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T J C D
天津建发

天津建设发展集团股份有限公司

Tianjin Construction Development Group Co., Ltd.

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

(Stock Code: 2515)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The Board is pleased to announce the audited consolidated results of the Group for FY2024 together with the comparative audited figures for FY2023 as follows.

The annual results of FY2024 and FY2023 have been prepared in accordance with the applicable requirements of the Listing Rules and the IFRS Accounting Standards and have been reviewed by the Audit Committee. This announcement complies with the relevant requirements of the Listing Rules in relation to information to accompany preliminary announcements of annual results.

FINANCIAL SUMMARY

| | For the year ended 31 December | |
|--|---|----------------|
| | 2024 | 2023 |
| | RMB'000 | RMB'000 |
| Revenue | 302,501 | 319,437 |
| Cost of sales | (227,150) | (239,131) |
| Gross profit | 75,351 | 80,306 |
| Profit before taxation | 23,918 | 46,948 |
| Income tax | (2,168) | (5,903) |
| Profit and total comprehensive income for the year attributable to equity shareholders of the Company | 21,750 | 41,045 |
| Earnings per share | | |
| Basic and diluted (<i>RMB yuan</i>) | 0.11 | 0.27 |

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

We are a construction group based in Tianjin which offers comprehensive construction services. We primarily focus on construction business, comprising (i) municipal public construction works, which mainly include road construction and traffic facilities construction; (ii) foundation works, which mainly include foundation construction and earthworks; (iii) building construction related works which mainly include building renovation and decoration and intelligent building construction; and (iv) petrochemical engineering works, which mainly include filling station upgrading and renovation, pipe installation and oil tank overhaul projects. Our customers mainly include government authorities, state-owned enterprises and private enterprises. We are committed to the application of our self-developed Jiexiao System, a comprehensive construction management software equipped with multiple functions including cost monitoring, progress measuring and resources tracking, to provide quality construction services to our customers.

During the Reporting Year, we conducted 39 construction projects. As of 31 December 2024, we had a total of 47 ongoing projects (including projects in progress and projects undertaken by us but not yet commenced) with a total contract amount (excluding variation orders) of approximately RMB513.7 million.

For FY2024, the Group's revenue amounted to approximately RMB302.5 million, representing a decrease of approximately RMB16.9 million or 5.3% from approximately RMB319.4 million for FY2023.

Future Outlook

The year 2024 presents significant challenges for construction enterprises. Recently, we have experienced a relatively slower tendering process for our construction business which adversely affected our financial performance for FY2024 and may continue to adversely affect our financial position in the future. In light of the challenging and complex industry conditions, we remain committed to maintaining a prudent and proactive operational approach. We believe it is crucial to leverage our research and development capabilities in the construction sector, implement our self-developed Jixiao System, and enforce strict cost control on projects.

The year 2024 marks the first year of the listing of our H Shares on the Stock Exchange and is a pivotal year for our business expansion. As China's urbanisation strategy progresses, the construction industry is expected to see increased demand, presenting us with both opportunities and challenges. 2024 is a crucial year for the implementation of China's "Five-Year Action Plan for Human-Centered New Urbanization". Key initiatives, such as renovating old urban communities, accelerating the construction of affordable housing, enhancing urban flood management, implementing urban lifeline safety projects, and promoting the development of green smart cities, will create more market opportunities in the construction sector. We aim to leverage our established reputation in Tianjin's construction industry, utilising our brand and industry experience to seize market opportunities and further increase our market share. Meanwhile, we believe that by expanding our construction business outside Tianjin, actively developing the petrochemical sector, and exploring diverse cooperation and business models, we will support our future growth and development.

Financial Review

Revenue

The Group generated revenue predominantly from our construction business. During FY2024, our total revenue amounted to approximately RMB302.5 million, representing a decrease of approximately RMB16.9 million or 5.3% from approximately RMB319.4 million for FY2023, which was mainly due to the decrease in the average contract amounts of construction projects as compared to that of FY2023.

Set forth below is a breakdown of revenue by types of construction services during the Reporting Year:

| | Year ended 31 December | |
|--|------------------------|---------|
| | 2024 | 2023 |
| | RMB'000 | RMB'000 |
| Municipal public construction works | 70,692 | 186,201 |
| — Traffic facilities construction | 21,160 | 43,980 |
| — Road construction | 49,532 | 142,221 |
| Foundation works | 100,097 | 83,265 |
| — Foundation construction | 96,326 | 38,027 |
| — Earthwork | 3,771 | 45,238 |
| Building construction related works | 92,666 | 41,155 |
| Petrochemical engineering works | 38,952 | 8,195 |
| Other⁽¹⁾ | 94 | 621 |
| Total | 302,501 | 319,437 |

Note:

- (1) Our other revenue included service income generated from the provision of software services such as usage of the Jiexiao System. We provide software services in relation to the Jiexiao System to external parties such as our suppliers and other market users while charging them with platform subscription fee and other services fee.

Municipal public construction works

During FY2024, our revenue derived from municipal public construction works amounted to approximately RMB70.7 million, representing a decrease of approximately RMB115.5 million, or approximately 62.0%, from approximately RMB186.2 million for FY2023. This was mainly due to the completion of the Tianjin Binhai New Area No. 10 Wangzi East District Bulk Cargo Yard Project* (天津市濱海新區10號汪子東區散貨堆場項目) in 2023, as well as a decrease in the contract value of road and transportation infrastructure projects undertaken during the Reporting Year.

Foundation works

During FY2024, our revenue derived from foundation works amounted to approximately RMB100.1 million, representing an increase of approximately RMB16.8 million, or approximately 20.2%, from approximately RMB83.3 million for FY2023. This was mainly due to the revenue recognition of approximately RMB 42.3 million from the professional subcontracting of the Tianjin Binhai Tang (Gua) 2023-4 Plot Project* (津濱塘(掛)2023-4號地塊項目) during the Reporting Year.

Building construction related works

During FY2024, our revenue derived from building construction related works amounted to approximately RMB92.7 million, representing an increase of approximately RMB51.5 million, or approximately 125.0%, from approximately RMB41.2 million for FY2023. This was mainly due to the revenue recognition of approximately RMB 37.8 million from a construction project in Tianjin Binhai New Area in the second half of the Reporting Year, and approximately RMB 18.8 million from the Renovation Project of the Tanggu Machinery Equipment Manufacturing Plant in Tianjin Binhai New Area* (天津市濱海新區塘沽機械設備製造廠改建項目) during the Reporting Year.

Petrochemical engineering works

During FY2024, our revenue derived from petrochemical engineering works amounted to approximately RMB39.0 million, representing an increase of approximately RMB30.8 million, or approximately 375.6%, from approximately RMB8.2 million for FY2023. This was mainly due to the revenue recognition of approximately RMB 13.2 million from a LNG construction project in the first half of the Reporting Year, and approximately RMB 21.1 million from an EPC project for the oil and gas recovery incineration unit* (油氣回收焚燒裝置EPC工程項目) and pressure pipeline project (壓力管道項目) in the second half of the Reporting Year.

Other

During FY2024, our revenue derived from other business activities amounted to approximately RMB0.1 million, representing a decrease of approximately RMB0.5 million, or approximately 83.3%, from approximately RMB0.6 million for FY2023. This was mainly due to the decline in service revenue from providing software services, such as the Jiexiao system.

Cost of Sales

During FY2024, the Group's cost of sales was approximately RMB227.2 million, representing a decrease of approximately RMB11.9 million, or approximately 5.0%, from approximately RMB239.1 million for FY2023, which was in line with the decrease in our revenue for the Reporting Year.

Gross Profit and Gross Profit Margin

As a result of the above, gross profit decreased by approximately RMB4.9 million or approximately 6.1% from approximately RMB80.3 million for FY2023 to approximately RMB75.4 million for FY2024. Gross profit margin decreased from approximately 25.1% for FY2023 to approximately 24.9% for FY2024.

Operating and Administrative Expenses

The operating and administrative expenses of the Group mainly consist of R&D costs, staff costs, depreciation of property, plant and equipment, office costs, entertainment and travel expenses, utility fee and others. During FY2024, the Group's administrative expenses amounted to approximately RMB38.5 million, representing an increase of approximately RMB9.7 million, or approximately 33.7%, from approximately RMB28.8 million for FY2023, mainly due to more travel and entertainment expenses incurred during the Reporting Year for business development.

Impairment Losses on Trade Receivables, Lease Receivables, Other Receivables and Contract Assets

During FY2024, the Group recorded an impairment losses on trade receivables, lease receivables and other receivables and contract assets of approximately RMB14.6 million, representing an increase of approximately RMB9.3 million or 175.5%, from approximately RMB5.3 million for FY2023, which was mainly due to the impairment provision for long-aged trade receivables.

Finance Cost

Our finance cost mainly consists of interest on bank loans and other borrowings. During FY2024, the Group's finance costs amounted to approximately RMB1.6 million, representing an increase of approximately RMB1.2 million as compared to RMB0.4 million for FY2023. Such increase was mainly due to the increase in bank loans.

Income Tax Expense

During FY2024, the Group recorded income tax expense of approximately RMB2.2 million, while the income tax expense for FY2023 was approximately RMB5.9 million. This was in line with the decrease in taxable profit during the Reporting Year.

Net Profit

As a result of the foregoing, the net profit of the Company decreased by approximately RMB19.2 million or 46.8% from approximately RMB41.0 million for FY2023 to approximately RMB21.8 million for FY2024.

Liquidity, Financial Resources and Capital Structure

As of 31 December 2024, the Group's cash and cash equivalents amounted to approximately RMB19.6 million. The Group monitors and maintains cash and cash equivalents to a level that management believes to be sufficient to meet the Group's operating needs.

As of 31 December 2024, the Group had current assets of RMB640.3 million (31 December 2023: RMB491.3 million), representing an increase of approximately RMB149.0 million, mainly due to an increase of approximately RMB137.6 million in trade receivables and contract assets. The Group had current liabilities of RMB379.2 million (31 December 2023: RMB331.1 million), representing an increase of approximately RMB48.1 million mainly due to the increase in trade payables and bank loans. The current ratio was 1.7 at 31 December 2024 as compared with 1.5 at 31 December 2023, equals to total current assets divided by total current liabilities as of the end of the period.

As of 31 December 2024, the Group's indebtedness increased from approximately RMB20.2 million as at 31 December 2023 to approximately RMB43.1 million as at 31 December 2024. Our gearing ratio increased from approximately 8.9% as at 31 December 2023 to approximately 12.1% as at 31 December 2024, mainly due to the increase in total bank loans. As of 31 December 2024, the Group had bank loans of RMB40.0 million (31 December 2023: RMB20.0 million).

The Group has adopted a policy to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. The Board closely monitors and manages, among other things, the level of trade and bills receivables and contract assets to that of the trade and bills payables, and the settlement rate of trade and bill payables, diligently reviews cash flow requirements and assesses the Group's ability to meet debt repayment schedule and adjust the Group's investment and financing to ensure the sufficiency working capital.

The H Shares have been listed on the Stock Exchange since the Listing Date. There has been no change in the capital structure of the Company since the Listing Date and up to 31 December 2024. The capital of the Company comprises ordinary shares including Unlisted Shares and H Shares.

Capital Expenditures

During the Reporting Year, the Group's capital expenditures amounted to approximately RMB2.9 million, which primarily consist of expenditures on acquisitions of property and procurement of plants and equipment in the course of our operation. We funded our capital expenditure requirements during the Reporting Year mainly from cash generated from financing activities.

Trade Receivables

As of 31 December 2024, the Group's trade receivables amounted to approximately RMB291.0 million, representing an increase of approximately RMB58.5 million from approximately RMB232.5 million as of 31 December 2023, mainly due to longer trade receivables collection process.

Trade and Bills Payables

As of 31 December 2024, the Group's trade and bills payables amounted to approximately RMB298.8 million, representing an increase of approximately RMB23.0 million from approximately RMB275.8 million as of 31 December 2023, mainly due to a slowdown in payments during the year, which was caused by delayed collections.

Prepayments, Deposits and Other Receivables

As of 31 December 2024, the Group's prepayments, deposits and other receivables amounted to approximately RMB23.5 million, representing a decrease of approximately RMB1.5 million, from approximately RMB25.0 million as of 31 December 2023, mainly due to the transfer of prepayments for costs incurred in connection with the issuance of the Company's H shares into the capital reserve account under equity, partially offset by an increase in deposits for construction contract's bidding and performance.

EMPLOYEES AND REMUNERATION POLICIES

As of 31 December 2024, we had 110 full-time employees, all of whom were located in the PRC (31 December 2023: 114 employees).

The following table sets out the number of employees of our Group by job function:

| Functions | Numbers of employees |
|--|----------------------|
| General management | 12 |
| Project department ⁽¹⁾ | 30 |
| Marketing department | 5 |
| Procurement department | 3 |
| Finance department | 4 |
| Safety and environmental protection department | 2 |
| R&D department | 43 |
| Human resources and administrative department | 8 |
| Business contract department | 3 |
| | <hr/> |
| Total | <hr/> <hr/> 110 |

Note:

- (1) Our project department consists of, among others, three project teams and a project management team.

The Group engages subcontractors to provide labour services for our construction projects and generally does not employ any construction workers. Employees were generally recruited from the open market by placing job advertisements. The Group offers competitive remuneration packages to our employees and provides regular and ad-hoc training courses for the employees to ensure their competency and to keep them abreast of the latest developments and best practices in the industry so as to enhance their performance. During FY2024, the total staff costs incurred were approximately RMB19.8 million (FY2023: RMB19.8 million).

As part of our human resources strategies, we are committed to establishing a competitive and fair remuneration and benefits system. Compensation for our employees typically consists of remuneration and performance-based bonus. In terms of performance and remuneration, the Group conducts monthly and annual appraisals of employees based on the Performance Management System (績效管理制度) and the Measures for the Assessment of the Completion of Work Tasks (工作任務完成情況考核辦法), and the appraisal results will directly affect the amount of the employee's performance-based wages and future salary adjustments. We also make contributions

to social welfare contribution for our employees, including basic pension, medical, unemployment, work injury and maternity insurance in accordance with relevant PRC laws and regulations. All employees work five days per week and are provided with welfare leaves such as marriage leave, maternity/paternity leave, paid annual leave and medical treatment period for sickness or non-work-related injuries, in addition to statutory holidays. Meanwhile, the Group also carries out a variety of employee care activities, including: (i) annual meeting, monthly birthday parties and staff reunion activities; (ii) basketball game, photo contest, badminton match, essay competition and other recreational and sports activities; and (iii) additional leave for female employees and employees with children under 14 years of age on Women's Day and Children's Day, respectively.

Our Group provides necessary induction training and timely on-the-job training for its employees based on its business needs to help them to be competent for professional and technical skills work and daily project work management. Our Group encourages its employees to become multi-talented and to achieve diversified growth through professional skills advancement training, cross-field skills training, and middle and senior management skills training.

CHARGE OF ASSETS

As of 31 December 2024, the Group did not pledge any assets as collateral for bank borrowings or any other financing activities (31 December 2023: Nil).

CONTINGENT LIABILITIES

Details of the Group's contingent liabilities as at 31 December 2024 are set out in Note 15 in the section headed "Financial Information" in this announcement.

SHARE PLEDGE

During the Reporting Year, there is no pledge by our Controlling Shareholders of their interests in the Shares to secure the Company's debts or to secure guarantees or other support of its obligation before the Listing.

BORROWING AND GEARING RATIO

As of 31 December 2024, the Group had interest-bearing bank loans of approximately RMB40.0 million (31 December 2023: RMB20.0 million).

As of 31 December 2024, our gearing ratio, calculated as total bank loans divided by total equity as of the end of the Reporting Year, was approximately 12.1% (31 December 2023: 8.9%).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

For the year ended 31 December 2024, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As of 31 December 2024, save as disclosed in the section headed “Future Plans and Use of Proceeds” of the Prospectus, we did not have plans for material investments and capital assets.

EXPOSURE TO FLUCTUATIONS IN FOREIGN EXCHANGE RATES

The Group’s business operations are conducted in the PRC with most of the transactions settled in RMB, being the Group’s functional currency. The Board considers that the Group’s business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities of the Group that are denominated in currencies other than the respective functional currencies of the Group’s entities.

During the Reporting Year, the Group neither took part in any derivatives activities nor entered into any hedging activities in respect of foreign exchange risk.

SHARE SCHEME

During the period from the Listing Date up to 31 December 2024, the Group has no share scheme.

SIGNIFICANT INVESTMENT AND MATERIAL EVENT DURING THE REPORTING YEAR

Save as disclosed in this announcement and the Prospectus, the Board is not aware of any significant investment and events which could have a material impact on our operating and financial performance since the Listing Date and up to 31 December 2024.

FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

(Expressed in Renminbi (“RMB”))

| | | 2024 | 2023 |
|---|------|------------------|------------------|
| | Note | RMB'000 | RMB'000 |
| Revenue | 4 | 302,501 | 319,437 |
| Cost of sales | | <u>(227,150)</u> | <u>(239,131)</u> |
| Gross profit | | 75,351 | 80,306 |
| Other net income | | 3,335 | 1,141 |
| Operating and administrative expenses | | (38,526) | (28,789) |
| Impairment losses on trade receivables, lease receivables, other receivables and contract assets | 5 | <u>(14,614)</u> | <u>(5,344)</u> |
| Profit from operations | | 25,546 | 47,314 |
| Finance costs | 6(a) | <u>(1,628)</u> | <u>(366)</u> |
| Profit before taxation | 6 | 23,918 | 46,948 |
| Income tax | 7 | <u>(2,168)</u> | <u>(5,903)</u> |
| Profit and total comprehensive income for the year attributable to equity shareholders of the Company | | <u>21,750</u> | <u>41,045</u> |
| Earnings per share | | | |
| Basic and diluted (RMB yuan) | 8 | <u>0.11</u> | <u>0.27</u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

(Expressed in RMB)

| | <i>Note</i> | 2024 RMB'000 | 2023 <i>RMB'000</i> |
|---|-------------|-------------------------------|------------------------|
| Non-current assets | | | |
| Property, plant and equipment | | 44,684 | 45,384 |
| Investment properties | | 8,403 | 8,739 |
| Right-of-use assets | | 3,296 | 266 |
| Lease receivables | | 6,123 | 6,371 |
| Deferred tax assets | | 6,628 | 4,334 |
| Other non-current assets | | 953 | — |
| | | 70,087 | 65,094 |
| Current assets | | | |
| Inventories | | 1,774 | 282 |
| Contract assets | 9 | 300,456 | 221,275 |
| Trade receivables | 10 | 290,965 | 232,497 |
| Lease receivables | | 1,530 | 1,473 |
| Prepayments, deposits and other receivables | 11 | 23,490 | 25,010 |
| Restricted bank deposits | | 2,452 | 4,369 |
| Cash and cash equivalents | | 19,601 | 6,422 |
| | | 640,268 | 491,328 |

| | | 2024 | 2023 |
|--|-------------|-----------------------|-----------------------|
| | <i>Note</i> | <i>RMB'000</i> | <i>RMB'000</i> |
| Current liabilities | | | |
| Trade and bills payables | 12 | 298,805 | 275,784 |
| Contract liabilities | | 916 | 749 |
| Accrued expenses and other payables | 13 | 35,212 | 27,797 |
| Lease liabilities | | 802 | 81 |
| Bank loans | | 40,000 | 20,000 |
| Income tax payable | | 3,443 | 6,682 |
| | | 379,178 | 331,093 |
| Net current assets | | 261,090 | 160,235 |
| Total assets less current liabilities | | 331,177 | 225,329 |
| Non-current liabilities | | | |
| Lease liabilities | | 2,301 | 142 |
| Net assets | | 328,876 | 225,187 |
| CAPITAL AND RESERVES | | | |
| Share capital | | 215,795 | 161,845 |
| Reserves | | 113,081 | 63,342 |
| TOTAL EQUITY | | 328,876 | 225,187 |

NOTES

(Expressed in RMB unless otherwise indicated)

1 CORPORATE INFORMATION

Tianjin Construction Development Group Co., Ltd. (天津建设发展集团股份公司, the “**Company**”) (formerly known as Shanshengyuan Construction Co., Ltd. (山盛源建设有限公司), Tianjin Shanshengyuan Construction Co., Ltd. (天津山盛源建设有限公司), and Tianjin Tianjin Binhai New Area Shanshengyuan Municipal Engineering Co., Ltd. (天津市滨海新区山盛源市政工程有限公司)) was established in the People’s Republic of China (the “**PRC**”) on 4 November 2010 as a limited liability company under the laws of the PRC and was converted into a joint stock limited liability company on 6 June 2023. The Company’s H shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 23 April 2024.

The Company and its subsidiaries (together, the “**Group**”) are principally engaged in construction businesses.

2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board (“**IASB**”). These financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). Material accounting policies adopted by the Group are disclosed below.

The IASB has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries.

The functional currency of the Company and its subsidiaries is RMB and the consolidated financial statements are presented in RMB.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis.

For the year ended 31 December 2024, the Group had net cash used in operating activities of RMB103,073,000. Notwithstanding the above condition, the directors of the Company consider that there are no material uncertainties related to events or conditions which, individually or collectively, may cast significant doubt on the Group’s ability to continue as a going concern. Management of the Group had prepared a cash flow forecast of the Group for at least the next twelve months from 31 December 2024, which has taken into account the following:

- The Group continues to improve its operating cash flows by accelerating the progress billings and collection of trade receivables, actively participating in bidding, and negotiating with suppliers on payment terms;

- The Group continues the negotiations with various banks to renew the short-term bank loans upon maturity and/or provide additional bank facilities to the Group; and
- Mr. Wang Wenbin (the ultimate controlling party) has committed to provide the necessary financial support, including but not limited to continue to provide guarantees to the bank loans of the Group upon maturity and provide additional borrowing facilities to the Group.

Based on the cash flow forecast of the Group prepared by the management, the directors of the Company are of the opinion that the Group will have adequate funds to meet its liabilities as and when they fall due for at least twelve months from the end of the reporting period. Accordingly, the directors of the Company consider it is appropriate to prepare the consolidated financial statements on a going concern basis.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to IFRS Accounting Standards issued by the IASB to these financial statements for the current accounting period:

- Amendments to IAS 1, *Presentation of financial statements — Classification of liabilities as current or non-current* (“**2020 amendments**”) and amendments to IAS 1, *Presentation of financial statements — Non-current liabilities with covenants* (“**2022 amendments**”)
- Amendments to IFRS 16, *Leases — Lease liability in a sale and leaseback*
- Amendments to IAS 7, *Statement of cash flows* and IFRS 7, *Financial instruments: Disclosures — Supplier finance arrangements*

None of these developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The Group is principally engaged in construction businesses in the PRC.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by timing of revenue recognition is as follows:

| | 2024 <i>RMB'000</i> | 2023 <i>RMB'000</i> |
|--|------------------------|------------------------|
| Revenue from contracts with customers within the scope of IFRS 15 | | |
| Disaggregated by timing of revenue recognition | | |
| — Overtime | 296,120 | 308,299 |
| — Point in time | <u>6,381</u> | <u>11,138</u> |
| | <u>302,501</u> | <u>319,437</u> |

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The following table includes the aggregated amounts of the transaction price allocated to the remaining performance obligations under the Group's existing construction contracts. The transaction price does not include any estimated amounts of completion bonuses that the Group may earn in the future by meeting the conditions set out in the Group construction contracts with customers, unless at the reporting date it is highly probable that the Group will satisfy the conditions for earning those bonuses. The Group will recognise the expected revenue in future when or as the work is completed, which is expected to occur over the next 12 months.

| | 2024 <i>RMB'000</i> | 2023 <i>RMB'000</i> |
|--|------------------------|------------------------|
| Remaining performance obligations expected to be satisfied | <u>136,676</u> | <u>83,194</u> |

(b) Segment reporting

IFRS 8, *Operating Segments*, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the Group's chief operating decision maker for the purpose of resources allocation and performance assessment. On this basis, as for the purpose of making decisions about resources allocation and performance assessment, the Group's management reviews on the operating results of the Group as a whole, the Group has determined that it only has one operating segment during the reporting period.

The Group does not have assets or operation outside the PRC. The Group's revenue is generated from customers in the PRC. Accordingly, no segment analysis based on geographical locations of the customers and assets is provided.

5 IMPAIRMENT LOSSES ON TRADE RECEIVABLES, LEASE RECEIVABLES, OTHER RECEIVABLES AND CONTRACT ASSETS

| | 2024 | 2023 |
|--|-----------------------|----------------|
| | <i>RMB'000</i> | <i>RMB'000</i> |
| Impairment losses on trade receivables | 6,827 | 672 |
| Impairment losses/(reversal of impairment losses) on lease receivables | 2 | (66) |
| Impairment losses on contract assets | 7,514 | 7,406 |
| Impairment losses/(reversal of impairment losses) on prepayments, deposits and other receivables | 271 | (2,668) |
| | 14,614 | 5,344 |

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Finance costs

| | 2024 RMB'000 | 2023 RMB'000 |
|--|-----------------|-----------------|
| Interest on bank loans and lease liabilities | <u>1,628</u> | <u>366</u> |

(b) Staff costs

| | 2024 RMB'000 | 2023 RMB'000 |
|--|-----------------|-----------------|
| Salaries, wages and other benefits | 17,482 | 17,654 |
| Contributions to defined contribution retirement schemes (<i>Note</i>) | <u>2,293</u> | <u>2,146</u> |
| | <u>19,775</u> | <u>19,800</u> |

Note: The employees of the subsidiaries of the Group participate in defined contribution retirement benefit scheme managed by the local government authorities, whereby these subsidiaries are required to contribute to the schemes during the reporting period. Employees of these subsidiaries are entitled to retirement benefits, calculated based on a percentage of the average salaries level in the PRC, from the above-mentioned retirement scheme at their normal retirement age.

The Group has no further obligation for payment of other retirement benefits beyond the above contributions. Contributions to the scheme vest immediately, there is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

(c) Other items

| | 2024 RMB'000 | 2023 RMB'000 |
|--|-----------------|-----------------|
| Depreciation of property, plant and equipment | 3,571 | 3,775 |
| Depreciation of investment properties | 336 | 304 |
| Depreciation of right-of-use assets | 811 | 12 |
| Research and development costs | 10,983 | 8,309 |
| Professional service fee in connection with the proposed initial public offering of the Company's H Shares | 959 | 331 |
| Auditor's remuneration | 2,100 | — |
| Cost of inventories | <u>118,439</u> | <u>68,775</u> |

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

| | 2024 RMB'000 | 2023 RMB'000 |
|---|-----------------|-----------------|
| Current tax | | |
| Provision for the year | 4,462 | 8,001 |
| Deferred tax | | |
| Origination and reversal of temporary differences | (2,294) | (2,098) |
| | <u>2,168</u> | <u>5,903</u> |

(b) Reconciliation between tax expense and accounting profit at applicable tax rates

| | 2024 RMB'000 | 2023 RMB'000 |
|--|-----------------|-----------------|
| Profit before taxation | <u>23,918</u> | <u>46,948</u> |
| Expected tax on profit before taxation, calculated at the rate applicable to profits (<i>Note (i)</i>) | 5,980 | 11,737 |
| Tax effect of non-deductible expenses | 413 | 168 |
| Tax effect of unused tax losses and deductible temporary differences not recognised | 349 | 505 |
| Tax effect of utilisation of prior years' unused tax losses previously not recognised | (16) | (73) |
| Tax effect on additional deduction of research and development costs (<i>Note (iii)</i>) | (2,796) | (2,143) |
| Effect of preferential tax rate and tax concessions (<i>Note (ii)</i>) | (1,762) | (4,291) |
| Income tax expense | <u>2,168</u> | <u>5,903</u> |

Notes:

- (i) The Company and the subsidiaries of the Group established in the PRC are subject to the PRC Corporate Income Tax rate of 25% for the year ended 31 December 2024 (2023: 25%).
- (ii) The PRC Corporate Income Tax Law allows enterprises to apply for certificate of “High and New Technology Enterprise” (“HNTe”), which entitles the qualified companies to a preferential income tax rate of 15%, subject to fulfilment of the recognition criteria.

The Company was qualified as a HNTe and entitled to the preferential tax rate of 15% for the year ended 31 December 2024 (2023:15%).
- (iii) According to the relevant tax rules in the PRC, qualified research and development expenses are allowed for additional tax deduction based on 100% of the relevant expenses for the year ended 31 December 2024 (2023:100%).

8 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of the basic earnings per share is based on the profit attributable to ordinary equity owners/shareholders of the Company of RMB21,750,000 (2023: RMB41,045,000) and the weighted average number of 199,138,055 ordinary shares (2023: 152,614,092 shares) in issue or deemed to be in issue during the year.

The Company was converted into a joint stock limited liability company and issued 150,000,000 shares with a par value of RMB1 each on 5 June 2023. For the purpose of computing basic earnings per share, the weighted average number of ordinary shares deemed to be in issue before the Company's conversion into a joint stock limited liability company was determined assuming the conversion into joint stock limited liability company had occurred on 1 January 2023.

The calculation of the weighted average number of ordinary shares is as follows:

| | 2024 | 2023 |
|--|-----------------------------|-----------------------------|
| | <i>Number of shares</i> | <i>Number of shares</i> |
| Ordinary shares in issue/deemed to be in issue at 1 January | 161,844,749 | 150,000,000 |
| Effect of ordinary shares issued | – | 2,614,092 |
| Effect of ordinary shares issued upon initial public offerings | 37,293,306 | – |
| | <hr/> | <hr/> |
| Weighted average number of ordinary shares in issue/deemed to be in issue | <u>199,138,055</u> | <u>152,614,092</u> |

(b) Diluted earnings per share

There were no dilutive potential shares outstanding during the years ended 31 December 2024 and 2023. Hence, the diluted earnings per share is the same as basic earnings per share.

9 CONTRACT ASSETS

(a) Contract assets

| | 2024 <i>RMB'000</i> | 2023 <i>RMB'000</i> |
|---|------------------------|------------------------|
| Contract assets | | |
| Arising from performance under construction contracts — due from third parties | 321,823 | 235,128 |
| Less: loss allowance | <u>(21,367)</u> | <u>(13,853)</u> |
| | <u>300,456</u> | <u>221,275</u> |
| Trade receivables from contracts with customers within the scope of IFRS 15, which are included in “Trade receivables” (<i>Note 10</i>) | <u>290,965</u> | <u>232,497</u> |

The Group’s construction contracts include payment schedules which require stage payments over the construction period once milestones are reached. These payment schedules prevent the build-up of significant contract assets. The contract assets that could be billed and settled within one year according to terms of the contracts with customers are classified as current assets. Otherwise, the contract assets are classified as non-current assets.

Notwithstanding the terms of the contracts with customers, the directors consider that all of the amounts are expected to be billed within one year as at 31 December 2024, except for the amounts of RMB130,935,000 (31 December 2023: RMB95,726,000), which are expected to be billed after more than one year.

10 TRADE RECEIVABLES

| | 2024 <i>RMB'000</i> | 2023 <i>RMB'000</i> |
|---|------------------------|------------------------|
| Trade receivables for contract work due from: | | |
| — third parties | 313,788 | 248,493 |
| Less: loss allowance | <u>(22,823)</u> | <u>(15,996)</u> |
| | <u>290,965</u> | <u>232,497</u> |

Ageing analysis

The ageing analysis of trade receivables based on the invoice date and net of loss allowance, are as follows:

| | 2024 <i>RMB'000</i> | 2023 <i>RMB'000</i> |
|---------------|------------------------|------------------------|
| Within 1 year | 147,568 | 187,537 |
| 1 to 2 years | 133,170 | 36,682 |
| 2 to 3 years | 9,588 | 6,139 |
| Over 3 years | <u>639</u> | <u>2,139</u> |
| | <u>290,965</u> | <u>232,497</u> |

The Group generally requires customers to settle progress billings in accordance with contracted terms.

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

| | 2024 <i>RMB'000</i> | 2023 <i>RMB'000</i> |
|--|------------------------|------------------------|
| Advances to staff | 411 | 584 |
| Value-added-tax recoverable | 505 | 356 |
| Prepayments for purchase of inventories and services | 2,632 | 1,093 |
| Deposits for construction contracts' bidding and performance | 19,242 | 996 |
| Prepayments for costs incurred in connection with the proposed issuance of the Company's H shares | — | 21,892 |
| Others | <u>1,260</u> | <u>378</u> |
| | 24,050 | 25,299 |
| Less: loss allowance | <u>(560)</u> | <u>(289)</u> |
| | <u>23,490</u> | <u>25,010</u> |

All of the prepayments, deposits, and other receivables are expected to be recovered, recognised as expenses or transferred to equity within one year.

12 TRADE AND BILLS PAYABLES

| | 2024 RMB'000 | 2023 RMB'000 |
|--------------------------|-----------------|-----------------|
| Trade payables | | |
| — due to third parties | 287,925 | 269,934 |
| — due to related parties | 10,480 | — |
| Bills payables | 400 | 5,850 |
| | <u>298,805</u> | <u>275,784</u> |

The ageing analysis of trade and bills payables based on the invoice date, are as follows:

| | 2024 RMB'000 | 2023 RMB'000 |
|---------------|-----------------|-----------------|
| Within 1 year | 157,127 | 182,260 |
| 1 to 3 years | 116,198 | 88,171 |
| Over 3 years | 25,480 | 5,353 |
| | <u>298,805</u> | <u>275,784</u> |

All of the trade and bills payables are expected to be settled within one year or are repayable on demand.

13 ACCRUED EXPENSES AND OTHER PAYABLES

| | 2024 RMB'000 | 2023 RMB'000 |
|---|-----------------|-----------------|
| Payables for costs incurred in connection with the proposed issuance of the Company's H shares | 3,366 | 6,200 |
| Payables for staff related costs | 6,251 | 4,824 |
| Deposits | 3,733 | 6 |
| Others | 3,800 | 1,377 |
| | <u>17,150</u> | <u>12,407</u> |
| Financial liabilities measured at amortised cost | 17,150 | 12,407 |
| Other tax payables | 18,062 | 15,390 |
| | <u>35,212</u> | <u>27,797</u> |

All of the accrued expenses and other payables are expected to be settled within one year or are repayable on demand.

14 DIVIDENDS

(i) Dividends payable to equity shareholders of the Company attributable to the year

The directors of the Company do not recommend the payment of a dividend for the year ended 31 December 2024 (2023: Nil).

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

No final dividend in respect of the previous financial year has been approved during the year ended 31 December 2024(2023: Nil).

15 CONTINGENT LIABILITIES

In January 2025, the Company is named defendant on a dispute with a supplier in respect of outstanding payment for printing service fees. As at the date of these financial statements, the above dispute is still in the process of being negotiated between the Company and the plaintiff. If the Company is found to be liable by the court, the total expected monetary compensation may amount to approximately HK\$3,635,000 (equivalent to approximately RMB3,366,000) plus interest, damages, costs, and further and/or other relief deemed appropriate by the court, of which RMB3,366,000 has already been provided for by the Company as at 31 December 2024. Based on assessment from the directors of the Company, no additional provision has been provided in respect of this claim.

The Company is named defendants on two lawsuits in respect of its outstanding payment to suppliers. As at the date of these financial statements, the above lawsuits are under review before the courts, and the Company's bank deposits of RMB1,877,000 has been frozen by a court for one lawsuit. If the Company is found to be liable by the courts, the total expected monetary compensation may amount to approximately RMB2,112,000, of which RMB1,290,000 has already been provided for by the Company as at 31 December 2024. Based on legal advices and assessment from the directors of the Company, no additional provision has been provided in respect of these claims.

16 SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

In January 2025, the Company is named defendant on a lawsuit together with its supplier, in respect of outstanding payment by its supplier to an upstream supplier. As at the date of these financial statements, the lawsuit is under review before the court, and the Company's bank deposits of RMB15,280,000 has been frozen by the court for this lawsuit. If the Company is found to be liable by the court, the total expected monetary compensation may amount to approximately RMB15,280,000. Based on legal advice and assessment from the directors of the Company, the Company does not believe it is probable that the court will rule against the Company on this lawsuit.

OTHER INFORMATION

Global Offering

On 23 April 2024, the H Shares of the Company were listed on the Main Board of the Stock Exchange in a global offering of 53,950,000 H Shares, comprising a Hong Kong public offering of 26,976,000 H Shares and an international offering of 26,974,000 H Shares (as adjusted in the Company's allotment results announcement dated 22 April 2024). The H Shares were issued and subscribed to Hong Kong and overseas investors at an Offer Price of HK\$2.50 per H Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, the Stock Exchange transaction fee of 0.00565% and Accounting and Financial Reporting Council transaction levy of 0.00015%) by way of an initial public offering. The over-allotment option as described in the Prospectus was not exercised by the overall coordinator (for itself and on behalf of the international underwriters).

Use of Proceeds

The net proceeds from the Global Offering (after deducting the underwriting fees and commissions and related cost and expenses) amounted to approximately HK\$92.2 million. There is no change or material delay to the intended use of net proceeds and the expected implementation timetable as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

As of 31 December 2024, the Company had utilized approximately HK\$77.7 million of net proceeds from the Global Offering, representing approximately 84.3% of the total net proceeds from the Global Offering, in accordance with the intended use set out in the Prospectus. The following table sets out breakdown of the use of proceeds from the Global Offering. As of 31 December 2024, the unutilised net proceeds have been placed in licensed banks and/or authorized financial institution in the PRC. For details of the use of net proceeds from the Global Offering, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

| Purpose | Percentage of net proceeds | Estimated net proceeds allocated as disclosed in the Prospectus ⁽¹⁾ (HK\$ million) | Allocated net proceeds from the Global Offering ⁽¹⁾ (HK\$ million) | Net proceeds | | Expected timeline of full utilization of net proceeds |
|---|----------------------------|--|--|---|--|---|
| | | | | utilized since the Listing and up to 31 December 2024 (HK\$ million) | Unutilised net proceeds as of 31 December 2024 (HK\$ million) | |
| To fund our up-front costs of potential projects | 55.0% | 56.3 | 50.7 | 50.7 | – | |
| To establish local branch offices in regions outside Tianjin and expand our business presence in more cities in the PRC | 15.0% | 15.3 | 13.8 | 12.4 | 1.4 | By the first half of 2025 |
| To enhance our R&D capabilities | 10.0% | 10.3 | 9.2 | 5.3 | 3.9 | By the end of 2025 |
| To acquire or invest in other construction companies that focus on petrochemical engineering, new energy engineering or new urban infrastructure construction, which hold the relevant licenses or qualifications to undertake such works | 10.0% | 10.3 | 9.2 | – | 9.2 | By the end of 2025 |
| For working capital and general corporate purposes | 10.0% | 10.3 | 9.3 | 9.3 | – | |
| Total | 100% | 102.5 | 92.2 | 77.7 | 14.5 | |

Note:

- (1) The final offer price of the Global Offering was fixed at HK\$2.50 per offer share (being the lower end of the offer price range) and the net proceeds finally received from the Global Offering was lower than the estimated net proceeds as disclosed in the Prospectus which was based on an offer price of HK\$2.70 per offer share (being the mid point of the offer price range). The net proceeds allocated to the above purposes were adjusted on a pro-rata basis.

COMPLIANCE WITH THE CG CODE

The Company believes that maintaining high standards of corporate governance is the foundation for effective management and successful business growth. The Company is committed to developing and maintaining robust corporate governance practices to safeguard the interests of Shareholders and to enhance corporate value, accountability and transparency of the Company.

The Company has adopted the principles and code provisions of CG Code as set out in Appendix C1 to the Listing Rules (as in effect from time to time) as the basis of the Company's corporate governance practices. The Company has complied with all the code provisions of the CG Code during the period since the Listing Date and up to 31 December 2024.

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code as a code of conduct regarding securities transactions by the Directors and Supervisors since the Listing Date. Having made specific enquiries with each Director and each Supervisor, they confirmed that they had complied with the Model Code since the Listing Date and up to the end of the Reporting Year.

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

During the Reporting Year and up to the date of this announcement, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)). The Company did not hold any treasury shares as at the end of the Reporting Year.

REVIEW OF ANNUAL RESULTS BY THE AUDIT COMMITTEE

The Board has established the Audit Committee, which comprises three independent non-executive Directors, namely, Mr. Shiu Shu Ming (chairman of the Audit Committee), Dr. Yan Bing and Dr. Liu Jinlu.

The Audit Committee has reviewed together with the management of the Company the accounting principles and policies adopted by the Group and the audited consolidated annual results for the Reporting Year and was of the opinion that the preparation of such annual results complied with the applicable accounting standards and requirements and that adequate disclosure have been made.

AUDITOR’S SCOPE OF WORK

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this preliminary results announcement have been agreed by the Company’s auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group’s consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently, no opinion or assurance conclusion has been expressed by KPMG on this preliminary announcement.

EVENTS SUBSEQUENT TO THE REPORTING YEAR

Change of Supervisor

On 27 January 2025, Ms. Wang Ling resigned as the employee-representative Supervisor and the chairperson of the Board of Supervisors. On even date, Mr. Lu Xiaoliang was democratically elected by the employee representatives of the Company as the employee representative Supervisor and the chairperson of the Board of Supervisors. For details, please refer to the Company’s announcement of dated 27 January 2025.

Amendments to the Articles of Association

On 27 February 2025, the Shareholders approved the adjustment of business scope and amendments to the articles of association of the Company at the extraordinary general meeting of the Company. The full text of the articles of association of the Company is available on the websites of the Stock Exchange and the Company.

H Share Full Circulation

The Company submitted an application (the “**Full Circulation Application**”) to the China Securities Regulatory Commission (the “**CSRC**”) on 3 December 2024 to implement the H Share full circulation in respect of conversion of all of the Unlisted Shares (representing approximately 75% of the total issued share capital of the Company) into H Shares. The Company received a filing notice (the “**Filing Notice**”) on 3 March 2025 issued by the CSRC in respect of the Full Circulation Application. The Filing Notice will be valid for 12 months from 7 March 2025. The Company will apply to the Stock Exchange for the listing of and permission to deal in such H Shares on the Main Board of the Stock Exchange. For details, please refer to the Company's announcements dated 3 December 2024 and 7 March 2025, respectively.

Connected Transactions

During the period from 1 May 2024 to 18 November 2024, the Company, as the lessee, and Tianjin Jiangshengyuan Machinery Equipment Installation Co., Ltd.* (天津江盛源機械設備安裝有限公司) (“**Jiangshengyuan Machinery**”), as the lessor, entered into the seven machinery lease agreements (the “**Machinery Lease Agreements**”) during the ordinary course of business of the Company, pursuant to which the Company leased machinery and equipment from Jiangshengyuan Machinery. Jiangshengyuan Machinery is a deemed connected person of the Company under the Listing Rules. Therefore, the transactions conducted under the Machinery Lease Agreements constituted connected transactions of the Company under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.81 of the Listing Rules, the transactions conducted under the Machinery Lease Agreements will be aggregated and treated as if they were one transaction. The Machinery Lease Agreements were subject to the reporting and announcement requirements and the independent Shareholders’ approval requirement under Chapter 14A of the Listing Rules. The Company failed to announce the Machinery Lease Agreements and obtain independent Shareholders’ approval for the same in accordance with Chapter 14A of the Listing Rules. As at the date of this announcement, the Machinery Lease Agreements had expired. The Group will not conduct further transactions under the Machinery Lease Agreements with Jiangshengyuan Machinery. The Company deeply regrets its non-compliance with Chapter 14A of the Listing Rules and would like to stress that such non-compliance was purely inadvertent and the Company had no intention to withhold any information relating to the Machinery Lease Agreements from disclosure. The Company takes such incidents of non-compliance with the Listing Rules seriously and will take the remedial measures to prevent the re-occurrence of similar incidents. For further details of the connected transactions with Jiangshengyuan Machinery and the remedial measures to be taken by the Company, please refer to the Company's announcement dated 24 March 2025.

Save as disclosed above and in Note 16 in the section headed “Financial Information” in this announcement, the Group is not aware of any significant events which could have a material impact on our operating and financial performance after the Reporting Year.

DIVIDEND

The Board proposed not to declare any final dividend for FY2024 (FY2023: Nil).

AGM

The AGM will be held on Tuesday, 17 June 2025. A notice convening the AGM will be published and despatched to the Shareholders in due course in the manner prescribed by the Listing Rules.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tjcdg.com). The annual report of the Company for FY2024 containing all the information required by the Listing Rules will be available on the above websites in due course.

APPRECIATION

The Board would like to take this opportunity to thank the management members and staff of the Group for their hard work in the past year. The Board would also like to give our sincere gratitude to our Shareholders, partners and stakeholders for their continued support, and hope to receive their continued support in the future.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

| | |
|---------------------------------|---|
| “AGM” | the forthcoming annual general meeting of the Company to be held on Tuesday, 17 June 2025 |
| “Audit Committee” | the audit committee of the Board |
| “Auditor” | KPMG, the external auditor of the Company |
| “Board” or “Board of Directors” | board of directors of the Company |
| “Board of Supervisors” | board of supervisors of the Company |
| “CG Code” | the Corporate Governance Code as set out in of Appendix C1 to the Listing Rules |

| | |
|---|--|
| “China” or “the PRC” | the People’s Republic of China, unless otherwise stated, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan of China herein |
| “Company” or “our Company” “the Company” | Tianjin Construction Development Group Co., Ltd. (天津建设发展集团股份公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (Stock Code: 2515) |
| “Controlling Shareholder(s)” | has the meaning ascribed to it under the Listing Rules and in the context of this announcement, refers to the controlling shareholders of our Company, namely Mr. Wang Wenbin, Ms. Dou Enyan, Mr. Zhao Kuanghua, Ms. Zhao Xiaorong, Shengyuan Group, Shengyuan Holding, Shanshengyuan Enterprise Management, Tianjin Huizhi, Tianjin Jushi, Tianjin Gongmeihao and Tianjin Zhiweilai |
| “Director(s)” | director(s) of the Company |
| “FY2023” | the financial year ended 31 December 2023 |
| “FY2024” or “Reporting Year” | the financial year ended 31 December 2024 |
| “Global Offering” | an offering of 53,950,000 H Shares, comprising a final Hong Kong public offering of 26,976,000 H Shares and a final international public offering of 26,974,000 H Shares |
| “Group”, “our Group”, “the Group”, “we”, “us”, or “our” | our Company and our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be) |

| | |
|---|---|
| “H Share(s)” | overseas listed foreign invested ordinary share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, listed on the Main Board of the Stock Exchange |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Hong Kong dollars” or “HK dollars” or “HK\$” or “HK cents” | Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong |
| “IFRS Accounting Standards” | International Financial Reporting Standards |
| “Jiexiao System” | 捷效系統, a comprehensive construction project management software self-developed by the Company and equipped with multiple functions, including cost monitoring, progress measuring and resources tracking |
| “Listing” | listing of the H Shares on the Main Board of the Stock Exchange |
| “Listing Date” | 23 April 2024, the date on which the H Shares of the Company were listed on the Main Board of the Stock Exchange |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Main Board” | the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange |
| “Model Code” | the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules |
| “Prospectus” | the prospectus of the Company dated 15 April 2024 |
| “RMB” | Renminbi, the lawful currency of the PRC |

| | |
|-------------------|--|
| “Share(s)” | ordinary share(s) of the Company with nominal value of RMB0.0625 each including our domestic Shares and H Shares |
| “Shareholder(s)” | holder(s) of the Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Supervisor(s)” | Supervisor(s) of the Company |
| “Unlisted Shares” | ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are unlisted Shares not currently listed or traded on any stock exchange |
| “%” | per cent |

By order of the Board
Tianjin Construction Development Group Co., Ltd.
Wang Wenbin
Chairman and non-executive Director

Tianjin, the PRC, 31 March 2025

As of the date of this announcement, the Board of Directors of the Company comprises: (i) Mr. Zhao Kuanghua, Mr. Li Kai, Ms. Guan Fengdan, Mr. Yang Youhua and Mr. Ni Baqun as executive Directors; (ii) Mr. Wang Wenbin as Chairman and non-executive Director; and (iii) Dr. Yan Bing, Dr. Liu Jinlu and Mr. Shiu Shu Ming as independent non-executive Directors.

* *for identification purpose only*