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Beijing Urban Construction Design & Development Group Co., Limited
北京城建设计发展集团股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1599)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

The board of directors (the “**Board**”) of Beijing Urban Construction Design & Development Group Co., Limited (the “**Company**”) hereby announces the audited results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2025 (“**2025**” or the “**Reporting Period**”) in conjunction with the comparative financial data of the previous year.

FINANCIAL SUMMARY

For the year ended 31 December 2025, the Group achieved revenue of RMB7,527 million, while the net profit for the Reporting Period amounted to RMB536 million.

The Group has two business segments, principally including the design, survey and consultancy segment as well as the construction contracting segment.

The following table sets out the revenue generated by each business segment of the Group and their percentage of the operating revenue for the periods indicated:

	For the year ended 31 December			
	2025	Percentage of operating revenue	2024	Percentage of operating revenue
	RMB'000	(%)	RMB'000	(%)
Design, survey and consultancy	4,088,966	54.32	4,392,107	50.65
Construction contracting	3,438,341	45.68	4,279,584	49.35
Total	<u>7,527,307</u>	<u>100.00</u>	<u>8,671,691</u>	<u>100.00</u>

For the year ended 31 December 2025, the Group's revenue amounted to RMB7,527 million, representing a decrease of RMB1,145 million or 13.20% compared to the same period of last year.

The financial information for the years of 2021, 2022, 2023, 2024 and 2025 prepared by the Group in accordance with the China Accounting Standards for Business Enterprises is summarized as follows:

	As at 31 December/For the year ended 31 December				
	2025	2024	2023	2022	2021
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Total assets	24,187,113	24,541,925	24,849,539	23,861,836	24,655,780
Total liabilities	15,969,442	16,608,521	17,220,925	16,874,878	18,238,065
Non-controlling interests	253,439	237,582	227,494	199,976	266,747
Equity attributable to the owners (excluding non-controlling shareholders)	7,964,232	7,695,822	7,401,119	6,786,982	6,150,968
Revenue	7,527,307	8,671,691	10,389,376	10,467,986	11,395,326
Gross profit	1,494,048	1,568,022	1,913,932	1,867,438	2,149,074
Profit before tax	633,918	628,492	1,017,595	1,013,090	1,034,211
Profit attributable to owners of the Company	<u>515,194</u>	<u>511,725</u>	<u>872,646</u>	<u>959,159</u>	<u>911,820</u>

NOTE:

Given that the Board of the Company resolved on 15 May 2025 to adopt the China Accounting Standards for Business Enterprises for the preparation of financial accounting reports, both the Group's annual financial accounting report for 2025 and the comparative data for the previous years have been prepared in accordance with the China Accounting Standards for Business Enterprises.

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY

In 2025, amid sustained downward pressure in the market, the Company stayed committed to high-quality development, rose to challenges with a pragmatic and responsible mindset, and focused on its core businesses. By fostering synergy across the entire industrial chain, the Company fulfilled the major goals and tasks of the 14th Five-Year Plan in a phased manner, accumulating strong momentum for accelerated development in the new journey.

For the year ended 31 December 2025, the Group's revenue amounted to RMB7,527 million, representing a decrease of RMB1,145 million or 13.20% compared to the revenue of RMB8,672 million for the same period of last year. The Group's net profit amounted to RMB536 million, representing an increase of RMB8 million or 1.52% compared to the net profit of RMB528 million for the same period of last year.

Summary of Operating Results

	Year ended 31 December	
	2025 (RMB'000) (Audited)	2024 (RMB'000) (Audited)
Revenue	7,527,307	8,671,691
Operating cost	(6,033,259)	(7,103,669)
Gross profit	1,494,048	1,568,022
Tax and surcharge	(39,227)	(37,393)
Selling expenses	(49,634)	(63,199)
Administrative expenses	(458,248)	(509,414)
Research and development expenses	(306,457)	(325,156)
Finance costs	105,361	106,015
Other income	7,308	7,393
Investment income	56,325	49,101
Gain/(loss) on change in fair value	5,526	(3,210)
Credit impairment losses	(30,650)	(58,056)
Impairment losses on assets	(148,421)	(116,967)
Gains from disposal of assets	2,435	2,226
Operating profit	638,367	619,363
Non-operating revenue	2,341	11,351
Non-operating expenditure	(6,790)	(2,221)
Total profit	633,918	628,492
Income tax expense	(98,202)	(100,208)
Net profit	<u>535,716</u>	<u>528,285</u>

Note:

Given that the Board of the Company resolved on 15 May 2025 to adopt the China Accounting Standards for Business Enterprises for the preparation of financial accounting reports, both the Group's annual financial accounting report for 2025 and the comparative data for the year ended 31 December 2024 have been prepared in accordance with the China Accounting Standards for Business Enterprises.

Revenue

The Group generates its revenue from the design, survey and consultancy business segment as well as the construction contracting business segment where the Group provides services for project construction. For the year ended 31 December 2025, the Group achieved a revenue of RMB7,527 million, representing a decrease of RMB1,145 million or 13.20% as compared to the revenue of RMB8,672 million for the corresponding period of last year. The decrease was mainly due to the reduced commencement volume resulting from the overall downturn in the industry.

Revenue by business segment is as follows:

	Year ended 31 December	
	2025	2024
	(RMB'000)	(RMB'000)
Products by industry	(Audited)	(Audited)
Design, survey and consultancy	4,088,966	4,392,107
Construction contracting	3,438,341	4,279,584
Total	7,527,307	8,671,691

Design, Survey and Consultancy Business Segment

The design, survey and consultancy segment includes design, survey and consultancy services for urban rail transit construction as well as industrial and civil construction and municipal engineering. The design, survey and consultancy business segment has been the traditional and core business of the Group. In 2025, the Group won bids for key projects in the rail transit field including Chengdu Line 27 Phase II and Xiamen-Zhangzhou-Quanzhou Intercity Railway (Xiamen Section). Significant achievements were made in the existing line renovation market, with the Group winning bids for representative projects in Beijing, Nanjing, Harbin, Changchun, Shenyang and other cities, maintaining its leading market share. The brand influence of the Group's high-end consultancy services continued to emerge, with the successful undertaking of benchmark projects such as the Hong Kong railway standards and the technical standards for the Phase III rail network in Beijing, reflecting the steady enhancement of its professional service capabilities. Overseas business progressed steadily, with the Group continuing to secure orders in Hong Kong, Singapore, Angola, Kazakhstan and Colombia, and the value of newly signed contracts exceeding RMB100 million. In the fields of civil and municipal design, the Group pursued a differentiated development strategy, further deepening its presence in traditional sectors such as residential buildings, large-scale TOD developments, campuses and roads, while actively expanding into areas including exhibition and display facilities, urban renewal and water environmental management.

For the year ended 31 December 2025, revenue from the design, survey and consultancy business segment of the Group amounted to RMB4,089 million, representing a decrease of RMB303 million or 6.90% as compared to RMB4,392 million for the corresponding period in 2024. Among which, the revenue from the urban rail transit construction segment amounted to RMB2,938 million, representing a decrease of RMB191 million or 6.10% as compared to RMB3,129 million for the corresponding period of last year. Revenue from the industrial and civil construction and municipal engineering segment was RMB1,151 million, representing a decrease of RMB112 million or 8.87% as compared to RMB1,263 million for the corresponding period of last year.

Construction Contracting Business Segment

For the construction contracting business segment which focuses on serving urban rail transit construction projects and related infrastructure construction projects, in 2025, the Group won the bids for the projects of Contract Section No. 01, No. 03 and No. 05 of M101 Line of the Northern Section of Beijing Railway Transit Line R4 Phase 1, Contract Section No. 03 of Suburban Railway Northeast Ring Line, further consolidating its core market position in Beijing. The construction contracting projects on hand are mainly located in cities such as Beijing, Guangzhou, Chongqing, Urumqi and Qingdao.

For the year ended 31 December 2025, the Group's revenue from the construction contracting business segment was RMB3,438 million, representing a decrease of RMB842 million or 19.67% compared to RMB4,280 million for the corresponding period of last year.

Operating Cost

For the year ended 31 December 2025, the operating cost incurred by the Group was RMB6,033 million, representing a decrease of RMB1,071 million or 15.08% compared to RMB7,104 million for the corresponding period of last year. This decline was 1.88 percentage points lower than the 13.20% decrease in revenue. The Company continued to strengthen comprehensive project budget control and strictly controlled unnecessary and non-urgent expenditures, achieving certain results in costs reduction and efficiency enhancement.

For the year ended 31 December 2025, the operating cost of the Group's design, survey and consultancy segment decreased to RMB2,873 million for the year from RMB3,132 million for the corresponding period of last year, representing a decrease of 8.27%. Among that, the operating cost of the urban rail transit construction business of the Group's design, survey and consultancy segment decreased to RMB1,973 million for the year from RMB2,150 million for the corresponding period of last year, representing a decrease of 8.23%. The operating cost of the industrial and civil construction and municipal engineering business of the design, survey and consultancy segment decreased to RMB900 million for the year from RMB982 million for the corresponding period of last year, representing a decrease of 8.35%.

For the year ended 31 December 2025, the operating cost of the Group's construction contracting segment decreased to RMB3,161 million for the year from RMB3,972 million for the corresponding period of last year, representing a decrease of 20.42%, 0.75 percentage points lower than the decrease in revenue.

Gross Profit and Gross Margin

For the year ended 31 December 2025, the gross profit of the Group was RMB1,494 million, representing a decrease of RMB74 million or 4.72% compared to RMB1,568 million for the corresponding period of last year, while the consolidated gross margin was 19.85%, representing an increase of 1.77 percentage points as compared with 18.08% of the corresponding period of last year.

Among that, the gross profit of design, survey and consultancy segment decreased to RMB1,216 million for the year from RMB1,260 million for the corresponding period of last year, representing a decrease of RMB44 million or 3.49%, and the gross margin was 29.75%, representing an increase as compared to 28.70% for the corresponding period of last year. The gross profit of construction contracting segment decreased to RMB278 million for the year from RMB308 million for the corresponding period of last year, representing a decrease of RMB30 million or 9.74%, and the gross margin increased to 8.08% for the period from 7.19% for the corresponding period of last year, mainly due to the enhanced cost control in design projects during the year.

Selling Expenses

For the year ended 31 December 2025, the selling expenses of the Group were RMB49.63 million, representing a decrease of RMB13.57 million or 21.46% compared to RMB63.20 million for the corresponding period of last year, which was mainly due to the full integration of marketing resources, utilization of the headquarters' marketing coordination functions and control over cost expenditures.

Administrative Expenses

For the year ended 31 December 2025, the administrative expenses of the Group were RMB458.25 million, representing a decrease of RMB51.16 million or 10.04% compared to RMB509.41 million for the corresponding period of last year, which was mainly due to the Group's strengthened budget management and strict control over non-operating expenditures.

Research and Development Expenses

For the year ended 31 December 2025, the research and development expenses of the Group were RMB306.46 million, representing a decrease of RMB18.70 million or 5.75% compared to RMB325.16 million for the corresponding period of last year, which was mainly due to the Group's integration of internal research and development resources, optimization of resource allocation, improvement in resource utilisation efficiency and effective control of research and development investment costs.

Finance Costs

For the year ended 31 December 2025, finance costs of the Group were RMB-105.36 million, representing a decrease of RMB0.66 million or 0.62% compared to RMB-106.02 million for the corresponding period of last year, which was mainly due to the decrease in interest expenses resulting from the repayment of long-term borrowings and a decrease in the comprehensive financing cost rate.

Investment Income

For the year ended 31 December 2025, the investment income of the Group was RMB56.33 million, representing an increase of RMB7.23 million or 14.73% compared to RMB49.10 million for the corresponding period of last year, which was mainly due to the increase in net profit of the investee Yunnan Jingjian Rail Transit Co., Ltd.

Credit Impairment Losses

For the year ended 31 December 2025, the credit impairment losses of the Group were RMB30.65 million, representing a decrease in credit impairment losses of RMB27.41 million or 47.21% as compared to RMB58.06 million for the corresponding period of last year, which was mainly due to the intensified collection efforts, resulting in the recovery of certain long-standing accounts receivable.

Impairment Losses On Assets

For the year ended 31 December 2025, the impairment losses on contract assets of the Group amounted to RMB148.42 million, representing an increase of RMB31.45 million or 26.89% as compared to RMB116.97 million for the corresponding period of last year, which was mainly attributable to the increase of long-aged contract assets, leading to the provision of impairment losses.

Income Tax Expense

For the year ended 31 December 2025, the income tax expense of the Group was RMB98.20 million, representing a decrease of RMB2.01 million or 2.01% as compared to RMB100.21 million for the corresponding period of last year, which was mainly attributable to the decrease in current income tax expense.

Net Profit

For the year ended 31 December 2025, the Group's net profit for the period was RMB536 million, representing an increase of RMB8 million or 1.52% as compared to net profit of RMB528 million for the corresponding period of last year.

Cash Flows

The table below sets forth the cash flows of the Group for the indicated periods:

	Year ended 31 December	
	2025	2024
	(RMB'000)	(RMB'000)
	(Audited)	(Audited)
Net cash from operating activities	307,663	683,877
Net cash from investing activities	(182,504)	(188,985)
Net cash from financing activities	(569,013)	(763,872)
Net cash and cash equivalents	<u>(443,854)</u>	<u>(268,980)</u>

The net cash inflows from operating activities in 2025 were RMB308 million, which was mainly attributable to the fact that the operating receipts were more than the operating payments during the period. The net cash outflows from investing activities were RMB183 million, which was mainly attributable to the increased investment of RMB139 million in associates, and an expenditure of RMB48 million for purchase of fixed assets and intangible assets. The net cash outflows from financing activities were RMB569 million, which was mainly due to a net decrease in the Company's bank borrowings of RMB145 million, interest paid on the borrowings of approximately RMB185 million during the year, and the payment of dividends to shareholders of approximately RMB145 million during the year.

PLEDGE OF ASSETS

For the year ended 31 December 2025, the contract assets, trade receivables and intangible assets of the Group were pledged to secure the certain bank loans granted to the Group. As at 31 December 2025, the net pledged trade receivables and intangible assets were RMB5,583 million (as at 31 December 2024: RMB6,224 million).

CONTINGENT LIABILITIES

For the year ended 31 December 2025, there were no other significant contingent liabilities of the Group.

CAPITAL COMMITMENTS

The Group had the following capital commitments as at 31 December 2025 and 31 December 2024:

	31 December 2025	31 December 2024
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
	(Audited)	(Audited)
Contracted, but not provided for:		
Property, plant and equipment	141,353	150,149
Equity investments	843,443	1,083,871
	<u>984,796</u>	<u>1,234,020</u>

CAPITAL STRUCTURE AND FINANCIAL RESOURCES

The equity capital of the Group mainly comprises Domestic Shares and H Shares. Indebtedness capital mainly consists of bank and other borrowings. In addition, ordinary business operation also provides the Group with source of funding. As of 31 December 2025, the net current assets of the Group were RMB2,709 million, among which cash and cash equivalents amounted to RMB2,593 million. The liquidity of the Group was sound and healthy and the Group had adequate cash and available banking facilities to satisfy its operating needs.

For the year ended 31 December 2025, the Group's interest-bearing bank and other borrowings were RMB6,452 million while the gearing ratio (gearing ratio represents the total interest-bearing borrowings as of 31 December 2025 divided by the total equity as at 31 December 2025) was 78.52%.

INDEBTEDNESS

The table below sets forth the total borrowings of the Group as at 31 December 2025 and 31 December 2024. The Group generally settles the borrowings on time.

	As at 31 December 2025	As at 31 December 2024
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
	(Audited)	(Audited)
Bank borrowings		
Pledged	4,613,224	4,757,366
Non-pledged and non-guaranteed	214,380	429,529
Other borrowings		
Non-pledged and non-guaranteed	1,420,793	1,164,314
Lease liabilities		
Non-pledged and non-guaranteed	204,105	267,628
	<u>6,452,502</u>	<u>6,618,837</u>

As at 31 December 2025, the Group's borrowings were denominated in RMB with interest rates ranging from 1.69% to 4.90%.

The table below sets forth the maturity of the Group's debts as at 31 December 2025 and 31 December 2024:

	As at 31 December 2025	As at 31 December 2024
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
	(Audited)	(Audited)
Within one year	1,522,577	1,599,023
In the second year	247,220	450,593
In the third to fifth years, inclusive	1,445,928	2,464,499
Over five years	3,236,777	2,104,722
	<u>6,452,502</u>	<u>6,618,837</u>
Total	<u>6,452,502</u>	<u>6,618,837</u>

EXCHANGE RATE RISK

The business operations of the Group are mainly in China with most of its transactions settled in RMB. The assets and liabilities and transactions from operations of the Group that involve exchange rate risk are mainly related to U.S. dollars and HK dollars. The Directors of the Company believe that the exchange rate risk of the Group is low and will not have a material and adverse impact on the financial position of the Group.

EVENT AFTER THE BALANCE SHEET DATE

Save as disclosed in this announcement, the Group did not have any significant events after the balance sheet date.

COMPANY-WIDE MANAGEMENT MEASURES IN 2026

2026 marks the first year of the “15th Five-Year Plan” period. Facing profound changes in the market situation and arduous and heavy development tasks, we shall actively grasp strategic opportunities, proactively adapt to the new landscape of industry development, adhere to the general principle of pursuing progress while ensuring stability, focus on the theme of promoting high-quality development, take reform and innovation as the fundamental driving force, and anchor the strategic goal of becoming a “design-led comprehensive urban construction service provider”, ensuring a good start to the “15th Five-Year Plan” period.

The Company’s specific management measures in 2026 include the following four areas:

1. *Excelling in survey, design and consulting services to consolidate the “core business”*

The Company will stabilize the growth of its rail transit design business by securing new lines and deeply exploiting existing ones, ensuring the “dual leadership” in both new line and existing line renovation markets. It will firmly pursue the characteristic and specialized development direction for its civil construction and municipal works businesses. For its survey business, the Company will focus on “maintaining scale and enhancing efficiency”, consolidating its advantages in the rail transit sector, specializing in niche segments, and actively laying out incremental markets such as forestry, water conservancy, energy, integrated inspection, maintenance and repair, and comprehensive land consolidation. Furthermore, it will expand into emerging blue ocean areas like urban operation and maintenance, urban regeneration, digital surveying, and green ecology to accelerate the release of new development potential.

2. *Refining EPC business to “stabilize scale and enhance quality and efficiency”*

The Company will deeply cultivate the Beijing market. While consolidating its core metro construction business, it will focus efforts on tackling specialized fields such as existing line renovation, electromechanical installation, and water leakage remediation, and actively expand its EPC business.

3. *Actively cultivating new business to forge new engine of growth*

The Company will vigorously promote the industrialization of technology, fully leverage the strengths of its specialized units, and accelerate the transformation of technology into products and products into applications. Key initiatives include advancing intelligent hazard identification equipment, AI digital products, interior industrialization, photovoltaic noise barriers, intelligent network operation map systems, and tunnel reinforcement technology and equipment, aiming to cultivate a range of technology products that are closely aligned with market demand and possess core competitiveness. Focusing on four major directions, namely existing line renovation, urban renewal, new energy development, and digital intelligence & urban lifeline safety engineering, the Company will proactively lay out new tracks. Specifically, the Company will nurture emerging markets such as smart rail transit operation and maintenance, leakage control, tunnel disease management, rail transit energy storage, and the low-altitude economy, striving to build a new business development landscape characterized by diversified support and sustained growth.

4. *Deepening management innovation to activate endogenous drivers*

The Company will prepare its development plan for the “15th Five-Year Plan” period, optimizing the organizational system around the business development layout. The Company aims to strengthen the strategic leadership function of the headquarters and establish internal management practices that align with strategic coordination and development adaptability. The Company will enhance lean management to steadily improve operational quality and efficiency, comprehensively strengthen penetrating management, and fortify risk prevention lines. Company-wide, end-to-end cost control will be promoted, with special initiatives launched to improve quality and efficiency and unlock potential. The Company will undertake major original technological research to enhance the consistency of technical quality and reinforce the core foundation of technology. The Company will accelerate the building of a team of young expert talents recognized by clients and well-known in the industry, focus on cultivating a group of “leaders” in professional fields, and deepen cooperation with top experts, including academicians and national masters in engineering survey and design. Leveraging industry resources, the Company will create industry-brand events with high client participation and national, even international, influence.

BID WINNING

In 2025, the rail transit industry was confronted with sustained market downturn, significant reduction in bidding scale, intensified industry competition and rising uncertainties in the macroeconomic environment. The Company went all out to secure bids for new rail transit projects, with a particular focus on consolidating its market share in the Beijing region. While safeguarding its core business, the Company actively deployed into other high-potential segments including existing line renovation, urban renewal, energy, digitalization and smart solutions to adapt to market changes and enhance its risk resistance capacity. As of 31 December 2025, the Company has won bids of RMB8.171 billion. Among them, the design, survey and consultancy business segment won bids of RMB2.639 billion, and the EPC business segment won bids of RMB5.532 billion. As at the end of the Reporting Period, the contracts on hand of the Company amounted to RMB25.143 billion.

EMPLOYEES

As of 31 December 2025, the Group had approximately 4,542 employees, with employees at headquarters accounting for 53% and those at subsidiaries accounting for 47%, representing a decrease of 4% as compared with that at the end of the corresponding period of last year. The Company has 3 National Engineering Survey and Design Masters and 4 experts enjoying the Special Government Allowance from the State Council. As of 31 December 2025, employees with bachelor's degree or above, employees with senior titles, employees with intermediate titles and employees with primary titles or below accounted for 94%, 45%, 36% and 19% of the total number of employees of the Group, respectively. Among which, the ratio of employees with senior titles has increased by 2% as compared with that at the end of the last year.

In respect of building talent pool, the Company continued to establish a talent development system featuring “cross-border integration and tiered empowerment”. The Company held high-quality development forums on multi-system rail transit and industry expert exchange seminars on urban construction and development of China's rail transit, and invited experts from industry, university and research institutes to conduct cross-border exchanges. It organized DeepSeek series training to empower digital transformation and upgrading; launched specialized training programs for young and middle-aged cadres and backbones on operation and management to systematically improve their operational capabilities; and held expert lectures focusing on zero-carbon park policies, rail transit operation strategies and other topics to keep abreast of national strategies. Diversified platforms promoted mutual learning and continued to consolidate the talent foundation for the Company's high-quality development.

According to the national policies, the reform on gradually raising statutory retirement age has been implemented in 2025.

MARKET LANDSCAPE AND BUSINESS PROSPECT

In January 2025, the Central Committee of the Communist Party of China and the State Council issued the “Plan for All-around Rural Revitalization (2024-2027) (《鄉村全面振興規劃(2024-2027年)》)”. The plan emphasizes promoting the upgrading of infrastructure. Great efforts should be made to improve the accessibility of the road network and accelerate the upgrading of the rural road backbone network and the extension and connection of the basic network, so as to deepen the high-quality development of “High-quality Rural Roads (四好農村路)” and integrated urban-rural transportation.

In May 2025, the General Office of the Central Committee and the General Office of the State Council issued the “Guidelines on Advancing Urban Renewal Campaign (《關於持續推進城市更新行動的意見》)”. Great efforts should be made to strengthen the construction and renovation of urban infrastructure, comprehensively investigate risks and hidden dangers in urban infrastructure, promote the integrated development and comprehensive utilization of underground space, accelerate the construction and renovation of underground pipelines and networks for urban gas, water supply, drainage, sewage and heating, as well as integrated underground utility tunnels, and improve long-term management systems for construction, operation and maintenance.

In August 2025, the Ministry of Housing and Urban-Rural Development issued the Action Plan for Implementing the Opinions of the General Office of the CPC Central Committee and the General Office of the State Council on Promoting the Construction of New-type Urban Infrastructure and Building Resilient Cities (2025-2027). The plan advances the development of digital, networked, and intelligent new-type urban infrastructure, strengthens urban risk prevention, control and governance capacity, and refines implementation measures. These include promoting the construction and renovation of intelligent municipal infrastructure, advancing the coordinated development of smart city infrastructure and intelligent connected vehicles, developing smart residential communities, improving the intelligent management of buildings, launching digital home construction, promoting the integrated development of intelligent construction and construction industrialization, improving the urban information model (CIM) platform, and establishing and enhancing urban operation management and service platforms.

In September 2025, the Ministry of Transport, the National Development and Reform Commission, the Ministry of Industry and Information Technology, the National Data Administration, the National Railway Administration, the Civil Aviation Administration of China, and the State Post Bureau jointly issued the Implementation Opinions on “Artificial Intelligence + Transportation”. The opinions stipulate that by 2027, artificial intelligence will be widely applied in typical scenarios of the transportation sector; a comprehensive transportation large model system will be deployed; a number of intelligent entities will be popularized; and a batch of landmark innovation projects for “Artificial Intelligence + Transportation” will be completed, making artificial intelligence a major driving force leading innovative development in transportation. By 2030, artificial intelligence will be deeply integrated into the transportation industry, and the intelligent comprehensive three-dimensional transportation network will be fully advanced. Key core technologies in smart transportation and smart logistics will achieve independent controllability, with overall performance among the world’s top tier. A host of new industries and business forms will be fostered, a relatively complete AI governance system for the transportation sector will take shape, and high-quality development and high-level safety in transportation will reach a new stage.

URBAN RAIL TRANSIT

In December 2025, the China Urban Rail Transit Association released the Research on the Development Ideas of Urban Rail Transit During the 15th Five-Year Plan Period. The research adopts a systematic “key-drive-supporting” logic and is structured around “three focuses”, being focus on framework guidance, focus on actionable goals and focus on all-round improvement.

The urban rail transit industry has entered a high-quality development stage characterized by “operation-centric, technology-driven” growth, with a structurally differentiated market outlook. The market for new construction continues to shrink. Meanwhile, demand for the renovation and smart upgrading of existing systems is expanding. A large number of early lines are in urgent need of modernization of signaling systems, power supply systems and train control systems to comply with the updated specifications for train operation and passenger services, and to improve efficiency and resilience. At the same time, the “AI + Transportation” policy will drive the post-operation service sectors such as smart operation and maintenance, vehicle-road-cloud integration, and energy management to become new growth engines.

RAIL TRANSIT SYNERGIZING WITH INNOVATIVE CONSTRUCTION

In 2025, the policy direction for the rail transit industry has shifted from scale expansion to high-quality and refined development. China has further tightened the approval process for new line construction plans, taking key operational indicators such as passenger flow intensity as core application criteria, forcing the industry to shift from “rapid expansion” to a sustainable development model with operational efficiency, intelligence and green development as its core competitiveness. Concurrently, policies are introduced to encourage enterprises to address key technological challenges through the “industry-university-research-application” collaborative innovation system, providing a clear pathway for the technological upgrading of the industry.

Looking ahead, industry development will increasingly focus on intelligent operation and maintenance (e.g., AI diagnostics, digital twins), vehicle-road-cloud integration, application of green and low-carbon technologies, and the multi-mode integration of “rail +” (e.g., synergy with the low-altitude economy). In light of these emerging market opportunities, the Company will continue to consolidate and expand its established strengths in intelligent integrated solution, interdisciplinary collaborative innovation platforms, and industry standard formulation and promote high-value business growth through cutting-edge technological innovation, thereby leading the industry towards a path of sustainable development.

SURVEY AND MEASUREMENT

With the acceleration of urbanization, the demand for survey and measurement services in infrastructure construction is surging. The blooming demand for environmental governance and geological disaster prevention has put forward higher technical service requirements for high-precision and high-efficiency geological survey and measurement services. In the future, traditional surveying technologies are expected to rapidly evolve towards intelligent platforms, surveying big data, and the “One Map for Cities” framework and other new surveying services, laying a solid foundation for urban development.

Looking forward, the survey and measurement industry is set to maintain its growth trajectory, with new development opportunities driven by technological advancements and supportive policy measures, and accompanied by intense market competition and the constant challenge of technological iteration. The survey and measurement industry will become increasingly more dependent on intelligent and digital technologies, as well as the application of UAV aerial surveys, 3D laser scanning, and BIM. Meanwhile, the application of cloud platforms and big data analytics tools provides strong support for the storage, sharing, and in-depth mining of surveying and mapping data. Going forward, engineering surveying will depend more heavily on integrated solutions, with cloud computing and big data enabling design teams to collaborate remotely and share real-time project information.

INVESTMENT AND CONSTRUCTION

The mitigation of local government debt risks has been further deepened. In January 2025, the General Office of the State Council issued the Notice on Continuing to Advance Local Debt Risk Prevention and Debt Resolution Efforts (Guo Ban Han [2025] No. 3) (《關於持續推進地方債務風險防控與化債工作的通知》(國辦函[2025]3 號)). The core objective is to further expand the scope of application on the basis of debt resolution in 2024, incorporating additional provinces with medium level debt risks into the debt resolution support framework and strengthening the leading role of private capital in government-invested projects. As a result, infrastructure investment in certain prefecture-level cities with greater debt pressure has been subject to stricter constraints, and the approval of government-invested projects has become stricter. In contrast, by virtue of its capital flexibility, private capital has gained greater access to key projects, promoting the deepening of market-oriented investment and financing mechanisms.

In December 2025, the General Office of the State Council issued Several Opinions on Optimising the Management Mechanism of Local Government Special Bonds (《關於優化地方政府專項債券管理機制的若干意見》) (Guo Ban Fa [2025] No. 61), and in August 2025, the General Office of the State Council issued a notice for the Ministry of Finance’s “Guiding Opinions on Standardizing the Construction and Operation of Existing Public-Private Partnership Projects” (Guo Ban Han [2025] No.84) (《關於規範政府和社會資本合作存量項目建設和運營的指導意見》(國辦函[2025]84 號)), the main contents of which include the dynamic adjustment of the negative list for special bonds, the expansion of capital utilisation to new infrastructure sectors, and the introduction of performance evaluation mechanisms, underscoring the country’s continued commitment to stimulating economic growth through fiscal instruments.

With the launch of the “15th Five-Year Plan”, new opportunities are expected to arise in the investment and construction sector. The “Three Major Projects” will be advanced in depth, the scale of rationed-sale affordable housing will be expanded, and the application of the EPC model will be strengthened to ensure efficient implementation of urban renewal projects. The layout of rail transit within metropolitan clusters will be accelerated, with a focus on network development in the Beijing-Tianjin-Hebei region, the Yangtze River Delta, the Guangdong-Hong Kong-Macao Greater Bay Area and the Chengdu-Chongqing economic circle. Innovative investment and financing models will be explored, concession arrangements and “investment + operation” integration will be deepened, and private capital will be guided towards sectors characterised by stable cash flows and efficient operations. Emerging businesses such as rail transit energy storage will be expanded, and integrated urban renewal models will be explored to consolidate multi-dimensional resources, including the renovation of old residential areas and the making up for the shortcomings of municipal infrastructure, thereby fostering new drivers for high-quality development.

ARCHITECTURAL DESIGN

On 19 January 2026, the National Bureau of Statistics announced that in 2025, national real estate development investment amounted to RMB8,278.8 billion, representing a year-on-year decrease of 17.2%, of which, residential investment was RMB6,351.4 billion, representing a decrease of 16.3%. In 2025, the construction area of properties by real estate development enterprises was 6,598.90 million square meters, representing a year-on-year decrease of 10.0%, among which, the construction area of residential properties was 4,601.23 million square meters, representing a decrease of 10.3%. The newly commenced area of housing was 587.70 million square meters, representing a decrease of 20.4%, of which, the newly commenced area of residential housing was 429.84 million square meters, representing a decrease of 19.8%. The completed area of housing was 603.48 million square meters, representing a decrease of 18.1%, of which, the completed area of residential properties was 428.30 million square meters, representing a decrease of 20.2%.

In December 2025, the National Housing and Urban-Rural Development Work Conference emphasised the vigorous implementation of urban renewal initiatives, enhancement of urban governance standards, promotion of high-quality development of the real estate sector, and acceleration of the quality improvement and upgrading of the construction industry. Systematic efforts will be made to advance the “Four Goods” construction: good houses, good neighborhoods, good communities, and good urban areas, with a view to building innovative, liveable, beautiful, resilient, civilised and smart modern cities for the people. The upgrading of the construction industry will focus on industrial transformation, the development of intelligent and green construction, the cultivation of a modern construction industry chain, accelerated research and application of new building materials, and the fostering of new growth drivers in green buildings.

The architectural design sector is experiencing structural differentiation, with both opportunities and challenges emerging. The traditional commercial residential design market will continue contracting in line with the decline in investment, while policy-backed segments such as affordable housing (particularly “rationed-sale projects”) and urban village renovation are poised to become incremental growth markets with greater certainty. The core growth engine lies in urban renewal. The “Four Goods” initiative and high-quality urban renewal will generate systematic and integrated design demand for the revitalisation of old residential communities, adaptive reuse of industrial heritage and enhancement of infrastructure resilience. “Intelligent construction” and “green construction” have evolved from industry trends into baseline requirements for market participation.

CONSTRUCTION CONTRACTING

According to the 2025 urban rail transit operation data from the Ministry of Transport, by the end of 2025, the operating mileage of urban rail transit nationwide has exceeded 11,000 kilometers, covering 54 cities. It is expected that in 2026, the national rail transit market will continue its downturn, the approval of new projects will be further tightened, local financial pressure will intensify, and industry competition will become more intense. In addition, as early lines have entered a concentrated cycle of major maintenance and upgrading, the industry has entered a high-quality development stage centered on “controlling increment, optimizing stock, improving quality and efficiency”. When enterprises expand to markets outside Beijing, they are confronted not merely with market competition, but with multiple systemic challenges such as high regional barriers, business model reshaping, and a lack of comprehensive capabilities, significantly increasing the difficulty of breaking through.

Future market opportunities are still mainly concentrated on rail transit network improvement of core urban agglomerations such as Beijing-Tianjin-Hebei, Yangtze River Delta, Guangdong-Hong Kong-Macao Greater Bay Area, Chengdu-Chongqing; urban (suburban) railway and existing line renewal and upgrading; intelligent and green construction technology solutions; underground space and interface works related to TOD comprehensive development. However, the barrier to capitalizing on these opportunities is constantly rising. The deep integration of technologies such as fully automated operation (FAO), BIM, digital twins, and prefabricated construction has made intelligence and green development essential prerequisites for competitiveness. Moreover, the “investment-construction-operation” integrated model is increasingly becoming the norm for large-scale projects, imposing more stringent demands on enterprises’ capital strength, full-cycle management capabilities, and resource integration capacity.

MUNICIPAL PUBLIC PROJECTS CONSTRUCTION

In 2025, the main task of urban development – shifting from incremental expansion to stock quality improvement – established at the Central Urban Work Conference was implemented throughout the year. The central government not only encouraged the systematic renovation of old residential communities, infrastructure, and transportation networks, but also clearly set forth eight key tasks in the Opinions on Continuously Advancing Urban Renewal Initiatives (《關於持續推進城市更新行動的意見》), including the redevelopment of old urban blocks, obsolete industrial zones, and urban villages, as well as the upgrading of urban infrastructure. These efforts aim to comprehensively enhance the livability, functionality, and resilience of cities. To this end, the state has established a special urban renewal fund and arranged for the issuance of ultra-long-term special treasury bonds, focusing on supporting the safety renovation of urban lifelines centered on underground pipeline networks and the rational development and utilization of underground space resources.

In this context, the municipal engineering sector is accelerating its transition toward green construction and sustainable development models, with the application of green building materials, energy-saving technologies, and renewable energy becoming central to project delivery. The advancement of smart cities is driving projects toward digitalization and intelligent transformation. Future projects will be built on urban information modeling platforms and leverage the Internet of Things, artificial intelligence, and big data technologies to achieve full lifecycle refined management of municipal facilities, including increasingly complex underground utility tunnels, underground transportation systems, and underground public service facilities. The industry focus has shifted from standalone above-ground engineering construction to the delivery of comprehensive solutions that integrate green concepts and smart technologies, while coordinating the synergistic development of above-ground and underground spaces for systematic urban renewal and long-term operation.

TECHNOLOGY INDUSTRIALIZATION

In 2025, China rolled out a series of major policies, laying a solid foundation for the industrialization of rail transit. The Government Work Report set forth the strategic direction of “promoting the deep integration of scientific and technological innovation and industrial innovation, and accelerating the cultivation and expansion of emerging and future industries”. The Ministry of Transport and nine other departments jointly issued the Guiding Opinions on Promoting the Integrated Development of Transportation and Energy (《關於推動交通運輸與能源融合發展的指導意見》), which aims to guide the deep integration of traditional transportation infrastructure and emerging industries. The Ministry of Industry and Information Technology introduced the “Four Strengthenings” initiatives to accelerate the commercialization of scientific and technological achievements and provide policy support for rail transit industrialization. Meanwhile, the State Council Report on Promoting the Transformation of Scientific and Technological Achievements (《國務院關於促進科技成果轉化工作情況的報告》) proposed measures to increase the supply of high-quality scientific and technological outcomes and strengthen the role of enterprises as the principal innovators, thereby deepening the leading role of scientific and technological innovation in industrial innovation.

Guided by national strategic direction and industry transformation trends, to achieve industrialization of rail transit, the Group shall seize the opportunity presented by the surge in operational upgrades to deepen industry-university-research collaboration and the integration of internal and external resources with technological innovation as the fundamental driver of development, and make breakthroughs in key technologies spanning intelligent construction, smart operation and maintenance, and the monetization of data value by closely aligning with market and client demands for energy conservation, consumption reduction, and smart renovation, so as to develop dual-product service capabilities encompassing “physical construction + digital construction”. Concurrently, the Group will leverage its support capabilities in design leadership and digital transformation, focus on four core industrialization innovation directions, namely rail transit equipment, smart urban infrastructure and safety, green low-carbon development and energy management, as well as the emerging economy and industrial upgrading, and build an integrated “technology – product – market” development system by leveraging its technological expertise and comprehensive industry chain advantage. The Group will also seek to capture market opportunities by enhancing the quality of existing assets and fostering innovation in incremental areas and transform its technological strengths into core competitiveness and growth drivers, in order to create a second growth curve for its rail transit industrialization.

DATA SERVICES

The central government is advancing the “Digital China” initiative and driving the integration of artificial intelligence with the real economy, thereby injecting momentum into the development of new quality productive forces. The intelligent and green transformation within the infrastructure sector is accelerating, with BIM, digital twin, and AI technologies emerging as core drivers of industry upgrades.

Looking ahead, the Group will continue to advance the intelligent upgrade of the existing rail transit market by leveraging its accumulated technological advantages and benchmark projects in the fields of intelligence and internationalization, while capitalizing on policy opportunities such as urban renewal and green infrastructure to accelerate the scaled implementation of smart solutions across multiple sectors, which presents broad prospects.

PROFIT DISTRIBUTION AND DIVIDEND

Due to the need for further study on the 2025 profit distribution proposal, the Board of Directors of the Company resolved to postpone the consideration of the proposal regarding the 2025 profit distribution proposal and the recommendation on the declaration of a dividend. The Company will convene a Board meeting as soon as practicable to consider the proposal regarding the 2025 profit distribution proposal and the recommendation on the declaration of a dividend. Following the Board's approval of the 2025 profit distribution proposal and the recommendation on the declaration of a dividend, they will be submitted to the 2025 annual general meeting for approval. The Company will announce the details of the 2025 profit distribution proposal and the relevant arrangements for convening the 2025 annual general meeting in due course.

PURCHASE, SALES AND REDEMPTION OF SECURITIES

During the year ended 31 December 2025, the Company and its subsidiaries did not purchase, sell or redeem any securities of the Company (including sale of any treasury shares (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")))).

As of 31 December 2025, the Company did not hold any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Reporting Period, except as disclosed below, the Company has complied with all code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules, and adopted in its best practice proposed thereof as appropriate.

The nomination committee under the Board currently does not meet the requirement of the code provision B.3.5 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules that "the nomination committee should have at least one director of a different gender". The main reason is that the current gender composition of the Board is not yet in a position to fully meet this requirement. The Company attaches great importance to corporate governance and board diversity policy, and will actively leverage subsequent director nomination and election procedures to appoint suitable candidates as soon as possible in order to comply with the aforementioned requirements. During this period, the nomination committee of the Board will continue to effectively perform its duties in accordance with the Listing Rules and the articles of association of the Company.

Beijing Infrastructure Investment (Hong Kong) Limited, the wholly-owned subsidiary of Beijing Infrastructure Investment Co., Ltd., a shareholder of the Company, has completed the acquisition of 68,222,000 H shares of the Company indirectly held by Beijing Capital Group Ltd. through its controlled corporations (the “**Share Transfer**”) on 11 July 2017. The Share Transfer has resulted in the H share public float level of the Company falling to 23.69% upon completion of the key employee stock ownership scheme by the Company on 1 February 2018, which failed to meet the requirements on minimum public float under Rule 8.08(1)(a) of the Listing Rules. The Company is adopting appropriate measures to ensure that the public float is restored as soon as possible. For details, please refer to the announcements of the Company dated 2 March 2018, 30 September 2022, 22 July 2024, 30 January 2026 and 27 February 2026.

SECURITIES TRANSACTIONS

During the Reporting Period, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct for dealings in the securities of the Company by all of our directors and supervisors. Having made specific enquiry to all directors and supervisors, all directors and supervisors (as of the date of the dissolution of the Board of Supervisors, i.e. 25 November 2025) have confirmed that they have complied with the Code stated above during the Reporting Period.

AUDIT COMMITTEE

The audit committee of the Company has reviewed the Group’s 2025 annual results and the consolidated financial statements for the year ended 31 December 2025 prepared in accordance with the China Accounting Standards for Business Enterprises.

PUBLICATION OF THE ANNUAL RESULTS AND THE ANNUAL REPORT

This results announcement is published on the website of HKExnews of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the Company’s website at <http://www.bju.cd.com>.

By order of the Board
Beijing Urban Construction Design & Development Group Co., Limited
Pei Hongwei
Chairman

Beijing, the PRC, 26 March 2026

As at the date of this announcement, the executive director of the Company is Xia Xiujiang; the non-executive directors of the Company are Pei Hongwei, Li Guoqing, Zhang Pengchao, Peng Dongdong, Li Fei, Wang Tao and Tang Qimeng; and the independent non-executive directors of the Company are Wang Guofeng, Xia Peng, Frank Chan Fan and Tian Aicheng.

CONSOLIDATED BALANCE SHEET

31 December 2025

Amount unit: RMB

Item	Note IV	31 December 2025	31 December 2024
Current assets:			
Monetary capital		2,640,047,828.05	3,156,509,037.14
Financial assets held for trading			
Derivative financial assets			
Notes receivable	Note 1	47,322,497.92	37,077,123.88
Trade receivables	Note 2	4,245,031,623.74	4,012,733,311.84
Receivables financing			
Prepayments	Note 3	71,814,392.88	54,866,709.62
Other receivables	Note 4	175,016,215.25	218,173,521.70
Including: Dividend receivable	Note 4	89,583,274.83	89,583,274.83
Inventories		87,692,384.35	94,924,327.96
Contract assets	Note 5	5,778,305,372.01	5,516,151,792.12
Held-for-sale assets			
Non-current assets due within one year		12,216,885.32	14,861,336.39
Other current assets		142,609,136.87	125,699,589.67
Total current assets		<u>13,200,056,336.39</u>	<u>13,230,996,750.32</u>
Non-current assets:			
Debt investment			
Other debt investment			
Long-term receivables		7,678,490.23	8,623,992.11
Long-term equity investment	Note 6	3,641,623,041.89	3,449,404,050.96
Investment in other equity instruments	Note 7	88,513,229.77	227,795,796.03
Other non-current financial assets	Note 8	10,704,000.00	5,178,000.00
Investment properties			
Fixed assets		1,224,310,141.85	1,264,222,355.74
Construction in progress		88,819.00	29,387,773.83
Productive biological assets			
Oil and gas assets			
Right-of-use assets		199,170,779.04	262,612,660.87
Intangible assets		811,521,031.02	843,021,409.05
Development expenditure			
Goodwill		5,740,795.57	5,740,795.57
Long-term expenses to be amortised		150,593,738.02	174,203,954.25
Deferred income tax assets		415,550,691.18	392,976,999.20
Other non-current assets	Note 9	4,431,561,871.13	4,647,760,715.86
Including: Specially approved reserved supplies			
Total non-current assets		<u>10,987,056,628.70</u>	<u>11,310,928,503.47</u>
Total assets		<u>24,187,112,965.09</u>	<u>24,541,925,253.79</u>

Item	Note IV	31 December 2025	31 December 2024
Current liabilities:			
Short-term borrowings	Note 10	584,815,230.35	800,057,476.75
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			47,098,710.91
Trade payables	Note 11	5,434,222,122.19	5,539,926,648.80
Receipts in advance			
Contract liabilities	Note 12	2,451,192,921.80	2,731,408,144.20
Employee remuneration payables		349,649,654.94	391,661,072.80
Tax charges payables		180,014,430.78	201,600,131.05
Other payables		361,090,480.83	298,087,430.90
Including: Dividend payable		10,046,726.92	13,908,422.72
Held-for-sale liabilities			
Non-current liabilities due within one year	Note 13	443,409,573.32	313,980,477.73
Other current liabilities	Note 14	687,112,738.11	737,187,265.49
Total current liabilities		10,491,507,152.32	11,061,007,358.63
Non-current liabilities:			
Long-term borrowings	Note 15	4,043,850,305.64	4,334,024,094.09
Bonds payables	Note 16	750,000,000.00	500,000,000.00
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		136,121,276.50	185,790,481.21
Long-term payables		7,245,454.10	4,154,413.82
Long-term employee remuneration payable		72,711,627.62	78,603,667.07
Estimated liabilities		105,355,428.11	88,028,811.94
Deferred income		6,244,185.89	7,351,648.91
Deferred income tax liabilities		3,894,963.02	7,400,851.98
Other non-current liabilities		352,511,888.51	342,159,383.49
Including: Specially approved reserved fund			
Total non-current liabilities		5,477,935,129.39	5,547,513,352.51
Total liabilities		15,969,442,281.71	16,608,520,711.14

Item	Note IV	31 December 2025	31 December 2024
Equity attributable to the owners (or shareholders' equity):			
Share capital	Note 17	1,348,670,000.00	1,348,670,000.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve		646,500,666.90	646,206,309.10
Less: treasury shares			
Other comprehensive income		-96,963,371.36	16,528,853.11
Special reserve		16,810,847.05	5,389,706.71
Surplus reserve		674,335,000.00	667,141,761.43
Retained earnings		5,374,878,753.29	5,011,885,481.00
Total equity attributable to owners of the parent company (or shareholders' equity)		7,964,231,895.88	7,695,822,111.35
* Minority interests		253,438,787.50	237,582,431.30
Total equity attributable to the owners (or shareholders' equity)		8,217,670,683.38	7,933,404,542.65
Total liabilities and total equity attributable to the owners (or shareholders' equity)		24,187,112,965.09	24,541,925,253.79

(The accompanying notes to the financial statements form an integral part of the consolidated financial statements)

Note: Items marked with * apply exclusively to consolidated accounting statements. The same applies below.

CONSOLIDATED STATEMENT OF INCOME

Year 2025

Amount unit: RMB

Item	Note IV	Year 2025	Year 2024
I. Total operating income		7,527,306,503.62	8,671,691,256.13
Including: Operating income	Note 18	<u>7,527,306,503.62</u>	<u>8,671,691,256.13</u>
II. Total operating costs		6,781,463,139.44	7,932,815,851.08
Including: Operating costs	Note 18	6,033,259,159.07	7,103,669,072.46
Tax and surcharges		39,226,887.71	37,392,622.18
Selling expenses		49,633,550.85	63,199,214.44
Administrative expenses		458,247,836.72	509,413,514.91
Research and development expenses		306,456,875.72	325,156,326.80
Finance costs		-105,361,170.63	-106,014,899.71
Including: Interest expenses		237,982,275.03	282,015,620.45
Interest income		358,320,542.13	390,647,514.69
Others			
Add: Other income		7,308,362.15	7,393,061.04
Investment income (loss is represented by “-”)		56,325,252.48	49,100,530.62
Including: Investments income from associates and joint ventures		56,311,212.48	43,580,238.44
Gain on derecognition of financial assets measured at amortised cost			
Net gain from exposure hedges (loss is represented by “-”)			
Gain from change in fair value (loss is represented by “-”)		5,526,000.00	-3,210,000.00
Credit impairment loss (loss is represented by “-”)	Note 19	-30,650,235.37	-58,055,975.62
Asset impairment loss (loss is represented by “-”)	Note 20	-148,420,979.57	-116,966,568.18
Gain on disposal of assets (loss is represented by “-”)		<u>2,435,302.08</u>	<u>2,226,058.09</u>

Item	Note IV	Year 2025	Year 2024
III. Operating profit (loss is represented by “-”)		638,367,065.95	619,362,511.00
Add: Non-operating income		2,341,171.93	11,351,282.09
Less: Non-operating expenses		6,790,316.96	2,221,311.69
IV. Total profit (total loss is represented by “-”)		633,917,920.92	628,492,481.40
Less: Income tax expenses	Note 21	98,201,750.63	100,207,623.11
V. Net profit (net loss is represented by “-”)		535,716,170.29	528,284,858.29
(I) Classified by ownership of equity			
Net profit attributable to owners of the parent company		515,193,735.86	511,724,872.70
* Minority interests		20,522,434.43	16,559,985.59
(II) Classified by continuity of operations			
Net profit from continuing operations		535,716,170.29	528,284,858.29
Net profit from discontinued operations			
VI. Other comprehensive income after taxation, net		-113,247,690.47	8,990,989.64
Other comprehensive income after taxation attributable to owners of the parent company, net		-113,247,690.47	8,990,989.64
(I) Other comprehensive income which will not be reclassified to profit or loss		-113,393,749.31	9,111,231.69
1. Re-measurement of changes in defined benefit plan		5,240,000.00	-12,980,000.00
2. Other comprehensive income will not be transferred to profit or loss under equity method			
3. Change in fair value of other investments in equity instruments		-118,633,749.31	22,091,231.69
4. Change in fair value of enterprise’s own credit risk			
5. Others			

Item	<i>Note IV</i>	Year 2025	Year 2024
(II) Other comprehensive income which will be reclassified to profit or loss		146,058.84	-120,242.05
1. Other comprehensive income will be transferred to profit or loss under equity method			
2. Change in fair value of other debt investments			
3. Amount of financial assets reclassified as other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flows hedging reserve (effective portion of gain/loss from cash flow hedging)			
6. Exchange difference on translation of financial statements in foreign currencies		146,058.84	-120,242.05
7. Others			
* Other comprehensive income after taxation attributable to minority interests, net			
VII. Total comprehensive income		422,468,479.82	537,275,847.93
Total comprehensive income attributable to owners of the parent company		401,946,045.39	520,715,862.34
* Total comprehensive income attributable to minority interests		20,522,434.43	16,559,985.59
VIII. Earnings per shares:			
Earnings per share, basic		0.38	0.38
Earnings per share, diluted		0.38	0.38

CONSOLIDATED STATEMENT OF CASH FLOWS
Year 2025

Amount unit: RMB

Item	Note IV	Year 2025	Year 2024
I. Cash flows from operating activities:			
Cash received from the sale of goods and rendering of services		7,514,089,219.90	9,603,664,264.89
Tax refunds			
Other cash receipts related to operating activities		331,706,311.30	244,324,946.84
Sub-total of cash inflows from operating activities		7,845,795,531.20	9,847,989,211.73
Cash paid for the purchase of goods and the receipt of services		4,999,641,792.52	6,411,612,749.55
Cash paid to and for employees		1,807,314,508.28	1,903,487,402.60
Taxation paid		321,992,550.37	457,152,804.81
Other cash payments related to operating activities		409,183,639.79	391,858,436.08
Sub-total of cash outflows from operating activities		7,538,132,490.96	9,164,111,393.04
Net cash flows from operating activities		307,663,040.24	683,877,818.69
II. Cash flows from investing activities:			
Cash received from investment recovery		522,390.08	
Cash received as investment income		3,569,153.35	2,807,817.35
Net cash received from disposals of fixed assets, intangible assets and other long-term assets		120,336.80	536,323.23
Net cash received from disposals of subsidiaries and other business units			139,214,400.00
Other cash receipts related to investing activities			
Sub-total of cash inflows from investing activities		4,211,880.23	142,558,540.58
Cash paid for purchase of fixed assets, intangible assets and other long-term assets		47,791,922.87	119,876,752.99
Cash paid for investments		138,924,000.00	211,666,624.00
Net cash paid for acquisition of subsidiaries and other business units			
Other cash payments related to investing activities			
Sub-total of cash outflows from investing activities		186,715,922.87	331,543,376.99
Net cash flows from investing activities		-182,504,042.64	-188,984,836.41

Item	Note IV	Year 2025	Year 2024
III. Cash flows from financing activities:			
Cash received as investment			
Including: Cash received by subsidiaries from investment of minority shareholders			
Cash received from borrowings		1,837,455,777.88	1,648,451,350.66
Other cash receipts related to financing activities			
Sub-total of cash inflows from financing activities		<u>1,837,455,777.88</u>	<u>1,648,451,350.66</u>
Cash paid for debts settlement		1,982,183,439.55	1,828,435,266.41
Cash paid for distribution of dividends, profits, or interest expenses		338,420,448.73	482,111,416.05
Including: Dividend and profit paid by subsidiaries to minority shareholders		4,651,019.72	2,885,670.55
Other cash payments related to financing activities		85,865,326.54	101,777,124.07
Sub-total of cash outflows from financing activities		<u>2,406,469,214.82</u>	<u>2,412,323,806.53</u>
Net cash flows from financing activities		<u>-569,013,436.94</u>	<u>-763,872,455.87</u>
IV. Effect of exchange rate changes on cash and cash equivalents		-6,763,999.97	3,129,664.77
V. Net increase in cash and cash equivalents		-450,618,439.31	-265,849,808.82
Add: Cash and cash equivalents at beginning of period		3,043,846,261.92	3,309,696,070.74
VI. Cash and cash equivalents at the end of period		<u>2,593,227,822.61</u>	<u>3,043,846,261.92</u>

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

Year 2025

Amount unit: RMB

Item Column No.	Note IV	Amount for the current period								Total equity attributable to the owners				
		Equity attributable to owners of the parent company				Other								
		Paid-in capital (or share capital)	Preferred shares	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained profit	Sub-total	Minority interests			
		1	2	3	4	5	6	7	8	9	10	11	12	13
I. Closing balance of previous year		1,348,670,000.00				646,206,309.10		16,328,853.11	5,389,706.71	667,141,761.43	5,011,885,481.00	7,695,822,113.35	237,582,431.30	7,933,404,542.65
Add: Changes in accounting policies														
Retrospective adjustments														
Others														
II. Opening balance of current year		1,348,670,000.00				646,206,309.10		16,328,853.11	5,389,706.71	667,141,761.43	5,011,885,481.00	7,695,822,113.35	237,582,431.30	7,933,404,542.65
III. Changes for the year (decrease is represented by "-")						294,357.80		-113,492,224.47	11,421,140.34	7,193,238.57	362,893,272.29	268,409,784.53	15,856,356.20	284,266,140.73
(I) Total comprehensive income								-113,492,224.47	11,421,140.34	7,193,238.57	362,893,272.29	268,409,784.53	15,856,356.20	284,266,140.73
(II) Capital contributed/reduced by equity owner						294,357.80		-113,247,690.47			515,193,735.86	401,946,045.39	20,522,434.43	422,468,479.82
1. Ordinary share contribution by equity owners														
2. Capital contribution by holders of other equity instruments														
3. Share-based payment included in owners' equity														
4. Others						294,357.80						294,357.80		294,357.80
(III) Appropriation and use of special reserve														
1. Appropriation of special reserve									11,421,140.34			11,421,140.34		11,421,140.34
2. Use of special reserve									122,323,003.81			122,323,003.81		122,323,003.81
(IV) Profit distribution									-110,901,863.47			-110,901,863.47		-110,901,863.47
1. Appropriation of surplus reserve										7,193,238.57	-152,444,997.57	-145,251,759.00	-4,666,078.23	-149,917,837.23
Including: Statutory reserve										7,193,238.57	-7,193,238.57			
Discretionary reserve														
2. Appropriation of general risk reserve														
3. Distribution to equity owners (or shareholders)														
4. Others														
(V) Internal movement of owners' equity								-244,534.00						
1. Capital (or share capital) increased by conversion of capital reserve														
2. Capital (or share capital) increased by conversion of surplus reserve														
3. Loss set-off by surplus reserve														
4. Transfer of change in defined benefit plan to retained earnings														
5. Transfer of other comprehensive income to retained earnings								-244,534.00						
6. Others														
IV. Closing balance of current year		1,348,670,000.00				646,500,666.90		-96,963,371.36	16,810,847.05	674,335,000.00	5,374,878,753.29	7,964,231,895.88	253,488,787.50	8,217,670,683.38

Amount unit: RMB

Item Column No.	Note IV	Other equity instruments				Equity attributable to owners of the parent company				Amount for the previous period				Total equity attributable to the owners
		Paid-in capital (or share capital)	Preferred shares	Perpetual bonds	Others	Capital reserve	Treasury shares	Less: comprehensive income	Other special reserve	Surplus reserve	Retained profit	Sub-total	Minority interests	
		1	2	3	4	5	6	7	8	9	10	11	12	13
I. Closing balance of previous year		1,348,670,000.00				644,892,577.08		7,557,863.47	206,007.90	638,735,319.09	4,761,077,758.64	7,401,119,526.18	227,494,076.38	7,628,613,602.56
Add: Changes in accounting policies														
Retrospective adjustments														
Others														
II. Opening balance of current year		1,348,670,000.00				644,892,577.08		7,557,863.47	206,007.90	638,735,319.09	4,761,077,758.64	7,401,119,526.18	227,494,076.38	7,628,613,602.56
III. Changes for the year (decrease is represented by "-")														
(I) Total comprehensive income								8,990,989.64	5,183,698.81	28,406,442.34	250,807,722.36	294,702,585.17	10,088,354.92	304,790,940.09
(II) Capital contributed/reduced by equity owner								8,990,989.64			511,724,872.70	520,715,862.34	16,559,985.59	537,275,847.93
1. Ordinary share contribution by equity owners														
2. Capital contribution by holders of other equity instruments						1,313,732.02						1,313,732.02	-3,411,833.95	-2,098,103.93
3. Share-based payment included in owners' equity														
4. Others														
(III) Appropriation and use of special reserve														
1. Appropriation of special reserve						1,313,732.02								
2. Use of special reserve														
(IV) Profit distribution														
1. Appropriation of surplus reserve														
Including: Statutory reserve														
Discretionary reserve														
2. Appropriation of general risk reserve														
3. Distribution to equity owners (or shareholders)														
4. Others														
(V) Internal movement of owners' equity														
1. Capital (or share capital) increased by conversion of capital reserve														
2. Capital (or share capital) increased by conversion of surplus reserve														
3. Loss set-off by surplus reserve														
4. Transfer of change in defined benefit plan to retained earnings														
5. Transfer of other comprehensive income to retained earnings														
6. Others														
IV. Closing balance of current year		1,348,670,000.00				646,206,309.10		16,528,853.11	5,389,706.71	667,141,761.43	5,011,885,481.00	7,695,822,111.35	237,582,431.30	7,933,404,542.65

NOTES TO THE FINANCIAL STATEMENTS

Year 2025

(Unless otherwise stated, all amounts are denominated in RMB)

I. BASIC INFORMATION OF THE COMPANY

(1) History, registered address, organisational form and head office address

Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as “**the Company**”) was established on 28 October 2013 by Beijing Urban Construction Group Co., Ltd. (hereinafter referred to as “**BUCG**”). The Company’s registered address is 5 Fuchengmen North Street, Xicheng District, Beijing, and its legal representative is Mr. Pei Hongwei. The Company’s H shares have been listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “**the Hong Kong Stock Exchange**”) under stock code 01599.

The Company’s original total share capital was RMB1,348,670,000.00, of which BUCG held RMB571,031,118.00, representing 42.34% of the total share capital, and overseas issued H shares amounted to RMB387,937,000.00, representing 28.76% of the total share capital, which were listed and traded on the Hong Kong Stock Exchange in July 2014.

Legal representative: Mr. Pei Hongwei.

The Company’s headquarters is located at 5 Fuchengmen North Street, Xicheng District, Beijing.

(2) Business nature and principal activities of the Company

The Company belongs to the industrial design industry, mainly providing design, survey and consultancy services for urban rail transit and urban rail transit related industrial and civil construction and municipal engineering projects; providing construction contracting services for urban rail transit and service concession arrangements.

The current main business segments are: design, survey and consultancy, and construction contracting.

II. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

(1) Basis for preparation of financial statements

The Company prepares its financial statements on a going concern basis, based on actual transactions and events, in accordance with the Accounting Standards for Business Enterprises – Basic Standards and specific accounting standards for business enterprises, application guidance for accounting standards for business enterprises, interpretations of accounting standards for business enterprises and other relevant regulations issued by the Ministry of Finance (hereinafter collectively referred to as “current accounting standards for business enterprises”), based on which, in accordance with the Rules for the Preparation of Information Disclosure by Companies Making Public Offering of Securities No. 15 — General Provisions on Financial Reporting (Revised in 2023) issued by China Securities Regulatory Commission, as well as the disclosure requirements under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong and the Hong Kong Companies Ordinance.

(2) Going concern

The Company has assessed its going concern capability for 12 months from the end of the reporting period and has not identified any matters or circumstances that would cause material doubt about its going concern capability. Therefore, these financial statements are prepared on the basis of going concern assumption.

III. EXPLANATION OF ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES, AND CORRECTION OF MAJOR PREVIOUS ERRORS

(1) Changes in accounting policies

There were no changes in accounting policies during the reporting period. However, the comparative figures for the reporting period and the year ended 31 December 2024 were prepared in accordance with the disclosure requirements of Chinese Accounting Standards for Business Enterprises.

(2) Changes in accounting estimates

There were no changes in accounting estimates during the reporting period.

(3) Important corrections of prior period errors

No corrections to prior period accounting errors using the retrospective restatement method occurred during the reporting period.

IV. DESCRIPTION OF SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

(The following monetary units are all in RMB unless otherwise specified. The Closing balance is 31 December 2025, the Opening balance is 1 January 2025, and the Prior Period refers to 31 December 2024)

Note 1. Notes receivable

Item	Closing balance	Opening balance
Bank acceptance bills	9,404,315.25	21,832,333.31
Commercial acceptance bills	37,728,182.67	15,244,790.57
Financial company acceptance bills	190,000.00	
Total	<u>47,322,497.92</u>	<u>37,077,123.88</u>

Note 2. Accounts receivables

1. Disclosure of accounts receivable by aging

The aging analysis of accounts receivable as of the end of the Reporting Period based on invoice dates is as follows:

Aging	Closing balance	Opening balance
Within 6 months	1,503,254,815.31	1,704,301,739.79
6 months – 1 year	890,945,644.42	744,452,899.09
1 – 2 years	1,037,410,815.26	853,960,320.77
2 – 3 years	750,780,872.00	452,640,401.28
3 – 4 years	169,969,142.27	328,826,510.81
4 – 5 years	213,331,978.79	381,208,520.71
Over 5 years	884,114,089.62	726,874,176.67
Sub-total	5,449,807,357.67	5,192,264,569.12
Less: Provision for bad debts	1,204,775,733.93	1,179,531,257.28
Total	4,245,031,623.74	4,012,733,311.84

2. Accounts receivables disclosed by classification of provision method for bad debts

Category	Book balance		Closing balance Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Trade receivables with individual provision for bad debts	213,628,566.00	3.92	127,716,107.20	59.78	85,912,458.80
Trade receivables with provision made for bad debts using portfolios	5,236,178,791.67	96.08	1,077,059,626.73	20.57	4,159,119,164.94
Including: accounts receivables accruing bad debt provision by applying aging analysis	5,236,178,791.67	96.08	1,077,059,626.73	20.57	4,159,119,164.94
Total	5,449,807,357.67	–	1,204,775,733.93	–	4,245,031,623.74

Category	Book balance		Opening balance Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate (%)	
Trade receivables with individual provision for bad debts	216,740,171.78	4.17	134,271,910.12	61.95	82,468,261.66
Trade receivables with provision for bad debts accrued on a portfolio basis	4,975,524,397.34	95.83	1,045,259,347.16	21.01	3,930,265,050.18
Including: accounts receivables accruing bad debt provision by applying aging analysis	4,975,524,397.34	95.83	1,045,259,347.16	21.01	3,930,265,050.18
Total	5,192,264,569.12	–	1,179,531,257.28	–	4,012,733,311.84

3. Individual provision for bad debts

Name	Book balance	Provision for bad debts	Expected credit loss rate (%)	Reason for provision
Delingha Culture Tourism Development Co., Ltd. (德令哈文化旅遊發展有限公司)	171,408,859.09	85,496,400.29	49.88	Expected partly not to be recovered
Beijing MTR Construction Administration Corporation (北京市軌道交通建設管理有限公司)	5,720,123.45	5,720,123.45	100	Expected not to be recovered
Beijing MTR Construction CIF Airport Company Limited (中基機場建設有限公司)	3,960,268.49	3,960,268.49	100	Expected not to be recovered
Beijing Subway Operation Co., Ltd. (北京市地鐵運營有限公司)	3,128,301.87	3,128,301.87	100	Expected not to be recovered
CIF INTERNATIONAL CONSTRUCTION CO., LIMITED (中基國際建設有限公司)	1,634,813.98	1,634,813.98	100	Expected not to be recovered
Beijing Gaoyi Property Development Co., Ltd. (北京高億房地產開發有限公司)	603,773.58	603,773.58	100	Expected not to be recovered
Planning Market Department of Chaoyang Branch of Beijing Center for Land Consolidation Reserve (北京市土地整理儲備中心朝陽分中心規劃市場部)	587,948.01	587,948.01	100	Expected not to be recovered
China Huaxi Engineering Design and Construction Co. Ltd. Beijing Engineering and Construction Branch (中國華西工程設計建設有限公司北京工程建設分公司)	477,037.74	477,037.74	100	Expected not to be recovered
Beijing Dongzhimen Airport Express Railway Company Limited (北京東直門機場快速軌道有限公司)	415,866.98	415,866.98	100	Expected not to be recovered
Beijing Infrastructure Investment Co., Ltd. (北京市基礎設施投資有限公司)	275,849.06	275,849.06	100	Expected not to be recovered
Shenzhen Metro No. 3 Line Investment Co., Ltd. (深圳市地鐵三號線投資有限公司)	244,311.65	244,311.65	100	Expected not to be recovered
Chaoyang Branch of Beijing Center for Land Consolidation Reserve (北京市土地整理儲備中心朝陽分中心)	125,829.89	125,829.89	100	Expected not to be recovered
Other Units	25,045,582.21	25,045,582.21	100	Expected not to be recovered
Total	213,628,566.00	127,716,107.20	-	

4. Accounts receivables of bad debt provision in credit risk characteristic portfolio

Accounts receivables accruing bad debt provision by applying aging analysis (calculated based on the invoice date)

Aging	Closing balance		Opening balance	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Within 6 months	1,503,254,815.31	7,592,145.01	1,704,301,739.79	8,622,185.39
6 months – 1 year	890,945,644.42	30,711,158.85	744,452,899.09	29,758,915.99
1 – 2 years	1,037,410,815.26	101,883,128.28	853,960,320.77	79,365,929.88
2 – 3 years	750,780,872.00	122,658,558.58	452,640,401.28	73,182,564.11
3 – 4 years	169,969,142.27	50,792,412.92	307,562,666.06	92,268,799.84
4 – 5 years	185,017,610.94	92,574,327.28	255,205,810.20	127,602,905.11
Over 5 years	698,799,891.47	670,847,895.81	657,400,560.15	634,458,046.84
Total	<u>5,236,178,791.67</u>	<u>1,077,059,626.73</u>	<u>4,975,524,397.34</u>	<u>1,045,259,347.16</u>

5. Top five accounts receivable at the end of the period, collected by debtor

Name	Book balance	Proportion in the total accounts receivables (%)	Provision for bad debts
Beijing MTR Construction Administration Corporation (北京市軌道交通建設管理有限公司)	510,800,376.49	9.37	111,725,728.72
Anqing Municipal Bureau of Housing and Urban-Rural Development (安慶市住房和城鄉建設局)	270,671,154.85	4.97	4,510,355.77
Administration Committee of Dianzhong New District of Yunnan (雲南滇中新區管理委員會)	244,642,116.31	4.49	12,102,761.51
Guangzhou Metro Group Co., Ltd. (廣州地鐵集團有限公司)	232,742,746.88	4.27	5,612,805.98
Beijing Urban Construction Group Co., Ltd. (北京城建集團有限責任公司)	213,438,030.39	3.92	33,149,870.07
Total	<u>1,472,294,424.91</u>	<u>27.02</u>	<u>167,101,522.06</u>

Note 3. Prepayments

Aging	Closing Balance			Opening Balance		
	Book balance	Proportion	Provision for bad debts	Book balance	Proportion	Provision for bad debts
	Amount	(%)		Amount	(%)	
Within 1 year (including 1 year)	51,175,327.90	71.25		29,168,259.55	53.16	
1 – 2 years (including 2 years)	11,510,350.75	16.03		4,426,639.99	8.07	
2 – 3 years (including 3 years)	513,714.06	0.72		6,688,214.88	12.19	
Over 3 years	8,615,000.17	12.00		14,583,595.20	26.58	
Total	<u>71,814,392.88</u>	<u>–</u>	<u>–</u>	<u>54,866,709.62</u>	<u>–</u>	<u>–</u>

Note 4. Other receivables

Items	Closing balance	Opening balance
Interest receivable		
Dividends receivable	89,583,274.83	89,583,274.83
Other receivables	85,432,940.42	128,590,246.87
Total	<u>175,016,215.25</u>	<u>218,173,521.70</u>

1. Dividends receivable

Items	Closing balance	Opening balance	Reasons for non-recovery	Whether impairment has occurred and the basis for judging it
Dividends receivable less than one year		89,583,274.83		
Yunnan Jingjian Rail Transit Investment and Construction Co., Ltd. (雲南京建軌道交通投資建設有限公司)		85,400,800.00		
Beijing Urban Construction Zhikong Technology Co., Ltd. (北京城建智控科技股份有限公司)		4,182,474.83		
Dividends receivable that are more than one year	89,583,274.83			
Yunnan Jingjian Rail Transit Investment and Construction Co., Ltd. (雲南京建軌道交通投資建設有限公司)	85,400,800.00		No payment	The payment is scheduled and no impairment occurred
Beijing Urban Construction Zhikong Technology Co., Ltd. (北京城建智控科技股份有限公司)	4,182,474.83		No payment	The payment is scheduled and no impairment occurred
Total	<u>89,583,274.83</u>	<u>89,583,274.83</u>		

2. Other receivables

(1) Disclosure by aging

Aging	Closing balance	Opening balance
Within 6 months	38,881,792.00	71,362,943.01
6 months – 1 year	13,480,691.92	16,414,657.59
1 – 2 years	15,013,343.86	6,235,190.46
2 – 3 years	5,196,434.54	21,444,031.94
3 – 4 years	8,574,098.54	9,120,299.08
4 – 5 years	6,582,361.95	11,681,937.09
Over 5 years	39,012,102.45	31,285,766.92
Sub-total	<u>126,740,825.26</u>	<u>167,544,826.09</u>
Less: provision for bad debts	<u>41,307,884.84</u>	<u>38,954,579.22</u>
Total	<u>85,432,940.42</u>	<u>128,590,246.87</u>

(2) *Provision for bad debt on other receivables made, recovered or reversed in the current period*

Provision for bad debts	Phase 1 Expected credit losses over the next 12 months	Phase 2	Phase 3	Total
		Expected credit losses over the entire duration (no credit impairment occurred)	Expected credit loss over the entire duration (credit impairment occurred)	
Opening balance	17,748,911.72	9,246,060.34	11,959,607.16	38,954,579.22
Opening balance in the current period				
– Transfer to the second stage				
– Transfer to the third stage		-544,539.85	544,539.85	-
– Reverse to the second stage				
– Reverse to the first stage				
Provision in the current period	8,086,366.43	-3,405,460.81	-2,327,600.00	2,353,305.62
Reverse in the current period				
Resale in the current period				
Write-off in the current period				
Other changes				
Closing balance	<u>25,835,278.15</u>	<u>5,296,059.68</u>	<u>10,176,547.01</u>	<u>41,307,884.84</u>

(3) *Other receivables due from the top five debtors by closing balance*

Name of debtor	Book balance	Proportion in the total closing balance of other receivables (%)	Provision for bad debts
Beijing Uni.-Construction Group Co., Ltd. (北京住總集團有限責任公司)	8,115,885.82	6.40	
Hengtai Property (恒泰物業)	2,772,597.90	2.19	2,772,597.90
Lanzhou Rail Transit Co., Ltd. (蘭州市軌道交通有限公司)	2,395,693.80	1.89	950,212.85
Guangzhou Metro Group Co., Ltd. (廣州地鐵集團有限公司)	2,315,909.00	1.83	115,795.45
Beijing Yiqun Engineering Consultant Co., Ltd. (北京逸群工程諮詢有限公司)	2,048,000.00	1.62	425,116.00
Total	<u>17,648,086.52</u>	<u>13.93</u>	<u>4,263,722.20</u>

Note 5. Contract assets

Items	Book balance	Closing balance		Book balance	Opening balance	
		Provision for impairment	Book value		Provision for impairment	Book value
Completed and unsettled assets	5,465,283,215.91	559,186,647.26	4,906,096,568.65	5,028,141,510.75	412,329,903.03	4,615,811,607.72
Warranty due within 1 year	91,737,729.66	445,620.11	91,292,109.55	113,380,972.77	550,981.64	112,829,991.13
Contract assets of PPP Projects	786,014,844.74	5,098,150.93	780,916,693.81	792,503,020.39	4,992,827.12	787,510,193.27
Total	<u>6,343,035,790.31</u>	<u>564,730,418.30</u>	<u>5,778,305,372.01</u>	<u>5,934,025,503.91</u>	<u>417,873,711.79</u>	<u>5,516,151,792.12</u>

Note 6. Long-term equity investment

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
Investment in joint ventures	2,121,178,485.26	44,385,488.71	490,000.00	2,165,073,973.97
Investment in associates	1,328,225,565.70	151,144,081.57	2,820,579.35	1,476,549,067.92
Sub-total	3,449,404,050.96	195,529,570.28	3,310,579.35	3,641,623,041.89
Less: Provision for impairment of long-term equity investments				
Total	<u>3,449,404,050.96</u>	<u>195,529,570.28</u>	<u>3,310,579.35</u>	<u>3,641,623,041.89</u>

Note 7. Other equity instruments investment

Items	Closing balance	Opening balance
Zhongdixin Geographic Information Equity Investment Fund Limited (Limited Partnership) (中地信地理信息股權投資基金(有限合夥))		1,900,000.00
Zhongshan Deep Water Environmental Water Co., Ltd. (中山市深水環境水務有限公司)	800.00	800.00
China Communications Fourth Airlines (Zhongshan) Environmental Protection Engineering Co., Ltd. (中交四航(中山)環保有限公司)	20,000.00	20,000.00
Beijing Jingxi Ecological Cultural Tourism Investment Co., Ltd. (北京京西生態文旅投資有限公司)	2,640,713.84	3,300,247.32
Beijing Urban Construction Intelligent Control Co., Ltd. (北京城建智控科技股份有限公司)	85,851,715.93	222,574,748.71
Total	<u>88,513,229.77</u>	<u>227,795,796.03</u>

Note 8. Other non-current financial assets

Items	Closing balance	Opening balance
Financial assets at fair value through profit and loss: Beijing Jiuzhou First Rail Environmental Technology Co., Ltd. (“Jiuzhou First Rail”) (北京九州一軌環境科技股份有限公司)	10,704,000.00	5,178,000.00
Total	<u>10,704,000.00</u>	<u>5,178,000.00</u>

Note 9. Other non-current assets

Items	Closing balance	Opening balance
Contract assets	4,307,851,012.22	4,523,908,805.87
Input tax to be deducted and advance tax	103,086,264.91	103,227,315.99
Advance payment for acquisition of properties	20,624,594.00	20,624,594.00
Total	<u>4,431,561,871.13</u>	<u>4,647,760,715.86</u>

Note 10. Short-term borrowings

Items	Closing balance	Opening balance
Pledged borrowing	370,435,263.89	380,528,305.56
Mortgaged borrowing		30,499,225.47
Guaranteed borrowing		389,029,945.72
Borrowing on credit	214,379,966.46	
Total	<u>584,815,230.35</u>	<u>800,057,476.75</u>

Note 11. Accounts payable

Aging (calculated based on the invoice date)	Closing balance	Opening balance
Within 1 year (including 1 year)	2,502,600,908.45	2,567,708,148.67
1 – 2 years (including 2 years)	1,538,348,246.81	1,334,999,374.92
2 – 3 years (including 3 years)	537,458,190.79	602,581,241.99
Over 3 years	855,814,776.14	1,034,637,883.22
Total	<u>5,434,222,122.19</u>	<u>5,539,926,648.80</u>

Note 12. Contract liabilities

Items	Closing balance	Opening balance
Advance on design fee, survey, and consultancy	452,232,350.43	506,608,688.82
Settled and uncompleted	1,998,960,571.37	2,224,799,455.38
Total	<u>2,451,192,921.80</u>	<u>2,731,408,144.20</u>

Note 13. Non-current liabilities due within one year

Items	Closing balance	Opening balance
Long-term borrowings due within 1 year	362,538,261.39	208,117,979.03
Bonds payable due within 1 year	3,210,410.95	2,381,917.81
Long-term payables due within 1 year	6,275,327.15	14,961,048.56
Other long-term liabilities due within 1 year	3,266,934.69	6,681,727.57
Lease liabilities due within 1 year	68,118,639.14	81,837,804.76
Total	<u>443,409,573.32</u>	<u>313,980,477.73</u>

Note 14. **Other current liabilities**

Items	Closing balance	Opening balance
Short-term bonds payable	503,981,917.81	506,627,945.21
Output tax to be carried forward	181,760,820.30	229,459,320.28
Other	1,370,000.00	1,100,000.00
Total	<u>687,112,738.11</u>	<u>737,187,265.49</u>

Note 15. **Long-term borrowings**

Items	Closing balance	Opening balance	End of period interest rate range (%)
Pledged borrowing	3,880,250,305.64	4,186,024,094.09	3.15-3.9
Mortgaged borrowing			
Guaranteed borrowing			
Borrowing on credit	163,600,000.00	148,000,000.00	1.85-4.9
Total	<u>4,043,850,305.64</u>	<u>4,334,024,094.09</u>	<u>-</u>

Note 16. **Bonds payable**

Items	Closing balance	Opening balance
24 UCD MTN001	502,761,643.83	502,381,917.81
25 UCD MTN001	250,448,767.12	
Less: Bonds payable due within 1 year	3,210,410.95	2,381,917.81
Total	<u>750,000,000.00</u>	<u>500,000,000.00</u>

Changes in bonds payable

Name of bond	Par value	Issue date	Maturity	Issue amount
24 UCD MTN001	500,000,000.00	2024-10-24	3 years	500,000,000.00
25 UCD MTN001	250,000,000.00	2025-12-04	3 years	250,000,000.00
Total	<u>750,000,000.00</u>	<u>-</u>	<u>-</u>	<u>750,000,000.00</u>

Name of bond	Opening balance	Issue in the current period	Interest accrued at par value	Amortisation of premiums and discounts	Repayment in the current period	Closing balance
24 UCD MTN001	502,381,917.81		12,979,726.02		12,600,000.00	502,761,643.83
25 UCD MTN001		250,000,000.00	448,767.12			250,448,767.12
Sub-total	502,381,917.81	250,000,000.00	13,428,493.14		12,600,000.00	753,210,410.95
Including:						
Bonds payable due within 1 year	2,381,917.81		13,428,493.14		12,600,000.00	3,210,410.95
Total	<u>500,000,000.00</u>	<u>250,000,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>750,000,000.00</u>

Note 17. Share capital

Name of investor	Opening balance		Increase during the period	Decrease during the period	Closing balance	
	Investment	Percentage (%)			Investment	Percentage (%)
Beijing Urban Construction Group Co., Ltd. (北京城建集團有限責任公司)	571,031,118.00	42.34			571,031,118.00	42.34
Beijing Infrastructure Investment Co., Ltd. (北京市基礎設施投資有限公司)	87,850,942.00	6.51			87,850,942.00	6.51
Beijing Chengtong Enterprise Management Center (General Partnership) (北京城通企業管理中心 (普通合夥))	76,000,000.00	5.64			76,000,000.00	5.64
Beijing Jinguofa Equity Investment Fund (Limited Partnership) (北京京國發股權投資基金(有限合夥))	46,000,000.00	3.41			46,000,000.00	3.41
Beijing Jinguochuang Advantage Industry Fund (Limited Partnership) (北京京國創優勢產業基金 (有限合夥))	46,000,000.00	3.41			46,000,000.00	3.41
Beijing MTR Construction Administration Corporation (北京市軌道交通建設管理有限公司)	43,925,470.00	3.26			43,925,470.00	3.26
Beijing Gonglian Highway Connect Line Co., Ltd. (北京市公聯公路聯絡線有限責任公司)	43,925,470.00	3.26			43,925,470.00	3.26
Beijing Shengda Xingye Real Estate Development Co., Ltd. (北京盛達興業房地產開發有限公司)	23,184,000.00	1.72			23,184,000.00	1.72
Beijing You Neng Shang Zhuo Venture Capital Fund (LLP) (北京優能尚卓創業投資基金(有限合夥))	22,816,000.00	1.69			22,816,000.00	1.69
Overseas listed foreign Shares (H Shares)	387,937,000.00	28.76			387,937,000.00	28.76
Total	<u>1,348,670,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,348,670,000.00</u>	<u>-</u>

Note 18. **Revenue and segment information**

1. Operating income and operating cost

Items	Amount incurred for the period		Amount incurred for the prior period	
	Revenue	Cost	Revenue	Cost
Design, survey and consultancy	4,088,965,687.41	2,872,675,839.93	4,392,106,607.47	3,131,763,015.60
Construction contracting	3,438,340,816.21	3,160,583,319.14	4,279,584,648.66	3,971,906,056.86
Total	<u>7,527,306,503.62</u>	<u>6,033,259,159.07</u>	<u>8,671,691,256.13</u>	<u>7,103,669,072.46</u>

2. Basis for determining the reporting segment and accounting policies

Based on the internal organizational structure, management requirements and internal reporting system, the Company's main business is divided into the following business systems: public projects construction, survey, design and consultancy business as the main body. Each of the Company's reporting segments offers different products or services or operates in different regions. As each segment requires different technology or market strategies, the Company's management manages the operating activities of each reporting segment separately and evaluates the operating results of these reporting segments on a regular basis to determine the allocation of resources to them and evaluate their performance.

The inter-segment transfer price is determined on the basis of the actual transaction price, and the expenses indirectly attributable to each segment are allocated among the segments in proportion to revenue. Assets are allocated according to the operation of the segment and the location of the assets, and segment liabilities include liabilities attributable to the segment arising from the segment's operating activities. If expenses related to liabilities shared by multiple operating segments are allocated to those operating segments, the shared liabilities are also allocated to those operating segments.

3. Financial information of reportable segments

(1) Segments financial information for the year 2025

Items	Projects construction	Survey, design and consultancy business	Offset	Total
1. Operating income	3,413,306,917.53	4,202,505,893.18	-88,506,307.09	7,527,306,503.62
Among them:				
income from external transactions	3,413,306,917.53	4,113,999,586.09		7,527,306,503.62
income from inter-segment transactions	15,495,877.10	73,010,429.99	-88,506,307.09	-
2. Investment income in associates and joint ventures		56,311,212.48		56,311,212.48
3. Asset impairment losses	14,822,017.15	133,598,962.42		148,420,979.57
4. Credit impairment losses	52,436,957.09	-21,839,221.72	52,500.00	30,650,235.37
5. Depreciation and amortization expenses	73,693,153.09	177,452,590.40		251,145,743.49
6. Total profits	221,631,350.46	415,217,311.65	-2,930,741.19	633,917,920.92
7. Income tax expense				98,201,750.63
8. Net profit	221,631,350.46	415,217,311.65	-2,930,741.19	535,716,170.29
9. Total assets	11,555,798,026.97	12,631,314,938.12		24,187,112,965.09
10. Total liabilities	8,563,304,443.87	7,406,137,837.84		15,969,442,281.71

(2) Segments financial information for the year 2024

Items	Projects construction	Survey, design and consultancy business	Offset	Total
1. Operating income	4,414,598,608.64	4,585,226,882.35	-328,134,234.86	8,671,691,256.13
Among them:				
income from external transactions	4,086,464,373.78	4,585,226,882.35		8,671,691,256.13
income from inter-segment transactions	328,134,234.86		-328,134,234.86	-
2. Investment income in associates and joint ventures		49,100,530.62		49,100,530.62
3. Asset impairment losses	7,297,973.51	109,668,594.67		116,966,568.18
4. Credit impairment losses	20,852,481.34	37,203,494.28		58,055,975.62
5. Depreciation and amortization expenses	95,150,227.14	197,001,134.08		292,151,361.22
6. Total profits	317,124,738.15	334,733,822.42	-23,366,079.17	628,492,481.40
7. Income tax expense				100,207,623.11
8. Net profit	317,124,738.15	334,733,822.42	-23,366,079.17	528,284,858.29
9. Total assets	7,337,609,505.44	17,204,315,748.35		24,541,925,253.79
10. Total liabilities	10,801,045,688.32	5,807,475,022.82		16,608,520,711.14

Note 19. Credit impairment losses

Items	Amounts in the current period	Amounts in the prior period
Bad debt losses	<u>-30,650,235.37</u>	<u>-58,055,975.62</u>
Total	<u>-30,650,235.37</u>	<u>-58,055,975.62</u>

Note 20. Asset impairment losses

Items	Amounts in the current period	Amounts in the prior period
Impairment loss on contract assets	<u>-146,755,190.91</u>	<u>-118,183,254.00</u>
Impairment loss on other non-current assets	<u>-1,665,788.66</u>	<u>1,216,685.82</u>
Total	<u>-148,420,979.57</u>	<u>-116,966,568.18</u>

Note 21. Income tax expense

Items	Amounts in the current period	Amounts in the prior period
Current income tax expenses	<u>104,344,333.49</u>	<u>138,362,113.19</u>
Deferred income tax expenses	<u>-6,142,582.86</u>	<u>-38,154,490.08</u>
Total	<u>98,201,750.63</u>	<u>100,207,623.11</u>

Note 22. Assets with restricted ownership and use rights

Items	Closing book value	Causes of limitation
Monetary funds	46,820,005.44	Deposit, restricted frozen funds, deposits at bank for letters of guarantee, etc.
Notes receivable	1,370,000.00	Endorsed or discounted bills outstanding
Accounts receivable	521,923,954.35	For pledge to obtain bank borrowings with restricted ownership or use rights
Other	5,060,896,319.26	For pledge to obtain bank borrowings with restricted ownership or use rights
Total	<u>5,631,010,279.05</u>	

Note 23. EBITDA

Items	Amounts in the current period
Net profit	535,716,170.29
Income tax expense	98,201,750.63
Depreciation of fixed assets	91,551,997.00
Depreciation of the right-of-use assets	83,353,201.55
Amortization of intangible assets	40,564,886.53
Amortization of long-term deferred expenses	35,675,658.41
Interest and investment income	-358,320,542.13
Interest expenses	237,982,275.03
EBITDA	<u>764,725,397.31</u>

Note 24. Dividend

Items	Amounts in the current period	Amounts in the prior period
Dividend	<u>145,251,759.00</u>	<u>232,510,708.00</u>
Total	<u>145,251,759.00</u>	<u>232,510,708.00</u>

The 2024 profit distribution plan is as follows: a cash dividend of RMB0.1077 (tax inclusive) per Share on the basis of 1,348,670,000 Shares as at 31 December 2024, which will result in approximately RMB145,251,759.00 of profit distributed in total.

The Board resolved to postpone the consideration of the proposal regarding the 2025 profit distribution proposal and the recommendation on the dividend declaration. Following the Board's approval of the 2025 profit distribution proposal and the recommendation on the dividend declaration, they will be submitted to the 2025 annual general meeting for approval.

V. SUPPLEMENTARY INFORMATION

(1) Schedule of Non-recurring Profit or Loss for the Current Period

Item	Amount	Explanation
Gain or loss on disposal of non-current assets, including write-back of asset impairment provisions	2,786,052.51	
Government grants recognised in profit or loss for the current period, excluding government grants that are closely related to the Company's normal operating business, comply with national policy provisions, are enjoyed according to determined standards, and have a continuing impact on the Company's profit or loss	50,000.00	
Gains or losses from changes in fair value of financial assets and financial liabilities held by non-financial enterprises and gains or losses from disposal of financial assets and financial liabilities, excluding effective hedging business related to the Company's normal operating business	5,526,000.00	
Capital occupation fees charged to non-financial enterprises recognised in profit or loss for the current period		
Gains or losses from entrusting others to invest or manage assets		
Gains or losses from entrusted loans		
Asset losses caused by force majeure factors, such as natural disasters		
Reversal of impairment provisions for receivables tested for impairment individually		
Gains arising from the investment cost of acquiring subsidiaries, associates and joint ventures being less than the fair value of the identifiable net assets of the investee at the time of acquisition		
Current net profit or loss of subsidiaries from the beginning of the period to the merger date under common control business combinations		
Gains or losses from non-monetary asset exchanges		
Gains or losses from debt restructuring		

Item	Amount	Explanation
One-time expenses incurred by enterprises due to the discontinuation of related operating activities, such as expenses for employee resettlement		
One-time impact on current profit or loss due to adjustments in tax, accounting and other laws and regulations		
Share-based payment expenses recognised on a one-time basis due to cancellation or modification of equity incentive plans		
For cash-settled share-based payments, gains or losses arising from changes in the fair value of employee compensation payable after the vesting date		
Gains or losses from changes in fair value of investment properties subsequently measured using the fair value model		
Gains from transactions with obviously unfair transaction prices		
Gains or losses from contingencies unrelated to the Company's normal operating business		
Trusteeship fee income from entrusted operations		
Other non-operating income and expenses other than the above items	-4,849,895.46	
Other profit or loss items that meet the definition of non-recurring profit or loss	188,679.25	
Subtotal	3,700,836.30	
Less: Income tax impact	1,143,750.81	
Less: Impact on minority shareholders' interests (after tax)	157,543.29	
Net non-recurring profit or loss attributable to owners of the parent company	2,399,542.20	
Net profit attributable to owners of the parent company	515,193,735.86	
Total net profit attributable to owners of the parent company after deducting non-recurring profit or loss	<u>512,794,193.66</u>	

(2) **Return on Net assets and Earnings per Share**

Profit during the Reporting Period	Weighted average return on equity (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	6.48	0.38	0.38
Net profit after deducting non-recurring profit or loss attributable to ordinary shareholders of the Company	6.45	0.38	0.38

VI. FIRST-TIME ADOPTION ADJUSTMENTS FOR CONVERSION FROM HONG KONG FINANCIAL REPORTING STANDARDS TO CHINA ACCOUNTING STANDARDS

Since the Group will adopt China Accounting Standards for Business Enterprises for the preparation of financial accounting reports starting from the annual report for the year ended 31 December 2025 and this financial accounting report has been prepared in accordance with China Accounting Standards for Business Enterprises, the adjustment matters for differences arising from the conversion from Hong Kong Financial Reporting Standards to China Accounting Standards for Business Enterprises on the First Application Date are as follows:

First, impact of safety production expenses provision: According to the PRC Measures for the Extraction and Use of Enterprise Safety Expenses (Caizi [2022] No. 136) 《(企業安全費用提取和使用管理辦法)(財資[2022]136號)》 and Interpretation No. 3 of Accounting Standards for Business Enterprises 《(企業會計準則解釋第3號)》, enterprises directly engaged in construction engineering within the People's Republic of China shall include safety production expenses extracted according to prescribed standards in the cost of related products or current profit or loss, while recording them in the "special reserve" account. Under International Financial Reporting Standards, safety production expenses are extracted through after-tax profit distribution, reducing undistributed profit upon extraction, with actual usage charged to current profit or loss. In the consolidated statement of changes in equity contained in the annual results announcement for the year ended 31 December 2024 published by the Group on 26 March 2025, the amount transferred back to net profit from safety reserve for the twelve months ended 31 December 2024 was RMB5,183,698.81, with other differences being tail adjustments from converting amounts to thousands of yuan. The amount transferred back to net profit from safety reserve for January to December 2025 was RMB11,421,140.34.

Second, impact of aggregation of business taxes and surcharges: China Accounting Standards for Business Enterprises requires that taxes related to production and operation be separately presented in the "business taxes and surcharges" line item. Under International Financial Reporting Standards, such taxes are not separately presented but are used to offset "operating revenue" or reclassified to "administrative expenses". In the revenue contained in the annual results announcement for the year ended 31 December 2024 published by the Group on 26 March 2025 "business taxes and surcharges" offsetting operating revenue amounted to RMB13,859,090.41, with other differences being tail adjustments from converting amounts to thousands of yuan. "Business taxes and surcharges" offsetting operating revenue for January to December 2025 amounted to RMB21,025,215.17.

Therefore, the above adjustments involved in the conversion of accounting standards do not affect the Group's net assets.

The adjustment amounts for differences in comparative statement revenue, net profit and net assets arising from the conversion from Hong Kong Financial Reporting Standards to China Accounting Standards for Business Enterprises are as follows:

1. Current Period Amounts

	Jan-Dec 2025 Revenue	Jan-Dec 2025 Net profit	Jan-Dec 2025 Net assets
In accordance with Hong Kong Financial Reporting Standards	7,506,281,288.45	547,137,310.63	8,217,670,683.38
Items and amounts adjusted in accordance with China Accounting Standards for Business Enterprises: Operating costs		-11,421,140.34	
Items and amounts adjusted in accordance with China Accounting Standards for Business Enterprises: Taxes and surcharges	21,025,215.17		
In accordance with China Accounting Standards for Business Enterprises	<u>7,527,306,503.62</u>	<u>535,716,170.29</u>	<u>8,217,670,683.38</u>

2. Prior Period Amounts

	Jan-Dec 2024 Revenue	Jan-Dec 2024 Net profit	Jan-Dec 2024 Net assets
In accordance with Hong Kong Financial Reporting Standards	8,657,832,165.72	533,468,557.10	7,933,404,542.65
Items and amounts adjusted in accordance with China Accounting Standards for Business Enterprises: Operating costs		-5,183,698.81	
Items and amounts adjusted in accordance with China Accounting Standards for Business Enterprises: Taxes and surcharges	13,859,090.41		
In accordance with China Accounting Standards for Business Enterprises	<u>8,671,691,256.13</u>	<u>528,284,858.29</u>	<u>7,933,404,542.65</u>