RMB

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Short-term financing bonds	**6,026,458,630.14**	6,018,292,602.73
Corporate bonds	**17,974,672,661.83**	16,344,899,403.93
Medium-term notes	**7,625,346,587.97**	8,655,330,297.12
Balance as at the end of the year	**25,600,019,249.80**	25,000,229,701.05
Less: Bonds payable due within one year	**10,686,586,603.49**	13,900,469,241.94
Non-current portion	**14,913,432,646.31**	11,099,760,459.11
Analysis of maturity of bonds payable:		
Within 1 year (inclusive of 1 year)	**10,686,586,603.49**	13,900,469,241.94
1 to 2 years (inclusive of 2 years)	**4,423,989,151.49**	4,956,128,551.41
2 to 5 years (inclusive of 5 years)		
Above 5 year	**5,991,837,849.34**	6,143,631,907.70
	4,497,605,645.48	–
	25,600,019,249.80	25,000,229,701.05

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

(1) Pursuant to the document [2017] No. 46 issued by the China Securities Regulatory Commission, the Company issued its first tranche of corporate bonds (type two) of BBMG Corporation for 2017 to qualified investors by way of public issuance on 19 May 2017 (hereinafter referred to as "17 BBMG 02"), totalling RMB500,000,000.00 with a term of 7 years (with the issuer's option to raise the coupon rate at the end of the fifth year and the investors' entitlement to sell back the bonds) and a coupon rate of 5.38%. On 31 March 2022 (at the end of the fifth year of the duration), the Company published an announcement, in which the Company decided to adjust the coupon rate of "17 BBMG 02" for the next two years, i.e. the coupon rate of "17 BBMG 02" for the period from 19 May 2022 to 18 May 2024 shall be 2.95%. The total sale back amount as announced on 25 March 2022 was RMB499,000,000.00 (exclusive of interests). 17 BBMG 02 was due for repayment on 20 May 2024.

(2) Pursuant to the document [2018] No. 884 issued by the China Securities Regulatory Commission, the Company issued the first tranche of corporate bonds (type two) of BBMG Corporation for 2018 to qualified investors by way of public issuance on 12 July 2018 (hereinafter referred to as "18 BBMG 02"), totalling RMB1,500,000,000.00 with a term of 7 years (with the issuer's option to adjust the coupon rate at the end of the fifth year and the investors' entitlement to sell back the bonds) and a coupon rate of 5.00%. On 26 May 2023 (at the end of the fifth year of the duration), the Company published an announcement, in which the Company decided to adjust the coupon rate of "18 BBMG 02" for the next two years, i.e. the coupon rate of the bond for the period from 12 July 2023 to 11 July 2025 shall be 2.80%. The total sale back amount as announced on 6 June 2023 (at the end of the fifth year of the duration) was RMB1,414,100,000.00 and the remaining part not resold with the amount of RMB1,414,100,000.00 was cancelled. The Company issued the first tranche of corporate bonds (type two) of BBMG Corporation for 2019 to qualified investors by way of public issuance on 9 January 2019 (hereinafter referred to as "19 BBMG 02"), totalling RMB1,500,000,000.00 with a term of 7 years (with the issuer's option to adjust the coupon rate at the end of the fifth year and the investors' entitlement to sell back the bonds) and a coupon rate of 4.07%. 19 BBMG 02 was delisted and repaid in advance on 9 January 2024.

(3) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2017] No. MTN512) (《接受註冊通知書》(中市協註[2017]MTN512號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the first tranche of medium-term notes of BBMG Corporation for 2019 on 7 March 2019 (hereinafter referred to as "19 BBMG MTN001"), totalling RMB2,500,000,000.00 with a term of 5 years and a coupon rate of 4.35%. 19 BBMG MTN001 was due for repayment on 11 March 2024.

(4) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2019] No. DFI6) (《接受註冊通知書》(中市協註[2019]DFI6號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the second tranche of medium-term notes of BBMG Corporation for 2019 on 7 August 2019 (hereinafter referred to as "19 BBMG MTN002"), totalling RMB2,000,000,000.00 with a term of 5 years and a coupon rate of 3.94%. 19 BBMG MTN002 was due for payment on 15 August 2024.

(5) Pursuant to the No Objection Letter Regarding the Compliance with Transfer Conditions of the Shenzhen Stock Exchange in the Non-Public Issuance of Corporate Bonds for 2018 of Tangshan Jidong Cement Co., Ltd. (Shen Zheng Han [2018] No. 810) (《關於唐山冀東水泥股份有限公司2018年非公開發行公司債券符合深交所轉讓條件的無異議函》(深證函[2018]810號)) issued by the Shenzhen Stock Exchange, Jidong Cement issued the second tranche of corporate bonds of Tangshan Jidong Cement Co., Ltd. for 2019 by way of non-public issuance on 29 October 2019 (hereinafter referred to as "19 Jidong 02"), totalling RMB1,500,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 4.20%. The total sale back amount as announced on 28 October 2022 (at the end of the third year of the duration) was RMB699,000,000.00 (exclusive of interests). The company announced to resell part of the sale-back bonds with an amount of RMB619,000,000.00 (exclusive of interests) and the bonds not resold with the remaining amount of RMB80,000,000.00 were cancelled.

(6) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2019] No. DFI6) (《接受註冊通知書》(中市協註[2019]DFI6號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the third tranche of medium-term notes of BBMG Corporation for 2019 on 12 November 2019 (hereinafter referred to as "19 BBMG MTN003"), totalling RMB2,000,000,000.00 with a term of 5 years and a coupon rate of 4.13%. 19 BBMG MTN003 was due for payment on 20 November 2024.

(7) Pursuant to the Replies (Zheng Jian Xu Ke [2019] No. 2255) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2019]2255號)), the Company issued the first tranche of corporate bonds (type two) of BBMG Corporation for 2020 to qualified investors by way of public issuance on 10 January 2020 (hereinafter referred to as "20 BBMG 02"), totalling RMB4,500,000,000.00 with a term of 7 years (with the issuer's option to adjust the coupon rate at the end of the fifth year and the investors' entitlement to sell back the bonds) and a coupon rate of 3.99%. The Company issued the second tranche of corporate bonds of BBMG Corporation for 2020 to qualified investors by way of public issuance on 15 June 2020 (hereinafter referred to as "20 BBMG 03"), totalling RMB2,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 3.24%. The Company issued the third tranche of corporate bonds of BBMG Corporation for 2020 to qualified investors by way of public issuance on 13 August 2020 (hereinafter referred to as "20 BBMG 04"), totalling RMB1,500,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 3.64%. The total sale back amount as announced on 11 September 2023 (at the end of the third year of the duration) was RMB861,000,000.00, and the remaining part not resold with the amount of RMB521,000,000.00 was cancelled. The Company published an announcement on adjustment of the coupon rate on 30 June 2023, and the adjusted coupon rate was 2.90%.

(8) Pursuant to the Replies (Zheng Jian Xu Ke [2020] No. 2416) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2020]2416號)), Tangshan Jidong Cement Co., Ltd. issued the convertible corporate bonds of Tangshan Jidong Cement Co., Ltd. on 5 November 2020 (hereinafter referred to as "Jidong Convertible Bonds"), totalling RMB2,820,000,000.00 with a term of 6 years, and the coupon rate was set at 0.20%, 0.40%, 0.80%, 1.20%, 1.50% and 2.00% for the first year, second year, third year, fourth year, fifth year and sixth year, respectively, with the redemption price at maturity of RMB106.00 (including the last payment of interests).

(9) Pursuant to the document (Zheng Jian Xu Ke [2020] No. 2804) (《證監許可[2020]2804號》文件) issued by the China Securities Regulatory Commission, Jidong Cement issued the first tranche of corporate bonds of Tangshan Jidong Cement Co., Ltd. to professional investors by way of public issuance on 11 June 2021 (hereinafter referred to as "21 Jidong 01"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 3.67%. The total sale back amount as announced on 6 June 2024 was RMB2,150,000,000.00 (exclusive of interests), and the bonds sold back shall not be resold. The company published an announcement on adjustment of the coupon rate on 8 May 2024, and the adjusted coupon rate was 2.49%.

(10) Jidong Cement issued the second tranche of corporate bonds of Tangshan Jidong Cement Co., Ltd. to professional investors by way of public issuance on 13 October 2021 (hereinafter referred to as "21 Jidong 02"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 3.57%. The company published an announcement on adjustment of the coupon rate on 4 September 2024, and the adjusted coupon rate was 2.24%.

(11) Pursuant to the document (Zheng Jian Xu Ke [2020] No. 2749) (《證監許可[2020]2749號》文件) issued by the China Securities Regulatory Commission, the Company issued the first tranche of corporate bonds of BBMG Corporation for 2021 to professional investors by way of public issuance on 22 November 2021 (hereinafter referred to as "21 BBMG 01"), totalling RMB2,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 3.17%. The total sale back amount announced on 11 December 2024 (at the end of the third year of the duration) was RMB612,000,000, and the remaining part not resold with the amount of RMB612,000,000 was cancelled. The Company decided to adjust the coupon rate of "21 BBMG 01" for the next two years, i.e. the coupon rate of the bond for the period from 22 November 2024 to 21 November 2026 shall be 2.50%.

(12) As approved by the document (Zhong Shi Xie Zhu [2021] No. MTN1) (中市協註[2021]MTN1號文件) from the National Association of Financial Market Institutional Investors, the Company publicly issued the first tranche of medium-term notes of Tangshan Jidong Cement Co., Ltd. for 2022 in the national inter-bank bond market on 31 May 2022 (hereinafter referred to as "22 Jidong Cement MTN001"), totalling RMB1,000,000,000.00 with a term of 3 years and a coupon rate of 2.93%. The Company publicly issued the second tranche of medium-term notes of Tangshan Jidong Cement Co., Ltd. for 2022 in the national inter-bank bond market on 26 August 2022 (hereinafter referred to as "22 Jidong Cement MTN002"), totalling RMB1,000,000,000.00 with a term of 3 years and a coupon rate of 2.84%. Interest was accrued from 26 August 2022 and the maturity date will be 26 August 2025. The interest shall be paid on an annual basis and the principal amount will be repaid in a lump sum at maturity. The last instalment of interest shall be paid together with the principal amount.

(13) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2023] No. DFI6) (《接受註冊通知書》(中市協註[2023]DFI6號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the first tranche of medium-term notes of BBMG Corporation for 2024 on 6 February 2024 (hereinafter referred to as "24 BBMG MTN001"), totalling RMB1,500,000,000.00, with a term of 7 years, a coupon rate of 2.87% and the issuer's option to adjust the coupon rate at the end of the fifth interest accrual year and the investors' entitlement to sell back the bonds. The Company issued the second tranche of medium-term notes of BBMG Corporation for 2024 on 1 March 2024 (hereinafter referred to as "24 BBMG MTN002"), totalling RMB2,000,000,000.00, with a term of 7 years, a coupon rate of 2.84% and the issuer's option to adjust the coupon rate at the end of the fifth interest accrual year and the investors' entitlement to sell back the bonds.

(14) Pursuant to the Replies (Zheng Jian Xu Ke [2023] No. 810) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2023]810號)), Jidong Cement issued the first tranche of corporate bonds of Tangshan Jidong Cement Co., Ltd. for 2024 to professional investors by way of public issuance on 22 April 2024 (hereinafter referred to as "24 Jidong 01"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 2.44%.

(15) Pursuant to the No Objection Letter Regarding the Listing and Transfer of the Non-Public Issuance of Corporate Bonds of Tianjin Building Materials Group (Holding) Co., Ltd. (Shang Zheng Han [2023] No. 3167) (《關於對天津市建築材料集團(控股)有限公司非公開發行公司債券掛牌轉讓無異議的函》(上證函[2023]3167號)) issued by the Shanghai Stock Exchange, Tianjin Building Materials issued the first tranche of corporate bonds of Tianjin Building Materials Group (Holding) Co., Ltd. to investors by way of non-public issuance on 26 April 2024 (hereinafter referred to as "24 Jincai 01"), totalling RMB800,000,000.00 with a term of 3 years and a coupon rate of 2.53%.

(16) Pursuant to the document (Zheng Jian Xu Ke [2024] No. 412) (《證監許可[2024]412號》文件) issued by the China Securities Regulatory Commission, the Company issued the first tranche of science and technology innovation corporate bonds (type one) of BBMG Corporation for 2024 to professional investors by way of public issuance on 8 July 2024 (hereinafter referred to as "24 BBMG K1"), totalling RMB1,000,000,000.00 with a term of 5 years and a coupon rate of 2.35%. The Company issued the first tranche of science and technology innovation corporate bonds (type two) of BBMG Corporation for 2024 to professional investors by way of public issuance on 8 July 2024 (hereinafter referred to as "24 BBMG K2"), totalling RMB1,000,000,000.00 with a term of 10 years and a coupon rate of 2.67%.

(17) Pursuant to the Replies (Zheng Jian Xu Ke [2023] No. 810) issued by the China Securities Regulatory Commission (中國證券監督管理委員會出具的批覆(證監許可[2023]810號)), Jidong Cement issued the second tranche of corporate bonds of Tangshan Jidong Cement Co., Ltd. for 2024 to professional investors by way of public issuance on 20 September 2024 (hereinafter referred to as "24 Jidong 02"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 2.15%.

(18) Pursuant to the Notice of Acceptance of Registration (Zhong Shi Xie Zhu [2023] No. DFI6) (《接受註冊通知書》(中市協註[2023]DFI6號)) issued by the National Association of Financial Market Institutional Investors, the Company issued the third tranche of medium-term notes of BBMG Corporation for 2024 on 23 September 2024 (hereinafter referred to as "24 BBMG MTN003"), totalling RMB2,000,000,000.00 with a term of 5 years and a coupon rate of 2.29%.

(19) Pursuant to the document (Zheng Jian Xu Ke [2024] No. 412) (《證監許可[2024]412號》文件) issued by the China Securities Regulatory Commission, the Company issued the second tranche of science and technology innovation corporate bonds of BBMG Corporation for 2024 to professional investors by way of public issuance on 17 December 2024 (hereinafter referred to as "24 BBMG K3"), totalling RMB1,000,000,000.00 with a term of 5 years (with the issuer's option to adjust the coupon rate at the end of the third year and the investors' entitlement to sell back the bonds) and a coupon rate of 1.99%.

27. LONG-TERM LOANS

Unit: RMB

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Guaranteed loans *(Note)*	**7,633,197,111.36**	5,784,009,894.74
Credit loans	**47,639,505,206.84**	32,673,200,637.85
Mortgaged loans	**4,707,628,026.72**	6,224,194,588.51
Pledged loans	**750,000,000.00**	1,373,418,848.61
Closing amount	**60,730,330,344.92**	46,054,823,969.71
Less: Long-term loans due within one year	**9,831,272,623.91**	8,312,977,230.35
	50,899,057,721.01	37,741,846,739.36

Note: As at 31 December 2024, the guaranteed loans of the Group were guaranteed by entities within the Group.

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

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Within 1 year	**9,831,272,623.91**	8,312,977,230.35
1 to 2 years	**14,216,288,829.65**	11,324,838,500.00
2 to 5 years	**28,452,026,671.34**	21,035,479,691.52
Over 5 years	**8,230,742,220.02**	5,381,528,547.84
	60,730,330,344.92	46,054,823,969.71

As at 31 December 2024, the above loans bore an interest rate of 1.20%-5.65% (31 December 2023: 1.20%-5.15%) per annum.

28. NET CURRENT ASSETS

Unit: RMB

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Current assets	**133,195,464,924.72**	141,074,340,797.32
Less: Current liabilities	**96,778,952,257.62**	117,604,713,262.04
Net current assets	**36,416,512,667.10**	23,469,627,535.28

29. TOTAL ASSETS LESS CURRENT LIABILITIES

Unit: RMB

	As at 31 December 2024 Audited	As at 31 December 2023 Audited
Total assets	**263,995,720,701.11**	269,679,139,215.48
Less: Current liabilities	**96,778,952,257.62**	117,604,713,262.04
Total assets less current liabilities	**167,216,768,443.49**	152,074,425,953.44

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board of directors, I am pleased to present to you the annual results of the Company for 2024 and the operating results of the Company during the said period for your review.

Review

Results Performance

In 2024, in the face of severe internal and external challenges and heavy pressures, the Company thoroughly implemented the work requirements of the "One High, Double Win, Three Coordination" (一高雙贏三統籌), coordinated and promoted various tasks such as increasing efficiency, strengthening management, focusing on innovation and promoting reform around the working main line of "Efficiency Improvement Year", withstood downward pressure, and overcame difficulties and challenges, achieving new progress and results in all work.

During the Reporting Period, the Company recorded an operating revenue of RMB110,711.8 million, representing a year-on-year increase of approximately 2.6%; net loss attributable to the shareholders of the parent company amounted to approximately RMB555.2 million, as compared with net profit attributable to the shareholders of the parent company of approximately RMB25.3 million in 2023; basic losses per share attributable to the shareholders of the parent company amounted to approximately RMB0.15, representing an increase of approximately RMB0.07 or approximately 87.5% as compared with basic losses per share of approximately RMB0.08 in 2023.

Business Performance

Modern green building materials segment: In terms of the cement business, the Company focused on lean operation, achieving cost reduction and efficiency increase of RMB2.9 billion, resolutely opposed "rat race", led the ecological restoration of the industry, steadily promoted mergers and acquisitions, reorganization and industrial chain extension, completed the acquisition of Heilongjiang Shuangyashan Cement Company (黑龍江雙鴨山水泥公司), and made every effort to fill the shortcomings of resources. During the year, mine resources increased by 390 million tons and aggregate production capacity increased by 16.7 million tons. In terms of the concrete business, the Company strengthened the control and decline of accounts receivable, and realized the "double decline" of the increment and stock of accounts receivable for the first time. In terms of the modern building materials business, the Company continued to expand the layout of advantageous industries, integrated industrial chain resources, created an integrated marketing model, and expanded the service scope of "Tiantan Decoration". The non-housing construction market business accounted for over 60%.

Property development and operation segment: In terms of the property development business, the Company adhered to the main work line of "stabilizing project profits, preventing risks by de-stocking and improving development quality", actively promoting the overall utilization of its own land and accelerating de-stocking. The Company carefully selected the best land, and successively acquired four high-quality plots of Chaoyang Shibalidian, Fengtai Science and Technology Park, Tongzhou Tuqiao and Tangshan Machinery Factory, with a total increase in land reserves of about 273,000 square meters (equity area) during the year. In terms of the property management business, the Company timely adjusted its business strategy. The occupancy rate of office buildings was higher than the market average, and the operation of industrial parks and hotel for vacations was steadily improved. The Company made a new breakthrough in the revitalization of existing assets, and obtained the official reply for registration from the CSRC and the letter of no objection from the Shanghai Stock Exchange for the issuance of the Publicly Traded REIT of Intelligent Manufacturing Workshop.

In 2024, the Company adhered to the drive by innovation and accelerated transformation and upgrading. The product atlas of the new materials industry continued to expand, and the income scale gradually increased. The "National Key Laboratory of Recycling and Low-Carbon Regeneration of Materials" successfully completed its reorganization. The Company released the innovative achievement of "BBMG · Xingyi" folding combined building for the first time. The Company was granted 458 patents in the whole year, and nine provincial-level "technologically advanced" enterprises, seven national-level high-tech enterprises and two provincial-level manufacturing individual champion enterprises were newly certified. The Company formulated a green and low-carbon transformation plan, and issued the Measures for the Management of Carbon Emission Rights. Eleven enterprises were rated as heavy pollution weather performance A-level/leading enterprises, and five enterprises were rated as national-level green factories. In 2024, BBMG was selected among the Beijing-Tianjin-Hebei Pioneer 50 of China ESG Listed Companies and the Top 10 ESG Cases of Beijing State-Controlled Listed Companies, and its environment, society and governance continued to be in a leading position in the domestic building materials industry.

Prospect

At present, the world's evolution of the changes unseen in a century is accelerating, the external environment is becoming more complicated and severe, the unilateralism and protectionism are intensifying, the momentum of world economic growth is insufficient and tariff barriers are increasing. The foundation of China's economic recovery remains unstable, with effective demand still insufficient, particularly in the consumption, which remains sluggish. The building materials industry is still characterized by "continuous decline in demand", and the overall real estate market is still in continuous adjustment. The Group should not only face up to the difficult problems, but also seize the new strategic development opportunities. Firstly, in 2025, China will issue RMB1.3 trillion of ultra-long-term special treasury bonds and arrange RMB4.4 trillion of special bonds for local governments, proceeds from which will be mainly used for investment and construction, land acquisition and storage and other projects. This initiative will more vigorously support the "implementing of major national strategies and enhancement of security capacity in key areas" and provide strong support for the demand for building materials. Secondly, China will strengthen the implementation of a series of favorable policies for transforming the villages in cities and dilapidated houses, adjusting and reducing the restrictive measures by implementing different policies in different cities, rationally controlling the supply of new real estate land, promoting the purchase of existing commodity housing, and writing "good houses" into the government work report for the first time. This will fully release the potential of the rigid and improved housing demand, further accelerate de-stocking, and provide strong support for the real estate market to stop falling and stabilize.

Faced with the above challenges and opportunities, the Group will act on the principle of "seeking progress while maintaining stability, promoting stability through progress, and innovating while upholding integrity", continue to implement the work requirements of the "One High, Double Win, Three Coordination" (一高雙贏三統籌), and closely focus on the primary task of "Breakthrough Year of High-quality Development" to comprehensively complete all the goals and tasks in 2025 with high quality.

Modern green building materials segment: In terms of the cement business, the Company will strengthen regional collaboration, implement differentiated marketing strategies, lead the industry self-discipline and enhance economic benefits. The Company will increase the reserve of high-quality mine resources, explore the implementation path of overseas development, steadily expand the industrial chains for aggregate, commercial mixture, new energy and environmental protection industries, continue to promote mergers and acquisitions in key areas, and consolidate the leading position in Beijing-Tianjin-Hebei and even the northern industries. In terms of the concrete business, the Company will actively expand the new track of concrete prefabricated product parts and deeply cultivate the high-end field of new concrete materials. In terms of the modern building materials business, the Company will focus on functional building materials, accelerate the large-scale development of new material industry, and promote the quality and efficiency improvement of advantageous industries. The Company will adhere to the "dual driving forces" of scientific and technological innovation and merger and acquisition integration, incubate the frontier new material industry, and create the third growth pole.

Property development and operation segment: In terms of the property development business, the Company seized policy opportunities, actively participated in urban renewal and the construction of government-subsidized housing and improved housing, and created a new business development model. The Company continuously improved the product strength, and "strongly controlled" the regional market with a series of BBMG's "good houses" products. The Company formulated personalized plans, accelerated the revitalization and de-stocking of existing products, and effectively prevented operation risks. In terms of the property management business, the Company continuously improved the service quality, and further improved the operating quality and efficiency of various businesses such as buildings, hotels, commercial complexes and parks.

Summary of Financial Information

	2024 *RMB'000*	2023 *RMB'000*	Change
Operating revenue	**110,711,819**	107,955,680	2.6%
Operating revenue from principal business	**109,754,864**	107,068,654	2.5%
Gross profit of principal business	**10,884,697**	11,518,182	-5.5%
Gross profit margin of principal business	**9.9%**	10.8%	Decrease of 0.9 percentage point
Net (loss)/profit attributable to the shareholders of the parent company	**(555,162)**	25,263	-2,297.5%
Basic (losses)/earnings per share attributable to the shareholders of the parent company (before deducting other equity instrument interests)	**RMB(0.050)**	RMB0.002	-2,600.0%
Basic (losses) per share attributable to the shareholders of the parent company (after deducting other equity instrument interests)	**RMB(0.15)**	RMB(0.08)	87.5%
Cash and bank balances	**18,292,078**	17,332,117	5.5%
Current assets	**133,195,465**	141,074,341	-5.6%
Current liabilities	**96,778,952**	117,604,713	-17.7%
Net current assets	**36,416,513**	23,469,628	55.2%
Non-current assets	**130,800,256**	128,604,798	1.7%
Non-current liabilities	**75,099,447**	57,710,055	30.1%
Total assets	**263,995,721**	269,679,139	-2.1%
Equity attributable to the shareholders of the parent company	**73,717,500**	73,007,025	1.0%
Debt ratio (total liabilities to total assets) (%)	**65.1**	65.0	Increase of 0.1 percentage point

PARTICULARS OF THE INDUSTRIES IN WHICH THE COMPANY OPERATED AND PRINCIPAL BUSINESS OF THE COMPANY DURING THE REPORTING PERIOD

(I) Industries of the Company

(1) Cement industry

According to the Statistical Communique on the 2024 National Economic and Social Development issued by the National Bureau of Statistics of China, in 2024, the total fixed assets investment in the PRC was RMB52,091.6 billion, representing an increase of 3.1% over last year. Fixed assets investment (excluding farmers) was RMB51,437.4 billion, increased by 3.2%, of which the infrastructure investment increased by 4.4% and the real estate development investment decreased by 10.6%. The aggregate output of cement for sizable enterprises amounted to 1.825 billion tonnes, representing a year-on-year decrease of 9.5%. The cement output has reached its lowest level in fifteen years. According to Digital Cement (數字水泥網), from the perspective of cement supply and demand, the demand for cement continued to shrink and the capacity utilization rate decreased. The cement price throughout the year showed a trend of sluggishness in the first half year, followed by a gradual recovery in the second half year, with frequent fluctuations. The cement price witnessed a low at the beginning to high thereafter with fluctuations and adjustments in the medium to low range, and the decline in profits for the industry significantly narrowed.

(2) Property development industry

In 2024, the overall real estate market in China continued to show an adjustment trend. As the Political Bureau meeting of the Central Committee clearly proposed to "promote stability and recovery in the real estate market", the real estate market has witnessed an increase in positive changes under the influence of a series of policies, leading to a gradual boost in the market confidence.

According to the data of the National Bureau of Statistics, in 2024, the investment in real estate development in China was RMB10,028.0 billion, representing a decrease of 10.6% over last year. Among them, the investment in residential properties was RMB7,604.0 billion, representing a decrease of 10.5%. The construction sites for corporate use of real estate developers were 7,332.47 million sq.m., representing a decrease of 12.7% over last year, among which 5,133.30 million sq.m. were area of construction sites for residential properties, representing a decrease of 13.1%. The area of newly commenced construction of real estates was 738.93 million sq.m., representing a decrease of 23.0%. Of this, the area of newly commenced construction of residential properties was 536.60 million sq.m., representing a decrease of 23.0%. The area of completed real estate was 737.43 million sq.m., representing a decrease of 27.7%. Of this, the area of completed residential properties was 537.41 million sq.m., representing a decrease of 27.4%. The area of sold commodity housing was 1,117.35 million sq.m., representing a decrease of 8.5% over last year, among which the saleable area of residential properties decreased by 8.2% over last year. The sales of commodity housing amounted to RMB9,675.0 billion, representing a decrease of 17.1%. Of this, the sales of residential properties decreased by 17.6%. As at the end of

2024, the area of commodity housing for sales was 753.27 million sq.m., representing an increase of 10.6% compared with last year. Of this, the area of residential properties for sales increased by 16.2%.

(II) Business of the Company during the Reporting Period

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

Modern green and environmentally-friendly building materials manufacturing business: With cement as its core product, the Company has formed a complete industrial chain of building materials that is compatible with upstream and downstream businesses, which covers concrete, wall body and insulation materials, prefabricated building system and parts and furniture and woods, as well as an interactive mechanism that includes products and services such as decoration, architectural design and main construction contract of installations, creating a coordinated development pattern for the whole industrial chain. Currently, the production capacity of clinker amounted to approximately 110 million tonnes; the production capacity of cement amounted to approximately 180 million tonnes; the production capacity of ready-mixed concrete amounted to approximately 62 million cubic meters while the aggregate production capacity amounted to approximately 86 million tonnes and the production capacity of grinding aids and admixtures approximated 0.24 million tonnes, respectively. Its annual capacity for disposal of hazardous wastes and solid wastes was over 5.55 million tonnes (including construction waste). The Company's building materials products and construction and installation services were widely used in the construction of key projects, such as the Beijing's urban sub-center, Xiong'an New District and the Winter Olympic Games, and extended to popular areas such as East China, Northeast, Sichuan-Chongqing and South China, which fully demonstrated the strength of BBMG's modern building materials business in terms of brand, quality and industrial chain and enhanced systematic application and coordinated marketing of its products.

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

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

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

Property management business: At present, the Company holds investment properties of the area of 3,144,100 sq.m. such as high-end office buildings, commercial and industrial parks, of which 1,317,400 sq.m. are grade B and above high-end investment properties in core areas in Beijing, and manages properties inside and outside Beijing of the area of 19.09 million sq.m.. Its professional capabilities, brand awareness, occupancy rate and revenue have led the industry in Beijing and even the PRC for years.

Summary of Business Information

	2024	2023	Change
1. Modern green building materials segment			
Aggregate sales volume of cement and clinker (in million tonnes)	**84.40**	93.24	-9.5%
Sales volume of ready-mixed concrete (in million cubic metres)	**12.38**	13.87	-10.7%
2. Property development and operation segment			
Booked gross-floor area ("**GFA**") (in thousand sq.m.)	**1,102.7**	1,165.8	-5.4%
Contracted sales GFA (in thousand sq.m.)	**672.2**	1,133.6	-40.7%
GFA of investment properties (in thousand sq.m.)	**2,621.7**	2,516.5	4.2%

In 2024, the Group thoroughly implemented the work requirements of the "One High, Double Win, Three Coordination" (一高雙贏三統籌), took the "Efficiency Improvement Year" as the theme, made every effort to stabilize operations, increased efficiency, laid a foundation and promoted transformation, withstood downward pressure and overcame difficulties and challenges. Through the joint efforts of all cadres and employees, the overall economic operation of the Group made steady progress, and new progress and new achievements were made in all work.

During the Reporting Period, the Company recorded operating revenue of approximately RMB110,711.8 million, of which operating revenue from its principal business amounted to approximately RMB109,754.9 million, representing a year-on-year increase of approximately 2.5%; total profit amounted to approximately RMB456.1 million, representing a year-on-year increase of approximately RMB155.7 million or approximately 51.8%; net loss amounted to approximately RMB1,534.2 million, representing a year-on-year increase of approximately RMB246.8 million or 19.2%; and net loss attributable to the shareholders of the parent company amounted to approximately RMB555.2 million, as compared with net profit attributable to the shareholders of the parent company of approximately RMB25.3 million for the same period of last year.

1. Modern Green Building Materials Segment

In terms of the cement business, the Company focused on lean operation and strove to reduce costs and increase efficiency. The Group steadily promoted the merger and reorganization of key areas and the extension of industrial chains, accelerated the construction of a unified internal market, implemented accurate peak shifting, and made every effort to stabilize quantity and re-quote or adjust the price. In terms of the concrete business, the Company focused on improving quality and increase efficiency, strengthened management internally and expanded the market externally. The Company carried out special actions to control costs and accounts receivable, the control of costs and fees was effective, and the control level of accounts receivable was steadily improved. In terms of the modern building materials business, the Company integrated industrial chain resources, created an integrated marketing model, and expanded the "Three Major Projects", the home decoration market and the high value-added segmented market. The proportion of the non-housing construction market business continued to increase. In terms of the high-end equipment manufacturing industry, the Company made every effort to explore the external market, strengthened the marketing of the whole industry chain, implemented refined management and continuously enhanced the competitiveness of products. In terms of the commerce and logistics business, the Company continued to strengthen risk prevention and control, optimized business layout and product structure, and continuously improved the quality of development.

During the Reporting Period, the Company recorded operating revenue from its principal business of modern green building materials segment of approximately RMB78,264.8 million, representing a year-on-year decrease of approximately 2.1%, and the gross profit of its principal business of modern green building materials segment was approximately RMB7,205.3 million, representing a year-on-year increase of approximately 12.7%. During the Reporting Period, the sales of cement and clinker was approximately 84.40 million tonnes (exclusive of approximately 6.36 million tonnes from joint ventures and associates of the Company), representing a year-on-year decrease of approximately 9.5%, among which the sales of cement amounted to approximately 75.47 million tonnes (exclusive of approximately 6.18 million tonnes from joint ventures and associates), representing a decrease of approximately 12.6% as compared with the same period of last year, and the sales of clinker amounted to approximately 8.93 million tonnes (exclusive of approximately 0.18 million tonnes from joint ventures and associates), representing an increase of approximately 29.3% as compared with the same period of last year. The aggregated gross profit margin of cement and clinker was approximately 15.9%, representing a year-on-year increase of approximately 7.0 percentage points. The sales volume of concrete business amounted to approximately 12,379,000 cubic meters, representing a year-on-year decrease of approximately 10.8%, and the selling price of concrete was RMB301.9 per cubic meter, representing a year-on-year decrease of approximately RMB46.8 per cubic meter. The gross profit margin of concrete was approximately 7.5%, representing a year-on-year decrease of approximately 5.4 percentage points. Tiantan decoration business achieved contracted amounts of approximately RMB2,024.0 million, representing a year-on-year increase of approximately 97.0%.

2. Property Development and Operation Segment

In terms of the property development business, the Company adhered to the main work line of "stabilizing project profits, preventing risks by de-stocking and improving development quality", and completed and delivered 9,890 residential housings throughout the year, with 120,000 square meters of non-residential buildings sold.

In 2024, the Company acquired the use right of four parcels of state-owned construction land. The details are as follows:

No.	Name of projects (parcel of land)	Location	Use of land	Land area of the project (m^2)	Planned plot ratio area (m^2)	Land price (RMB million)	Method of acquisition	Date of acquisition (yy-mm-dd)	Percentage of ownership
1	R2 class 2 residential land at Plot 1303-686 and A334 land for nursery and kindergarten at Plot 1303-687 of primary land development projects of Chaoyang Port Phase 1, Shibalidian, Chaoyang District, Beijing	Shibalidian, Chaoyang District	Residence, nursery and kindergarten	47,662	125,853	6,380.00	Listing	2024.6.25	100%
2	R2 class 2 residential land at Plot 1516-60 of phase III project in the east area of Fengtai Park, Zhongguancun Science Park, Fengtai District, Beijing	Kandan Street, Fengtai District	Residence	21,608	54,019	2,700.00	Listing	2024.10.31	100%
3	R2 class 2 residential land at Plot FZX-0202-6025 of shantytown renovation project to the west of Tuqiao Middle Road, Tongzhou District	Linheli Street, Tongzhou	Residence	21,536	47,379	1,196.00	Listing	2024.11.5	100%
4	Plot A-03 of Tangshan Mining & Metallurgical Machinery Plant	To the west of Gangyao Road and the north of Jianhua East Road, Lubei District, Tangshan	Residence	52,696	84,313	505.46	Auction	2024.12.17	55%
Total (equity)				**119,788**	**273,624**	**10,554.00**			

In terms of the property management business, the Company proactively responded to challenges and focused on business operations, and the occupancy rate of office buildings outperformed the market average. The development resilience of science and technology parks continued to increase, the market heat of cultural and creative parks continued to maintain, and hotel and vacation operations improved while maintaining stability.

During the Reporting Period, the Company recorded operating revenue from its principal business of property development and operation segment of approximately RMB32,736.6 million, representing a year-on-year increase of approximately 15.2%, and the gross profit of its principal business of property development and operation segment was approximately RMB4,147.8 million, representing a year-on-year decrease of approximately 21.8%. The booked GFA was approximately 1,102,700 sq.m., representing a year-on-year decrease of approximately 5.4%, among which the booked GFA of commodity housing amounted to 978,400 sq.m., representing a year-on-year increase of approximately 14.8%, and the booked GFA of policy-oriented housing was approximately 124,300 sq.m., representing a year-on-year decrease of approximately 60.3%. The total contracted sales amount was approximately RMB13,470.0 million, representing a year-on-year decrease of approximately 42.0%, among which the aggregated contracted sales amount of commodity housing amounted to approximately RMB10,250.0 million, representing a year-on-year decrease of approximately 50.0%, and the aggregated contracted sales amount of policy-oriented housing amounted to approximately RMB3,220.0 million, representing a year-on-year increase of approximately 10.0%. The total contracted sales area was 672,200 sq.m., representing a year-on-year decrease of approximately 40.7%, among which the contracted sales areas of commodity housing amounted to 531,700 sq.m., representing a year-on-year decrease of approximately 44.8%, and the aggregated contracted sales area of policy-oriented housing amounted to 140,500 sq.m., representing a year-on-year decrease of approximately 17.4%. As at the end of the Reporting Period, the Company's land bank was 5,614,300 sq.m. on an attributable basis.

As at the end of the Reporting Period, the Company held approximately 2,621,700 sq.m. of investment properties such as high-end office buildings, commercial and industrial parks, with a consolidated average occupancy rate of 87% and a consolidated average rental unit price of approximately RMB4.4/sq.m./day. The grade B and above high-end investment properties held in core areas in Beijing totaled 846,000 sq.m., with a consolidated average occupancy rate of approximately 90% and a consolidated average rental unit price of approximately RMB9.5/sq.m./day.

RENTAL OPERATIONS OF THE MAJOR INVESTMENT PROPERTIES OF THE GROUP AS AT 31 DECEMBER 2024

Property Name	Location		Use	Gross area *(thousand sq.m.)*	Fair value *(RMB million)*	Rental unit price *(RMB/sq.m./day)*	Average occupancy rate *(Note 1)*	Unit fair value *(RMB/sq.m.)*	Expiration of the land use right *(Year)*
Phase 1 of Global Trade Center	North Third Ring Road, Beijing	No. 36, North Third Ring East Road, Dongcheng District, Beijing	Commercial	108.0	3,889.5	9.7	90%	36,014	2054
Phase 2 of Global Trade Center	North Third Ring Road, Beijing	No. 36, North Third Ring East Road, Dongcheng District, Beijing	Commercial	141.0	4,556.8	9.3	97%	32,318	2058
Phase 3 of Global Trade Center	North Third Ring Road, Beijing	No. 36, North Third Ring East Road, Dongcheng District, Beijing	Commercial	57.0	1,443.0	8.7	78%	25,316	2058
Tengda Plaza	West Second Ring Road, Beijing	No. 169, Xizhimenwai Street, Haidian District, Beijing	Commercial	68.0	2,043.0	7.8	90%	30,044	2045
Jin Yu Building Tower A	West Second Ring Road, Beijing	No. 129, Xuanwumen West Street, Xicheng District, Beijing	Commercial	41.0	1,628.0	9.7	87%	39,707	2058
Jin Yu Building Tower B	West Second Ring Road, Beijing	No. 129, Xuanwumen West Street, Xicheng District, Beijing	Commercial	41.0	1,576.6	9.9	67%	38,454	2052
Building Materials Trading Tower, Jianda Building	East Second Ring Road, Beijing	No. 14, Dongtucheng Road, Chaoyang District, Beijing	Commercial	59.0	1,139.0	6.4	82%	19,305	*Note 2, 3*
Huan Bohai Golden Shore Shopping Mall	Hexi District, Tianjin	No. 473, Jiefang South Road, Hexi District, Tianjin	Commercial	302.0	2,421.3	1.8	89%	8,039	2060
Yucheng Building	North Fourth Ring Road, Beijing	No. 27 Courtyard, North Fourth Ring Middle Road, Chaoyang District, Beijing	Commercial	137.0	5,684.7	8.8	32%	41,494	*Note 2*
Phase 1 of Hi-tech Industrial Park	South Sixth Ring Road, Beijing	No. 3 Courtyard, Qingxiang North Road, Daxing District, Beijing	Commercial	122.0	1,036.4	2.2	96%	8,495	2058
Phase 2 of Hi-tech Industrial Park	South Sixth Ring Road, Beijing	No. 3 Courtyard, Qingxiang North Road, Daxing District, Beijing	Commercial	101.0	576.0	2.4	46%	5,703	2058
Subtotal				1,177.0	25,994.3				
Other properties	Beijing and Tianjing Municipality			1,444.7	19,055.8				
Total				2,621.7	45,050.1	4.3	83%	17,184	

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

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

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

ANALYSIS OF BUSINESS, ASSETS, LIABILITIES AND CASH FLOWS FOR THE REPORTING PERIOD

1. Principal business operations

Unit: RMB million

	Operating revenue from principal business	Operating cost of principal business	Gross profit margin of principal business (%)	Increase or decrease in operating revenue from principal business compared with last year (%)	Increase or decrease in operating cost of principal business compared with last year (%)	Increase or decrease in gross profit margin of principal business compared with last year
Modern green building materials segment	78,264.8	71,059.5	9.2	(2.1)	(3.4)	Increase of 1.2 percentage points
Property development and operation segment	32,736.6	28,588.7	12.7	15.2	23.7	Decrease of 6.0 percentage points
Eliminations	(1,246.5)	(778.0)				
Total	109,754.9	98,870.2	9.9	2.5	3.5	Decrease of 0.9 percentage point

2. Investment properties measured at fair value

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

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

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

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

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

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

During the Reporting Period, the gains arising from changes in fair value of investment properties of the Group decreased by approximately RMB394.9 million or approximately 36.9% year-on-year to approximately RMB675.7 million, accounting for 148.1% of the profits before tax (accounting for 356.4% of the profits before tax for the same period of last year). The change was mainly due to the year-on-year decrease of valuation appreciation of investment properties held by the Company.

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

(1) Selling expenses were approximately RMB2,333.3 million, representing a year-on-year decrease of approximately RMB64.6 million or approximately 2.7%.

(2) Administrative expenses were approximately RMB6,648.4 million, representing a year-on-year increase of approximately RMB82.8 million or approximately 1.3%.

(3) Finance costs were approximately RMB2,797.2 million, representing a year-on-year increase of approximately RMB521.7 million or approximately 22.9%.

(4) Investment gains were approximately RMB1,063.1 million, representing a year-on-year increase of approximately RMB931.6 million or approximately 708.3%. Such increase was mainly due to the year-on-year increase of gains on investment in joint ventures and associates recognised by the Company during the Reporting Period.

(5) Net reversal of credit impairment losses were approximately RMB222.2 million, as compared with the net credit impairment losses of approximately RMB123.8 million for the same period of last year. Such change was mainly due to the reversal of credit impairment loss of approximately RMB240 million in respect of accounts receivables of concrete of the Group during the Reporting Period.

(6) Asset impairment losses were approximately RMB1,228.4 million, representing a year-on-year decrease of approximately RMB630.4 million or 33.9%. Such decrease was mainly due to the year-on-year decrease of provision of inventory impairment of the Company.

4. Analysis of assets and liabilities

Unit: RMB

Items	Amount at the end of the Reporting Period	Percentage of amount at the end of the Reporting Period over total assets (%)	Amount at the end of last period	Percentage of amount at the end of last period over total assets (%)	Change (%)	Explanations
Financial assets held for trading	1,172,593,404.61	0.44	550,397,005.33	0.2	113.05%	(1)
Bills receivable	807,322,521.79	0.31	613,180,024.79	0.23	31.66%	(2)
Accounts receivable	10,587,441,407.24	4.01	8,190,446,854.77	3.04	29.27%	–
Receivables financing	885,835,186.93	0.34	763,501,720.37	0.28	16.02%	–
Prepayments	3,106,818,812.94	1.18	2,019,452,127.40	0.75	53.84%	(3)
Other receivables	5,419,560,183.17	2.05	6,132,077,812.09	2.27	-11.62%	–
Inventories	83,656,491,773.69	31.69	95,810,062,788.10	35.53	-12.69%	–
Contract assets	489,245,361.82	0.19	235,605,433.62	0.09	107.65%	(4)
Non-current assets due within one year	766,358,369.93	0.29	696,330,818.56	0.26	10.06%	–
Debt investments	858,770,664.33	0.33	865,628,511.12	0.32	-0.79%	–
Long-term receivables	2,089,895,870.55	0.79	1,709,779,597.92	0.63	22.23%	–
Other non-current financial assets	489,561,240.56	0.19	369,093,598.93	0.14	32.64%	(5)
Long-term equity investments	9,358,406,745.44	3.54	9,188,694,018.61	3.41	1.75%	–
Investment properties	45,050,117,856.24	17.06	43,671,254,377.67	16.19	3.16%	–
Construction in progress	2,003,383,911.57	0.76	2,604,995,214.22	0.97	-23.09%	–
Right-of-use assets	946,709,363.05	0.36	977,373,084.17	0.36	-3.14%	–
Other non-current assets	307,307,411.42	0.12	460,393,602.36	0.17	-33.25%	(6)
Short-term loans	28,335,162,449.14	10.73	29,527,007,127.21	10.95	-4.04%	–
Bills payable	3,055,166,040.97	1.16	3,835,290,150.26	1.42	-20.34%	–
Accounts payable	20,944,153,978.57	7.93	18,524,373,921.94	6.87	13.06%	–
Receipts in advance	326,427,424.85	0.12	340,473,964.45	0.13	-4.13%	–
Contract liabilities	5,988,832,582.80	2.27	24,490,019,361.57	9.08	-75.55%	(7)
Wages payable	297,399,921.72	0.11	277,870,134.91	0.10	7.03%	–
Tax payable	1,204,735,864.89	0.46	973,367,636.46	0.36	23.77%	–
Other payables	6,660,906,438.99	2.52	6,352,234,808.50	2.36	4.86%	–
Non-current liabilities due within one year	20,823,307,618.07	7.89	22,401,174,031.96	8.31	-7.04%	–
Other current liabilities	3,116,401,307.48	1.18	4,864,609,522.05	1.80	-35.94%	(8)
Long-term borrowings	50,899,057,721.01	19.28	37,741,846,739.36	14.00	34.86%	(9)
Bonds payable	14,913,432,646.31	5.65	11,099,760,459.11	4.12	34.36%	(10)
Lease liabilities	458,491,118.63	0.17	500,532,265.14	0.19	-8.40%	–
Long-term payables	259,601,004.90	0.10	213,484,881.59	0.08	21.60%	–
Accrued liabilities	689,202,184.41	0.26	516,634,238.79	0.19	33.40%	(11)
Other equity instruments	30,457,376,000.00	11.54	27,468,376,000.00	10.17	10.88%	–

Explanations:

(1) Financial assets held for trading: An increase of 113.05% from the beginning of the Reporting Period, mainly due to the fact that the Company continued to advance rational assets allocation and increase the investment in bonds and funds.

(2) Bills receivable: An increase of 31.66% from the beginning of the Reporting Period, mainly due to the increase in the proportion of settlement for goods made by customers through bills.

(3) Prepayments: An increase of 53.84% from the beginning of the Reporting Period, mainly due to the increase in the Company's prepayments for procurement.

(4) Contract assets: An increase of 107.65% from the beginning of the Reporting Period, mainly due to the increase in the engineering construction projects of the Company.

(5) Other non-current financial assets: An increase of 32.64% from the beginning of the Reporting Period, mainly due to the increase in investment in financial assets of the Company.

(6) Other non-current assets: A decrease of 33.25% from the beginning of the Reporting Period, mainly due to the transfer of prepayments for projects and equipment of the Company to fixed assets during the Reporting Period.

(7) Contract liabilities: A decrease of 75.55% from the beginning of the Reporting Period, mainly due to the recognition of real estate project.

(8) Other non-current liabilities: A decrease of 35.94% from the beginning of the Reporting Period, mainly due to the decrease of accrued expenses for the settlement of land appreciation tax of the Company during the Reporting Period.

(9) Long-term borrowings: An increase of 34.86% from the beginning of the Reporting Period, mainly due to the Company's continuous optimization of capital structure after taking into account the needs of its production and operation during the Reporting Period.

(10) Bonds payable: An increase of 34.36% from the beginning of the Reporting Period, mainly due to the issuance of new bonds of the Company.

(11) Accrued liabilities: An increase of 33.40% from the beginning of the Reporting Period, mainly due to the pending litigations of the Company.

5. Cash flows

During the Reporting Period, a net increase of approximately RMB1,091.7 million in cash and cash equivalents was recognized in consolidated financial statements of the Company. Such increase was the combined effect of: (i) the net cash outflows generated from operating activities of approximately RMB5,316.1 million, as compared with net cash inflows of approximately RMB7,140.8 million for the same period of last year, which was mainly due to the year-on-year decrease of inflows from the operation of property projects during the Reporting Period; (ii) the net cash outflows generated from investment activities of approximately RMB2,008.7 million, as compared with net cash inflows of approximately RMB1,324.4 million for the same period of last year, which was mainly due to the year-on-year decrease of the amount for real estate cooperative projects received and amount collected from the disposal of assets by the Company during the Reporting Peirod; (iii) the net cash inflows generated from financing activities of approximately RMB8,413.9 million, as compared with the net cash outflows of approximately RMB4,463.2 million for the same period of last year, which was mainly due to the decrease in repayment of matured debts during the Reporting Period; and (iv) the exchange realignment of approximately RMB2.6 million.

Core Competence Analysis

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

The core competitiveness of the Company is detailed as follows:

(I) Competitive edge in coordinated development of industrial chain

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

(II) Competitive edge in science and technology innovation engine

The Company formulated a new round of "Three-year Action Plan for Tackling Scientific and Technological Innovation (2024-2026)" to further strengthen the core position of scientific and technological innovation in the overall development of the Company, guide the Company to improve the scientific and technological innovation capability in an all-round way, and build a good innovation and development ecology. The Company accelerated the deep integration of scientific and technological innovation with industrial innovation, and promoted the transformation and upgrading of traditional industries. The Company implemented the construction of "original technology source", and increased scientific and technological innovation research in four directions of "green high-temperature refractories, low-carbon maintenance structure system and complete technology of folding combined building (smart construction), recycling technology of organic solid waste treatment and disposal, and carbon capture technology" in the three fields of "new materials, smart construction, energy conservation and environmental protection" to realize the industrialization of scientific and technological achievements. In 2024, the affiliated enterprises of the Company applied for 644 patents, including 150 invention patents; the affiliated enterprises won 16 provincial and ministerial science and technology awards, including 1 government science and technology award and 15 industry association awards recognized by the National Office for Science & Technology Awards; the Company obtained 39 software copyrights; nine provincial-level "technologically advanced" enterprises and seven national-level high-tech enterprises were certified.

(III) Competitive edge in green and sustainable development:

The Company seized the strategic opportunity of carbon emission peaking and carbon neutrality, insisted on being the pioneer and leader of "green, recycling and low-carbon" development, formulated the annual Implementation Plan for Green and Low-Carbon Transformation, and established a regular tracking mechanism to ensure the effective implementation of the "carbon neutrality and carbon emission peaking" planning. In combination with the new situation that the cement industry has been included into the national carbon market and the actual situation of the Group, the Company has formulated and issued the Measures for the Management of Carbon Emission Rights, established a supervision and inspection mechanism for energy conservation and carbon reduction, and realized closed-loop management. The Company completed the construction of the Group's "Carbon Neutrality and Carbon Emission Peaking" Informatization Management Platform Phase I and completed the deployment in cement enterprises. The Company explored the carbon asset management mode and participated in the "first day trading" of the national greenhouse gas voluntary emission reduction trading market. The cement enterprises affiliated to the Company revitalized the local surplus carbon quotas to create profits, and realized low-cost performance and the preservation and appreciation of carbon emission rights. The Company continued to optimize the energy structure, and the fuel substitution rate in the cement industry exceeded 11%. The Company built sixteen new photovoltaic projects and realized grid-connected power generation, with an additional installed capacity of 51.47 MW. The ultra-low energy buildings of Shanghai Yangpu Real Estate Project were completed. Jidong Haitian Cement Wenxi Co., Ltd. (冀東海天水泥聞喜有限責任公司) was selected into the list of "leaders" in energy efficiency in national key industries, Jidong Heidelberg (Jingyang) Cement Co., Ltd. (冀東海德堡(涇陽)水泥有限公司) was selected into the list of "leaders" of China industrial carbon emission peaking in 2024, 7 enterprises were selected into the list of national power demand side management demonstration enterprises (parks) in industrial fields, and several enterprises were rated as A-level (leading) enterprises with heavy pollution weather performance. The Company persistently promoted its high-quality development with high standard management, achieving the alignment of economic, social and environmental benefits.

(IV) Competitive edge in industry-finance integration

The Company promoted industry-finance integration to support the development of its main businesses. The Company enhanced its comprehensive strategic cooperation with key financial institutions, continuously innovated financing methods, controlled and reduced the scale of the Company's financing, expanded financing channels, reduced financing costs, ensured the Company's credit adequacy and effectively controlled and reduced the cost of capital usage. The cumulative weighted financing cost of the Company was 3.18%. The Company successfully issued bonds of RMB21.8 billion, and won the 2023 annual "Outstanding Issuer of Industrial Bonds" award issued by Shanghai Stock Exchange. The Company successfully issued five tranches of technology innovation corporate bonds with a total amount of RMB7.5 billion, with the lowest interest rate of 1.99%, setting a new low for the issuance interest rate. The Company successfully issued 10-year corporate bonds for the first time, achieving a new breakthrough in bond issuance. BBMG Finance Co., Ltd. (北京金隅財務有限公司) and BBMG Finance Lease Co., Ltd. (金隅融資租賃有限公司) played a professional role in improving the overall capital operation efficiency of the Company, broadening financing channels and preventing capital risks, thus realizing the organic integration of industrial capital and financial capital. The Company played the role of a platform for listed companies, improved the overall financing efficiency and continuously consolidated the financial foundation for the healthy and sustainable development of the Company. The Company actively implemented the policy of tax reduction and fee reduction, and strove for various fiscal and tax concessions. The Company's issuer credit rating remained AAA, the financing channels were smooth in supporting the development of the main business, and the capital structure was optimized.

(V) Competitive edge in corporate culture and branding:

The core value of BBMG's corporate culture is based on the pragmatic working culture of "work with aspiration, competence, efficiency, success and prudence", the human spirits of "eight specials", the development philosophy of "integration, communion, mutual benefit and prosperity", and the corporate spirits of "three emphasis and one endeavor". We united our minds and efforts and forged ahead to carry forward culture and brand value. The Company followed the instructions of Xi Jinping, general secretary of the Communist Party of China Central Committee, on the building of world-class enterprises with outstanding products and brands, leading innovation and modern governance, facilitated full implementation of the Group's C-end brand strategies and promoted brand upgrading, demonstrating "BBMG" Brand power. "BBMG" Brand has been consecutively honored as a well-known trademark in Beijing. The Company ranked 64th in the list of 2024 (21st) "China's 500 Most Valuable Brands" with a value of RMB127.047 billion. Tiantan decoration brand actively participated in the sponsorship of sports events of China Open, and successfully enhanced its brand awareness through sports marketing strategy. Xincai Group's "folding building" technology has received widespread attention and acclaim inside and outside the industry, enhancing the brand image. Wanghai Innovation Studio of Zhuolu Jinyu Cement Co., Ltd. (涿鹿金隅水泥有限公司) won the title of "National Worker Pioneer". Nine enterprises or departments, including Jidong Cement Bishan Co., Ltd. (冀東水泥璧山有限責任公司), were awarded the titles of provincial and ministerial labor award, advanced collective and worker pioneer respectively. Thirteen employees of BBMG, including Zhao Chang'an, were awarded provincial and ministerial model workers and labor medals respectively. The Company has effectively enhanced the brand image of the Group and demonstrated the responsibilities and feelings of the Company by actively fulfilling its social responsibilities, fulfilling the obligation of rural revitalization and assistance, and carrying out environmental protection actions and public welfare donations. Good brand awareness and reputation have created a good cultural atmosphere and provided intellectual support for creating a new situation of BBMG'd high-quality development.

DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT

(1) Industry Pattern and Trend

In 2024, in the face of the complex and severe situation with increasing external pressures and growing internal challenges, China's economy maintained overall stability while achieving stable progress, and the major objectives and tasks of economic and social development for the year were successfully accomplished. The high-quality development was solidly advanced with new quality productive forces developing steadily, and China's economic strength, technical strength and overall national strength continued to enhance. This fully showed that China's economy has a solid foundation, numerous advantages, robust resilience, great potential, and that the long-term favorable supporting conditions and basic trend remain unchanged.

Facing the complicated and changeable external environment, there are still three opportunities in the building materials and real estate industries.

Firstly, strengthen the expansion of domestic demand and continuously upgrade the strategy. The demands for urban renewal, renovation of old urban residential communities, renovation of villages in cities and improvement of living and inhabiting quality have been effectively released, continuing to promote the upgrading of traditional consumption. Strengthening the expected guidance of the real estate market and promoting the just-needed consumption of high-quality home decoration are conducive to the expected improvement of the building materials and real estate industries in the future and drive demand to bottom out and rebound.

Secondly, the development of a new round of scientific and technological revolution and industrial transformation is accelerating. The digital economy is bringing new impetus to global economic growth, and global economy is in a strategic opportunity period for nurturing and forming new quality productive forces. The application of large-scale models in the field of artificial intelligence has accelerated the updating iteration of new materials, new energy, biotechnology and digital technology, profoundly affecting all aspects of human life. The strong demand for computing power, algorithms and data broke out, accelerating the construction of new infrastructure and spawning new industries, new formats and new models.

Thirdly, adhere to green and low-carbon development and optimize the energy structure. The formation of zero-carbon industrial system in the future is accelerating. The Company's main cement industry is a big carbon emitter, and is the first industry to benefit from the "carbon neutrality and carbon emission peaking". The Company will actively plan new energy projects, vigorously promote the substitution of raw materials and fuel materials, steadily and orderly promote the technological transformation of energy saving and carbon reduction, and accelerate the research on the application of hydrogen energy in industrial decarbonization, making a good technical reserve for carbon neutrality.

(2) The Company's Development Strategy

Guided by the development of the capital in the new era, the Company actively integrates into the new pattern of linkage development of Beijing's "five initiatives", serves the construction of the capital's "four centers", and continues to implement the work requirements of the "One High, Double Win, Three Coordination" (一高雙贏三統籌), aiming to promote the Company to achieve effective improvement in quality and reasonable growth in quantity, continuously improve its core competitiveness and core functions, and stimulate its development vitality and motivation.

Firstly, strengthen, optimize and expand main businesses on an ongoing basis. In terms of the building materials segment, the Company will explore markets externally and reduce costs internally, make solid efforts in the leading role of core regional markets such as the Beijing-Tianjin-Hebei region, create a value highland and take the lead in winning the "war of economic recovery". Besides, the Company will strengthen strategic reorganization and professional integration, improve the resilience of the Group's industrial chain supply chain, and coordinate the mine resource reserves, integration of regional markets, transformation of production lines with no or low efficiency and achievement of production and efficiency targets for new projects. In terms of the property development business, the Company will change the development mode, pay equal attention to improved housing and government-subsidized housing, deeply participate in urban renewal, seize the opportunity of "Three Major Projects" and expand the new path of real estate development. Besides, the Company will comprehensively strengthen the operation capacity of various businesses such as self-owned buildings, hotels, commercial complexes and parks, and continue to improve the service quality.

Secondly, create new quality productive forces for new industrialization. The Company will lead industrial innovation with scientific and technological innovation and promote the deep transformation and upgrading of the industry. The Company will focus on its main responsibilities and main businesses to vigorously develop the new materials industry, and accelerate the construction of a modern industrial system with BBMG's characteristics. The Company will continue to refine the technological innovation mechanism, accelerate the transformation of scientific and technological innovation achievements into real productive forces, and achieve the goal of "constructing good houses and manufacturing good materials". The Company will adhere to green low-carbon development, vigorously promote the replacement of raw and fuel materials, and propel the technological transformation of energy conservation and carbon reduction in an orderly manner, with the aim to build technology reserves for achieving carbon neutrality. The Company will also accelerate the scenario-based innovation of intelligent factories, intelligent parks and digital supply chain, and fuel the transformation and upgrading of traditional industries with digital economy.

Thirdly, improve lean management level. The Company will make more efforts in benchmarking industry-leading enterprises, improve quality in the development of main businesses, tap potential in cost control and expand increment in internal coordination. The company will strengthen cost control and create competitive strength featuring low costs. The Company will further enhance the scientific decision-making level of investment projects to ensure precise and efficient project investments. The Company will also continue to deepen the precise implementation of the reform of state-owned enterprises, and focus on improving its professional capabilities in the control, guidance and services in strategic guidance, layout optimization, resource allocation, capital operation, risk management and control as well as assessment and incentives, etc.

Fourthly, ensure security in the pursuit of development. The Company will adhere to the bottom line thinking, strengthen mechanism construction, and effectively prevent various risks. The Company will strengthen risk management and control of trading business, and continuously improve its capabilities in identifying and preventing non-performing business. The Company will pay close attention to the management of the whole process of bidding and procurement, and consolidate the defense line of compliance. Besides, the Company will closely monitor the fulfillment of safety and environmental protection responsibilities, thoroughly carry out investigation and rectification of hidden dangers in safety and environmental protection, and ensure high-quality development with high-level safety.

Fifthly, insist on exercising full and rigorous governance over the Party Organization and management of enterprises. The Company will strictly implement the "three-important and one-big" decisions, rules and standards, conduct ex ante research, and consolidate Party leadership on all fronts in the improvement of modern corporate governance of state-owned enterprises with Chinese characteristics.

Sixthly, adapt to new development trends rapidly. The Company will further emancipate minds, change traditional views, adapt to the work requirements brought by new trends, new changes and new tasks as soon as possible, strengthen front-line management and carry out researches and studies in a practical way, in a bid to ensure comprehensive resolution of actual problems. The Company will enhance service awareness and build a strong first-class head office. The Company will strengthen work implementation, focus on major conflicts, and make targeted efforts to coordinate all key tasks in an efficient manner. The Company will also carry forward the fighting spirit, and make long, tenacious efforts to tackle long-term and systematic work such as technological innovation, digital intelligent transformation as well as peak carbon dioxide emissions and carbon neutrality.

(3) Business Plan

In 2025, the Group will act on the principle of "seeking progress while maintaining stability, promoting stability through progress, and innovating while upholding integrity", and continue to implement the work requirements of the "One High, Double Win, Three Coordination" (一高雙贏三統籌). With the theme of "Breakthrough Year of High-quality Development", the Group will deepen the reform of state-owned enterprises, strengthen the leading with innovation, build a modern industrial system with BBMG characteristics, and strive to promote new breakthroughs in all the work of the Group, so as to comprehensively complete all the goals and tasks in 2025 with high quality.

(4) Possible risks

1. External environment risk

The external environment facing China's current development is still intricate and complicated, and the profound changes unseen in a century are evolving rapidly in the world. Therefore, maintaining China's economic operation in a reasonable range still faces many challenges. Internationally, China-US conflicts and globalization countercurrents brought uncertainties, and the Company faced higher risks in import and export trade, which affected the product export and overseas investment. Domestically, the large-scale construction was changed to urban renewal, and the operation model was swiftly transformed from B-side to small B-side and C-side; the negative growth as well as aging and birthrate decline of domestic population accelerated, leading to the continuous decrease in the overall demand of building material and real estate industries; and the consumption pattern showed a rational, personal and one-stop convenient trend, resulting in changes in the consumption upgrade structure, and creating new market demand in civilian segments.

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

2. Policy risk

With the further implementation of the national "peak carbon dioxide emissions and carbon neutrality" strategy and the continuous implementation of the corresponding national and local policies, the cement industry has been hit by industrial policies for accelerated elimination of backward production capacity, reduction of coal and electricity consumption, dual control of carbon emissions and adjustment of transportation structure, and the building materials business will be affected to certain extent. The real estate industry policy continued to vigorously push the real estate market to stop falling and stabilize. The Company adjusted and reduced the restrictive measures by implementing different policies in different cities, and intensified the transformation of villages in cities and dilapidated houses, fully releasing the potential of the rigid and improved housing demand. The Company established relevant basic systems in an orderly manner and accelerated the construction of a new model of real estate development. To meet the high-quality living needs of the people, the Company improved the standards and norms, and promoted the construction of safe, comfortable, green and intelligent good houses.

Responses: In view of the above risks, the Company will pay close attention to cement policy changes and industry trends, take scientific and technological innovation as the driving force to promote traditional industries towards low-carbon and high-end development, actively explore new measures for energy conservation, emission reduction and carbon reduction, comprehensively accelerate the pace of green and low-carbon transformation, and reduce carbon emissions through measures such as production capacity replacement, improvement of energy utilization efficiency and improvement of the replacement rate of crude fuel. Besides, the Company will promote the application of advanced energy-saving and environmental protection technologies, and accelerate industrial transformation and upgrading through digital and intelligent transformation, so as to promote the Company's green and low-carbon development. In terms of the real estate business, the Company will deeply analyze real estate-related policies, properly and fully use policy dividends, seize opportunities, adhere to the principle of "manufacturing good materials and building houses", create a new model of real estate business development, actively participate in the construction of government-subsidized housing and urban renewal, revitalize land resources and accelerate collection of funds. The Company will strengthen sales through the "one project, one policy" system to effectively prevent and control operating risks. The Company will further enhance product strengths, and minimize costs to improve profitability through lean management.

3. Capital operation risk

In 2024, the prudent monetary policy was precise and powerful, and the People's Bank of China intensified countercyclical regulation and used monetary policy tools to adjust both the monetary aggregate and the monetary structure. The People's Bank of China continued to increase the support for inclusive finance, green development, scientific and technological innovation, infrastructure construction and other key areas and weak links of the national economy, and comprehensively implemented policies to support coordinated regional development, creating a suitable monetary and financial environment for promoting the overall improvement of economic operation. However, China's macro leverage rate is still high and the risks of local debts and corporate debts are rising. These factors, together with external trade game, RMB depreciation and other factors, are placing greater financial pressure on the manufacturing and real estate industries.

Responses: The Company will continue to optimize the financing structure, expand financing channels, and raise funds at low cost to ensure the safety and stability of the Company's capital chain. The Company will strengthen the process control, carry out the special work of reduction of "accounts receivable and inventory", accelerate de-stocking and reduce accounts receivable. The Company will focus on deleveraging, strengthen the dual control of "debt scale and asset-liability ratio", establish and improve the early warning mechanism of debt risk, and ensure that the asset-liability ratio is controlled at a reasonable level. The Company will strictly control fund expenditure and rationally arrange the use of funds by closely focusing on the two indicators of operating efficiency and net cash flow from operating activities. Besides, the Company will give full play to the advantageous role of BBMG Finance Co., Ltd. (北京金隅財務有限公司) and BBMG Finance Lease Co., Ltd. (金隅融資租賃有限公司) to optimize the debt structure of the Company and protect the overall capital operation of the Company.

4. Market competition risk

In 2024, the cement industry encountered unprecedented difficulties, the effective market demand was weak in general, the selling price of cement and clinkers experienced significant year-on-year decline, and the sales volume also decreased year on year. Although the Company adopted measures to reduce costs and increase efficiency, the cost reduction failed to eliminate the impact of changes in sales volume and selling price, leading to more losses as compared to last year. The growth rate of investment in the real estate industry continued to decline, and the pressure to sell the inventories continued to increase. The real estate industry has changed from the "peak era" to the "quality era", necessitating higher quality of products and services.

Responses: For the cement business, the Company should give play to the leading role of large enterprise, take the lead in implementing regulatory requirements and promote the building of a sound industry ecosystem. The Company will lay a solid foundation for market competition through whole-process lean operation and refined cost management and control, focus on the market traction in core areas such as Beijing, Tianjin and Hebei to create a value highland, and develop differentiated competitive strengths by means of product innovation, service optimization and brand building. The Company will adapt to situation changes by improving the market, strengthening the brand, innovating models and building a capable team. Besides, the Company will develop new quality productive forces and build a modern industry system with digital intelligent transformation and the application of green technologies. For the real estate business, the Company should make full use of favorable policies and efficiently promote de-stocking and fund recovery. The Company will insist on "manufacturing good materials and building good houses", adopt a new model of "combining lease and sales", and pursue the integrated development of government-subsidized housing, commodity housing and commercial properties. By extending the industrial chain, the Company will add modern metropolis service business, focus on the development of long-term rental, commercial properties operation and community property services, and understand customer demand to create a traffic entrance for civilian industries. The Company will also implement mutual empowerment between property development and BBMG's household industry, provide personalized decoration and design services, enhance consumer stickiness and enhance the overall economic benefits of the Company.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2024, the Group's total assets amounted to approximately RMB263,995.7 million, representing a decrease of approximately 2.1% from the beginning of the Reporting Period, of which liabilities amounted to approximately RMB171,878.4 million, minority interests amounted to approximately RMB18,399.8 million and total equity attributable to the shareholders of the parent company amounted to approximately RMB73,717.5 million. Total equity attributable to shareholders amounted to approximately RMB92,117.3 million, representing a decrease of approximately 2.4% from the beginning of the Reporting Period. As at 31 December 2024, the Group's net current assets were approximately RMB36,416.5 million, representing an increase of approximately RMB12,946.9 million from the beginning of the Reporting Period. Debt ratio (total liabilities to total assets) as at 31 December 2024 was approximately 65.1%, representing an increase of approximately 0.1 percentage point from the beginning of the Reporting Period.

As at 31 December 2024, the Group's cash and bank balances amounted to approximately RMB18,292.1 million, representing an increase of approximately RMB960.0 million from the beginning of the Reporting Period. During the Reporting Period, the Group generally financed its operations with internally generated resources, short-term financing bonds, perpetual bonds, corporate bonds, medium-term notes, private bonds and banking facilities provided by its principal bankers in the PRC. As at 31 December 2024, the Group's interest-bearing bank borrowings amounted to approximately RMB89,065.4 million (as at 31 December 2023: approximately RMB75,581.8 million) and bore fixed interest rates. Of these borrowings, approximately RMB38,166.3 million interest-bearing bank borrowings were due for repayment within one year, representing a decrease of approximately RMB326.3 million from the beginning of the Reporting Period. Approximately RMB50,899.1 million interest-bearing bank borrowings were due for repayment after one year, an increase of approximately RMB13,157.2 million from the beginning of the Reporting Period. The Group's interest-bearing bank borrowings were all denominated in RMB.

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

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

1. No profits shall be distributed to the shareholders;

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

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

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

As at the end of the Reporting Period, the Company has strictly complied with and fulfilled the above undertakings.

DISCLOSEABLE TRANSACTIONS DURING THE REPORTING PERIOD

During the Reporting Period, the transaction of the Group that was required to be disclosed was set out as below:

On 1 March 2024, China Asset Management Co., Ltd* (華夏基金管理有限公司) and CITIC Securities Co., Ltd* (中信証券股份有限公司) submitted, among others, the application materials on the registration and listing of infrastructure REITs fund established under the pilot program of the China Securities Regulatory Commission and the National Development and Reform Commission (the "**Publicly Traded REITs**") to the China Securities Regulatory Commission and the Shanghai Stock Exchange. Upon completion of the spin-off and separate listing of the units of Publicly Traded REITs (the "**Spin-off**"), the Publicly Traded REITs will be held as to 35% and 65% by the Company and other public investors respectively. As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Spin-off is more than 5% but less than 25%, the Spin-off will constitute a discloseable transaction of the Company and will be subject to the reporting, announcement requirements under Chapter 14 of the Listing Rules. For details, please refer to the announcement dated 1 March 2024 and the section headed "SPIN-OFF" in this announcement below.

On 25 September 2024, the Company successfully bid for the 11.816% of equity interest in the Tianjin Building Materials Group (Holding) Co., Ltd. (天津市建築材料集團(控股)有限公司) under the equity transaction agreement offered for sale by Tianjin Education Development Investment Co., Ltd. (天津教育發展投資有限公司) ("**Tianjin Education Development Investment**") in the public tender process (the "**Public Tender**") held by Tianjin Property Rights Exchange (the "**Tianjin Property Rights**"). For details, please refer to the section headed "CONNECTED TRANSACTIONS DURING THE REPORTING PERIOD" below.

On 13 December 2024, Tangshan Jidong Cement Co. Ltd. (a joint stock company established in the PRC with limited liability and a non-wholly owned subsidiary of the Company, the "**Purchaser**"), 48 natural persons and Chinese residents (collectively, the "**Seller**") and Shuangyashan Xinshidai

Cement Company Limited (雙鴨山新時代水泥有限責任公司) (a company established in the PRC with limited liability, the "**Target Company**") entered into the equity transaction agreement (the "**Equity Transaction Agreement**"), pursuant to which the Purchaser has conditionally agreed to acquire and the Seller has conditionally agreed to sell 100% of equity interest in the Target Company (the "**Acquisition**") at an aggregate consideration of RMB635,028,600 (the "**Consideration**"), and the Consideration will be funded by internal resources of the Group.

The Consideration is determined based on the appraised value of all equity interests of the Target Company of approximately RMB635,028,600 as at 31 May 2024 (the "**Valuation Benchmark Date**") in the Asset Valuation Report as prepared by the valuer according to the asset-based approach. The Acquisition is conductive to the Company's comprehensive and unified management of the Target Company (the Target Company and its subsidiaries collectively referred to as the "**Target Group**") in terms of the development direction, business objectives, risk prevention and control, etc. The Target Company is based in the eastern area of Heilongjiang Province, with its main sales market in this area. Due to the mountainous barriers, the market is relatively closed and less impacted by external cement and clinker, making it a high-price area in Heilongjiang Province and even the entire Northeast region. The eastern area of Heilongjiang Province forms a market synergy with Jidong area of Heilongjiang Province, where the Company is located and whose market covers the central region of Heilongjiang Province, enhancing the Company's influence in the Heilongjiang market. Furthermore, the Acquisition will prompt other local enterprises to engage in deeper cooperative synergy with the Company in this area, achieving a 1+1>2 effect, which is beneficial for transforming the Company's key market area into a key profit area. Therefore, the Acquisition will enable the Company to exercise control over the Target Company and maximize the development of the Target Company, ultimately benefiting from the development of the Target Company. Considering that (i) the relevant regulatory authorities require that the Acquisition shall be based on fair market value or independent valuation; (ii) the Board has carefully reviewed the relevant basis, legal basis, assumptions and approaches of the aforementioned valuation, which are common and applied to comparable assets acquired and disposed of by other companies; and (iii) the independence, qualification, experience and the track record of the valuer, the Board considers that the valuation is a reasonable estimate of the equity interest in the Target Company as at the Valuation Benchmark Date, and the Consideration is appropriate and fair and reasonable, in the interests of the Company and the shareholders as a whole.

As one or more of the applicable percentage ratios under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") in respect of the Acquisition exceeds 5% but all of the applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules. No Director has a material interest in the Acquisition and none of them is required to abstain from voting on the relevant Board resolution to approve the Acquisition.

For details of the Equity Transaction Agreement and the Acquisition, please refer to the announcement of the Company dated 13 December 2024.

CONNECTED TRANSACTIONS DURING THE REPORTING PERIOD

During the Reporting Period, the connected transactions of the Group were set out as below:

(1) On 29 April 2024, Tangshan Jidong Cement Co., Ltd. ("**Jidong Cement**"), a non-wholly owned subsidiary of the Company, entered into the equity transfer agreement with China-Africa Development Fund Co., Ltd. ("**China-Africa Development Fund**"), pursuant to which, Jidong Cement has conditionally agreed to acquire, and China-Africa Development Fund has conditionally agreed to sell the equity interest (the "**Target Equity**") in China-Africa Jidong Building Materials Investment Co., Ltd. (中非冀東建材投資有限責任公司) (the "**Target Company**") held by it at the consideration of approximately RMB200.1 million. Upon the completion of the equity transfer agreement, the Target Company was a 60% non-wholly owned subsidiary of the Company, and China-Africa Development Fund held the remaining 40% equity interest in the Target Company. As the Target Company is a subsidiary of the Company and China-Africa Development Fund directly holds 40% equity interest in the Target Company, China-Africa Development Fund is a substantial shareholder of the Target Company. Accordingly, China-Africa Development Fund constitutes a connected person of the Company. Therefore, the acquisition constitutes a connected transaction of the Company. As the highest applicable percentage ratio as defined under Rule 14.07 of the Listing Rules in respect of the acquisition in relation to the equity transfer agreement exceeds 0.1% but is less than 5%, pursuant to Rule 14A.76(2)(a) of the Listing Rules, the acquisition is subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Upon acquisition of the Target Equity, Jidong Cement will hold the equity interest of the Target Company and its subsidiary Mamba Cement Co., Ltd. ("**Mamba Cement**"), which shall enable the management right of Mamba Cement to be consistent with its equity interest, improve management and decision-making efficiency and continuously enhance the layout of overseas business of Jidong Cement and the Company. Meanwhile, the subsidiaries of the Target Company can be used as an overseas investment platform to build new production lines or invest in mergers and acquisitions in the African continent and other countries along the "Belt and Road", which will benefit the development of overseas cement business of the Group.

    For details of the acquisition of the Target Equity from China-Africa Development Fund, please refer to the announcement of the Company dated 29 April 2024.

(2) On 25 September 2024, the Company successfully bid for 11.816% of equity interest in Tianjin Building Materials Group (Holding) Co., Ltd. (天津市建築材料集團(控股)有限公司) (a company established in the PRC with limited liability and a 55% non-wholly owned subsidiary of the Company, "**Tianjin Target Company**") (the "**Target Equity**"), offered for sale by Tianjin Education Development Investment in the Public Tender held by the Tianjin Property Rights. Accordingly, on 25 September 2024, the Company and Tianjin Education Development Investment entered into the equity transaction agreement, pursuant to which the Company has agreed to acquire and Tianjin Education Development Investment has agreed to sell the Target Equity (the "**Acquisition of 11.816%**") at the Consideration of RMB979,944,224.19 (the "**Consideration**"), and the Consideration will be funded by internal resources of the Group.

The Consideration was equivalent to the reserve price of the Target Equity in the Public Tender. As the Company is the only bidder, the Consideration was arrived at as a result of successful bidding of the Target Equity. The reserve price was determined based on the valuation report (the "**Valuation Report**") prepared by the valuer in accordance with the asset-based approach by reference to the appraised value of the total equity of Tianjin Target Company of approximately RMB8,293.37 million (the "**Valuation**") as at 30 April 2024 (the "**Valuation Date**"). Since the Tianjin Target Company (the Tianjin Target Company and its subsidiaries collectively referred to as the "**Tianjin Target Group**") is an enterprise which engages in investment management and owns real estate, combined with the purpose of the Valuation and the assets and liabilities of Tianjin Target Company and its subsidiaries, the valuer adopted the asset-based approach to evaluate the Target Equity. Despite the Valuation represented an appreciation of approximately RMB768.71 million or approximately 10.22% over Tianjin Target Company's book value of net assets of approximately RMB7,524.66 million as at the Valuation Date, the Board considered that Tianjin Target Company have a strong development potential since Tianjin Target Company owns a significant amount of fixed assets including land and properties with more than 6 million square metres of self-owned land and more than 1.1 million square metres of self-owned properties located across Tianjin. The Board is of the view that the strong development potential of Tianjin Target Company is constituted by the following four factors. Firstly, with the development of Tianjin and the continuous centralization of economic activities in the PRC, the demand for land in Tianjin is expected to increase, providing a strong support for the growth of Tianjin Target Company's asset scale. Secondly, since the properties of Tianjin Target Company are self-owned properties, Tianjin Target Company will be able to renovate and upgrade the properties in accordance with market demand to attract high quality tenants which will subsequently improve its cashflow. Thirdly, the possession of high-quality land and properties give rise to Tianjin Target Company's market appeal and the Board expects it to attract future cooperation or investment from other companies. Last but not least, Tianjin Target Company could potentially securitize its land and properties and provide support to the financing activities of itself and the Company, and improve the cashflow of itself and the Company. Meanwhile, the controlling interest of the Company in Tianjin Target Group will be further increased, and the Company will obtain more seats on Tianjin Target Group's board of directors and the supervisory board, which is conducive to improving the decision-making power of the major business matters of Tianjin Target Group and ensuring the rapid and effective implementation. It is also conductive to the Company's comprehensive and unified management over Tianjin Target Group in terms of the development direction, business objectives, risk prevention and control, etc. As such, the Acquisition of 11.816% would allow the Company to control and maximize the development of Tianjin Target Company, and ultimately enjoy the benefits arising from Tianjin Target Company's development.

On 26 September 2024, the Company received the "State Property Rights Transaction Certificate" issued by Tianjin Property Rights in relation to the Acquisition of 11.816%. Upon completion of the Acquisition of 11.816%, the Company's equity interest in Tianjin Target Company shall increase from 55% to 66.816%, and Tianjin Target Company will continue to be a non-wholly owned subsidiary of the Company.

As one or more of the applicable percentage ratios of the Listing Rules in respect of the Acquisition of 11.816% exceeds 5% but all of the applicable percentage ratios are less than 25%, the Acquisition of 11.816% constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules. As Tianjin Education Development Investment (holding 45% of equity interest in Tianjin Target Company) is a substantial shareholder of Tianjin Target Company which is in turn a non-wholly owned subsidiary of the Company, therefore, Tianjin Education Development Investment is a connected person of the Company at the subsidiary level. Hence, the Acquisition of 11.816% constitutes a connected transaction under Rule 14A.25 of the Listing Rules. Pursuant to Rule 14A.101 of the Listing Rules, such connected transaction is exempted from the circular, independent financial adviser and shareholders' approval requirements insofar as the Company is concerned if (1) the Board has approved the transaction; (2) the independent non-executive Directors have confirmed that the terms of the transaction are fair and reasonable, the transaction is on normal commercial terms or better and in the interests of the Company and its shareholders as a whole. Accordingly, the Board has approved the Acquisition of 11.816% and the Directors (including the independent non-executive Directors) have confirmed that the terms of the Acquisition of 11.816% are fair and reasonable, the Acquisition of 11.816% is on normal commercial terms or better for the Company. As such, pursuant to Rule 14A.101 of the Listing Rules, the Acquisition of 11.816% is only subject to the reporting and announcement requirements, but is exempted from the circular, independent financial adviser and shareholders' approval requirements under Chapter 14A of the Listing Rules insofar as the Company is concerned.

For details of the Acquisition of 11.816%, please refer to the announcements of the Company dated 30 September 2024 and 5 November 2024.

(3) On 9 December 2024, the Company, Tianjin Education Development Investment and Tianjin Target Company entered into the capital reduction agreement (the “**Capital Reduction Agreement**”) in relation to the reduction of approximately RMB1,001.198 million (the “**Capital Reduction Consideration**”) in the registered capital of Tianjin Target Company by Tianjin Education Development Investment (the “**Capital Reduction**”).

After the completion of the Acquisition of 11.816% and before the Capital Reduction, Tianjin Target Company was a non-wholly owned subsidiary of the Company and is owned as to approximately 66.816% and approximately 33.184% by the Company and Tianjin Education Development Investment, respectively. After the Capital Reduction, the registered capital of Tianjin Target Company reduced from approximately RMB5,082.2235 million to approximately RMB4,081.0254 million, and is owned as to approximately 83.208% and 16.792% by the Company and Tianjin Education Development Investment, respectively. After the Capital Reduction, Tianjin Target Company remains a subsidiary of the Company while Tianjin Education Development Investment remains a substantial shareholder of Tianjin Target Company. After the Capital Reduction, the financial results of Tianjin Target Group continue to be consolidated into the consolidated financial statements of the Group.

The Capital Reduction Consideration is determined based on arm’s length negotiation among the Company, Tianjin Education Development Investment and Tianjin Target Company with reference to the appraised value of Tianjin Target Company as at the Valuation Date. According to the valuation report issued by Beijing Tianjian Xingye Asset Evaluation Co., Ltd., an independent valuer, after the valuation on Tianjin Target Company using asset-based approach, the appraised value of the entire equity interests of shareholders of Tianjin Target Company as at the Valuation Date was approximately RMB8,293.37 million, therefore, 19.70% of the appraised value of the entire equity interests of shareholders is approximately RMB1,633.7933 million. Upon the completion of the Capital Reduction, the Company became the absolute controlling shareholder of Tianjin Target Company and its subsidiaries, and the Company obtained more seats on the board of directors and the supervisory board of Tianjin Target Company and its subsidiaries, which is conducive to improving the decision-making power of the major business matters of Tianjin Target Company and its subsidiaries and ensuring the rapid and effective implementation. It is also conductive to the Company’s comprehensive and unified management over Tianjin Target Company and its subsidiaries in terms of the development direction, business objectives, risk prevention and control, etc. The Directors (including the independent non-executive Directors) of the Company consider that the Capital Reduction Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better to the Group, and the terms thereof are fair and reasonable. Entering into the Capital Reduction Agreement is in the interests of the Company and its shareholders as a whole.

Since the Capital Reduction was conducted within 12 months after the completion of the Acquisition of 11.816%, the previous acquisition and the Capital Reduction were required to be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios under the Listing Rules in respect of the Capital Reduction, whether on standalone basis or when aggregated with the Acquisition of 11.816%, exceeds 5% but is less than 25%, the Capital Reduction constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. Pursuant to Rules 14A.81 and 14A.82 of the Listing Rules, as the Capital Reduction and the Acquisition of 11.816% were entered into or completed within a 12-month period with the same party, the Capital Reduction and the Acquisition of 11.816% were required to be aggregated for the calculation of the relevant percentage ratios to determine the classification of the Capital Reduction. As at the date of the Capital Reduction Agreement, Tianjin Education Development Investment is a substantial shareholder of Tianjin Target Company, therefore, it is a connected person of the Company at the subsidiary level. Hence, the Capital Reduction Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Rule 14A of the Listing Rules. Pursuant to Rule 14A.101 of the Listing Rules, as (i) Tianjin Education Development Investment is a connected person of the Company at the subsidiary level; and (ii) the Board (including the independent non-executive Directors) has confirmed that the terms of the Capital Reduction are based on the fair market value and the independent valuation and are fair and reasonable, and the transactions contemplated thereunder are on normal commercial terms and in the interests of the Company and its shareholders as a whole, therefore, the Capital Reduction is subject to the reporting and announcement requirements, but is exempted from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules. No Director has a material interest in the Capital Reduction and none of them is required to abstain from voting on the relevant Board resolution to approve the Capital Reduction.

For details of the Capital Reduction, please refer to the announcement of the Company dated 31 December 2024.

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

Save as disclosed in the above sections headed "DISCLOSEABLE TRANSACTIONS DURING THE REPORTING PERIOD" and "CONNECTED TRANSACTIONS DURING THE REPORTING PERIOD", the Group had not conducted any substantial acquisition or disposal of subsidiaries, associates or joint ventures that were required to be disclosed during the Reporting Period.

PLEDGE OF ASSETS

As at 31 December 2024, the Group's cash and bank balances and certain inventories, bills receivable, construction in progress, investment properties, land use rights, equity interest and restricted cash arising from pre-sales of properties amounting to RMB32,064.4 million in aggregate (as at 31 December 2023: RMB27,517.9 million) were pledged to secure short-term and long-term loans of the Group, which accounted for approximately 12.1% of the total assets of the Group (as at 31 December 2023: 11.6%).

CONTINGENCIES

Unit: RMB

		As at 31 December 2024	As at 31 December 2023
Provision of guarantee on housing mortgage to third parties	*Note 1*	**5,389,952,018.45**	7,998,223,302.70
Provision of guarantee on loans and others to third parties	*Note 2*	**–**	775,000,000.00
Provision of guarantee on loans and others to related parties	*Note 3*	**388,918,425.70**	608,389,590.51
		5,778,870,444.15	9,381,622,893.21

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

Note 2: Jidong Group, a subsidiary of the Group, provided guarantees with joint obligations on the borrowings of RMB700,000,000.00 for Tangshan Culture & Tourism Investment Group Co., Ltd. (唐山市文化旅遊投資集團有限公司). The guarantee will expire in May 2029.

Note 3: Tangshan Jidong Cement Co., Ltd., a subsidiary of the Group, provided guarantees with joint obligations on six borrowings with an amount of RMB5,000,000.00, RMB10,000,000.00, RMB10,000,000.00, RMB15,000,000.00, RMB15,000,000.00 and RMB20,000,000.00 for Anshan Jidong Cement Co., Ltd., which will expire on 28 May 2025, 28 June 2025, 14 November 2025, 14 October 2025, 16 December 2025 and 16 May 2025, respectively. It also provided guarantees with joint obligations on six borrowings with an amount of RMB50,000,000.00, RMB82,000,000.00, RMB48,000,000.00, RMB60,556,663.00, RMB40,000,000.00 and RMB30,000,000.00 for Tangshan Jidong Qixin Cement Co., Ltd., BBMG Beishui Environmental Protection Technology Co., Ltd., Tangshan Jidong Qixin Cement Co., Ltd., Jinyu Energy-saving Technology (Tianjin) Co., Ltd. (金隅節能科技(天津)有限公司), Yangquan Jidong Cement Co., Ltd. (陽泉冀東水泥有限責任公司) and Yangquan Jidong Cement Co., Ltd., which will expire on 18 November 2025, 19 May 2028, 27 November 2025, 29 September 2032, 21 October 2027 and 20 March 2027.

COMMITMENTS

Unit: RMB

	As at 31 December 2024	As at 31 December 2023
Contracted but not provided for:		
Capital commitments	**617,694,269.02**	917,589,823.48
Property development contracts	**3,304,521,419.90**	5,771,393,707.41
	3,922,215,688.92	6,688,983,530.89

The significant commitments made by the Group as at 31 December 2024 had been duly performed as previously undertaken.

ESTABLISHMENT AND IMPLEMENTATION OF THE INTERNAL CONTROL SYSTEM

The Group implemented the work deployment of deepening the new round of state-owned enterprise reform and upgrading, and promoted enterprises to continuously improve the construction of their internal control management systems and improve their ability to prevent and control major risks, so as to lay a solid foundation for their high-quality development.

Firstly, organize and carry out the activities of "repealing, modifying, formulating, editing and publicizing" systems, and further improve the management system of rules and regulations. On the basis of sorting out the risks of compliance obligations, the Group formulated the annual plan for repealing, modifying and formulating systems, updated 118 pieces of rules and regulations throughout the year, compiled a new edition of rules and regulations, totaling 1.06 million words, and built a rules and regulations system with the structure of "One Core, Two Horizontals and Three Verticals". Besides, the Group innovatively conducted the Group's rules and regulations training class in 2024, and organized various functional departments to give lectures on corporate governance, investment projects, brand management, accounting funds, human resources, production safety, energy conservation and environmental protection, bidding & tendering and procurement, equity management and accountability for illegal operations, thus laying a solid foundation for internal control and compliance management.

Secondly, update and compile the Group's 2024 edition of Internal Control (Compliance) Management Manual, and further optimize the internal control process. The Group innovatively adopted the integrated control mode of internal control and compliance process, comprehensively sorted out the compliance obligations and review points of 267 internal control process links, added 318 tips of compliance review points, standardized and optimized 25 internal control compliance modules and 267 key business control sub-processes, and further embedded the internal control compliance requirements in key process links, so as to improve the actual effect of risk prevention and control.

Thirdly, accelerate the pace of digital intelligence transformation and strengthen the rigid constraints of risk management and control. In 2024, the Group accelerated the pace of digital intelligence transformation. The Group continued to optimize projects such as iterative audit management and financial analysis system, and promoted the construction of information projects such as "peak carbon dioxide emissions and carbon neutrality" management platform, financial sharing and digital archives. The Group strengthened overall planning and intensification, and published a list of common system application, so as to avoid repeated construction of systems. Besides, the Group vigorously promoted the construction of "One Cloud" and "One Network", improved the collaboration efficiency of the information-based system, gradually realized the interconnection and organic integration of the internal control compliance system and the business information system, and empowered business management decisions and implementation activities.

During the Reporting Period, the Group did not have any major defects in internal control.

SPIN-OFF

On 1 March 2024, China Asset Management Co., Ltd* (華夏基金管理有限公司) and CITIC Securities Co., Ltd* (中信証券股份有限公司) submitted, among others, the application materials on the registration and listing of the Publicly Traded REITs to the China Securities Regulatory Commission and the Shanghai Stock Exchange.

The Company chose the underlying assets in the Industrial Park of BBMG Intelligent Manufacturing Workshop in Xisanqi, Haidian District, Beijing (北京市海澱區西三旗金隅智造工場產權一期) as the underlying assets for the issuance of the Publicly Traded REITs. The Company has submitted the PN15 Application to the Stock Exchange in relation to the Spin-off. The Stock Exchange confirmed that the Company might proceed with the Spin-off.

The Spin-off only involved the issuance and listing of the units of the Publicly Traded REITs on the Shanghai Stock Exchange. Upon completion of the Spin-off, the Publicly Traded REITs was held as to 35% and 65% by the Company and other public investors respectively. Considering the Company's indirect control over the Underlying Assets, the financing amount, and the impact on the current asset-liability ratio and net profits as well as opinions of accounts, and the subscription of 35% of the units of the Publicly Traded REITs by the Company, the Publicly Traded REITs would not be consolidated into the consolidated financial statements of the Company. Instead, the financial statements of the Publicly Traded REITs would also be treated as investments in listed securities by the Company.

The Directors consider that the Spin-off will enable the Company to (i) enhance the Company's capital market influence through innovative capital operation models and (ii) broaden investment and financing channels to revitalize existing infrastructure assets.

The Spin-off obtained the approval of registration issued by the China Securities Regulatory Commission on 25 December 2024, and the publicly traded REITs has been listed on the Shanghai Exchange Stock since 26 February 2025. The Spin-off will realize the value of the Company's mature industrial park, further optimize the asset structure and improve the capital turnover efficiency and investment return; and certain proceeds will be invested in other industrial park projects, so as to facilitate a virtuous cycle of the Company's investment in infrastructure business and enhance the sustainable operating ability of the Company.

For further details, please refer to the announcements of the Company dated 1 March 2024 and 26 February 2025.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On 28 March 2025, the senior management of the Company changed accounting estimates in relation to the depreciable life of fixed assets. Such change is expected to have an impact on depreciation expense of the Company in future period, and the specific amount of the impact will be subject to the carrying amount of fixed assets and changed depreciation policy. According to relevant provisions of the Accounting Standards for Business Enterprises, such change is a change in accounting estimate. It will be accounted for using the prospective application method and became effective on 1 January 2025. No retroactive adjustments on the previous financial statements are required.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group had 43,825 employees in total (as at 31 December 2023: 44,885 employees). During the Reporting Period, the aggregate remuneration of the Group's employees (including Directors' remuneration) amounted to approximately RMB7,453.2 million (for the year ended 31 December 2023: RMB7,075.3 million), representing an increase of approximately 5.3%.

The Group deepened the implementation of the "five matching" review mechanism for remuneration, the "annual comprehensive evaluation result" linking mechanism and the "online salary calculation, financial department keeping accounts" payment mechanism. When determining the total salary of a subsidiary, the Group ensures that the per capita income level of the subsidiary matches the "industry, region, position, performance, and corresponding system and mechanism" one by one, and conducts market salary surveys through cooperating with intermediaries and having the subsidiary collect salary data. Based on the economic benefits and the profit-making per capita of the subsidiary, the Group determines the rate of raise or decrease in the per capita salary to determine the total annual salary of the subsidiary. The Group also linked remuneration management to "annual comprehensive evaluation results". The Group has established the Administrative Measures for the Comprehensive Evaluation of Subsidiaries, putting each subsidiary's annual evaluation results into four grades – "Excellent, Good, Qualified, and Poor". Based on the evaluation results, the Group determines the total salary quota for the year, achieving the management goal of linking the evaluation results of subsidiaries to the total salary. All subsidiaries calculate salaries online through the human resources information system and send vouchers through the financial system to achieve online management of the entire process of salary payment. We standardize the salary structure and salary mechanism through systems and supervise the income of employees at all levels and the use of total salary quota of the subsidiaries in real time, so as to avoid unreasonable increases in labor costs of subsidiaries and realize early warning and supervision.

TRAINING SCHEME

The Group thoroughly implemented the work requirements of the "One High, Double Win, Three Coordination" (一高雙贏三統籌), focused on the work theme of the "Efficiency Improvement Year", and deepened the implementation of the strategy of strengthening the enterprise through talents, so as to promote the development and growth of talent team and improvement of the overall quality, and support the high-quality development of the Group. According to the principle of "unified planning, decentralized management and hierarchical responsibility", the Company consolidated the talent training system, deepened and improved the training programs, organized and conducted trainings both online and offline, and created and shared learning resources. In 2024, a total of 3,414 training sessions were conducted for all enterprises, and the number of training participation was 170,000, including 38,000 of which involves operation management training, 45,000 of which involves professional technology training, 66,000 of which involves skilled craftsmen training and 21,000 of which involves the Party and masses training, totaling 1,700,000 courses hours. The annual training coverage rate reached 100%.

The Company held a "Three Gold" talent training class. Focusing on the construction of talent pipeline and personal long-term development, the Company highlighted the improvement of political quality, cultivation of leadership thinking, innovation of management methods and promotion of digital transformation, striving to achieve the goal of fully completing all the tasks in the whole year, building a world-class industrial group and entering the ranks of the world's top 500 companies. The Company organized more than 640 newly employed college graduates with excellent work performance and high comprehensive quality to participate in the Group's "Three Gold" talent training class. This training aimed to further broaden their horizons, strengthen their awareness, and improve their abilities, so that they can use what they have learned to put forward suggestions for the development bottlenecks and stranglehold problems encountered by the Company and turn the learning results into a powerful driving force for the high-quality development of the Company.

In 2024, the Group held 10 sessions of skill level certification training in total, with more than 1,000 participants. Skill certification training aims to cultivate and build a team of high-level skilled personnel, tap and forge the ability of industrial workers, broaden the development channels of front-line employees, strengthen internal strength, seek progress while maintaining stability, and meet the needs of the Company's high-quality development. The training certification is carried out in the form of centralized teaching (theoretical knowledge) + practical exercise (professional skills) + certification assessment. Those who pass the assessment will obtain the vocational skill level certificates and enjoy the subsidy of skilled personnel policy.

EMPLOYEES OF THE PARENT COMPANY AND MAJOR SUBSIDIARIES (AS AT 31 DECEMBER 2024)

	Number of employees
Number of incumbent employees of the parent company	179
Number of incumbent employees of major subsidiaries	43,646
Total number of incumbent employees	43,825

Professional Structure

Category	**Number of employees**
Production staff	22,202
Sales staff	4,491
Technical staff	12,939
Financial staff	1,815
Administrative staff	1,934
Others	444
Total	43,825

Education Level

Category	**Number of employees**
Master's degree and above	1,551
Bachelor's degree	14,592
Junior college	10,401
Technical secondary school and below	17,281
Total	43,825

FOREIGN EXCHANGE RISK MANAGEMENT

The Group mainly operates its business in the PRC. During the Reporting Period, sales proceeds and procurement expenses of the Group were mainly denominated in RMB. Most of the Group's financial instruments such as accounts and bills receivable, cash and bank balances are denominated in the same currency or a currency that is pegged to the functional currency of the operations to which the transactions are related. Accordingly, it is believed that the Group has minimal foreign currency risks. The Group has not used any forward contract or currency borrowing to hedge its interest rate risks. Fluctuations of the exchange rates of foreign currencies did not constitute any major challenges for the Group nor had any significant effects on its operations or working capital during the Reporting Period. However, the management will continue to monitor foreign currency risks and adopt prudent measures as appropriate.

TREASURY POLICIES

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

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

So far as was known to the Directors, as at 31 December 2024, shareholders of the Company who had interests or short positions in the shares and underlying shares of the Company which fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**"), or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Long positions:

Type of shareholding	Name of shareholder	Capacity and nature of interest	Number of shares held	Percentage of such shareholding in the same type of issued share capital (%)	Percentage of total issued share capital (%)
A Shares	Beijing State-owned Capital Operation and Management Company Limited (北京國有資本運營管理有限公司) *(Note 1)*	Direct beneficial owner	4,832,665,938	57.95	45.26
	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality *(Note 1)*	Held by controlled corporation	4,832,665,938	57.95	45.26

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

Pursuant to the overseas regulatory announcement of the Company dated 23 August 2024, during the Reporting Period, Beijing State-owned Capital Operation and Management Company Limited (北京國有資本運營管理有限公司) increased its shareholding by 35,308,366 A Shares of the Company by means of centralized bidding through the Shanghai Stock Exchange due to the implementation of the controlling shareholder's plan to increase its shareholding. Upon the completion of the shareholding increase, Beijing State-owned Capital Operation and Management Company Limited (北京國有資本運營管理有限公司) held 45.26% of the total issued share capital of the Company and 57.95% of the issued share capital of A Shares of the Company.

Save as disclosed above, as at 31 December 2024, so far as was known to the Directors, there were no other parties who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE OFFICER IN SHARES AND UNDERLYING SHARES

As at 31 December 2024, none of the Directors, supervisors or chief executive officer of the Company had an interest or short position in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register of interests required to be kept under section 352 of the SFO, or which will be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

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

As at 31 December 2024, the Directors were not aware of any issues of the Directors, supervisors and relevant employees not in compliance with the Model Code during the Reporting Period. Specific enquiry has been made to all Directors and supervisors, who have confirmed that they had complied with the Model Code during the Reporting Period.

CORPORATE GOVERNANCE CODE

The Company is firmly committed to achieving and maintaining high overall standards of corporate governance and has always recognized the importance of accountability and communication with Shareholders through continuous effort in improving its corporate governance practices and processes. Through the establishment of a quality and effective Board, a comprehensive internal control system and a stable corporate structure, the Company strives to achieve completeness and transparency in its information disclosure, enhance stable operation and consolidate and increase Shareholders' value and profit.

During the Reporting Period, the Company had applied the laws and regulations of the places where it operates its business as well as the regulations and guidelines stipulated by regulatory authorities such as the China Securities Regulatory Commission, the Hong Kong Securities and Futures Commission, the Shanghai Stock Exchange and the Hong Kong Stock Exchange. The Company had applied the principles and complied with all the code provisions of the corporate governance code (the "**CG Code**"), as amended from time to time, set out in Appendix C1 to the Listing Rules during the Reporting Period as its own code on corporate governance practices. During the Reporting Period, the Company had reviewed its corporate governance documents and is of the view that the Company had fully complied with the code provisions of the CG Code.

Looking forward, the Company will continue to review its corporate governance practices and enhance its internal controls and risk management procedures to ensure their consistent application and will continue to improve the practices having regard to the latest developments.

A full description of the Company's corporate governance will be set out in the Corporate Governance section in the annual report for the Reporting Period.

ARTICLES OF ASSOCIATION

During the Reporting Period, the Company did not make any amendments to the articles of association.

BOARD COMPOSITION

The balance of power and authorities is ensured by the operation of the Board and the senior management, which comprise experienced and high caliber individuals. As of the date of this announcement, the Board currently comprises four executive Directors, two non-executive Directors and three independent non-executive Directors. It has a strong independence element in its composition. At present, there is one female Director in the Board of the Company, which meets the minimum requirement of gender diversity of the Board under Rule 13.92 of the Listing Rules.

On 4 March 2025, the Company received a resignation letter from Mr. Yu Fei to tender his resignation as an independent non-executive director of the Company, a member of each of the Audit Committee, the Remuneration and Nomination Committee and the Strategic Committee, with effect from 4 March 2025. Mr. Yu Fei resigned due to his work re-designation.

For details of the above resignation of Mr. Yu Fei, please refer to the announcement of the Company dated 4 March 2025.

AUDIT COMMITTEE

The Company has established the Audit Committee pursuant to the provisions of the CG Code with written terms of reference, aiming at (among other things) reviewing and supervising the Group's financial reporting procedures. As at the date of this announcement, the Audit Committee consists of two non-executive Directors and three independent non-executive Directors. At a meeting convened on 27 March 2025, the Audit Committee reviewed and considered the consolidated financial statements and the internal control audit report of the Group for the Reporting Period. The Audit Committee has also recommended the Board to adopt the Group's consolidated financial statements for the Reporting Period.

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

REMUNERATION AND NOMINATION COMMITTEE

The Company has established the Remuneration and Nomination Committee with written terms of reference. The primary duties of the Remuneration and Nomination Committee are to make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Company, review the performance-based remuneration, ensure that no Director is involved in determining his own remuneration, nominate candidates to fill up any vacancy of the Board, ensure the diversity of the composition of the Board and review the qualification of the candidates. As at the date of this announcement, the Remuneration and Nomination Committee consists of four members, namely Jiang Changlu (executive Director), Liu Taigang (independent non-executive Director), Hong Yongmiao (independent non-executive Director) and Tam Kin Fong (independent non-executive Director). Liu Taigang (independent non-executive Director) is the chairman of the Remuneration and Nomination Committee.

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

During the Reporting Period, the Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This electronic version of this annual results announcement is published on the websites of the Hong Kong Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.bbmg.com.cn/listco). The annual report for the Reporting Period containing all the information required by Appendix 16 to the Listing Rules will be despatched to the shareholders and will be available for review on the same websites in due course. The PRC domestic annual results report for the Reporting Period and its abstract will be released on the website of the Shanghai Stock Exchange (http://www.sse.com.cn) and the website of the Company (http://www.bbmg.com.cn/listco) around the same time as this annual results announcement.

AGM AND CLOSURE OF REGISTER OF MEMBERS

The transfer books and register of members for H Shares of the Company will be closed from Tuesday, 20 May 2025 to Friday, 23 May 2025, both days inclusive, for the purpose of determining entitlements of the Shareholders to attend and vote at the AGM. In order to qualify for the right to attend and vote at the forthcoming AGM of the Company to be held on Friday, 23 May 2025, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 19 May 2025.

Subject to the approval of resolution on approving the final dividend by the Shareholders at the forthcoming AGM, the transfer books and register of members for H Shares of the Company will be closed from Monday, 2 June 2025 to Monday, 9 June 2025, both days inclusive, for the purpose of determining entitlements of the Shareholders to receive the final dividends for the Reporting Period. The final dividend is expected to be distributed on or before Wednesday, 9 July 2025 to the holders of H Shares whose names appear on the register of members on Monday, 9 June 2025. In order to qualify for the right to receive the final dividends for the Reporting Period, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 30 May 2025.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our shareholders, regulators, customers, partners and friends from all walks of life for their continued trust, as well as to the Board and Supervisory Board of the Company for their diligence and hard work, and also to all the staff of the Company for their commitments and dedication. In the new journey, the Company will continue to strive forward to win a better future!

By order of the Board
BBMG Corporation*
Jiang Yingwu
Chairman

Beijing, the PRC
28 March 2025

As at the date of this announcement, the executive directors of the Company are Jiang Yingwu, Gu Yu, Jiang Changlu and Zheng Baojin; the non-executive directors of the Company are Gu Tiemin and Hao Liwei; and the independent non-executive directors of the Company are Liu Taigang, Hong Yongmiao and Tam Kin Fong.