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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)**

## **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025**

The board (the “**Board**”) of directors (the “**Directors**”) of Tianjin Construction Development Group Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces the unaudited consolidated results of the Group for the six months ended 30 June 2025. This announcement, containing the full text of the 2025 interim report (the “**2025 Interim Report**”) of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in relation to the information to accompany preliminary announcement of the interim results.

### **DIVIDENDS**

The Board resolved not to recommend the payment of an interim dividend for the six months ended 30 June 2025 to the shareholders of the Company (six months ended 30 June 2024: nil).

## **PUBLICATION OF THE 2025 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This interim results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.tjcdg.com](http://www.tjcdg.com). Printed version of the 2025 Interim Report will be delivered to shareholders of the Company who have chosen to receive printed version and electronic version will be published on the respective websites of the Stock Exchange and the Company in accordance with the requirements under the Listing Rules.

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

Tianjin, the PRC, 25 August 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 non-executive Director; and (iii) Dr. Yan Bing, Dr. Liu Jinlu and Mr. Shiu Shu Ming as independent non-executive Directors.*

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# Corporate Information

## DIRECTORS

### Executive Directors

Mr. Zhao Kuanghua (趙匡華) (*President*)

Mr. Li Kai (李凱) (*Chief financial officer*)

Ms. Guan Fengdan (關鳳丹)

Mr. Yang Youhua (楊友華)

Mr. Ni Baqun (倪拔群)

### Non-Executive Director

Mr. Wang Wenbin (王文彬) (*Chairperson*)

### Independent Non-Executive Directors

Dr. Yan Bing (嚴兵)

Dr. Liu Jinlu (劉金璐)

Mr. Shiu Shu Ming (蕭恕明)

## SUPERVISORS

Ms. Wang Ling (王玲)

(resigned with effect from 27 January 2025)

Mr. Lu Xiaoliang (路曉亮) (*Chairperson*)

(appointed with effect from 27 January 2025)

Mr. Wang Lei (王磊)

Mr. Ren Feiyu (任飛宇)

## AUDIT COMMITTEE

Mr. Shiu Shu Ming (蕭恕明) (*Chairperson*)

Dr. Yan Bing (嚴兵)

Dr. Liu Jinlu (劉金璐)

## REMUNERATION COMMITTEE

Dr. Yan Bing (嚴兵) (*Chairperson*)

Mr. Zhao Kuanghua (趙匡華)

Dr. Liu Jinlu (劉金璐)

## NOMINATION COMMITTEE

Mr. Wang Wenbin (王文彬) (*Chairperson*)

Dr. Yan Bing (嚴兵)

Dr. Liu Jinlu (劉金璐)

Mr. Shiu Shu Ming (蕭恕明)

(appointed with effect from 29 April 2025)

Ms. Guan Fengdan (關鳳丹)

(appointed with effect from 29 April 2025)

## AUTHORISED REPRESENTATIVES

Mr. Li Kai (李凱)

Mr. Lui Wing Yat Christopher (呂穎一)

## JOINT COMPANY SECRETARIES

Mr. Li Kai (李凱)

Mr. Lui Wing Yat Christopher (呂穎一) (ACG, HKACG)

## COMPLIANCE ADVISER

China Everbright Capital Limited

12/F, Everbright Centre

108 Gloucester Road

Wan Chai

Hong Kong

## HONG KONG LEGAL ADVISER

Tian Yuan Law Firm LLP

Suites 3304-3309, 33/F, Jardine House

One Connaught Place, Central

Hong Kong



# Corporate Information

## REGISTERED OFFICE

Room 507, Building 13  
Zone B1, Corporate Headquarters Base  
Binhai-Zhongguancun Science Park  
(former Ronghui Business District 3)  
Tianjin Economic-Technological Development Area  
Tianjin  
PRC

## HEAD OFFICE IN THE PRC

No. 112 Dongting Road  
Economic and Technological Development Zone  
Binhai New Area  
Tianjin  
PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1918, 19/F, Lee Garden One  
33 Hysan Avenue  
Causeway Bay  
Hong Kong

## STOCK CODE

2515

## H SHARE REGISTRAR

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## PRINCIPAL BANK

Agricultural Bank of China Tianjin Hebei Road Branch  
14-101, Huarongli  
Binhai  
Tianjin  
PRC

Tianjin Binhai Huimin Village Bank Guotai Building Branch\*  
(天津濱海惠民村鎮銀行國泰大廈支行)  
Block C, Guotai Building  
Tianjin Pilot Free Trade Zone  
Tianjin  
PRC

## COMPANY WEBSITE

[www.tjcdg.com](http://www.tjcdg.com)

\* for identification purpose only





# Management Discussion and Analysis

## BUSINESS REVIEW AND FUTURE OUTLOOK

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 Period, we conducted 40 construction projects. As of 30 June 2025, we had a total of 50 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 RMB612.4 million.

Since 2024, the PRC government has issued clear directives requiring 12 provinces and municipalities, including Tianjin, to overall suspend infrastructure projects. Consequently, the construction industry, particularly within the municipal engineering sector, continues to face challenges. The number of tenders for our construction business has decreased compared to previous years, and construction progress has also slowed. This has had, and will continue to have, an adverse impact on the Group's financial performance for the six months ended 30 June 2025 and its future financial position. Facing an unfavorable external environment and complex industry conditions, we remain committed to prudent management and a proactive approach. We believe that actively promoting business expansion in regions outside Tianjin, implementing stricter cost control measures, enhancing our engineering software capabilities, and continuously strengthening our construction quality management system will further contribute to improving the Company's operations.

According to the Report on the Implementation of the 2024 Plan for National Economic and Social Development and on the 2025 Draft Plan for National Economic and Social Development (《關於2024年國民經濟和社會發展計劃執行情況與2025年國民經濟和社會發展計劃草案的報告》) approved by the State Council, the state will continue to increase investment in 2025 in areas such as new infrastructure, urban renewal, and rural revitalization. This will significantly improve the operating environment for the construction industry and create more market opportunities. We believe that seizing these opportunities, making strategic positioning in advance, and enhancing our technical capabilities and project management standards are essential for standing out in the new market environment and securing more development opportunities. Simultaneously, we are confident that the Tianjin Binhai New Area, as a crucial engine for Tianjin's economic development, will undertake more responsibilities in national and regional planning and usher in a new round of development opportunities. Leveraging our established reputation in the Tianjin construction sector, along with our brand and industry experience, we will enhance our competitiveness to capture these emerging market opportunities.



# Management Discussion and Analysis

## FINANCIAL REVIEW

### Revenue

The Group generated revenue predominantly from our construction business. During the Reporting Period, our total revenue amounted to approximately RMB86.8 million, representing a decrease of approximately RMB7.8 million or 8.2% from approximately RMB94.6 million for the six months ended 30 June 2024, which primarily attributable to the slowdown in the construction progress of the Company's projects, which resulted in less revenue recognised during the Reporting Period.

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

	For the six months ended 30 June 2025 RMB'000	For the six months ended 30 June 2024 RMB'000
<b>Municipal public construction works</b>	<b>23,911</b>	43,770
— Traffic facilities construction	<b>9,203</b>	38,218
— Road construction	<b>14,708</b>	5,552
<b>Foundation works</b>	<b>23,757</b>	37,948
— Foundation construction	<b>23,165</b>	37,948
— Earthwork	<b>592</b>	—
<b>Building construction related works</b>	<b>35,239</b>	3,834
<b>Petrochemical engineering works</b>	<b>3,920</b>	8,942
<b>Other<sup>1</sup></b>	<b>—</b>	74
<b>Total</b>	<b>86,827</b>	94,568

Note:

- 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.



# Management Discussion and Analysis

## Municipal public construction works

During the Reporting Period, our revenue derived from municipal public construction works amounted to approximately RMB23.9 million, representing a decrease of approximately RMB19.9 million, or approximately 45.4%, from approximately RMB43.8 million for the six months ended 30 June 2024. This was mainly due to the decrease in the number of municipal public construction works projects undertaken during the Reporting Period as compared to that of the six months ended 30 June 2024.

## Foundation works

During the Reporting Period, our revenue derived from foundation works amounted to approximately RMB23.8 million, representing a decrease of approximately RMB14.1 million, or approximately 37.2%, from approximately RMB37.9 million for the six months ended 30 June 2024. This was mainly due to the substantial completion of Jinbin Tang (Gua) 2023-4 Land Parcel Project Professional Subcontracting Project (津濱塘(掛)2023-4號地塊項目專業分包工程) in the second half of 2024.

## Building construction related works

During the Reporting Period, our revenue derived from building construction related works amounted to approximately RMB35.2 million, representing an increase of approximately RMB31.4 million, or approximately 826.3%, from approximately RMB3.8 million for the six months ended 30 June 2024. This was mainly due to our undertaking of more building construction related projects during the Reporting Period, among which, we recognised revenue of RMB8.9 million from Binhai New District Heating “Integrated Network” Phase I Project (濱海新區供熱“一張網”熱源和幹網互聯互通項目(一期工程)) and RMB7.5 million from Science and Innovation Center Experimental Achievement Transformation Base Project (on Base Project), respectively.

## Petrochemical engineering works

During the Reporting Period, our revenue derived from petrochemical engineering works amounted to approximately RMB3.9 million, representing a decrease of approximately RMB5.0 million, or approximately 56.2%, from approximately RMB8.9 million for the six months ended 30 June 2024. This was mainly due to the decrease in the contract amounts of petrochemical engineering works projects undertaken during the Reporting Period as compared to that of the six months ended 30 June 2024.

## Other

During the Reporting Period, our Group did not derive from other business activities. This was mainly due to the suspension in charging services fees as a result of the software upgrading work.

## Cost of Sales

During the Reporting Period, the Group's cost of sales was approximately RMB69.3 million, representing a decrease of approximately RMB2.4 million, or approximately 3.3%, from approximately RMB71.7 million for the six months ended 30 June 2024, which was in line with the decrease in our revenue for the Reporting Period.





# Management Discussion and Analysis

## Gross Profit and Gross Profit Margin

As a result of the above, gross profit decreased by approximately RMB5.4 million or approximately 23.6% from approximately RMB22.9 million for the six months ended 30 June 2024 to approximately RMB17.5 million for the six months ended 30 June 2025. Gross profit margin decreased from approximately 24.2% for the six months ended 30 June 2024 to approximately 20.2% for the six months ended 30 June 2025.

## Operating and Administrative Expenses

Our operating and administrative expenses 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 the Reporting Period, the Group's administrative expenses amounted to approximately RMB16.3 million, representing a decrease of approximately RMB1.1 million, or approximately 6.3%, from approximately RMB17.4 million for the six months ended 30 June 2024, mainly due to the decrease in professional services fees paid in connection with the Global Offering.

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

During the Reporting Period, the Group recorded impairment of losses on trade receivables, lease receivables and other receivables and contract assets was approximately RMB68,000, while the Group recorded a reversal of impairment of losses on trade receivables, lease receivables and other receivables and contract assets of approximately RMB5.0 million for the six months ended 30 June 2024.

## Finance Cost

Our finance cost mainly consists of interest on bank loans. During the Reporting Period, the Group's finance costs amounted to approximately RMB0.7 million, which was maintained at a similar level as that for the six months ended 30 June 2024.

## Income Tax Expense

During the Reporting Period, the Group recorded income tax expense of approximately RMB17,000, while the income tax expense for the six months ended 30 June 2024 was approximately RMB1.4 million. This was in line with the decrease in taxable profit during the Reporting Period.

## Net Profit

During the Reporting Period, profit attributable to equity shareholders of the Company was approximately RMB0.3 million (for the six months ended 30 June 2024: approximately RMB10.5 million).



# Management Discussion and Analysis

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As of 30 June 2025, the Group's cash and cash equivalents amounted to approximately RMB11.1 million which is mainly funded from the net cash generated from financing activities. 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.

The following table sets forth a summary of our cash flows for the periods indicated:

	For the six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Net cash generated from/(used in) operating activities	20,643	(84,277)
Net cash (used in) investing activities	(12,613)	(279)
Net cash (used in)/generated from financing activities	(16,491)	132,187
Net increase in cash and cash equivalents	(8,461)	47,631
Cash and cash equivalents at 1 January	19,601	6,422
Cash and cash equivalents at 30 June	11,136	54,153

### Net Cash Generated From/(Used in) Operating Activities

During the Reporting Period, we mainly generated our cash inflow from the receipt of payments from our construction business. Our cash used in operations principally comprises costs of materials consumed, labor subcontracting costs, staff costs, professional subcontracting costs, machinery usage costs, freight fees and operating and administrative expenses.

For the six months ended 30 June 2025, we recorded net cash generated from operating activities of RMB2.0 million mainly due to settlement of trade payables during the Reporting Period.

### Net Cash Flow Used in Investing Activities

During the Reporting Period, our cash used in investing activities was primarily for payment for the purchase of property, plant and equipment. Our cash generated from investing activities primarily consisted of proceeds from rentals received.

For the six months ended 30 June 2025, we had net cash used in investing activities of RMB12.6 million mainly due to payment for the purchase of property, plant and equipment.



# Management Discussion and Analysis

## Net Cash Flow (Used in)/Generated from Financing Activities

During the Reporting Period, our cash used in financing activities consisted of repayments of bank loans. Our cash generated from financing activities consisted primarily bank loans.

For the six months ended 30 June 2025, we had net cash used in financing activities of RMB16.5 million mainly due to repayment of bank loans.

As of 30 June 2025, the Group had current assets of RMB573.2 million (31 December 2024: RMB640.3 million), representing a decrease of approximately RMB67.1 million, mainly due to the decrease in trade receivables of RMB54.2 million. The Group had current liabilities of RMB312.3 million (31 December 2024: RMB379.2 million), representing a decrease of approximately RMB66.9 million mainly due to the decrease in trade payables of RMB58.0 million. The current ratio was 1.8 at 30 June 2025 as compared with 1.70 at 31 December 2024, equals to total current assets divided by total current liabilities as of the end of the period.

As of 30 June 2025, the Group's indebtedness decreased from approximately RMB43.1 million as at 31 December 2024 to approximately RMB35.2 million as at 30 June 2025. Our gearing ratio decreased from approximately 12.1% as at 31 December 2024 to approximately 9.9% as at 30 June 2025, mainly due to the decrease in trade payables and bank loans. As of 30 June 2025, the Group had bank loans of RMB32.5 million (31 December 2024: RMB40.0 million), of which the fixed interest rate ranged from 3.3% to 3.8% per annum.

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. On 27 May 2025, the Company completed the conversion of 161,844,749 Unlisted Shares into 161,844,749 H Shares (the "**Converted H Shares**"). The listing of the Converted H Shares on the Stock Exchange commenced at 9:00 a.m. on 28 May 2025. The share capital of the Company has since then comprised only H Shares. For details of the H Share full circulation, please refer to the Company's announcements dated 3 December 2024, 7 March 2025, 28 April 2025 and 27 May 2025..

## Capital Expenditures

During the Reporting Period, the Group's capital expenditures amounted to approximately RMB0.35 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 Period mainly from cash generated from operating activities.



# Management Discussion and Analysis

## Trade and Bills Receivables

As of 30 June 2025, the Group's trade and bills receivables amounted to approximately RMB236.8 million, representing a decrease of RMB54.2 million from approximately RMB291.0 million as of 31 December 2024.

## Trade and Bills Payables

As of 30 June 2025, the Group's trade and bills payables amounted to approximately RMB240.8 million, representing a decrease of approximately RMB58.0 million from approximately RMB298.8 million as of 31 December 2024, mainly due to our settlement of trade payables during the Reporting Period.

## Prepayments, Deposits and Other Receivables

As of 30 June 2025, the Group's prepayments, deposits and other receivables amounted to approximately RMB42.1 million, representing an increase of approximately RMB18.6 million, from approximately RMB23.5 million as of 31 December 2024, mainly due to the funding requirement at the early stage of our projects.

## EMPLOYEES AND REMUNERATION POLICIES

As of 30 June 2025, we had 126 full-time employees, all of whom were located in the PRC (30 June 2024: 114 employees). The following table sets out the number of employees of our Group by job function:

Functions	Number of employees
General management	14
Project department <sup>1</sup>	28
Commercial contract department	4
Marketing department	9
Procurement department	8
Finance department	4
Safety and environmental protection department	2
R&D department	45
Human resources and administrative department	12
<b>Total</b>	<b>126</b>

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 the Reporting Period, the total staff costs incurred were approximately RMB9.8 million (six months ended 30 June 2024: RMB10.3 million).



# Management Discussion and Analysis

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 30 June 2025, the Group did not pledge any assets as collateral for bank borrowings or any other financing activities (31 December 2024: Nil).

## CONTINGENT LIABILITIES

Details of the Group's contingent liabilities as at 30 June 2025 are set out in Note 21 in the section headed "Notes to the Unaudited Interim Financial Report" in this Interim report.

## SHARE PLEDGE

During the Reporting Period, 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.

## BORROWING AND GEARING RATIO

As of 30 June 2025, the Group had interest-bearing bank loans of approximately RMB32.5 million (31 December 2024: RMB40.0 million).

As of 30 June 2025, our gearing ratio, calculated as total bank loans divided by total equity as of the end of the Reporting Period, was approximately 9.9% (31 December 2024: 12.1%).

## MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

For the six months ended 30 June 2025, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.





# Management Discussion and Analysis

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As of 30 June 2025, 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 Period, 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 30 June 2025, the Group has no share scheme.

## SIGNIFICANT INVESTMENT AND MATERIAL EVENT DURING THE REPORTING PERIOD

The Board is not aware of any significant investment and events which could have a material impact on our operating and financial performance during the Reporting Period.

## EVENTS AFTER THE END OF THE REPORTING PERIOD

The Group is not aware of any significant events which could have a material impact on our operating and financial performance after the Reporting Period.



# Other Information

## CORPORATE GOVERNANCE PRACTICE

The Company has complied with the applicable code provisions of the CG Code as set out in Part 2 of Appendix C1 to the Listing Rules and adopted the code provisions of the CG Code as its corporate governance policy.

During the Reporting Period, the Company has complied with all the principles and applicable code provisions contained in Part 2 of the CG Code.

## CONTINUING CONNECTED TRANSACTION

On 24 March 2025, the Company announced that, between 1 May 2024 and 18 November 2024, it had entered into seven agreements to lease machinery and equipment from Tianjin Jiangshengyuan Machinery Equipment Installation Co., Ltd. ("**Tianjin Jiangshengyuan**") for its construction projects (the "**Leases**"). Tianjin Jiangshengyuan is controlled by the cousin of Mr. Wang Wenbin, the Company's non-executive Director and Controlling Shareholder. Tianjin Jiangshengyuan is deemed as a connected person of the Company and therefore, the Leases constituted connected transactions of the Company.

The Lease amount under each of the second and the fifth agreement, either individually or aggregated with the prior agreements, was subject to reporting and announcement requirements under Chapter 14A of the Listing Rules. The Lease amount of the sixth and the seventh agreements, when aggregated with the five previous agreements, triggered not only the reporting and announcement requirements but also the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules. The Company failed to identify the Leases as the continuing connected transactions of the Company and did not comply with the relevant requirements under Chapter 14A of the Listing Rules. The Company also failed to consult with and seek advice from its compliance adviser regarding the Leases, which was required under Rule 3A.23(2) of the Listing Rules.

The Company identified the above non-compliances during the preparation of its 2024 annual results. Upon discovery, the Company immediately published the announcement and admitted the above non-compliances in its announcement. However, the Company will not publish a circular or convene a Shareholders' meeting in respect of the Leases under the sixth and seventh agreements, as the relevant lease agreements have already expired.

The Board has completed the internal control review and the key findings of the internal control review on 9 July 2025. Based on the review results, the Company has implemented a series of remedial measures to remedy or enhance its internal control procedures.

The Company will inform its Shareholders concerning the implementation of the remedial measures in its upcoming corporate governance report for the year ending 31 December 2025.

For details, please refer to the Company's announcements dated 24 March, 28 April and 9 July 2025.

## SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules to regulate all dealings by the Directors, the Supervisors and relevant employees of securities in the Company and other matters covered by the Model Code since the Listing Date. Having made specific enquiry with all the Directors and Supervisors of the Company, all the Directors and Supervisors confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period.



# 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 30 June 2025, the Company had utilized approximately HK\$82.1 million of net proceeds from the Global Offering, representing approximately 89.0% 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 30 June 2025, 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 <sup>1</sup> (HK\$ million)	Allocated net proceeds from the Global Offering <sup>1</sup> (HK\$ million)	Net proceeds utilized since the Listing and up to 30 June 2025 (HK\$ million)	Unutilised net proceeds as of 30 June 2025 (HK\$ million)	Expected timeline of full utilization of net proceeds
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	13.8	–	–
To enhance our R&D capabilities	10.0%	10.3	9.2	8.3	0.9	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



## Other Information

Purpose	Percentage of net proceeds	Estimated net proceeds allocated as disclosed in the Prospectus <sup>1</sup> (HK\$ million)	Allocated net proceeds from the Global Offering <sup>1</sup> (HK\$ million)	Net proceeds utilized since the Listing and up to 30 June 2025 (HK\$ million)	Unutilised net proceeds as of 30 June 2025 (HK\$ million)	Expected timeline of full utilization of net proceeds
For working capital and general corporate purposes	10.0%	10.3	9.3	9.3	–	
<b>Total</b>	100%	102.5	92.2	82.1	10.1	

Note:

- 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.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period and up to the date of this report, 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 of 30 June 2025, the Company did not hold any treasury shares.

## MATERIAL LEGAL PROCEEDINGS

Save as disclosed in note 21 in the section headed "Notes to the Unaudited Interim Financial Report" and the announcement of the Company dated 16 January 2025, during the Reporting Period and up to the date of this report, no member of the Group was involved in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

## AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The Board has established the Audit Committee, which comprises three independent non-executive Directors, namely, Mr. Shiu Shu Ming (chairperson of the Audit Committee), Dr. Yan Bing and Dr. Liu Jinlu. The Audit Committee has also adopted written terms of reference which clearly set out its duties and obligations (the terms of reference are available on the websites of the Company and the Stock Exchange).

The Audit Committee has considered and reviewed, with no disagreement, with the management the unaudited interim consolidated results for the six months ended 30 June 2025 and confirmed that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The Audit Committee considers that the interim consolidated results for the six months ended 30 June 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

## INTERIM DIVIDEND

The Board resolved not to recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).



## Other Information

### INTERESTS AND SHORT POSITIONS OF EACH OF OUR DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of 30 June 2025, the interests or short positions of the Directors, Supervisors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Directors and chief executive(s) of the Company is taken or deemed to have under such provisions of the SFO) or which was required pursuant to Section 352 of the SFO to be entered in the register referred to therein or which was otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director/ Supervisor/Chief Executive	Position	Nature of interest <sup>1</sup>	Class of Shares	Number of Shares held	Approximate percentage of shareholding in the total issued Shares <sup>2&amp;3</sup>
Mr. Wang Wenbin <sup>4</sup>	Chairman and non-executive Director	Interest in controlled corporations	H Shares	157,496,923	72.98%
Mr. Zhao Kuanghua <sup>5</sup>	Executive Director	Interest in controlled corporations	H Shares	15,000,000	6.95%

Notes:

- All interests stated are long positions.
- On 27 May 2025, the Company completed the conversion of 161,844,749 Unlisted Shares into 161,844,749 H Shares. The listing of the Converted H Shares on the Stock Exchange commenced at 9:00 a.m. on 28 May 2025. The share capital of the Company has since then comprised only H Shares. For details of the H Share full circulation, please refer to the Company's announcements dated 3 December 2024, 7 March 2025, 28 April 2025 and 27 May 2025. As at 30 June 2025, the Company has a total number of 215,794,749 H Shares in issue.
- The calculation is based on the total number of 215,794,749 Shares in issue as of 30 June 2025.
- Mr. Wang Wenbin owns 99% partnership interest in each of Tianjin Huizhi and Tianjin Jushi, 98.7% equity interest in Shengyuan Group and 97.7% partnership interest in Shanshengyuan Enterprise Management, respectively. Each of Tianjin Huizhi and Tianjin Jushi owns 50% equity interest in Tianjin Gongmeihao, which in turn holds 7.0% of the total issued Shares. Shanshengyuan Enterprise Management owns 99% equity interest in Tianjin Zhiweilai which in turn holds 14.6% of the total issued Shares; and Shengyuan Group owns 100% equity interests in Shengyuan Holding, which in turn holds 51.4% of the total issued Shares. Accordingly, Mr. Wang is deemed to be interested in all the Shares held by each of Tianjin Gongmeihao, Tianjin Zhiweilai and Shengyuan Holding for the purpose of the SFO.
- Mr. Zhao Kuanghua is the general partner of Tianjin Jushi which owns 50% equity interest in Tianjin Gongmeihao, which in turn holds 6.95% of the total issued Shares. As the general partner of Tianjin Jushi, Mr. Zhao Kuanghua is deemed to have de facto control in Tianjin Jushi and hence is a controller of Tianjin Jushi. Accordingly, Mr. Zhao Kuanghua is deemed to be interested in such Shares held by Tianjin Gongmeihao for the purpose of the SFO.





## Other Information

Save as disclosed above, as of 30 June 2025, none of the Directors, Supervisors or the chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As of 30 June 2025, to the best knowledge of the Directors, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder/ Ultimate Controller	Nature of interest <sup>1</sup>	Class of Shares	Number of Shares held	Approximate percentage of shareholding in the total issued Shares of the Company <sup>2&amp;3</sup>
Ms. Dou Enyan <sup>4</sup>	Interest of spouse	H Shares	157,496,923	72.98%
Shengyuan Holding <sup>5</sup>	Beneficial owner	H Shares	110,830,940	51.36%
Shengyuan Group <sup>5</sup>	Interest in controlled corporation	H Shares	110,830,940	51.36%
Shanshengyuan Enterprise Management <sup>6</sup>	Interest in controlled corporation	H Shares	31,665,983	14.67%
Tianjin Zhiweilai <sup>6</sup>	Beneficial owner	H Shares	31,665,983	14.67%
Tianjin Jushi <sup>7</sup>	Interest in controlled corporation	H Shares	15,000,000	6.95%
Tianjin Huizhi <sup>7</sup>	Interest in controlled corporation	H Shares	15,000,000	6.95%
Tianjin Gongmeihao <sup>7</sup>	Beneficial owner	H Shares	15,000,000	6.95%
Ms. Zhao Xiaorong <sup>7</sup>	Interest in controlled corporation	H Shares	15,000,000	6.95%



## Other Information

### Notes:

1. All interests stated are long positions.
2. On 27 May 2025, the Company completed the conversion of 161,844,749 Unlisted Shares into 161,844,749 H Shares. The listing of the Converted H Shares on the Stock Exchange commenced at 9:00 a.m. on 28 May 2025. The share capital of the Company has since then comprised only H Shares. For details of the H Share full circulation, please refer to the Company's announcements dated 3 December 2024, 7 March 2025, 28 April 2025 and 27 May 2025. As at 30 June 2025, the Company has a total number of 215,794,749 H Shares in issue.
3. The calculation is based on the total number of 215,794,749 Shares in issue as of 30 June 2025.
4. Ms. Dou Enyan is the spouse of Mr. Wang Wenbin. Accordingly, Ms. Dou Enyan is deemed to be interested in the Shares held by Mr. Wang Wenbin for the purpose of the SFO.

Mr. Wang Wenbin owns 99% partnership interest in each of Tianjin Huizhi and Tianjin Jushi, 98.7% equity interest in Shengyuan Group and 97.7% partnership interest in Shanshengyuan Enterprise Management, respectively. Each of Tianjin Huizhi and Tianjin Jushi owns 50% equity interest in Tianjin Gongmeihao, which in turn holds 7.0% of the total issued Shares. Shanshengyuan Enterprise Management owns 99% equity interest in Tianjin Zhiweilai which in turn holds 14.6% of the total issued Shares; and Shengyuan Group owns 100% equity interests in Shengyuan Holding, which in turn holds 51.4% of the total issued Shares. Accordingly, Mr. Wang Wenbin is deemed to be interested in all the Shares held by each of Tianjin Gongmeihao, Tianjin Zhiweilai and Shengyuan Holding for the purpose of the SFO.

5. The entire equity capital of Shengyuan Holding is held by Shengyuan Group. Accordingly, Shengyuan Group is deemed to be interested in such Shares held by Shengyuan Holding for the purpose of the SFO.
6. Shanshengyuan Enterprise Management owns 99% equity interest in Tianjin Zhiweilai, which in turn holds 14.6% of the total issued Shares. Accordingly, Shanshengyuan Enterprise Management is deemed to be interested in such Shares held by Tianjin Zhiweilai for the purpose of the SFO.
7. The equity interest of Tianjin Gongmeihao is held as to 50% by Tianjin Huizhi and 50% by Tianjin Jushi. Accordingly, each of Tianjin Huizhi and Tianjin Jushi is deemed to be interested in such Shares held by Tianjin Gongmeihao for the purpose of the SFO. Ms. Zhao Xiaorong is the general partner of Tianjin Huizhi which owns 50% equity interest in Tianjin Gongmeihao, which in turn holds 6.95% of the total issued Shares. As the general partner of Tianjin Huizhi, Ms. Zhao Xiaorong is deemed to have de facto control in Tianjin Huizhi and hence is a controller of Tianjin Huizhi. Accordingly, Ms. Zhao Xiaorong is deemed to be interested in such Shares held by Tianjin Gongmeihao for the purpose of the SFO.

## CHANGES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

On 27 January 2025, Ms. Wang Ling resigned from her position as an employee representative Supervisor of the Company and the chairperson of the Supervisory Committee. On the same date, Mr. Lu Xiaoliang (路曉亮) was democratically elected by the employee representatives of the Company as the employee representative Supervisor of the first session of the Supervisory Committee at the employee representative meeting of the Company in accordance with the Articles of Association and the Company Law of the People's Republic of China (中華人民共和國公司法). His appointment as the employee representative Supervisor is not subject to approval by the Shareholders.

On 29 April 2025, the Board resolved to appoint Ms. Guan Fengdan (an executive Director) and Mr. Shiu Shu Ming (an independent non-executive Director) as members of the nomination committee of the Board, with effect from 29 April 2025.

Save as disclosed above, there was no change in Director or Supervisor's information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the Reporting Period.



## Other Information

### 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 at the extraordinary general meeting of the Company.

On 17 June 2025, the Shareholder approved the adjustment of business scope and amendments to the Articles of Association, in compliance with the new requirements under the Listing Rules in respect of the hybrid general meetings and e-voting, at the annual general meeting of the Company.

The latest full text of the Articles of Association is available on the websites of the Stock Exchange and the Company.

### H SHARE FULL CIRCULATION

The Company submitted its application to the CSRC in respect of the H Share full circulation on 3 December 2024. The Company has received a filing notice dated 7 March 2025 issued by the CSRC on 7 March 2025. The Company applied to the Listing Committee of the Stock Exchange for the approval of the listing of and permission to deal in 161,844,749 H Shares to be converted from 161,844,749 Unlisted Shares and obtained the listing approval on 28 April 2025. On 27 May 2025, the Company completed the conversion of 161,844,749 Unlisted Shares into 161,844,749 H Shares. The listing of the Converted H Shares on the Stock Exchange commenced at 9:00 a.m. on 28 May 2025. The share capital of the Company has since then comprised only H Shares. For details of the H Share full circulation, please refer to the Company's announcements dated 3 December 2024, 7 March 2025, 28 April 2025 and 27 May 2025. As at 30 June 2025, the Company has a total number of 215,794,749 H Shares in issue.



# Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025 – unaudited  
(Expressed in Renminbi ("RMB"))

	Note	Six months ended 30 June	
		2025 RMB'000	2024 RMB'000
<b>Revenue</b>	4	<b>86,827</b>	94,568
Cost of sales		<b>(69,291)</b>	(71,688)
<b>Gross profit</b>		<b>17,536</b>	22,880
Other net (loss)/income	5	<b>(143)</b>	2,166
Operating and administrative expenses		<b>(16,259)</b>	(17,417)
(Impairment losses)/reversal of impairment losses on trade receivables, lease receivables, other receivables and contract assets	6	<b>(68)</b>	5,008
<b>Profit from operations</b>		<b>1,066</b>	12,637
Finance costs	7(a)	<b>(715)</b>	(706)
<b>Profit before taxation</b>	7	<b>351</b>	11,931
Income tax expense	8	<b>(17)</b>	(1,437)
<b>Profit for the period attributable to equity shareholders of the Company</b>		<b>334</b>	10,494
<b>Earnings per share</b>			
Basic and diluted (RMB yuan)	9	<b>0.00</b>	0.06
<b>Profit for the period</b>		<b>334</b>	10,494
<b>Other comprehensive income for the period:</b>			
Items that are or may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		<b>3</b>	–
<b>Other comprehensive income for the period:</b>		<b>3</b>	–
<b>Total comprehensive income for the period attributable to equity shareholders of the Company</b>		<b>337</b>	10,494

The notes on pages 26 to 37 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in Note 19(b).



# Consolidated Statement of Financial Position

At 30 June 2025 — unaudited  
(Expressed in RMB)

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
<b>Non-current assets</b>			
Property, plant and equipment	10	49,579	44,684
Investment properties		8,201	8,403
Right-of-use assets		2,776	3,296
Lease receivables	11	–	6,123
Deferred tax assets		6,709	6,628
Other non-current assets		2,959	953
		<b>70,224</b>	70,087
<b>Current assets</b>			
Inventories		1,315	1,774
Contract assets	12	266,591	300,456
Trade and bills receivables	13	236,757	290,965
Lease receivables	11	–	1,530
Prepayments, deposits and other receivables	14	42,082	23,490
Restricted bank deposits	15	15,332	2,452
Cash and cash equivalents	15	11,136	19,601
		<b>573,213</b>	640,268
<b>Current liabilities</b>			
Trade and bills payables	16	240,763	298,805
Contract liabilities		7,397	916
Accrued expenses and other payables	17	30,734	35,212
Lease liabilities		725	802
Bank loans	18	32,500	40,000
Income tax payable		169	3,443
		<b>312,288</b>	379,178
<b>Net current assets</b>		<b>260,925</b>	261,090
<b>Total assets less current liabilities</b>		<b>331,149</b>	331,177





# Consolidated Statement of Financial Position

At 30 June 2025 — unaudited  
(Expressed in RMB)

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
<b>Non-current liabilities</b>			
Lease liabilities		1,936	2,301
<b>NET ASSETS</b>		<b>329,213</b>	328,876
<b>CAPITAL AND RESERVES</b>	19		
Share capital		215,795	215,795
Reserves		113,418	113,081
<b>TOTAL EQUITY</b>		<b>329,213</b>	328,876

Approved and authorised for issue by the board of directors on 25 August 2025.

**Wang Wenbin**  
Chairman

**Li Kai**  
Director

The notes on pages 26 to 37 form part of this interim financial report.



# Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025 — unaudited  
(Expressed in RMB)

	Share capital RMB'000 (Note 19(a))	Capital reserve RMB'000	Statutory reserve RMB'000	Special reserve RMB'000	Retained profits RMB'000	Total RMB'000
<b>Balance at 1 January 2024</b>	161,845	26,009	3,603	5,885	27,845	225,187
<b>Changes in equity for the six months ended 30 June 2024:</b>						
Profit and total comprehensive income for the period	–	–	–	–	10,494	10,494
Issuance of shares by initial public offerings	53,950	32,124	–	–	–	86,074
Appropriation to reserves	–	–	–	1,398	(1,398)	–
<b>Balance at 30 June 2024 and 1 July 2024</b>	215,795	58,133	3,603	7,283	36,941	321,755
<b>Changes in equity for the six months ended 31 December 2024:</b>						
Profit and total comprehensive income for the period	–	–	–	–	11,256	11,256
Issuance of shares by initial public offerings	–	(4,135)	–	–	–	(4,135)
Appropriation to reserves	–	–	2,613	1,165	(3,778)	–
<b>Balance at 31 December 2024</b>	215,795	53,998	6,216	8,448	44,419	328,876



# Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025 — unaudited

(Expressed in RMB)

	Share capital RMB'000 (Note 19(a))	Capital reserve RMB'000	Statutory reserve RMB'000	Special reserve RMB'000	Exchange reserve RMB'000	Retained profits RMB'000	Total RMB'000
<b>Balance at 1 January 2025</b>	215,795	53,998	6,216	8,448	-	44,419	328,876
<b>Changes in equity for the six months ended 30 June 2025:</b>							
Profit for the period	-	-	-	-	-	334	334
Other comprehensive income	-	-	-	-	3	-	3
Appropriation to reserves	-	-	-	1,723	-	(1,723)	-
<b>Balance at 30 June 2025</b>	215,795	53,998	6,216	10,171	3	43,030	329,213

The notes on pages 26 to 37 form part of this interim financial report.



# Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2025 — unaudited  
(Expressed in RMB)

	Note	Six months ended 30 June	
		2025 RMB'000	2024 RMB'000
<b>Operating activities</b>			
Cash generated from/(used in) operations		24,015	(77,635)
Income tax paid		(3,372)	(6,642)
<b>Net cash generated from/(used in) operating activities</b>		<b>20,643</b>	<b>(84,277)</b>
<b>Investing activities</b>			
Payments for the purchase of property, plant and equipment		(2,968)	(956)
Rentals received		—	677
Payments for advances granted to third parties		(9,645)	—
<b>Net cash used in investing activities</b>		<b>(12,613)</b>	<b>(279)</b>
<b>Financing activities</b>			
Proceeds from issue of shares		—	122,314
Proceeds from bank loans		5,000	30,000
Repayment of bank loans		(22,500)	—
Proceeds from advances received from third parties		2,000	—
Payments for issuance costs in connection with the issuance of the Company's H shares		—	(18,936)
Interest paid		(659)	(653)
Capital element of lease rentals paid		(276)	(518)
Interest element of lease rentals paid		(56)	(20)
<b>Net cash (used in)/generated from financing activities</b>		<b>(16,491)</b>	<b>132,187</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(8,461)</b>	<b>47,631</b>
<b>Cash and cash equivalents at 1 January</b>	15	<b>19,601</b>	6,422
<b>Effect of foreign exchange rate changes</b>		<b>(4)</b>	100
<b>Cash and cash equivalents at 30 June</b>	15	<b>11,136</b>	54,153

The notes on pages 26 to 37 form part of this interim financial report.



# Notes to the Unaudited Interim Financial Report

(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)) 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 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“**IAS**”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (the “**IASB**”). It was authorised for issue on 25 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards as issued by the IASB.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements.



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

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:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by timing of revenue recognition		
– Overtime	77,223	91,028
– Point in time	9,604	3,540
	86,827	94,568

### (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 six months ended 30 June 2025 and 2024.

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.



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 5 OTHER NET INCOME

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Property management services	-	286
Interest income on finance lease	-	253
Interest income on bank deposits	17	76
Government grants	81	76
Net foreign exchange (loss)/gain	(14)	1,766
Others	(227)	(291)
	(143)	2,166

## 6 (IMPAIRMENT LOSSES)/REVERSAL OF IMPAIRMENT LOSSES ON TRADE, LEASE AND OTHER RECEIVABLES AND CONTRACT ASSETS

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
(Impairment losses)/reversal of impairment losses on trade receivables	(307)	2,003
Reversal of impairment losses on lease receivables	17	5
Reversal of impairment losses on contract assets	419	3,141
Impairment losses on prepayments, deposits and other receivables	(197)	(141)
	(68)	5,008

## 7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

### (a) Finance costs

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Interest on bank loans and lease liabilities	715	706



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 7 PROFIT BEFORE TAXATION (Continued)

### (b) Other items

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Depreciation of property, plant and equipment	1,946	1,801
Depreciation of investment properties	202	260
Depreciation of right-of-use assets	354	339
Research and development costs	3,486	3,590
Professional service fee in connection with the proposed initial public offering of the Company's H Shares	-	804
Cost of inventories	38,666	49,674

## 8 INCOME TAX EXPENSE

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
<b>Current tax</b>		
– Provision for the period	98	719
– Over-provision in respect of prior years	-	(25)
	98	694
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(81)	743
	17	1,437

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% during the six months ended 30 June 2025 (six months ended 30 June 2024: 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% during the reporting period.
- (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 during the reporting period.



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 9 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 shareholders of the Company of RMB334,000 (six months ended 30 June 2024: RMB10,494,000) and the weighted average of 215,794,749 ordinary shares (six months ended 30 June 2024: 182,298,320 shares) in issue or deemed to be in issue during the interim period.

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

	Six months ended 30 June	
	2025 Number of shares	2024 Number of shares
Ordinary shares in issue/deemed to be in issue at 1 January	215,794,749	161,844,749
Effect of ordinary shares issued upon initial public offerings (Note 19(a))	–	20,453,571
Weighted average number of ordinary shares in issue/deemed to be in issue	215,794,749	182,298,320

### (b) Diluted earnings per share

There were no dilutive potential shares outstanding during the six months ended 30 June 2025 and 2024. Hence, the diluted earnings per share is the same as basic earnings per share.

## 10 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired items of plant and equipment with a cost of RMB353,000 (six months ended 30 June 2024: RMB1,277,000). The Group early terminate the existing finance lease contracts with third parties, and related properties of RMB6,488,000 are recognised as property, plant and equipment. No property, plant and equipment was disposed of during the six months ended 30 June 2025 and 2024.



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 11 LEASE RECEIVABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Total minimum lease payments receivables	-	12,246
Less: unearned finance income	-	(4,576)
	-	7,670
Less: loss allowance	-	(17)
	-	7,653
Less: current portion	-	(1,530)
	-	6,123

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received at the end of each reporting period.

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year	-	1,531
After 1 year but within 2 years	-	765
After 2 years but within 5 years	-	2,296
After 5 years	-	7,654
	-	12,246
Less: unearned finance income	-	(4,576)
	-	7,670

In January 2025, the Group entered into early termination lease contracts with third parties to terminate the existing finance lease contracts.





# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 12 CONTRACT ASSETS

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Arising from performance under construction contracts		
– due from third parties	287,539	321,823
Less: loss allowance	(20,948)	(21,367)
	266,591	300,456
Trade receivables from contracts with customers within the scope of IFRS 15, which are included in “Trade receivables” (Note 13)	236,507	290,965

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 30 June 2025, except for the amounts of RMB113,888,000 (31 December 2024: RMB130,935,000), which are expected to be billed after more than one year.

## 13 TRADE AND BILLS RECEIVABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade receivables for contract work due from:		
– third parties	259,637	313,788
Bills receivable	250	–
Less: loss allowance	(23,130)	(22,823)
	236,757	290,965



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 13 TRADE AND BILLS RECEIVABLES (Continued)

### Ageing analysis

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

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year	82,737	147,568
1 to 2 years	119,860	133,170
2 to 3 years	32,761	9,588
Over 3 years	1,399	639
	<b>236,757</b>	290,965

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

## 14 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Advances to staff	418	411
Advances to third parties	9,645	–
Value-added-tax recoverable	647	505
Prepayments for purchase of inventories and services	12,576	2,632
Deposits for construction contracts' bidding and performance	15,845	19,242
Others	3,708	1,260
	<b>42,839</b>	24,050
Less: loss allowance	(757)	(560)
	<b>42,082</b>	23,490

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



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 15 CASH AND CASH EQUIVALENTS

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Cash at bank and on hand	26,468	22,053
Less: restricted bank deposits (Note (i))	(15,332)	(2,452)
Cash and cash equivalents in the consolidated statement of financial position and condensed consolidated cash flow statement	11,136	19,601

Note:

- (i) The balance of restricted bank deposits as at 31 December 2024 represent frozen bank deposits amounted to RMB1,877,000 by court due to a litigation against the Company, and security deposits placed at bank for letter of guarantee amounted RMB575,000, which has been released as at 30 June 2025.

The balance of restricted bank deposits as at 30 June 2025 represent frozen bank deposits amounted to RMB15,332,000 by court due to a litigation against the Company.

## 16 TRADE AND BILLS PAYABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade payables		
— due to third parties	233,576	287,925
— due to related parties	6,657	10,480
Bills payables	530	400
	240,763	298,805

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

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year	146,783	157,127
1 to 3 years	74,028	116,198
Over 3 years	19,952	25,480
	240,763	298,805

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



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 17 ACCRUED EXPENSES AND OTHER PAYABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Amounts due to third parties	2,000	–
Payables for costs incurred in connection with the issuance of the Company's H shares	3,366	3,366
Payables for staff related costs	7,468	6,251
Deposits	–	3,733
Others	3,749	3,800
Financial liabilities measured at amortised cost	16,583	17,150
Other tax payables	14,151	18,062
	30,734	35,212

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

## 18 BANK LOANS

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Short-term bank loans:		
– Guaranteed by Mr. Wang Wenbin and Ms. Dou Enyan	22,500	20,000
– Unguaranteed and unsecured	10,000	20,000
	32,500	40,000

All of the Group's banking facilities were utilised as of 30 June 2025. Certain of the Group's bank loans is subject to the fulfilment of covenants commonly found in lending arrangement with financial institution. If the Group were to breach the covenants, the loan would become repayable on demand. The Group regularly monitors its compliance with the covenants. At 30 June 2025, none of the covenants relating to the bank loans had been breached.



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 19 CAPITAL, RESERVES AND DIVIDENDS

### (a) Share capital

	Number of shares '000	Amount RMB'000
Ordinary shares, issued and fully paid		
At 1 January 2024	161,845	161,845
Issue of ordinary shares upon initial public offerings	53,950	53,950
At 31 December 2024, 1 January 2025 and 30 June 2025	215,795	215,795

On 23 April 2024, the Company issued 53,950,000 H shares with par value of RMB1.00 at a price of Hong Kong dollar ("HK\$") 2.50 per share. The proceeds of RMB53,950,000 representing the par value, were credited to the Company's share capital, and the remaining proceeds of RMB27,989,000 (after net of issuance expenses of approximately RMB40,375,000) were credited to the capital reserve account.

### (b) Dividends

- (i) Dividends payable to equity shareholders of the Company attributable to the interim period

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the interim period

No final dividend in respect of the previous financial year has been approved during the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 20 MATERIAL RELATED PARTY TRANSACTIONS

### (a) Key management personnel remuneration

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Salaries and other emoluments	1,196	1,117
Retirement scheme contributions	165	147
	1,361	1,264

### (b) Balances with related parties

The Group's balances with related parties as at the end of the reporting period are as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade in nature:		
Trade and bills payables	6,657	10,480
Non-trade in nature:		
Guarantees provided by Mr. Wang Wenbin and Ms. Dou Enyan for the bank loans	22,500	20,000

## 21 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 this interim financial report, 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 30 June 2025. Based on assessment from the directors of the Company, no additional provision has been provided in respect of this claim.

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. On 17 July 2025, a first instance court judgement has been rendered in favour of the Company. The supplier later on filed an appeal and the lawsuit is under review before the court. The Company's bank deposits of RMB15,332,000 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 RMB15,332,000. Based on the 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.



# Definitions

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

“Articles of Association”	the articles of association of the Company as amended from time to time
“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	board of directors of the Company
“Board of Supervisors”	board of supervisors of the Company
“CAGR”	compound annual growth rate
“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 Hong Kong, the Macau Special Administrative Region and Taiwan of China herein
“Company”, “our Company” or “the Company”	Tianjin Construction Development Group Co., Ltd. (天津建设发展集团股份有限公司), 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 interim report, refers to the controlling shareholders of our Company, 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
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“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”	the Company and its 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



# Definitions

“Hong Kong dollars” or “HK dollars” or “HK\$” or “HK cents”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“IFRS”	International Financial Reporting Standards
“Independent Third Party”	a person or entity who is not considered as a connected person of our Company under the Listing Rules
“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
“Reporting Period”	the six months ended 30 June 2025
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanshengyuan Enterprise Management”	Shanshengyuan (Tianjin) Enterprise Management Partnership (Limited Partnership)* (山盛源(天津)企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 17 March 2022
“Share(s)”	ordinary shares in the capital of the Company with a nominal value of RMB1.00 each, comprising Unlisted Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Shares
“Shengyuan Group”	Shengyuan Group (Tianjin) Co., Ltd.* (盛源集團(天津)有限公司), a company established under the laws of the PRC on 12 October 2021 with limited liability



## Definitions

“Shengyuan Holding”	Shengyuan Group Holdings (Tianjin) Co., Ltd.* (盛源集團控股(天津)有限公司), a company established under the laws of the PRC on 1 March 2022 with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	supervisor(s) of the Company
“Tianjin Gongmeihao”	Gongmeihao (Tianjin) Enterprise Management Co. Limited* (共美好(天津)企業管理有限公司), a company established in the PRC with limited liability on 29 May 2023
“Tianjin Huizhi”	Huizhi (Tianjin) Entrepreneurial Space Service Center (Limited Partnership)* (匯智(天津)創業空間服務中心(有限合夥)), a limited partnership established under the laws of the PRC on 18 November 2021
“Tianjin Jushi”	Jushi (Tianjin) Entrepreneurial Management Center (Limited Partnership)* (聚勢(天津)企業管理中心(有限合夥)), a limited partnership established under the laws of the PRC on 18 November 2021
“Tianjin Zhiweilai”	Zhiweilai (Tianjin) Enterprise Management Co. Limited* (致未來(天津)企業管理有限公司), a company established in the PRC with limited liability on 14 May 2023
“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

\* For identification purpose only