京投軌道交通科技控股有限公司
BII Railway Transportation Technology Holdings Company Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1522)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the "**Board**") of directors (the "**Directors**") of BII Railway Transportation Technology Holdings Company Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2025 (the "**Period**").

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the six months ended 30 June 2025
(Expressed in Hong Kong dollars)

	Note	Six months ended 30 June	
		2025	2024
		HK$'000	*HK$'000*
		(unaudited)	(unaudited)
Revenue	*4*	**565,862**	468,982
Cost of sales		**(359,320)**	(279,332)
Gross profit		**206,542**	189,650
Other income and other gains/losses		**11,019**	8,060
Selling, general and administrative expenses		**(109,208)**	(106,122)
Reversal of impairment loss/(impairment loss) on trade, bills and other receivables and contract assets, net		**4,326**	(864)
Research and development expenses		**(84,902)**	(83,119)
Profit from operations		**27,777**	7,605
Finance costs	*5(a)*	**(7,107)**	(4,599)
Share of results of joint ventures and associates		**16,436**	2,429
Loss on disposal of a joint venture		**(6,431)**	–
Fair value changes on other financial assets		**356**	(1,808)
Profit before taxation	*5*	**31,031**	3,627
Income tax (expense)/credit	*6*	**(7,859)**	18
Profit for the period		**23,172**	3,645
Attributable to:			
Equity shareholders of the Company		**24,876**	9,636
Non-controlling interests		**(1,704)**	(5,991)
Profit for the period		**23,172**	3,645
Earnings per share			
Basic and diluted (HK$)	*7*	**0.0119**	0.0046

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the six months ended 30 June 2025
(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit for the period	**23,172**	3,645
Other comprehensive (expense)/income for the period, net of tax:		
Items that will not be reclassified to profit or loss:		
Other financial assets designated at fair values through other comprehensive income		
Change in fair value	**(26,598)**	(5,508)
Tax effect	**3,990**	826
	(22,608)	(4,682)
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**52,392**	(17,174)
Other comprehensive income/(expense) for the period	**29,784**	(21,856)
Total comprehensive income/(expense) for the period	**52,956**	(18,211)
Attributable to:		
Equity shareholders of the Company	**46,913**	(11,856)
Non-controlling interests	**6,043**	(6,355)
Total comprehensive income/(expense) for the period	**52,956**	(18,211)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2025
(Expressed in Hong Kong dollars)

	Note	**At 30 June 2025** ***HK$'000*** **(unaudited)**	At 31 December 2024 *HK$'000* (audited)
Non-current assets			
Property, plant and equipment		**239,642**	258,100
Intangible assets		**175,897**	181,559
Goodwill		**552,348**	543,944
Interests in joint ventures and associates		**332,518**	385,430
Other financial assets		**173,952**	197,387
Deferred tax assets		**35,836**	33,536
		1,510,193	1,599,956
Current assets			
Inventories		**541,466**	451,136
Contract assets	*8(a)*	**848,356**	735,056
Trade and other receivables	*9*	**1,201,534**	1,285,764
Cash and cash equivalents		**678,222**	761,204
		3,269,578	3,233,160
Current liabilities			
Trade and other payables	*10*	**1,311,695**	1,356,920
Contract liabilities	*8(b)*	**80,562**	38,604
Bank borrowings		**129,393**	101,507
Other borrowings		**6,031**	28,262
Lease liabilities		**16,791**	18,287
Current taxation		**29,811**	27,043
Provision for warranties		**5,330**	5,165
		1,579,613	1,575,788
Net current assets		**1,689,965**	1,657,372
Total assets less current liabilities		**3,200,158**	3,257,328

	Note	At **30 June 2025** ***HK$'000*** **(unaudited)**	At 31 December 2024 *HK$'000* (audited)
Non-current liabilities			
Other borrowings		**210,000**	255,000
Lease liabilities		**13,914**	20,243
Contingent considerations		**–**	1,955
Deferred tax liabilities		**28,792**	33,690
Deferred income		**1,316**	1,296
Provision for warranties		**3,787**	4,201
		257,809	316,385
NET ASSETS		**2,942,349**	2,940,943
CAPITAL AND RESERVES			
Share capital		**20,971**	20,971
Reserves		**2,751,211**	2,754,630
Total equity attributable to equity shareholders of the Company		**2,772,182**	2,775,601
Non-controlling interests		**170,167**	165,342
TOTAL EQUITY		**2,942,349**	2,940,943

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

(Expressed in Hong Kong dollars)

1 GENERAL INFORMATION

BII Railway Transportation Technology Holdings Company Limited (the "**Company**") was incorporated in the Cayman Islands on 7 January 2011 as an exempted company with limited liability under the Companies Law (2011 Revision), Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company's principal place of business is Room 2502, 25/F, Tower 1, Enterprise Square Five, 38 Wang Chiu Road, Kowloon Bay, Hong Kong.

The shares of the Company were listed on the Growth Enterprise Market (the "**GEM**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 16 May 2012. The listing of the Company's shares was transferred from the GEM to the Main Board of the Stock Exchange on 6 December 2013.

2 BASIS OF PREPARATION

This interim financial information has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with International Accounting Standard ("**IAS**") 34, Interim Financial Reporting, issued by the International Accounting Standards Board ("**IASB**"). It was authorised for issue on 27 August 2025.

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

The preparation of an interim financial information 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 information 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 consolidated 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.

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 financial information 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 or revised standards or interpretation that is not yet effective for the current accounting period.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are (i) provision of hardware and software products and services of high-speed railways, intercity railways, suburban railways and metro system; (ii) professional data integration service and intelligent hardware and software products and services of railway transportation, including cloud and big data service; (iii) provision of one-stop intelligent communication infrastructure services for domestic and international clients; and (iv) investment in the railway transportation and infrastructure areas through investing in equity.

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major service lines and geographical location of customers is as follows:

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Revenue from contracts with customers within the scope of IFRS 15 (re-presented)		
Disaggregated by major service lines		
– Revenue from intelligent passenger information services	**251,791**	156,395
– Revenue from digital-intelligence urban rail services	**176,686**	165,240
– Revenue from innovation development	**137,385**	147,347
	565,862	468,982
Disaggregated by geographical location of customers		
– Mainland China	**547,825**	455,541
– Hong Kong	**10,702**	10,979
– Overseas	**7,335**	2,462
	565,862	468,982

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in Note 4(b)(i).

(b) Segment reporting

The Group manages its businesses by business lines in a manner consistent with the way in which the information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessments.

Starting from the current interim period, the Group reorganised its internal reporting structure which resulted in changes to the composition of its reportable segments as the Group's most senior executive management consider that the revised reportable segments provide a better summary to them in reviewing the Group's operating performance and making decisions in resource allocation. Accordingly, the comparative figures of the reportable segments have been re-presented to conform with the current period's presentation. The Group now presents the following four reportable segments:

– Intelligent passenger information services: this segment provides hardware and software products and services of high-speed railways, intercity railways, suburban railways and metro system.

– Digital-intelligence urban rail services: this segment provides professional data integration service and intelligent hardware and software products and services of railway transportation, including cloud and big data service.

– Innovation development: this segment provides one-stop intelligent communication infrastructure services for domestic and international clients.

– Business development investment: this segment manages the equity investments in railway transportation and infrastructure areas.

No operating segments have been aggregated to form the above reportable segments.

(i) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the costs incurred by those segments. The management is provided with segment information concerning inter-segment sales, which are priced with reference to prices charged to external parties for similar orders. The measure used for reporting segment profit is gross profit. The Group's other income and expense items, such as other income and other gains/losses, selling, general and administrative expenses, reversal of impairment loss/(impairment loss) on trade, bills and other receivables and contract assets, net, research and development expenses, finance costs and fair value changes on other financial assets, are not allocated to individual segments.

There were no separate segment assets and segment liabilities information provided to the Group's senior executive management, as they do not use this information to allocate resources to or evaluate the performance of the operating segments.

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2025 and 2024 is set out below.

	Six months ended 30 June 2025				
	Intelligent passenger information services *HK$'000* **(unaudited)**	**Digital-intelligence urban rail services** *HK$'000* **(unaudited)**	**Innovation development** *HK$'000* **(unaudited)**	**Business development investment** *HK$'000* **(unaudited)**	**Total** *HK$'000* **(unaudited)**
Disaggregated by timing of revenue recognition					
Point in time	**245,997**	**139,163**	**12,877**	**–**	**398,037**
Over time	**5,794**	**37,523**	**124,508**	**–**	**167,825**
Revenue from external customers	**251,791**	**176,686**	**137,385**	**–**	**565,862**
Inter-segment revenue	**3,284**	**918**	**679**	**–**	**4,881**
Reportable segment revenue	**255,075**	**177,604**	**138,064**	**–**	**570,743**
Reportable segment profit	**125,724**	**31,527**	**49,291**	**–**	**206,542**
Share of results of joint ventures and associates	**–**	**–**	**–**	**16,436**	**16,436**

	Six months ended 30 June 2024 (re-presented)				
	Intelligent passenger information services *HK$'000* (unaudited)	Digital-intelligence urban rail services *HK$'000* (unaudited)	Innovation development *HK$'000* (unaudited)	Business development investment *HK$'000* (unaudited)	Total *HK$'000* (unaudited)
Disaggregated by timing of revenue recognition					
Point in time	153,515	116,450	40,719	–	310,684
Over time	2,880	48,790	106,628	–	158,298
Revenue from external customers	156,395	165,240	147,347	–	468,982
Inter-segment revenue	167	1,872	1,108	–	3,147
Reportable segment revenue	156,562	167,112	148,455	–	472,129
Reportable segment profit	84,248	30,429	74,973	–	189,650
Share of results of joint ventures and associates	–	–	–	2,429	2,429

(ii) Reconciliation of reportable segment profit

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Reportable segment profit	**206,542**	189,650
Share of results of joint ventures and associates	**16,436**	2,429
Other income and other gains/losses	**11,019**	8,060
Selling, general and administrative expenses	**(109,208)**	(106,122)
Reversal of impairment loss/(impairment loss) on trade, bills and other receivables and contract assets, net	**4,326**	(864)
Loss on disposal of a joint venture	**(6,431)**	–
Research and development expenses	**(84,902)**	(83,119)
Finance costs	**(7,107)**	(4,599)
Fair value changes on other financial assets	**356**	(1,808)
Profit before taxation	**31,031**	3,627

(c) Seasonality of operations

The Group's main business are subject to seasonal fluctuations of the industry, and normally report higher revenue and segment profit in the second half of the year than the first half of the year.

For the twelve months ended 30 June 2025, the above segments reported revenue of approximately HK$1,753,653,000 (twelve months ended 30 June 2024: HK$1,632,975,000), and gross profit of approximately HK$636,579,000 (twelve months ended 30 June 2024: HK$592,282,000).

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs:

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Interest on bank borrowings	**1,572**	1,429
Interest on other borrowings	**4,696**	2,297
Interest on lease liabilities	**839**	873
	7,107	4,599

(b) Other items:

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Amortisation of intangible assets	**8,644**	9,125
Cost of inventories *(Note)*	**228,818**	135,504
Depreciation charge		
– owned property, plant and equipment	**16,848**	14,722
– right-of-use assets	**9,676**	9,244
Increase in provision for warranties	**3,411**	3,843
(Reversal of impairment loss)/impairment loss on trade, bills and other receivables and contract assets, net	**(4,326)**	864
Staff costs	**125,951**	114,281
Interest income	**(3,260)**	(2,658)
Government grants	**(8,810)**	(6,420)
Net foreign exchange loss	**612**	996
Net loss on disposal of property, plant and equipment	**46**	4

Note:

Cost of inventories includes approximately HK$43,776,000 (30 June 2024: HK$39,406,000) relating to staff costs, and depreciation and amortisation expenses, which amount is also included in the respective total amounts disclosed separately above for each of these types of expenses.

6 INCOME TAX

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Current taxation – The People's Republic of China (the "PRC") Enterprise Income Tax ("EIT"):		
– Provision for the period *(Note (iv))*	**4,623**	6,085
– Withholding tax on dividend income *(Note (v))*	**–**	37
– Withholding tax on transfer of shares *(Note (vi))*	**5,849**	–
	10,472	6,122
Current taxation – Hong Kong Profits Tax:		
– Provision for the period *(Note (i))*	**522**	807
Deferred taxation:		
– Origination and reversal of temporary differences	**(3,135)**	(6,947)
	7,859	(18)

Notes:

(i) The Company and its subsidiaries incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% for the six months ended 30 June 2025 (six months ended 30 June 2024: 16.5%), except for one subsidiary which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% (six months ended 30 June 2024: 8.25%) and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

(ii) The subsidiaries incorporated in jurisdictions other than the PRC, Hong Kong and India are not subject to any income tax, pursuant to the rules and regulations of their respective jurisdictions of incorporation.

(iii) The subsidiary incorporated in the India is subject to India Profits Tax rate of 25% for the six months ended 30 June 2025 (six months ended 30 June 2024: 25%).

(iv) The subsidiaries established in the PRC are subject to PRC EIT rate of 25% for the six months ended 30 June 2025 (six months ended 30 June 2024: 25%). Certain subsidiaries established in the PRC have obtained approvals from the tax bureau to be taxed as enterprises with advanced and new technologies. As a result, these subsidiaries enjoyed the preferential PRC EIT rate of 15% for the for the six months ended 30 June 2025 (for the six months ended 30 June 2024: 15%). In addition to the preferential PRC EIT rate, these subsidiaries are also entitled to an additional deductible tax allowance calculated at 80%/100% of the qualified research and development costs incurred by these subsidiaries (for the six months ended 30 June 2024: 80%/100%).

(v) Under the Law of the PRC EIT, 10% (six months ended 30 June 2024: 10%) withholding tax is levied on dividend from enterprises established in Mainland China to enterprises established outside Mainland China.

(vi) Under the Law of the PRC EIT, 10% (six months ended 30 June 2024: 10%) withholding tax is levied on gain from transfer of shares in enterprises established in Mainland China by the enterprises established outside Mainland China.

7 BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic earnings per share for the six months ended 30 June 2025 is based on the profit attributable to ordinary equity shareholders of the Company of HK$24,876,000 (six months ended 30 June 2024: HK$9,636,000) and the weighted average of 2,097,146,727 ordinary shares (six months ended 30 June 2024: 2,097,146,727 ordinary shares) in issue during the interim period.

The Group has no dilutive ordinary shares outstanding for the six months ended 30 June 2025 and 2024. Therefore, there was no difference between basic and diluted earnings per share.

8 CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

	At **30 June** **2025** ***HK$'000*** **(unaudited)**	At 31 December 2024 *HK$'000* (audited)
Contract assets		
Arising from performance under contracts with customers	**898,697**	783,893
Less: loss allowance	**(50,341)**	(48,837)
	848,356	735,056

(b) Contract liabilities

	At **30 June** **2025** ***HK$'000*** **(unaudited)**	At 31 December 2024 *HK$'000* (audited)
Contract liabilities		
Service contracts		
– Billings in advance of performance	**80,562**	38,604

9 TRADE AND OTHER RECEIVABLES

	At 30 June 2025 *HK$'000* (unaudited)	At 31 December 2024 *HK$'000* (audited)
Trade receivables	**807,660**	1,031,338
Bills receivable	**273,346**	230,281
	1,081,006	1,261,619
Less: loss allowance	**(44,225)**	(47,981)
Trade and bills receivables, net of loss allowance	**1,036,781**	1,213,638
Prepayments, deposits and other receivables	**71,972**	65,681
Consideration receivable from disposal of a joint venture	**74,564**	–
	146,536	65,681
Less: loss allowance	**(10,175)**	(9,980)
	136,361	55,701
Value-added tax recoverable	**28,392**	16,425
	1,201,534	1,285,764

All of the trade and other receivables are expected to be settled or recognised as expenses within one year.

As at 30 June 2025, trade and bills receivables amounting to HK$6,031,000 (31 December 2024: HK$28,262,000) have been pledged as security for the Group's other borrowings.

As of the end of the reporting period, the ageing analysis of trade receivables and bills receivable, based on the invoice date after loss allowance, is as follows:

	At 30 June 2025 *HK$'000* (unaudited)	At 31 December 2024 *HK$'000* (audited)
Within 1 year	**797,186**	974,117
Over 1 year	**239,595**	239,521
	1,036,781	1,213,638

All trade receivables are due for payment upon issuance of demand note and all bills receivable are with a maturity period of less than one year.

10 TRADE AND OTHER PAYABLES

	At 30 June 2025 *HK$'000* (unaudited)	At 31 December 2024 *HK$'000* (audited)
Trade payables	**1,003,756**	1,016,485
Bills payable	**98,297**	77,081
Trade and bills payables	**1,102,053**	1,093,566
Accrued expenses and other payables	**95,644**	123,804
Consideration payable for acquisition of a subsidiary	**–**	80,730
Dividend payable to equity shareholders of the Company	**50,332**	–
Other taxes payables	**63,666**	58,820
	1,311,695	1,356,920

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

As of the end of reporting period, the ageing analysis of trade and bills payables, based on the maturity date, is as follows:

	At 30 June 2025 *HK$'000* (unaudited)	At 31 December 2024 *HK$'000* (audited)
Due within 1 month or on demand	**1,028,824**	1,026,820
Due after 1 month but within 6 months	**73,229**	66,746
	1,102,053	1,093,566

11 DIVIDENDS

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

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

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

	Six months ended 30 June	
	2025 *HK$'000* (unaudited)	2024 *HK$'000* (unaudited)
Final dividend in respect of the previous financial year, approved during the following interim period, of HK$2.4 cents (six months ended 30 June 2024: HK$2.5 cents) per ordinary share	**50,332**	52,429

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET AND BUSINESS ENVIRONMENT

The Group's business development is strongly related to the overall environment of the rail transit industry. In the first half of 2025, the rail transit industry maintained stable momentum, providing a consistent external environment for the Group's business development. Domestically, in the national railway sector, according to the data of China State Railway Group, fixed-asset investment in national railway construction amounted to approximately RMB355.9 billion in the first half of the year, representing a year-on-year increase of approximately 5.5%; the aggregate passenger volume by railway in Mainland China was approximately 2.24 billion in the first half of the year, representing a year-on-year increase of approximately 6.7%, indicating healthy growth in passenger demand. In the urban railways sector, according to data of China Association of Metros, a total of 220.7 kilometres of new urban rail transit operating lines were added in the first half of the year, with 9 cities launching new lines, sections or extensions in urban railways. In terms of passenger throughput, according to the data of the Ministry of Transport, the aggregate passenger volume by urban rail transit nationwide was approximately 16.14 billion in the first half of the year, representing an increase of approximately 3% as compared with the same period last year. As for overseas, data from the International Union of Railways shows that as of the end of 2024, the mileage of rail transit operation had exceeded 65,000 kilometres. Growth in emerging market countries was significant, with numerous new lines being commissioned in regions such as Africa and Asia, indicating considerable room for incremental growth in these areas.

In addition to maintaining a steady pace in the construction and operation, the rail transit industry witnessed some favourable external conditions in the first half of the year. In terms of technological innovation, artificial intelligence serves as a significant driver for the intelligent upgrading and high-quality development of rail transit scenarios. Moreover, the sustained increase in demand for the renewal and renovation of existing lines, coupled with considerable potential for overseas market expansion, offers favourable market development opportunities for the Group's business development. As challenges and opportunities are inherently linked, we remain prudent as clients inclined to adopt localised purchasing policy, combined with changes in the competitive ecosystem due to an increase in new participants, has further intensified industry competition; the return on investment for implementing cutting-edge technologies like artificial intelligence is uncertain; and civil communication business will face downward pressure on future revenue due to adjustments in pricing policies. These factors present the Group with more complex environment variables in the process of seizing market opportunities, placing higher requirements on the Group's strategic foresight, speed of strategic adjustment, and overall operational capabilities.

BUSINESS OVERVIEW

In the first half of the year, the Group actively responded to changes in the internal and external environment, timely grasped the market trends and customer needs to explore domestic and overseas markets, and sped up project delivery, resulting in higher overall operating results as compared with the same period last year. As at 30 June 2025, the Group recorded revenue of approximately HK$565.9 million, representing an increase of approximately 20.7% as compared with the same period last year. Gross profit was approximately HK$206.5 million, representing an increase of 8.9% as compared with the same period last year. The gross profit margin was approximately 36.5%, representing a year-on-year decrease of approximately 3.9 percentage points. Profit attributable to equity shareholders amounted to approximately HK$24.9 million, representing an increase of approximately 158.2% as compared with the same period last year.

During the Period, in order to further optimise the strategy and expand future business growth points, the Group integrated BII Transit Systems (HK) Co., Ltd ("**BII-TSHK**") with its the international business with the intelligent infrastructure business segment to form the "Innovative Development Business segment". In addition, to further promote the in-depth application of big data, artificial intelligence, and large model technologies in the rail transit industry, the original "Data and Integration Services Business segment" was renamed to the "Digital-Intelligence Urban Rail Services Business segment".

In the first half of the year, by adhering to its market strategy of "relying on Beijing and Hong Kong, stepping up its presence nationwide, and exploring international markets", the Group's newly contracted and bid-winning projects amounted to approximately RMB1.14 billion. As at 30 June 2025, the Group's orders on hand amounted to approximately HK$3.61 billion, representing an increase of approximately 11.8% as compared with the end of 2024.

FINANCIAL REVIEW

Revenue

During the Period, the Group recorded revenue of approximately HK$565.9 million, representing an increase of approximately HK$96.9 million or approximately 20.7% as compared with the same period last year. The Group's revenue was mainly derived from the three core businesses: intelligent passenger information services, digital-intelligence urban rail services and innovative development business, which amounted to approximately HK$251.8 million, HK$176.7 million and HK$137.4 million respectively, or approximately 44.5%, 31.2% and 24.3% of the total revenue during the Period, respectively.

Revenue derived from the intelligent passenger information services business during the Period was approximately HK$251.8 million, representing a year-on-year increase of approximately HK$95.4 million or approximately 61.0%. The increase in revenue from this segment was mainly attributable to the impact of the nature of the projects and their implementation cycle, the key projects such as the intelligent EMUs E76A passenger information and entertainment system project and the Dongguan Metro Line 1 Project reached their delivery stage, which resulted in an increase in revenue as compared with the corresponding period.

Revenue derived from the digital-intelligence urban rail services business during the Period was approximately HK$176.7 million, representing a year-on-year increase of approximately HK$11.4 million or approximately 6.9%. The increase in revenue from this segment was mainly attributable to the commencement of revenue recognition from the Beijing Metro Line 13 Capacity Expansion and Enhancement Communication Integration Project and the first phase of the communication system procurement project for Taiyuan Metro Line 1 during the Period, resulting in an increase in revenue as compared with the same period last year.

Revenue derived from the innovative development business for the Period was approximately HK$137.4 million, representing a decrease of approximately HK$10.0 million or approximately 6.8% as compared with the same period last year. The decrease in revenue from this segment was mainly due to the completion of the weak current system project on the Bishan-Tongliang line's suburban railway PPP project, which had a relatively large amount in the previous period, while the new projects during the Period had not yet reached its delivery stage.

As far as geographical contribution is concerned, the Group mainly operates its businesses in Mainland China. During the Period, the Group recorded revenue of approximately HK$547.8 million in Mainland China, representing an increase of approximately HK$92.3 million or approximately 20.3% as compared with the same period last year. The Group recorded revenue of approximately HK$10.7 million in Hong Kong market, representing a decrease of approximately HK$0.3 million or approximately 2.5% as compared with the same period last year. Meanwhile, the Group recorded revenue of approximately HK$7.3 million in the overseas market during the Period, representing an increase of HK$4.9 million or approximately 197.9% compared with the same period last year, which was mainly attributable to the impact of the delivery cycle of the Indian projects.

Overall, the increase in the Group's revenue in the first half of the year was mainly attributable to the fact that there were more key projects reaching the delivery stage during the Period as compared to the same period last year.

Cost of sales and gross profit

During the Period, the Group's cost of sales was approximately HK$359.3 million, representing an increase of approximately HK$80.0 million or approximately 28.6% as compared with the same period last year. The Group's gross profit was approximately HK$206.5 million, representing an increase of approximately HK$16.9 million or approximately 8.9% as compared with the same period last year. The increase in gross profit was mainly due to an increase in revenue. During the Period, the Group's gross profit margin was approximately 36.5%, representing a decrease of approximately 3.9 percentage points as compared with the same period last year, which was mainly due to the fulfillment of conditions precedent of the cooperation agreement entered into between the Group and 北京市基礎設施投資有限公司 (Beijing Infrastructure Investment Co., Ltd.*) ("**BII**") in relation to the usage fees of resources for the civil communication transmission systems in Beijing Subway, and the Group made corresponding provisions for payment of corresponding fees.

Selling, general and administrative expenses

The Group's selling, general and administrative expenses for the Period were approximately HK$109.2 million, representing an increase of approximately HK$3.1 million or approximately 2.9% from the same period last year, with the overall level of expenses remaining stable.

R&D expenses

The Group's R&D expenses for the Period amounted to approximately HK$84.9 million, representing an increase of approximately HK$1.8 million or approximately 2.1% as compared with the same period last year. This was mainly due to the addition of some new R&D projects driven by business expansion, which has led to an increase in R&D expenses.

Share of results of joint ventures and associates

The Group's investment returns for the Period amounted to approximately HK$16.4 million, representing an increase of approximately HK$14.0 million as compared with the same period last year. The increase in investment returns was mainly due to the improvement in the results of some joint ventures and associates for the Period as compared with the same period last year. In addition, the Group completed the disposal of 49% of its equity interest in Beijing Metro Science and Technology Development Co., Ltd. ("**Metro Technology**") during the Period, resulting in a loss of approximately HK$6.4 million, due to primarily exchange loss.

Gains or losses on changes in fair value

The Group recorded a fair value gain of approximately HK$0.4 million during the Period, representing an increase of approximately HK$2.2 million compared with the same period last year. The increase in gains from changes in fair value was mainly due to changes in the fair value of the Group's investments in Youdao Technology Co., Ltd ("**Youdao Technology**") and Beijing Cornerstone Huiying Venture Capital Centre (Limited Liability Partnership) ("**Cornerstone Huiying**").

Profit attributable to equity shareholders of the Company

The profit attributable to equity shareholders of the Group for the Period was approximately HK$24.9 million, representing an increase of approximately 158.2% as compared with the same period last year.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Capital structure

As at 30 June 2025, the Company's issued share capital consisted of 2,097,146,727 ordinary shares of HK$0.01 each (as at 31 December 2024: 2,097,146,727 ordinary shares of HK$0.01 each).

Cash position

As at 30 June 2025, the Group's cash and bank balances were approximately HK$678.2 million (as at 31 December 2024: approximately HK$761.2 million).

The Group's net cash generated from operating activities for the Period was approximately HK$28.3 million, representing an increase of approximately HK$32.4 million in net inflow compared with the same period last year, mainly due to increased collections during the Period.

The Group's net cash used in investing activities for the Period was approximately HK$87.6 million, representing an increase of approximately HK$79.1 million in net outflow as compared with the same period last year, mainly due to the 4th payment for the acquisition of the 95% equity interest in 蘇州華啟智能科技股份有限公司 (Suzhou Huaqi Intelligent Technology Co., Ltd.*) ("**Huaqi Intelligent**") (as detailed in the circular dated 31 January 2019), amounting to approximately HK$83.9 million, during the Period.

The Group's net cash used in financing activities for the Period was approximately HK$32.1 million, representing an increase of approximately HK$26.9 million in net outflow as compared with the same period last year, mainly due to the repayment of other borrowings of approximately HK$45.0 million during the Period.

Borrowings and pledged assets of the Group

As at 30 June 2025, the Group's borrowings were approximately HK$345.4 million (2024: approximately HK$384.8 million), of which HK$210 million was derived from the borrowing from a subsidiary of BII, the Company's ultimate holding company, and the remaining was bank and other borrowings of approximately HK$135.4 million.

In respect of the Group's borrowings of HK$210 million, as at 30 June 2025, the rights and interests in 30% of the issued share capital of Great Legend Development Limited, a wholly-owned subsidiary of the Group, held by the Company were charged in favour of a subsidiary of the ultimate holding company of the Company.

Working capital and gearing ratio

As at 30 June 2025, the Group had current assets of approximately HK$3,269.6 million (as at 31 December 2024: approximately HK$3,233.2 million), while its current liabilities were approximately HK$1,579.6 million (as at 31 December 2024: approximately HK$1,575.8 million), resulting in net current assets of approximately HK$1,690.0 million (as at 31 December 2024: approximately HK$1,657.4 million). As at 30 June 2025, the current ratio, calculated based on current assets divided by current liabilities, was approximately 2.1 (as at 31 December 2024: approximately 2.1).

Gearing ratio is calculated based on total debts at the end of a period divided by total assets at the end of such period multiplied by 100%. As at 30 June 2025, the Group's gearing ratio was approximately 38.4% (as at 31 December 2024: approximately 39.2%).

Exposure to currency risk

The Group has six main operating subsidiaries, one was incorporated in Hong Kong and the other five were established in Mainland China. All of these subsidiaries earn revenue and incur cost in their local currencies. The Directors consider that the impact of foreign exchange exposure on the Group is minimal.

Contingent liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities (as at 31 December 2024: nil).

BUSINESS ANALYSIS BY SEGMENT

During the Period, the Group adhered to its established strategic direction, focusing on R&D and innovation as its foundation, to fulfill its mission of bringing customer success through value-and-efficiency focused approach, and product-driven strategy. It consolidated the "3+2" business structure, focusing on the three core business segments of intelligent passenger information services, digital-intelligence urban rail services, and innovative development business, implementing supporting measures to continuously enhance product competitiveness and service levels.

Intelligent Passenger Information Services Business

The intelligent passenger information services business primarily focuses on passenger mobility scenarios covering areas such as high-speed railways, intercity railways, suburban railways, and metro. Its main products include integrated PIS, on-board integrated cloud-based platform, comprehensive monitoring and other hardware and software products and solutions.

Revenue derived from the intelligent passenger information services business during the Period was approximately HK$251.8 million, representing a year-on-year increase of approximately HK$95.4 million or approximately 61.0%. Gross profit was approximately HK$125.7 million, representing an increase of approximately 49.2% as compared with the same period last year, which was mainly due to the fact that the key projects such as the intelligent EMUs E76A passenger information and entertainment system project and the Dongguan Metro Line 1 Project reached their delivery points. The amount of newly contracted and bid-winning projects was approximately RMB350 million.

During the Period, the Group continued to deepen its business layout and consolidate its advantages in existing business areas, successfully securing orders in cities such as Beijing, Shenzhen, and Dongguan. Among them, it signed the contract for the CCTV, PIS, and PA system integration project for the Beijing Rail Transit Line 22, with a contract amount of approximately RMB70.51 million. At the same time, the Group pushed forward new growth drivers by signing the CCTV system renovation project with CRRC Qingdao Sifang Co., Ltd., with an amount of approximately RMB16.501 million, and continued to strengthen its business layout in renovation and upgrade market. As one of the first batch of entities accredited with commercial cryptographic application security assessment in Mainland China, it launched cryptographic assessment projects in regions such as Guiyang and Urumqi, pioneering the data security new sector. In addition, on the overseas front, the Group's two-pronged approach of exported technology with localised services has empowered it to further expand into countries such as Malaysia and India, thereby continuously enhancing its international market penetration and regional brand influence.

Digital-Intelligence Urban Rail Services Business

The digital-intelligence urban rail services business primarily serves the metro owners and operators, focusing on scenarios such as the construction and operation of railway transportation. The business scope encompasses Automatic Fare Collection System (AFC), Traffic Control Centre or Centralised Operation Control Centre (TCC, COCC), weak current and communication system integration services. The business provides intelligent software and hardware products and services such as cloud platforms for railways and big data solutions for urban railways.

Revenue derived from the digital-intelligence urban rail services business during the Period was approximately HK$176.7 million, representing a year-on-year increase of approximately HK$11.4 million or approximately 6.9%, and recorded a gross profit of approximately HK$31.5 million, representing a year-on-year increase of approximately 3.6%, which was mainly due to the commencement revenue recognition from the Beijing Metro Line 13 Capacity Expansion and Enhancement Communication Integration Project and the first phase of the communication system procurement project for Taiyuan Metro Line 1 during the Period. The amount of newly contracted and bid-winning projects was approximately RMB760 million.

During the Period, the Group continued to consolidate its market-leading position. In the new-line-construction market sector, it successfully signed the equipment procurement project for the Automatic Fare Collection System of the Beijing Metro Line 22 project, with a project amount of approximately RMB90.969 million, contributing to the coordinated development of the Beijing-Tianjin-Hebei region. At the same time, it signed the ACC equipment procurement project for the Dongguan Metro Line 1 Phase I, successfully entering the Dongguan market and facilitating the construction of the "one-hour living circle" in the Guangdong-Hong Kong-Macao Greater Bay Area. The Company signed the communication and AFC equipment integration procurement project for Phase I of Urumqi Metro Line 2, with an amount of approximately RMB170 million. This project demonstrates that the Company has achieved self-managed procurement of subsystem equipment and supplier management for communication integration projects outside Beijing for the first time. In the post-market sectors such as operation and maintenance, the Group successfully won the bid for the construction project of the structural safety assurance platform for existing lines of the Beijing Metro during the Period. Upon completion, this project will ensure the safe and stable operation of existing lines through real-time monitoring and intelligent warning of the metro's structural safety status. In addition, it won the bid for the vehicle health management system and big data analysis platform project for Beijing Metro Line 22. This project enables real-time monitoring of train operating status, precise fault prediction, and optimisation of operation and maintenance efficiency, thereby promoting the intelligent maintenance of rail transit equipment.

Innovative Development Business

Building on the existing civil communication and "intelligent+" businesses, the innovative development business will leverage its current Hong Kong international business gateway to explore the expansion of new incremental business through engineering support and technology services, providing one-stop intelligent infrastructure services for domestic and international clients.

Revenue derived from the innovative development business for the Period was approximately HK$137.4 million, representing a decrease of approximately HK$10.0 million or approximately 6.8% as compared with the same period last year. Gross profit was approximately HK$49.3 million, representing a decrease of approximately 34.3% as compared with the same period last year, which was mainly due to the completion of the weak current system project on the Bishan-Tongliang line's suburban railway PPP project, which had a relatively large amount in the previous period, while the new project had not yet reached its delivery stage. The amount of newly contracted and bid-winning projects was approximately RMB25 million.

In the first half of 2025, while maintaining the safe and stable operation of existing civil communication line facilities, the Group leveraged its resources to continuously explore and reserve new types of business with four areas of focus-wired networks, computing power bandwidth, mobile connectivity, and data services. By fully utilising the advantages of underground equipment room space and basic communication resources, the Group accelerated the expansion of the scale of its metro edge cloud business and actively developed emerging markets such as computing power services, the Internet of Things (IoT), and dedicated lines for industrial parks, aiming to provide professional and customized information and communication solutions for clients and cultivate new business growth points.

During the Period, the Group's "intelligent+" business developed steadily, with orderly progress in several key projects including the city's sub-centre and the new airport line. Among them, the intelligent fire services management platform independently developed by the Group has been connected to various fire services subsystems, video surveillance systems, and environmental monitoring systems, and will be implemented in the Beijing Sub-centre Transportation Hub project.

In addition, based on its technological accumulation in the "intelligent+" field, the Group integrates high-quality resources within the ecosystem, enhances supply chain synergies, and explores leveraging the advantages of BII-TSHK Company as an international gateway. Through technology export and resource empowerment, it provides integrated solutions covering engineering technology, technology services, and resource matching to clients at home and abroad, continuously supporting the development of the Group's overseas business platform.

Investment Management

In the first half of 2025, with the goal of improving its industrial layout and strengthening its industrial ecosystem, the Group continued to optimise its post-investment management system, accurately grasping the operating conditions of investee companies by establishing a dynamic monitoring mechanism, to focus on strengthening strategic synergy and resource integration. During the Period, it focused on promoting the integrated operation of "investment, management, and empowerment", enhancing the core competitiveness of investee companies while actively promoting capital operations and equity structure optimisation. By focusing on key aspects of investee companies such as strategic decision-making, team building, and product services, and implementing a tailored empowerment model, the Group effectively promoted business synergies and achieved capital appreciation, building a healthy circulation and sustainable development environment.

In order to align its focus, the Group disposed of 49% of its equity interest in Metro Technology by way of public tender on the China Beijing Equity Exchange (北京產權交易所) in the first half of the year. In accordance with relevant regulations and supervisory requirements for state-owned property rights transactions in the PRC, the Group has formally signed an equity transfer agreement with Beijing Subway Operation Co., Ltd. ("**Beijing Subway**") and completed all equity transfer procedures during the Period. As at the date of this announcement, the Group no longer holds any equity interest in Metro Technology.

The primary operating performance of companies in which the Group invested during the Period is as follows:

- Beijing Capital Metro Co., Ltd. ("**Capital Metro**") continued to optimise the operational service quality of the Capital Airport Express, achieving a slight increase in passenger traffic compared to the previous year. Simultaneously, it advanced the integration of the train video surveillance system, continuously improving the level of informatisation in line operation management to ensure the quality of operational services;

- Beijing Ruubypay Science and Technology Co., Ltd continued to deepen its cooperation with the Douyin APP to launch a "scan-to-ride via short-video platform" service, pioneering a new "socialising is commuting" model to cater to mobile preferences of youngsters. At the same time, through technical collaboration with multiple international card organisations, it has established an international payment gateway, a dynamic "blacklist/whitelist" control mechanism and an automatic payment recovery function for failed payments, which have helped Beijing to become the world's first urban rail transit system that fully supports payment services from the five major international card organisations: China UnionPay, Mastercard, VISA, JCB, and American Express;

- Youdao Technology continued to deepen the integration of industry and education. By independently developing a series of simulation training systems, it has built a virtual-real integrated teaching environment, deeply integrating intelligent scheduling and automatic control technologies into teaching practice, and effectively enhancing the practical teaching standards of vocational colleges. It has reached strategic cooperation with relevant universities, further promoting the innovative development of industry-education integration and supplying more high-quality, skilled technical talent to the industry;

- Beijing SmartTOD Technology Development Co., Ltd actively participated in Beijing's new smart city development, focusing on the construction of intelligent hubs and dual-intelligence private networks. During the Period, it completed the R&D and laboratory testing of the cloud platform software V1.2 for the sub-centre hub project, creating an intelligent operation command and scheduling platform. The concurrently progressing dual-intelligence private network project has made significant strides, having completed the installation, wiring, and system commissioning of the main center for the resource integration platform equipment. The large-screen display system has entered the trial operation phase, providing key technical support for Beijing's construction of city-level intelligent connected infrastructure;

- Baoding Cornerstone Lianying Venture Capital Investment Fund Centre (Limited Liability Partnership) has now entered the investment exit phase, with some projects achieving orderly exits and generating investment returns. At the same time, the Group, through Cornerstone Huiying fund, continues to deepen its presence in the rail transit industry ecosystem, continuously identifying and incubating high-quality enterprises to enhance operational capabilities.

R&D and Innovation

The Group upholds the core strategic concept of "R&D + Innovation", targeting requirements for the development of new quality productive forces. It conducts in-depth research on relevant policies, focuses on the development trends of the rail transit industry, further implements a coordinated R&D system supported by standardised products, and strengthens the iterative upgrading of core products across various scenarios. By enhancing platform efficiency and core technological advantages, and using technological innovation as an engine, the Group is driven to achieve high-quality, sustainable development.

In terms of R&D and innovation, the Group has made solid progress in the orderly execution of its research projects. On the one hand, significant progress has been made on key projects. The Group's project under "Key Technology Research and Demonstration of Integrated Urban (Suburban) Railway and Urban Rail Transit Operation" commissioned by the Beijing Municipal Science and Technology Commission has completed the drafting of requirement documents, research reports, preliminary integrated clearing rule documents, and summary design, laying the foundation for subsequent project acceptance. On the other hand, the technological layout and breakthroughs in the AI field have been carried out in an orderly manner. The Group has seized the low-cost, high-efficiency technological advantages of the domestic large model DeepSeek, optimised and enhanced its AI R&D management system, concentrated its efforts on tackling key technical challenges, and made continuous investments and key breakthroughs in areas such as foundation models, development platforms, and security solutions, laying the groundwork for future transformation.

In terms of technology application, first, it has built systematic and standardised AI solutions in line with the Company's business needs and vigorously applied it in specific business scenarios such as intelligent customer service, intelligent dispatching, intelligent operation and maintenance, intelligent fire services, and enterprise management. Several projects have entered into design, R&D, or data computation stages, with some functional modules already integrated and put into practical use, enhancing the operational and maintenance management efficiency for subway owners and operators and achieving cost reduction and efficiency improvement. Second, it has upgraded the pantograph video analysis algorithm library, officially releasing the new version V1.3 and completing partial on-vehicle testing. This marks the first time that innovative vision large model technology has been applied to visual algorithm products, further enhancing detection capabilities in complex scenarios and generalisation capabilities in long-tail scenarios. Third, it has released a preview version of rDAS. Leveraging unified indicator management, flexible BI support, and AI-driven natural language queries and interpretations, it achieves a closed loop of data management, analysis, and intelligent decision-making, empowering the digital and intelligent upgrade of rail transit enterprises. The system has been implemented in the iTCC renovation project of the Beijing rail transit network.

In the first half of 2025, the Group spent approximately HK$84.9 million on R&D, representing an increase of approximately 2.1% as compared with the same period last year, mainly due to the addition of some R&D projects resulting from business expansion. As at 30 June 2025, the Group has 158 patents and 657 software copyrights. Three achievements, including "Research and Application of Key Technologies for Rail Transit Onboard Edge Intelligence based on Cloud Native Technology", had won two first prizes and one second prize for Scientific and Technological Progress by the Beijing Rail Transit Association. Huaqi Intelligent was awarded the title of "2025 Jiangsu Provincial Advanced Smart Factory".

BUSINESS PROSPECTS

Artificial Intelligence Driving the Digital and Intelligent Upgrade of the Industry

The 2025 Government Work Report had mentioned the continuous advancement of the "Artificial Intelligence+" initiative, emphasising the integration of digital technology with manufacturing and market advantages, and explicitly stated its support for the broad application of large models. This has given ground for the convergence of artificial intelligence technology with physical industries like rail transit. Against this background, large model technologies represented by DeepSeek are accelerating their penetration into various vertical sectors, transitioning from "technical exploration" to "scenario implementation". As for rail transit scenarios, highly customised vertical large models can integrate professional knowledge and operational scenario data to precisely empower key business areas such as construction management, operation and maintenance, and train services. Taking train services as an example, relevant models can integrate data on passenger flow prediction, environmental and comfort monitoring, and equipment service status to provide controllers with more intelligent and efficient service guidance, thereby improving passenger experience and satisfaction. In the future, the Group will focus on the innovative application of artificial intelligence and large model technologies, to transform and empower its products and services, to create a new paradigm for cost reduction and efficiency improvement, and contribute to the industry's digital and intelligent development process.

Renovation and Upgrade Demand Picking Up

The government policy and the equipment lifecycle has contributed to the growth of renovation and upgrade demand in rail transit market. In 2024, the "Action Plan for Promoting Large-scale Equipment Renewal" was introduced, explicitly identifying rail transit as a key area. Furthermore, the "Technical Guidelines for the Renovation of Existing Lines" issued by the China Association of Metros has provided a standardised path for industry renovation. Relevant studies indicate that 10 to 15 years after a rail line been in operation, equipment and facilities need to go through equipment renewal cycle; whereas lines older than 15 years are towards the end of their service life. According to statistics, there are currently 38 lines in Mainland China that have been in operation for over 15 years, with a total mileage of approximately 1,543.4 kilometres; 60 lines that have been in operation for 10 to 15 years, with a total mileage of approximately 2,226 kilometres. It means that the demand for renewal on older lines is gradually being released, and the market for maintenance and upgrades is continuously expanding. The Group will seize the opportunities ahead, strengthen its technological reserves and resource integration, leverage its accumulated experience and client network advantages to deeply explore the potential of the maintenance market and create new growth points.

Expansion of Overseas Business

The continuous deepening of the "Belt and Road" initiative is driving the global expansion of rail transit enterprises to enter the fast lane of international expansion. The international rail transit market is demonstrating strong growth potential. According to relevant report estimates, the current annual infrastructure expenditure in countries along the "Belt and Road" exceeds USD1 trillion. By 2030, the potential rail transit investment space in Southeast Asia, the Middle East, and Africa will be RMB2.9 trillion, RMB1.9 trillion, and RMB1.8 trillion, respectively, which will provide a vast market for technology export and equipment supply. PRC enterprises, leveraging their advantages in full-chain technology, cost-efficiency, and extensive experience, will take part in international projects increasingly, and going abroad has become a significant development direction for the industry. In the future, the Group will keep abreast with the international market demand, deepen the two-pronged approach of cooperating with local players as well as working with vehicle manufacturers, with focus in "Belt and Road" regions such as Southeast Asia, to build a global technology service ecosystem, and enhance its international market share and brand influence.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had 609 employees (as at 31 December 2024: 623).

In the first half of 2025, total staff costs (including directors' remuneration) were approximately HK$126.0 million (first half of 2024: approximately HK$114.3 million). The Group reviews the remuneration packages with reference to the market salary level and the performance of the employees, and adjusts the remuneration according to the employee's rank. In addition to basic remuneration, the Group also pays bonus based on its performance and staff's contribution to the Group. Other benefits include social insurance scheme in Mainland China, provident fund, supplementary medical insurance in Mainland China, contribution to the MPF Scheme and insurances in Hong Kong. The Group also organised professional and vocational trainings for its employees.

INTERIM DIVIDEND

The Board does not declare the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil). The Group will retain cash to fund its continued business development and future investment opportunities.

MATERIAL ACQUISITIONS OR DISPOSALS

On 27 March 2025, China City Railway Transportation Technology Investment Co., Ltd. (中國城市軌道交通科技投資有限公司) ("**CCRTT Investment**") (a subsidiary of the Company) (as vendor) and Beijing Subway (as purchaser) entered into an equity transfer agreement pursuant to which CCRTT Investment disposed of 49% equity interests in Metro Technology at the final transaction price of RMB68,332,215 (equivalent to approximately HK$74,208,785). Subsequent to the disposal, the Group ceased to hold any equity interests in Metro Technology. Please refer to the announcements of the Company dated 13 February 2025 and 27 March 2025 for details.

SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS

Capital Metro was established on 15 February 2016, with equity interest held by the Group and an independent third party, Beijing Subway, as to 49% and 51%, respectively. Regarding the registered capital of RMB500 million, the Group and Beijing Subway contributed RMB245.0 million and RMB255.0 million, respectively. Capital Metro is principally engaged in investing, constructing, operating, managing subway lines, operating value-added services and related property development, including managing the operation of Beijing Capital International Airport Express, Dongzhimen Terminal and new lines of the Beijing Subway.

Capital Metro is a private company and there is no quotable share price available. As at 30 June 2025, the amount of Capital Metro in the Group's net asset value accountable by using equity method is approximately HK$266.1 million, accounting for approximately 5.6% of the Group's total assets as at 30 June 2025. In the first half of 2025, the Group's share of the profit of Capital Metro was approximately HK$10.9 million.

Save as disclosed in sections "share of results of joint ventures and associates", "investment management" and "material acquisitions or disposals" of this announcement, in addition to the above disclosures, there were no other significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies, and other plans for material investments or capital assets for the six months ended 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has devised its own code of conduct for securities transactions regarding Directors' and employees' dealings in the Company's securities (the "**Securities Dealing Code**") on terms no less exacting than the standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

Specific enquiry has been made with all the Directors and employees to whom the Securities Dealing Code applies. The Directors have confirmed that they have complied with the Securities Dealing Code and Model Code throughout the six months ended 30 June 2025. No incident of non-compliance with the Securities Dealing Code by the employees was noted by the Company.

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

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). During the Period, neither the Company nor any of its subsidiaries held any treasury shares.

AUDIT COMMITTEE

The Company established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with the Listing Rules. The written terms of reference of the Audit Committee were adopted in compliance with code provisions D.3.3 and D.3.7 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**Corporate Governance Code**").

The primary duties of the Audit Committee, among other things, are to (i) make recommendations to the Board on the scope of audit and appointment, re-appointment and removal of external auditor; (ii) review the financial statements and material advice in respect of financial reporting; (iii) oversee internal control and risk management systems of the Company; and (iv) review the effectiveness of the internal audit function and arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

As at 30 June 2025, the Audit Committee comprises three independent non-executive Directors, namely Mr. Luo Zhenbang (Chairman of the Audit Committee), Mr. Huang Lixin and Ms. Ng Wing Yan Claudia.

REVIEW OF INTERIM FINANCIAL REPORT

The interim financial report is unaudited, but has been reviewed by Baker Tilly Hong Kong Limited, the Company's independent auditor, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the Hong Kong Institute of Certified Public Accountants.

In addition, the Audit Committee has also reviewed the interim financial report of the Group for the six months ended 30 June 2025 and had discussed with the management of the Company and Baker Tilly Hong Kong Limited, including the review of the accounting principles and practices adopted by the Group, and is of the opinion that such financial report complies with applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board considers that the Company has complied with the Corporate Governance Code during the six months ended 30 June 2025.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no other material events after the Period as at the date of this announcement.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement has been published on the website of the Company at www.biitt.cn and the website of the Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. The 2025 interim report of the Company will be published on the above websites in due course.

By Order of the Board
BII Railway Transportation Technology Holdings Company Limited
Liu Yu
Executive Director
Chief Executive Officer

Hong Kong, 27 August 2025

As at the date of this announcement, the executive Directors are Mr. Liu Yu and Ms. Zhao Jingyuan; the non-executive Directors are Mr. Ren Yuhang, Ms. Sun Fang, Mr. Cao Mingda and Mr. Fang Zhiwei; and the independent non-executive Directors are Mr. Luo Zhenbang, Mr. Huang Lixin and Ms. Ng Wing Yan Claudia.

* *For identification purpose only*