



中國建築股份有限公司
CHINA STATE CONSTRUCTION ENGRG. CORP. LTD

2022

ANNUAL REPORT

Stock Code: 601668.SH

Cover Photo: Pilot project for ecological protection and restoration of mountains, rivers, forests, farmlands, lakes, grasses and sand in the Wuliangshuai basin



CORPORATE MISSION

Expanding a happy
living environment



CORPORATE VISION

To be the most internationally
competitive investment and
construction group



CORE VALUES

Quality assurance and
value creation

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CHINA SECURITIES REGULATORY COMMISSION
SHANGHAI STOCK EXCHANGE

The Company prepared its 2022 Annual Report in accordance with relevant regulations and guidelines set forth by the China Securities Regulatory Commission and the Shanghai Stock Exchange, including the Guidelines for the Content and Format of Information Disclosure by Companies Offering Securities to the Public No. 2 – Content and Format of Annual Reports – the Shanghai Stock Exchange Listing Rules. This is a free translation into English of a report issued in China, solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, Chinese law and professional auditing standards applicable in China. In the event of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail. Investors can access the Company's 2022 Annual Report on the website of the Shanghai Stock Exchange (www.sse.com.cn).

Index of documents available for inspection	Financial statements signed and sealed by the legal representative (Chairman), person-in-charge of accounting (chief financial officer) and person-in-charge of the accounting department (head of the accounting department)
	The original audit report with the seal of the accounting firm and signatures and seals of the certified public accountants
	The originals of all Company documents and manuscripts of announcements publicly disclosed during the Reporting Period

CHAIRMAN'S STATEMENT

Dear Shareholders and Investors,

On behalf of the Board of Directors of CSCEC, I hereby present to you the 2022 Annual Report of CSCEC and extend my heartfelt gratitude to you for your long-term support for the reform and development of our Company.

The year 2022 was an extraordinary year. The 20th CPC National Congress was successfully concluded and a blueprint was drawn up for advancing the great rejuvenation of the Chinese nation on all fronts through Chinese-style modernization. Guided by the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, CSCEC earnestly executed the decisions and arrangements made by the Central Committee of the CPC and the State Council and thoroughly implemented the new development concept and served for the creation of a new development pattern to drive high quality development of enterprises. We worked with stakeholders concerned to effectively cope with the impact of factors beyond expectations, exerted all efforts to stabilize growth, and maintained a steady momentum of development. The value of newly signed contracts for the year amounted to RMB3.9 trillion, and the revenue exceeded RMB2 trillion, setting a new record high. Our major indicators maintained among the top of central enterprises. Our capacity for independent innovation has steadily improved, with new accomplishments and progress in corporate reform and in building a world-class enterprise. We climbed to 9th place in the Fortune Global 500. We maintained our industry's top credit rating worldwide, and delivered satisfactory results to shareholders and investors.

Focusing on creating value, we are dedicated to our fundamental pursuit for a “value-creating CSCEC”. We are committed to serving the national economic and social development. We have invested RMB362.3 billion in key strategic regions including the Beijing-Tianjin-Hebei Region, the Yangtze River Delta, and Guangdong-Hong Kong-Macao Greater Bay Area (GBA). We have successfully accomplished the construction, operation and maintenance of 28 Winter Olympic venues and supporting facilities, and completed and delivered a large number of key constructions. We actively implemented the “Belt and Road” Initiative (BRI), and formulated an overseas high-quality development strategy of “one direction, six goals and five pathways” to maintain healthy development of our overseas business. We shifted our focus from scale to quality and efficiency, and from short-term performance to long-term value. We recorded net profit attributable to shareholders of the Company of RMB50.95 billion, positive cash inflow of operations and weighted average net return on asset of 13.94%, placing us at the forefront of the industry. We have fulfilled our responsibilities under the three-year action plan for reform of state-owned enterprises in all aspects and further improved our governance effectiveness. We strive to create desirable and long-term value for our shareholders and investors and share our development results. Our cash distribution ratio maintained above 20%, and we maintained growth in dividend per share, ranking first among all listed peer companies in terms of total dividends distributed.

We are committed to accumulating the development momentum of a “technology-powered CSCEC” through scientific and technological innovation. We are systematically advancing the construction of a scientific and technological innovation platform. We built the National Center of Technology Innovation for Digital Construction jointly with colleges and universities, filling a gap in this field. We have established CSCEC Technology Innovation to support technological innovation and new business development, and cultivated 26 “Specialized, Refinement, Differential and Innovation (SRDI) enterprises (专精特新企业)”. Focusing on commercialization and industrialization, we have identified two main directions: green and low-carbon development and digital transformation. We have led the formation of numerous national standards such as green building, zero-carbon building and zero-carbon communities, implemented hundreds of efficient carbon peak projects and a batch of pumped storage and photovoltaic power generation projects; accomplished the annual construction goal set for “CSCEC 136 Project”, and established CSCEC Digital Technology and an intelligent construction blockchain technology innovation institute to guide green and intelligent transformation of the construction industry. We keep tackling key core technologies in infrastructure, intelligent construction, building industrialization and other fields and enhancing investment in research and development. We achieved fruitful results in infrastructure operation and three other strategic research programs and was recognized as an “Enterprise with Outstanding Contributions to Scientific and Technological Innovation” by the State-owned Assets Supervision and Administration Commission (SASAC).

We stay true to our original intention to expand a happy living environment and share our results. We adopt a people-oriented development philosophy and endeavor to expand a happy living environment for the masses leveraging the advantages of the entire industry chain. We involve in novel urbanization construction in all round and carry out urban renewal, old residential areas renovation and affordable housing construction based on local conditions, and meticulously build high quality construction products, and promote the consolidation of poverty alleviation results of poverty stricken areas and facilitated rural revitalization with actual actions. Bravely taking on the responsibility as a “chain leader”, we led upstream and downstream enterprises to overcome difficulties for common development and endeavored efforts in ESG work at strategic level to incorporate its ideology into corporate reform and development at all aspects and guided transformation of development concept and value pursuits. We offered employment opportunities for 2.3 million migrant workers and a variety of long-term skills training, fully paid workers wages in a timely manner and recruited 32,000 fresh graduates, which contributed greatly to stabilizing employment.

The year 2022 marked the 40th anniversary of CSCEC. Over the past four decades, we have gained profound understanding that to grow bigger, stronger, and better, we must promote our high-quality development with a strong will, enhance development momentum conversion and accelerate business structure adjustment and stick to the development path driven by innovation and featured by win-win collaboration. We must make best use of marketization, always maintain competitive awareness and stay at the forefront of market and improve appraisal incentive system guided by performance. We must constantly deepen reform and innovation, accelerate green and low-carbon development and digital transformation, and strive to become a source of origin of technologies in the construction industry and take a leading role in improving industry chain and supply chain standards.

Currently, the international environment remains turbulent and the global trade situation is pessimistic. However, the fundamentals of the domestic economy maintain its long-term upward momentum, with a broader vision for opening up, transformation and upgrading trend of green and high-end construction and stable confidence in the healthy development of the real estate industry. New pattern and new change will bring new opportunities for our development. In 2023, we will, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, study thoroughly the spirit of the 20th CPC National Congress and work together with shareholders and investors to accomplish our primary task of pursuing high quality development and the strategic goal of “one creation and five aspects of strength”. We will strive to achieve newly signed contract value of over RMB4.2 trillion and revenue of over RMB2.2 trillion, form more competitive edges and consolidate long-term value.

We will strive for a higher level of “quality and efficiency improvement” in the pursuit of a “value-creating CSCEC”.

We will take advantage of the national policy to maintain economic stability and implement the indicator requirements for “one interest and five rates”. We will strengthen our competitive advantages in the housing construction industry, enhance infrastructure business strength, actively adapt to new development model of the real estate industry, deeply implement the strategy for high quality development of overseas business, and strive to achieve effective improvement in quality and reasonable growth in quantity. We will adhere to market-oriented reform, optimize strategic management and control, enhance the overall development of our subsidiaries, further improve the modern corporate governance system of state-owned enterprises with Chinese characteristics, and strive to create more considerable returns for shareholders.

We will intensify our efforts to implement “innovative transformation” empowered by a “technological CSCEC”.

We will enhance management of innovation platform under the direction of commercialization and industrialization, constantly improve yield ratio of research and development (R&D) expenses and concentrate on tackling more key core technologies to improve new momentum for high quality development. We will focus on green and low-carbon development and digital transformation, seek for green construction, intelligent construction, industrial construction and other new constructions and accelerate the research and application of advanced technologies including blockchain, construction robots and artificial intelligence.

We will take stronger initiatives for “safe development”, continuing to fulfill our responsibility in creating a “happy CSCEC”.

We will coordinate development and safety and value more on cash flows and debts to effectively prevent operational risks. We will guide all levels within the Company to shift our development concept and value pursuits based on ESG targets. Taking the opportunity for establishing a valuation system with Chinese characteristics, we will enhance information disclosure and provide more thoughtful protections for investors, stabilize cash dividend and promote value enhancement. We will demonstrate our due market value and keep shaping our image as a responsible listed company.

In 2023, CSCEC will continue to deliver tangible results, striving to expand a happy living environment and build a world-class enterprise with global competitiveness to live up to the expectations of all shareholders, investors and communities.

Chairman: Zheng Xuexuan

April 17, 2023

AT A GLANCE



About CSCEC

The world's **largest** investment and construction conglomerate

9th in Fortune Global 500

3rd in Fortune China 500

1st in ENR Top 250 Global Contractors

in blue color and bold, and bigger size **A** rating for **17** times by
the SASAC of the State Council

Continued to maintain the industry's **top** credit rating worldwide

A Top 10 **“National Pillar”** brand in the
“China Brand Power Ceremony”



Major operating indicators



Newly signed contract value

RMB3,903.1

billion

a year-on-year increase of

10.6%



Revenue

RMB2,055.1 billion

a year-on-year increase of

8.6%



Net profit attributable to shareholders
of the Company

RMB50.95 billion

a year-on-year decrease of **1.2%**



Weighted average net return
on assets

13.94%

maintaining its industry-
leading position



Net assets per share attributable to
ordinary shareholders

RMB8.93/share

a year-on-year increase of

11.6%



Net cash flows from operating activities

RMB3.83 billion

remaining positive cash inflow



Housing construction engineering



Newly signed contract value amounted to

RMB2,472.8 billion
a year-on-year increase of **9.9%**

Revenue was

RMB1,265.1 billion
a year-on-year increase of **10.3%**



Infrastructure construction and investment



Newly signed contract value amounted to

RMB1,015.1 billion
a year-on-year increase of **20.3%**

Revenue was

RMB493.5 billion
a year-on-year increase of **20.0%**



Real estate development and investment



Contract sales amounted to

RMB401.6 billion
a year-on-year decrease of **4.9%**

Contracted sales area was

17.22 million square meters
a year-on-year decrease of **19.7%**



Revenue was **RMB282.0** billion
a year-on-year decrease of **14.8%**

New land reserve amounted to

14.89 million square meters
Land reserve amounted to **93.03** million square meters at the end of the Reporting Period



Survey and design



Newly signed contract value amounted to

RMB13.6 billion
a year-on-year increase of **5.6%**

Revenue was **RMB10.8** billion
a year-on-year decrease of **0.4%**



Overseas business



Newly signed contract value amounted to

RMB165.6 billion
a year-on-year increase of **1.3%**

Revenue was **RMB108.0** billion
a year-on-year increase of **20.9%**

IMPORTANT NOTES

- I. **The Company's Board of Directors, Board of Supervisors and Directors, Supervisors and Senior Management guarantee that the information in this Annual Report is true, accurate and complete and does not contain any false representations, misleading statements or material omissions, and severally and jointly accept liability thereof.**
- II. **This Report was passed at the 33rd meeting of the third session of the Board of the Company, at which all the Directors of the Company had attended.**
- III. **Ernst & Young Hua Ming LLP (Special General Partnership) issued a standard unqualified audit report to the Company.**
- IV. **Zheng Xuexuan, Head of the Company (Chairman); Wang Yunlin, Head of Accounting (Chief Financial Officer); and Xie Song, Head of the Accounting Office (Chief Accounting Officer) guarantee that the financial report set out in this Annual Report is true, accurate and complete.**
- V. **Profit distribution plan and the conversion plan of reserves to share capital for the Reporting Period as resolved and passed by the Board of Directors**

The Company intends to distribute a cash dividend of RMB2.527 (tax inclusive) for every 10 shares to all ordinary shareholders, totaling approximately RMB10.6 billion (tax inclusive) based on total share capital of 41,934,432,844 shares as of the date of this Report. The proportion of cash dividends attributable to net profit of the Company's shareholders in the consolidated statements was 20.80% for the year. In case of any change in its total share capital prior to the record date of distribution, the Company proposes to maintain the distribution ratio per share unchanged, and to adjust the total cash dividend accordingly. An announcement containing details of the adjustments will be made separately. The aforesaid profit distribution plan has been considered and approved at the 33rd meeting of the third session of the Board, on which the Company's independent Directors have expressed their independent opinions, pending to be presented at the 2022 Annual General Meeting of the Company for approval.

VI. Risk statement with respect to forward-looking statements

Applicable N/A

This Report contains certain forward-looking statements made on subjective assumptions and judgments on future policies and economic trends, which may differ from the actual results or trends due to a range of variables.

The forward-looking statements regarding future plans, development strategies, etc. contained in this Report do not constitute a material commitment by the Company to investors, and investors are advised to exercise attention.

VII. Whether there is any misappropriation of funds of the Company for non-operating purposes by the controlling shareholder and other related parties

No

VIII. Whether the Company has provided guarantee in favor of external parties in violation of the prescribed decision-making procedures

No

IX. Whether more than half of the Directors are unable to guarantee the truthfulness, accuracy and completeness of this Annual Report disclosed by the Company

No

X. Warning on major risks

During the Reporting Period, the Company was not exposed to major risks.

The Company has described possible related risks in detail in this Report. Please refer to relevant information set out in "VI. Discussion and Analysis of the Future Development of the Company" under SECTION III "MANAGEMENT DISCUSSION AND ANALYSIS".

XI. Miscellaneous

Applicable N/A

In addition to the audited financial data, the business data used in this Report comes from the management of the Company.

SECTION I DEFINITIONS

In this Report, unless the context otherwise requires, the following terms shall have the following meanings:

Definitions

CSCEC/the Company	China State Construction Engineering Corporation Limited (中国建筑股份有限公司)
China State Construction/the Group	China State Construction Engineering Corporation (中国建筑集团有限公司)
China Construction First Group Corporation to Eighth Engineering Division	China Construction First Group Corporation Limited to China Construction Eighth Engineering Division Corp. Ltd. (中国建筑一局(集团)有限公司至中国建筑第八工程局有限公司)
Xinjiang Construction & Engineering	CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd. (中建新疆建工(集团)有限公司)
COHL	China Overseas Holdings Limited (中国海外集团有限公司)
CSCEC International	CSCEC International Construction Co., Ltd. (中建国际建设有限公司) (formerly known as China State Construction Engineering Corporation International Operations (中国建筑国际工程公司))
China Overseas	The real estate development brand and business owned by China Overseas Land & Investment Ltd. (中国海外发展有限公司) (00688.HK), a subsidiary of COHL
CSC Land	The real estate brand and business other than those under “China Overseas” that CSCEC is engaged in
China Construction Engineering Design Group	China Construction Engineering Design Group Corporation Limited (中国中建设计集团有限公司)
China Overseas Land & Investment	China Overseas Land & Investment Ltd. (中国海外发展有限公司) (00688.HK)
CSCI	China State Construction International Holdings Limited (中国建筑国际集团有限公司) (03311.HK)
China Overseas Grand Oceans	China Overseas Grand Oceans Group Limited (中国海外宏洋集团有限公司) (00081.HK)
CSC Development	China State Construction Development Holdings Limited (中国建筑兴业集团有限公司) (00830.HK)
China Overseas Property	China Overseas Property Holdings Limited (中海物业集团有限公司) (02669.HK)
West Construction	China West Construction Group Co., Ltd. (中建西部建设股份有限公司) (002302.SZ)
CSC Finance	China State Construction Finance Co., Ltd. (中建财务有限公司)
China Construction Fangcheng	China Construction Fangcheng Investment & Development Group Co., Ltd. (中建方程投资发展集团有限公司)
China Construction Capital	China Construction Capital Holdings Limited (中建资本控股有限公司)
China State Decoration	China State Decoration Group Co., Ltd. (中国建筑装饰集团有限公司)
China Construction Infrastructure	China Construction Infrastructure Co., Ltd. (中国建设基础设施有限公司)
CSCDC	China State Construction Development Co., Ltd. (中国建筑发展有限公司)
CSCEC Technology Innovation	China CSCEC Technology Innovation Group Co. Ltd. (中国中建科创集团有限公司)
China Construction Science and Industry	China Construction Science and Industry Corporation Ltd. (中建科工集团有限公司)
China Construction Communications	China Construction Communications Engineering Group Co., Ltd. (中建交通建设集团有限公司)
China Construction Science & Technology	China Construction Science & Technology Group Co., Ltd. (中建科技集团有限公司) (formerly known as China Construction Science & Technology Co., Ltd. (中建科技有限公司))
CSCEC Digital Technology	CSCEC Digital Technology Company Limited (中建数字科技有限公司)
China Construction Harbour and Channel Engineering Bureau	China Construction Harbour and Channel Engineering Bureau Group Co., Ltd. (中建港航局集团有限公司)
CCIEE	China Construction Industrial & Energy Engineering Group Co., Ltd. (中建安装集团有限公司)
Articles of Association	Articles of Association of China State Construction Engineering Corporation Limited
Reporting Period	From January 1, 2022 to December 31, 2022

SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

I. Corporate Information

Chinese name	中国建筑股份有限公司
Chinese abbreviation	中国建筑
English name	China State Construction Engineering Corporation Limited
English abbreviation	CSCEC
Legal representative	Zheng Xuexuan

II. Contact Details

	Secretary to the Board of Directors
Name	Xue Keqing
Address	CSC Fortune International Center, Building 3, Courtyard 5, Anding Road, Chaoyang District, Beijing
Telephone	010-86498888
Fax	010-86498170
Email	ir@cscec.com

III. Overview of Basic Information

Registered address	No.15, Sanlihe Road, Haidian District, Beijing
Postal code of the registered address	100037
Office address	CSC Fortune International Center, Building 3, Courtyard 5, Anding Road, Chaoyang District, Beijing
Postal code of the office address	100029
Website	www.cscec.com
Email	ir@cscec.com

IV. Information Disclosure and Place for Inspection of Annual Report

Media names and website on which the Annual Report of the Company is disclosed	China Securities Journal: http://www.cs.com.cn Shanghai Securities News: http://www.cnstock.com Securities Times: http://www.stcn.com Securities Daily: http://www.zqrb.cn
Website of the stock exchange on which the Annual Report of the Company is disclosed	www.sse.com.cn
Place for inspection of this Annual Report	CSCEC Board Office CSC Fortune International Center, Building 3, Courtyard 5, Anding Road, Chaoyang District, Beijing

V. Overview of Stocks

Overview of Stocks				
Class of shares	Stock exchange of listing	Abbreviation	Stock code	Abbreviation before change
A share	Shanghai Stock Exchange	CSCEC	601668	N/A

VI. Other Relevant Information

Accounting firm engaged by the Company (domestic)	Name	Ernst & Young Hua Ming LLP (Special General Partnership)
	Office address	Level 17, Ernst & Young Tower, Oriental Plaza, No. 1 East Chang An Avenue, Dongcheng District, Beijing, PRC
	Names of signatories	Zhou Ying, Yang Shujuan, Shen Yan

VII. Key Accounting Data and Financial Indicators for the Last Three Years

(I) Key accounting data

Unit: '000 yuan Currency: RMB

Key accounting data	2022	2021		Change YoY (%)	2020
		After adjustment	Before adjustment		
Revenue	2,055,052,070	1,892,706,307	1,891,338,970	8.6	1,615,050,549
Profit before income taxes	88,835,435	101,038,185	100,886,235	-12.1	94,272,194
Net profit attributable to shareholders of the Company	50,950,301	51,548,576	51,407,661	-1.2	44,924,929
Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss	45,233,864	49,521,361	49,490,347	-8.7	42,666,265
Net cash flows from operating activities	3,828,927	13,989,638	14,361,321	-72.6	20,273,615

	At the end of 2022	At the end of 2021		Change YoY (%)	At the end of 2020
		After adjustment	Before adjustment		
Net assets attributable to shareholders of the Company	384,322,141	345,627,781	343,900,090	11.2	300,463,053
Total assets	2,652,903,306	2,395,321,862	2,388,249,126	10.8	2,192,379,494
Total share capital at the end of the Reporting Period	41,934,433	41,948,168	41,948,168	-0.03	41,965,072

(II) Key financial indicators

Key financial indicators	2022	2021		Change YoY (%)	2020
		After adjustment	Before adjustment		
Basic earnings per share (RMB/share)	1.23	1.25	1.25	-1.6	1.07
Diluted earnings per share (RMB/share)	1.23	1.25	1.25	-1.6	1.07
Basic earnings per share (RMB/share) after deducting non-recurring profit or loss	1.07	1.17	1.17	-8.5	0.99
Weighted average return on net assets (%)	13.94	15.90	15.93	Decrease by 1.96 percentage points	15.53
Weighted average return on net assets after deducting non-recurring profit or loss (%)	12.42	15.34	15.33	Decrease by 2.92 percentage points	14.75
Net assets per share attributable to ordinary shareholders (RMB/share)	8.93	8.00	7.96	11.6	6.92
Dividend per 10 shares (RMB)	2.527	2.50	2.50	1.08	2.147

Explanation on the Company's key accounting data and financial indicators for the three years preceding the end of the Reporting Period

√ Applicable □ N/A

- ① When calculating earnings per share, the restricted shares that have not yet met the unlocking conditions and that have become invalid are deducted from the weighted average number of ordinary shares issued by the Company.
- ② According to relevant accounting standards, when calculating earnings per share, the dividends or interests on other equity instruments such as preference shares and perpetual bonds and restricted shares are excluded from the net profit attributable to shareholders of the Company.
- ③ The net assets per share attributable to ordinary shareholders are net assets attributable to shareholders of the Company deducting other equity instruments, and then divided by the total number of issued shares as at the end of the Reporting Period.
- ④ Dividends distributed are tax inclusive.
- ⑤ The Company has retroactively adjusted the data for last year and at the end of last year in accordance with the relevant requirements under accounting standards due to business combination under common control.

For details, please refer to Note XI "Share-based payment", Note V. 67 "Earnings per share" to the financial statements under SECTION X "FINANCIAL REPORT", and Supplementary Information Provided by Management 2. "Return on net assets and earnings per share", Note VI "Changes of consolidation scope" and other relevant information.

VIII. Differences in Accounting Data under Domestic and Foreign Accounting Standards

- (I) Differences of net profit and net assets attributable to shareholders of the Company in the financial report disclosed in accordance with the IFRS Standards and Chinese accounting standards
 Applicable N/A
- (II) Differences of net profit and net assets attributable to shareholders of the Company in the financial report disclosed in accordance with the foreign accounting standards and Chinese accounting standards
 Applicable N/A
- (III) Explanation on differences between domestic and foreign accounting standards:
 Applicable N/A

IX. Key Financial Data in 2022 by Quarter

Unit: '000 yuan Currency: RMB

	Q1 (Jan. – Mar.)	Q2 (Apr. – Jun.)	Q3 (Jul. – Sep.)	Q4 (Oct. – Dec.)
Revenue	485,438,959	575,332,128	474,502,662	519,778,321
Net profit attributable to shareholders of the Company	12,922,672	15,580,666	15,010,222	7,436,741
Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss	11,423,819	13,447,942	14,828,172	5,533,931
Net cash flows from operating activities	-122,480,702	53,608,682	16,378,755	56,322,192

Explanation on differences between the quarterly data and data contained in regular reports disclosed

- Applicable N/A

X. Statement of Non-Recurring Profit or Loss

Applicable N/A

Unit: '000 yuan Currency: RMB

Non-recurring items	Amount of 2022	Note (if applicable)	Amount of 2021 (After adjustment)	Amount of 2020
Gains from disposal of non-current assets	432,388	/	332,740	143,538
Government grants recognised into the current profits and losses	1,049,139	Non-operating income/other income	504,011	110,094
Income from step-realized business combination	1,251,160	Investment income	172,276	133,746
Profits or losses from changes in fair value of financial assets held for trading and financial liabilities held for trading and investment income from disposal of financial assets held for trading, financial liabilities held for trading, and other debt investments	-84,935	/	-170,587	247,893
Interest income from loans to non-financial corporations	469,261	/	111,009	58,784
Reversal of the provision on receivables and contract assets for impairment on an individual basis	3,326,302	/	1,414,761	1,288,041
Income from disposal of long-term equity investments	141,065	/	7,743	7,016
Investment income from disposal of subsidiaries	-32,150	/	4,407	136,721
Income/losses from non-operating activities or occasional matters	1,173,635	/	318,529	1,213,044
Other non-operating income and expenses than the above items	746,481	/	161,932	-278,862
Impact on income tax	-1,253,512	/	-563,870	-559,756
Impact on non-controlling interests (after tax)	-1,502,397	/	-265,736	-241,595
Total	5,716,437	/	2,027,215	2,258,664

Explanation on the reasons for defining the non-recurring profit or loss items set out in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public – Non-recurring Profit or Loss Items (《公开发行证券的公司信息披露解释性公告第1号——非经常性损益》) as recurring profit and loss items

Applicable N/A

XI. Items Measured at Fair Value√ Applicable N/A

Unit: '000 yuan Currency: RMB

Items	Opening balance	Closing balance	Current changes	Effect on current profits
Exchangeable bonds	4,488,392	4,967,342	478,950	-95,670
Financial assets held for trading	71,597	20,153	-51,444	25,760
Investments in other equity instruments	5,062,186	4,610,471	-451,715	106,433
Other non-current financial assets	1,559,354	1,565,153	5,799	-15,025
Account receivables financing	3,773,078	4,658,182	885,104	/
Current portion of non-current assets	142,945	/	-142,945	/
Other debt investments	264,083	272,924	8,841	16,594
Other current assets	2,218,083	1,730,559	-487,524	56,422
Total	17,579,718	17,824,784	245,066	94,514

XII. Miscellaneous Applicable √ N/A

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

I. The Company's Principal Business and Business Model during the Reporting Period

As one of the most integrated and largest investment and development conglomerates worldwide bestowed with the longest history of specialized development, market-oriented operation, CSCEC is a market leader in housing construction engineering, infrastructure construction and investment, real estate development and investment, survey and design, etc. CSCEC ranked 9th in Fortune Global 500 (2022) and 3rd on the list of Fortune China 500, and continued to top the list of the Top 250 Global Contractors published by Engineering News-Record (ENR). CSCEC has been rated as Grade A by the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council for 17 times. The three leading global rating agencies, i.e., S&P Global Ratings, Moody's Investors Service and Fitch Ratings, affirmed CSCEC's ratings as A/A2/A (respectively) with a "Stable" outlook, the highest credit rating among the global industry peers.

CSCEC stands as one of the most competitive investment companies in China, specializing in real estate development, financing and investment in construction projects and integrated urban construction. Featuring a "four in one" business model integrating planning and design, investment and development, infrastructure construction and housing construction engineering, it provides a turnkey solution covering all aspects, processes, and elements for urban development projects, with a priority given to the synergy between internal resource integration and business development.

Tapping into more than 100 countries and regions, CSCEC, as the largest engineering contractor in the world, specializes in a broad range of business covering all aspects related to urban development and each stage throughout construction projects. The Company is well equipped with the capabilities of comprehensive design, construction and land development, and has a complete industry chain of construction products ranging from R&D on products and technologies, survey and design, real estate development, construction contracting, equipment manufacturing and asset operation to property management. Among most super-high-rise buildings (300 meters or above) in China, many technically sophisticated and structurally complicated ones were built by CSCEC.



Housing
construction
engineering

CSCEC has an absolute advantage in this field. It adhered to the marketing strategy of "premium market, customers, and projects" and the business strategy of "high-quality and low-cost solutions". By continuously tapping its potential and pursuing high-quality projects, the Company is committed to providing global customers with one-stop integrated services for high, large, precise, advanced, complicated and special construction projects. The Company has built a large number of landmark buildings in niche segments such as super high-rises, large venues, industrial plants, office buildings, hotels, hospitals, and schools, leading China and even the world in housing construction.



Infrastructure
construction and
investment

Placing equal emphasis on infrastructure construction and project investment, CSCEC has achieved rapid development in infrastructure construction in China and the world covering urban rail transit, high-speed rail, extra-large bridges, expressways, municipal roads, urban integrated pipe corridors, ports and waterways, electric power, mining, metallurgy, petrochemicals, airports, and nuclear power plants and has completed many classic projects by relying on its strengths in technology, management and talents. Meanwhile, building on its strong capital strength, CSCEC has become a first-class infrastructure investor and developer in China. It has successively invested in and constructed a large number of national and local key projects in China, and is highly trusted in the fields of BT, BOT, PPP and other financing and investment construction models. The Company has established a long-term strategic partnership for infrastructure investment and construction with several provinces (regions) and municipalities and dozens of key cities in China. The Company's infrastructure construction business covers dozens of countries and regions in North America, Central America, Hong Kong and Macao SARs, Southeast Asia, North Africa, Central and West Africa, South Africa, the Middle East, and Central Asia.



Real estate development and investment

CSCEC owns two real estate brands, China Overseas and CSC Land. China Overseas encompasses all real estate business of COHL, and has always ranked among the most valuable property brands in China. With strong real estate business in dozens of economically dynamic cities in the GBA, the Yangtze River Delta, the Beijing-Tianjin-Hebei Region and other national strategic development areas, China Overseas maintains a well-established and balanced nationwide strategic business network. China Overseas will also be committed to becoming an outstanding international real estate development and operation group. China Overseas will speed up transformation and upgrading to accelerate the formation of business layout that focuses on housing development, with quality commercial property development and operations as well as healthcare and other emerging business playing an important supportive and complementary role. CSC Land is the brand used by the real estate business of the Company's divisions and design institutes, focusing on real estate development, urban renewal, asset operation and integrated services in first-and second-tier cities. CSCEC is committed to achieving vertical integration of a wide variety of operations ranging from investment, property development, design and construction to property operation and services. By enhancing internal resources integration and coordinated business development and leveraging extraordinary construction technology, advanced real estate development philosophy and first-class property service quality, it has established a sophisticated investment operation and risk management system in the real estate business area, and formed a unique competitive advantage in the industry chain.



Survey and design

CSCEC is the largest architectural design comprehensive conglomerate in China. Its survey and design business arm mainly consists of seven top-rated major survey and design service providers, specializing in architectural design, urban planning, engineering survey, public utility design, and many other fields. The Company has established itself as a market leader in China in the fields such as airports, hotels, sports facilities, exhibition venues, ancient architecture and super-high-rise buildings, and has made outstanding contributions to the sector in terms of design originality, technology innovation, and industry standards development.



Overseas operations

CSCEC is a pioneer in the domestic market that conducted international engineering contracting business. Taking use of its edge in the entire industry chain, the Company engages in foreign engineering contracting business, which covers housing construction, manufacturing, energy, transportation, water conservancy, industry, petrochemical, hazardous substance treatment, telecommunications and sewage/waste treatment projects, and successfully explored and completed overseas real estate projects. In terms of project operation, apart from the traditional general contracting model, the Company actively explored other project operating models, such as financing and investment channels to give an impetus to such project business models as general contracting, DB (Design-Build), EPC (Engineering-Procurement-Construct), BOT and PPP. Meanwhile, CSCEC made an active attempt in respect of capital operations such as cross-border mergers and acquisitions to enhance the quality and efficiency of overseas business development. Following the "internationalization" business philosophy, the Company has seized the development opportunities of the BRI, and served the BRI countries to improve the level of infrastructure, enhance the well-being of local people, and promote the brand influence of the Company.

II. Analysis of Core Competitiveness during the Reporting Period

Applicable N/A

During the Reporting Period, there were no significant changes in the core competitiveness of the Company, specifically:

(I) Market-oriented operating mechanism

CSCEC is one of the first state-owned enterprises adopting a market-oriented operation mechanism, to which the Company has been adhering. In light of the intense market competition, the Company continuously delivers high-quality products and value-added services to retain and attract clients. It has always been pursuing scaled growth supported by profitability, efficient resources application and operation and a higher asset turnover ratio, and achieving value creation capability higher than the average of the industry. The Company always highly values cash flow and takes multiple initiatives to enhance operational cash flow management, guarantee market-oriented operation vitality and ensure sustainable and healthy development of the Company.

(II) Direction of globalization

Adhering to the international business philosophy and taking advantage of domestic and foreign markets and resources, the Company is committed to becoming a multinational company that allocates resources globally and operates efficiently. The Company keeps creating new pattern for overseas business's high-quality development, formulating overseas market system with reasonable structure, consolidating advantageous markets, focusing on key markets and extensively developing potential markets and cautiously expanding new markets. The Company insists on advocating localized operation, actively satisfies development needs and deeply involves in urban construction of the countries where it operates. The Company competes and cooperates with world-class enterprises to achieve common prosperity and takes part in globalization at a higher level and to deeper extent.

(III) Related diversified and vertically integrated expansion

Producing or offering products and services that continue to secure, serve and satisfy clients is an important guarantee for the long-term development of the Company. In terms of selecting products or services, CSCEC actively expands in infrastructure investment and construction, green and low-carbon development, digital transformation and other fields and keeps adjusting and optimizing its business structure while maintaining its traditional advantages in survey and design, housing construction and real estate development based on its existing technology and market advantages.

CSCEC is committed to the vertically integrated expansion of investment, design, construction, operation and services, and strives to establish a unique market position in the domain of its business, creating competitive advantages that are difficult for its competitors to follow suit.

(IV) Competition strategy featuring high quality, low cost and differentiation

Providing the public with high-quality and low-cost products and services has always been the goal of CSCEC. High quality comes from the Company's technological, human resources and organizational advantages; while the advantage of low costs stems from the Company's integrated business model, benefits of scale as well as the economy of speed. As an enterprise in a perfectly competitive industry, the Company has always taken "making appropriate and correct decisions and doing right things" as the basic direction for production, operation and business development. Focusing on implementing the marketing strategy of "premium markets, customers, and projects", the Company continues to carry out "differentiation-oriented" market operations and competition. Through implementing the "differentiation" strategy, subsidiaries within the Company focus on their respective market segments, their corresponding professions (specialization), or their corresponding regions (regionalization), to develop their own "core products, unique services" to reduce internal disorderly competition and strengthen the overall advantage in external competition.

(V) A management model with balanced authorization and concentration

The Company respects its development history as a corporation comprising of multiple corporate entities, and has formed, after its active exploration, a competitive group management and control model. The Company has positioned its headquarters as one that exercises strategic management and control, fulfilling the responsibilities and duties of "leadership, service and supervision", and insists on the delegation and management of the second-level subsidiaries. The second-level subsidiaries operate under the authorization of the Company and enjoy the corresponding authorities in proportion to responsibility. For labor-intensive and mature business, the Company grants larger authorization and expands market contact to speed up market response and improve service quality. For capital-intensive and less mature business, the Company concentrates management and control to effectively avoid risks and rapidly occupy and break through target markets through resources concentration.

(VI) Results-oriented and accountability-based management system

Various management efforts of the Company have always been for the realization of the Company's mission, vision and goals. The fundamental purpose of management is to improve our work efficiency, while making our employees more fulfilled and the Company more prosperous. The Company established a vital, scientific, reasonable, concise and efficient system by way of the organic integration of its management in various functional areas of the Company to achieve the unification of responsibilities and rights. In order to improve the quality of products and services, the Company is committed to achieving the standardization of management, technology and work. With the help of information technologies and through the "integration" of standardization and informatization, the Company has improved its work efficiency and implemented the "bottom line management" approach to enhance product quality and reduce operating costs.

(VII) "People-oriented" human resource management

The Company adheres to the talent development strategy of "specialization, professionalization and internationalization" and has a large group of talents loyal to the Company and dedicated to their careers. They have a conviction that group interests should take precedence over individual interests, having a good knowledge of technology, management and marketing with merits such as self-discipline, self-motivation and self-betterment. The Company always follows the basic human resources management concept of "retaining talents with career development opportunities, emotional connection and rewards" and "caring for individuals". By offering occupational planning, education training and performance assessment for all employees, the Company intends to establish a compensation incentive mechanism that combines individual value creation and personal capabilities to share the results of the Company's development with its employees and implement diverse medium and long-term incentive mechanisms, while strengthening its attractiveness to talents and allowing talents to give full play to their abilities, so as to provide stronger talent support for its development.

(VIII) A development pattern featuring “industry enhancement with financing”

The Company proactively gives play to the role of industrial finance and exploits potentials of its internal financial service institutions to provide financial services for its principal businesses and form a development model with CSCEC characteristics, being “industry enhancement with financing”. Leveraging on internal professional financial platforms such as CSC Finance and China Construction Capital, the Company has carried out domestic and overseas capital pooling, loan pooling, structured financing, accounts receivable factoring, asset securitization, supply chain financing, finance leasing, insurance pooling and other business to provide timely and differentiated financial services that meet the characteristics of the industry in which the Company operates. The Company has increased finance asset reserves and connect closely with financial institutions and continuously expanded cooperation in green finance and finance technology to effectively improve the credit line of the Company and provide adequate financial resources reserve for high quality development of the Company. It has also promoted construction of a fiscal system and enhanced concentrated and refined management and penetrating monitoring on capital and other financial resources to avoid and mitigate capital risks.

(IX) Development momentum driven by innovation in science and technology

The Company’s continuous technological innovation has transformed its production and organization models. Relying on the business layout throughout the industry chain, the Company has formed a technology system covering construction research and development, design leadership, professional manufacturing, technological construction, intelligent operation and maintenance with an international leading edge in high-rise buildings and large-span space structure construction technology. It has built a source of original technologies for green construction and intelligent construction, boasting core R&D institutions including “2+6” and “CSCEC Innovation Platform”. The Company has undertaken 4 national key R&D projects under the 14th Five-Year Plan. During the Reporting Period, the Company was recognized as the “Enterprise with Outstanding Contribution to Scientific and Technological Innovation” by the SASAC for the term of 2019-2021.

The Company has established 1 National Center of Technology Innovation for Digital Construction, 5 national-level enterprise technology centers (including sub-centers), 75 enterprise technology centers at the provincial and ministerial level, and 48 scientific and technological innovation platforms at the provincial and ministerial level, 155 high-tech enterprises, and 19 post-doctoral workstations; and has 2 academicians from Chinese Academy of Engineering, 1 winner of the highest science and technology award for engineering construction and 14 masters in national engineering survey and design.

(X) Corporate culture in mind and action

CSCEC is an enterprise with a glorious history. The Company is innovating in the course of inheritance. In the process of fulfilling the mission and realizing the vision, the core values of “quality assurance, value creation” and the entrepreneurial spirit of “loyalty, responsibility, and mission attainment” will be integrated into the rules and management practices and become part of the soft power of the Company.

Resources can be exhausted, only culture lasts. Adhering to its creed which is formed against the backdrop of the market economy, and combining the trend of the times, the Company has seen a constant integration with its subsidiaries in culture development, which provides ongoing internal support for the Company’s ever-growing business.

III. Brand, Competency and Honor during the Reporting Period

Based on CSCEC's good performance in brand building, operation and development, the brand reputation and industry influence of the Company have been further strengthened during the Reporting Period.

Brand value: CSCEC jumped up to the 9th place in the Fortune Global 500 (2022) ranking, and the 3rd place in the Fortune China 500 list. It ranked first in the UK Brand Finance "2022 Global Brand Value Top 500", the first place among Top 250 Global Contractors published by Engineering News-Record (ENR) for year 2022, and the 7th place among Top 250 Global Contractors for year 2022. The Company topped the industry in the evaluation of Chinese brand value organized by China Council for Brand Development with a brand strength of 952 and a brand value of RMB193.530 billion. It ranked first in the construction industry list of "International Image of Chinese Enterprises" for four consecutive years, and relevant case was selected into the "Top Ten Excellent Cases of International Image Construction for Chinese Enterprises". China Overseas won the title of "China's Real Estate Industry Leading Company Brand" for 19th times with a brand value of RMB149.3 billion, ranking top in the industry.

Industry credibility: The three leading global rating agencies, i.e. S&P Global Ratings, Moody's Investors Service and Fitch Ratings affirmed CSCEC's ratings as A/A2/A with a "Stable" outlook. CSCEC has maintained the industry's highest credit ratings for eight consecutive years.

Quality and safety: The Company was granted 39 Luban Prizes and 77 National Quality Project Awards throughout the year. The Company obtained 16 "Safety Science and Technology Progress Awards" issued by the China Association of Work Safety. 176 of its projects were recognized as "Exchange Programs on Standardization in Construction Safety and Production of National Construction Projects". It also obtained 133 "ISA International Security Awards".

Scientific and technological innovation: During the Reporting Period, the Company was granted 8,291 patents, including 857 invention patents, and yielded great performance in both number and quality of the annual high-level scientific and technological achievements. As of the end of the Reporting Period, the Company obtained 80 national science and technology awards in total, 105 awards of Tien-yow Jeme Civil Engineering Prize, played a leading role in developing 99 national and industry standards and held 53,580 patents (including 5,195 invention patents).

Social responsibility: The Company was included in the "Central Enterprise ESG•Pioneer 50 Index" of the SASAC of the State Council. Three cases were selected in the "Research Report on Corporate Social Responsibility of Central Enterprises (2022)", "Research Report on Overseas Social Responsibility of Central Enterprises (2022)" and "Research Report on ESG of Listed Central Enterprises (2022)". The Company was awarded the 2023 CAIJING Evergreen Award for Sustainable Development – "Sustainability All-inclusive Award" and has been rated as the "Excellence" in the development of corporate social responsibility in China by the Research Center on Corporate Social Responsibility of the Chinese Academy of Social Sciences for ten consecutive years.

IV. Discussion and Analysis of Business Operation

China achieved steady operation in its economy, stable improvement in development quality and stable social condition against the severe and complex domestic and international environment in 2022. China's GDP reached RMB121 trillion in 2022, representing a year-on-year increase of 3.0%; investment in fixed assets (excluding rural household) amounted to RMB57.21 trillion, representing a year-on-year increase of 5.1%; investment in real estate development amounted to RMB13.29 trillion, representing a year-on-year decrease of 10.0%; sales of commercial houses amounted to RMB13.33 trillion, representing a year-on-year decrease of 26.7%; and sales areas of commercial houses amounted to 1.358 billion square meters, representing a year-on-year decrease of 24.3%.

In 2022, the Company thoroughly implemented the decision and arrangement of the CPC Central Committee and the State Council as well as the requirements of the SASAC, with a focus on the strategic goals of "one creation and five aspects of strength". Prioritizing progress while maintaining stability, the Company overcame difficulties and endeavored to achieve stable growth, accelerated reform and innovation for coordinating development and security, achieved new results in high quality development and made new progress in constructing a first-class enterprise in the world. In general, the Company demonstrated the following operational characteristics:



1. Achieving progress while maintaining stability in corporate operation and development. During the Reporting Period, the Company's newly signed contract value amounted to RMB3.90 trillion, representing a year-on-year increase of 10.6%; revenue amounted to RMB2.06 trillion, representing a year-on-year increase of 8.6%; net profit attributable to shareholders of the Company amounted to RMB50.95 billion, representing a year-on-year decrease of 1.2%; net asset attributable to shareholders of the Company was RMB384.32 billion, representing a year-on-year increase of 11.2%, and weighted average net return on assets was 13.94%, maintaining its leading level in the industry. Operational cash flow was positive for three years in a row. The Company pays close attention to investor returns. The proportion of cash dividend has increased for three years in a row and the annual dividend has exceeded RMB10 billion once again. The Company jumped to the 9th place in the Fortune Global 500 ranking, and maintained the highest credit rating in the industry and consolidated its position as the world's largest investment and construction group.



2. Seizing market opportunities by serving the overall situation of the country. The Company concentrated optimal resources and built new patterns and models of cooperation between central enterprises and local enterprises capitalizing on its advantages in the entire industry chain to actively integrate into regional development strategy and involve in investment and construction in key national areas such as the Beijing-Tianjin-Hebei Region, the Yangtze River Economic Belt, and the GBA. Its investments and newly signed contract value in these areas amounted to RMB362.3 billion and RMB3.45 trillion, accounting for 89.5% and 88.4% of the Company's investment and newly signed contract value, respectively. The Company extensively participated in the BRI and expanded its business operation to 73 countries and regions, which cover 20 overseas markets with turnover exceeding USD100 million in Hong Kong and Macao SARs, Singapore, Egypt and the United Arab Emirates. The Company actively promoted "going abroad" of Chinese standard and led the preparation of international standards for industrial construction, which enhanced recognition and organic integration of rules and standards and improved international influence of "Built by China".



3. Yielding breakthroughs in corporate reform. The Company has accomplished all major tasks under the three-year action plan for reform of state-owned enterprises. With the optimization of the corporate governance system, the Company set up a regulated operation mechanism for the board of directors of subsidiaries and a management mechanism for external directors, which provided guarantee for quality and efficiency of decision-making. Three subsidiaries were listed in Corporate Governance Demonstration Enterprises by the SASAC. The Company further optimized the market-oriented operation mechanism, applied tenure system and contractual management into subsidiaries with substantive operations in all aspects, implemented professional manager system in 65 units, and adopted equity incentives to the effect of the medium – and long-term incentive mechanism. The coordinated development of subsidiaries has made solid progress, for example, the strategic synergy between China Construction Sixth Engineering Bureau Corp., Ltd. and China State Construction Silkroad Construction Investment Group Co., Ltd. has achieved initial results, and China Northeast Architectural Design & Research Institute Co., Ltd. and China Construction North Investment Co., Ltd. have launched strategic restructuring. The Company organized special action on “pursuing conservation and running enterprises economically”, and recorded general and administrative expenses of RMB1.65 per RMB100, representing a year-on-year decrease of 9.6%.



4. Realizing achievement in independent scientific and technological innovation. The Company systematically advanced the construction of a scientific and technological innovation platform and built the National Center of Technology Innovation for Digital Construction jointly with colleges and universities, filling the vacancy in this aspect. We have established CSCEC Technology Innovation, which acts as a platform providing support for technology innovation and new business development, and cultivated 26 “Specialized, Refinement, Differential and Innovation Enterprises”. Focusing on commercialization and industrialization, the Company identified two main directions: green and low-carbon development and digital transformation. We have the formation of numerous national standards such as green structures, zero-carbon building and zero-carbon communities, implemented hundreds of efficient carbon peak projects and a batch of pumped storage and photovoltaic power generation projects; accomplished the annual construction goal set for “CSCEC 136 Project”, and established CSCEC Digital Technology and an intelligent construction blockchain technology innovation institute to guide green and intelligent transformation of the construction industry. The Company keeps tackling key core technologies in infrastructure, intelligent construction, structures industrialization and other fields and enhancing investment in research and development. It achieved fruitful results in infrastructure operation and three other strategic research programs and was recognized as an “Enterprise with Outstanding Contributions to Scientific and Technological Innovation” by the SASAC.



5. Practicing social responsibility and assuming new responsibilities. Giving play to the advantage of the entire industry chain, the Company involved in novel urbanization construction and carried out urban renewal, old residential areas renovation and affordable housing construction and high quality structures construction based on local conditions; promoted the consolidation of poverty alleviation results of poverty stricken area and rural revitalization with actions, promoted targeted poverty alleviation of three counties in Gansu and pair assistance to Changting in Fujian province and implemented comprehensive renovation and improvement of the living environment in the urban area of Zhuoni County and village planning for rural revitalization of Kangle county and other projects. Bravely taking on the responsibility as a “chain leader”, the Company led upstream and downstream enterprises to overcome difficulties for common development and endeavored efforts in ESG work at strategic level to incorporate its ideology into corporate reform and development at all aspects and guided transformation of development concept and value pursuits. The Company offered employment opportunities for 2.3 million migrant workers and a variety of long-term skills training, fully paid them in a timely manner and recruited 32,000 fresh graduates, which contributed greatly to stabilizing employment.

In 2023, the Company will deepen reform and innovation focusing on the strategic goal of “one creation and five aspects of strength”, deepen reform and innovation, prioritize the major tasks of “stabilizing growth, seeking for innovation, promoting governance, preventing risks and consolidating party building”, strive for accomplishing the annual goal and making greater contributions to building a modern socialist country in all respects.

• **Key Business Data**


Items	Unit	2022	2021	Growth YoY (%)
Total value of new contracts	RMB100 million	39,031	35,295	10.6
I. Construction business				
(I) Accumulative value of new contracts during the Reporting Period	RMB100 million	35,015	31,074	12.7
By industry				
1. Housing construction		24,728	22,506	9.9
2. Infrastructure		10,151	8,439	20.3
3. Survey and design		136	129	5.6
By region				
1. Domestic		33,495	29,557	13.3
2. Overseas		1,520	1,517	0.2
(II) Quantity of housing construction works	Ten thousand square meters	/	/	/
1. Accumulative area under construction		168,265	169,283	-0.6
2. Accumulative area of new construction projects		37,155	38,479	-3.4
3. Accumulative area of completed construction		25,441	24,176	5.2
(III) Quantity of infrastructure works	/	/	/	/
1. Road (newly signed in China)	Kilometers	4,623	4,502	2.7
2. Area (newly signed in China)	Ten thousand square meters	4,765	4,407	8.1
II. Real estate business				
(I) Contract sales during the Reporting Period	RMB100 million	4,016	4,221	-4.9
Of which: China Overseas ^①		2,544	2,983	-14.7
(II) Contract sales area during the Reporting Period	Ten thousand square meters	1,722	2,143	-19.7
Of which: China Overseas		1,015	1,322	-23.3
(III) Subscription sales at the end of the Reporting Period	RMB100 million	47	97	-51.8
(IV) Average selling price during the Reporting Period	RMB/square meter	23,326	19,693	18.4
(V) Land reserve at the end of the Reporting Period ^② (Full amount)	Ten thousand square meters	9,303	10,395	-10.5
Of which: China Overseas		4,389	5,100	-13.9
(VI) Purchase of land reserve (Full amount)	Ten thousand square meters	1,489	1,842	-19.2
Of which: China Overseas		739	1,165	-36.6

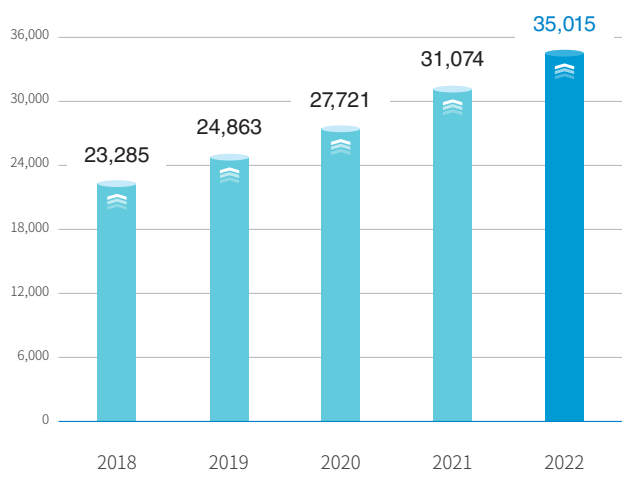
Notes: ① China Overseas refers to the real estate business that China Overseas Land & Investment and its subsidiaries are engaged in, but does not include that of China Overseas Grand Oceans;

② Land reserve at the end of the Reporting Period = land reserve at the end of the previous year + newly acquired land reserve - area completed in the current Reporting Period + (or -) adjusted area of projects.

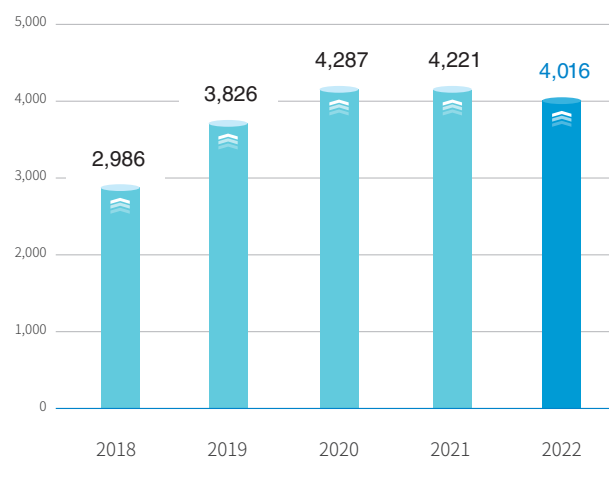
- Key Business Data

Unit: 100 million yuan Currency: RMB

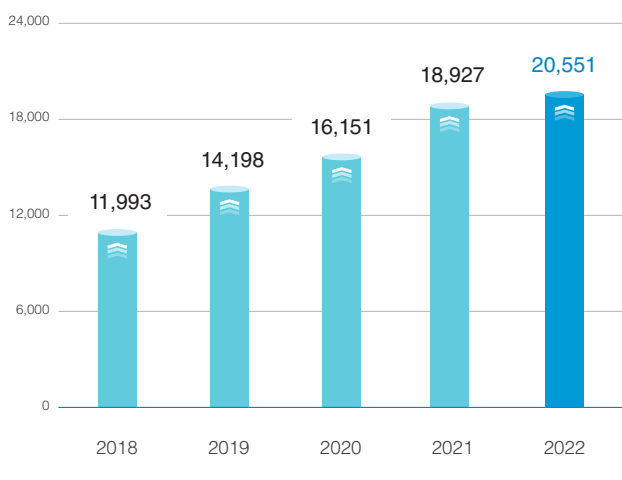
 Value of new contracts for construction business




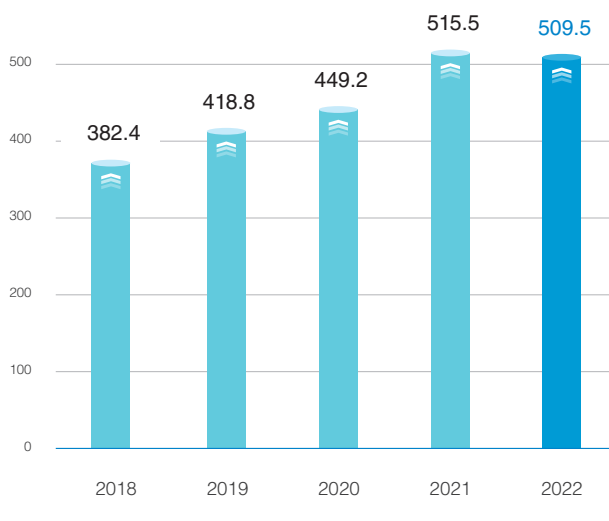
 Contract sales of real estate business



 Revenue

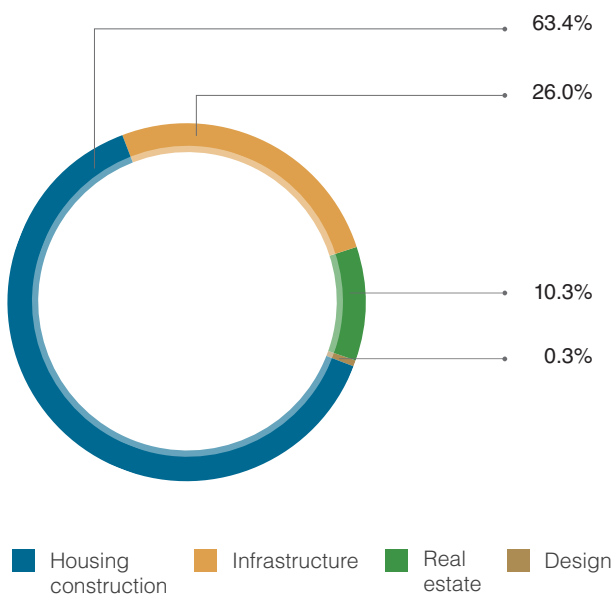


 Net profit attributable to shareholders of the Company

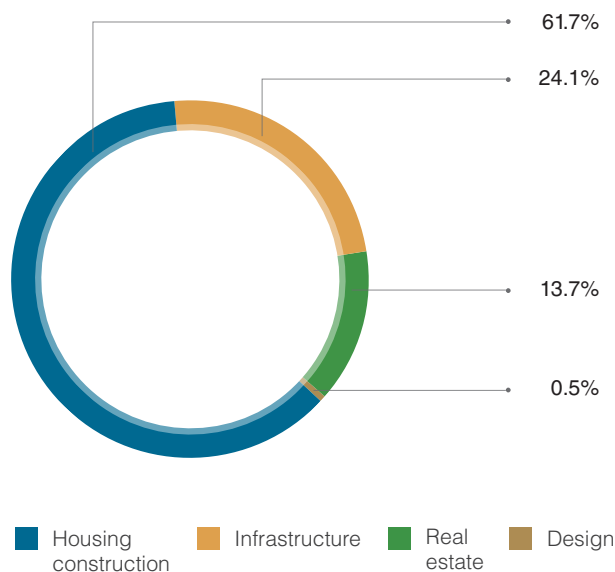


Unit: 100 million yuan Currency: RMB

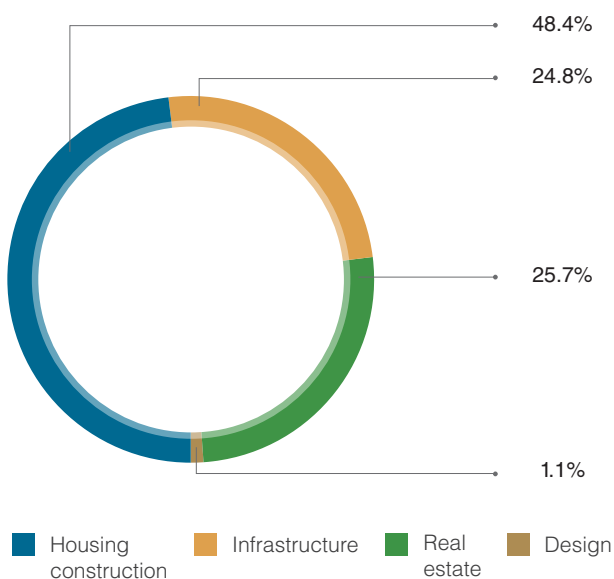
Proportion of new contract value



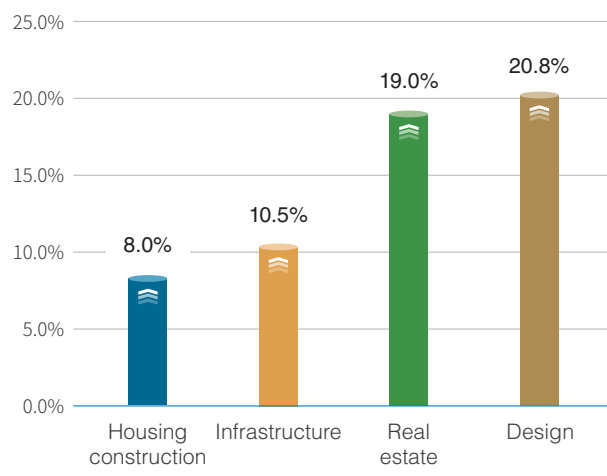
Proportion of segment revenue Note



Proportion of gross profit by segment Note



Gross profit margin by segment Note



Note: The denominator of the segment business is the direct summation of data from the four business segments of the Company (housing construction, infrastructure, real estate and design).

V. Main Operation Results for the Reporting Period

(I) Analysis of principal business

1. Analysis of changes in related items in the income statement and cash flow statement

Unit: '000 yuan Currency: RMB

Items	Amount of the current Reporting Period	Amount of the same period last year	Change (%)
Revenue	2,055,052,070	1,892,706,307	8.6
Cost of sales	1,840,182,381	1,677,967,644	9.7
Selling and distribution expenses	6,543,630	6,176,686	5.9
General and administrative expenses	33,996,779	34,641,264	-1.9
Finance expenses	19,673,762	11,294,318	74.2
Research and development expenses	49,753,236	40,019,753	24.3
Net cash flows from operating activities	3,828,927	13,989,638	-72.6
Net cash flows from investing activities	-11,477,252	-32,632,456	/
Net cash flows from financing activities	16,520,628	52,970,087	-68.8

Reason for changes in revenue: The Company gave full play to the advantages of the whole industry chain layout, served the national strategy to continuously cultivate new market growth points and continuously manage marketing and project performance. The overall income maintained steady growth.

Reason for changes in cost of sales: The expansion of business scale led to the increase in the cost of sales accordingly.

Reason for changes in selling and distribution expenses: The Company's real estate business increased advertising investment during the pre-sale period, and the corresponding advertising fees and business promotion fees, business fees and sales commissions grew to certain degree.

Reason for changes in general and administrative expenses: Office expenditure and travel expenses decreased due to cost reduction and efficiency improvement and stricter control over expenses for the year of the Company.

Reason for changes in finance expenses: It was primarily due to the increase in exchange losses as compared with that of last year due to larger changes in exchange rates of the USD and HKD against RMB this year.

Reason for changes in research and development expenses: It was primarily due to the enhanced investment in scientific and technological research and development arising from the Company's in-depth implementation of its innovation-driven development strategy.

Reason for changes in net cash flows from operating activities: It was due to the increase in payments for construction, real estate development and purchases in the current Reporting Period.

Reason for changes in net cash flows from investing activities: It was primarily due to the increase in cash receipts from other investment activities, as well as the decrease in cash payments for purchase of fixed assets, intangible assets and other long-term assets in the current Reporting Period.

Reason for changes in net cash flows from financing activities: It was primarily due to the decrease in cash receipts from investments, as well as the increase in cash payments for debts repayment in the current Reporting Period.

Detailed explanation on major changes in the Company's types of business, profit composition or source of profit during the current Reporting Period

Applicable N/A

2. Analysis of revenue and cost

√ Applicable □ N/A

In 2022, the Company delivered revenue of RMB2,055.1 billion, a year-on-year increase of 8.6%; with cost of sales at RMB1,840.2 billion, a year-on-year increase of 9.7%. The Company recorded a gross profit of RMB214.9 billion, a year-on-year increase of 0.1%; a gross profit margin of 10.5%, a year-on-year decrease of 0.9 percentage point as compared to that of the same period of last year.

For details related to income recognition methods, please refer to Note III. 25 “Revenue from contracts with customers” to the financial statements under SECTION X “FINANCIAL REPORT”.

(1). Principal business by industry, product and region

Unit: '000 yuan Currency: RMB

Principal business by industry						
By industry	Revenue	Cost of sales	Gross profit margin (%)	Change YoY of revenue (%)	Change YoY of cost of sales (%)	Change YoY of gross profit margin (%)
Housing construction engineering	1,265,081,519	1,164,411,378	8.0	10.3	10.1	Increase by 0.1 percentage point
Infrastructure construction and investment	493,498,360	441,893,060	10.5	20.0	20.1	Flat
Real estate development and investment	282,044,629	228,551,609	19.0	-14.8	-12.5	Decrease by 2.1 percentage points
Survey and design	10,763,560	8,522,205	20.8	-0.4	-0.1	Decrease by 0.2 percentage point
Others	38,694,144	30,475,497	21.2	36.6	57.9	Decrease by 10.6 percentage points
Elimination	-35,030,142	-33,671,368	/	/	/	/
Total	2,055,052,070	1,840,182,381	10.5	8.6	9.7	Decrease by 0.9 percentage point

Principal business by region						
By region	Revenue	Cost of sales	Gross profit margin (%)	Change YoY of revenue (%)	Change YoY of cost of sales (%)	Change YoY of gross profit margin (%)
China's Mainland	1,947,083,949	1,737,767,862	10.8	8.0	8.8	Decrease by 0.6 percentage point
Overseas ^{Note}	107,968,121	102,414,519	5.1	20.9	26.9	Decrease by 4.5 percentage points
Total	2,055,052,070	1,840,182,381	10.5	8.6	9.7	Decrease by 0.9 percentage point

Note: “Overseas” refers to regions other than China's Mainland.

Revenue and its proportion in the last three years						
By industry	2022	Proportion (%)	2021 (After adjustment)	Proportion (%)	2020	Proportion (%)
Housing construction engineering	1,265,081,519	61.6	1,147,085,908	60.6	1,001,101,590	62.0
Infrastructure construction and investment	493,498,360	24.0	411,117,889	21.7	348,435,361	21.6
Real estate development and investment	282,044,629	13.7	330,943,286	17.5	271,292,353	16.8
Survey and design	10,763,560	0.5	10,808,369	0.6	10,607,297	0.7
Others	38,694,144	1.9	28,319,627	1.5	21,348,292	1.3
Elimination	-35,030,142	-1.7	-35,568,772	-1.9	-37,734,344	-2.4
Total	2,055,052,070	100.0	1,892,706,307	100.0	1,615,050,549	100.0

Explanation on principal business by industry, product and region

√ Applicable □ N/A

- **Housing construction engineering business**

During the Reporting Period, the Company's housing construction business grew steadily and continued to lead the mid-to high-end markets. The total value of new contracts for the whole year was RMB2,472.8 billion, a year-on-year increase of 9.9% with revenue at RMB1,265.1 billion, a year-on-year increase of 10.3%; gross profit was RMB100.7 billion, a year-on-year increase of 12.2%.



During the Reporting Period, the Company stuck to the marketing strategy featuring "premium market, customers, and projects", which enhanced its competitive strength in the field of medium and high-end housing construction such as super high-rise buildings, high-tech industrial plants, educational facilities, medical and health facilities. The proportion of newly signed contract value for public buildings kept increasing and that of residential properties decreased. In terms of industrial plants, the newly signed contract value amounted to RMB391.3 billion, a year-on-year increase of 85.9%. In particular, the Company has undertaken the Standard Workshop Construction of Phase II Korean Power Battery project in Yancheng, Jiangsu. In terms of educational facilities, the newly signed contract value amounted to RMB169.2 billion, a year-on-year increase of 33.0%. The Company has won the bid for the general contracting project of Guangdong Experimental High School Baiyun Yongping Campus. In terms of medical facilities, the newly signed contract value amounted to RMB207.4 billion, a year-on-year increase of 1.5%. The Company has won the bid for the general contracting project of Shandong Jinan Tangye (Class III) hospital. In the field of super-high-rise buildings, the Company undertook 4 super high-rise projects each with a height of over 300 meters, and undertook the Haikou Tower project, the tallest building in Hainan with a height of 428 meters, continuing to build a new landmark. In terms of old city renovation and urban renewal construction, the Company has undertaken large number of projects involving people's livelihood, including the general contracting project of Guangdong Dongguan Dongcheng Yangqikeng urban renewal and the general contracting of integrated development project in the northern urban area of Fu'an City, Fujian Province.

During the Reporting Period, the Company continued to enhance its core competitiveness in such fields as super-high-rise buildings, large-span spatial structure, rapid construction, green construction and intelligent construction and further enhanced its absolute advantages in the field of housing construction. The intelligent integration platform for high-rise building (building machines) and the multi-functional residential building machines independently developed by the Company formed industrial promotion and expanded into application and implementation in prefabricated construction field. The successful application of original technologies such as the first-in-class single-tower multi-cage circulating operation construction elevator and tower crane 5G remote group control technology in numerous projects, has multiplied the transport capacity of vertical transportation. A number of digital intelligent steel structure processing production lines and digital prefabricated building module production lines have been put into full operation, while the point cloud scanning measurement and control robots, welding robots, and concrete pouring robots have gradually transformed from research and development to engineering practices. The popularization of cutting-edge technological achievements to conventional housing construction projects has provided strong support for project undertaking and quality performance of housing construction.

Entered into new contracts with a total value of

RMB **1,015.1**
billion for the whole year

a year-on-year increase of

20.3%

Recorded revenue of

RMB **493.5** billion

a year-on-year increase of

20.0%

Gross profit amounted to

RMB **51.6** billion

a year-on-year increase of

19.6%

• **Infrastructure construction and investment business**

During the Reporting Period, the Company continued optimization and transformation of its infrastructure construction business and achieved rapid growth in scale. The Company entered into new infrastructure contracts with a total value of RMB1,015.1 billion for the whole year, a year-on-year increase of 20.3%. It recorded revenue of RMB493.5 billion, a year-on-year increase of 20.0%; and the gross profit amounted to RMB51.6 billion, a year-on-year increase of 19.6%.

During the Reporting Period, the Company captured the opportunity from the state's policy of "moderately making infrastructure investment in advance", with a focus on segmented markets and achieved numerous landmark results through strengthened leadership and coordination. In the field of highways, the newly signed contract value amounted to RMB123.1 billion, a year-on-year increase of 37.3%, and projects valuing over RMB10 billion, including Longsheng-Dongzhong Port Highway and Wuhan Metropolitan Area Ring Line series projects were undertaken. In the field of ecological and environmental protection, the newly signed contract value amounted to RMB113.4 billion, a year-on-year increase of 35.3%. The Company undertook Asia's largest urban inland lake water environment management demonstration project – Wuhan Tangxunhu Lake Basin Comprehensive Management PPP Project, rain and sewage pipe network PPP project with the largest investment scale in mainland – PPP project involving pipeline renovation of mixture of rainwater and sewage in central urban area and urban waterlogging control in drainage zoning in Jinan, and Asia's largest ground-buried intelligent water purification plant project – Hangzhou Chengbei Water Purification Plant Project. In the field of railways, the newly signed contract value amounted to RMB33.3 billion, a year-on-year increase of 30.4%, hitting a record high. Due to the improved work mechanism and marketing system, the Company has undertaken the construction of Hanchuan East to Yichang North Station of Wuhan-Yichang section of Shanghai-Chongqing-Chengdu High-speed Railway, and Guangxi Liuzhou-Wuzhou Railway. In the field of airports, the newly signed contract value amounted to RMB50.3 billion, a year-on-year increase of 9.5%. The Company has undertaken Phase III Expansion Project of Terminal 3 at Baiyun International Airport in Guangzhou, Xiamen New Airport Project – Airport Engineering – Terminal Area Engineering Project, Renovation and Expansion Project of Terminal 3 at Changsha Airport and other projects.

The Company believes that innovation is the first driving force and insists on enhancing construction of scientific research platforms and key technology research, promoting the construction of collaborative project management system and mechanism, and has achieved high-quality performance. During the Reporting Period, the Company formed 2 infrastructure technology and equipment engineering research centers, which involve nuclear power engineering and urban rail transit engineering. The first domestic unmanned beam factory (UBF) independently developed by the Company, equipped with AI and other technologies, has achieved full-process automatic flow operation; and the "design optimization and key construction technology of straddle monorail bridge spans" reached international leading level as a whole.



- **Real estate development and investment business**

During the Reporting Period, the Company firmly implemented the national regulation policies to ensure the sustainable and healthy development of its real estate business. The real estate business achieved contract sales of RMB401.6 billion throughout the year, a year-on-year decrease of 4.9%, and a contracted sales area of 17.22 million square meters, a year-on-year decrease of 19.7%; revenue amounted to RMB282.0 billion, a year-on-year decrease of 14.8%; and gross profit amounted to RMB53.5 billion, a year-on-year decrease of 23.3%.

During the Reporting Period, the Company delivered a new construction area of 22.36 million square meters, a year-on-year decrease of 20.6%; a completed area of 25.71 million square meters, a year-on-year decrease of 19.7%; and an area under construction of 74.70 million square meters, a year-on-year decrease of 15.4%. The Company acquired 100 parcels of land throughout the year with land reserves reaching 93.03 million square meters at the end of the Reporting Period; new land reserve amounted to 14.89 million square meters with a total land purchase amount of RMB184.72 billion. More than 90% of the new land reserve this year located in tier one and tier two cities, in particular, new land reserve located in tier one cities including Beijing, Shanghai and Guangzhou and municipalities directly under the Central Government and provincial capitals exceeded 85%, reflecting a further optimized land reserve structure.

After years of development, the Company currently owns 13.52 million square meters of self-held properties encompassing office buildings, hotels, apartments, commercial real estate and others, with a net book value of RMB147.7 billion, accounting for 5.6% of the Company's total assets. During the Reporting Period, the Company accelerated the upgrading of industry, expanded business areas in commerce, elderly care and logistics, continuously enhancing the operation and management as well as the profitability of self-held properties. The revenue from self-held properties amounted to RMB6.07 billion.

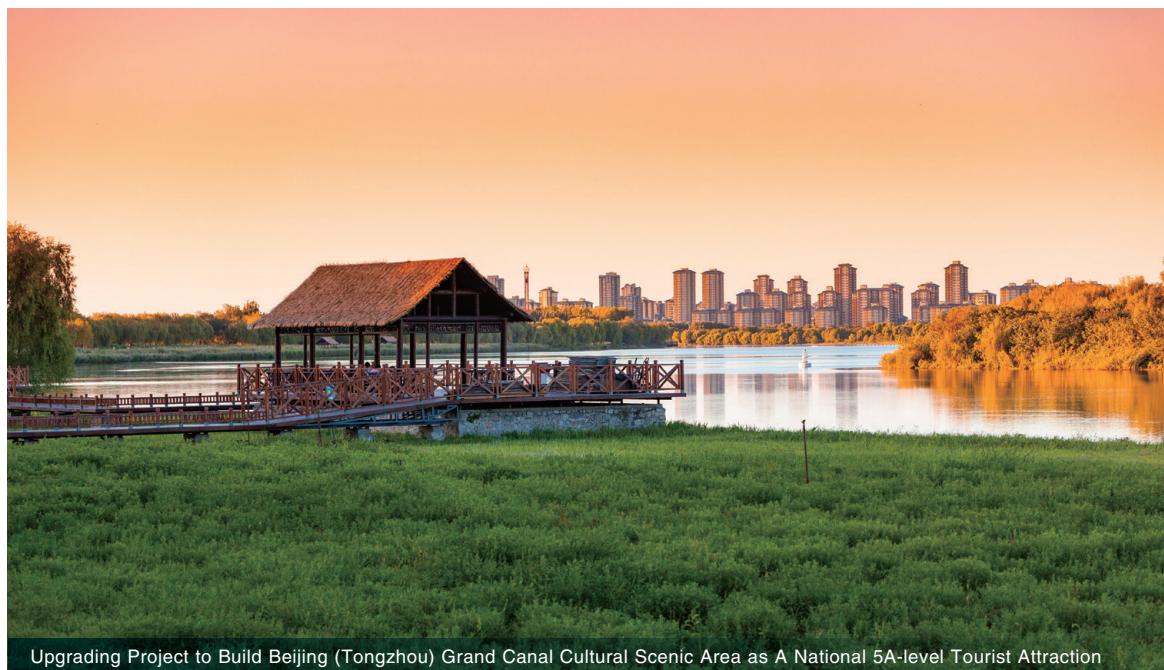
During the Reporting Period, China Overseas maintained steady operation with contracted sales of RMB254.4 billion. China Overseas adopted a rational and scientific approach to managing the investment pace and determining the investment sequence to acquire high-quality land with a low premium and maintain the trend of robust growth. It acquired 40 parcels of new land and had new land reserves of 7.39 million square meters at a land purchase amount of RMB110.72 billion. The newly-added saleable value in the four first-tier cities (being Beijing, Shanghai, Guangzhou and Shenzhen) accounted for 48.1%. Leveraging on the competitive edge in respect of compliance with the “three red lines” indicators, China Overseas adhered to lean construction to promote the development of commercial properties, elderly care and logistics while focusing on accelerating the principal business of residential development. CSC Land put more efforts in marketing in active response to market change. Academy Mansion in Beijing and Garden Mansion in Baoshan, Shanghai were sold out upon its launch and achieved contracted sales of RMB147.2 billion throughout the year. It acquired 60 parcels of new land and had new land reserves of 7.5 million square meters at a land purchase amount of RMB74.0 billion. CSC Dongfu, CSCEC Yipin, Xinhe Real Estate, CSCEC Jiuhe and C-LAND and other brands successively built by CSC Land ranked among the top 100 PRC real estate enterprises in 2022 in terms of equity sales performance.

For details, please refer to “Properties under development” and “Completed properties for sale” under Note V. 8 “Inventories” and “Advances for sale of properties” under Note V. 31 “Contract liabilities” to the financial statements under SECTION X “FINANCIAL REPORT”.



- **Survey and design business**

During the Reporting Period, the Company's survey and design business maintained sound development. During the year, the new contracts amounted to RMB13.6 billion, a year-on-year increase of 5.6%; revenue amounted to RMB10.8 billion, a year-on-year decrease of 0.4%; gross profit amounted to RMB2.2 billion, a year-on-year decrease of 1.5%.



During the Reporting Period, the Company continued to focus on architectural design, urban planning, public utility design, survey and other conventional design business, enhanced research in basic technology and improved its professional advantages in such segments as landscape architecture, airports, medical care, cultural expositions, and underground spaces. During the Reporting Period, the Company continued to improve original design ability and consolidate traditional design business, and won the bid for numerous landmark projects such as Xiong'an International Trade Center Complex project, Guangyuan Museum project, and Huzhou Youth Olympic Cultural Center project. The construction of Sanxingdui Ancient Shu Cultural Site Museum and its ancillary facilities in Sichuan, which was designed and constructed by the Company, has been commenced. China National Archives of Publications and Culture Xi'an Branch (Wenji Pavilion) project, which was built in a design-led EPC mode by the Company, was completed, and China's first archaeological themed museum designed by the Company – Shaanxi Archaeological Museum opened. The Company continued to strengthen the urban planning business and promote the integration of garden landscape and cultural tourism operation. The Company has undertaken the upgrading project to build Beijing (Tongzhou) Grand Canal Cultural Scenic Area as a national 5A-level tourist attraction, the project on preparation of master plans and guidance of consulting services throughout the 7th Hebei Tourism Industrial Development Conference, and the project on preparation of Hetian Control Detailed Planning and Urban Overall Design, and others. Focusing on green and low-carbon development, the Company actively expanded the design consulting business in the fields of urban renewal and ecological environmental protection, and secured the bids for Baoding Fuhe River System Comprehensive Management project, comprehensive development project of Gaolan Ecological Restoration and Industrial Development Demonstration Zone (Start-up Area) in Lanzhou Economic and Technological Development Zone, and Zhuhai Qianshan Water Purification Plant Phase II Construction project.

During the Reporting Period, the Company continued to promote the transformation and upgrading of the survey and design business, accelerated the improvement in the design industry system with full-field coverage, full-process services, full-value chain, and full-element growth, enhanced cultivation of versatile talents in design and consolidated the differentiated advantages of featured business. It promoted the application of BIM digital technology and the standardized design of prefabricated buildings, deepened the whole-process engineering consulting and general contracting business, and continuously improved the brand influence of "CSCEC Design".

Newly signed contract value amounted to

RMB **165.6** billion

a year-on-year increase of

1.3%

Recorded revenue of

RMB **108.0** billion

a year-on-year increase of

20.9%

• Overseas business

During the Reporting Period, the Company maintained a high quality development strategy in respect of overseas business and was actively involved in the BRI. It struck deep roots in key markets to steadily promote its international development. During the Reporting Period, the new contracts for overseas business amounted to RMB165.6 billion, a year-on-year increase of 1.3%; revenue was RMB108.0 billion, a year-on-year increase of 20.9%.

During the Reporting Period, the Company focused on driving transformation and upgrading and accelerating the construction of a diverse development pattern. Based on traditional areas with strength, the Company endeavored to develop businesses in tunnels, new energy, water conservancy and water affairs, and successfully secured Saudi Arabia NEOM New City Traffic Tunnel project, Singapore MRT Cross-Island Line Punggol Extension P103 project, Serbia ECOFUTURE Solar Photovoltaics project, Malawi Kalonga Water Supply Line and other projects. The Company actively sought for multiple business models and secured Republika Srpska Vukosavlje-Brcko Highway project leveraging the “financing+design and construction” model, and the Oriental Commercial Plaza Sports Hall, which was invested, constructed and operated in Algeria, was officially opened.

During the Reporting Period, the Company continued to enhance its ability in global resources allocation and deepen international exchanges and cooperation. Taking full use of the resources of its global partners, the Company developed and deepened the markets of Saudi Arabia, Indonesia and other countries in cooperation with enterprises in Spain, Japan and other countries, and increased cooperation with leading enterprises in host countries

and maintained close exchanges and interactions with Saudi SAJCO in terms of tunnel construction, and with Singapore JURONG Group in terms of industry and infrastructure construction, so as to consolidate long-term and mutual trust relationship. The Company has strengthened “headquarter vs headquarter” connections and exchanges with financial institutions such as the Export-Import Bank of China and China Export & Credit Insurance Corporation, and continuously deepened pragmatic cooperation in overseas business promotion and key project protection. During the Reporting Period, the Company continued to optimize the market layout and promote new breakthroughs in key markets. Taking into full consideration of factors such as market capacity, operating base and resource allocation, the Company classifies and manages overseas markets to ensure accurate resource placement. During the Reporting Period, the Company secured Anaba-Oued Zied 13.5KM Railway Double Line and Modernization Facility Renovation project in Algeria, setting foot in the field of railway construction in Algeria for the first time; won the bids for South Africa’s N3 National Expressway Reconstruction and Expansion project and EB Overpass project, finally securing open tendering projects of the local government.

During the Reporting Period, the Company advanced its quality performance of overseas projects, and a number of projects have successfully entered a new stage. The 20 main buildings of the CBD project in the new capital of Egypt were topped out, the Long Island Railroad Reconstruction and Expansion Project in New York, USA, was fully opened to traffic, Ethiopian Commercial Bank’s new headquarters building, the tallest building in East Africa, was officially completed, and the Etihad Railway Phase II A project in the United Arab Emirates was granted a completion certificate by the owner for recognition of its excellent performance.



- **Other business**

Other business of the Company mainly includes primary land development, lease of machinery equipment and engineering supervision and management. During the Reporting Period, revenue was RMB38.7 billion, a year-on-year increase of 36.6%; gross profit amounted to RMB8.2 billion, with a gross profit margin of 21.2%, a year-on-year decrease of 10.6 percentage points.

For details, please refer to Note V. 52 "Revenue and cost of sales", Note V. 65 "Expenses by nature" and Note XIV. 1 "Segment reporting" to the financial statements under SECTION X "FINANCIAL REPORT".

(2). Analytical statement on production and sales

Applicable N/A

(3). Performance of significant procurement contract and significant sales contract

Applicable N/A

(4). Analytical statement on costs

Unit: '000 yuan Currency: RMB

By industry						
By industry	Components of operating cost	Amount of the current Reporting Period	Percentage of total cost in the current Reporting Period (%)	Amount of the same period of last year	Percentage of total cost in the same period of last year (%)	Changes in the amount of the current Reporting Period over the same period of last year (%)
Housing construction engineering	Raw materials, subcontract costs, labor costs, etc.	1,164,411,378	63.3	1,057,399,772	63.0	10.1
Infrastructure construction and investment	Raw materials, subcontract costs, labor costs, etc.	441,893,060	24.0	367,959,096	21.9	20.1
Real estate development and investment	Construction and installation costs, land costs, labor costs, etc.	228,551,609	12.4	261,228,798	15.6	-12.5
Survey and design	Labor costs, rental of equipment	8,522,205	0.5	8,532,540	0.5	-0.1
Others	Labor costs, rental of equipment	30,475,497	1.7	19,302,698	1.2	57.9
Elimination	/	-33,671,368	-1.9	-36,455,260	-2.2	/
Total	/	1,840,182,381	100.0	1,677,967,644	100.0	9.7

Unit: '000 yuan Currency: RMB

Main cost components							
By industry	Components of operating costs	2022	Proportion (%)	2021 (After adjustment)	Proportion (%)	2020	Proportion (%)
Housing construction engineering	Cost of sales of products	21,812,934	1.2	23,319,044	1.4	21,545,271	1.5
	Subcontracting cost	398,178,917	21.6	351,983,820	21.0	300,907,652	20.9
	Raw materials	347,342,497	18.9	321,016,567	19.1	286,112,366	19.9
	Employee benefits	37,501,570	2.0	34,025,491	2.0	31,128,794	2.2
	Other expenses	359,575,460	19.6	327,054,850	19.5	294,093,938	20.3
	Sub-total	1,164,411,378	63.3	1,057,399,772	63.0	933,788,021	64.8
Infrastructure construction and investment	Subcontracting cost	224,249,598	12.2	185,781,252	11.1	115,931,326	8.0
	Raw materials	105,384,913	5.7	87,071,828	5.2	84,942,618	5.9
	Staff cost	62,440,426	3.4	51,690,903	3.1	46,293,060	3.2
	Other expenses	49,818,123	2.7	43,415,113	2.5	71,764,131	5.0
	Sub-total	441,893,060	24.0	367,959,096	21.9	318,931,135	22.1
Real estate development and investment	Carry-over of real estate development products	217,259,901	11.8	250,144,727	14.9	190,935,051	13.3
	Other expenses	11,291,708	0.6	11,084,071	0.7	9,227,245	0.6
	Sub-total	228,551,609	12.4	261,228,798	15.6	200,162,296	13.9
Survey and design	Sub-total	8,522,205	0.5	8,532,540	0.5	8,039,404	0.6
Others	Sub-total	30,475,497	1.7	19,302,698	1.2	15,519,969	1.1
Elimination	/	-33,671,368	-1.9	-36,455,260	-2.2	-36,274,375	-2.5
Total	/	1,840,182,381	100.0	1,677,967,644	100.0	1,440,166,450	100.0

Explanation on other information of cost analysis

Applicable N/A

- (5). Changes in the scope of consolidation for the Reporting Period as a result of changes in equity interests of major subsidiaries

Applicable N/A

- (6). Significant changes in or adjustments of businesses, products or services of the Company during the Reporting Period

Applicable N/A

- (7). Sales to major customers and major suppliers

A. Sales to major customers of the Company

Applicable N/A

In 2022, the revenue generated from/sales to the top 5 customers of the Company was RMB36.8 billion, accounting for 1.8% of the total revenue/sales of the year. Among the sales to the top 5 customers, the sales to related parties amounted to nil, accounting for nil of the total sales for the year.

Circumstances where the proportion of sales to a single customer exceeds 50% of the total or there are new customers among the top 5 customers or the Company heavily depends on a few customers during the Reporting Period

Applicable N/A

B. Major suppliers of the Company

Applicable N/A

During the Reporting Period, the amount of procurement from the top 5 suppliers was RMB25.403 billion, accounting for 2.0% of total procurement amount of the year. Among the amount of procurement from the top 5 suppliers, the amount of procurement from related parties amounted to nil, accounting for nil of the total amount of procurement for the year.

Circumstances where the proportion of purchases from a single supplier exceeds 50% of the total or there are new suppliers among the top 5 suppliers or the Company heavily depends on a few suppliers during the Reporting Period

Applicable N/A

Other explanations

Applicable N/A

The Company's business scale and its diversified business structure mean that the Company's suppliers are extensive and the level of concentration is low. Public bidding with minimum restrictions is used for the procurement of bulk materials, which ensures the supply of resources and avoids reliance on a single supplier.

3. Expenses

Applicable N/A

In 2022, the Company's selling and distribution expenses, general and administrative expenses, finance expenses, and research and development expenses totaled RMB110.0 billion, a year-on-year increase of 19.4%. The four items of expenses accounted for 5.4% of revenue, a year-on-year increase of 0.5 percentage point.

For details, please refer to the relevant information as set out in Note V. 54 "Selling and distribution expenses", Note V. 55 "General and administrative expenses", Note V. 56 "Research and development expenses" and Note V. 57 "Finance expenses" to the financial statements under SECTION X "FINANCIAL REPORT".

4. R&D expenditures

(1). R&D expenditures

Applicable N/A

Unit: '000 yuan Currency: RMB

Expensed R&D expenditure in the current Reporting Period	49,753,236
Capitalized R&D expenditure in the current Reporting Period	/
Total R&D expenditure	49,753,236
Percentage of total R&D expenditure to total revenue (%)	2.4
Proportion of capitalization of R&D investment (%)	/

(2). R&D staff

Applicable N/A

Number of the Company's R&D staff	35,095
Percentage of R&D staff number to the Company's total number of employees (%)	9.1
R&D staff by educational background	
By educational background	Number
PhD	499
Postgraduate	5,278
Undergraduate	24,798
College	4,333
High school and below	187
R&D staff by age	
By age	Number
Aged below 30 (exclusive)	14,227
Aged 30 (inclusive) to 40 (exclusive)	15,380
Aged 40 (inclusive) to 50 (exclusive)	4,143
Aged 50 (inclusive) to 60 (exclusive)	1,279
Aged 60 and above	66

Note: R&D staff refers to personnel engaged in basic research, applied research and experimental development activities in the R&D institution during the Reporting Period. (Research and Experimental Development (R&D) Input Statistical Specifications (Trial) (Guotongzi [2019] No. 47))

(3). Explanation

 Applicable N/A

In recent years, the Company has been extensively implementing innovation-driven development strategy to accelerate innovation in construction technology and made certain achievements in improving scientific and technological innovation platform system, achieving breakthroughs in core technologies in the construction industry, developing green and low-carbon construction technologies and exploring digital technologies for building industrialization, which vigorously enhanced its core competitiveness.

Improving scientific and technological innovation platform system. During the Reporting Period, the Company reinforced the construction of a R&D institution system centered on the scientific and technological innovation platform system, took part in the construction of the National Center of Technology Innovation for Digital Construction, the only national-level center in the digital construction field, established two key laboratories for structural test analysis and safety control and civil engineering materials, as well as 6 engineering research centers for intelligent construction, green construction, ecological environment, urban renewal and intelligent operation and maintenance, extreme human settlement conditions, and infrastructure technology and equipment. The Company focused on rejuvenation and specialization of the R&D team, increased efforts on the cultivation and introduction of highly educated and high-quality R&D personnel, and promoted the formation of systematic strategic scientific research strength of the Company.

Achieving breakthroughs in key industry technologies. During the Reporting Period, the Company continued to focus on key technology breakthroughs and complete sets of technology integration, constantly expanding its technology leadership in construction. The Company has possessed the world's leading construction technologies such as single building translation, large roof slip, complex steel structure production and construction. The Company also independently developed "Aerial building machine", large diameter vertical tunnel boring machines, 10,000-ton construction structure experimental system, monorail multi-cage circulation elevator and other major construction equipment. The independently developed underlying graphics platform technology of engineering construction software (AECMate) has realized market-oriented application.

Developing green and low-carbon construction technologies. The Company adhered to the concept of "ecological priority and green development" and integrated itself into the whole process of investment, planning, design, construction and operation. The Company led the preparation of over 10 national and industrial standards for green construction and participated in formulation of numerous policy documents, created ultra-low energy consumption and zero-carbon innovative products upon research, promoted more than 100 green construction technologies in the industry and vigorously facilitated construction waste emission reduction and resource utilization, and basically formed a technical research system covering the entire process of construction and application service capabilities of the entire industry chain. During the Reporting Period, China Southwest Architecture developed novel thermal insulation and sound insulation wall material products, and energy conservation and noise reduction product system which empowered green construction technology. The world's first "PEDF (Photovoltaic, Energy storage, Direct current and Flexibility)" building in CSCEC's green industrial park that built by China Construction Science & Technology was listed as a low-carbon pilot demonstration case by the Ministry of Ecology and Environment.

Exploring digital technologies for building industrialization. The Company insisted on digital-empowered transformation and development, used its best efforts to build an internet in the construction industry and sought for integration and innovation of big data, artificial intelligence, 3D printing and other technologies in the construction field, achieved the physical application of building information modeling (BIM), intelligent factory MES system and intelligent construction site platform, and established the world's first building curtain wall digital production line and the first heavy steel structure intelligent manufacturing production line. It vigorously promoted industrial digitalization, arranged for such field as construction industrial robots, intelligent parking and intelligent venues and actively explored the applications of 5G and blockchain technology into the construction industry. During the Reporting Period, CSCI undertook Shenzhen Longhua Zhangkeng Path Plot Affordable Housing project, the first domestic MIC prefabricated 100-meter super high-rise building, and achieved industrial construction and digital management of the whole process from factory prefabrication, overall transportation and lifting for the first time.

(4). Reasons for material changes in the composition of R&D staff and their impact on the Company's development in future

 Applicable N/A

5. Cash flows

√ Applicable N/A

During the Reporting Period, the Company's net cash inflow amounted to RMB10.93 billion, representing a year-on-year increase in net inflow of RMB22.691 billion.

The Company's net cash inflow from operating activities was RMB3.829 billion, representing a year-on-year decrease in net inflow of RMB10.161 billion, mainly due to the increase in project payments and costs for property development and purchases during the Reporting Period.

The Company's net cash outflow from investing activities was RMB11.477 billion, representing a year-on-year decrease in net outflow of RMB21.155 billion, mainly due to the increase in cash receipts from other investment activities and the decrease in cash payments for purchase of fixed assets, intangible assets and other long-term assets during the Reporting Period.

The Company's net cash inflow from financing activities was RMB16.521 billion, representing a year-on-year decrease in net inflow of RMB36.449 billion, mainly due to the decrease in cash receipts from investments and the increase in cash payments for debt repayment during the Reporting Period.

For details, please refer to the relevant information as set out in Note V. 68 "Notes to the consolidated cash flow statement" and Note V. 69 "Supplementary information to the consolidated cash flow statement" to the financial statements under SECTION X "FINANCIAL REPORT".

6. Financing

The Company seized the opportunity of the low interest rate during the Reporting Period when both the interest rates of new bank borrowings and newly issued bonds decreased. As of the end of the Reporting Period, the Company's total interest-bearing liabilities amounted to RMB695.4 billion, representing an increase over that of the beginning of the year. This was mainly due to the increase in the Company's business volume, and accordingly in borrowings. The scale of interest-bearing liabilities was in line with the Company's business scale, the structure of interest-bearing liabilities matched with the Company's business structure, and the overall liquidity risk was low and effectively controlled. As of the end of the Reporting Period, the Company recorded a net increase of approximately RMB15.9 billion in the face value of publicly issued ordinary bonds, which well satisfied the capital need from rapid business development as well as industrial restructuring. The Company's financing structure was further optimized due to increase in direct financing.

(II) Operating investment business

During the Reporting Period, the Company completed an investment of RMB404.9 billion, a year-on-year decrease of 8.7%. In light of changing market conditions, the Company maintained a prudent investment strategy by prioritizing investment returns and investment in quality projects to ensure sustainable and stable business development.

Unit: 100 million yuan Currency: RMB

Classification of projects	Amount of investment during the Reporting Period	Proportion (%)	YoY increase (%)
By categories of projects			
Real estate development	3,112	76.9	-5.8
Investment in infrastructure	455	11.2	-22.9
Investment in housing construction	357	8.8	-7.9
Comprehensive urban construction	104	2.6	-19.4
Fixed assets and other investments	21	0.5	-19.2
By continuity of projects			
Continued investment projects	2,519	62.2	-4.1
New projects	1,530	37.8	-15.4
Total	4,049	100	-8.7

Note: The above classification of projects is designed in accordance with industry practices and the Company's internal management needs. The classification attributes of some projects will be adjusted according to the actual circumstances of the project. The year-on-year growth rate in the table will be adjusted retrospectively to the changed projects accordingly.

1. Real estate development

During the Reporting Period, the Company's investment in the real estate development business reached RMB311.2 billion, a year-on-year decrease of 5.8%; the payback of investment return was RMB310.2 billion, a year-on-year decrease of 10%; and the income to expenses ratio of investment was 99.7%, a year-on-year decrease of 4.7 percentage points.

2. Investment in infrastructure

During the Reporting Period, the Company's investment in infrastructure reached RMB45.5 billion, a year-on-year decrease of 22.9%; the payback of investment return was RMB22.1 billion, a year-on-year decrease of 17.5%; and the income to expenses ratio of investment was 48.6%, a year-on-year increase of 3.2 percentage points.

3. Investment in housing construction

During the Reporting Period, the Company's investment in housing construction reached RMB35.7 billion, a year-on-year decrease of 7.9%; the payback of investment return was RMB34.2 billion, a year-on-year increase of 49.3%; and the income to expenses ratio of investment was 95.9%, a year-on-year increase of 36.8 percentage points.

4. Comprehensive urban construction business

During the Reporting Period, the Company's investment in comprehensive urban construction reached RMB10.4 billion, a year-on-year decrease of 19.4%; the payback of investment return was RMB15.4 billion, a year-on-year decrease of 27.4%; and the income to expenses ratio of investment was 148.4%, a year-on-year decrease of 15.6 percentage points.

5. Investment and construction in key regions

The Company resolutely implemented the major decision-making and deployment of the CPC Central Committee and the State Council, and actively practiced regional and coordinated development strategies under the guidance of major national strategic planning and arrangement, and deeply involved in the investment and construction in key national areas including the coordinated development of the Beijing-Tianjin-Hebei Region, the development of the Yangtze River Economic Belt, the construction of the GBA, the integrated development of the Yangtze River Delta, and the ecological protection and high-quality development of the Yellow River Basin. During the Reporting Period, the investment of the Company in the Beijing-Tianjin-Hebei Region, the Yangtze River Economic Belt, the GBA, the Yangtze River Delta and the Yellow River Basin reached RMB362.3 billion, representing 89.5% of the Company's overall investment.

6. PPP business

In accordance with the relevant national requirements on the regulated development of PPP business, and under the guidance of national policy, the Company steadily carried out PPP business to control PPP scale rationally. In 2022, the Company had 445 PPP projects under construction, with equity investment amount of RMB659.82 billion, including 131 projects in construction and 251 in operation. In particular, during the Reporting Period, the Company secured 26 new PPP projects with equity investment amount of RMB64.78 billion, covering municipal engineering, traffic and transportation, public buildings, ecology and environmental protection.

As at December 31, 2022, the Company had 251 PPP projects in operation with an equity investment amount of approximately RMB348.78 billion, accounting for 52.9%. Classified by type, projects in operation at present concentrate mainly on municipal roads, comprehensive pipeline networks, cultural and sports venues, affordable housing projects and eco-environmental protection. In 2022, the Company continued to strengthen the operation and management of PPP projects and its ability in operation and management was further improved. On the one hand, the Company supervises the subsidiaries to complete the planning, preparation and filing of operation plans before a project is put into operation. On the other hand, for projects in operation, the Company monitors the assessment results of their operation and the monetization of user payment and government payment, so as to effectively protect the investment income. In 2022, PPP projects in operation delivered satisfactory results in the operation performance assessment, in particular, 98.6% of the projects passed the annual operation performance assessment and the payback of equity return was RMB73.92 billion, consolidated the two responsibilities of performance assessment and investment return.

(III) Operating status of the professional sectors

The Company further implemented the “specialization” strategy, and fostered and developed a number of professional companies with sophisticated management mechanisms, innovative capabilities and core competencies in their respective specialized fields. The Company engaged in 11 professional sub-sectors. Its newly signed contract value amounted to RMB675.3 billion for the whole year, a year-on-year increase of 14.9%; revenue was RMB442.11 billion, a year-on-year increase of 9.5%; gross profit was RMB34.49 billion, a year-on-year increase of 27.7%; and operating profit was RMB17.99 billion, a year-on-year increase of 37.0%.

During the Reporting Period, the Company’s specialized division and layout became more rational, the synergetic and coordination mechanism was more sophisticated, and the overall competitive edge became more prominent, providing strong support for the Company’s development in the full business area, full life cycle, and whole industry chain capabilities. China Construction Industrial & Energy Engineering Group Co., Ltd. put more efforts to energy and chemical business and undertook such key projects as Shandong Yulongdao Refining and Chemical Integration project. West Construction continued to maintain a leading position in the industry in terms of the concrete output for commercial use. China Construction Science and Industry reinforced its advantages in the steel structure business, and China Construction Steel Structure Co., Ltd. (中建钢构), a subsidiary thereunder, was recognized as a “National Individual Champion Demonstration Enterprise in Manufacturing”. China State Decoration valued the formation of synergies with internal units and completed the decoration of key projects such as the Beijing Winter Olympics project and the Second Historical Archives of China. China Construction Harbour and Channel Engineering Bureau made new breakthroughs in the water conservancy engineering market and successfully won the bid for such key constructions as the Container Terminals in North Operation Zone of Shanghai Xiaoyangshan; China Construction Science & Technology built model project in prefabrication, such as Beijing Yizhuang Blue-collar Apartment and Zhejiang Jiaxing Zhuxiaohui Zero-carbon Science and Technology Innovation Village.

Unit: 100 million yuan Currency: RMB

Items	Names of sectors	Value of new contracts	Revenue for 2022	YoY increase (%)	Gross profit for 2022	YoY increase (%)	Operating profit for 2022	YoY increase (%)
Cross-sector	Installation	512	657.3	2.8	41.0	5.1	25.6	5.5
	Steel structure	151	221.7	0.3	15.5	14.2	8.0	-3.6
	Commercial concrete	572	248.6	-7.7	26.1	-7.0	8.6	-25.1
Housing construction	Decoration	377	438.7	12.9	32.3	48.0	8.5	/
	Gardening	51	80.4	2.8	7.3	20.1	4.8	0.3
Infrastructure	Municipal projects	1,838	886.0	7.3	106.8	8.0	63.2	12.4
	Railways	328	154.7	40.3	0.4	107.1	-1.5	/
	Rail transit	937	648.5	37.5	32.2	203.7	19.6	655.7
	Road and bridges	1,653	933.3	5.6	72.5	51.0	39.2	31.2
	Electricity	189	68.7	4.0	4.1	31.4	2.2	66.7
	Port engineering	144	83.1	-2.2	6.7	-0.9	1.7	-2.3
Total		6,753	4,421.1	9.5	344.9	27.7	179.9	37.0

Items	Names of sector	Gross profit margin (%)			Operating profit margin (%)		
		2022	2021	YoY change (percentage points)	2022	2021	YoY change (percentage points)
Cross-sector	Installation	6.2	6.1	0.1	3.9	3.8	0.1
	Steel structure	7.0	6.1	0.9	3.6	3.8	-0.1
	Commercial concrete	10.5	10.4	0.1	3.5	4.3	-0.8
Housing construction	Decoration	7.4	5.6	1.7	1.9	-0.7	2.6
	Gardening	9.1	7.9	1.2	6.0	6.1	-0.1
Infrastructure	Municipal projects	12.1	12.0	0.1	7.1	6.8	0.3
	Railways	0.3	-5.2	5.4	-1.0	-6.1	5.1
	Rail transit	5.0	2.2	2.7	3.0	0.6	2.5
	Road and bridges	7.8	5.4	2.3	4.2	3.4	0.8
	Electricity	5.9	4.6	1.2	3.2	2.0	1.2
	Port engineering	8.1	8.0	0.1	2.0	2.0	0.0
Total		7.8	6.7	1.1	4.1	3.3	0.8

(IV) Explanation on significant changes in profit arising from non-principal business

Applicable N/A

(V) Analysis of assets and liabilities

Applicable N/A

1. Assets and liabilities

Unit: '000 yuan Currency: RMB

Items	Amount as of the end of the current Reporting Period	Percentage of amount as of the end of the current Reporting Period to total assets (%)	Amount as of the end of the last Reporting Period	Percentage of amount as of the end of the last Reporting Period to total assets (%)	Change of amount as of the end of the current Reporting Period compared to the last Reporting Period (%)	Remarks
Total assets	2,652,903,306	100.00	2,395,321,862	100.00	10.75	Total assets increased by RMB257.6 billion during the year, mainly due to the increases in inventories by RMB68.1 billion, contract assets by RMB46.9 billion, other non-current assets by RMB42.3 billion, accounts receivable by RMB29.8 billion and investment property by RMB25 billion.
Cash and bank balances	335,254,102	12.64	328,008,557	13.69	2.21	Cash and bank balances increased by RMB7.2 billion during the year, mainly due to the increase in capital deposits arising from enhanced capital planning.
Financial assets held for trading	20,153	0.00	71,597	0.00	-71.85	Financial assets held for trading decreased by RMB50 million during the year, mainly due to disposal of investment in shares.
Notes receivable	6,390,924	0.24	17,745,605	0.74	-63.99	Notes receivable decreased by RMB11.4 billion during the year, mainly due to the decrease in payment via commercial acceptance bills by customers.
Accounts receivable	210,431,620	7.93	180,598,582	7.54	16.52	Accounts receivable increased by RMB29.8 billion during the year, mainly due to expansion in scale of overall business resulting in increase in accounts receivable.
Accounts receivables financing	4,658,182	0.18	3,773,078	0.16	23.46	Accounts receivables financing increased by RMB900 million during the year, mainly due to the increase in bank acceptance bills arising from the increase in business scale.
Prepayments	37,223,161	1.40	49,413,205	2.06	-24.67	Prepayments decreased by RMB12.2 billion during the year, mainly due to the transform of prepaid land premium to inventories.
Other receivables	73,584,067	2.77	60,981,694	2.55	20.67	Other receivables increased by RMB12.6 billion during the year, mainly due to the increases in advance receivables incurred for maintaining day-to-day operation and deposits receivable and reserves arising from increase in business volume.
Inventories	771,548,600	29.08	703,452,109	29.37	9.68	Inventories increased by RMB68.1 billion during the year, mainly due to the increase in cost of development and products developed arising from the increase in investment in real estate development business.

Items	Amount as of the end of the current Reporting Period	Percentage of amount as of the end of the current Reporting Period to total assets (%)	Amount as of the end of the last Reporting Period	Percentage of amount as of the end of the last Reporting Period to total assets (%)	Change of amount as of the end of the current Reporting Period compared to the last Reporting Period (%)	Remarks
Contract assets	262,511,324	9.90	215,633,918	9.00	21.74	Contract assets increased by RMB46.9 billion during the year, mainly due to the increase in completed but unsettled balance generated from the acceleration of construction progress of partial housing construction and infrastructure projects.
Current portion of non-current assets	49,254,042	1.86	44,020,921	1.84	11.89	Current portion of non-current assets increased by RMB5.2 billion during the year, mainly due to the increase in long-term receivables due within one year as investment projects, such as shantytown renovation receivables, were about to enter the payback period.
Other current assets	123,911,880	4.67	111,409,836	4.65	11.22	Other current assets increased by RMB12.5 billion during the year, mainly due to increase in prepaid taxes and input taxes to be deducted arising from the increase in business volume.
Long-term receivables	109,091,602	4.11	103,423,119	4.32	5.48	Long-term receivables increased by RMB5.7 billion in the year, mainly due to the increase in owner's confirmation of rights of PPP and BT projects.
Long-term equity investments	111,102,151	4.19	100,854,386	4.21	10.16	Long-term equity investments increased by RMB10.2 billion during the year, mainly due to the increase in external investment.
Investment in other equity instruments	4,610,471	0.17	5,062,186	0.21	-8.92	Investment in other equity instruments decreased by RMB500 million during the year, mainly due to disposal of partial investment in listed equity instruments.
Investment properties	147,675,206	5.57	122,696,798	5.12	20.36	Investment properties increased by RMB25.0 billion during the year, mainly due to the increase in the purchase of new investment properties as a result of enhanced capacity of operating properties held in the year.
Other non-current assets	269,804,869	10.17	227,496,324	9.50	18.60	Other non-current assets increased by RMB42.3 billion during the year, mainly due to the increase in unrecognized investment project payment in the year as a result of further increase in output value with advancement of construction progress of PPP projects.
Total liabilities	1,972,516,396	74.35	1,753,642,804	73.21	12.48	Total liabilities increased by RMB218.9 billion year on year, mainly due to the increases in long-term borrowings, short-term borrowings, contract liabilities and current portion of non-current liabilities.
Short-term borrowings	78,154,159	2.95	59,945,832	2.50	30.37	Short-term borrowings increased by RMB18.2 billion during the year, mainly due to increased short-term borrowings to replenish working capital and alleviate capital pressure arising from the increase in business volume of each segment this year.
Notes payable	10,303,981	0.39	7,707,393	0.32	33.69	Notes payable increased by RMB2.6 billion during the year, mainly due to the increase in settlement by way of notes.
Contract liabilities	337,693,219	12.73	324,053,883	13.53	4.21	Contract liabilities increased by RMB13.6 billion during the year, mainly due to the increase in advances for sale of properties as a result of more new properties opened for pre-sale.

Items	Amount as of the end of the current Reporting Period	Percentage of amount as of the end of the current Reporting Period to total assets (%)	Amount as of the end of the last Reporting Period	Percentage of amount as of the end of the last Reporting Period to total assets (%)	Change of amount as of the end of the current Reporting Period compared to the last Reporting Period (%)	Remarks
Employee benefits payable	10,329,539	0.39	8,556,196	0.36	20.73	Employee benefits payable increased by RMB1.8 billion during the year, mainly due to expansion of business scale in each bureau, which led to increases in business volume, labor cost, and provision of benefits at the year-end.
Current portion of non-current liabilities	118,183,943	4.45	81,455,928	3.40	45.09	Current portion of non-current liabilities increased by RMB36.7 billion during the year, mainly due to the increase in the part of long-term liabilities (including bonds payable and long-term borrowings) to become due in 2023.
Long-term borrowings	398,970,893	15.04	338,776,755	14.14	17.77	Long-term borrowings increased by RMB60.2 billion during the year, mainly due to the increase in borrowings to satisfy the capital needs of real estate development projects and PPP project companies.
Lease liabilities	4,840,508	0.18	3,692,806	0.15	31.08	Lease liabilities increased by RMB1.1 billion during the year, mainly due to the expansion of business scale of bureaus and the increase in leases for buildings and structures and other equipment.
Deferred tax liabilities	9,537,504	0.36	5,398,797	0.23	76.66	Deferred tax liabilities increased by RMB4.1 billion during the year, mainly due to appreciation of asset appraisal of business combination not under common control.
Other non-current liabilities	4,672,981	0.18	7,459,201	0.31	-37.35	Other non-current liabilities decreased by RMB2.8 billion during the year, mainly due to reclassification of exchangeable bonds to be due in 2023 to current portion of non-current liabilities.
Other explanation						
Nii						

2. Overseas assets

√ Applicable N/A

(1) Asset scale

Of which: As at the end of the Reporting Period, the overseas assets of the Company amounted to RMB184.6 billion, accounting for 7.0% of its total assets.

(2) Relevant explanation on a higher proportion of overseas assets

 Applicable N/A

(3) Description of overseas assets

√ Applicable N/A

During the Reporting Period, there were no material changes in major assets of the Company. The above data on overseas assets has not been audited.

3. Restriction on major assets as at the end of the Reporting Period

√ Applicable N/A

For details, please refer to Note V. 70 "Assets with restricted ownership or right to use" to the financial statements under SECTION X "FINANCIAL REPORT".

4. Other explanation

 Applicable N/A

(VI) Analysis of operating information in the industry

√ Applicable N/A**Analysis of operating information in the construction industry**

1. Projects completed and accepted after verification during the Reporting Period

√ Applicable N/A

Unit: 100 million yuan Currency: RMB

Segment of industry	Housing construction	Infrastructure construction	Specialized engineering	Construction and decoration	Others	Total
Number of projects	9,704	1,738	/	/	/	11,442
Total amount	18,385	5,687	/	/	/	24,072

√ Applicable N/A

Unit: 100 million yuan Currency: RMB

Locations of projects	Number of projects	Total amount
China's Mainland	11,187	23,059
Overseas	255	1,013
Of which:		
Hong Kong and Macao SARs	55	538
Southeast Asia	79	160
Middle East	43	218
North Africa	11	14
Central and Southern Africa	18	17
Americas	9	11
Europe	7	7
Other regions	33	48
Total	11,442	24,072

Other explanation

√ Applicable N/A

With reference to the relevant national standards, combined with its operating characteristics and structural development needs, the Company's housing construction projects include engineering general contracting and specialized contracting projects (foundation, steel structure, construction and installation, renovation and decoration, etc.); infrastructure projects include transportation engineering (roads, municipal roads, railways, urban rail transit, airports, ports and docks, parking lots, tunnels, bridges, waterways, etc.), energy engineering, petrochemical engineering, water supply and treatment engineering, environmental protection engineering, post and telecommunications engineering, disaster prevention engineering, hydraulic engineering and other projects (outdoor stadiums, outdoor recreational facilities, reclamation, artificial islands, underground comprehensive pipe corridors, pipe networks, etc.), which is also applicable to the items below.

2. Projects under construction during the Reporting Period

√ Applicable N/A

Unit: 100 million yuan Currency: RMB

Segment of industry	Housing construction	Infrastructure construction	Specialized engineering	Construction and decoration	Others	Total
Number of projects	18,982	5,868	/	/	/	24,850
Total amount	68,635	27,864	/	/	/	96,499

√ Applicable N/A

Unit: 100 million yuan Currency: RMB

Locations of projects	Number of projects	Total amount
China's Mainland	24,170	91,114
Overseas	680	5,385
Of which:		
Hong Kong and Macao SARs	165	1,848
Southeast Asia	240	1,773
Middle East	63	531
North Africa	42	350
Central and Southern Africa	27	156
Americas	27	163
Europe	16	52
Other regions	100	512
Total	24,850	96,499

Other explanation

 Applicable N/A

3. Material projects under construction

 Applicable N/A

Other explanation

 Applicable N/A

4. Overseas projects during the Reporting Period

 Applicable N/A

Unit: 100 million yuan Currency: RMB

Locations of projects	Number of projects	Total amount
Hong Kong and Macao SARs	221	2,386
Southeast Asia	411	2,313
Middle East	146	1,115
North Africa	82	556
Central and Southern Africa	79	307
Americas	36	174
Europe	24	59
Other regions	176	734
Total	1,175	7,644

Other explanation

 Applicable N/A

The status of the above projects includes completed and settled, completed and unsettled, under construction and others.

The amount of contracts for overseas projects was calculated based on the exchange rate of foreign currencies against RMB as agreed in the contract or the spot exchange rate at the time of signing the contract.

5. **Total number of new projects signed during the Reporting Period**

Applicable N/A

The total number of new projects signed during the Reporting Period was 6,431 with an amount of RMB3,501.5 billion (amount of construction contracts).

6. **Orders in hand as of the end of the Reporting Period**

Applicable N/A

The total amount of orders in hand as of the end of the Reporting Period was RMB7,050.7 billion. Among them, the amount of the contracts that have been signed but the projects have not yet started was RMB2,689.8 billion, and the amount of the unfinished part of the projects under construction was RMB4,360.9 billion.

Other explanation

Applicable N/A

7. **Other explanation**

Applicable N/A

- **The Company's qualifications in the construction industry**

As of the end of the Reporting Period, the Company had a total of 42 enterprises with special-grade qualifications, 1 enterprise with engineering design integrated Class-A qualification, and 69 special and integrated Class-A qualifications, namely 35 special-grade qualifications in general contracting of construction projects, 19 special-grade qualifications in general contracting of municipal utilities works, and 11 special-grade qualifications in general contracting of highway projects, 2 special-grade qualifications in general contracting of petrochemical projects, 1 special-grade qualification in general contracting of port and waterway projects, and 1 design integrated Class-A qualification.

- **The Company's quality control system, implementation standards, control measures and overall evaluation**

Based on the ISO9001 quality system, the Company continuously improved the multi-level and comprehensive quality management system such as quality organization system, regimes and supervision system, and maintained effective operation. The Company issued the Handbook for the Prevention and Treatment of Common Issues in Residential Works (《住宅工程常见问题防治手册》), Quality Management (QC Team) Action Guide (《质量管理(QC小组)活动指南》), Quality Management Measures for Construction Enterprises (《施工企业质量管理办法》), Evaluation Measures for High-quality Works (《优质工程评价办法》) and a series of other standards and requirements for quality management, to provide standards and systematic safeguards for project quality. The Company strengthened the implementation of Measures for Graded Management and Control of Quality Risks of Works (《工程质量风险分级管控办法》) to enhance the risk management and control capacity of institutions at all levels, and reinforced quality liability by implementing written notification of quality responsibility and works quality issue interview and enhanced punishment for enterprises with serious quality untrustworthiness. The Company attached great importance to quality assurance services, established customer files, and conducted regular and irregular quality review visits. The pass rate of the completed projects was 100%, and there was no quality accident above the general level.

- **Operation of the Company's safe production system**

The year 2022 is the last year of the "Three-year Action of Special Rectification for National Work Safety", a year for the SASAC to "improve safety production of central enterprises", and a year for the Company to perform "safety production responsibility". The Company consistently implemented the State Council's "15 mandating measures" for safety production. Starting from "paying close attention to the special action of safety production", the safety production inspection management systems of enterprises at all levels operated effectively and successfully accomplished the staged goal set by "Work Safety Special Plan during the 14th Five-Year Plan period" and the established targets by "Three-year Action of Special Rectification for National Work Safety", and no major or above production safety accidents occurred. The Company revised to improve the Management Measures for Safety Production (《安全生产管理办法》), prepared and issued the Comprehensive Emergency Plan for Production Safety Accidents and the Occupational Health Management Measures, issued the CSCEC's Seven-Step Method for Safety Behavior (《中国建筑行为安全“七步法”》), prepared 25 episodes of "Line of Defense" (《防线》) season 4 safety production warning film and issued the First Aid Handbook for Personnel at Construction Site (《施工现场人员急救口袋书》), which further improved the safety production system.

(VII) Analysis of investment

General analysis of external equity investment

Applicable N/A

The Company's external equity investment mainly includes stocks purchased from the secondary market for trading purposes, and equities held in other listed or unlisted companies for non-trading purposes. Accounting items include financial assets held for trading, investment in other equity instruments and long-term equity investments.

1. Major equity investment

Applicable N/A

2. Major non-equity investment

Applicable N/A

3. Financial assets measured at fair value

Applicable N/A

Investment in securities

Applicable N/A

Unit: '000 yuan Currency: RMB

Securities type	Stock code	Abbreviation	Initial investment cost	Source of capital	Carrying value at the beginning of the Reporting Period	Gains or losses from change in fair value in current Reporting Period	Accumulated changes in fair value included in equity	Purchase amount of current Reporting Period	Disposal amount of current Reporting Period	Gains or losses on investment in current Reporting Period	Carrying value at the end of the Reporting Period	Accounting items
Investment in stocks	601838.SH	BANK OF CHENGDU	255	Self-owned funds	4,637	1,078	0	0	6,238	523	0	Financial assets held for trading
Investment in stocks	601328.SH	BANKCOMM	2,660	Self-owned funds	11,624	731	0	0	12,924	569	0	Financial assets held for trading
Investment in stocks	600515.SH	HAINAN AIRPORT	20,153	Share converted from debts	0	0	0	20,153	0	0	20,153	Financial assets held for trading
Investment in stocks	600015.SH	HUAXIA BANK	675	Self-owned funds	7,472	-600	0	0	6,895	474	0	Financial assets held for trading
Investment in stocks	600015.SH	HUAXIA BANK	29,325	Self-owned funds	324,635	0	59,388	0	0	19,594	300,867	Investment in other equity instruments
Investment in stocks	601328.SH	BANKCOMM	2,005	Self-owned funds	6,609	0	0	0	7,139	509	0	Investment in other equity instruments
Investment in stocks	601288.SH	AGRICULTURAL BANK OF CHINA	41,012	Self-owned funds	873,736	0	0	0	864,744	39,602	0	Investment in other equity instruments
Investment in stocks	000617.SZ	CNPCCCL	1,900,000	Self-owned funds	1,274,635	0	-320,463	0	749,865	32,481	829,672	Other current assets
Investment in stocks	600390.SH	MINMETALS CAPITAL	1,500,000	Self-owned funds	943,448	0	-599,113	0	0	23,941	900,887	Other current assets
Corporate bonds	Other investment in securities		18,000	Self-owned funds	47,864	3,044	0	0	50,908	2,517	0	Financial assets held for trading
Total	/		3,514,085	/	3,494,660	4,253	-860,188	20,153	1,698,713	120,210	2,051,579	/

Notes:

- ① This table sets out the Company's investments in stock securities including financial assets held for trading, other current assets, and investment in other equity instruments.
- ② Gains or losses for the Reporting Period, with respect to financial assets held for trading, include the investment income and changes in fair value during the holding period and investment gains from disposals during the Reporting Period; with respect to investment in other equity instruments and other current assets, include investment gains during the holding period.
- ③ Other securities investment refers to investment in stock securities accounted for as financial assets held for trading, investment in other equity instruments other than those listed above.
- ④ In addition to the table above, for other items included in financial assets held for trading and investment in other equity instruments, please refer to the relevant information as set out in Note V. 2. "Financial assets held for trading" and Note V. 15. "Investment in other equity instruments" to the financial statements under SECTION X "FINANCIAL REPORT".

Investment in private funds

 Applicable N/A

Investment in derivatives

 Applicable N/A

4. Specific progress of material asset restructuring during the Reporting Period

 Applicable N/A

(VIII) Major disposal of assets and equity interests

 Applicable N/A

(IX) Analysis of major controlling companies or companies with shareholding

√ Applicable □ N/A

1. Major subsidiaries acquired through incorporation or investment

Unit: '000 yuan Currency: RMB

Name	Nature of business	Registered capital	Shareholding ratio (%)	Total assets	Net asset	Net profit
COHL	Investment holding	31,032,258	100.00	1,038,550,401	343,299,555	26,410,816
China Overseas Land & Investment	Real estate development and operation	HKD1,095,000,000	56.09	826,960,237	306,880,390	18,460,185
CSCI	Construction and installation	HKD1,500,000,000	64.81	197,161,534	56,966,278	7,550,380
China Overseas Property	Property management	HKD30,000,000	61.18	9,041,139	3,272,033	1,096,776
China Construction First Group Corporation Limited	Construction and installation	10,000,000	100.00	104,059,363	25,307,019	3,941,578
China Construction Second Engineering Bureau Ltd.	Construction and installation	10,000,000	100.00	164,692,431	33,140,826	3,931,422
China Construction Third Engineering Bureau Group Co., Ltd.	Construction and installation	5,087,865	100.00	278,516,314	69,658,750	11,415,427
China Construction Fourth Engineering Division Corp. Ltd.	Construction and installation	8,000,000	100.00	149,249,520	21,282,653	755,122
China Construction Fifth Engineering Division Corp., Ltd.	Construction and installation	10,000,000	100.00	173,539,546	38,022,675	3,734,484
China Construction Sixth Engineering Bureau Corp., Ltd.	Construction and installation	4,277,946	100.00	62,091,637	10,946,833	398,643
China Construction Seventh Engineering Corp., Ltd.	Construction and installation	6,000,000	100.00	166,518,496	20,645,788	404,819
China Construction Eighth Engineering Division Corp., Ltd.	Construction and installation	15,218,000	100.00	285,964,013	76,206,400	12,253,831
China Southwest Architecture	Engineering survey and design	383,310	100.00	8,588,286	2,608,238	422,059
China State Decoration	Industrial renovation and decoration	1,000,000	100.00	18,835,305	1,878,250	87,050
China Construction Fangcheng	Infrastructure construction	5,000,000	100.00	51,061,729	17,857,996	1,344,626

2. Major subsidiaries acquired through business combination under common control

Unit: '000 yuan Currency: RMB

Name	Nature of business	Registered capital	Shareholding ratio (%)	Total assets	Net asset	Net profit
CSCEC Xinjiang Construction & Engineering	Construction and installation	3,500,000	85.00	61,278,673	15,039,703	1,699,727
West Construction	Construction materials	1,262,354	57.79	33,303,844	10,431,485	715,148
CSC Finance	Finance	15,000,000	80.00	97,797,751	18,693,387	1,031,350

3. Major subsidiaries acquired through business combination not under common control

Unit: '000 yuan Currency: RMB

Name	Nature of business	Registered capital	Shareholding ratio (%)	Total assets	Net asset	Net profit
CSC Development	Construction and installation	HKD100,000,000	45.87	9,200,558	1,780,899	351,091
China Construction Harbour and Channel Engineering Bureau	Infrastructure construction business	1,333,333	70.00	9,523,233	2,355,096	239,868

For details, please refer to relevant information as set out in "1. Interests in subsidiaries" under Note VII "Interest in other entities" to the financial statements under SECTION X "FINANCIAL REPORT".

(X) **Structured entities under the control of the Company**

Applicable N/A

For details, please refer to the relevant information as set out in “3. Interests in consolidated structured entities” under Note VII “Interest in other entities” to the financial statements under SECTION X “FINANCIAL REPORT”.

VI. Discussion and Analysis of the Future Development of the Company

(I) **Industrial development and trends**

Applicable N/A

The construction industry and the real estate industry are important pillars of the national economy and have contributed a lot to the economic development of the whole country, urban and rural construction and the improvement of people's lives. In 2022, the total output value of the national construction industry was RMB31.2 trillion, a year-on-year increase of 6.5%; and the investment in real estate development was RMB13.29 trillion, a year-on-year decrease of 10.0%. The year 2023 is an important year for the 14th Five Year Plan. The Central Economic Work Conference stressed that it is necessary to seek progress while maintaining stability and continue to adopt a proactive fiscal policy and a prudent monetary policy, and the construction and real estate industries will play an important supporting role in the state's steady growth.

New-type urbanization construction is under accelerated advancement, providing the housing construction market with greater development potential. Each percentage point increase in China's urbanization rate means more than 10 million people migrating to work and live in urban areas, which drives a huge demand for investment and construction in public service facilities and housing. According to data released by National Bureau of Statistics, at the end of 2022, the urbanization rate of the permanent population of China was 65.52%, far lower than that of developed countries, and there remains strong development momentum and huge development space in China's housing construction market. China is extensively implementing the people-oriented urbanization strategy and continuously optimizing the spatial layout and form of urbanization. China is vigorously promoting the integrated development of urban agglomerations such as the Beijing-Tianjin-Hebei Region, the Yangtze River Delta, the GBA, and the Chengdu-Chongqing Region, developing modern metropolitan circles, strengthening the global resource allocation, scientific and technological innovation strategy, and high-end industry leading functions of megacities, improving the livable and business-friendly functions of large and medium-sized cities, and promoting urbanization construction with county towns as an important carrier, which will bring new development opportunities for construction enterprises.

The “stabilizing growth” policy is taking effect, driving rapid growth in infrastructure investment significantly. The state and local governments stay focusing on the investment and construction of “two novels and one major” (i.e. novel infrastructure construction, novel urbanization construction, and the construction of transportation and water conservancy and other major projects) and areas of weakness. China has accelerated the building of its strength in transportation to improve comprehensive transportation channels, comprehensive transportation hubs and logistics networks, and actively promoted the construction of key urban agglomerations, inter-city railways in metropolitan areas, city-suburban railways and high-grade highways and sped up the construction of 5G, industrial Internet, and big data centers. The pace is accelerated to improve municipal engineering, agriculture and rural areas, public safety, scientific research facilities, ecological environmental protection, public health, material reserves, disaster prevention and mitigation, and people's livelihood facilities. In 2022, national infrastructure investment (excluding electricity, heat, gas and water production and supply) increased by 9.4% on a year-on-year basis. With the construction of China's strength in manufacturing, product quality, aerospace, transportation, cyberspace, and the building of a digital China, China has implemented the 102 major engineering projects and special planning key projects under the 14th Five-Year Plan. Moderately advanced infrastructure investment will drive an accelerated investment in and construction of conventional and new infrastructure projects. It is expected that the entire highway and railway market volume will remain at a high level, while rail transit, water conservancy engineering, ecological environmental protection and telecommunications facilities are expected to become the fastest growing areas.

Real estate is shifting to the inventory model, boosting an exploration of new development patterns. The central government continues to maintain the positioning of “housing for living in and not for speculative investment”, strengthens guidance on expectations, and explores new development models such as encouraging both housing renting and purchase. China has moved faster to develop the long-term rental market, promoted the construction of, supported the commercial housing market to better satisfy homebuyers' reasonable housing demand, and promoted a virtuous circle and healthy development of the real estate industry based on specific conditions of cities. In the future, the incremental real estate market is expected to stabilize, and the industry will enter a high-quality development stage from scale expansion, which will put forward higher requirements on the development, asset operation and urban service capabilities of property developers, and industry concentration will be further improved.

The survey and design industry is undergoing faster transformation, driven by digitalization and green and low-carbon development. Positive factors such as the “dual carbon” goal, urban renewal and rural revitalization have vigorously promoted the development of the survey and design industry, and new market opportunities have been brought to urban planning, airport transportation design, municipal infrastructure design, cultural venue design and other segments. Meanwhile, the application of BIM (Building Information Modeling) digital technology, the rapid advancement of novel building industrialization and intelligent construction technology represented by prefabricated buildings, as well as the continuous promotion of the general contracting model, will further promote industry transformation and innovation.

(II) **Development strategies**

√ Applicable □ N/A

During the 14th Five-Year Plan period, the Company will, under the guidance of the strategic goal of “one creation and five aspects of strength”, focus on main duties and principal business, and solidly promote the continuous high-quality, innovative, green, digital development and security development and transformation. The Company will moderately expand emerging business in close relation to its principal business to further enhance its core competitiveness and create a world-class investment and construction group.

- 1. Housing construction.** The Company will keep consolidating its absolute dominant position in the housing construction market. In accordance with the principle of steady development with efficiency enhancement, the Company will focus on expanding projects in the public investment and high-quality real estate developers' residential and commercial office projects, and continue to improve its competitiveness in high-end housing construction business such as super high-rise and large span projects. The Company aims to set an industry benchmark in supply chain management, informatization, construction quality, energy conservation and environmental protection and safety production, deliver scientific research results reaching domestic and international leading levels, and continuously improve its market competitiveness and development quality. The Company will continue to deepen the reforms and innovations in the professional construction business, optimize the internal coordination mechanism of the system to become the industry leader in terms of scale, technology and quality, as well as the first choice for high-end customers.
- 2. Infrastructure construction and investment.** The Company will continue to take infrastructure as the focus of its transformation and upgrading, and develop such business into a pillar to stabilize its operational concepts and strategies. The Company will improve its capabilities throughout the entire life cycle from front end of the market, construction performance, operation and management, consolidate its leading position in the construction areas such as urban rail transits, airports and comprehensive transportation hubs, accelerate the improvement of comprehensive competitiveness and market share in the fields of highway, railway and water conservancy construction, and become an outstanding representative of emerging infrastructure markets such as new energy, intelligent transportation and general aviation. Infrastructure investment and operation is a key part for the Company to optimize its business structure and achieve transformation and upgrading. During the 14th Five-Year Plan period, the Company will attach great importance to investment management and safe and stable operation of projects, and strive to enhance “three key aspects of capabilities”, i.e., operation management, professional implementation and risk mitigation.
- 3. Real estate investment and development.** Committed to becoming an outstanding international real estate development and operation group, the Company will continue to take “transformation and upgrading” as the keynote, accelerate the formation of a pattern that focuses on residential product development, supplemented by high-quality commercial development and operation as well as by emerging business such as education and healthcare. With regard to novel urbanization business, the Company will proactively implement the national strategic deployment of urban renewal, coordinate regional distribution, concentrate relevant resources, and give full play to its “four-in-one” advantages. The Company will focus on the zoning development and large-scale urban renewal, station-city integration, urban operation, etc., coordinate urban planning, construction, and operation management to continuously improve the quality of the urban living environment and people's life, dedicated to becoming a leading domestic urban service operator.
- 4. Survey and design.** The Company aims to enhance its brand influence with its survey and design business, cultivate high-end talents, strengthen scientific and technological innovation, and provide strong support for the Company's general engineering contracting business. The Company will also expand its survey and design business, build the core competence of the brand, focus on key professional directions, achieve distinctive and differentiated development, and enhance the original ability of product solutions. The Company will create a highland of talents in survey and design, and prepare high-end talent reserves, strengthen business synergy and linkage, and innovate business cooperation models. Taking advantage of development opportunities such as the BRI, the Company will actively cooperate with entities within and outside the system to expand its overseas survey and design business.

5. **New business.** Based on its advantages in developing its main responsibilities and business, the Company will grasp the new trend of industry development, keenly grasp the new opportunities of derivative formats, cultivate new growth points, and increase new momentum for development. Giving full play to the Company's advantages, it will continue to explore new business formats and cultivate new momentum to tap into new materials, new equipment, new energy, new infrastructure, digitalization, ecological environmental protection and other business fields, striving to make business an important business segment by the end of the 14th Five-Year Plan period.
6. **International business.** The Company strives to achieve improvement in both quantity and quality of overseas operations by adhering to the overseas high-quality development strategy and taking advantage of the business opportunities brought by the BRI. The Company will build a coordinated and efficient organizational system, consolidate advantageous markets and key markets, identify potential markets, prudently tap into new markets, and create a market system with a reasonable structure. Meanwhile, the Company will draw on advanced management practices and business philosophy from leading international enterprises to improve its overall management.

During the 14th Five-Year Plan period, the Company will, based on the needs of the new development stage, implement the new development concept and accelerate the construction of a new development pattern. With promoting high-quality development as the theme and deepening the supply-side structural reform as the main line, the Company will seize the new opportunities brought by demand-side reform, and following the country's 14th Five-Year Plan and the Long-range Objectives through the Year 2035, proactively adapt to the new situation and meet new challenges. The Company will fully explore new opportunities in crises and changes. Bearing in mind the overall strategy of the great rejuvenation of the Chinese nation as well as the profound changes unseen in the world in a century, the Company will maintain strategic focus and remain committed to development, amplify its advantages and complement areas of weakness, coordinate development and safety, and take full advantage of the domestic and international markets and resources for more quality, efficient, sustainable and secure development, realizing its vision of "building a worldclass comprehensive investment and construction conglomerate with global competitiveness".

(III) Operation plan

√ Applicable N/A

In 2023, the Company plans to achieve more than RMB4.2 trillion in the amount of newly signed contracts, and a revenue of more than RMB2.2 trillion. Adhering to the general work guideline of making progress while maintaining stability and the new development concept, the Company will focus on high-quality development, the strategic goal of "one creation and five aspects of strength", strive to solve the issue of unbalanced and insufficient development, and promote reform in terms of quality, efficiency and driving force. The Company will adhere to scientific research and judgment, accurately respond to the external situation and national policies, take the initiative to study new situations, solve new problems, and creatively promote the work throughout the year. The Company will also make persistent efforts in the implementation of the Company's reform and development tasks.

The operation plan does not constitute a commitment to investors in terms of the Company's performance. Investors are advised to maintain sufficient risk awareness, and to understand the difference between the operation plan and performance commitments.

(IV) Potential risks

√ Applicable N/A

1. Safety, environmental protection and quality risks

In recent years, the Company has substantially maintained stable safety production conditions, violations of ecological and environmental protection have further decreased, and the level of project quality control has been steadily improved. However, due to the large number and wide range of construction projects, safety, environmental protection and quality risks may exist for a long time. The Company has comprehensively arranged the "Year of Strengthening Safety Management" action in 2023, further standardize the risk management and control of enterprises at all levels in ecological environmental protection and construction quality management, and required that development must not be at the expense of safety, environmental protection and quality. It has effectively put safety, environmental protection and quality management in a more important and prominent position, ensured consistent prevention of safety, environmental protection and quality risk, and resolutely curbed various production safety, environmental protection and quality accidents.

2. Macro-economic risks

At present, profound changes unseen in a century are evolving rapidly in the world, and the world has entered a new period of turbulence and change. There remain many profound contradictions in China's reform, development and stability. Pressures from demand contraction, supply shock and weakening expectation remain, the foundation for economic recovery has yet to be consolidated, and various factors beyond expectations may occur at any time. The Company will strengthen macroeconomic research, catch close up with the national and local investment and construction hot spots, keenly respond to changes in the market environment, and go all out to serve the stable growth of the economy. The Company will search and revise its strategic plan in light of the actual situation to ensure that the plan plays a guiding role and the corporate goals can be fully implemented. It will organize operation analysis meetings on a regular basis to analyze the macroeconomic situation in a timely manner and analyze and solve existing problems and difficulties.

3. Cash flow risks

Due to the macroeconomic environment, intensifying cash flow cyclical fluctuations made it more difficult to manage operating cash flows. On the one hand, non-cash collection of the upstream industrial chain increased, and the scale of asset credit expanded rapidly. On the other hand, the pressure of downstream rigid payments, including private enterprises' settlement of arrears and migrant workers' wages, has increased. The Company will put more efforts on such aspects as strengthening cash flow management, focusing on loss-making subsidiaries and negative cash flow projects, enhancing cash flow control over investment and construction projects, and improving the cash flow incentive and constraint mechanisms, to further optimize the cash flow control index system. The Company will keep a close eye on business source planning and take measures by category and sector to promote the implementation of incentive and constraint mechanisms at lower levels, so as to ensure that the operating indicators are in line with the annual budget target.

4. Customer credit risks

Due to the economic downturn and industry regulation, some individual domestic real estate enterprises' material default risks spilled over. The Company has issued a number of management measures to strictly control customer credit risks, improve the early warning mechanism for high-risk customers, strengthen the supervision measures of public opinion of risk customers, and actively reduce real estate customers' willingness to cooperate. The Company will ensure that the growth rate of accounts receivable is lower than the increase in revenue by strengthening the collection management of commercial notes and accounts receivable. It will take multiple measures such as suspending or delaying construction in a timely manner to stop losses and promote debt recovery, and focus on major risk investigation reports and normal resolution, in particular the risk resolution of key real estate enterprises.

5. Operational performance risks

Due to the continuous downturn of the real estate industry, on the one hand, owners of projects under construction have exerted more stringent control over cost, while the prices of raw materials and machinery keep rising, squeezing the profit margin of contracting; on the other hand, the pressure on sales collection of real estate projects under investment has increased sharply, and the profit of real estate business, which is one of the main sources of profit, has declined. The Company will improve the organizational system of "full life cycle business management", strengthen lean management, optimize the coordination mechanism, and systematically improve project profitability. Taking sales collection as the core and cash flow control as the starting point, it will dynamically monitor the benefits of real estate projects to ensure the stable and healthy development of investment, and supervise subsidiaries' performance in operation planning to improve their operation management capabilities, strengthen operation and maintenance performance appraisal, and effectively ensure investment returns.

6. International business risks

There are political turmoil, armed conflicts, debt defaults, and currency devaluations in some countries (regions) where the Company operates due to the impact of international political and economic factors, which increased the difficulty in expanding new overseas projects and led to increased risks of prolonged construction duration and rising cost and personal safety of overseas employees of projects under construction. The Company will optimize and adjust its layout of overseas markets, strengthen preliminary risk assessment of projects, dynamically monitor the progress of project performance, take special actions to improve the safety and security of overseas employees, and implement special plans for overseas compliance management, to build a solid line of defense for market source risk control, improve overseas public safety and legal compliance management, and promote the high-quality development of overseas business.

The financial risks faced by the Company in its operating activities include market risks (mainly exchange rate, interest rate and other price risks), credit risks and liquidity risks. With a focus on the unpredictability of the financial market, the overall risk management plan of the Company seeks to reduce the potential adverse impact of such risks on the financial performance. For details, please refer to the relevant information as set out in Note VIII "Financial instruments and related risks" to the financial statements under SECTION X "FINANCIAL REPORT".

For details of the Company's goodwill and impairment, please refer to the relevant information as set out in Note V. 22 "Goodwill" to the financial statements under SECTION X "FINANCIAL REPORT".

(V) Miscellaneous

Applicable N/A

VII. Details of and Reasons for the Company's Non-disclosure due to Inapplicability of Rules or Other Special Reasons such as Involvement of State or Trade Secrets

Applicable N/A

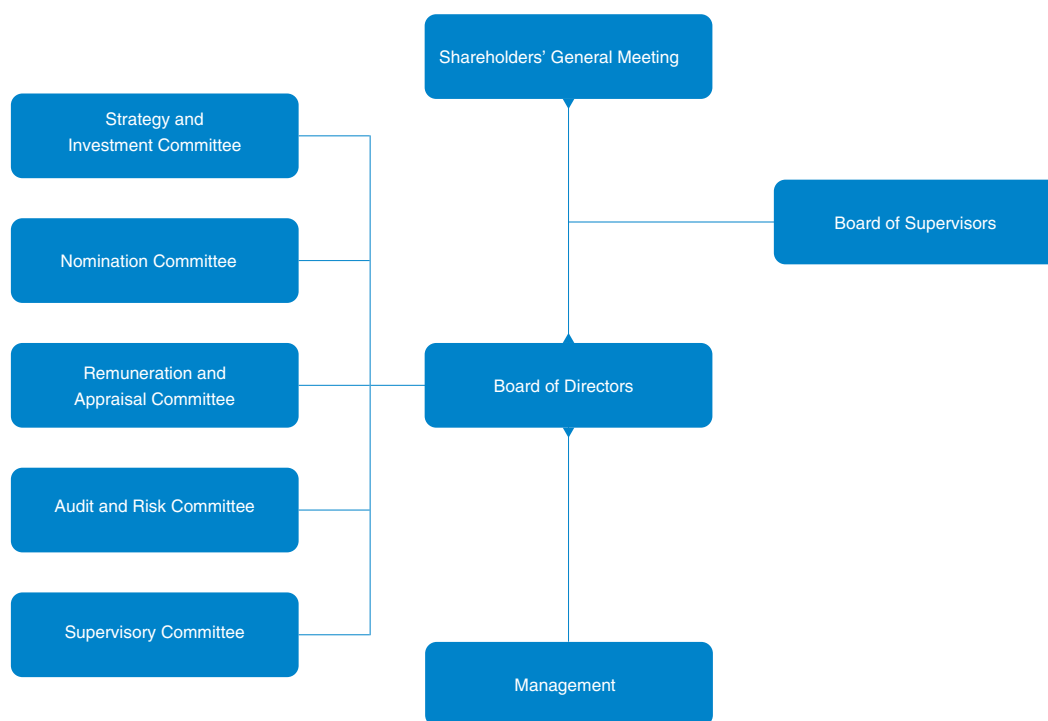
SECTION IV CORPORATE GOVERNANCE

I. Information on Corporate Governance

√ Applicable □ N/A

(I) Standardized operation of corporate governance entities

During the Reporting Period, the Company operated strictly in accordance with the laws and regulations of the People's Republic of China (PRC) such as the Company Law and the Securities Law, as well as the administrative regulations issued by the China Securities Regulatory Commission (CSRC) and the relevant requirements of various rules formulated by the Shanghai Stock Exchange. It established and improved a standardized and comprehensive corporate governance structure, and effectively constructed a set of systematic and complete corporate governance systems. The Company continued to track legislative developments, extensively implemented the country's latest corporate governance requirements, and further revised the corporate governance system to maintain the scientific nature, rationality and effectiveness of the system. The Company has been a sample stock of the SSE Corporate Governance Index for twelve years in a row, and was awarded as a Demonstration State-owned Enterprise for Corporate Governance by the SASAC of the State Council. In 2022, the Company won the capital market awards such as "ESG Best Practice Case", "Best Practice Case of Board of Supervisors", "Best Practice Case of Performance Briefings" and "Best Practices Case of Board Office" granted by China Association for Public Companies.



Corporate Governance Structure

1. Shareholders' general meeting

The Company convenes and holds general meetings in strict accordance with the Articles of Association and the Rules of Procedure of the Shareholders' General Meeting to ensure that all shareholders, especially minority shareholders, enjoy equal rights to fully exercise their voting rights. For major matters that may affect the interests of minority investors, the Company separately counts and announces the voting results of minority investors at the general meeting to fully protect the legitimate rights and interests of minority investors. The Company provides on-site and online voting methods for shareholders to participate in the general meetings to ensure that all shareholders have equal rights to express their opinions and demands. Besides, the Company engages lawyers to attend the general meetings to confirm and witness the convening procedures, matters to be considered, and the identities of the attendees to ensure the legality and validity of the general meetings.

2. Board of Directors

The Board currently comprises 6 directors, including 4 independent directors. There are five special committees under the Board, including Strategy and Investment Committee, Nomination Committee, Remuneration and Appraisal Committee, Audit and Risk Committee and Supervisory Committee. The Company keeps enhancing the construction of the Board, implements the functions and powers of the Board, and promotes the standardized operation of the Board. During the Reporting Period, taking "creating a world-class excellent board" as the general direction of work, the Company has strengthened top-level design and revised the Articles of Association, the Rules of Procedure of the Audit and Risk Committee of the Board, and the Management Measures for the Proposals of the Board, etc.. The Company has improved its institutional setup for the Board by setting up the Supervisory Committee to further exert the Board's role of supervision. The working mechanism of the Board has been optimized to consolidate the pre-communication mechanism of major investment projects, enhance the full-cycle management of the Board's proposals, and continuously strengthen the performance service guarantee mechanism for independent directors.

3. Board of Supervisors

The Board of Supervisors currently comprises 5 supervisors, including 2 employee representative supervisors. The structure and composition of the Board of Supervisors comply with the requirements of laws and regulations. The Board of Supervisors held meetings under the Articles of Association, the Rules of Procedure of the Board of Supervisors and laws and regulations, and conscientiously performed their duties, supervised and inspected the performance of directors and senior management personnel and the legality and compliance of the Company's financial affairs, and fully safeguarded the legitimate rights and interests of the Company and shareholders. The office under the Company's Board of Supervisors assists in performing duties of the Board of Supervisors.

(II) Information disclosure

The Company has always adhered to the bottom line of legality and compliance, persisted in conveying the Company's value with high quality and standards, and improved the level of standardized operation. During the Reporting Period, 143 announcements and documents were completed to demonstrate the effectiveness of the Company's business development from multiple perspectives and in an all-round way through regular reports and temporary announcements, and to timely remind the Company of the risks it may face. Taking investors' needs as the guide, the Company adheres to the combination of statutory and voluntary disclosure and issued the Measures for the Management of Voluntary Information Disclosure (《自愿性信息披露管理办法》) to build a "mandatory + voluntary" information disclosure management system, highlighting information on strategic planning, scientific research achievements, PPP business and ESG, and enhancing investors' expectations. In the integration of business and finance information, the Company expands the scope of financial analysis, and enriches business statistics to provide more detailed information for investors' decision-making. In terms of overseas dissemination promotion, the English version of the annual report won the International ARC Gold Award again. Due to the satisfactory information disclosure performance, the Company was awarded the best rating (Grade A) for the 2021-2022 Information Disclosure Work Evaluation by the Shanghai Stock Exchange.

(III) Investor relations management

The Company attaches great importance to maintaining and shaping good investor relationship management to enrich investor communication channels, and communicates with investors through general meetings, performance briefings, strategy meetings, and investor open days. Throughout the year, the Company held 3 performance briefings for global investors in the form of “on-site + calls + announcement solicitation of issues + live text + live audio and video”, attracting over 130,000 online participants. The Company adhered to holding a special promotion session for annuity institutions and analyst groups to enhance business linkage among various types of investors. The Company held a special promotion event for specific categories of international investors for the first time, communicated and had exchanges with Singaporean investors with a focus on such topics as ESG and domestic market situation, so that more international investors and partners could know more about and pay a closer eye on CSCEC. To maintain investors, the Company received 70 institutional research and telephone communication with over 300 persons, and held management meetings with important investors and securities analysts to conduct in-depth exchanges. The Company has built an exclusive communication and promotion platform with investors and officially launched the WeChat public account platform of “CSCEC Investor Relations”, setting an example for new media applications among central construction enterprises, and promoting the development of a digital and intelligent investment relations.

During the Reporting Period, the Company strictly complied with the Administrative Measures for Information Disclosure and Internal Reports of Material Information, the Administrative Measures for Accountability Regarding Major Errors in the Annual Report Information Disclosure, the Regulations on the Management of Funds from Related Party Transactions, the Measures on the Management of Shares and Changes in Shareholdings of the Directors, Supervisors and Senior Management in the Company, and the Administrative Measures on Insider Registration and other systems. There was no major violation of relevant rules or non-compliance with the relevant CSRC regulations and requirements in terms of corporate governance. The Company was not subject to administrative punishment or notice of criticism by the CSRC, nor was it punished by other regulatory agencies or condemned by the stock exchange.

Whether the corporate governance is seriously non-compliant with laws, administrative regulations and the requirements of the CSRC on governance of listed companies; if yes, please provide the reasons

Applicable N/A

II. Specific Measures of the Controlling Shareholder and De Facto Controller of the Company for Ensuring the Independence of the Company in Terms of Assets, Personnel, Finance, Organization and Business; and Solutions, Work Progress and Subsequent Work Plan for Addressing the Impact on the Company's Independence

Applicable N/A

Information on the business of the controlling shareholder, de facto controller and other entities under their respective control that are engaged in the same or similar business as the Company, as well as the impact of horizontal competition or major changes in horizontal competition on the Company, the measures taken, the progress of the solution and the follow-up solution.

Applicable N/A

The controlling shareholder of the Company is China State Construction (formerly known as China State Construction Engineering (中国建筑工程总公司)). In December 2007, China State Construction Engineering restructured its affiliates and all assets as a whole, initiated and established China State Construction Engineering Corporation Limited, and injected all its principal business and assets, liabilities, qualifications and brands into CSCEC which was listed on the Shanghai Stock Exchange in July 2009 as a whole. After the listing, China State Construction, as the substantial shareholder, mainly conducts operation and management activities on the platform of CSCEC. As of December 31, 2022, the latest audited total assets, operating income and net profit of CSCEC accounted for more than 99% of the corresponding indicators of China State Construction. During the Reporting Period, the controlling shareholder of the Company strictly regulated their own behavior, exercised their rights and performed their obligations in accordance with the law. The Company strictly guarded against risks such as capital occupation and illegal guarantees by the controlling shareholder, and urged the controlling shareholder to fulfill its commitments and maintained independence from the controlling shareholder in terms of assets, personnel, finance, organization, and business.

III. Overview on the General Meeting of Shareholders

Meeting	Date	Search index of the designated website for publishing resolutions	Date of disclosure of resolutions	Resolutions
2021 annual general meeting	May 13, 2022	www.sse.com.cn	May 14, 2022	Considered and approved the 2021 Work Report of the Board of Directors of China State Construction Engineering Corporation Limited, the 2021 Work Report of Independent Directors of China State Construction Engineering Corporation Limited, the 2021 Work Report of the Board of Supervisors of China State Construction Engineering Corporation Limited, the Proposal on 2021 Annual Final Accounts Report of China State Construction Engineering Corporation Limited, the Proposal on 2021 Profit Distribution Plan of China State Construction Engineering Corporation Limited, the Proposal on Dividend Distribution Plan for the Next Three Years (2021-2023) of China State Construction Engineering Corporation Limited, the Proposal on the 2021 Annual Report of China State Construction Engineering Corporation Limited, the Proposal on the Implementation of the 2021 Investment Budget and the 2022 Proposed Investment Budget Plan of China State Construction Engineering Corporation Limited, the Proposal on 2022 Financial Budget Report of China State Construction Engineering Corporation Limited, the Proposal on Guarantee Quota in 2022 of China State Construction Engineering Corporation Limited, the Proposal on Re-appointment of Internal Control Auditor in 2022 of China State Construction Engineering Corporation Limited, the Proposal on Re-appointment of Financial Report Auditor in 2022 of China State Construction Engineering Corporation Limited, the Proposal on Amending the Regulations on Management of Related Party Transactions of China State Construction Engineering Corporation Limited and the Proposal on Repurchase of Certain Participants' Shares under Phases III and IV Restricted A Share Incentive Schemes of China State Construction Engineering Corporation Limited
2022 first extraordinary general meeting	December 28, 2022	www.sse.com.cn	December 29, 2022	Considered and approved the Proposal on Amending the Articles of Association of China State Construction Engineering Corporation Limited, the Proposal on the Renewal of the Financial Service Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation and the Proposal on the Renewal of the Comprehensive Service Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation

Preference shareholders with voting rights recovered request convening extraordinary general meetings

Applicable N/A

Description of general meetings

Applicable N/A

During the Reporting Period, a total of 14 proposals were considered at the 2021 annual general meeting of the Company, and all were approved by voting. A total of 3 proposals were considered at the 2022 first extraordinary general meeting of the Company, and all were approved by voting. The resolutions were disclosed on the website of the Shanghai Stock Exchange, the China Securities Journal, the Shanghai Securities News, the Securities Times and the Securities Daily.

IV. Directors, Supervisors and Senior Management

(I) Changes in shareholding and remuneration of incumbent and resigned directors, supervisors and senior management during the Reporting Period

√ Applicable □ N/A

Unit: 0,000 shares

Name	Position	Gender	Age	Commencement date of the term of office	Expiry date of the term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Share changes during the year	Reason for changes	Total pre-tax remuneration received from the Company during the Reporting Period (0'000 yuan)	Whether receiving remuneration from related parties of the Company
Incumbent directors, supervisors and senior management											
Zheng Xuexuan	Chairman			November 26, 2021	May 12, 2024						
	Director	Male	56	May 7, 2019	May 12, 2024	50.4	50.4	0	/	/	Yes
	President			March 4, 2020	February 25, 2022						
Zhang Zhaoxiang	Director			December 7, 2020	May 12, 2024						
	President	Male	59	February 25, 2022	Upon a new appointment/dismissal by the Board of Directors	0	0	0	/	/	Yes
Xu Wenrong	Independent director	Male	61	May 13, 2021	May 12, 2024	0	0	0	/	/	No
Jia Chen	Independent director	Male	67	January 9, 2018	May 12, 2024	0	0	0	/	8	No
Sun Chengming	Independent director	Male	63	May 13, 2021	May 12, 2024	0	0	0	/	7.33	No
Li Ping	Independent director	Male	69	May 13, 2021	May 12, 2024	0	0	0	/	7.33	No
Shi Zhiping	Chairman of the Board of Supervisors	Male	59	August 24, 2020	May 12, 2024	23.8	23.8	0	/	165.94	No
Li Jianbo	Supervisor	Male	65	January 9, 2018	May 12, 2024	44.8	44.8	0	/	6	No
Tian Shifang	Supervisor	Male	65	January 9, 2018	May 12, 2024	15.4	15.4	0	/	6	No
Lv Xiaogang	Employee representative supervisor	Male	61	May 13, 2021	May 12, 2024	16.7	16.7	0	/	6	No
Qu Hongguang	Employee representative supervisor	Male	61	May 13, 2021	May 12, 2024	0	0	0	/	6	No
Wang Yunlin	Vice president, chief financial officer			January 15, 2019	Upon a new appointment/dismissal by the Board of Directors	0	0	0	/	/	Yes
	General Counsel	Male	59	September 20, 2022	Upon a new appointment/dismissal by the Board of Directors	0	0	0	/	/	Yes
Zhao Xiaoliang	Vice president	Male	57	January 19, 2016	Upon a new appointment/dismissal by the Board of Directors	0	0	0	/	/	Yes

Name	Position	Gender	Age	Commencement date of the term of office	Expiry date of the term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Share changes during the year	Reason for changes	Total pre-tax remuneration received from the Company during the Reporting Period (0'000 yuan)	Whether receiving remuneration from related parties of the Company
Ma Zeping	Vice president	Male	60	December 1, 2010	Upon a new appointment/dismissal by the Board of Directors	50.4	50.4	0	/	/	Yes
Zhou Yong	Vice president	Male	52	January 28, 2019	Upon a new appointment/dismissal by the Board of Directors	83.7	83.7	0	/	/	Yes
Shan Guangxiu	Vice president	Female	52	September 11, 2020	Upon a new appointment/dismissal by the Board of Directors	122.046	122.046	0	/	/	Yes
Xue Keqing	Secretary to the Board	Male	59	June 15, 2018	Upon a new appointment/dismissal by the Board of Directors	201.9	201.9	0	/	239.77 ^{Note 1}	No
Resigned directors, supervisors and senior management											
Huang Kesi	Former vice president	Male	62	October 27, 2017	February 7, 2023	134.716	134.716	0	/	223.00	No
Total						743.862	743.862	0	/	675.37	/

Note 1: Including incentive income for the term of office in 2019-2021.

Note 2: Considering the appointment and dismissal of the leadership of China State Construction by the Organization Department of the CPC Central Committee and the SASAC of the State Council, remuneration of the leaders of China State Construction will be paid by China State Construction and disclosed on the Company's official website. The restriction on part-time occupations for senior management personnel who hold current positions in China State Construction has been exempted and approved by the CSRC.

Directors



Mr. Zheng Xuexuan

Secretary of the Leading Party Members (LPM) Group and Chairman of China State Construction Engineering Corporation, Chairman of CSCEC, professor-level senior engineer and PhD holder. Mr. Zheng was general manager, Party Committee secretary and Chairman of CSCEC Algeria; general manager of the human resources department, assistant general manager, vice president, director and president of CSCEC; and LPM Group member, deputy general manager, director, LPM Group deputy secretary, chairman of labor union, Party Committee secretary and general manager of China State Construction Engineering Corporation. He has been LPM Group secretary and Chairman of China State Construction Engineering Corporation as well as Chairman of CSCEC since November 2021. He was an alternate member of the 20th CPC Central Committee, a representative of the 17th National Congress of the Communist Party of China, a representative of the 20th National Congress of the Communist Party of China, and is also a National Model Worker.



Mr. Zhang Zhaoxiang

LPM Group deputy secretary, director, general manager, chairman of labor union, Party Committee secretary of China State Construction Engineering Corporation; director and president of CSCEC; senior engineer and Master's degree holder. Mr. Zhang successively served as principal and Party Committee secretary of China Nonferrous Engineering and Research Institute (中国有色工程设计研究总院); chairman of the Board and general manager of China ENFI Engineering Corporation (中国恩菲工程技术有限公司); Standing Committee member of the Party Committee, deputy general manager, director, general manager and Party Committee deputy secretary of Metallurgical Corporation of China Ltd.; Standing Committee member of the Party Committee, Party Committee deputy secretary, general manager, Party Committee secretary and director of China Metallurgical Group Corporation; LPM Group member and deputy general manager of China Minmetals Corporation. He has been LPM Group deputy secretary of China State Construction Engineering Corporation since July 2020, director of China State Construction Engineering Corporation since August 2020, Party Committee secretary of China State Construction Engineering Corporation since September 2020, chairman of the labor union of China State Construction Engineering Corporation and director of CSCEC since December 2020, general manager of China State Construction Engineering Corporation and president of CSCEC since February 2022.



Mr. Xu Wenrong

An independent director of CSCEC, professor-level senior engineer, PhD holder. Mr. Xu served as the vice director, general manager of international exploration department, director and Party Committee deputy secretary of Petroleum Geophysical Exploration Bureau; vice chairman, general manager and Party Committee deputy secretary of Bureau of Geophysical Prospecting INC., China National Petroleum Corporation; assistant to the general manager and chief of the development and research department of China National Petroleum Corporation; chairman of CNPC Services & Engineering Ltd.; director, deputy general manager, LPM Group member and head of the discipline inspection group of China Shipping (Group) Company; deputy general manager and LPM Group member of China National Petroleum Corporation; deputy general manager, LPM Group deputy secretary of China National Petroleum Corporation and chairman of the Board of Supervisors of PetroChina Company Limited; a full-time external director of central enterprises; an external director of China FAW Group Co., Ltd.; an external director of China National Building Material Group Co., Ltd., and, since May 2021, an external director of CSCEC.



Mr. Jia Chen

An independent director of CSCEC, researcher-level senior engineer and bachelor's degree holder. Mr. Jia successively served as Deputy Director-General of the Accounting Regulatory Department, Deputy Director-General of the Comprehensive Department, Director General of the Department of Treaty and Law, Director General of the Enterprises Department and Director General of the Department of Tax Policy of the Ministry of Finance; LPM Group member and deputy general manager of China North Industries Group Corporation Limited. He was appointed as an external director of China Mobile Communications Group Co., Ltd. in March 2017, and as an independent director of CSCEC in January 2018.



Mr. Sun Chengming

An independent director of CSCEC, senior engineer and master's degree holder. Mr. Sun was deputy general manager and Party Committee member of China Merchants Group; chairman, general manager and Party Committee secretary of China Merchants Shekou Industrial Zone Holdings Co., Ltd.; general manager and party branch secretary of China Merchants Industry Holdings Co., Ltd. He has been an external director of State Development & Investment Corp., Ltd. since December 2020, and an external director of CSCEC since May 2021. He is also a member of Guangdong Provincial Committee of Chinese People's Political Consultative Conference.



Mr. Li Ping

An independent director of CSCEC, senior engineer and master's degree holder. Mr. Li was formerly the Deputy Director-General of the Directorate General of Telecommunications, P&T, China; vice chairman and executive deputy general manager of China Telecom (Hong Kong) Group Limited; deputy general manager and LPM Group member of China Telecommunications Corporation; external director of China Aerospace Science & Technology Corporation, external director of China Reform Holdings Corporation Ltd., among others. He has served as an independent supervisor and chairman of the Board of Supervisors of Yangtze Optical Fibre and Cable Joint Stock Limited Company since January 2020 and an independent director of CSCEC since May 2021.

Supervisors



Mr. Shi Zhiping

Chairman of the Board of Supervisors and chief information officer of CSCEC, researcher-level senior engineer and a bachelor's degree holder. Mr. Shi was a Standing Committee member of the Party Committee and deputy chief of China Machinery Industry Information Institute, director of the Information Center of the SASAC under the State Council, and assistant president of CSCEC. He has been chief information officer of CSCEC since July 2014 and chairman of the Board of Supervisors of CSCEC since August 2020.



Mr. Li Jianbo

A supervisor of CSCEC, professor-level senior engineer and bachelor's degree holder. Mr. Li was successively the chief of human resources department, deputy general manager and general manager of China State Construction Engineering Corporation; and an executive director, Party Committee secretary and vice chairman of China Overseas Holdings Limited. He was appointed as a supervisor of CSCEC in January 2018.



Mr. Tian Shifang

A supervisor of CSCEC, senior accountant. Mr. Tian was the deputy chief of the audit department of China Construction Eighth Engineering Division Corp. Ltd.; director, chief accountant and Party Committee member of The Second Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau; director, chief accountant and Party Committee member of China Construction Port Engineering Group Co., Ltd.; and director, chief financial officer and Party Committee member of China Construction Harbour and Channel Engineering Bureau Group Co., Ltd. He was appointed as a supervisor of CSCEC in January 2018.



Mr. Lv Xiaogang

A supervisor of CSCEC, senior political engineer, senior engineer and master's degree holder. Mr. Lv was a secretary of the Youth League Committee and a Party Committee member of China Construction Sixth Engineering Bureau Corp. Ltd.; manager of Quanzhou Branch of China Construction Sixth Engineering Bureau Corp. Ltd.; and deputy chief, director, Standing Committee member of the Party Committee, chairman of the labor union and executive of China Construction Sixth Engineering Bureau Corp. Ltd. He was appointed as a supervisor of CSCEC in May 2021.



Mr. Qu Hongguang

A supervisor of CSCEC, senior engineer and bachelor's degree holder. Mr. Qu was the deputy head of No.1 Branch, deputy dean and dean of Shanghai Branch, principal of East China Branch of China Northwest Architectural Design and Research Institute Co., Ltd.; Party Committee member, deputy general manager and executive of China Northwest Architectural Design and Research Institute Co., Ltd. He was appointed as a supervisor of CSCEC in May 2021.

Senior Management



Mr. Wang Yunlin

A LPM Group member and chief accountant of China State Construction Engineering Corporation; vice president, chief financial officer, general counsel and chief compliance officer of CSCEC, researcher-level senior accountant and master's degree holder. Mr. Wang served as chief accountant of Second Research Institute of China Aerospace Science and Industry Corporation Limited (CASIC); deputy director and director of the Finance Department of CASIC, director and chairman of Aerospace Securities Co., Ltd.; director of Aerospace Information Co., Ltd.; deputy chief accountant, LPM Group member and chief accountant of CASIC. He has been a LPM Group member of China State Construction Engineering Corporation since November 2018, chief accountant of China State Construction Engineering Corporation since December 2018, vice chairman and chief financial officer of CSCEC since January 2019, general counsel of CSCEC since September 2022 and chief compliance officer of CSCEC since November 2022.



Mr. Zhao Xiaojiang

A LPM Group member and deputy general manager of China State Construction Engineering Corporation and vice president of CSCEC, senior engineer, and Ph.D. holder. Mr. Zhao served as a secretary in the General Office of the State Council (at both deputy bureau level and bureau level); Deputy Mayor of Nanjing (temporary position); a Standing Committee member of the Party Committee and Deputy Mayor (temporary position) of Nanjing; Deputy Secretary of Yangzhou Municipal Committee (at the municipal level); Party Committee Deputy Secretary of Lianyungang, Acting Mayor, Mayor and LPM Group Secretary of the Municipal Government of Lianyungang. He has been a LPM Group member of China State Construction Engineering Corporation since November 2015, vice president of CSCEC since January 2016, and vice general manager of China State Construction Engineering Corporation since January 2017.



Mr. Ma Zeping

The vice president of CSCEC, professor-level senior engineer, doctor's degree holder. Mr. Ma served as deputy director of China Construction Eighth Engineering Division Corp., Ltd.; general manager of Infrastructure Business Department and Secretary of Party Work Committee of China State Construction Engineering Corporation; executive director and deputy general manager of CSCEC International Construction Co., Ltd.; assistant general manager of China State Construction Engineering Corporation; general manager and executive director of China Construction Infrastructure Co., Ltd.; assistant general manager of CSCEC; chairman of China State Construction Railway Investment & Engineering Group Co., LTD (中建铁路建设有限公司), chairman of China State Construction Port Engineering Group Corporation Limited and chairman of China Construction South Investment Co., Ltd., a LPM Group member and deputy general manager of China State Construction Engineering Corporation, and the vice president of CSCEC since December 2010.



Mr. Zhou Yong

A LPM Group member and deputy general manager of China State Construction Engineering Corporation, vice president of CSCEC, professor-level senior engineer, bachelor's degree. Mr. Zhou served as a director, deputy general manager, Party Committee member, executive director, vice chairman, Party Committee secretary and chairman of China Overseas Holdings Limited. He has been a LPM Group member of China State Construction Engineering Corporation since December 2018, deputy general manager of China State Construction Engineering Corporation and vice president of CSCEC since January 2019 and a member of the 13th Chinese People's Political Consultative Committee.



Ms. Shan Guangxiu

A LPM Group member and deputy general manager of China State Construction Engineering Corporation, vice president of CSCEC, senior economist, master's degree holder. Ms. Shan was deputy general manager and general manager of the human resources department (cadre affairs department) of China State Construction Engineering Corporation; Party Committee deputy secretary, director and deputy general manager of China Construction First Group Corporation Limited. She was appointed as a LPM Group member and deputy general manager of China State Construction Engineering Corporation in June 2020 and as vice president of CSCEC in September 2020.



Mr. Xue Keqing

Secretary to the Board of CSCEC, senior accountant, bachelor's degree holder. Mr. Xue served as deputy manager of financial and capital department, general manager of investment department, general manager of capital department, general manager of financing and investment department and general manager of finance department of China State Construction Engineering Corporation; director, general manager and vice president of China State Construction Finance Co., Ltd.; executive director of China Overseas Holdings Limited; deputy chief accountant and chief financial officer of CSCEC. He was appointed as Secretary to the Board of CSCEC in June 2018.

Other explanation

Applicable N/A

- On February 25, 2022, the Company held the 13th meeting of the third session of the Board, at which, Mr. Zhang Zhaoxiang was elected as president of the Company and a member of the Strategy and Investment Committee under the third session of the Board.
- On September 20, 2022, the Company held the 25th meeting of the third session of the Board, at which, Mr. Wang Yunlin was elected as general counsel of the Company.
- On February 7, 2023, the Company held the 31st meeting of the third session of the Board, at which, Mr. Huang Kesi would step down from vice president of the Company due to age reasons.

(II) Incumbent and resigned directors, supervisors and senior management during the Reporting Period

1. Positions in the Company's shareholder

Applicable N/A

Name	Name of the Company's shareholder	Positions in the Company's shareholder	Commencement date of the term of office	Expiry date of the term of office
Zheng Xuexuan	China State Construction Engineering Corporation	LPM Group secretary, Chairman	November 2021	/
Zhang Zhaoxiang	China State Construction Engineering Corporation	LPM Group deputy secretary, director, general manager	July 2020, August 2020, February 2022	/
Wang Yunlin	China State Construction Engineering Corporation	LPM Group member, chief accountant	November 2018, December 2018	/
Zhao Xiaojiang	China State Construction Engineering Corporation	LPM Group member, deputy general manager	November 2015, January 2017	/
Ma Zeping	China State Construction Engineering Corporation	LPM Group member, deputy general manager	November 2015, January 2017	February 2023, February 2023
Zhou Yong	China State Construction Engineering Corporation	LPM Group member, deputy general manager	December 2018, January 2019	/
Shan Guangxiu	China State Construction Engineering Corporation	LPM Group member, deputy general manager	June 2020, June 2020	/
Explanation on positions in the Company's shareholder	Nil			

2. Positions in other entities

√ Applicable N/A

Name	Entity Name	Positions	Commencement date of the term of office	Expiry date of the term of office
Xu Wenrong	China FAW Group Co., Ltd.	External director	December 2020	December 2022
Xu Wenrong	China National Building Material Group Co., Ltd.	External director	January 2021	December 2022
Jia Chen	China Mobile Communications Group Co., Ltd.	External director	March 2017	/
Sun Chengming	State Development & Investment Corp., Ltd.	External director	December 2020	/
Li Ping	Yangtze Optical Fibre and Cable Joint Stock Limited Company	Chairman of the Board of Supervisors, independent director	January 2020	/
Explanation on positions in other entities /				

(III) Remunerations of directors, supervisors and senior management

√ Applicable N/A

Decision-making procedures for remunerations of the directors, supervisors and senior management	The business performance evaluation and personal performance evaluation are carried out by SASAC of the State Council and the Board of Directors, and the remuneration is subject to approval by SASAC of the State Council and the Board of Directors.
Basis for determining the remunerations of the directors, supervisors and senior management	Remunerations are determined based on the relevant policies of SASAC of the State Council on the remuneration management of heads and external directors of central enterprises, and the remuneration management measures of China State Construction Engineering Corporation Limited.
Actual payments of remunerations of the directors, supervisors and senior management	The total remuneration (including basic salary, performance bonus, insurance benefits and allowances) received by the current directors (excluding independent directors), supervisors and senior management of the Company for the year was RMB6,527,100. The total allowances of the independent directors were RMB226,600.
Remunerations received in aggregate by all the directors, supervisors and senior management at the end of the Reporting Period	RMB6,753,700

(IV) Changes in directors, supervisors and senior management

√ Applicable N/A

Name	Positions held	Change	Reason for change
Zhang Zhaoxiang	President	Appointment	Due to work requirements
Wang Yunlin	General counsel	Appointment	Due to work requirements
Huang Kesi	Vice president	Resignation	Age

(V) Explanation on punishment imposed by securities regulatory authorities in the past three years

 Applicable N/A

(VI) Miscellaneous

 Applicable N/A

V. Details of Board Meetings during the Reporting Period

Meeting	Date	Resolutions
12th meeting of the third session of the Board	January 14, 2022	Considered and approved 2 proposals, including the Proposal on the PPP Project of Guangxi Longsheng-Dongzhong Port Highway (Shanglin to Nanning Section)
13th meeting of the third session of the Board	February 25, 2022	Considered and approved 2 proposals, including the Proposal on Appointment of Zhang Zhaoxiang as the President of China State Construction Engineering Corporation Limited
14th meeting of the third session of the Board	March 7, 2022	Considered, approved and listened to 8 proposals and reports, including the Proposal on Investment in the Establishment of Shandong CSCEC Urban Development Co., Ltd. (山东中建城市发展有限公司)
15th meeting of the third session of the Board	April 15, 2022	Considered, approved and listened to 26 proposals and reports, including the 2021 Work Report of the Board of Directors of China State Construction Engineering Corporation Limited
16th meeting of the third session of the Board	April 29, 2022	Considered, approved and listened to 6 proposals and reports, including the Proposal on 2022 Q1 Financial Analysis Report of China State Construction Engineering Corporation Limited
17th meeting of the third session of the Board	May 6, 2022	Considered and approved the Proposal on the Real Estate Development Project in Shengfu Area, Lixia District, Jinan Province
18th meeting of the third session of the Board	May 23, 2022	Considered and approved 6 proposals, including the Proposal on Increase in Registered Capital of CSCEC Jiuhe Development Group Co., LTD.
19th meeting of the third session of the Board	June 15, 2022	Considered and approved 3 proposals, including the Proposal on the Change of Investment in the PPP Project of Zheng'an-Xishui Expressway in Guizhou Province
20th meeting of the third session of the Board	June 23, 2022	Considered and approved the Proposal on the Financing and Investment-driven General Contracting Project of Hannan Yangtze River Bridge and Connection Project of the Wuhan Metropolitan Area Ring Line
21st meeting of the third session of the Board	July 7, 2022	Considered and approved the Proposal on the Cooperative Development Project of the Residential Site at Dunman Road in Singapore by China Construction (South Pacific) Development Co Pte Ltd.
22nd meeting of the third session of the Board	August 17, 2022	Considered and approved 2 proposals, including the Proposal on the Establishment of Saudi Arabia Branch of China State Construction Engineering Corporation Limited
23rd meeting of the third session of the Board	August 29, 2022	Considered, approved and listened to 9 proposals and reports, including the 2022 Interim Work Report of the Board of Directors of China State Construction Engineering Corporation Limited
24th meeting of the third session of the Board	September 7, 2022	Considered and approved the Proposal on Emergency Donation for Earthquake Relief in Luding, Sichuan Province
25th meeting of the third session of the Board	September 20, 2022	Considered and approved 5 proposals, including the Proposal on Appointment of Wang Yunlin as General Counsel of China State Construction Engineering Corporation Limited
26th meeting of the third session of the Board	October 28, 2022	Considered and approved 10 proposals, including the Proposal on the Cash Acquisition of 100% Equity of China Construction Eco-Environmental Group Co., Ltd. by China State Construction Development Co., Ltd.
27th meeting of the third session of the Board	November 27, 2022	Considered and approved 6 proposals, including the Proposal on Amending the Rules of Procedure of the Audit and Risk Committee of China State Construction Engineering Corporation Limited
28th meeting of the third session of the Board	December 12, 2022	Considered, approved and listened to 9 proposals and reports, including the Proposal on the Renewal of Comprehensive Service Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation
29th meeting of the third session of the Board	December 28, 2022	Considered, approved and listened to 12 proposals and reports, including the Proposal on Rules of Procedure of the Supervisory Committee of the Board of Directors of China State Construction Engineering Corporation Limited

VI. Directors' Performance of Duties

(I) Directors' attendance at Board meetings and general meetings

Name of director	Independent director or not	Attendance at Board meetings						Attendance of general meetings: Number of meetings attended
		Number of meetings attended during the year	Attendance in person	Attendance by means of communication	Attendance by proxy	Absence	Absence in person for two consecutive times	
Zheng Xuexuan	No	18	18	9	0	0	No	2
Zhang Zhaoxiang	No	18	18	9	0	0	No	2
Xu Wenrong	Yes	18	18	9	0	0	No	1
Jia Chen	Yes	18	17	9	1	0	No	1
Sun Chengming	Yes	18	18	9	0	0	No	1
Li Ping	Yes	18	17	9	1	0	No	1

Explanation on absence in person for two consecutive times

Applicable N/A

Number of Board meetings held during the year	18
Including: on-site Board meetings	9
Number of Board meetings held by means of communication	9
Number of Board meetings held in hybrid (onsite and remotely)	0

(II) Objection of the directors on matters related to the Company

Applicable N/A

(III) Miscellaneous

Applicable N/A

The Company's independent directors reviewed and supervised the performance of the management of the Company, who concurrently served as senior executives of the Company's controlling shareholder, China State Construction Engineering Corporation, and expressed the following independent opinions: Mr. Zheng Xuexuan, Mr. Zhang Zhaoxiang, Mr. Wang Yunlin, Mr. Zhao Xiaojiang, Mr. Ma Zeping, Mr. Zhou Yong and Ms. Shan Guangxi earnestly and diligently fulfilled their commitments, performed their duties as senior management of the Company as a priority, well handled the relation between the Company and the controlling shareholder, and maintained the interests of the Company and all shareholders in 2022; they did not do anything that would harm the interests of the shareholders of the Company, especially minority shareholders because of their part-time jobs.

VII. Special Committees under the Board

√ Applicable □ N/A

(I) Special committees and members under the Board

Special committee	Members
Strategy and Investment Committee	Chairman: Zheng Xuexuan Members: Zhang Zhaoxiang, Xu Wenrong, Sun Chengming, Li Ping
Nomination Committee	Chairman: Zheng Xuexuan Members: Zhang Zhaoxiang, Xu Wenrong, Jia Chen, Sun Chengming
Remuneration and Appraisal Committee	Chairman: Xu Wenrong Members: Jia Chen, Li Ping
Audit and Risk Committee	Chairman: Jia Chen Members: Xu Wenrong, Sun Chengming, Li Ping
Supervisory Committee	Chairman: Jia Chen Members: Xu Wenrong, Sun Chengming, Li Ping

(II) Special committee's performance of duties

The Strategy and Investment Committee, the Nomination Committee, the Remuneration and Appraisal Committee, the Audit and Risk Committee, and the Supervisory Committee operating under the Board of Directors have earnestly organized research and diligently deliberates professional issues, and effectively exerted their respective functions of deliberation and decision-making support. On November 27, 2022, the Proposal on the Establishment of Supervisory Committee of the Board of Directors was considered and approved at the 27th meeting of the third session of the Board of Directors. The Board of Directors established the Supervisory Committee. After the addition, the Board of Directors of the Company established 5 special committees, namely the Strategy and Investment Committee, the Nomination Committee, the Remuneration and Appraisal Committee, the Audit and Risk Committee and the Supervisory Committee, to carefully study and deliberate on issues related to investment, sustainable development, nomination and risk management, and effectively exert the decision-making support function of the special committees. In 2022, the special committees of the Board of Directors held 29 meetings in total and considered 84 proposals (including 7 reports).

(III) Special committee meetings

1. The Audit and Risk Committee held 10 meetings during the Reporting Period

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
January 6, 2022	Listened to two reports including the Proposal on the Progress of the Final Accounts for 2021	1. The Audit Committee affirmed the pre-audit work of Ernst & Young Hua Ming. 2. It was suggested that the Company shall further organize the final accounts of the whole system, implement the requirements of the new standards and policies consistently, coordinate with the external audit work and complete the final accounts with quality and quantity.	/
March 7, 2022	Approved two proposals including the Proposal on Amending the Regulations on Management of Related Party Transactions of China State Construction Engineering Corporation Limited	1. It was recommended that the Company shall ensure that the regulations are widely publicized and implemented, and accurately understand the regulatory requirements of different regulatory authorities on related party transactions, so as to ensure that the management of related party transactions of the Company is compliant with the law and that information disclosure is fully transparent. 2. The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	/

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
April 14, 2022	Considered, approved and listened to eleven proposals and reports including the Report on the Performance of Duties of the Audit and Risk Committee of the Third Session of the Board of Directors of China State Construction Engineering Corporation Limited for 2021	<ol style="list-style-type: none"> 1. The truthfulness, completeness and accuracy of the Report on the Performance of Duties of the Audit and Risk Committee of the Board of Directors of the Company and the Financial Accounts Report of the Company for 2021 were recognized. 2. After full communication with the management, understanding and examination of the basic information of Ernst & Young Hua Ming, relevant certification documents of practicing qualifications, business scale, personnel information, professional competence, investor protection ability, independence and integrity status, etc., it was determined that Ernst & Young Hua Ming has the relevant business audit qualifications and can meet the needs of the Company's audit work. The Audit Committee recommended to re-appoint Ernst & Young Hua Ming as the internal control auditor and the financial report auditor of the Company for 2022. 3. The proposals were approved at the meeting and were submitted to the Board of Directors for consideration. 	/
April 29, 2022	Considered and approved three proposals including the Proposal on 2022 Q1 Financial Analysis Report of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> 1. The truthfulness, completeness and accuracy of the 2021 Summary Report on Rule of Law, 2022 Q1 Financial Analysis Report and 2022 Q1 Audit Report of the Company were recognized. 2. The proposals were approved at the meeting and were submitted to the Board of Directors for consideration. 	/
August 17, 2022	Considered and approved the Proposal for the Company and Its Controlling Shareholder to Jointly Increase Capital in China State Construction Finance Co., Ltd. and Related Party Transaction	<ol style="list-style-type: none"> 1. It was believed that the related party transaction was in line with the Company's operation and development needs and was the Company's normal business practices. The transaction followed the principles of fairness, impartiality, voluntariness and integrity, and the transaction pricing was fair and reasonable. 2. The proposal was approved at the meeting and were submitted to the Board of Directors for consideration. 	/
August 26, 2022	Considered, approved and listened to six proposals and reports including the 2022 Interim Financial Analysis Report of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> 1. The truthfulness, completeness and accuracy of the 2022 Interim Financial Analysis Report and the Internal Audit Report for the First Half of 2022 of the Company were recognized. 2. The proposals were approved at the meeting were submitted to the Board of Directors for consideration. 	/
October 28, 2022	Considered and approved six proposals including the Proposal on 2022 Q3 Financial Analysis Report of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> 1. The truthfulness, completeness and accuracy of the 2022 Q3 Financial Analysis Report and the 2022 Q3 Audit Report were recognized. 2. The proposals were approved at the meeting and were submitted to the Board of Directors for consideration. 	/

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
November 15, 2022	Considered and approved two proposals including the Proposal on Amending the Rules of Procedure of the Audit and Risk Committee of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> The system revision and improvement made by the Company according to the latest regulatory requirements were recognized, which was believed that such adjustments were in line with the actual management of the Company and were helpful to promote corporate development. The proposals were approved at the meeting were submitted to the Board of Directors for consideration. 	/
December 9, 2022	Four proposals including the Proposal on the Summary Report on the Compliance Management in 2022 of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> The truthfulness, completeness and accuracy of the Summary Report on the Compliance Management in 2022 of the Company was recognized. The proposals were approved at the meeting were submitted to the Board of Directors for consideration. 	/
December 28, 2022	Considered, approved and listened to three proposals and reports including the Proposal on the Audit Department Adjustment Plan of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> It was recommended to further improve the staffing of the audit department, to promote the implementation of the audit function of the audit department and to realize the "separation of management and audit"; to strengthen training for the audit department, to strengthen the team building, to enhance the professional level, and to ensure the completion of the audit tasks assigned by the Company with high quality. The proposals were approved at the meeting and were submitted to the Board of Directors for consideration. 	/

2. The Nomination Committee held 2 meetings during the Reporting Period

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
February 25, 2022	Considered and approved the Proposal on Appointment of Zhang Zhaoxiang as the President of China State Construction Engineering Corporation Limited	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	/
September 19, 2022	Considered and approved the Proposal on Appointment of Wang Yunlin as the General Counsel of China State Construction Engineering Corporation Limited	The proposal was approved at the meeting and was submitted the Board of Directors for consideration.	/

3. The Remuneration and Appraisal Committee held 2 meetings during the Reporting Period

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
April 4, 2022	Considered and approved two proposals including the Proposal on Appraisal and Remuneration Encashment Plan for Senior Management of China State Construction Engineering Corporation Limited for 2022	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	/
December 28, 2022	Considered and approved three proposals including the Proposal on the Third Tranche of Unlocking in 2022 in Respect of Phase III Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> The implementation of equity incentive shall have a reasonably determined scope and order of participants with the focus on performance; further explore effective ways to enhance the Company's performance and market value through the implementation of equity incentive, and give play to the role of "strong incentive and mandatory restraint" of equity incentive. The proposals were approved at the meeting and was submitted to the Board of Directors for consideration. 	/

4. The Strategy and Investment Committee held 14 meetings during the Reporting Period

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
January 14, 2022	Considered and approved two proposals including the Proposal on the PPP Project of Guangxi Longsheng-Dongzhong Port Highway (Shanglin-Nanning Section)	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
March 7, 2022	Considered and approved four proposals including the Proposal on Investment in the Establishment of Shandong CSCEC Urban Development Co., Ltd. (山东中建城市发展有限公司)	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
April 15, 2022	Considered and approved three proposals including the Proposal on the Implementation of the 2021 Investment Budget and the 2022 Proposed Investment Budget Plan of China State Construction Engineering Corporation Limited	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
April 29, 2022	Considered and approved the Report on the Progress of the Implementation of the Company's Major Investment Projects and Major Investment Risk Projects	1. It was recommended that major investment projects and major investment risk projects shall be further sorted out and that the planning and layout of the Company's long-term risk management shall be done from a macro and high viewpoint. 2. The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the report.
May 6, 2022	Considered and approved the Proposal on the Real Estate Development Project in Shengfu Area, Lixia District, Jinan Province	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposal.
May 23, 2022	Considered and approved four proposals including the Proposal on Increase in Registered Capital of CSCEC Jiuhua Development Group Co., LTD.	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
June 15, 2022	Considered and approved three proposals including the Proposal on the Change of Investment in the PPP Project of Zheng'an-Xishui Expressway in Guizhou Province	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
June 23, 2022	Considered and approved the Proposal on the Financing and Investment-driven General Contracting Project of Hannan Yangtze River Bridge and Connection Project of the Wuhan Metropolitan Area Ring Line	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposal.
July 7, 2022	Considered and approved the Proposal on the Cooperative Development Project of the Residential Site at Dunman Road in Singapore by China Construction (South Pacific) Development Co Pte Ltd.	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposal.
September 20, 2022	Considered and approved four proposals including the Proposal on the Real Estate Development Project of Future City Ideal Unit located in Jiading District, Shanghai by China Construction Second Engineering Bureau	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
October 28, 2022	Considered and approved three proposals including the Proposal on the Cash Acquisition of 100% Equity of China Construction Eco-Environmental Group Co., Ltd by China State Construction Development Co., Ltd.	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
November 27, 2022	Considered and approved the Proposal on PPP Project for the Comprehensive Development of Xiamen Tongxiang Gaoxincheng Industrial Park by China Construction Infrastructure and Other Units	The proposal was approved at the meeting and was submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposal.
December 12, 2022	Considered and approved three proposals including the Proposal on PPP Project involving Pipeline Renovation of Mixture of Rainwater and Sewage in Central Urban Area and Urban Waterlogging Control in Drainage Zoning of Lashan River and Xingji River in Jinan, Shandong by China Construction Infrastructure and Other Units	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.
December 28, 2022	Considered and approved two proposals including the Proposal on the Joint-stock Reform of China Construction Steel Structure Engineering Co., Ltd.	The proposals were approved at the meeting and were submitted to the Board of Directors for consideration.	The Committee held a special communication meeting for independent directors to listen to and discuss the proposals.

5. The Supervisory Committee held 1 meeting during the Reporting Period

Date	Proposals/Reports	Important opinions and recommendations	Performance of other duties
December 22, 2022	Considered, approved and listened to four proposals and reports including the Proposal on Rules of Procedure of Supervisory Committee of the Board of Directors of China State Construction Engineering Corporation Limited	<ol style="list-style-type: none"> The Committee considered that the Rules of Procedure of Supervisory Committee were in line with the actual management of the Company and agreed to submit them to the Board of Directors for consideration. The Committee believed that the Company had a detailed and actual understanding of the implementation of the proposals of the Board and the major investment projects, and kept abreast of progress and supervised the prevention and mitigation of risks, which was of great guiding significance. 	/

(IV) Specific explanation on objection

Applicable N/A

VIII. Explanation of the Board of Supervisors on the Risks Identified

Applicable N/A

During the Reporting Period, the Board of Supervisors performed its duties conscientiously in accordance with the Company Law, the Code of Corporate Governance for Listed Companies, the Articles of Association, the Rules of Procedure of Board of Supervisors and other regulations. Focusing on risk prevention and control, the Board of Supervisors supervised the significant events in operation of the Company, financial conditions, internal controls and directors' and senior management's performance of duties, and has no objection to the supervised matters during the Reporting Period.

IX. Employees of the Parent Company and Major Subsidiaries as at the end of the Reporting Period

(I) Employees

Number of existing staff of the parent company	414
Number of existing staff of major subsidiaries	382,078
Total number of existing staff	382,492
Number of resigned or retired staff to whom the parent company and major subsidiaries are responsible for the expenses (total number of retirees at the end of 2022)	69,178
Expertise	
Category	Number
Operation and management	12,628
Project construction	208,852
Survey and design	22,717
Properties development	45,068
Professional management	93,227
Total	382,492
Education background	
Level	Number
Master's Degree or above	34,440
Undergraduate Degree	254,752
Associate Degree	48,312
Technical secondary school and below	44,988
Total	382,492

(II) Remuneration policy

Applicable N/A

The Company adheres to market and performance orientation, and strengthens remuneration evaluation and incentives. The Company closely associates remuneration distribution with corporate benefits and personal performance, and the remuneration is directly proportional to performance, which effectively mobilizes the enthusiasm, initiative and creativity of employees. Meanwhile, with a focus on value creation, the Company adheres to linkage of payroll growth and corporate financial performance growth, strengthens benchmarking management, improves performance-based salary management, and strengthens the pertinence, accuracy and effectiveness of remuneration distribution. The Company continuously improves the effective and constrained remuneration distribution system to promote corporate vitality, competitiveness and creativity.

(III) Training program

Applicable N/A

Focusing closely on the 14th Five-Year Plan and key annual priorities, adhering to a clear-cut stand on politics to ensure the full and complete implementation of central government documents, and relying on leadership, professionalism and occupational capabilities, the Company further improved the key talent cultivation project, steadily promoted the training systems, and continuously improved education and training ability, to strengthen overall coordination and organization guidance, promote the smooth implementation of education and training, and provide internal drivers for the Company's talent team building.

(IV) Labor service outsourcing

Applicable N/A

X. Profit Distribution Plan or Proposed Reserves Capitalization Plan

(I) Formulation, execution, or adjustment of cash dividend policy

Applicable N/A

1. Specific policy on profit distribution

According to the Articles of Association, the Company may distribute dividends in cash, stock, a combination of both and other means permitted by laws and regulations; the Company shall give priority to profit distribution in the form of cash dividends. In the event that the Company is operating well and the Board of Directors determines that the Company's share price does not match the size of its share capital, and the distribution of dividends in stock is in the interests of shareholders of the Company as a whole, the Company may propose stock dividend and other distribution proposals when the conditions for distribution in the form of cash dividends are satisfied. Except for special circumstances as determined by the Board of Directors of the Company, the Company shall distribute dividends in cash when the Company records a profit in current year and the accumulated undistributed profits are positive. The profits distributed in cash each year shall, in principle, be not less than 15% of the distributable profits of that year.

According to the requirements of the Dividend Plan of China State Construction Engineering Corporation Limited for the Next Three Years (2021 to 2023), during the planning period, the Company may distribute profits to ordinary shareholders in cash, stock, a combination of both and other means permitted by laws and regulations; the Company shall give priority to profit distribution in the form of cash dividends where the conditions for cash dividends are satisfied; at the same time, based on the annual profit and cash flow situation, taking into account the size of the Company's share capital and shareholding structure, the Company may consider adopting stock dividends and other means of profit distribution, provided that the conditions for cash dividend are satisfied. If there are profits available for distribution after making up losses, withdrawing reserve funds and paying agreed dividends to preferred shareholders in accordance with the law, and if the auditor issues a standard unqualified audit report on the Company's financial report for that year, except for special circumstances determined by the Board, the Company may distribute profits to ordinary shareholders in cash. The profits distributed in cash each of the next three years shall, in principle, be not less than 16% of the distributable profits of that year and the cumulative profits distributed in cash in the last three years shall be not less than 30% of the average annual distributable profits achieved in the last three years.

2. Execution of cash dividend policy during the Reporting Period

On May 13, 2022, the Proposal on 2021 Profit Distribution Plan of China State Construction Engineering Corporation Limited was considered and approved at the 2021 Annual General Meeting of the Company through a combination of on-site open ballot and internet voting; on June 23, 2022, the Company released the Announcement on Implementing Rights and Interests Distribution for 2021 of China State Construction Engineering Corporation Limited; on June 30, 2022, the Company distributed cash dividends to all shareholders, marking the full implementation of the profit distribution plan in 2021. The Company distributed profits in strict compliance with relevant provisions of the Articles of Association and the resolutions passed at the general meetings.

3. Proposed annual profit distribution plan

In accordance with relevant provisions of the Company Law and the Articles of Association, the profit distribution plan for 2022 has been formulated on the basis of the 2022 Profit Distribution Plan of China State Construction Engineering Corporation Limited considered and approved at the 33rd meeting of the third session of the Board of Directors of the Company by taking into account shareholder returns, the Company's capital demand for business development and other factors.

Proposed profit distribution plan for 2022: The net profit attributable to shareholders of the listed company under the consolidated statements amounted to RMB50.95 billion; retained earnings of the parent company was RMB51.47 billion, and the listed company proposed to distribute cash dividend of RMB2.527 (tax inclusive) per ten shares to all shareholders. As of the date of disclosure, the total share capital of the Company was 41,934,432,844 shares and cash dividend proposed to be distributed on this basis was approximately RMB10.6 billion (tax inclusive). Cash dividend of the Company in the year accounted for 20.80% of the net profit attributable to shareholders of the parent company under the consolidated statements. In case of any change in the total share capital of the Company prior to the record date of shareholders for profit distribution, the Company proposes to maintain the distribution ratio per share unchanged, and to adjust the total distribution amount accordingly. An announcement containing details of the adjustments will be made separately.

Above proposed profit distribution plan was considered and approved at the 33rd meeting of the third session of the Board of Directors of the Company. The independent directors of the Company have expressed independent opinions of approval on this proposed plan, which is still subject to the consideration and approval by the 2022 Annual General Meeting of the Company. A combination of on-site open ballot and internet voting will be adopted at the 2022 Annual General Meeting of the Company so as to ensure that minority shareholders have adequate opportunities to express their opinions and appeals, thereby fully safeguarding their legal interests.

Explanation on the cash dividend to be distributed by the Company for the current year is as follows:

1. Industry where the Company operates and its characteristics

The construction industry in which the Company operates faces fierce market competition. The projects undertaken are characterized by large volume and long production cycle, and the capital demand for maintaining daily operation is relatively large. The Company accurately seized the opportunities of national policies, enhanced the development of its main business, continued to deepen its project performance management, accelerated innovation, continuously strengthened bottom-line thinking and actively responded to the fierce industry competition.

2. Development stage of the Company and its business model

The Company has been actively involved in the national strategy to promote a more reasonable regional layout and accelerate reform, so as to highlight the high-quality development trend, adopt new development concepts and benchmark against world-class enterprises, and continuously enhance global competitiveness and brand influence. In 2022, the Company hit a new record high in terms of the value of new contracts and revenue. The advantages of the whole industry chain have been consolidated, and the development quality of each business segment has been continuously improved.

3. Profitability and capital needs of the Company

Since the listing of the Company, the return on net assets has remained at a high level in the industry, delivering stable investment returns to its shareholders. As the Company deepens its reform and innovation, it needs to increase its investment in innovative business and new technologies. In addition, in order to meet the needs of daily operation and the performance of projects, the Company needs to maintain a certain amount of retained earnings.

4. Reasons for the Company to keep part of the undistributed profit

Currently, the world economy is experiencing mounting downward pressure, and the international situations are changing rapidly. To enhance its resilience against risks, the Company needs to keep a certain amount of retained earnings. The retained earnings accumulated by the Company over the years are attributable to all investors. With the gradual improvement of the profitability, the Company will be able to offer better returns to investors in the future.

5. Purpose of the undistributed profit retained by the Company and its estimated income

The retained undistributed profit will be used to support the Company in capturing strategic development opportunities and to deepen the Company's strategy, increase structural adjustment and transformation and upgrading, and to seek new profit growth points. CSCEC has maintained a stable cash dividend policy for years, demonstrating the ability to maintain stable development and sustained dividend distribution. In 2023, the Company will strive to improve its value-creation capacity under the development goals of "one creation and five aspects of strength" and reward shareholders with excellent operating results.

This proposed profit distribution plan complies with the relevant laws, regulations and the Articles of Association with compliant and transparent profit distribution procedures. CSCEC has maintained a stable cash dividend policy with an increase in the cash dividend to be distributed per share for the current year over last year. This demonstrates the ability of CSCEC to maintain stable development and sustained dividend distribution, as well as its determination to reward shareholders with excellent operating results.

(II) Plans or proposed plans for profit distribution or reserve capitalization of the Company in the last five years (including the Reporting Period)

Unit: '000 Currency: RMB

Year of dividend distribution	Number of bonus shares per 10 shares	Amount of dividends distributed per 10 shares (RMB) (tax inclusive)	Number of shares capitalized per 10 shares	Amount of cash dividends (tax inclusive)	Net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements for the year of dividend distribution	Percentage of the net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements (%)
2022	0	2.527	0	10,596,831	50,950,301	20.80
2021	0	2.50	0	10,485,215	51,407,661	20.40
2020	0	2.147	0	9,006,272	44,924,929	20.05
2019	0	1.85	0	7,763,538	41,881,399	18.53
2018	0	1.68	0	7,052,853	38,241,324	18.44

(III) Specific explanation on cash dividend policy

Applicable N/A

Was it in compliance with the requirements of the Company's Articles of Association and the resolutions of the general meeting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were the dividend distribution criteria and proportion well-defined and clear	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were related decision-making processes and mechanisms complete	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Did independent directors fulfil their duties and play their roles	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were the minority shareholders given adequate opportunities to voice their opinions and make requests and were their legal interests fully protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

(IV) If, during the Reporting Period, the Company records a profit and the profit distributable to the ordinary shareholders of the parent company is positive but there is no proposed plan for distribution in the form of cash dividends, the Company shall disclose in detail the reasons, and the purpose and utilization plan of the undistributed profits

Applicable N/A

(V) Profits distribution and reserve capitalization during the Reporting Period

√ Applicable N/A

Unit: '000 Currency: RMB

Number of bonus shares per 10 shares	/
Amount of dividends distributed per 10 shares (RMB) (tax inclusive)	2.527
Number of shares capitalized per 10 shares	/
Amount of cash dividends (tax inclusive)	10,596,831
Net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements for the year of dividend distribution	50,950,301
Percentage of the net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements (%)	20.80
Amount for cash repurchases of shares recorded as cash dividends	/
Total amount of dividends (tax inclusive)	10,596,831
Percentage of the total amount of dividends to the net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements (%)	20.80

XI. Equity Incentive Scheme, Employee Stock Ownership Plan or Other Employee Incentive Schemes of the Company and Their Implications

(I) Relevant incentive matters disclosed in provisional announcements without further progress or changes in subsequent implementation

√ Applicable N/A

Summary of matters	Index for details
190,784,000 shares were unlocked as the second tranche in 2021 under Phase III restricted A share incentive scheme, and the date of listing and trading was January 19, 2022.	Announcement on the Second Tranche of Unlocking in 2021 in Respect of Phase III Restricted A Share Incentive Scheme and Listing of Shares published on January 12, 2022
The Company's repurchase and cancellation of restricted shares involved a total of 35 participants of the Company's Phases I, II, III and IV restricted A share incentive schemes (including simultaneous repurchase from 1 participant of Phases II and III restricted A shares and simultaneous repurchase from 5 participants of Phases III and IV restricted A shares). A total of 7,309,000 restricted shares were proposed to be repurchased and cancelled (210,000, 119,000, 5,060,000 and 1,920,000 restricted shares under Phases I, II, III and IV respectively). After the completion of the repurchase and cancellation, the registered capital and share capital of the Company will be reduced by RMB7,309,000 (shares) to RMB41,940,858,844 (shares).	Announcement on Repurchase and Write-off of Partial Restricted Shares for Equity Incentives published on April 12, 2022.
On May 13, 2022, the Proposal on Repurchase of Certain Participants' Shares under Phases III and IV Restricted A Share Incentive Schemes of China State Construction Engineering Corporation Limited was considered and approved at the 2021 Annual General Meeting of CSCEC.	Announcement on Resolutions of the 2021 Annual General Meeting of China State Construction Engineering Corporation Limited published on May 14, 2022.
It was considered and approved by the Company to repurchase restricted shares subject to restriction on unlocking from 58 participants (61 repurchases in total) involved in Phases III and IV restricted A share incentive schemes. A total of 6,206,000 restricted shares were repurchased, of which, the number of restricted A shares under Phase III and phase IV were 4,316,000 shares and 1,890,000 shares, respectively. The repurchase of Phase III restricted A shares was based on RMB3.468 per share, and Phase IV based on the price of RMB3.06 per share. The total amount of funds for the repurchase was RMB20,802,764.41. After all the repurchased shares are cancelled, the registered capital of the Company will be reduced by RMB6,206,000.	Announcement on the Partial Repurchase and Delisting of Phase III and Phase IV Restricted Shares to Reduce the Company's Registered Capital & Notification to Creditors published on May 14, 2022.

Summary of matters	Index for details
<p>The Company's repurchase and cancellation of restricted shares involved a total of 60 participants of the Company's Phases III and IV restricted A share incentive schemes (including simultaneous repurchase from 3 participants of the Phases III and IV restricted A shares). A total of 6,426,000 restricted shares were proposed to be repurchased and cancelled (4,536,000 and 1,890,000 restricted shares under Phases III and IV respectively). After the completion of the repurchase and cancellation, the registered capital and share capital of the Company will be reduced by RMB6,426,000 (shares) to RMB41,934,432,844 (shares).</p>	<p>Announcement on Repurchase and Write-off of Partial Restricted Shares for Equity Incentives published on July 29, 2022.</p>
<p>Pursuant to the Phase III Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited and the Phase IV Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited, restricted shares held by a total of 148 participants (33 of which were involved simultaneously in the repurchase of Phases III and IV restricted share incentive schemes) shall be repurchased by the Company at the prescribed price. Among them, restricted shares held by 13 participants shall be repurchased by the Company at the grant price with interest payment. As considered and approved at the 29th meeting of the third session of the Board of Directors and the 18th meeting of the third session of the Board of Supervisors, the Company repurchased 5.874 million Phase III restricted shares from such participants, accounting for 0.98% of the granted 599.91 million Phase III restricted shares and 0.0140% of the total share capital of the Company. The number of Phase IV restricted shares repurchased was 9.0444 million shares, accounting for 0.99% of the granted 912.036 million Phase IV restricted shares and 0.0216% of the total share capital of the Company. The total amount used for the repurchase was RMB48,313,367.49 (interests inclusive). All such funds were the Company's own capital.</p>	<p>Announcement on Partial Repurchase of Phase III and IV Restricted A Shares from Incentive Participants published on December 29, 2022.</p>
<p>300.0576 million shares were unlocked as the first tranche in 2022 under Phase IV restricted A share incentive scheme, and the date of listing and trading was January 16, 2023.</p>	<p>Announcement on the First Tranche of Unlocking in 2022 in Respect of Phase IV Restricted A Share Incentive Scheme and Listing of Shares published on January 10, 2023.</p>
<p>184.966 million shares were unlocked as the third tranche in 2022 under Phase III restricted A share incentive scheme, and the date of listing and trading was January 19, 2023.</p>	<p>Announcement on the Third Tranche of Unlocking in 2022 in Respect of Phase III Restricted A Share Incentive Scheme and Listing of Shares published on January 12, 2023.</p>

(II) Incentive not disclosed in provisional announcements or with subsequent progress

Information of equity incentives

Applicable N/A

Other explanation

Applicable N/A

For implications of the restricted shares of the Company on its financial position and operating results, please refer to the relevant information of Note XI "Share-based payment" to the financial statements under SECTION X "FINANCIAL REPORT".

Information on employee stock ownership plan

Applicable N/A

Other incentives

Applicable N/A

(III) Stock options granted to directors and senior management during the Reporting Period

√ Applicable N/A

Unit: 0,000 shares

Name	Position	Number of restricted shares held at the beginning of the year	Number of restricted shares newly granted during the Reporting Period	Grant price of restricted shares (RMB/share)	Unlocked shares	Locked shares	Number of restricted shares held at the end of the Reporting Period	Market price at the end of the Reporting Period (RMB'000)
Zheng Xuexuan	Chairman of the Board	0	0	/	0	0	0	0
Zhang Zhaoxiang	Director, president	0	0	/	0	0	0	0
Xu Wenrong	Independent director	0	0	/	0	0	0	0
Jia Chen	Independent director	0	0	/	0	0	0	0
Sun Chengming	Independent director	0	0	/	0	0	0	0
Li Ping	Independent director	0	0	/	0	0	0	0
Wang Yunlin	Vice president, chief financial officer, general counsel	0	0	/	0	0	0	0
Zhao Xiaojiang	Vice president	0	0	/	0	0	0	0
Ma Zeping	Vice president	0	0	/	0	0	0	0
Zhou Yong	Vice president	32	0	/	16	16	16	86.88
Shan Guangxiu	Vice president	32	0	/	16	16	16	86.88
Xue Keqing	Secretary to the Board	104	0	/	16	88	88	477.84
Huang Kesi	Former vice president	32	0	/	16	16	16	86.88
Total	/	200	0	/	64	136	136	738.48

(IV) Appraisal mechanism for senior management and the establishment and implementation of incentive mechanism during the Reporting Period

√ Applicable N/A

For details, please refer to the relevant information under "IV. Directors, Supervisors and Senior Management" in this section.

XII. Establishment and Implementation of Internal Control System during the Reporting Period√ Applicable N/A

During the Reporting Period, the Company continued to optimize the internal control system, revised and improved the internal control rules, and ensured the effective implementation of various rules. It further streamlined and standardized various business processes to improve the Company's operation management level and abilities at risk prevention and control. The Company has continuously improved its internal control process, covering all aspects including decision-making, execution, supervision, and feedback. The Company's improved internal control are more comprehensive and effective.

For details of the Company's internal control evaluation report, please refer to the 2022 Internal Control Evaluation Report of China State Construction Engineering Corporation Limited reviewed and approved at the 33rd meeting of the third session of the Board of the Company and disclosed on the website of the Shanghai Stock Exchange.

Description of material defects in internal control during the Reporting Period

 Applicable N/A

XIII. Management and Control of Subsidiaries during the Reporting Period

Applicable N/A

The Company has formulated various management systems for subsidiaries, including the Administrative Measures for Subsidiary Governance Structure, the Administrative Measures for the Organizational Structure of the Headquarters of Subsidiaries, the Administrative Measures for the Evaluation and Appraisal of the Operating Results of Subsidiaries, and the Management Regulations for Equity Participants. Relying on the above management systems, the Company has established an internal control system based on the Articles of Association. The internal control system primarily comprises investment, property rights, finance, corporate governance, performance appraisal, material information reporting, information disclosure and other management systems, and has been strictly and thoroughly implemented. The Company can effectively manage and control its subsidiaries by setting approval and authorization permissions in the internal control system.

During the Reporting Period, the Company newly incorporated a number of companies into its statements through acquisition, including China Construction Eco-Environmental Group Co., Ltd. The relevant subsidiaries are all enterprises related to the construction industry chain and have been incorporated into the management system of the Company to strengthen control over their investment, property rights, finance and corporate governance in accordance with the relevant internal control system.

XIV. Information on Internal Control Audit Report

Applicable N/A

Upon approval by shareholders at the general meeting, the Company engaged Ernst & Young Hua Ming LLP (Special General Partnership) to audit the effectiveness of the Company's internal control related to the financial report as of December 31, 2022. The auditor has issued a standard unqualified internal control audit report.

For details of the internal control audit report, please refer to the 2022 Internal Control Audit Report of CSCEC disclosed on the website of the Shanghai Stock Exchange.

Whether the Internal Control Audit Report is disclosed: Yes

Type of opinion on the Internal Control Audit Report: Standard unqualified opinion

XV. Self-inspection and Rectification in the Special Governance Action of Listed Companies

The Company thoroughly implemented the spirit and requirements of the Opinions on Further Improving the Quality of Listed Companies issued by the State Council and the Announcement on Launching Special Actions on Governance of Listed Companies issued by the CSRC to actively promote self-inspection and rectification under special corporate governance actions. The self-inspection findings show the Company is in compliance with laws, regulations and requirements regarding corporate governance in all aspects. Specifically, the Company has established a relatively sound corporate governance system in accordance with the laws and regulations such as the Company Law, the Securities Law and the Code of Corporate Governance for Listed Companies. In addition, the shareholders' general meetings, the Board of Directors, the Board of Supervisors and the management operate in a standardized manner. The directors, supervisors and senior management are diligent and conscientious. The internal control system of the Company is sound and effective. The information disclosure is open and transparent. No matter that may have a material adverse impact on the interests of investors is identified. The Company will continue to consolidate the achievements of corporate governance, improve corporate governance, and promote the sustainable, healthy and high-quality development of the Company.

XVI. Miscellaneous

Applicable N/A

SECTION V ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

I. Environmental Responsibility

Whether to establish mechanisms related to environmental protection	Yes
Environmental protection funds invested during the Reporting Period (Unit: 100 million yuan)	6.8

- (I) Explanation on environmental protection efforts of the highly polluting companies and their key subsidiaries as announced by the environmental protection authority

Applicable N/A

- (II) Explanation on environmental protection efforts of companies other than highly polluting companies

Applicable N/A

1. Administrative penalties due to environmental issues

Applicable N/A

During the Reporting Period, a total of 114 construction projects of the Company's subsidiaries received administrative penalties due to environmental problems such as construction noise, dust, sewage and solid waste, involving a total fine of approximately RMB4.5986 million, with the quantity and amounts of penalties imposed continuing to decline year-on-year. As at the disclosure date of this Report, all of the issues involved in the aforementioned administrative penalties have been rectified.

2. Disclosure of other environmental information with reference to highly polluting companies

Applicable N/A

The Company attaches great importance to ecological environmental protection. During the Reporting Period, there were no emergency environmental incidents in the Company. The impact of the production and operation activities of the Company on the environment mainly included noise, dust and solid waste, most of which took place in the course of construction. To minimize the impact on the environment, prior to the commencement of a project, the Company identified the environmental factors and prepared preliminary planning and schemes for environmental protection and green construction. The Company was also equipped with and operated in a standardized manner various pollution prevention facilities such as automatic spraying, vehicle washing, sedimentation tanks and acoustic sheds, gave priority to new technologies and processes of energy conservation and environmental protection to reduce energy consumption and pollutant discharge, so as to minimize the impact of production on the environment.

3. Reasons for not disclosing other environmental information

Applicable N/A

(III) Relevant information conducive to protecting ecology, preventing pollution, and fulfilling environmental responsibilities

√ Applicable □ N/A

Guided by President Xi Jinping's Thought on Ecological Civilization, the Company thoroughly implemented the decision and deployment on strengthening ecological environmental protection of the CPC Central Committee and the State Council to proactively accomplish its responsibilities for the environment and continuously implement environmental protection and pollution prevention measures.

- 1. Strengthening green investment.** During the Reporting Period, the Company tracked and ventured into the hot investment areas of ecological and environmental protection in time, encouraged its subsidiaries to actively expand pumped storage power investment business in their respective advantageous layout areas in combination with the national strategic deployment, and successively won bids for 18 projects in the field of clean energy and water environmental protection, such as the Guanghanping pumped storage power plant in Zhuzhou, Hunan Province and the rainwater and sewage mixture pipeline in central urban area in Jinan, with a total investment of about RMB110.0 billion.
- 2. Strengthening green design.** The Company puts significant emphasis on environmental protection, makes a full evaluation for the impact of planning and design plans on ecological environment, integrates green and environmental protection requirements into the design process, adopts standardized components and parts, and gives priority to renewable and low-pollution materials, to continuously reduce the impact on the environment. Xi'an Xianyang International Airport Phase III expansion project has become the first civil aviation airport project in China that exceeds one million square meters in area with a Three-star Green Building Pre-certification.
- 3. Strengthening green construction.** As the first advocator of green construction in the industry, the Company integrates the green concept into the whole process of project construction, focuses on the synergy of pre-project design and construction, actively adopts industrialized and intelligent construction methods to vigorously promote information technology such as BIM, big data, cloud computing, Internet of Things, and strives to promote the reform of construction modes and reduce energy and resource consumption and pollutant emissions from the source. At the same time, the Company will actively cultivate and build green demonstration projects. In 2022, more than 180 projects were recognized as the national and industry green construction demonstration projects, effectively leading and promoting the green transformation and upgrading of the entire industry.
- 4. Strengthening green operation.** The Company continues to strengthen the operation of water environmental protection. During the Reporting Period, the total volume of water supply and drainage treated accumulated to more than 70 million tons, with pollutant reduction of nearly 10,000 tons. The Company has independently developed and run a digitalized operation system for sewage treatment terminal facilities in rural areas, and invested in and put into operation a number of projects such as the comprehensive treatment of rural domestic sewage in Liyang City (including the diversion of rain and sewage in the town area), helping to build a livable and beautiful countryside.
- 5. Strengthening green technological R&D.** The Company has put more R&D efforts on 7 major categories of key technologies and equipment for sewerage disposal, including magnetic-based efficiency water treatment equipment, as well as soil remediation technologies such as high-efficiency multi-metal synergistic stabilization agents and microbial high-permeability composite materials. Leveraging such methods as engineering material innovation, key structural innovation, design method innovation, manufacturing technology breakthroughs, the Company has promoted the innovation and industrialization application of equipment technology, which effectively improve the water ecological environment and soil remediation capabilities.

(IV) Measures taken to reduce carbon emissions during the Reporting Period and the effects

Whether to adopt carbon reduction measure	Yes
Emission reductions (Unit: tons CO ₂ equivalent)	/
Types of carbon reduction measures (e.g., using clean energy to generate electricity, using carbon reduction technologies in the production process, and researching, developing and producing new products that contribute to carbon reduction)	Using carbon reduction technologies in the production process (e.g., photovoltaic integrated technology for temporary facilities, solar photovoltaic power generation lighting technology for construction sites, low-carbon alternative material technologies such as solid waste conversion into recycled aggregates, tailings, and limestone powder, permanent and temporary road construction combination technology, assembled concrete component technology, photovoltaic, energy storage and diesel integration mobile energy supply technology, air to water heat pump hot water supply facilities, wind and solar complementary street lights and solar battery-powered lighting equipment, etc.). R&D and application of new technologies that help reduce carbon emission (e.g., assembled near – and net-zero-energy building design methods for hot summer and cold winter areas, key technologies for preparing assembled prefabricated structural components from industrial solid waste with large dosing, key technologies for low-carbon development and utilization of underground space complexes in the Xi'an XingFu Green Belt, key technologies for healthy renovation of existing communities, key technologies for intelligent-based green construction).

wExplanation

√ Applicable N/A

Extensively implementing the major strategic plan on carbon peak and carbon neutrality proposed by the CPC Central Committee and the State Council, CSCEC made up and enhanced areas of weakness across all business sections, and actively responded to strategic requirements based on facts. The Company raised its political stance and closely submitted to the leadership of the Party by focusing on its status quo, specifying the goal of energy conservation, establishing professional institutions, structuring industrial layout and developing green construction and other key aspects. More efforts were made to integrate the green and low-carbon concept into the entire production and operation process, actively help the Company contribute to carbon peak and carbon neutrality, improve the green construction capacity and build an exemplar enterprise of low-carbon construction so as to promote the high-quality development of the construction industry.

In 2022, according to the relevant guidelines and policy documents of national ministries and commissions and in light of the actual situation, the Company carried out extensive research and detailed study, and prepared the "Action Plan of CSCEC for Carbon Dioxide Peaking", which was highly evaluated by a review group consisting of five academicians and four experts, and released to the whole society, receiving enthusiastic response from the society. We have implemented the "ten hundred million (个十百千万)" project, further carried out the "dual carbon" practice, and built the "CSCEC Carbon Emission Monitoring and Comprehensive Management Services Platform (中国建筑碳排放监测与管理综合服务平台)". The Company drew up a "dual carbon" technology map, and laid out major science and technology special projects for carbon peak and carbon neutrality. The Company has carried out the compilation of the collection of existing high-level scientific and technological achievements of the whole system, and comprehensively sorted out and prepared a catalogue of the first batch of 77 advanced scientific and technological achievements for carbon peak and carbon neutrality in terms of solid waste utilization, environmental protection, sponge city, existing building renovation, building energy saving, green building materials and green construction, including "key technologies for the recycling of construction waste and the preparation of recycled products" and "R&D and application of key technologies for energy conservation and consumption reduction of transmission and distribution systems in large-scale public building". Based on the advanced scientific and technological achievements, the first batch of 62 carbon peak and carbon neutrality demonstration projects, such as "CSCEC Green Industrial Park A Near-Zero Carbon Emission Park", have been established.

The Company's subsidiaries have carried out energy conservation and carbon reduction technology innovation and related businesses. China Southwest Architecture funded the establishment of CSCEC Southwest Consulting Company Limited and set up a carbon neutral technology consulting center to lead green star construction projects such as the engineering design of the terminal area of Chengdu Tianfu International Airport and complete more than 1,000 low-carbon projects consulting such as the Unicorn Island NEAR-zero Carbon Emission Park Pilot Construction Plan (独角兽岛近零碳排放园区试点建设方案). China Construction Science and Industry has created GS-Building system and ME-House system products, which are widely used in six fields: schools, hospitals, office buildings, residential buildings, industrial parks and hotels, and has applied them in more than 200 projects with more than 30 million square meters of building area. China Construction Science & Technology strives to be a comprehensive service provider of the whole life cycle implementation capability of "conceiving, planning, investment and development, design, construction and operation" of carbon neutral smart cities, and carries out green construction consulting, carbon asset management, building energy investment, "photovoltaic, energy storage, direct current and flexibility" technology in urban renewal, etc. China Shanghai Architectural Design & Research Institute Co., Ltd. actively promotes the development and promotion of dual carbon related consulting and design products, and launches new consulting and design products such as nearly zero energy consumption building certification consulting and whole life cycle carbon emission consulting for buildings. CSCI has developed two structural systems, MiC for concrete and MiC for steel, which help more than 90% of the processes to be produced automatically in factories, shortening the construction period by 40%, reducing construction waste by more than 70% and construction carbon emissions by more than 50% compared with traditional construction techniques.

II. Social Responsibility

(I) Whether to disclose social responsibility report, sustainability report or ESG report separately

Applicable N/A

The Company will release the 2022 report on social responsibility report on the website of the Shanghai Stock Exchange titled CSCEC: 2022 Sustainability Report. Please refer to the report for the information about the Company's social responsibility work.

(II) Detailed description of the social responsibility work

Applicable N/A

External Donation, Charity Project	Amount/Content	Remarks
Total investment (RMB0'000)	21,882	Free assistance and support, donations and charitable contributions to more than 10 assisted areas, including Kangle County, Kang County and Zhuoni County in Gansu Province where the Company provides paired assistance, Changting County in Fujian Province where the Company provides partner assistance, and Yengisar County in Xinjiang Uygur Autonomous Region, Tuanfeng County in Hubei Province, Qingyuan County in Guangdong Province, Luodian County in Guizhou Province, Yongshun County in Hunan Province, Langao County and Chunhua County in Shaanxi Province where the Company's subsidiaries provide assistance.
Including: Capital (RMB0'000)	19,336	Mainly used for the revitalization construction in terms of industry, talents, culture, ecology and organizational structures, including donations and capital investment for public welfare made by the Company.
Material equivalence (RMB0'000)	2,546	Including donations of books, projectors, printers, etc. to assisted areas, as well as donations and investment in supplies for public welfare made by the Company.
Number of people benefited (person)	113,655	Including the people benefited in Kangle County, Kang County and Zhuoni County in Gansu Province where the Company provides partner assistance, and people benefited in Changting County of Fujian Province where the Company provides partner assistance.

Explanation

Applicable N/A

Leveraging its brand, CSCEC has established a "CSCEC brand building and social responsibility working leadership group (中国建筑品牌建设和社会责任工作领导小组)" to carry out specific initiatives, continuously deepening the brand-led social responsibility management model. The Company insists on the promotion path of "business lines as the horizontal basis and subsidiaries as the vertical extension (横向业务线为基础、纵向子企业延伸)", implements the social responsibility strategic plan and improves the system of social responsibility management to ensure that the social responsibility tasks are executed consistently throughout the whole system and promoted at all levels.

CSCEC communicates with communities to promote community development. The Company has incorporated community communication and engagement into the Social Responsibility Work Guidance Manual (《社会责任工作指导手册》), the Cultural Integration Manual (《文化融合手册》), and the Cultural Integration Implementation Manual (《文化融合执行手册》) for overseas organizations to clarify the methods of community communication, promote better understanding of community needs for projects, and formulate targeted community benefit policies. For development projects which affect communities, relevant information shall be disclosed to the community representatives in a complete, accurate and comprehensive manner, on which basis, in-depth communication and negotiation may be carried out to reach consensus. For community development needs, the Company shall develop relevant initiatives and make necessary investments to promote community development.

CSCEC has carried out the "Hundreds of Lectures into the Construction Site (百场宣讲进工地)" campaign themed for care and protection of left-behind children in rural areas for five consecutive years, covering 31 provinces, autonomous regions and municipalities, with volunteers focusing on policies and regulations, family guardianship, safety and self-care, and affectionate communication. A total of 500 thematic lectures were held covering more than 9 million people. Taking up global responsibility, the Company set up Luban College (鲁班学院) to cultivate overseas construction management and technical talents, and assisted in the construction of the PNG and China Friendship School to cultivate talents for Papua New Guinea. During the construction of Etihad Railway in the United Arab Emirates, the Company gave careful placement and care to animals and plants along the route and made every effort to protect the local ecological environment, etc.

CSCEC has conducted research on authoritative social responsibility standards at home and abroad around the information needs of stakeholders from different regions and cultures around the world, compiled and issued sustainability reports for 13 consecutive years, received the highest rating for social responsibility report from the Chinese Academy of Social Science for 10 consecutive years, and actively compiled and issued key country-specific social responsibility reports, effectively enhancing the transparency of corporate operations and social communication capabilities.

III. Information on Consolidating and Expanding the Results in Poverty Alleviation, Rural Revitalization and Other Specific Tasks

√ Applicable □ N/A

Poverty Alleviation and Rural Revitalization Projects	Amount/Content	Remarks
Total investment (RMB0'000)	16,135.8	Invested assistance funds of RMB161,358,000 in more than 10 assisted areas, including Kangle County, Kang County and Zhuoni County in Gansu Province where the Company provides paired assistance, Changting County in Fujian Province where the Company provides partner assistance, and Yengisar County in Xinjiang Uygur Autonomous Region, Tuanfeng County in Hubei Province, Qingyuan County in Guangdong Province, Luodian County in Guizhou Province, Yongshun County in Hunan Province, Langao County and Chunhua County in Shaanxi Province where the Company's subsidiaries involved in for providing assistance.
Including: Capital (RMB0'000)	15,783.2	Mainly used for the revitalization construction in terms of industry, talents, culture, ecology and organizational structures.
Material equivalence (RMB0'000)	352.6	Donations of books, projectors, printers, etc. to assisted areas.
Number of people benefited (person)	113,655	/
Types of assistance (e.g., poverty alleviation by developing industries, creating jobs, and developing education)	Industrial assistance, employment assistance, education assistance, consumption assistance and party building assistance, helping to address prominent issues to ensure rural poor people do not have to worry about food and clothing and have access to compulsory education, basic medical services and safe housing	/

Explanation

√ Applicable □ N/A

(I) Planning of rural revitalization

The Company and its controlling shareholder China State Construction resolutely implemented the decisions and deployments of the CPC Central Committee and the State Council on rural revitalization and met the requirement of "sticking to responsibility, policy, support and regulation regardless of whether countries are removed from the poverty list". The Company provided paired assistance to Kangle County, Zhuoni County and Kang County in Gansu Province (referred to as the three counties of Gansu), provided partner assistance to Changting County, Fujian Province, and actively participated in the work of rural revitalization in more than ten regions, including Yengisar County in Xinjiang, Tuanfeng County in Hubei Province and Luodian County in Guizhou Province. In 2022, the Company issued Annual Key Points of Rural Revitalization (年度助力乡村振兴工作要点), the List of Paired Assistance and Partner Assistance Tasks (《定点帮扶和对口支援工作任务清单》) and Partner Assistance to Green Building Materials Industrial Park in Changting County (《对口支援长汀绿色建材产业园帮扶方案》). The Company focused on the revitalization in terms of industry, talents, culture, ecology and organizational structures, with a view to promoting the consolidation and expansion of poverty alleviation achievements in assisted areas as well as the high-quality development of rural revitalization.

(II) Summary of rural revitalization

In 2022, CSCEC sent 55 cadres to the three counties of Gansu, and Changting County of Fujian and Yengisar County in Xinjiang. The Company invited the CPC and government officials to visit the assisted areas four times, sent over 400 officers of the Company at all levels to carry out research and supervision in the assisted areas including the three counties of Gansu and Changting County of Fujian and held 40 seminars to discuss with the local CPC committees and governments on the plan for rural revitalization.

The Company invested RMB161 million free assistance funds in assisted areas in respect of paired and partner assistance, and designated 13 predominant subsidiaries to make joint efforts to lift the three counties of Gansu and Changting County of Fujian out of poverty with 35 subsidiaries fully participating in poverty alleviation by promoting consumption, purchasing and helping to promote the sales of more than RMB67 million of agricultural products. Projects built with donations such as the Kangle County Tourism Channel, Zhuoni Hagaichuan Tourism Benchmark Village, the Tourism Development Demonstration Zone Phase IV in Kang County, and Memorial of Start of the Long March by the Central Red Army in Changting County to improve the tourism infrastructure in the assisted areas. We supported the building of the Green Building Materials Industrial Park in Changting County, the water plant in Yangba Town, Kang County, Zhuoni Blue Spring Water Plant (卓尼蓝泉水厂), and the Modern Agricultural Science and Technology Demonstration Base in Kangle County to revitalize natural resources, develop distinctive industries, and help revitalize local industries. The Company established Tsinghua University distance learning stations for rural revitalization in the three counties of Gansu and Changting County, with attendance reaching 156,000 people online, including 4,150 grassroots cadres, 1,155 leaders in rural revitalization and 1,178 other technicians. We held "Zhonghai Pearl Class (中海珍珠班)", "Rainbow Road (彩虹益路)" and "Inspirational Navigation (励志领航)" to help 136 students in difficulty in the three counties in a "one-to-one" pairing manner, and helped revitalize talents in the three counties of Gansu. In Kangle County, we have built 20 demonstration sites for civilization practice at the village level, constructed cultural facilities such as village history halls, village library and cultural square, conducted training on the social construction of ideological infrastructure in rural areas, laws and regulations, and carried out the selection and commendation of "model families of national unity and progress (民族团结进步示范家庭)" to revitalize the rural culture. Taking advantage of its professional advantages, architects and two design institutes under the Company helped Kangle County to prepare 53 "multi-regulation integration (多规合一)" village plans, and helped Zhuoni County to prepare the planning for the county-wide tourism and the Dayugou 5A scenic spot, and assisted Kangle County in the construction of key projects such as the Hua'er Homestay (花儿民宿) and Nagou Visitor Center (纳沟游客中心), so as to create beautiful countryside by developing the tourism industry and revitalize the ecological environment. The peer-to-peer cooperation among Party units from 22 villages in the three counties of Gansu and Changting County of Fujian, was conducted. Relying on the peer-to-peer cooperation among Party units, the Company donated to build 13 support workshops, including the Traditional Garment Processing Factory in Qiaonan in Zhuoni County, the Fungus Greenhouse in Zhangjiahe Village in Kang County, and the Chinese Medicine Cooperative in Laoshugou Village in Kangle County. Through designated exclusive sales, a large number of products such as Kangle mushroom, Zhuoni quinoa, and Kang walnuts were marketed, achieving local employment of 1,344 people. The Company also helped with the training of members of village Party branch committees and villagers committees to revitalize the organizational structures.

(III) Subsequent plan for assisting in rural revitalization

In 2023, the Company will fully implement the spirit of the 20th National Congress of the CPC and truly implement the important speeches on rural revitalization given by President Xi Jinping. By following the general requirements to build rural areas with thriving businesses, pleasant living environments, social etiquette and civility, effective governance, and prosperity, CSCEC will fully leverage the strength of "whole industrial chain" of construction to ensure paired and partner assistance in the three counties of Gansu Province and Changting County of Fujian Province, and endeavor to drive rural revitalization and high-quality development in the assisted areas. CSCEC will help to build tourism infrastructure projects and support the development and growth of tourism in these areas; give play to the advantages of the resources platform to create feature product brands in these areas, cultivate e-commerce talents and expand the e-commerce industry, strengthen the connection of production and sales and expand sales channels, so as to support the planting and breeding industry with local characteristics. We will also make efforts to continuously carry out educational assistance, introduce professional teaching resources, renovate and improve software and hardware environment and carry forward trainings for village teachers, organize special trainings for cadres working at the grassroots, entrepreneurial leaders, professional and technical personnel, so as to further improve the quality of rural teaching and villagers' ability to become rich. We will innovatively carry out various cultural activities and guide villagers to transform outmoded habits and customs through education to build a civilized countryside. Taking village planning as guidance, we will promote the construction of rural ecological infrastructure to build a beautiful countryside. Beyond that, we will continue to build model villages for rural revitalization, increase party building paring, boost the development of village collective economy and assist with the ability improvement of village Party branch committees and villagers committees to drive the rural revitalization, thereby revitalizing the organizational structures. Combining with the actual situation of the assisted areas, CSCEC will assist with their medical, drinking water and housing issues to consolidate its achievements in addressing prominent issues to ensure rural poor people do not have to worry about food and clothing and have access to compulsory education, basic medical services and safe housing.

SECTION VI IMPORTANT MATTERS

I. Fulfillment of Commitments

- (I) Commitments of the Company's de facto controller, shareholders, related parties, acquirer, the Company, and other related parties during or subsisted at the end of the Reporting Period

√ Applicable N/A

Background of commitment	Type of commitment	Commitment Party	Contents of commitment	Time and term of commitment	Is there a time limit for performance?	Have the commitments been strictly and timely fulfilled	Alternative plan if failed to timely fulfill commitment	Alternative plan if failed to timely fulfill commitment
	To resolve horizontal competition	China State Construction	The Agreement on Avoidance of Horizontal Competition with the Company was signed. Please refer to the relevant contents of the Letter of Content in Relation to the Initial Public Offering of Shares by China State Construction Engineering Corporation Limited published by the Company on July 13, 2009.	No term	No	Yes	In the process of performance	N/A
Commitments in relation to initial public offering	To resolve defects in land and other property ownership	China State Construction	For the land use rights and properties injected as contributions into the Company and included in the scope of assets valuation report, at request of and with the cooperation from the Company, relevant procedures for registration of the said land use rights and properties under the existing name of the Company or its relevant subsidiaries shall be completed.	No term	No	Yes	In the process of performance	N/A
	To resolve defects in land and other property ownership	China State Construction	For the real estate projects injected as contributions into the Company, whose revenue had been recognized before the establishment of the Company, the land value-added tax payable in future final settlement shall be borne by China State Construction.	No term	No	Yes	In the process of performance	N/A
	To resolve horizontal competition	CSCEC	Issued a non-competition commitment, with the same contents as those set out in the Entrusted Management Agreement, to China Overseas Land & Investment, a holding subsidiary listed in Hong Kong. Please refer to relevant content of the Announcement on the Signing of Entrusted Management Agreement between CSCEC and Its Holding Subsidiary China Overseas Land & Investment published by the Company on February 11, 2014.	During the commitment term	Yes	Yes	In the process of performance	N/A
Other commitments made to minority shareholders of the Company	To resolve horizontal competition	CSCEC	Issued a non-competition deed to China Overseas Property, a holding subsidiary listed in Hong Kong, and please refer to the relevant content of the Listing Documents – Listing by Way of Introduction of the Entire Issued Share Capital of the Company on the Main Board of The Stock Exchange of Hong Kong Limited published by China Overseas Property on October 14, 2015.	During the commitment term	Yes	Yes	In the process of performance	N/A
	Others	Officers who also hold positions in China State Construction	Undertook to fulfill their duties diligently during their term of office as an officer of the Company, properly handle the relationship between the Company and its controlling shareholder, live up to the trust of the Board of Directors and all shareholders of the Company, defend the interests of the Company and shareholders, and not to do anything that may jeopardize the interests of the Company and its minority shareholders due to serving them concurrently.	During the commitment term	Yes	Yes	In the process of performance	N/A

- (II) Where the Company has profit forecasts on assets or projects, and the Reporting Period is within the term of profit forecasts, the Company has to state whether such profit forecasts on assets or projects are fulfilled and the reasons therefor

Fulfilled Not Fulfilled N/A

- (III) Completion of performance commitment and its effect on goodwill impairment test

Applicable N/A

II. Any Non-operating Misappropriation of Funds by the Controlling Shareholder and Other Related Parties during the Reporting Period

Applicable N/A

III. Guarantees in Violation of Regulations

Applicable N/A

IV. Explanation on the “Audit Report with Modified Opinion” of the Accounting Firm by the Board of Directors of the Company

Applicable N/A

V. The Company’s Analysis of and Explanation on the Causes and Impacts of Changes in Accounting Policies and Estimates or Corrections of Material Accounting Errors

- (I) The Company’s analysis of and explanation on the causes and impacts of changes in accounting policies and estimates

Applicable N/A

- (II) The Company’s analysis of and explanation on the reasons and impacts of the corrections of major accounting errors

Applicable N/A

- (III) Communications with the former accounting firm

Applicable N/A

- (IV) Other explanation

Applicable N/A

VI. Appointment and Dismissal of the Accounting Firm

Unit: '0,000 yuan Currency: RMB

	Currently appointed	
Name of domestic accounting firm	Ernst & Young Hua Ming LLP (Special General Partnership)	
Remuneration of domestic accounting firm	4,180	
Audit service years of domestic accounting firm	3	
Names of certified public accountants of the domestic accounting firm	Zhou Ying, Yang Shujuan, Shen Yan	
Number of continuous years of audit service by certified public accountants of domestic accounting firm	3	
Name of overseas accounting firm	/	
Remuneration of overseas accounting firm	/	
Audit service years of overseas accounting firm	/	
	Name	Remuneration
Accounting firm for internal control audit	Ernst & Young Hua Ming LLP (Special General Partnership)	315
Financial adviser	/	/
Sponsor	/	/

Explanation on appointment and dismissal of accounting firm

Applicable N/A

On May 13, 2022, as considered and approved at the 2021 annual general meeting of the Company, Ernst & Young Hua Ming LLP (Special General Partnership) was engaged as the auditor for the financial report and internal control of the Company for 2022, for a term of one year. For details, please refer to the Announcement on Re-appointment of Accounting Firm in 2022 published on April 16, 2022, the Information on the 2021 Annual General Meeting published on April 30, 2022, and the Announcement on Resolutions of the 2021 Annual General Meeting published on May 14, 2022, by the Company.

Explanation on change of accounting firm during the audit period

Applicable N/A

VII. Risks of Delisting

(I) Causes of delisting warning

Applicable N/A

(II) Measures to be taken by the Company

Applicable N/A

(III) Circumstances of and Reasons for Delisting

Applicable N/A

VIII. Matters Related to Insolvency/Reorganization

Applicable N/A

IX. Matters Related to Significant Litigation and Arbitration

There were significant litigations and arbitrations during the year

There was no significant litigation or arbitration during the year

(I) Litigations and arbitrations disclosed in provisional announcements without subsequent progress

Applicable N/A

(II) Litigations and arbitrations not disclosed in provisional announcements or with subsequent progress

Applicable N/A

(III) Other explanation

Applicable N/A

X. Suspected Violations, Penalty and Rectification of the Company and Its Directors, Supervisors, Senior Management, Controlling Shareholder, and De Facto Controller

Applicable N/A

XI. Explanation on the Integrity of the Company and Its Controlling Shareholder and De Facto Controller during the Reporting Period

Applicable N/A

XII. Material Related Party Transactions

(I) Related party transactions associated with day-to-day operations

1. Matters disclosed in provisional announcements without further progress or changes in subsequent implementation

√ Applicable N/A

Summary of matters	Index for details
<p>On November 26, 2021 and December 15, 2021, the Proposal on the Renewal of the Comprehensive Service Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation was considered and approved at the 8th meeting of the third session of the Board of Directors, the 6th meeting of the third session of the Board of Supervisors and the third extraordinary general meeting of the Company in 2021.</p> <p>The Company and China State Construction renewed the Comprehensive Service Framework Agreement Between China State Construction Engineering Corporation and China State Construction Engineering Corporation Limited in respect of the related party transactions arising from the sales, procurement, commercial factoring services, financial leasing services, property leasing and other business between the Company and China State Construction and its subsidiaries. During the term of the agreement in 2022, the sales between the Company and China State Construction and its subsidiaries shall not exceed RMB1.5 billion; procurement shall not exceed RMB8.5 billion; the maximum balance of commercial factoring services (excluding those from CSC Finance) shall not exceed RMB100 million, and factoring interest and service fee shall not exceed RMB5 million; the maximum balance of financial leasing services (excluding those from CSC Finance) shall not exceed RMB50 million, and financial leasing interest and service fee shall not exceed RMB2 million; property leasing shall not exceed RMB60 million; other daily related party transactions shall not exceed RMB200 million.</p> <p>During the Reporting Period, the sales between the Company and China State Construction and its subsidiaries was RMB170 million; the procurement was RMB3.38 billion; no commercial factoring services and financial leasing service was performed; the property leasing was RMB40 million; other daily related party transactions were RMB30 million. The amount of actual daily related party transactions of the Company was within the range set out in the agreement.</p>	<p>Announcement on Resolutions of the 8th Meeting of the Third Board of Directors, Announcement on Resolutions of the 6th Meeting of the Third Board of Supervisors, and Announcement on the Renewal of the Comprehensive Service Framework Agreement between the Company and China State Construction Engineering Corporation & Daily Related-Party Transaction published on November 27, 2021.</p> <p>Announcement on Resolutions of the Third Extraordinary General Meeting in 2021 published on December 16, 2021.</p>
<p>On November 26, 2021 and December 15, 2021, the Proposal on the Renewal of the Financial Service Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation was considered and approved at the 8th meeting of the third session of the Board of Directors, the 6th meeting of the third session of the Board of Supervisors and the third extraordinary general meeting of the Company in 2021.</p> <p>CSC Finance, a subsidiary of the Company, and China State Construction renewed the Financial Service Framework Agreement Between China State Construction Engineering Corporation and China State Construction Finance Co., Ltd. in respect of the related party transactions arising from the deposits, loans, financial and financing consultancy and other relevant financial services provided to China State Construction and its subsidiaries by CSC Finance. During the term of the agreement, the daily balance cap of deposits (inclusive of accrued interests) to be placed by China State Construction and its subsidiaries with CSC Finance shall not exceed RMB20.0 billion, with the daily balance of loans (inclusive of accrued interests) to be obtained not exceeding the daily balance cap of the deposits (inclusive of accrued interests); the fees to be charged by CSC Finance for providing other financial services to China State Construction and its subsidiaries shall not exceed RMB300 million.</p> <p>During the Reporting Period, the actual performance complied with the agreement, and the actual daily balance cap of the deposits placed by China State Construction and its subsidiaries with CSC Finance was RMB10.39 billion (inclusive of accrued interests); and the maximum daily loan balance was RMB4.82 billion (inclusive of accrued interests); the fees charged by CSC Finance for providing other financial services to China State Construction and its subsidiaries was RMB5 million. For details, please refer to “(V) Financial business between the Company and the related-party financial companies, and between the Company’s holding financial companies and the related parties” in “XII. Material Related Party Transactions” under SECTION VI.</p>	<p>Announcement on Resolutions of the 8th Meeting of the Third Board of Directors, Announcement on Resolutions of the 6th Meeting of the Third Board of Supervisors, and Announcement on the Renewal of the Financial Service Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation & Daily Related-Party Transaction published on November 27, 2021.</p> <p>Announcement on Resolutions of the Third Extraordinary General Meeting in 2021 published on December 16, 2021.</p>

Summary of matters	Index for details
<p>On December 12, 2022 and December 28, 2022, the Proposal on the Renewal of the Comprehensive Service Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation was considered and approved at the 28th meeting of the third session of the Board of Directors, the 17th meeting of the third session of the Board of Supervisors and the first extraordinary general meeting of the Company in 2022.</p> <p>The Company and China State Construction renewed the Comprehensive Service Framework Agreement Between China State Construction Engineering Corporation and China State Construction Engineering Corporation Limited in respect of the related party transactions arising from the sales, procurement, commercial factoring services, financial leasing services, property leasing and other business between the Company and China State Construction and its subsidiaries. During the term of the agreement in 2023, the sales between the Company and China State Construction and its subsidiaries shall not exceed RMB100 million; procurement shall not exceed RMB5.8 billion; the maximum balance of commercial factoring services (excluding those from CSC Finance) shall not exceed RMB300 million, and factoring interest and service fee shall not exceed RMB20 million; the maximum balance of financial leasing services (excluding those from CSC Finance) shall not exceed RMB100 million, and financial leasing interest and service fee shall not exceed RMB6 million; property leasing shall not exceed RMB100 million; other daily related party transactions shall not exceed RMB100 million.</p>	<p>Announcement on Resolutions of the 28th Meeting of the Third Board of Directors, Announcement on Resolutions of the 17th Meeting of the Third Board of Supervisors, and Announcement on the Renewal of the Comprehensive Service Framework Agreement between the Company and China State Construction Engineering Corporation & Daily Related-Party Transaction published on December 13, 2022.</p> <p>Announcement on Resolutions of the First Extraordinary General Meeting in 2022 published on December 29, 2022.</p>
<p>On December 12, 2022 and December 28, 2022, the Proposal on the Renewal of the Financial Service Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation was considered and approved at the 28th meeting of the third session of the Board of Directors, the 17th meeting of the third session of the Board of Supervisors and the first extraordinary general meeting of the Company in 2022.</p> <p>CSC Finance, a subsidiary of the Company, and China State Construction renewed the Financial Service Framework Agreement Between China State Construction Engineering Corporation and China State Construction Finance Co., Ltd. in respect of the related party transactions arising from the deposits, loans, financial and financing consultancy and other relevant financial services provided to China State Construction and its subsidiaries by CSC Finance. During the term of the agreement, the daily balance cap of the deposits to be placed by China State Construction and its subsidiaries with CSC Finance shall not exceed RMB20.0 billion (inclusive of accrued interests), with the daily balance of loans (inclusive of accrued interests) to be obtained not exceeding the daily balance cap of the deposits (inclusive of accrued interests); the fees to be charged by CSC Finance for providing other financial services to China State Construction and its subsidiaries shall not exceed RMB300 million.</p>	<p>Announcement on Resolutions of the 28th Meeting of the Third Board of Directors, Announcement on Resolutions of the 17th Meeting of the Third Board of Supervisors, and Announcement on the Renewal of the Financial Service Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation & Daily Related-Party Transaction published on December 13, 2022.</p> <p>Announcement on Resolutions of the First Extraordinary General Meeting in 2022 published on December 29, 2022.</p>
<p>2. Matters disclosed in provisional announcements with further progress or changes in subsequent implementation</p> <p><input type="checkbox"/>Applicable <input checked="" type="checkbox"/>N/A</p> <p>3. Matters not disclosed in provisional announcements</p> <p><input type="checkbox"/>Applicable <input checked="" type="checkbox"/>N/A</p>	

(II) Related party transactions as a result of acquisition or disposal of assets or equity

1. Matters disclosed in provisional announcements without further progress or changes in subsequent implementation

Applicable N/A

Summary of matter	Index for details
<p>On October 28, 2022, the Proposal on Cash Acquisition of 100% Equity of China Construction Eco-Environmental Group Co., Ltd. by China State Construction Development Co., Ltd. was considered and approved at the 26th meeting of the third session of the Board of Directors and the 15th meeting of the third session of the Board of Supervisors of the Company.</p> <p>CSCDC, a wholly-owned subsidiary of the Company, intends to sign an equity transfer agreement with China State Construction Innovation Investment, a wholly-owned subsidiary of China State Construction (the controlling shareholder of the Company), to acquire 100% equity interests in China Construction Eco-Environmental held by China State Construction Innovation Investment in cash, at a consideration of RMB1,706,284,700. This transaction will help expand the Company's scope of business, improve the Company's industrial chain, and enhance its market competitiveness in water environmental protection, which is in line with the Company's business development needs.</p> <p>This matter constituted a related party transaction, but does not constitute a major asset reorganization as required by the Management Measures for Major Asset Reorganization of Listed Companies. As of this related party transaction, except for the related party transactions with China State Construction that have been considered and approved at the Company's general meeting, the related party transactions between the Company and China State Construction within the past 12 months have not reached 5% of audited net assets of the Company for the latest period, and this related party transaction does not need to be submitted to the Company's general meeting for consideration. This related party transaction was conducted in accordance with fair and reasonable commercial terms, and the pricing was fair and reasonable. The transaction followed the principles of objectivity, equity and fairness, and was in the interest of the Company. There was no matter that would harm the interests of shareholders, especially minority shareholders. This related party transaction will not have a negative impact on the Company.</p>	<p>Announcement on Resolutions of the 26th Meeting of the Third Board of Directors, Announcement on Resolutions of the 15th Meeting of the Third Board of Supervisors, Proposal on Cash Acquisition of 100% Equity of China Construction Eco-Environmental Group Co., Ltd. by China State Construction Development Co., Ltd. published on October 29, 2022.</p>

2. Matters disclosed in provisional announcements with further progress or changes in subsequent implementation

Applicable N/A

3. Matters not disclosed in provisional announcements

Applicable N/A

4. Disclosure of performance achieved for the Reporting Period if performance agreements are involved

Applicable N/A

(III) Material related party transactions in joint external investment

1. Matters disclosed in provisional announcements without further progress or changes in subsequent implementation

Applicable N/A

Summary of matter	Index for details
<p>On August 17, 2022, the Proposal for the Company and Its Controlling Shareholder to Jointly Increase Capital in China State Construction Finance Co., Ltd. and Related Party Transaction was considered and approved at the 22nd meeting of the third session of the Board of Directors and the 13th meeting of the third session of the Board of Supervisors of the Company.</p> <p>China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation increased the capital of China State Construction Finance Co., Ltd. in cash in proportion to their respective shareholding in China State Construction Finance Co., Ltd., among which, CSCEC and China State Construction increased RMB2.4 billion and RMB600 million, respectively. Upon the completion of the capital increase, the registered capital of CSC Finance will increase to RMB15 billion.</p> <p>This matter constituted a related party transaction, but does not constitute a major asset reorganization as required by the Management Measures for Major Asset Reorganization of Listed Companies. As of this related party transaction, except for the related party transactions with China State Construction that have been considered and approved at the Company's general meeting, the related party transactions between the Company and China State Construction within the past 12 months have not reached 5% of audited net assets of the Company for the latest period, and this related party transaction does not need to be submitted to the Company's general meeting for consideration. This related party transaction was conducted in accordance with fair and reasonable commercial terms, and the pricing was fair and reasonable. The transaction followed the principles of objectivity, equity and fairness, and was in the interest of the Company. There was no matter that would harm the interests of shareholders, especially minority shareholders. This related party transaction will not have a negative impact on the Company.</p>	<p>Announcement on Resolutions of the 22nd Meeting of the Third Board of Directors, Announcement on Resolutions of the 13th Meeting of the Third Board of Supervisors, Announcement on the Joint Increase of Capital by the Company and Its Controlling Shareholder in China State Construction Finance Co., Ltd. and Related Party Transaction published on August 18, 2022.</p>

2. Matters disclosed in provisional announcements with further progress or changes in subsequent implementation

Applicable N/A

3. Matters not disclosed in provisional announcements

Applicable N/A

(IV) Creditor's rights and debts with related parties

1. Matters disclosed in provisional announcements without further progress or changes in subsequent implementation

Applicable N/A

2. Matters disclosed in provisional announcements with further progress or changes in subsequent implementation

Applicable N/A

3. Matters not disclosed in provisional announcements

Applicable N/A

(V) Financial business between the Company and the related-party financial companies, and between the Company's holding financial companies and the related parties

√ Applicable N/A

1. Deposit

√ Applicable N/A

Unit: '000 yuan Currency: RMB

Related party	Related relationship	Maximum daily deposit limit (inclusive of accrued interest)	Deposit interest rate range (%)	Opening balance	Amount incurred during the Reporting Period		
					Total deposit during the Reporting Period	Total withdrawal during the Reporting Period	Closing balance
China State Construction and its subsidiaries	Controlling shareholder and its directly or indirectly controlled companies	20,000,000	0.455-1.755	2,623,164	24,061,786	24,238,203	2,446,747
Total	/	/	/	2,623,164	24,061,786	24,238,203	2,446,747

2. Loan

√ Applicable N/A

Unit: '000 yuan Currency: RMB

Related party	Related relationship	Loan amount	Loan interest rate range (%)	Opening balance	Amount incurred during the Reporting Period		
					Total loans during the Reporting Period	Total repayments during the Reporting Period	Closing balance
China State Construction and its subsidiaries	Controlling shareholder and its directly or indirectly controlled entities	Not exceeding the maximum daily deposit limit (inclusive of accrued interest)	3.0-3.6	4,796,000	2,116,168	4,910,335	2,001,833
Total	/	/	/	4,796,000	2,116,168	4,910,335	2,001,833

3. Credit facility or other financial businesses

√ Applicable N/A

Unit: '000 yuan Currency: RMB

Related party	Related relationship	Business type	Total amount	Actual amount
China State Construction and its subsidiaries	Controlling shareholder and its directly or indirectly controlled companies	Other financial businesses	300,000	4,542

4. Other explanation

Applicable N/A

The above related party transactions of the Company have been considered and approved at the 8th meeting of the third session of the Board of Directors, the 6th meeting of the third session of the Board of Supervisors, the third extraordinary general meeting in 2021, and the 28th meeting of the third session of the Board of Directors, the 17th meeting of the third session of the Board of Supervisors, the first extraordinary general meeting in 2022 (revised to "2021" by clients @2023/6/6 (周二) 10:36), of the Company. For details, please refer to "(I) Related party transactions associated with day-to-day operations" in "XII. Material Related Party Transactions" under SECTION VI.

(VI) Miscellaneous

Applicable N/A

For related party transactions of the Company, please refer to Note X "Related party relationships and transactions" to the financial statements under SECTION X "FINANCIAL REPORT".

XIII. Material Contracts and Their Fulfillment

(I) Custody, contracting, and leasing

1. Custody

Applicable N/A

2. Contracting

Applicable N/A

3. Leasing

Applicable N/A

(II) Guarantees

√ Applicable □ N/A

Unit: '000 yuan Currency: RMB

Guarantor	Relationship between guarantor and the Company	Guaranteed party	Guaranteed amount	Creation date of guarantee (execution date of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Collateral (if any)	Has the guarantee been fulfilled?	Is the guarantee overdue?	Overdue amount	Is there counter guarantee?	Is the guarantee provided to the related party?	Related relationship
China State Construction Engineering Corporation Limited	The Company	Wuhan Communications Investment Group Limited Company	3,500,000	December 24, 2014	April 21, 2015	May 23, 2027	Joint and several liability guarantee	Nil	No	No	0	Yes	No	Others
China Overseas Holdings Limited	Holding subsidiary	Chongqing Jiayi Property Development Company Limited (重庆嘉益房地产开发有限公司)	121,300	November 20, 2020	November 20, 2020	November 20, 2025	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Chongqing Jiayi Property Development Company Limited	345,000	March 15, 2022	March 15, 2022	March 15, 2027	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Qingdao Haijie Real Estate Co., Ltd. (青岛海捷置业有限公司)	49,923	January 13, 2022	January 13, 2022	June 7, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Xiamen Haimao Real Estate Co., Ltd. (厦门市海茂房产有限公司)	28,380	December 14, 2021	December 14, 2021	December 13, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Xiamen Haimao Real Estate Co., Ltd.	13,936	December 17, 2021	December 17, 2021	December 16, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Xiamen Haimao Real Estate Co., Ltd.	9,704	December 20, 2021	December 20, 2021	December 20, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Xiamen Haimao Real Estate Co., Ltd.	259,459	January 24, 2022	January 24, 2022	December 13, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Xiamen Haimao Real Estate Co., Ltd.	186,049	January 21, 2022	January 21, 2022	December 16, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Xiamen Haimao Real Estate Co., Ltd.	90,277	January 7, 2022	January 7, 2022	December 20, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Infinite Sun Limited	1,119,148	December 4, 2019	December 4, 2019	December 4, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Infinite Sun Limited	257,145	January 25, 2022	January 25, 2022	December 4, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Marble Edge Investments Limited	810,475	June 1, 2020	June 1, 2020	December 1, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Marble Edge Investments Limited	143,568	May 12, 2022	May 12, 2022	December 1, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Dragon Star H.K. Investments Limited	928,534	July 27, 2020	July 27, 2020	January 27, 2025	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Dragon Star H.K. Investments Limited	125,569	January 17, 2022	January 17, 2022	January 27, 2025	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Ultra Keen Holdings Limited	1,745,958	November 11, 2020	November 11, 2020	October 30, 2025	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Ultra Keen Holdings Limited	215,642	January 31, 2022	January 31, 2022	October 30, 2025	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Asia Power Development Limited	1,199,970	May 27, 2022	May 27, 2022	May 27, 2026	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Changsha Yida Chuangzhi Real Estate Development Co., Ltd. (长沙亿达创置置业发展有限公司)	173,460	April 20, 2020	April 20, 2020	April 20, 2026	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Guangzhou Bichen Real Estate Development Company Limited (广州碧晨房产开发有限公司)	72,857	December 11, 2018	December 11, 2018	December 8, 2023	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Associate

Guarantor	Relationship between guarantor and the Company	Guaranteed party	Guaranteed amount	Creation date of guarantee (execution date of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Collateral (if any)	Has the guarantee been fulfilled?	Is the guarantee overdue?	Overdue amount	Is there counter guarantee?	Is the guarantee provided to the related party?	Related relationship
China Overseas Holdings Limited	Holding subsidiary	Grand Ample Ltd.	932,254	June 22, 2021	June 22, 2021	June 22, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Associate
China Overseas Holdings Limited	Holding subsidiary	Grand Ample Ltd.	156,026	January 10, 2022	January 10, 2022	June 22, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Associate
China Overseas Holdings Limited	Holding subsidiary	Zhuzhou China Overseas Grand Oceans Properties Co., Ltd. (株洲中海宏洋地产有限公司)	32,700	March 31, 2022	March 31, 2022	September 28, 2027	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Associate
China Overseas Holdings Limited	Holding subsidiary	Zhuzhou China Overseas Grand Oceans Properties Co., Ltd.	210,000	September 29, 2021	September 29, 2021	September 28, 2026	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Associate
China Overseas Holdings Limited	Holding subsidiary	Guangdong Hachao Technology Industry Development Co., Ltd. (广东海新科技产业发展有限公司)	39,163	October 31, 2022	October 31, 2022	October 31, 2041	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Chongqing CSCEC Halong Two Rivers Construction Technology Co., Ltd. (重庆中建海龙两江建设科技有限公司)	97,300	October 29, 2021	October 29, 2021	October 29, 2031	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Chongqing CSCEC Halong Two Rivers Construction Technology Co., Ltd.	11,088	January 27, 2022	January 27, 2022	May 10, 2023	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongmianli Real Estate Development Co., Ltd. (上海永年里房地产开发有限公司)	39,200	September 28, 2022	September 28, 2022	September 27, 2034	Joint and several liability guarantee	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongmianli Real Estate Development Co., Ltd.	126,800	November 10, 2022	November 10, 2022	September 27, 2034	Joint and several liability guarantee	Nil	No	No	0	No	No	Others
China Overseas Holdings Limited	Holding subsidiary	Shanghai Yongmianli Real Estate Development Co., Ltd.	26,860	December 19, 2022	December 19, 2022	September 27, 2034	Joint and several liability guarantee	Nil	No	No	0	No	No	Others
China Construction Third Engineering Bureau Group Co., Ltd.	Holding subsidiary	Wuhan Optics Valley Science Island Construction and Development Co., Ltd. (武汉光谷科学岛建设发展有限公司)	150,000	September 13, 2022	September 13, 2022	September 15, 2040	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Construction Eighth Engineering Division Corp. Ltd.	Holding subsidiary	Suzhou Fuyuan Real Estate Co., Ltd. (苏州孚元置业有限公司)	195,500	December 29, 2020	December 29, 2020	May 31, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Associate
China Construction Eighth Engineering Division Corp. Ltd.	Holding subsidiary	Suzhou Fuyuan Real Estate Co., Ltd.	204,000	January 5, 2022	January 5, 2022	January 4, 2028	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Associate
China Construction Eighth Engineering Division Corp. Ltd.	Holding subsidiary	Guangzhou Fuchuang Real Estate Development Co., Ltd. (广州孚创房地产开发有限公司)	799,000	August 5, 2021	August 5, 2021	December 30, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Associate
China Construction Eighth Engineering Division Corp. Ltd.	Holding subsidiary	Guangzhou Fuchuang Real Estate Development Co., Ltd.	510,000	December 28, 2021	December 28, 2021	January 6, 2030	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Associate
China Construction Eighth Engineering Division Corp. Ltd.	Holding subsidiary	Suzhou Dongfu Yongou Real Estate Co., Ltd. (苏州东孚永佑置业有限公司)	98,000	December 19, 2021	January 17, 2022	December 18, 2024	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Joint venture
China Construction (South Pacific) Development Co. Pte. Ltd.	Holding subsidiary	Ferrelle Lane Pte. Ltd.	147,500	June 4, 2020	June 4, 2020	March 3, 2025	Joint and several liability guarantee	Nil	No	No	0	No	Yes	Associate

Guarantor	Relationship between guarantor and the Company	Guaranteed party	Guaranteed amount	Creation date of guarantee (execution date date of guarantee of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Collateral (if any)	Has the guarantee been fulfilled?	Is the guarantee overdue?	Overdue amount	Is there counter guarantee?	Is the guarantee provided to the related party?	Related relationship
Total amount of guarantees provided during the Reporting Period (excluding guarantees provided to subsidiaries)														
Total balance of guarantees as at the end of the Reporting Period (A) (excluding guarantees provided to subsidiaries)														
Guarantees provided by the Company to subsidiaries														
Total amount of guarantees provided to subsidiaries during the Reporting Period														
Total balance of guarantees provided to subsidiaries as at the end of the Reporting Period (B)														
Total amount of guarantees (A+B)														
Total amount of guarantees as a percentage of the net assets of the Company attributable to the parent company (%)														
Of which:														
Amount of guarantees provided to shareholders, de facto controller and their related parties (C)														
Amount of debt guarantees provided directly or indirectly to guaranteed parties with an asset-liability ratio of over 70% (D)														
Total amount of guarantees exceeding 50% of net assets attributable to the parent company (E)														
Total of the above three classes of guarantees (C+D+E)														
Explanation on contingent, joint and several liability for undue guarantees														
As at the end of the Reporting Period, the total guarantee of the Company (excluding mortgages provided for purchasers of property) amounted to RMB324.5 billion, including financing guarantee of RMB233.8 billion, operating guarantee of RMB90.6 billion, the balance of guarantee provided by the Company to purchasers of property in its real estate operations amounted to RMB124.0 billion.														
Explanation on guarantees														
COHL holds a 2% stake in Shanghai Yongnian Real Estate Development Co., Ltd. (上海永年房地产开发有限公司), which does not constitute joint control or significant influence. Shanghai Yongnian Real Estate Development Co., Ltd. (上海永年房地产开发有限公司) is not a joint venture or associate of the Company.														
The Company's independent directors have reviewed the guarantees provided by the Company to external parties as of December 31, 2022, and expressed relevant specific explanations and independent opinions.														

(III) Entrusted cash asset management

1. Entrusted wealth management

(1). Overall wealth management

Applicable N/A

(2). Single entrusted wealth management

Applicable N/A

(3). Impairment provision for entrusted wealth management

Applicable N/A

2. Entrusted loans

(1). Overall entrusted loans

Applicable N/A

Unit: '000 yuan Currency: RMB

Type	Source of funds	Amount incurred	Outstanding balance	Amount due but not recovered
General entrusted loan	Self-owned funds	-134,990	498,116	0

Others

Applicable N/A

As of the end of the Reporting Period, the total external entrusted loan of the Company amounted to approximately RMB0.498 billion, which was mainly incurred from the financing and investing activities conducted by the Company to drive its general contracting projects. Please refer to Note V. 12 "Debt investments" to the financial statements under SECTION X "FINANCIAL REPORT".

(2). Single entrusted loans

Applicable N/A

Others

Applicable N/A

(3). Impairment provision for entrusted loans

Applicable N/A

3. Miscellaneous

Applicable N/A

(IV) Other material contracts

√ Applicable □ N/A

1. Major domestic business contracts during the Reporting Period

Unit: 100 million yuan Currency: RMB

No.	Name of contract	Signing Party	Value of contract	Type of contract
1	General Contract for Fangcun-Baiyun Airport Intercity Railway Construction Project (芳村至白云机场城际施工总承包项目合同)	China Construction Infrastructure Co., Ltd., China State Construction Engineering Corporation Limited, China Construction South China Construction Investment Co., Ltd. (中建华南建设投资有限公司), China Construction First Group Corporation Limited, China Construction Second Engineering Bureau Ltd., China Construction Third Engineering Bureau Group Co., Ltd., China Construction Fourth Engineering Division Corp., Ltd., China Construction Eighth Engineering Division Corp., Ltd., China Construction Industrial & Energy Engineering Group Co., Ltd.	183.52	Infrastructure construction
2	General Contract for the PPP Project of Guangxi Longsheng-Dongzhong Port Highway (Shanglin-Nanning Section) (广西龙胜-峒中口岸公路(上林至南宁段)PPP项目施工总承包合同)	China State Construction Engineering Corporation Limited, China Construction Infrastructure Co., Ltd., China Construction Third Engineering Bureau Group Co., Ltd., China Construction Eighth Engineering Division Corp., Ltd., CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd., China Construction Communications Engineering Group Co., Ltd.	98.42	Infrastructure construction
3	Contract (EPC) for LONGi New Energy Technology Industrial Park Project in Mengsu Economic Development Zone (蒙苏经济开发区隆基新能源科技产业园项目(EPC模式)合同)	China Construction Eighth Engineering Division Corp., Ltd.	97.00	Infrastructure construction
4	Partners Solicit Construction Contract for Jinan International Trade Center Project (济南国际贸易中心项目合作方征集项目施工合同)	China Construction Third Engineering Bureau Group Co., Ltd.	83.10	Infrastructure construction
5	General Contract for the PPP Project of Phase I Construction of Guanyang (Hunan-Guangxi boundary)-Tian'e (Xialao) Highway (Jiangyong-Guilin (Guangxi Section)) (灌阳(湘桂界)至天峨(下老)公路(江永至桂林(广西段))一期工程 PPP项目施工总承包合同)	China State Construction Engineering Corporation Limited, China Construction Infrastructure Co., Ltd., China Construction First Group Corporation Limited, China Construction Second Engineering Bureau Ltd., China Construction Fourth Engineering Division Corp. Ltd., China Construction Seventh Engineering Division Corp. Ltd., and China Construction Communications Engineering Group Co., Ltd.	78.03	Infrastructure construction
6	General Contract for Section HNTZ-1 of Investor of Hannan Yangtze River Bridge and Connection Project of the Wuhan Metropolitan Area Ring Line (武汉都市区环线汉南长江大桥及接线工程投资人 HNTZ-1 标段工程总承包合同)	China Construction Third Engineering Bureau Group Co., Ltd.	73.00	Infrastructure construction
7	Contract for "Internet +" Future Science and Technology City Plot DY01-04 Neighborhood (Excluding Pile Foundation) Works and Weisan Road Municipal Engineering Construction ("互联网+"未来科技城地块 DY01-04 街坊(不含桩基)工程及纬三路市政工程施工合同)	The Sixth Construction Co., Ltd. of China Construction Fourth Engineering Division Corp. Ltd.	65.27	Housing construction
8	General Contract for EPC project of quick renovation (including supporting infrastructure) of North Ring Road in Xinyang (信阳市北环路快速化改造项目(含附属配套设施)EPC工程总承包合同)	China Construction Eighth Engineering Division Corp., Ltd.	64.90	Infrastructure construction
9	General Contract for the construction of Haikou Tower Project (海口塔项目施工总承包工程合同)	China Construction Third Engineering Bureau Group Co., Ltd.	64.35	Housing construction
10	Construction Contract for the NCIEC Phase II Project (新国展二期项目施工总承包合同)	China Construction Second Engineering Bureau Ltd.	62.98	Housing construction
11	General Contract for the Construction of Renovation and Expansion of Terminal 3 at Changsha Airport (长沙机场改扩建工程 T3 航站楼施工总承包项目)	China Construction Eighth Engineering Division Corp., Ltd. and China Construction Fifth Engineering Division Corp., Ltd.	62.45	Infrastructure construction
12	General Contract for the Standard Workshop Construction of Phase II Korean Power Battery Project (韩国动力电池项目二期标准厂房施工总承包建设工程施工合同)	China Construction Fourth Engineering Division Corp., Ltd.	60.60	Housing construction
13	General Contract for Fengtang Project (Bao'an A308-125) Plots 03-06 & 03-07 (凤塘项目(宝安 A308-125)03-06 地块、03-07 地块施工总承包项目合同)	China Construction Third Engineering Bureau Group (Shenzhen) Co., Ltd. (中建三局集团(深圳)有限公司)	57.61	Housing construction
14	General Contract for 4-10 North Plot of Fengtang Project (Bao'an A308-126) (凤塘项目(宝安 A308-126) 4-10 北地块施工总承包工程合同)	The Third Engineering Construction Co., Ltd. of China Construction Second Engineering Bureau	57.50	Housing construction
15	Engineering, Procurement and Construction (EPC) Contract for Nanshan Intelligent Manufacturing (Honghualing Base) Urban Renewal Project (Phase I) (南山智造(红花岭基地)城市更新项目(一期)设计采购施工总承包(EPC)合同)	The Second Construction Co., Ltd. of China Construction Second Engineering Bureau	57.00	Infrastructure construction
16	General Contract for Cornex New Energy Project in Yichang (宜昌楚能新能源项目施工总承包项目合同)	The First Construction Co., Ltd. of China Construction Third Engineering Bureau	56.00	Housing construction
17	Contract for the Urban Renewal Project in Laoxu Town, Longgang Street, Longgang District, Shenzhen (深圳龙岗区龙岗街道龙岗老墟镇城市更新项目合同)	Third Construction Co., Ltd. of China Construction Eighth Engineering Division	56.00	Housing construction
18	General Contract for CBD Urban Renewal 14th Five Year Plan Municipal Infrastructure Construction Project in Dali(大理市中心城区城市更新"十四五"市政基础设施建设项目工程总承包合同)	China Construction Infrastructure Co., Ltd., China Construction Seventh Engineering Division. Corp., Ltd., the Third Construction Engineering Co., Ltd. of China Construction Fifth Engineering Bureau, CSCEC Electronic Information Technology Co., Ltd., China Southwest Architectural Design and Research Institute Corp., Ltd.	55.39	Infrastructure construction

No.	Name of contract	Signing Party	Value of contract	Type of contract
19	Contract for Phase III Expansion of Terminal 3 at Baiyun International Airport in Guangzhou (广州白云国际机场三期扩建工程 T3 航站楼工程合同)	China Construction Third Engineering Bureau Group Co., Ltd.	55.07	Infrastructure construction
20	General Contract (EPC) for Modern Facilities Fishery Technology Industrial Park (Premium Salmon Farming Industry Chain Demonstration Base), Modern Facilities Fishery Technology Industrial Park (Germlasm Innovation and Breeding Demonstration Base of Famous and Excellent Aquatic Products) Project (现代设施渔业科技产业园(优质三文鱼产业链示范基地)、现代设施渔业科技产业园(名优水产种质创新与良种繁育示范基地)工程总承包 EPC 项目合同)	China Construction First Group Corporation Limited	54.84	Infrastructure construction
21	General Contract for Comprehensive Development of the Northern Area of Fu'an City (福安市城区北部片区综合开发项目工程总承包合同)	China Construction First Group Corporation Limited	54.12	Housing construction
22	General Contract for Super High-rise Project in Zhonghai Chengdu Tianfu New District (中海成都天府新区超高层项目总承包工程合同)	China Construction Eighth Engineering Division, Corp., Ltd.	53.64	Housing construction
23	Contract for Jiangnan New District Comprehensive Development Project (Phase I) (江南新区综合开发项目(一期)合同)	China Construction Third Engineering Bureau Group Co., Ltd.	52.00	Housing construction
24	General Contract for Construction of Chongqing Rail Transit Line 27 (YCK40+524.3-YCK51+102) (重庆轨道交通 27 号线工程(YCK40+524.3-YCK51+102)施工总承包合同)	China State Construction Engineering Corporation Limited, China Construction First Group Corporation Limited, China Construction Third Engineering Bureau Group Co., Ltd., China Construction Fifth Engineering Division Corp., Ltd., China Construction Eighth Engineering Division, Corp., Ltd.	51.91	Infrastructure construction
25	General Contract for LVGEM Baishizhou Jingting Project (绿景白石洲璟庭项目总承包工程合同)	The First Construction Co., Ltd. of China Construction Third Engineering Bureau	50.55	Housing construction
26	Contract for Shanghai Jiading Future City Project (上海嘉定未来城市项目合同)	China Construction Second Engineering Bureau Ltd.	50.11	Housing construction
27	EPC Contract for Yantai International Medical Isotope Innovation Application Base Project (烟台国际医用同位素创新应用基地项目 EPC 工程总承包合同)	The First Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau	46.80	Housing construction
28	General Contract for Plot Project in Yangjing West District (洋泾西区地块项目总承包工程合同)	China Construction Eighth Engineering Division Corp. Ltd.	46.76	Housing construction
29	General Contract for Urban Renewal of Yangqikeng, Dongcheng, Dongguan, Guangdong (广东省东莞市东城洋坑城市更新总承包工程施工合同)	China Construction Fifth Engineering Division Corp. Ltd.	46.36	Housing construction
30	General Contract for 4-12 South Plot of Fengtang Project (Bao'an A308-127) (凤塘项目(宝安 A308-127)4-12 南地块施工总承包工程合同)	China Construction Fourth Engineering Division Corp. Ltd.	45.00	Housing construction
31	Construction Contract for Lingling-Daoxian Expressway Project (零陵至道县高速公路项目施工总承包合同)	China Construction Fifth Engineering Division Corp. Ltd.	45.00	Infrastructure construction
32	General Contract (EPC) for 978MW Ecological Agriculture and Photovoltaic Tourism Project in Yuhu Town, Jiedong District, Jieyang, Guangdong (广东省揭阳市揭东区玉湖镇 978MW 生态农业与光伏旅游 EPC 总承包项目合同)	The Third Construction Engineering Co., Ltd. of China Construction Second Engineering Bureau, CSCEC Zhonghuan Ecological and Environmental Protection Technology Co. (中建中环生态环保科技有限公司), China Construction Power and Environment Engineering Co., Ltd.	43.33	Infrastructure construction
33	General Contract for Plot A of Jinmao Suwan Hexi Complex (Yuzui) Project (金茂苏皖河西综合体(鱼嘴)项目 A 地块总承包工程合同)	China Construction Third Engineering Bureau Group Co., Ltd.	41.61	Housing construction
34	EPC Contract for PPP Project of Tuanjiehu Big Data Intelligent Industrial Park (团结湖大数据智能产业园 PPP 项目 EPC 工程总承包合同)	China Construction Eighth Engineering Division Corp. Ltd.	41.26	Infrastructure construction
35	General Contract for Jihua Mansion Phase II (Land Plot C and D) Construction Project (Sichuan) (九华府二期(C、D 地块)施工项目(四川)总承包合同)	China Construction Fifth Engineering Division Corp. Ltd.	40.07	Housing construction
36	Construction Contract for Hainan New Energy Vehicle Experience Center Project (海南新能源汽车体验中心项目施工合同)	China Construction Third Engineering Bureau Group Co., Ltd.	40.00	Housing construction
37	General Contract for Hongrongyuan Guancheng Project Lot 03 (鸿荣源观城项目 03 地块施工总承包合同)	China Construction Third Engineering Bureau Group (Shenzhen) Co., Ltd. (中建三局集团(深圳)有限公司)	40.00	Housing construction
38	Contract of Chengtuo Yunzhihu Port for Cold Storage in Heze (菏泽城投智数冷链港项目合同)	The Second Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau	40.00	Housing construction
39	General Contract (EPC) for Data Center Construction Project of Agricultural Bank of China Inner Mongolia (中国农业银行内蒙古数据中心建设项目 EPC 总承包施工合同)	China Construction Third Engineering Bureau Group Co., Ltd.	39.90	Housing construction
40	General Contract for Model Intelligent Manufacturing Community Project in Tiankeng Village, Hengli, Dongguan(东莞横沥田坑村模具智造社区项目施工总承包工程项目合同)	The Fifth Construction Engineering Co., Ltd. of China Construction First Engineering Bureau	39.70	Housing construction
41	General Contract for the Design and Construction of Economic and Industrial Park Infrastructure Phase III around Baiyun Airport Phase III Expansion Project (land plots of Fangshi, Fenghe, Yahu, Herui Road, Zhusan) (白云机场三期扩建工程周边临空经济产业园区基础设施建设三期工程(方石、凤和、鹤湖、和瑞路、竹三地块)设计施工总承包合同)	China State Construction Science & Technology Group Co., Ltd., China Construction Southwest Geotechnical Investigation & Design Institute Co., Ltd., China Southwest Architectural Design and Research Institute Corp., Ltd., China Construction First Group Corporation Limited, China Construction Third Engineering Bureau Group Co., Ltd.	39.60	Housing construction
42	Construction Contract for Section 1 of Terminal Area Engineering - Airport Engineering - Xiamen New Airport Project (厦门新机场项目一机场工程一航站区工程一施工一标段施工合同)	China Construction Eighth Engineering Division Corp. Ltd.	39.02	Infrastructure construction
43	Contract for Infrastructure Construction Project of Finished Home Industrial Park Area in Lanshan District, Linyi (临沂市兰山区精装家居产业园片区基础设施建设项目合同)	China Construction Third Engineering Bureau Group Co., Ltd.	38.96	Infrastructure construction
44	General Contract for Lingang West Island Financial Center Project (临港西岛金融中心项目施工总承包工程合同)	China Construction Second Engineering Bureau Ltd.	37.50	Housing construction
45	Construction Contract for Phase I Project of East Extension Line of Fuzhou Rail Transit Line 2 (福州市轨道交通 2 号线东延线一期工程建设工程施工合同)	China State Construction Engineering Corporation Limited, CSCEC Strait Construction and Development Co., Ltd., China Construction Fourth Engineering Division Corp., Ltd.	37.08	Infrastructure construction
46	General Contract for alumina project (the second high-temperature production line) of Chifeng Qihui Aluminum Industry Development Co. Ltd. (赤峰启辉铝业发展有限公司氧化铝项目(第二条高温生产线)施工总承包工程合同)	China Construction First Group Corporation Limited	37.00	Housing construction
47	Contract for Renovation Project of First Economic Cooperative in Shibietang Community, Guandu Subdistrict, Maonan District, Maoming City (茂名市茂南区官渡石叠塘社区第一经济合作社三旧改造项目合同)	The First Construction Co., Ltd. of China Construction Fourth Engineering Division	36.61	Housing construction
48	EPC Contract for Prefabricated Vegetable Science and Technology Innovation Industrial Park and Food Union Ecological Project (预制菜科创产业园及食联生态项目 EPC 项目总承包合同)	China Construction First Group Corporation Limited	36.13	Infrastructure construction
49	General Contract for Huawei Industrial Project in the No. 5 Land Plot in Tuanbowa of Songshan Lake (华为松山湖团泊洼 5 号地块工业项目总承包工程项目合同)	China Construction Third Engineering Bureau Group (Shenzhen) Co., Ltd. (中建三局集团(深圳)有限公司)	35.59	Housing construction

No.	Name of contract	Signing Party	Value of contract	Type of contract
50	General Contract for Comprehensive Development and Utilization of Underground Space in Shanghe Plaza and Construction of Supporting Infrastructure (上台广场地下空间综合利用及配套基础设施建设工程总承包项目合同)	China State Construction Engineering Corporation Limited, China Construction Qingdao Investment and Construction Co., Ltd. (中建青岛投资建设有限公司), China Construction Fifth Engineering Division Corp. Ltd., China Construction Seventh Engineering Division Corp., Ltd., China Construction Eighth Engineering Division Corp., Ltd., China State Construction Harbour and Channel Engineering Bureau Group Co., Ltd.	35.47	Infrastructure construction
51	Contract for Comprehensive Development Project of Binjiang Core Area in Longgang City (龙港市滨江核心区综合开发项目合同)	China Construction Eighth Engineering Division Corp. Ltd.	35.13	Housing construction
52	Engineering and Construction Contract for Zhuhai Taoist Activity Site Construction Project (珠海市道教活动场所建设工程设计施工总承包项目合同)	China Construction Third Engineering Bureau Group Co., Ltd.	35.00	Housing construction
53	Construction Contract of Yuxiyuan Project (玉玺园项目建设工程施工合同)	China Construction Third Engineering Bureau Urban Construction Co., Ltd.	35.00	Housing construction
54	Contract for the Ecological Restoration and Functional Improvement Project of Jinghu Lakeside, Donghu Mountain and Culture and Entertainment City in Deyang, Sichuan (四川省德阳市旌湖两岸、东湖山、文化娱乐城生态修复和功能完善项目合同)	China Construction Third Engineering Bureau Group Co., Ltd.	34.44	Infrastructure construction
55	Construction Contract for Urban Renewal Project of Tianbei West Village, Fucheng Street, Longhua District, Shenzhen (深圳市龙华区福城街道田背西村城市更新项目施工合同)	China Construction First Group South China Construction Co., Ltd. (中建一局集团华南建设有限公司)	33.26	Housing construction
56	Engineering, Procurement and Construction (EPC) Contract of Danianhuawan Cultural Tourism and Rehabilitation Project (Plot A-08-03 on the South Side of Shatang Port) (大拉花湾文化旅游康养项目(沙塘港河南侧地块 A-08-03 地块)设计采购施工总承包 EPC 合同)	China Construction Eighth Engineering Division Corp. Ltd.	32.93	Housing construction
57	General Contract for YH-18 Unit of Yuhang Group (High-speed Railway Hub Center) of the Complex Project (West Zone) at Hangzhou West Station North (余杭组团 YH-18 单元(高铁枢纽中心)杭州西站北综合体项目(西区)总承包工程合同)	The First Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau	32.91	Infrastructure construction
58	General Contract (EPC) for Yongjing Fashion Valley in Yongjing Qingcheng, Pingguan (平川永靖清城永靖河谷 EPC 项目工程总承包合同)	China Construction Eighth Engineering Bureau South China Construction Co., Ltd. (中建八局华南建设有限公司)	32.60	Housing construction
59	Construction Contract for the Construction of Land Plot 1 and 6 Reconstruction and Land Plot 2 Finance of Keenstar's project in Huangdeng village, Guangzhou (勤诚达广州黄登项目复建 1、6 号及融资 2 号地块总承包工程建设工程施工合同)	CSCEC4 Civil Engineering Co., Ltd.	32.38	Housing construction
60	General Contract (EPC) for New Infrastructure Construction of Communication Base Station in Shandong (山东省通信基站新基础设施建设工程总承包(EPC)项目合同)	China Construction Sixth Engineering Bureau Corp., Ltd.	32.36	Infrastructure construction
61	General Contract (EPC) for Ciyuan Business and Tourism Logistics Park in Ludian County and other special debt projects in 2022 (鲁甸县 2022 年茨院商旅物流园等专项项目(EPC)总承包合同)	China Construction Fifth Engineering Division Corp. Ltd.	32.12	Infrastructure construction
62	EPC Contract for Environmental Protection New Material Industrial Park Phase I, II and III in Huaiyuan County (怀远县环保新材料产业园一期、二期、三期 EPC 项目合同)	The Second Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau	32.04	Infrastructure construction
63	General Contract (EPC) for Intelligent Logistics and Trade Complex of Haiyun Square in Rizhao (日照海韵广场智慧物流综合体 EPC 总承包合同)	The Second Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau	32.00	Housing construction
64	Construction Contract for Section WYZQ-4 of Hanchuan East to Yichang North Station on Wuhan-Yichang Section of the Newly-built Shanghai-Chongqing-Chengdu High-Speed Railway (新建沪渝蓉高速铁路武汉至宜昌段汉川东至宜昌北站前工程 WYZQ-4 标段施工承包合同)	China Construction Third Engineering Bureau Group Co., Ltd.	31.64	Infrastructure construction
65	General Contract for Wuxi Medical Health Industrial Park Project (无锡医疗健康产业园项目施工总承包合同)	China Construction Eighth Engineering Division Corp. Ltd.	31.56	Housing construction
66	Civil Construction Contract for Nanchong-Chengdu Expressway Expansion Project (LJ6) (南充至成都高速公路扩容工程土建施工合同(LJ6))	China State Construction Engineering Corporation Limited	31.26	Infrastructure construction
67	General Contract for Dongqiao Plaza Project (Design, Procurement and Construction General Contract) in Ningde (宁德市东侨广场项目(设计采购施工总承包)工程总承包合同)	CSCEC Strait Construction and Development Co., Ltd.	31.23	Housing construction
68	General Contract for Fengtang Project (Bao'an A308 - 126) Plots 13-01 (凤塘项目(宝安 A308-126)13-01 地块施工总承包工程)	3rd Construction (Shenzhen) Co., Ltd. of China Construction 5th Engineering Bureau (中建五局第三建设(深圳)有限公司)	30.80	Housing construction
69	Construction contract of Intelligent Emergency Industrial Park in Banan District (巴南区智慧应急产业园项目施工合同)	China Construction Tunnel Corp., Ltd.	30.55	Infrastructure construction
70	Contract for Civil Construction of Section 2 of Phase I Project of Qingdao Metro Line 15 (青岛市地铁 15 号线一期工程土建施工 2 标段项目合同)	China State Construction Engineering Corporation Limited, China Construction Qingdao Investment and Construction Co., Ltd. (中建青岛投资建设有限公司), China Construction Second Engineering Bureau Ltd., China Construction Third Engineering Bureau Group Co., Ltd., China Construction Harbour and Channel Engineering Bureau Group Co., Ltd.	30.30	Infrastructure construction
71	General Contract for the Headquarter of Jiangsu Women and Children Health Hospital (江苏省妇幼保健院总部项目工程总承包合同)	China Construction Third Engineering Bureau Group Co., Ltd.	30.29	Housing construction
72	General Contract for Plot Z4 in the Core Area of Beijing Central Business District (CBD) (北京商务中心区(CBD)核心区 Z4 地块项目总承包施工合同)	China Construction Third Engineering Bureau Group Co., Ltd.	30.25	Housing construction
73	Jingzhou Libu Yangtze River Highway-Railway Bridge LBTJ-2 Framework Contract (荆州李埠长江公铁大桥 LBTJ-2 框架合同)	China Construction Third Engineering Bureau Group Co., Ltd.	30.25	Infrastructure construction
74	Engineering, Procurement and Construction (EPC) Contract for World Computing - Changsha Smart Valley Project Zone 1 (世界计算+长沙智谷项目第一区设计、采购、施工(EPC)总承包合同)	China Construction Fifth Engineering Division Corp. Ltd.	30.18	Housing construction
75	EPC Contract for Real Estate Development on the East Side of Hongzheng Street, Xihongmen Town, Daxing District, Beijing (北京市大兴区西红门镇宏政街东侧地块房地产开发 EPC 项目工程总承包合同)	China Construction Third Engineering Bureau Group Beijing Co., Ltd. (中建三局集团北京有限公司)	30.13	Housing construction
76	Contract for Project of Fuyao University of Science and Technology (福耀科技大学项目合同)	China Construction Third Engineering Bureau Group Co., Ltd.	30.00	Housing construction
77	Construction Contract for Shanty Renovation Project in Area 404, Tongchuan District, Dazhou City (达州市通川区 404 片区棚改项目施工合同)	China Construction Fourth Engineering Division Corp. Ltd.	30.00	Housing construction
78	Contract for Hannan Yangtze River Bridge and Connection Project of the Wuhan Metropolitan Area Ring Line (武汉都市区环线汉南长江大桥及接线工程合同)	China Construction Eighth Engineering Division Corp. Ltd.	30.00	Infrastructure construction
79	General Contract for Construction of Weng'an Tongluowan Plaza Project (瓮安铜锣湾广场项目施工总承包合同)	China Construction Science & Technology Group Co., Ltd.	30.00	Housing construction

Note: The contracts listed above are mainly sourced from the statistics of the contracts actually entered into by the Company as at the end of the Reporting Period.

2. Major overseas business contracts during the Reporting Period

Unit: 100 million dollars Currency: USD

No.	Name of contract	Signing Party	Value of contract	Type of contract
1	Contract for Combination of the Second and Third Sections of Saudi Arabia Traffic Tunnel (Mountain) (沙特阿拉伯交通隧道(山区部分)二、三标段合并项目合同)	China State Construction Engineering Corporation Limited	11.36	Infrastructure construction
2	Baniyas North Development – Phase 3	China State Construction Engineering Corporation (Middle East) (L.L.C)	6.42	Housing construction
3	EPC Contract for Construction of the Emergency Hospital and Makeshift Hospital at the Lok Ma Chau Loop (河套应急医院和方舱医院建设项目工程总承包(EPC)合同)	China Construction Science and Industry Corporation Ltd.	5.15	Housing construction
4	Contract for Abyssinia Bank Design and Build Project (Abyssinia 银行设计加建造工程项目合同)	China State Construction Engineering Corporation Limited	4.27	Housing construction
5	EPC Contract for Iraqi Nasiriyah International Airport (伊拉克纳西里耶国际机场 EPC 工程总承包合同)	China State Construction Engineering Corporation Limited	3.67	Infrastructure construction
6	HDB Bukit Merah C58	Rich Construction Company Pte Ltd (丰盛建筑有限公司)	3.45	Housing construction
7	CONTRACT AGREEMENT ON FINANCING, DESIGN AND CONSTRUCTION OF THE VUKOSAVLJE – BRCKO HIGHWAY SECTION	China State Construction Engineering Corporation Limited Banja Luka Branch (中国建筑股份有限公司巴尼亚卢卡分公司)	3.39	Infrastructure construction
8	Contract for HDB BUKIT BATOK N4 C24&25 (BB5)	China Construction (South Pacific) Development Co Pte Ltd	2.20	Housing construction
9	Mongolia “Silk Road” Apartment Complex Project Contract (蒙古国“丝绸之路”公寓群项目合同)	China Construction Mongolia Co., Ltd. (中建股份蒙古国有限责任公司)	1.98	Housing construction
10	Contract for 2X133 MW combined cycle cogeneration plant in Loznica (洛兹尼察 2X133 兆瓦联合循环热电联产厂合同)	China Construction UCF Group (Zrenjanin) Co., Ltd. (中国建筑先锋集团(兹雷尼亚宁)有限公司)	1.91	Infrastructure construction
11	General Contract for the Construction of Mares Premium Apartments, Maputo, Mozambique, Lot 2 Project (莫桑比克首都马普托市 2 号地 Mares 高级公寓施工总承包项目合同)	China Construction Fifth Engineering Division Corp. Ltd.	1.52	Housing construction
12	Contract for 360 Boulevard Project-DB Design and Construction in Sabah, Malaysia (马来西亚沙巴州 360 Boulevard 项目-DB 设计与建造承包合同)	China State Construction Engineering (M) SDN. BHD. (中国建筑马来西亚有限公司)	1.50	Housing construction
13	Contract on Residential Project in Jeju Island, Republic of Korea (韩国济州岛住宅项目合同)	China Construction Sixth Engineering Division Corp., Ltd.	1.43	Housing construction
14	Contract for Section C22B of the Roughing and Furnishing of AT&S Electronics Plant in Kulim Hi-Tech Industrial Park, Kedah, Malaysia (马来西亚吉打州居林高科技产业园奥特斯电子厂房粗装精装修 C22B 标段项目合同)	China Changjiang (Malaysia) Construction Investment Co., Ltd. (中建长江(马来西亚)有限公司)	1.23	Housing construction
15	General Contract for SAVYAVASA Apartment Project (SAVYAVASA 公寓项目总承包合同)	China State Construction Overseas Development Co., Ltd.	1.20	Housing construction
16	Contract for HDB TENGAH PARK C5 (TGP2)	Rich Construction Company Pte Ltd (丰盛建筑有限公司)	1.17	Housing construction
17	Contract for DLN Ramp and Tunnel (Part 1)	Singapore Office of China State Construction Engineering Corporation Limited	1.07	Infrastructure construction
18	General Contract for KIS International School Project (KIS 国际学校项目总承包合同)	China State Construction Engineering (Thailand) Co., Ltd. (中国建筑工程(泰国)有限公司)	1.06	Housing construction
19	EPC Contract for New Dormitory Project in Chennai, India (印度金奈新建宿舍 EPC 项目合同)	China Construction Sausum (India) Private Limited	1.02	Housing construction

Note: The contracts listed above are mainly sourced from the statistics of the contracts actually entered into by the Company as of the end of the Reporting Period.

3. Newly-signed comprehensive credit facility contracts

Unit: 100 million yuan/dollars Currency: RMB/USD

No.	Name of comprehensive credit facility contract	Credit grantor	Accredited party	Comprehensive credit facility limit	Credit period
1	Comprehensive credit facility contract	Bank of Beijing Co., Ltd. (Zhongguancun Branch)	China State Construction Engineering Corporation Limited	RMB6.0 billion	May 23, 2022 – May 22, 2024
2	Comprehensive credit facility contract	Bank of Communications Co., Ltd. (Beijing Fuwai Branch)	China State Construction Engineering Corporation Limited	RMB20.0 billion	July 16, 2022 – July 15, 2023
3	Credit facility agreement guaranteed by group clients	China Export & Credit Insurance Corporation	China State Construction Engineering Corporation Limited	USD0.4 billion	June 8, 2022 – June 7, 2024
4	Credit facility limit contract	Bank of China Limited (Beijing BOC Tower Branch)	China State Construction Engineering Corporation Limited	RMB37.0 billion	July 21, 2022 – July 10, 2023

4. Newly-signed strategic cooperation and business cooperation agreement

During the Reporting Period, the Company continued to increase its strategic cooperation with local governments, large domestic and foreign enterprises and financial institutions. The following are the major cooperation agreements entered into by the Company:

No.	Name of contract	Signing date	Contents of contract
1	Strategic Cooperation Framework Agreement between the People's Government of Xi'an and China State Construction Engineering Corporation Limited	February 25, 2022	Based on the overall planning of the People's Government of Xi'an, CSCEC's development and the principle of "equality and mutual benefit, complementary advantages, mutual support, long-term cooperation and shared development", the two parties established a long-term strategic partnership. The cooperation will mainly cover: urban infrastructure construction; urban renewal and comprehensive development, people's livelihood projects in science, education, culture and healthcare as well as other emerging fields.
2	Cooperation Framework Agreement between the People's Government of Xuzhou and China State Construction Engineering Corporation Limited	August 9, 2022	Based on the overall planning of the People's Government of Xuzhou, CSCEC's development and the principle of "complementary advantages, mutual benefit and shared development", the two parties established a long-term strategic partnership. The cooperation will mainly cover: creating a new benchmark for central-local cooperation; jointly driving the development and construction of the region; comprehensively promoting the development of linkage and integration with local enterprises; and jointly serving the coordinated development of Huaihai Economic Zone.
3	Cooperation Framework Agreement between the People's Government of Changzhou and China State Construction Engineering Corporation Limited	September 6, 2022	Based on the overall planning of the People's Government of Changzhou, CSCEC's development and the principle of "complementary advantages, mutual benefit and shared development", the two parties established a long-term strategic partnership. The cooperation will mainly cover: infrastructure projects; novel urbanization construction; and people's livelihood projects.
4	Deepen Cooperation Supplemental Agreement between the People's government of Wuxi and China State Construction Engineering Corporation Limited	September 6, 2022	Based on the overall planning of the People's government of Wuxi, CSCEC's development and the principle of "complementary advantages, mutual benefit and shared development", the two parties established a long-term strategic partnership. The cooperation will mainly cover: jointly promoting the development of related enterprises and industries; jointly promoting regional development and construction; coordinating and linking with local enterprises; and jointly serving the integrated development strategy of the Yangtze River Delta, etc.
5	Strategic Cooperation Framework Agreement between Xinjiang Irtys River Investment and Development (Group) Co., Ltd. (新疆额尔齐斯河投资开发(集团)有限公司) and China State Construction Engineering Corporation Limited	December 23, 2022	Based on the overall planning of Xinjiang Irtys River Investment and Development (Group) Co., Ltd., CSCEC's development and the principle of "complementary advantages, shared resources, mutual benefit and win-win cooperation", the two parties established a long-term strategic partnership. The cooperation will mainly cover: major water projects and other major infrastructure projects among others.

XIV. Explanation on Other Material Matters that Have Significant Impacts on Value Judgement and Investment Decision-making by Investors

Applicable N/A

XV. Index of Information Disclosure

During the Reporting Period, the Company published 143 announcements and documents on the website of the Shanghai Stock Exchange (www.sse.com.cn), and related announcements were also published in the China Securities Journal, Shanghai Securities News, Securities Daily, and Securities Times.

No.	Matter	Date of disclosure
1	CSCEC Business Briefing for January-December 2021	January 8, 2022
2	Announcement on the Second Tranche of Unlocking in 2021 in Respect of Phase III Restricted A Share Incentive Scheme and Listing of Shares of CSCEC	January 12, 2022
3	Legal Opinions of King & Wood Mallesons on Relevant Matters regarding Second Tranche of Unlocking in 2021 in Respect of Phase III Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited	January 12, 2022
4	Announcement on Winning the Bid for the PPP Project of (Phase I) Guangxi Guanyang (Hunan-Guangxi border) to Tian'e (Xialao) Highway (Jiangyong-Guilin (Guangxi Section)) of CSCEC	January 15, 2022
5	Announcement on Significant Project of CSCEC	January 25, 2022
6	Announcement on Winning the Bid for the PPP Project of Guangxi Congjiang-Rong'an-Lipu Highway (Rong'an to Yangshuo Section via Yongfu) of CSCEC	February 7, 2022
7	Announcement on Winning the Bid for the PPP Project of Guangxi Longsheng-Dongzhong Port Highway (Shanglin to Nanning Section) of CSCEC	February 7, 2022
8	CSCEC Business Briefing for January 2022	February 19, 2022
9	Announcement on the Appointment of the Company's President	February 26, 2022
10	Announcement on the Resolutions of the 13th Meeting of the Third Board of Directors	February 26, 2022
11	Independent Opinions of Independent Directors on the Appointment of Zhang Zhaoxiang as the Company's President	February 26, 2022
12	Announcement on Significant Project of CSCEC	February 26, 2022
13	Announcement on Resolutions of the 14th Meeting of the Third Board of Directors of CSCEC	March 8, 2022
14	Independent Opinions of Independent Directors on Amendments to the Regulations on the Management of Related Party Transactions of China State Construction Engineering Corporation Limited	March 8, 2022
15	Independent Opinions of Independent Directors on Amendments to the Regulations on the Management of Funds to and from Controlling Shareholder and Other Related Parties of China State Construction Engineering Corporation Limited	March 8, 2022
16	Regulations on the Management of Related Party Transactions (2022 Revised Draft) of China State Construction Engineering Corporation Limited	March 8, 2022
17	Regulations on the Management of Funds to and from Controlling Shareholder and Other Related Parties (Revision in March 2022) of China State Construction Engineering Corporation Limited	March 8, 2022
18	Announcement on Resolutions of the 9th Meeting of the Third Board of Supervisors of CSCEC	March 8, 2022
19	Announcement on Changes to the Investment in the Project on Historic Preservation and Urban Renewal in Shanghai Municipality of CSCEC	March 8, 2022
20	CSCEC Business Briefing for January-February 2022	March 11, 2022
21	Announcement on Significant Project of CSCEC	March 19, 2022
22	Announcement on Holding the 2021 Annual Earnings Announcement of the Company	April 9, 2022
23	Legal Opinions of King & Wood Mallesons on Relevant Matters regarding Repurchase and Write-off of Partial Restricted Shares under Phases I, II, III and IV Restricted A Share Incentive Schemes of China State Construction Engineering Corporation Limited	April 12, 2022
24	Announcement of CSCEC on Repurchase and Write-off of Partial Restricted Shares for Equity Incentives	April 12, 2022
25	Announcement on Provision for Asset Impairment in 2021 of CSCEC	April 16, 2022
26	Independent Opinions of Independent Directors on the Company's Provision for Asset Impairment in 2021	April 16, 2022
27	Annual Report 2021 of China State Construction Engineering Corporation Limited	April 16, 2022
28	Summary of Annual Report 2021 of China State Construction Engineering Corporation Limited	April 16, 2022
29	Special Explanation and Independent Opinions of Independent Directors on the Company's External Guarantees for 2021	April 16, 2022
30	2021 Annual Financial Statements and Audit Report of China State Construction Engineering Corporation Limited	April 16, 2022

No.	Matter	Date of disclosure
31	Accounting Firm's Special Report on Misappropriation of Funds by Controlling Shareholder and Other Related Parties	April 16, 2022
32	2021 Work Report of Independent Directors of China State Construction Engineering Corporation Limited	April 16, 2022
33	2021 Internal Control Evaluation Report of China State Construction Engineering Corporation Limited	April 16, 2022
34	Independent Opinions of Independent Directors on the 2021 Internal Control Evaluation Report	April 16, 2022
35	Accounting Firm's Audit Report on the Company's Internal Control	April 16, 2022
36	2021 Sustainability Report of China State Construction Engineering Corporation Limited	April 16, 2022
37	Specific Explanation on Deposits, Loans and Other Financial Business in Related Party Transactions with CSC Finance of China State Construction Engineering Corporation Limited	April 16, 2022
38	Report on the Performance of Duties of the Audit and Risk Committee of the Board of Directors for 2021 of China State Construction Engineering Corporation Limited	April 16, 2022
39	Independent Opinions of Independent Directors on the Concurrent Appointment of Some Officers of the Company as Officers of the Controlling Shareholder	April 16, 2022
40	Report on Sustained Evaluation on Risks of China State Construction Finance Co., Ltd. of China State Construction Engineering Corporation Limited	April 16, 2022
41	Independent Opinions of Independent Directors on the Company's Related Party Transactions with China State Construction Finance Co., Ltd. in 2021	April 16, 2022
42	Announcement on the Reappointment of Accounting Firm in 2022 of CSCEC	April 16, 2022
43	Independent Opinions of Independent Directors on the Re-appointment of the Company's Accounting Firm for 2022	April 16, 2022
44	Opinions of Independent Directors on Prior Approval of the Re-appointment of the Company's Accounting Firm for 2022	April 16, 2022
45	Announcement on Profit Distribution in 2021 of CSCEC	April 16, 2022
46	Independent Opinions of Independent Directors on the 2021 Profit Distribution Plan of the Company	April 16, 2022
47	Announcement on the Proposed Increase of External Guarantee Quota in 2022 of CSCEC	April 16, 2022
48	Independent Opinions of Independent Directors on the Proposed Increase of External Guarantee Quota of the Company in 2022	April 16, 2022
49	Notice on Convening 2021 Annual General Meeting of China State Construction Engineering Corporation Limited	April 16, 2022
50	Announcement on Resolutions of the 15th Meeting of Third Session of Board of Directors of CSCEC	April 16, 2022
51	2021 Investor Protection Work Report of China State Construction Engineering Corporation Limited	April 16, 2022
52	China State Construction Engineering Corporation Limited Dividend Distribution Plan for the Next Three Years (2021-2023)	April 16, 2022
53	Independent Opinions of Independent Directors on the Company's Dividend Distribution Plan for the Next Three Years (2021-2023)	April 16, 2022
54	Announcement on Resolutions of the 10th Meeting of Third Session of Board of Supervisors of CSCEC	April 16, 2022
55	CSCEC Business Briefing for January-March 2022	April 19, 2022
56	Announcement on Significant Project of CSCEC	April 28, 2022
57	Announcement on the Resolutions of the Eleventh Meeting of the Third Board of Supervisors of CSCEC	April 30, 2022
58	Announcement on the Resolutions of the Sixteenth Meeting of the Third Board of Directors of CSCEC	April 30, 2022
59	Information on the 2021 Annual General Meeting of CSCEC	April 30, 2022
60	Report of 2022Q1 of CSCEC	April 30, 2022
61	Announcement on Resolutions of the 2021 Annual General Meeting of China State Construction Engineering Corporation Limited	May 14, 2022
62	Legal Opinions of King & Wood Mallesons on the 2021 Annual General Meeting of China State Construction Engineering Corporation Limited	May 14, 2022
63	Regulations on the Management of Related Party Transactions (Revision in May 2022) of China State Construction Engineering Corporation Limited	May 14, 2022
64	Announcement on the Partial Repurchase and Delisting of Phase III and Phase IV Restricted Shares to Reduce the Company's Registered Capital & Notification to Creditors of CSCEC	May 14, 2022
65	CSCEC Business Briefing for January-April 2022	May 14, 2022
66	Announcement on Significant Project of CSCEC	May 24, 2022
67	Announcement on the Resolutions of the 12th Meeting of the Third Board of Supervisors of CSCEC	May 24, 2022
68	Announcement on the Resolutions of the Eighteenth Meeting of the Third Board of Directors of CSCEC	May 24, 2022
69	Announcement on Investment in and Development of Real Estate Project in Lixia District, Jinan City by Subsidiary Companies of CSCEC	May 31, 2022
70	Announcement on Investment in and Development of Real Estate Project in Chaoyang District, Beijing by Subsidiary Companies of CSCEC	June 2, 2022

No.	Matter	Date of disclosure
71	CSCEC Business Briefing for January-May 2022	June 18, 2022
72	Announcement of CSCEC on Implementing Rights and Interests Distribution for 2021	June 23, 2022
73	Announcement on Significant Project of CSCEC	June 24, 2022
74	Announcement on Winning the Bid for Hannan Yangtze River Bridge and Connection Project of the Wuhan Metropolitan Area Ring Line of CSCEC	July 12, 2022
75	CSCEC Business Briefing for January - June 2022	July 16, 2022
76	Announcement on Significant Project of CSCEC	July 26, 2022
77	Announcement on Investment in and Development of Real Estate Project in Singapore by Subsidiary Company of CSCEC	July 27, 2022
78	Announcement on Repurchase and Write-off of Partial Restricted Shares for Equity Incentives of CSCEC	July 29, 2022
79	Legal Opinions of King & Wood Mallesons on Relevant Matters regarding Repurchase and Write-off of Partial Restricted Shares under Phases III and IV Restricted A Share Incentive Schemes of China State Construction Engineering Corporation Limited	July 29, 2022
80	Announcement on the Joint Increase of Capital by the Company and Its Controlling Shareholder in China State Construction Finance Co., Ltd. and Related Party Transaction of CSCEC	August 18, 2022
81	Independent Opinions of Independent Directors on the Joint Increase of Capital by the Company and Its Controlling Shareholder in China State Construction Finance Co., Ltd. and Related Party Transaction	August 18, 2022
82	Announcement on the Resolutions of the 22nd Meeting of the Third Board of Directors of CSCEC	August 18, 2022
83	Announcement on the Resolutions of the 13th Meeting of the Third Board of Supervisors of CSCEC	August 18, 2022
84	CSCEC Business Briefing for January-July 2022	August 18, 2022
85	Announcement on Holding the 2022 Interim Results Presentation of CSCEC	August 23, 2022
86	Announcement on Significant Project of CSCEC	August 27, 2022
87	Announcement on the Resolutions of the 14th Meeting of the Third Board of Supervisors of CSCEC	August 30, 2022
88	Announcement on the Resolutions of the 23rd Meeting of the Third Board of Directors of CSCEC	August 30, 2022
89	Report on Sustained Evaluation on Risks of China State Construction Finance Co., Ltd. of China State Construction Engineering Corporation Limited	August 30, 2022
90	Announcement on Provision for Asset Impairment in 2022H1 of CSCEC	August 30, 2022
91	Independent Opinions of Independent Directors on the Company's Provision for Asset Impairment in 2022H1	August 30, 2022
92	Summary of the Interim Report 2022 of CSCEC	August 30, 2022
93	Interim Report 2022 of China State Construction Engineering Corporation Limited	August 30, 2022
94	CSCEC Business Briefing for January-August 2022	September 17, 2022
95	Announcement on the Resolutions of the 25th Meeting of the Third Board of Directors of CSCEC	September 21, 2022
96	Independent Opinions of Independent Directors on the Appointment of Wang Yunlin as the Company's General Counsel	September 21, 2022
97	Announcement on Appointment of the Company's General Counsel	September 21, 2022
98	Announcement on International Credit Ratings of CSCEC	September 23, 2022
99	Announcement on Significant Project of CSCEC	September 28, 2022
100	Announcement on Investment in and Development of Real Estate Project in Jiading District, Shanghai by Subsidiary Company of CSCEC	September 28, 2022
101	CSCEC Business Briefing for January - September 2022	October 14, 2022
102	Announcement on Significant Project of CSCEC	October 19, 2022
103	Announcement on the Progress of the Establishment of China CSCEC Technology Innovation Group Co. Ltd. of CSCEC	October 25, 2022
104	Report of 2022Q3 of CSCEC	October 29, 2022
105	Announcement on the Resolutions of the 26th Meeting of the Third Board of Directors of CSCEC	October 29, 2022
106	Announcement on the Resolutions of the 15th Meeting of the Third Board of Supervisors of CSCEC	October 29, 2022
107	Announcement on the Acquisition of Equity Interests in China Construction Eco-Environmental Group Co., Ltd. and Related Party Transaction of CSCEC	October 29, 2022
108	Independent Opinions of Independent Directors on Cash Acquisition of 100% Equity of China Construction Eco-Environmental Group Co., Ltd. by China State Construction Development Co., Ltd.	October 29, 2022
109	Opinions of Independent Directors on Prior Approval of Cash Acquisition of 100% Equity of China Construction Eco-Environmental Group Co., Ltd. by China State Construction Development Co., Ltd.	October 29, 2022

No.	Matter	Date of disclosure
110	Announcement on Holding the 2022Q3 Results Presentation of CSCEC	November 4, 2022
111	CSCEC Business Briefing for January - October 2022	November 15, 2022
112	Announcement on the Resolutions of the 27th Meeting of the Third Board of Directors of CSCEC	November 28, 2022
113	The Measures on the Management of Shares and Changes in Shareholdings of the Directors, Supervisors and Senior Management in the Company of China State Construction Engineering Corporation Limited (Revision in November 2022)	November 28, 2022
114	Rules on the Work of the Board Secretary of China State Construction Engineering Corporation Limited (Revision in November 2022)	November 28, 2022
115	Rules of Procedure of the Audit and Risk Committee of the Board of Directors of China State Construction Engineering Corporation Limited (Revision in November 2022)	November 28, 2022
116	Announcement on the Resolutions of the 16th Meeting of the Third Board of Supervisors of CSCEC	November 28, 2022
117	Announcement on Significant Project of CSCEC	November 29, 2022
118	Announcement on the Renewal of the Comprehensive Services Framework Agreement between the Company and China State Construction Engineering Corporation and Daily Related-Party Transactions of CSCEC	December 13, 2022
119	Independent Opinions of Independent Directors on the Renewal of the Comprehensive Services Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation	December 13, 2022
120	Opinions of Independent Directors on Prior Approval of the Renewal of the Comprehensive Services Framework Agreement between China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation	December 13, 2022
121	Announcement on the Renewal of the Financial Services Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation and Daily Related-Party Transactions of CSCEC	December 13, 2022
122	Independent Opinions of Independent Directors on the Renewal of the Financial Services Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation	December 13, 2022
123	Opinions of Independent Directors on Prior Approval of the Renewal of the Financial Services Framework Agreement between China State Construction Finance Co., Ltd. and China State Construction Engineering Corporation	December 13, 2022
124	Announcement on the Resolutions of the 17th Meeting of the Third Board of Supervisors of CSCEC	December 13, 2022
125	Notice on Convening the First Extraordinary General Meeting in 2022 of CSCEC	December 13, 2022
126	Announcement of CSCEC on Revision of the Articles of Association of China State Construction Engineering Corporation Limited	December 13, 2022
127	Articles of Association of China State Construction Engineering Corporation Limited (2022 Revised Draft)	December 13, 2022
128	Announcement on the Resolutions of the 28th Meeting of the Third Board of Directors of CSCEC	December 13, 2022
129	CSCEC Business Briefing for January - November 2022	December 20, 2022
130	Information on the First Extraordinary General Meeting in 2022 of CSCEC	December 22, 2022
131	Announcement on Winning the Bid for the PPP Project involving Pipeline Renovation of Mixture of Rainwater and Sewage in Central Urban Area and Urban Waterlogging Control in Drainage Zoning of Lashan River and Xingji River in Jinan, Shandong of CSCEC	December 24, 2022
132	Announcement on the Resolutions of the First Extraordinary General Meeting in 2022 of CSCEC	December 29, 2022
133	Legal Opinions of King & Wood Mallesons on the First Extraordinary General Meeting in 2022 of China State Construction Engineering Corporation Limited	December 29, 2022
134	Articles of association of China State Construction Engineering Corporation Limited (Revision in December 2022)	December 29, 2022
135	Announcement on the Resolutions of the 29th Meeting of the Third Board of Directors of CSCEC	December 29, 2022
136	Rules of Procedure of the Supervisory Committee of the Board of Directors of China State Construction Engineering Corporation Limited	December 29, 2022
137	Independent Opinions of Independent Directors on the Third Tranche of Unlocking in 2022 in Respect of Phase III Restricted A Share Incentive Scheme	December 29, 2022
138	Independent Opinions of Independent Directors on the First Tranche of Unlocking in 2022 in Respect of Phase IV Restricted A Share Incentive Scheme	December 29, 2022
139	Regulations on Investor Relations Management of China State Construction Engineering Corporation Limited (Revision in December 2022)	December 29, 2022
140	Announcement on the Resolutions of the 18th Meeting of the Third Board of Supervisors of CSCEC	December 29, 2022
141	Announcement on Partial Repurchase of Phase III and IV Restricted A Shares from Incentive Participants of CSCEC	December 29, 2022
142	Legal Opinions of King & Wood Mallesons on Relevant Matters regarding the Repurchase and Write-off of Partial Restricted Shares in Respect of Phase III and IV Restricted A Share Incentive Scheme of China State Construction Engineering Corporation Limited	December 29, 2022
143	Announcement on Significant Project of CSCEC	December 31, 2022

SECTION VII CHANGES IN SHARES AND SHAREHOLDERS

I. Changes in Share Capital

(I) Table of changes in shares

1. Table of changes in shares

As at the end of the Reporting Period, the changes in the Company's share capital structure are as follows:

Unit: Share(s)

	Before the change		Increase/decrease (+,-)				After the change		
	Number	Percentage (%)	Issue of new shares	Bonus issue	Conversion from reserve	Others	Subtotal	Number	Percentage (%)
I. Shares subject to trading moratorium	1,303,585,000	3.11				-204,519,000	-204,519,000	1,099,066,000	2.62
1. State-owned shares									
2. Shares held by state-owned legal person									
3. Shares held by other domestic shareholders	1,303,585,000	3.11				-204,519,000	-204,519,000	1,099,066,000	2.62
Including: Shares held by domestic non-state-owned legal persons									
Shares held by domestic natural persons	1,303,585,000	3.11				-204,519,000	-204,519,000	1,099,066,000	2.62
4. Shares held by foreign shareholders									
Including: Shares held by overseas legal persons									
Shares held by overseas natural persons									
II. Circulating shares not subject to trading moratorium	40,644,582,844	96.89				190,784,000	190,784,000	40,835,366,844	97.38
1. RMB ordinary shares	40,644,582,844	96.89				190,784,000	190,784,000	40,835,366,844	97.38
2. Domestic listed foreign shares									
3. Overseas listed foreign shares									
4. Others									
III. Total number of shares	41,948,167,844	100				-13,735,000	-13,735,000	41,934,432,844	100

2. Explanation on changes in shares

Applicable N/A

During the Reporting Period, there were three changes in the Company's shares, which were caused by the Company's unlocking of restricted shares, repurchase and cancellation of some restricted shares. The details are as follows:

- (1) The Company completed the unlocking of the second tranche of 190,784,000 restricted shares under the Phase III restricted A share incentive scheme, converting circulating shares subject to trading moratorium to circulating shares not subject to trading moratorium. The total share capital of the Company remained unchanged, i.e. 41,948,167,844. For details, please refer to the Announcement on the Second Tranche of Unlocking in 2021 in Respect of Phase III Restricted A Share Incentive Scheme and Listing of Shares published on January 12, 2022.
- (2) The Company completed the repurchase from the participants and cancellation of 7,309,000 restricted shares that were not eligible for unlocking. After the completion of the repurchase and cancellation, the registered capital (and share capital) of the Company was decreased by RMB7,309,000 (and 7,309,000 shares) to RMB41,940,858,844 (and 41,940,858,844 shares). For details, please refer to the Announcement on Repurchase and Write-off of Partial Restricted Shares for Equity Incentives published on April 12, 2022.
- (3) The Company completed the repurchase from the participants and cancellation of 6,426,000 restricted shares that were not eligible for unlocking. After the completion of the repurchase and cancellation, the registered capital (and share capital) of the Company was decreased by RMB6,426,000 (and 6,426,000 shares) to RMB41,934,432,844 (and 41,934,432,844 shares). For details, please refer to the Announcement on Repurchase and Write-off of Partial Restricted Shares for Equity Incentives published on July 29, 2022.

3. The impact, if any, of changes in shares on financial indicators such as earnings per share, net asset per share for the latest year and the latest reporting period

Applicable N/A

During the Reporting Period, changes in the Company's shares were resulted from the repurchase and cancellation of restricted shares, and the impact was as follows:

Unit: Yuan Currency: RMB

Financial indicators	Restricted shares cancellations considered	Restricted shares cancellations not considered
Earnings per share	1.23	1.23
Net asset per share	8.93	8.92

4. Other disclosures that the Company deemed necessary or were required by securities regulatory authorities

Applicable N/A

(II) Changes in shares subject to trading moratorium

√ Applicable N/A

Unit: Share(s)

Name of shareholder	Number of shares subject to trading moratorium at the beginning of the year	Number of shares released from trading moratorium for the year	Number of new shares subject to trading moratorium for the year	Number of shares subject to trading moratorium at the end of the year	Reason for the trading moratorium	Date of release from trading moratorium
Participants of restricted share incentive scheme	1,303,585,000	-204,519,000	0	1,099,066,000	During the trading moratorium period	/
Total	1,303,585,000	-204,519,000	0	1,099,066,000	/	/

For details, please refer to “2. Explanation on changes in shares” in “(I) Table of changes in shares” under “I. Changes in Share Capital” in this section.

II. Issuance and Listing of Securities

(I) Issue of securities during the Reporting Period

 Applicable N/A

(II) Changes in the Company’s total number of shares and structure of shareholders and changes in structure of asset and liability of the Company

 Applicable N/A

(III) Existing internal employee shares

 Applicable N/A

III. Shareholders and De Facto Controller

(I) Total number of shareholders

Total number of ordinary shareholders as at the end of the Reporting Period	394,999
Total number of ordinary shareholders at the end of the month immediately before the date of disclosure of the Annual Report	401,199
Total number of preference shareholders with voting rights restored as at the end of the Reporting Period	N/A
Total number of preference shareholders with voting rights restored at the end of the month immediately before the date of disclosure of the Annual Report	N/A

(II) Shareholding of top ten shareholders, top ten shareholders of circulating shares (or holders of shares not subject to trading moratorium) as of the end of the Reporting Period

Unit: Share(s)

Shareholding of top 10 shareholders							
Name of shareholder (full name)	Increase/decrease during the Reporting Period	Number of shares held as at the end of the Reporting Period	Percentage (%)	Number of shares held subject to trading moratorium	Pledged or frozen		Nature of shareholder
					Status	Number	
China State Construction Engineering Corporation	0	23,630,695,997	56.35	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	708,371,986	2,167,977,661	5.17	0	Nil	0	Others
China Securities Finance Corporation Limited	0	1,258,300,898	3.00	0	Nil	0	Others
Central Huijin Asset Management Ltd.	0	583,327,120	1.39	0	Nil	0	State-owned legal person
National Social Security Fund Portfolio 413	64,428,216	197,990,036	0.47	0	Nil	0	Others
Industrial & Commercial Bank of China – SSE 50 Exchange Traded Open-end Index Securities Investment Fund	2,551,260	179,654,263	0.43	0	Nil	0	Securities investment fund
Bank of Ningbo Co., Ltd. – Zhongtai Xingyuan Value Selected Flexible Allocation Mixed Securities Investment Fund	133,764,705	161,504,244	0.39	0	Nil	0	Securities investment fund
Bank of Communications Co., Ltd. GF CSI Infrastructure Project Traded Open-end Index ETF Securities Investment Fund	14,948,840	133,975,140	0.32	0	Nil	0	Securities investment fund
China Life Insurance Company Limited – Traditional – General Insurance Products – 005L – CT001 Hu	124,284,618	126,037,718	0.30	0	Nil	0	Others
Bank of Communications Co., Ltd. – E Fund SSE 50 Index Enhanced Securities Investment Fund	-15,548,700	122,093,426	0.29	0	Nil	0	Securities investment fund

Shareholdings of the top 10 holders of circulating shares not subject to trading moratorium			
Name of shareholder	Number of circulating shares not subject to trading moratorium	Class and number of shares	
		Class	Number
China State Construction Engineering Corporation	23,630,695,997	RMB ordinary shares	23,630,695,997
Hong Kong Securities Clearing Company Limited	2,167,977,661	RMB ordinary shares	2,167,977,661
China Securities Finance Corporation Limited	1,258,300,898	RMB ordinary shares	1,258,300,898
Central Huijin Asset Management Ltd.	583,327,120	RMB ordinary shares	583,327,120
National Social Security Fund Portfolio 413	197,990,036	RMB ordinary shares	197,990,036
Industrial & Commercial Bank of China – SSE 50 Exchange Traded Open-end Index Securities Investment Fund	179,654,263	RMB ordinary shares	179,654,263
Bank of Ningbo Co., Ltd. – Zhongtai Xingyuan Value Selected Flexible Allocation Mixed Securities Investment Fund	161,504,244	RMB ordinary shares	161,504,244
Bank of Communications Co., Ltd. – GF CSI Infrastructure Project Traded Open-end Index ETF Securities Investment Fund	133,975,140	RMB ordinary shares	133,975,140
China Life Insurance Company Limited – Traditional – General Insurance Products – 005L – CT001 Hu	126,037,718	RMB ordinary shares	126,037,718
Bank of Communications Co., Ltd. – E Fund SSE 50 Index Enhanced Securities Investment Fund	122,093,426	RMB ordinary shares	122,093,426
Descriptions on special repurchase accounts among top 10 shareholders	N/A		
Descriptions on entrusting voting rights, entrusted voting rights or waiving voting rights of the above shareholders	N/A		
Descriptions on the related relationship or acts in concert of the above shareholders		There is no related relationship or action in concert between China State Construction Engineering Corporation, the largest shareholder of the Company, and any other shareholders mentioned above. The Company is not aware of any related relationship among the above shareholders, or that they are parties acting in concert.	
Descriptions on the preference shareholders with voting rights restored and number of shares held	N/A		

Number of shares held by top 10 holders of shares subject to trading moratorium and trading conditions

Applicable N/A

Please refer to the relevant content of “(II) Changes in shares subject to trading moratorium” under “I. Changes in share capital” in this Section.

(III) Strategic investors or general legal persons becoming the top 10 shareholders as a result of new share placement

Applicable N/A

IV. Controlling Shareholder and De Facto Controller

(I) Controlling shareholder

1. Legal person

Applicable N/A

Name	China State Construction Engineering Corporation
Person in charge of the company or legal representative	Zheng Xuexuan
Date of establishment	It was established on June 11, 1982 following the official announcement of the former Ministry of Urban and Rural Construction and Environmental Protection, and obtained the business license from the former State Administration for Industry and Commerce on March 25, 1983. It was transformed to a wholly state-owned company on November 28, 2017, and changed its name to China State Construction Engineering Corporation (in Chinese: 中国建筑集团有限公司)。
Principal business	The operation of state-owned assets within the scope authorized by the State Council; undertaking of survey, design, construction, installation and consultation of civil and constructional engineering projects at home and abroad; operation of real estate; decoration works; sculpture and frescoes business; undertaking of foreign economic assistance projects of the state; contracting of foreign-related projects in the PRC, organization of non-trade enterprises overseas, carrying out of labor service cooperation in the PRC using foreign resources, funds and technology, and export business of equipment and materials required for foreign projects; production and operation of construction materials and other non-metallic mineral products, metal products for construction, tools, construction engineering machinery and drilling machinery; import and export of goods and technology, agent service for import and export; project investment; real estate development; engineering survey and design; construction project management; technical consulting, technical services; property management. (Market entities may independently choose business items and carry out business activities in accordance with the law; as for items subject to approval in accordance with the law, relevant business activities shall be carried out with the approval of the competent authorities and within the scope of the approval; business activities of the forbidden and restricted projects under the national and municipal industry policies are not allowed.)
Shareholding and equity participation in other domestic and overseas listed companies during the Reporting Period	Apart from the Company and the listed companies controlled by the Company, China State Construction holds 27.05% shares of CSCEC SCIMEE Sci. & Tech. Co., Ltd. (stock abbreviation: SCIMEE, stock code: 300425.SZ) through its wholly-owned subsidiary, China State Construction Innovation Investment Co., LTD (“CSCEC Innovation Investment”). CSCEC Innovation Investment is the controlling shareholder of SCIMEE.
Other matters	/

2. Natural person

Applicable N/A

3. Special explanation on absence of a controlling shareholder of the Company

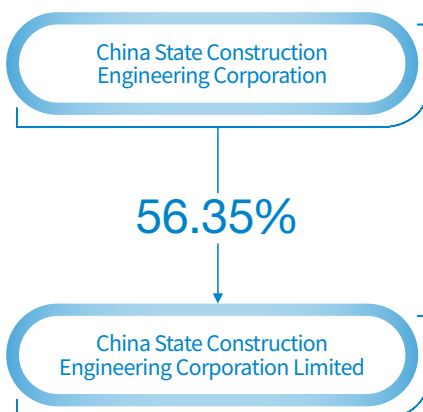
Applicable N/A

4. Details of the index and the date of change of the controlling shareholder during the Reporting Period

Applicable N/A

5. Chart showing the ownership and controlling relationship between the Company and the controlling shareholder

Applicable N/A



(II) De facto controller

1. Legal person

Applicable N/A

Name	State-owned Assets Supervision and Administration Commission of the State Council

2. Natural person

Applicable N/A

3. Special explanation on absence of a de facto controller of the Company

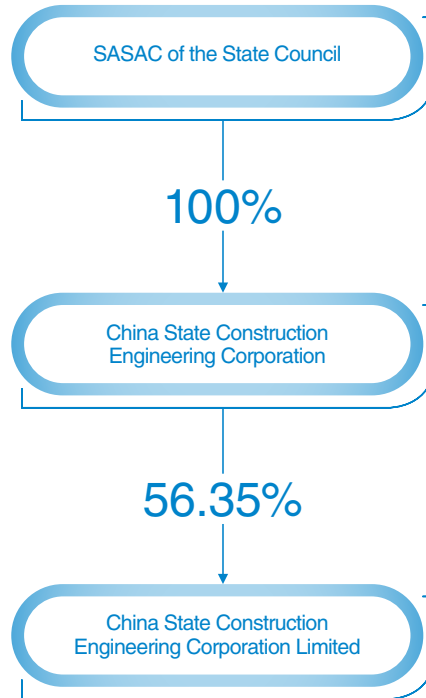
Applicable N/A

4. Details of the index and the date of change of the de facto controller during the Reporting Period

Applicable N/A

5. Chart showing the ownership and controlling relationship between the Company and the de facto controller

Applicable N/A



6. The de facto controller controlling the Company through a trust or other asset management company

Applicable N/A

- (III) Other information of the controlling shareholder and the de facto controller

Applicable N/A

- V. The accumulated number of shares pledged by the controlling shareholder of the Company or the largest shareholder and its parties acting in concert represents more than 80% of the number of the shares of the Company held by them**

Applicable N/A

- VI. Other Corporate Shareholders Holding More than 10% of the Shares**

Applicable N/A

- VII. Explanation on Restrictions on the Reduction of Shareholding**

Applicable N/A

- VIII. Details of the Implementation of Share Repurchase during the Reporting Period**

Applicable N/A

SECTION VIII INFORMATION ON PREFERENCE SHARES

Applicable N/A

SECTION IX INFORMATION ON BONDS

I. Enterprise Bonds, Corporate Bonds and Non-financial Enterprise Debt Financing Instruments

Applicable N/A

(I) Enterprise bonds

Applicable N/A

(II) Corporate bonds

Applicable N/A

1. Basic information of corporate bonds

The Company's countermeasures to the risks of termination of listing and trading of bonds

Applicable N/A

Bonds in default

Applicable N/A

Payment of interest and repayment of principal of bonds during the Reporting Period

Applicable N/A

2. The triggering and implementation of the issuer's or investor's option clauses and investor protection clauses

Applicable N/A

3. Intermediaries that provide services to the issuance of corporate bonds and the duration business

Intermediary	Office address	Name of signatory accountants	Contact person	Tel
Ernst & Young Hua Ming LLP (Special General Partnership)	Level 17, Ernst & Young Tower, Oriental Plaza, No. 1 East Chang An Avenue, Dongcheng District, Beijing, PRC	Zhou Ying, Yang Shujuan, Shen Yan	Zhou Ying	010-58153000

4. Use of raised funds at the end of the Reporting Period

Applicable N/A

5. Adjustment of credit rating results

Applicable N/A

6. The implementation and changes of guarantees, debt repayment plans and other debt repayment protection measures during the Reporting Period and their impact

Applicable N/A

7. Explanation on other information of corporate bonds

√ Applicable □ N/A

The issuance of subsisting corporate bonds by subsidiaries as at the date of this Report is as follows:

Issuance of Subsisting Corporate Bonds by Subsidiaries

Unit: '000 yuan Currency: RMB

No.	Name of bond	Abbreviation	Date of issuance	Interest commencement date	Maturity date	Issue size/ current size	Interest rate (%)	Principal repayment and interest payment
1	5.35% USD guaranteed notes due in 2042 of China Overseas Land & Investment Ltd.	CHINA OVS N4211	November 15, 2012	November 15, 2012	November 15, 2042	2,089,380.00	5.35	Normal
2	5.375% USD guaranteed notes due in 2023 of China Overseas Land & Investment Ltd.	CHINA OVS N2310	October 29, 2013	October 29, 2013	October 29, 2023	3,482,300.00	5.375	Normal
3	6.375% USD guaranteed notes due in 2043 of China Overseas Land & Investment Ltd.	CHINA OVS N4310	October 29, 2013	October 29, 2013	October 29, 2043	3,482,300.00	6.375	Normal
4	5.95% USD guaranteed notes due in 2024 of China Overseas Land & Investment Ltd.	CHINA OVS N2405	May 8, 2014	May 8, 2014	May 8, 2024	4,875,220.00	5.95	Normal
5	6.45% USD guaranteed notes due in 2034 of China Overseas Land & Investment Ltd.	CHINA OVS N3406	June 11, 2014	June 11, 2014	June 11, 2034	3,482,300.00	6.45	Normal
6	2016 corporate bonds (Tranche 1) publicly issued by China Overseas Property Group Co., Ltd.	16 China Overseas 01	August 22, 2016	August 23, 2016	August 23, 2026	1,900,000.00	3.60	Normal
7	3.5% USD guaranteed notes due in 2027 of China State Construction Engineering Corporation Limited	CSCEC II N2707	July 5, 2017	July 5, 2017	July 5, 2027	3,482,300.00	3.50	Normal
8	3.875% USD guaranteed notes due in 2027 of China State Construction International Holdings Limited	CSCFIN II N2711	November 29, 2017	November 29, 2017	November 29, 2027	1,741,150.00	3.875	Normal
9	4.25% USD guaranteed notes due in 2023 of China Overseas Land & Investment Ltd.	CHINA OVS N2304	April 26, 2018	April 26, 2018	April 26, 2023	5,223,450.00	4.25	Normal
10	4.75% USD guaranteed notes due in 2028 of China Overseas Land & Investment Ltd.	CHINA OVS N2804	April 26, 2018	April 26, 2018	April 26, 2028	5,223,450.00	4.75	Normal
11	2019 corporate bonds (Tranche 1) (Variety 2) of China Overseas Property Group Co., Ltd. publicly issued to qualified investors	19 China Overseas 02	January 23, 2019	January 24, 2019	January 24, 2026	1,500,000.00	3.75	Normal
12	3.45% USD medium-term notes due in 2029 of China Overseas Land & Investment Ltd.	CHINA OVS N2907	July 15, 2019	July 15, 2019	July 15, 2029	3,134,070.00	3.45	Normal
13	2.9% HKD medium-term notes due in 2025 of China Overseas Land & Investment Ltd.	CHINA OVS N2501	July 15, 2019	July 15, 2019	January 15, 2025	1,786,540.00	2.90	Normal
14	3.05% USD medium-term notes due in 2029 of China Overseas Land & Investment Ltd.	CHINA OVS N2911	November 27, 2019	November 27, 2019	November 27, 2029	2,047,592.40	3.05	Normal
15	4% perpetual bonds of China State Construction International Holdings Limited	CSCFIN III SGPS	December 3, 2019	December 3, 2019	December 3, 2024	3,482,300.00	4.00	Normal
16	2.375% USD medium-term notes due in 2025 of China Overseas Land & Investment Ltd.	CHINA OVS N2503	March 2, 2020	March 2, 2020	March 2, 2025	2,089,380.00	2.375	Normal
17	2.75% USD medium-term notes due in 2030 of China Overseas Land & Investment Ltd.	CHINA OVS N3003	March 2, 2020	March 2, 2020	March 2, 2030	3,482,300.00	2.75	Normal
18	3.125% USD medium-term notes due in 2035 of China Overseas Land & Investment Ltd.	CHINA OVS N3503	March 2, 2020	March 2, 2020	March 2, 2035	1,392,920.00	3.125	Normal
19	2020 renewable corporate bonds (Tranche 1) (Variety 1) of China Construction Second Engineering Bureau Ltd. publicly issued to professional investors	20 China Construction G2 Y1	June 24, 2020	June 30, 2020	June 30, 2023	1,500,000.00	3.74	Normal
20	2020 panda corporate bonds (Tranche 1) of China State Construction International Holdings Limited	20 CSOIFIN G1	July 28, 2020	July 29, 2020	July 29, 2023	2,000,000.00	3.48	Normal
21	2020 housing rental special corporate bonds (Tranche 1) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	20 China Overseas 01	August 13, 2020	August 14, 2020	August 14, 2026	2,000,000.00	3.20	Normal

No.	Name of bond	Abbreviation	Date of issuance	Interest commencement date	Maturity date	Issue size/current size	Interest rate (%)	Principal repayment and interest payment
22	2020 renewable corporate bonds (Tranche 1) of China Construction First Group Corporation Limited	20 China Construction G1 Y1	September 4, 2020	September 7, 2020	September 7, 2023	1,500,000.00	4.30	Normal
23	2020 renewable corporate bonds (Tranche 2) of China Construction First Group Corporation Limited	20 China Construction G1 Y2	September 23, 2020	September 24, 2020	September 24, 2023	1,500,000.00	4.40	Normal
24	2020 renewable corporate bonds (Tranche 1) of China Construction Science and Industry Corporation Ltd.	20 CCSI Y1	October 26, 2020	October 27, 2020	October 26, 2023	900,000.00	5.60	Normal
25	2020 corporate bonds (Tranche 1) (Variety 1) by China Overseas Development Group Co., Ltd. publicly issued to professional investors	20 China Overseas 03	November 6, 2020	November 9, 2020	November 9, 2023	2,400,000.00	3.40	Normal
26	2020 renewable corporate bonds (Tranche 1) of China Construction Science and Industry Corporation Ltd.	20 CCSI Y2	December 22, 2020	December 23, 2020	December 22, 2023	600,000.00	5.80	Normal
27	3.4% perpetual bonds of China State Construction International Holdings Limited	CSC FIN SGP SB	June 8, 2021	June 8, 2021	June 8, 2026	3,482,300.00	3.40	Normal
28	2021 corporate bonds (Tranche 1) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 01	June 11, 2021	June 15, 2021	June 15, 2024	2,000,000.00	3.25	Normal
29	2021 corporate bonds (Tranche 1) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 02	June 11, 2021	June 15, 2021	June 15, 2026	1,000,000.00	3.55	Normal
30	2021 corporate bonds (Tranche 2) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 03	July 9, 2021	July 12, 2021	July 12, 2025	1,000,000.00	3.10	Normal
31	2021 corporate bonds (Tranche 2) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 04	July 9, 2021	July 12, 2021	July 12, 2025	2,000,000.00	3.25	Normal
32	2021 corporate bonds (Tranche 3) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 05	August 6, 2021	August 9, 2021	August 9, 2025	500,000.00	2.75	Normal
33	2021 corporate bonds (Tranche 3) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 06	August 6, 2021	August 9, 2021	August 9, 2028	1,500,000.00	3.25	Normal
34	2021 renewable corporate bonds (Tranche 1) of China Construction First Group Corporation Limited publicly issued to professional investors	21 China Construction G1 Y1	November 10, 2021	November 12, 2021	November 12, 2024	1,000,000.00	3.48	Normal
35	2021 corporate bonds (Tranche 4) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 07	November 24, 2021	November 25, 2021	November 25, 2024	1,700,000.00	3.08	Normal
36	2021 corporate bonds (Tranche 4) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 08	November 24, 2021	November 25, 2021	November 25, 2026	1,200,000.00	3.38	Normal
37	2021 renewable corporate bonds (Tranche 1) (Variety 1) of China Construction Fangcheng Investment & Development Group Co., Ltd. publicly issued to professional investors	21 Fangcheng Y1	December 7, 2021	December 8, 2021	December 8, 2023	500,000.00	3.80	Normal
38	2021 renewable corporate bonds (Tranche 1) (Variety 2) of China Construction Fangcheng Investment & Development Group Co., Ltd. publicly issued to professional investors	21 Fangcheng Y2	December 7, 2021	December 8, 2021	December 8, 2024	1,200,000.00	4.25	Normal
39	2021 corporate bonds (Tranche 5) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 09	December 17, 2021	December 20, 2021	December 20, 2024	1,300,000.00	2.98	Normal
40	2021 corporate bonds (Tranche 5) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	21 China Overseas 10	December 17, 2021	December 20, 2021	December 20, 2026	800,000.00	3.38	Normal
41	2021 green renewable corporate bonds of China Construction Science & Technology Group Co., Ltd. publicly issued to professional investors	GCCST Y1	December 24, 2021	December 28, 2021	December 28, 2024	300,000.00	4.30	Normal
42	2022 corporate bonds (Tranche 1) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 01	April 6, 2022	April 7, 2022	April 7, 2025	2,000,000.00	3.05	Normal
43	2022 corporate bonds (Tranche 1) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 02	April 6, 2022	April 7, 2022	April 7, 2027	1,000,000.00	3.50	Normal
44	2022 corporate bonds (Tranche 1) of China Construction Capital Holdings Co., Ltd. publicly issued to professional investors	22 Capital Holding 01	April 26, 2022	April 27, 2022	April 27, 2025	1,000,000.00	3.30	Normal
45	2022 corporate bonds (Tranche 2) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 03	May 9, 2022	May 10, 2022	May 10, 2025	1,500,000.00	2.75	Normal
46	2022 corporate bonds (Tranche 2) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 04	May 9, 2022	May 10, 2022	May 10, 2027	1,500,000.00	3.48	Normal
47	2022 corporate bonds (Tranche 3) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 05	September 19, 2022	September 20, 2022	September 20, 2025	1,000,000.00	2.40	Normal
48	2022 corporate bonds (Tranche 3) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 06	September 19, 2022	September 20, 2022	September 20, 2027	500,000.00	3.15	Normal

No.	Name of bond	Abbreviation	Date of issuance	Interest commencement date	Maturity date	Issue size/current size	Interest rate (%)	Principal repayment and interest payment
49	2022 corporate bonds (Tranche 4) (Variety 1) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 07	December 19, 2022	December 20, 2022	December 20, 2025	1,500,000.00	2.25	Normal
50	2022 corporate bonds (Tranche 4) (Variety 2) of China Overseas Development Group Co., Ltd. publicly issued to professional investors	22 China Overseas 08	December 19, 2022	December 20, 2022	December 20, 2027	1,500,000.00	2.70	Normal
51	2023 corporate bonds (Tranche 1) of China Construction Fangcheng Investment & Development Group Co., Ltd. publicly issued to professional investors	23 Fangcheng 01	March 27, 2023	March 28, 2023	March 28, 2026	800,000.00	3.38	Normal

(III) Debt financing instruments of non-financial enterprises in the interbank bond market

√ Applicable □ N/A

1. Basic information of debt financing instruments of non-financial enterprises

Unit: '000 yuan Currency: RMB

No.	Name of bond	Abbreviation	Code	Date of issuance	Interest commencement date	Maturity date	Balance	Interest rate (%)	Method of principal repayment and interest payment	Venue of trading	Arrangement to ensure the suitability of investors (if any)	Trading mechanism	Whether there is a risk of termination of the listing
1	2018 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	18 CSCEC MTN001	101800894	August 15, 2018	August 17, 2018	August 17, 2023	5,000,000.00	4.70	Payment of interest on an annual basis and principal upon maturity	Inter-bank bond market	/	Bidding, quotation, inquiry and agreement	No
2	2018 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	18 CSCEC MTN002	101800900	August 15, 2018	August 17, 2018	August 17, 2023	5,000,000.00	4.70	Payment of interest on an annual basis and principal upon maturity	Inter-bank bond market	/	Bidding, quotation, inquiry and agreement	No
3	2020 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	20 CSCEC MTN001	102000561	April 9, 2020	April 3, 2020	April 3, 2023	4,000,000.00	3.29	Payment of interest on an annual basis and principal upon maturity	Inter-bank bond market	/	Bidding, quotation, inquiry and agreement	No
4	2020 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	20 CSCEC MTN002	102000650	April 9, 2020	April 13, 2020	April 13, 2023	3,000,000.00	3.10	Payment of interest on an annual basis and principal upon maturity	Inter-bank bond market	/	Bidding, quotation, inquiry and agreement	No
5	2020 medium-term notes (Tranche 3) of China State Construction Engineering Corporation Limited	20 CSCEC MTN003	102000748	April 16, 2020	April 20, 2020	April 20, 2023	3,000,000.00	3.09	Payment of interest on an annual basis and principal upon maturity	Inter-bank bond market	/	Bidding, quotation, inquiry and agreement	No

For relevant details, please refer to note V. 35 "Current portion of non-current liabilities", note V. 38 "Bonds payable" and note V. 46 "Other equity instruments" to the financial statements under section X "FINANCIAL REPORT".

The Company's countermeasures to the risks of termination of listing and trading of bonds

Applicable N/A

Outstanding bonds overdue

Applicable N/A

Payment of interest and repayment of principal of bonds during the Reporting Period

Applicable N/A

Name of bond	Description of payment of interest
2018 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	Normal payment of interest
2018 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	Normal payment of interest
2020 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	Normal payment of interest
2020 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	Normal payment of interest
2020 medium-term notes (Tranche 3) of China State Construction Engineering Corporation Limited	Normal payment of interest

2. The triggering and implementation of the issuer's or investor's option clauses and investor protection clauses

Applicable N/A

3. Intermediaries providing services for bond issuance and business over the duration

Intermediary	Office address	Name of signatory accountants	Contact person	Tel
Ernst & Young Hua Ming LLP (Special General Partnership)	Level 17, Ernst & Young Tower, Oriental Plaza, No. 1 East Chang An Avenue, Dongcheng District, Beijing, PRC	Zhou Ying, Yang Shujuan, Shen Yan	Zhou Ying	010-58153000

Changes to the above intermediary

Applicable N/A

4. Use of proceeds at the end of the Reporting Period

Applicable N/A

Unit: '000 yuan Currency: RMB

Name of bond	Total amount of proceeds	Used amount	Unused amount	Operation of the special account for proceeds (if any)	Rectification on illegal use of proceeds (if any)	Whether it is consistent with the purpose, use plan and other agreements promised in the prospectus
2018 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	5,000,000.00	5,000,000.00	0	Nil	Nil	Yes
2018 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	5,000,000.00	5,000,000.00	0	Nil	Nil	Yes
2020 medium-term notes (Tranche 1) of China State Construction Engineering Corporation Limited	4,000,000.00	4,000,000.00	0	Nil	Nil	Yes
2020 medium-term notes (Tranche 2) of China State Construction Engineering Corporation Limited	3,000,000.00	3,000,000.00	0	Nil	Nil	Yes
2020 medium-term notes (Tranche 3) of China State Construction Engineering Corporation Limited	3,000,000.00	3,000,000.00	0	Nil	Nil	Yes

The progress of the proceeds for construction projects and operating benefits

Applicable N/A

Explanations on changing the use of proceeds from above-mentioned bonds during the Reporting Period

Applicable N/A

Other explanations

Applicable N/A

5. Adjustment of credit rating results

Applicable N/A

6. The implementation and changes of guarantees, debt repayment plans and other debt repayment protection measures during the Reporting Period and their impact

Applicable N/A

7. Explanation on other information of debt financing instruments of non-financial enterprises

√ Applicable □ N/A

The issuance of debt financing instruments of non-financial institutions by subsidiaries as at the disclosure date of this Report is as follows:

Issuance of Debt Financing Instruments of Non-financial Institutions by Subsidiaries

Unit: '000 yuan Currency: RMB

No.	Name of bond	Abbreviation	Date of issuance	Interest commencement date	Maturity date	Issuance size/ current size	Interest rate (%)	Repayment of principal and interest payment
1	Tranche 1 of medium-term note of China Construction Second Engineering Bureau Ltd. in 2018	18 China Construction Second Bureau MTN001	April 17, 2018	April 18, 2018	April 18, 2023	1,000,000.00	5.03	Normal
2	Tranche 1 of medium-term note of China Construction Communications Engineering Group Co., Ltd. in 2018	18 China Construction Communications MTN001	July 23, 2018	July 25, 2018	July 25, 2023	500,000.00	5.10	Normal
3	Tranche 1 of medium-term note of China Construction First Group Corporation Limited in 2018 (Varely II)	18 China Construction First Group MTN001B	December 5, 2018	December 7, 2018	December 7, 2023	500,000.00	5.50	Normal
4	Tranche 1 of medium-term note of China Construction Communications Engineering Group Co., Ltd. in 2019	19 China Construction Communications MTN001	April 10, 2019	April 12, 2019	April 12, 2024	300,000.00	4.75	Normal
5	Tranche 1 of medium-term note of China Construction Fifth Engineering Division Corp. Ltd. in 2020	20 China Construction Fifth Division MTN001	April 20, 2020	April 22, 2020	April 22, 2023	2,000,000.00	3.35	Normal
6	Tranche 1 of medium-term note of China Construction Eighth Engineering Division Corp. Ltd. in 2020	20 China Construction Eighth Division MTN001	June 11, 2020	June 15, 2020	June 11, 2025	2,000,000.00	4.04	Normal
7	Tranche 2 of medium-term note of China Construction Eighth Engineering Division Corp. Ltd. in 2020	20 China Construction Eighth Division MTN002	August 26, 2020	August 28, 2020	August 26, 2023	2,000,000.00	4.45	Normal
8	Tranche 1 of medium-term note of China Construction Sixth Engineering Bureau Corp. Ltd. in 2020	20 China Construction Sixth Bureau MTN001	September 3, 2020	September 7, 2020	September 7, 2023	600,000.00	5.60	Normal
9	Tranche 1 of medium-term note of China Construction Second Engineering Bureau Ltd. in 2020	20 China Construction Second Bureau MTN001	September 29, 2020	September 30, 2020	September 30, 2023	1,500,000.00	4.80	Normal
10	Tranche 1 of medium-term note of China Construction Fourth Engineering Division Corp. Ltd. in 2020	20 China Construction Fourth Division MTN001	October 19, 2020	October 21, 2020	October 21, 2023	1,500,000.00	5.10	Normal
11	Tranche 2 of medium-term note of China Construction Second Engineering Bureau Ltd. in 2020	20 China Construction Second Bureau MTN002	October 26, 2020	October 28, 2020	October 28, 2023	1,000,000.00	4.78	Normal
12	Tranche 1 of RMB medium-term note of China State Construction International Investments Limited in 2020	20 China Construction Investments MTN001	October 26, 2020	October 28, 2020	October 28, 2023	500,000.00	3.45	Normal
13	Tranche 2 of medium-term note of China Construction Sixth Engineering Bureau Corp. Ltd. in 2020	20 China Construction Sixth Bureau MTN002	October 27, 2020	October 29, 2020	October 29, 2023	700,000.00	5.00	Normal
14	Tranche 2 of medium-term note of China Construction Third Engineering Bureau Group Co., Ltd. in 2020	20 China Construction Third Bureau MTN002	October 27, 2020	October 28, 2020	October 28, 2023	1,500,000.00	4.50	Normal
15	Tranche 1 of medium-term note of CSCEC Strait Construction and Development Co., Ltd. in 2020	20 CSCEC Strait MTN001	November 3, 2020	November 5, 2020	November 5, 2023	1,000,000.00	4.85	Normal
16	Tranche 2 of medium-term note of China Construction Fourth Engineering Division Corp. Ltd. in 2020	20 China Construction Fourth Division MTN002	November 3, 2020	November 5, 2020	November 5, 2023	2,500,000.00	5.05	Normal
17	Tranche 3 of medium-term note of China Construction Second Engineering Bureau Ltd. in 2020	20 China Construction Second Bureau MTN003	November 4, 2020	November 6, 2020	November 6, 2023	1,000,000.00	4.60	Normal
18	Tranche 3 of medium-term note of China Construction Third Engineering Bureau Group Co., Ltd. in 2020 (Varely II)	20 China Construction Third Bureau MTN003B	November 11, 2020	November 12, 2020	November 12, 2023	1,200,000.00	4.45	Normal
19	Tranche 4 of medium-term note of China Construction Second Engineering Bureau Ltd. in 2020 (Varely II)	20 China Construction Second Bureau MTN004B	November 25, 2020	November 27, 2020	November 27, 2023	1,000,000.00	4.89	Normal
20	Tranche 1 of medium-term note of China Overseas Development Group Co., Ltd. in 2020	20 China Overseas Development MTN001	December 10, 2020	December 14, 2020	December 14, 2023	1,500,000.00	3.60	Normal
21	Tranche 1 of medium-term note of China Construction Third Engineering Bureau Group Co., Ltd. in 2020	20 China Construction Third Bureau MTN001	December 21, 2020	December 22, 2020	December 22, 2023	2,000,000.00	4.70	Normal

No.	Name of bond	Abbreviation	Date of issuance	Interest commencement date	Maturity date	Issuance size/current size	Interest rate (%)	Repayment of principal and interest payment
22	Tranche 1 of medium-term note of China Overseas Development Group Co., Ltd. in 2021	21 China Overseas Development MTN001	January 13, 2021	January 15, 2021	January 15, 2024	1,500,000.00	3.35	Normal
23	Tranche 1 of medium-term note of China Construction Eighth Engineering Division Corp. Ltd. in 2021	21 China Construction Eighth Division MTN001	March 19, 2021	March 23, 2021	March 19, 2024	3,000,000.00	4.48	Normal
24	Tranche 1 of medium-term note of China State Construction International Investments Limited in 2021	21 China Construction Investments MTN001	May 27, 2021	May 31, 2021	May 31, 2024	1,000,000.00	3.52	Normal
25	Tranche 1 of medium-term note of China West Construction Group Co., Ltd. in 2021	21 China West Construction MTN001	August 18, 2021	August 20, 2021	August 20, 2024	700,000.00	3.35	Normal
26	Tranche 1 of medium-term note of China Construction Industrial & Energy Engineering Group Co., Ltd. in 2021	21 China Construction Industrial & Energy MTN001	August 20, 2021	August 24, 2021	August 24, 2024	300,000.00	4.96	Normal
27	Tranche 1 of medium-term note of China Construction Second Engineering Bureau Ltd. in 2021	21 China Construction Second Bureau MTN001	August 30, 2021	September 1, 2021	September 1, 2024	1,500,000.00	3.56	Normal
28	Tranche 1 of medium-term note of China Construction Fifth Engineering Division Corp. Ltd. in 2021	21 China Construction Fifth Division MTN001	September 27, 2021	September 28, 2021	September 28, 2024	2,000,000.00	3.80	Normal
29	Tranche 1 of medium-term note of China Construction Fourth Engineering Division Corp. Ltd. in 2021	21 China Construction Fourth Division MTN001	October 25, 2021	October 27, 2021	October 27, 2024	1,000,000.00	4.30	Normal
30	Tranche 2 of medium-term note of China Construction Fourth Engineering Division Corp. Ltd. in 2021	21 China Construction Fourth Division MTN002	November 15, 2021	November 17, 2021	November 17, 2024	2,000,000.00	4.18	Normal
31	Tranche 1 of medium-term note of China Construction Seventh Engineering Division Corp. Ltd. in 2021	21 China Construction Seventh Division MTN001	November 17, 2021	November 19, 2021	November 19, 2024	1,500,000.00	3.60	Normal
32	Tranche 2 of medium-term note of China Construction Fifth Engineering Division Corp. Ltd. in 2021	21 China Construction Fifth Division MTN002	November 24, 2021	November 26, 2021	November 26, 2024	2,500,000.00	3.60	Normal
33	Tranche 2 of medium-term note of China West Construction Group Co., Ltd. in 2021	21 China West Construction MTN002	December 1, 2021	December 3, 2021	December 3, 2024	600,000.00	4.30	Normal
34	Tranche 1 of medium-term note of China Construction Third Engineering Bureau Group Co., Ltd. in 2021	21 China Construction Third Bureau MTN001	December 7, 2021	December 9, 2021	December 9, 2024	1,300,000.00	3.35	Normal
35	Tranche 2 of medium-term note of China Construction Third Engineering Bureau Group Co., Ltd. in 2021	21 China Construction Third Bureau MTN002	December 9, 2021	December 13, 2021	December 13, 2024	1,200,000.00	3.35	Normal
36	Tranche 1 of medium-term note of China Construction Infrastructure Co., Ltd. in 2021	21 China Construction MTN001	December 9, 2021	December 13, 2021	December 13, 2024	500,000.00	3.80	Normal
37	Tranche 3 of medium-term note of China Construction Fourth Engineering Division Corp. Ltd. in 2021 (Variety I)	21 China Construction Fourth Division MTN003A	December 20, 2021	December 20, 2021	December 20, 2026	1,000,000.00	3.30	Normal
38	Tranche 3 of medium-term note of China Construction Fourth Engineering Division Corp. Ltd. in 2021 (Variety II)	21 China Construction Fourth Division MTN003B	December 20, 2021	December 20, 2021	December 20, 2026	1,000,000.00	3.95	Normal
39	Tranche 2 of medium-term note of China State Construction International Investments Limited in 2021	21 China Construction Investments MTN002	December 27, 2021	December 29, 2021	December 29, 2024	1,500,000.00	3.10	Normal
40	Tranche 1 of medium-term note of China Overseas Development Group Co., Ltd. in 2022 (Variety I)	22 China Overseas Development MTN001A	January 12, 2022	January 14, 2022	January 14, 2025	1,800,000.00	2.88	Normal
41	Tranche 1 of medium-term note of China Overseas Development Group Co., Ltd. in 2022 (Variety II)	22 China Overseas Development MTN001B	January 12, 2022	January 14, 2022	January 14, 2027	1,200,000.00	3.25	Normal
42	Tranche 3 of green medium-term note of China Overseas Development Group Co., Ltd. in 2022	22 China Overseas Development MTN002 (green)	February 21, 2022	February 23, 2022	February 23, 2027	1,000,000.00	3.22	Normal
43	Tranche 1 of green medium-term note of China State Construction International Investments Limited in 2022	22 China Construction Investments MTN001 (green)	March 31, 2022	April 2, 2022	April 2, 2025	960,000.00	2.98	Normal
44	Tranche 2 of medium-term note of China State Construction International Investments Limited in 2022	22 China Construction Investments MTN002	April 25, 2022	April 27, 2022	April 27, 2025	1,500,000.00	3.09	Normal
45	Tranche 3 of medium-term note of China Overseas Development Group Co., Ltd. in 2022 (Variety I)	22 China Overseas Development MTN003A	May 25, 2022	May 27, 2022	May 27, 2025	2,000,000.00	2.63	Normal
46	Tranche 3 of medium-term note of China Overseas Development Group Co., Ltd. in 2022 (Variety II)	22 China Overseas Development MTN003B	May 25, 2022	May 27, 2022	May 27, 2027	1,000,000.00	3.10	Normal
47	Tranche 4 of medium-term note of China Overseas Development Group Co., Ltd. in 2022	22 China Overseas Development MTN004	July 21, 2022	July 25, 2022	July 25, 2027	2,000,000.00	3.26	Normal
48	Tranche 3 of medium-term note of China State Construction International Investments Limited in 2022	22 China Construction Investments MTN003	August 17, 2022	August 19, 2022	August 19, 2027	1,040,000.00	2.70	Normal
49	Tranche 5 of medium-term note of China Overseas Development Group Co., Ltd. in 2022	22 China Overseas Development MTN005	October 25, 2022	October 27, 2022	October 27, 2027	1,000,000.00	2.85	Normal

No.	Name of bond	Abbreviation	Date of issuance	Interest commencement date	Maturity date	Issuance size/ current size	Interest rate (%)	Repayment of principal and interest payment
50	Tranche 6 of green medium-term note of China Overseas Development Group Co., Ltd. in 2022	22 China Overseas Development MTN006 (green)	December 12, 2022	December 14, 2022	December 14, 2027	2,000,000.00	2.70	Normal
51	Tranche 7 of green medium-term note of China Overseas Development Group Co., Ltd. in 2022	22 China Overseas Development MTN007 (green)	December 12, 2022	December 14, 2022	December 14, 2027	1,000,000.00	2.70	Normal
52	Tranche 1 of ultra-short term financing bonds of China Construction Communications Engineering Group Co., Ltd. in 2023	23 China Construction Communications SCP001	March 1, 2023	March 2, 2023	August 29, 2023	300,000.00	3.20	Normal
53	Tranche 2 of ultra-short term financing bonds of China Construction Communications Engineering Group Co., Ltd. in 2023	23 China Construction Communications SCP002	March 2, 2023	March 3, 2023	August 30, 2023	300,000.00	3.20	Normal
54	Tranche 1 of ultra-short term financing bonds of China Construction Sixth Engineering Bureau Corp. Ltd. in 2023 (Science and Technology Innovation Notes)	23 China Construction Sixth Bureau SCP001 (Science and Technology Innovation Notes)	March 14, 2023	March 15, 2023	June 13, 2023	1,000,000.00	2.30	Normal
55	Tranche 2 of ultra-short term financing bonds of China Construction First Group Corporation Limited in 2023 (Science and Technology Innovation Notes)	23 China Construction First Group SCP002 (Science and Technology Innovation Notes)	March 28, 2023	March 29, 2023	June 29, 2023	3,000,000.00	2.20	Normal
56	Tranche 2 of ultra-short term financing bonds of China Construction Second Engineering Bureau Ltd. in 2023	23 China Construction Second Bureau SCP002	April 10, 2023	April 11, 2023	May 19, 2023	3,000,000.00	2.23	Normal

For relevant details, please refer to Note V. 35 "Current portion of non-current liabilities" and Note V. 38 "Bonds repayable" to the financial statements under SECTION X "FINANCIAL REPORT".

- (IV) Loss in the Company's consolidated statement during the Reporting Period exceeded 10% of its net assets at the end of the previous year
 Applicable N/A
- (V) The delinquency of interest-bearing debts excluding the bond as at the end of the Reporting Period
 Applicable N/A
- (VI) The violation of laws and regulations, Articles of Association and the information disclosure management system and the impact of the agreement or commitment of the bond prospectus on the rights and interests of bond investors during the Reporting Period
 Applicable N/A

(VII) Key accounting data and financial indicators for the last two years as at the end of the Reporting Period

√ Applicable □ N/A

Unit: '000 yuan Currency: RMB

Major indicators	2022	2021 (After adjustment)	Increase/decrease as at the end of the Reporting Period over the end of last year (%)	Reason for the change
Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss	45,233,864	49,521,361	Decrease by 8.7 percentage points	Decrease in operating profit
Current ratio (%)	131.2	134.5	Decrease by 3.3 percentage points	/
Quick ratio (%)	65.0	65.4	Decrease by 0.4 percentage point	Increase in quick liabilities
Gearing ratio (%)	74.4	73.2	Increase by 1.2 percentage points	Increase in total liabilities
Debt-to-EBITDA ratio (%)	17.3	21.8	Decrease by 4.5 percentage points	Increase in total debts
Interest coverage ratio	3.6	4.5	-0.9	Increase in interest expenses
Cash interest coverage ratio	2.1	2.6	-0.5	Increase in interest expenses
EBITDA interest coverage ratio	4.0	5.1	-1.1	Increase in interest expenses
Loan repayment ratio (%)	100.0	100.0	/	/
Interest repayment ratio (%)	100.0	100.0	/	/

II. Information on Convertible Corporate Bonds

□ Applicable √ N/A

SECTION X FINANCIAL REPORT

I. Audit Report

Applicable N/A

See the attached for details

II. Financial Statements

See the attached for details

Chairman: Zheng Xuexuan

Date of approval by the Board of Directors for submission: April 17, 2023

Amendments

Applicable N/A

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For the year ended 31 December 2022

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AUDITOR'S REPORT

Ernst & Young Hua Ming (2023) Shen Zi No. 61398485_A01

China State Construction Engineering Corporation Limited

To the Shareholders of China State Construction Engineering Corporation Limited,

(I) Opinion

We have audited the financial statements of China State Construction Engineering Corporation Limited (hereinafter the "Company"), which comprise the consolidated and company balance sheets as at 31 December 2022, and the consolidated and company income statements, the consolidated and company statements of changes in equity and the consolidated and company statements of cash flows for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position as at 31 December 2022, and their financial performance and cash flows for the year ended in accordance with the requirements of Accounting Standards for Business Enterprises ("ASBEs").

(II) Basis for opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with *China Code of Ethics for Certified Public Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

(III) Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2023) Shen Zi No. 61398485_A01

China State Construction Engineering Corporation Limited

(III) Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Revenue recognition from construction contracts	
<p>The revenue of the Company is mainly derived from construction contracts and recognised based on the performance progress over the period of the contract. Depending on the nature of construction projects, determined by input method, the performance progress is measured by reference to the percentage of actual contract costs incurred to the total budgeted costs. Management makes estimates on the revenue and budgeted costs at the inception of each contract. Management shall continuously review and revise financial impacts arising from the changes in the estimated total revenue and budgeted costs based on factors such as scope changes and cost to completion throughout the contract period.</p> <p>Estimates in respect of revenue, budgeted costs as well as the progress of related construction services involve management's use of significant estimates and judgements, and have significant impact on the recognition of revenue. Therefore, we identified the revenue recognition from construction contracts as a key audit matter.</p> <p>The accounting policies and disclosures are included in Note III. 25 and III. 35 and Note V. 52 to the financial statements.</p>	<p>We obtained an understanding of, tested and evaluated the relevant controls over revenue recognition from construction contracts, including the key internal control of preparation of revenue and budgeted costs, the determination of performance progress, and the calculation of revenue according to the performance progress.</p> <p>We obtained the list of construction contracts from management, and we performed the following procedures on a sample basis:</p> <ul style="list-style-type: none"> • Reviewed the key terms of the construction contracts, revenue and budgeted costs from management, as well as supporting documents such as changes on budgeted costs, variation orders made to the original contracts and claims and incentives, evaluating the appropriateness of management's estimation basis of revenue and budgeted costs; • Tested the accuracy of actual costs incurred during the year by reviewing supporting documents and verifying whether the actual costs were recorded in the appropriate accounting period; • Recalculated performance progress based on contract costs of incurred and total projected costs of contracts, recalculated revenue recognised for the current period based on projected total revenue and performance progress, tested accuracy and performed analytical procedure based on gross margins. • Visiting selected samples of sites of construction projects to observe the progress, discussing with the site project management, comparing the performance progress with ledger record, and evaluating the reasonableness of the performance progress of the construction projects. <p>Meanwhile, we evaluated the adequacy of disclosure of revenue recognition from construction contracts.</p>

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2023) Shen Zi No. 61398485_A01

China State Construction Engineering Corporation Limited

(III) Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Impairment allowance of accounts receivable and contract assets	
<p>The impairment allowance of accounts receivable, contract assets was recognised based on expected credit losses (ECLs). The management determines the ECLs based on reasonable and supportable information on past events, current conditions and forecasts of future economic conditions etc., which involves significant management's judgements and estimates. The balances of the Company's accounts receivable and contract assets are significant, and their recoverability has a significant impact on the financial statements. Therefore, we identified the impairment allowance of accounts receivable, contract assets as a key audit matter.</p> <p>The accounting policies and disclosures are included in Note III. 9 and III. 35 and Note V. 4, V. 9 to the financial statements.</p>	<p>We obtained an understanding of, tested and evaluated the relevant controls over the impairment allowance test of accounts receivable and contract assets.</p> <p>For accounts receivable and contract assets which the management assesses the ECLs individually, we checked supporting documents to assess the customers' payment ability and the historical settlement of the contract assets on a sample basis. Combined with the customers' financial position, credit status, project progress, historical payment record and forecasted future economic situation, we evaluated the rationality and sufficiency of the management's provision of ECLs.</p> <p>For accounts receivable, contract assets which the management assesses the ECLs collectively by reference to the credit risk characteristics based on the historical payment, settlement and ageing profile, combined with the current condition and forward-looking adjustments, we evaluated the appropriateness of classification by the management and the estimated ECLs rate for different categories. On a sample basis, we assessed the accuracy of the credit risk classification and ageing profiles of accounts receivable and contract assets receivables, and recalculated the provision of ECLs.</p> <p>We inspected the subsequent payments of accounts receivable and the subsequent settlements of contract assets on a sample basis;</p> <p>Meanwhile, we evaluated the adequacy of disclosure of impairment of accounts receivable and contract assets.</p>

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2023) Shen Zi No. 61398485_A01

China State Construction Engineering Corporation Limited

(IV) Other information

The management of the Company is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

(V) Responsibilities of the management and those charged with governance for the financial statements

The management of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with ASBEs, and for designing, implementing and maintaining such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

(VI) Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- (4) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

AUDITOR'S REPORT (continued)

Ernst & Young Hua Ming (2023) Shen Zi No. 61398485_A01

China State Construction Engineering Corporation Limited

(VI) Auditor's responsibilities for the audit of the financial statements (continued)

- (5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide statements to the governance regarding compliance with ethical requirements relating to independence, communicating with them all relationships and other matters that may reasonably be considered to affect the independence, as well as the relevant precautions (if applicable).

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Chinese Certified Public Accountant: Zhou Ying

Ernst & Young Hua Ming LLP

Chinese Certified Public Accountant: Yang Shujuan

Chinese Certified Public Accountant: Shen Yan

China Beijing

17 April, 2023

CONSOLIDATED BALANCE SHEET

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

ASSETS	Note V	31 December 2022	31 December 2021 (restated)
Current assets			
Cash and bank balances	1	335,254,102	328,008,557
Financial assets held for trading	2	20,153	71,597
Notes receivable	3	6,390,924	17,745,605
Accounts receivable	4	210,431,620	180,598,582
Accounts receivables financing	5	4,658,182	3,773,078
Prepayments	6	37,223,161	49,413,205
Other receivables	7	73,584,067	60,981,694
Inventories	8	771,548,600	703,452,109
Contract assets	9	262,511,324	215,633,918
Current portion of non-current assets	10	49,254,042	44,020,921
Other current assets	11	123,911,880	111,409,836
Total current assets		1,874,788,055	1,715,109,102
Non-current assets			
Debt investments	12	22,545,039	20,945,330
Other debt investments		272,924	264,083
Long-term receivables	13	109,091,602	103,423,119
Long-term equity investments	14	111,102,151	100,854,386
Investments in other equity instruments	15	4,610,471	5,062,186
Other non-current financial assets	16	1,565,153	1,559,354
Investment properties	17	147,675,206	122,696,798
Fixed assets	18	49,844,411	43,480,748
Construction in progress	19	3,999,701	3,703,096
Right of use assets	20	6,934,438	5,893,549
Intangible assets	21	26,203,627	22,547,531
Goodwill	22	2,339,280	2,237,894
Long-term prepaid expenses	23	1,288,110	1,143,219
Deferred tax assets	24	20,838,269	18,905,143
Other non-current assets	25	269,804,869	227,496,324
Total non-current assets		778,115,251	680,212,760
TOTAL ASSETS		2,652,903,306	2,395,321,862

The accompanying notes form an integral part of these financial statements

CONSOLIDATED BALANCE SHEET (continued)

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note V	31 December 2022	31 December 2021 (restated)
Current liabilities			
Short-term borrowings	27	78,154,159	59,945,832
Notes payable	28	10,303,981	7,707,393
Accounts payable	29	585,744,273	517,203,003
Advances from customers	30	729,857	782,465
Contract liabilities	31	337,693,219	324,053,883
Employee benefits payable	32	10,329,539	8,556,196
Taxes and surcharges payable	33	65,864,695	69,083,927
Other payables	34	137,554,165	126,743,319
Current portion of non-current liabilities	35	118,183,943	81,455,928
Other current liabilities	36	84,744,727	80,027,043
Total current liabilities		1,429,302,558	1,275,558,989
Non-current liabilities			
Long-term borrowings	37	398,970,893	338,776,755
Bonds payable	38	103,797,195	99,460,750
Lease liabilities	39	4,840,508	3,692,806
Long-term payables	40	14,992,672	16,585,992
Long-term employee benefits payable	41	1,667,930	1,809,320
Provisions	42	4,317,563	4,424,680
Deferred income	43	416,592	475,514
Deferred tax liabilities	24	9,537,504	5,398,797
Other non-current liabilities	44	4,672,981	7,459,201
Total non-current liabilities		543,213,838	478,083,815
TOTAL LIABILITIES		1,972,516,396	1,753,642,804
Shareholders' equity			
Paid-in capital	45	41,934,433	41,948,168
Other equity instruments	46	10,000,000	10,000,000
Including: Perpetual bonds		10,000,000	10,000,000
Capital reserve	47	11,808,020	12,702,276
Less: Treasury shares		(1,880,038)	(3,485,347)
Other comprehensive income	48	(1,953,749)	(613,252)
Special reserve	49	305,176	123,239
General risk reserve		2,185,029	1,741,579
Surplus reserve	50	14,349,125	12,843,667
Retained earnings	51	307,574,145	270,367,451
Total equity attributable to the shareholders		384,322,141	345,627,781
Non-controlling interests		296,064,769	296,051,277
TOTAL SHAREHOLDERS' EQUITY		680,386,910	641,679,058
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,652,903,306	2,395,321,862

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Wang Yunlin

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

	Note V	2022	2021 (restated)
Revenue	52	2,055,052,070	1,892,706,307
Less: Cost of sales	52	1,840,182,381	1,677,967,644
Taxes and surcharges	53	11,755,217	14,787,677
Selling and distribution expenses	54	6,543,630	6,176,686
General and administrative expenses	55	33,996,779	34,641,264
Research and development expenses	56	49,753,236	40,019,753
Finance expenses	57	19,673,762	11,294,318
Including: Interest expenses		17,895,421	14,023,172
Interest income		3,913,677	3,196,953
Add: Other income	58	1,108,821	772,879
Investment income	59	5,675,523	4,703,372
Including: Share of profit of associates and joint ventures		4,459,665	4,924,548
Losses from derecognition of financial assets measured at amortised cost		(2,153,251)	(1,968,990)
Losses arising from changes in fair value	60	(116,297)	(236,593)
Credit impairment losses	61	(8,591,904)	(9,212,752)
Asset impairment losses	62	(4,955,812)	(3,420,470)
Gains on disposals of assets		465,690	327,051
Operating profit		86,733,086	100,752,452
Add: Non-operating income	63	2,318,279	832,641
Less: Non-operating expenses	64	215,930	546,908
Profit before income taxes		88,835,435	101,038,185
Less: Income tax expenses	66	19,623,672	23,166,793
Profit		69,211,763	77,871,392
Including: Net profit of the merged party under business combination under common control before the combination		50,362	134,352
Classified by continuity of operations			
Profit from continuing operations		69,211,763	77,871,392
Classified by ownership of the equity			
Profit attributable to owners of the parent		50,950,301	51,548,576
Profit attributable to non-controlling interests		18,261,462	26,322,816

The accompanying notes form an integral part of these financial statements

CONSOLIDATED INCOME STATEMENT (continued)

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

	Note V	2022	2021 (restated)
Other comprehensive income, net of tax		(2,828,791)	193,930
Attributable to owners of the parents	48	(1,243,480)	391,948
Other comprehensive income that will not be reclassified to profit or loss		(119,689)	(465,812)
Remeasurement gains or losses of a defined benefit plan		6,956	1,689
Changes in fair value of investments in other equity instruments		(126,645)	(467,501)
Other comprehensive income that may be reclassified to profit or loss		(1,123,791)	857,760
Shares of other comprehensive income that will be reclassified subsequently into profit or loss by the investee under equity method		(567,030)	(33,066)
Changes in fair value of other debt investments		(34,170)	(3,180)
Exchange differences on translation of foreign currency financial statements		(522,591)	894,006
Attributable to non-controlling interests	48	(1,585,311)	(198,018)
Total comprehensive income		66,382,972	78,065,322
Including:			
Attributable to owners of the parent		49,706,821	51,940,524
Attributable to non-controlling interests		16,676,151	26,124,798
Earnings per share	67		
Basic earnings per share (RMB /share)		1.23	1.25
Diluted earnings per share (RMB /share)		1.23	1.25

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Wang Yunlin

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

For the year ended 31 December 2022

	Attributable to shareholders of the Company											Total shareholders equity
	Paid-in capital	Other equity instruments Perpetual bonds	Capital reserve	Less: Treasury shares	Other comprehensive incomes	Special reserves	General risk reserves	Surplus reserves	Retained earnings	Subtotal	Non-controlling interests	
I. Balance at the end of prior year	41,948,168	10,000,000	11,260,535	(3,485,347)	(613,252)	123,239	1,741,579	12,843,667	270,081,501	343,900,090	285,802,219	639,702,309
Add: Business combination under common control	-	-	1,441,741	-	-	-	-	-	285,950	1,727,691	249,058	1,976,749
II. Balance at the beginning of the year	41,948,168	10,000,000	12,702,276	(3,485,347)	(613,252)	123,239	1,741,579	12,843,667	270,367,451	345,627,781	286,051,277	641,679,058
III. Changes for the year												
1. Total comprehensive income	-	-	-	-	(1,243,480)	-	-	-	50,950,301	49,706,821	16,676,151	66,382,972
2. Owners' contributions and reductions in capital												
(1) Capital contributions by shareholders	-	-	-	-	-	-	-	-	-	-	2,669,691	2,669,691
(2) Capital deductions by the holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	(8,835,161)	(8,835,161)
(3) Amount of share payments included in shareholders' equity	-	-	648,771	-	-	-	-	-	-	648,771	(52,880)	595,891
(4) Effect on changes in shareholding of subsidiaries	-	-	216,412	-	-	-	-	-	(1,293,073)	(1,076,661)	59,621	(1,017,040)
(5) Buyback and cancellation of locked restricted shares	(13,735)	-	(31,936)	45,671	-	-	-	-	-	-	-	-
(6) Effects on unlocking restricted stocks	-	-	-	1,559,638	-	-	-	-	-	1,559,638	-	1,559,638
(7) Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	2,518,483	2,518,483
(8) Business combination under common control	-	-	(1,716,437)	-	-	-	-	-	-	(1,716,437)	-	(1,716,437)
(9) Other	-	-	(11,066)	-	-	-	-	-	203,872	192,806	(402,170)	(209,364)
3. Profit distribution												
(1) Appropriation to surplus reserve	-	-	-	-	-	-	-	1,505,458	(1,505,458)	-	-	-
(2) Appropriation to general risk reserve	-	-	-	-	-	-	443,450	-	(443,450)	-	-	-
(3) Profit distribution to shareholders	-	-	-	-	-	-	-	-	(10,485,215)	(10,485,215)	(9,178,745)	(19,663,960)
(4) Profit distribution to holders of other equity instruments	-	-	-	-	-	-	-	-	(317,300)	(317,300)	(3,441,498)	(3,758,798)
4. Transfer within equity												
(1) Other comprehensive income transferring to retained earnings	-	-	-	-	(97,017)	-	-	-	97,017	-	-	-
5. Special reserve												
(1) Extraction for the year ended 31 December 2022	-	-	-	-	-	42,910,562	-	-	-	42,910,562	174,710	43,085,272
(2) Use for the year ended 31 December 2022	-	-	-	-	-	(42,728,625)	-	-	-	(42,728,625)	(174,710)	(42,903,335)
IV. Balance at the end of the year	41,934,433	10,000,000	11,808,020	(1,880,038)	(1,953,749)	305,176	2,185,029	14,349,125	307,574,145	384,322,141	296,064,769	680,386,910

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

For the year ended 31 December 2021 (restated)

	Attributable to shareholders of the Company										Total shareholders equity	
	Paid-in capital	Other equity instruments Perpetual bonds	Capital reserve	Treasury shares	Other comprehensive incomes	Special reserves	General risk reserves	Surplus reserves	Retained earnings	Subtotal		Non-controlling interests
I. Balance at the end of prior year	41,965,072	10,000,000	10,265,751	(4,204,385)	(1,179,401)	135,769	1,383,765	10,101,632	231,953,228	300,421,431	276,673,670	577,095,101
Add: Business combination under common control	-	-	1,159,093	-	-	504	-	-	117,218	1,276,815	234,540	1,511,355
Other changes in accounting policies	-	-	-	-	-	-	-	-	(672,735)	(672,735)	-	(672,735)
II. Balance at the beginning of the year	41,965,072	10,000,000	11,424,844	(4,204,385)	(1,179,401)	136,273	1,383,765	10,101,632	231,381,711	301,025,511	276,908,210	577,933,721
III. Changes for the year												
1. Total comprehensive income	-	-	-	-	391,948	-	-	-	51,548,576	51,940,524	26,124,798	78,065,322
2. Owners' contributions and reductions in capital												
(1) Capital contributions by shareholders	-	-	-	-	-	-	-	-	-	-	8,289,357	8,289,357
(2) Capital contributions by the holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	23,965,025	23,965,025
(3) Capital deductions by the holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	(26,349,347)	(26,349,347)
(4) Amount of share payments included in shareholders' equity	-	-	888,052	-	-	-	-	-	117,218	888,052	62,911	950,963
(5) Effect on changes in shareholding of subsidiaries	-	-	3,865	-	-	-	-	-	(357,814)	3,865	(230,026)	(228,163)
(6) Buyback and cancellation of locked restricted shares	(16,904)	-	(40,495)	57,399	-	-	-	-	-	-	-	-
(7) Effects on unlocking restricted stocks	-	-	-	661,639	-	-	-	-	-	661,639	-	661,639
(8) Business combination under common control	-	-	297,768	-	-	-	-	-	-	297,768	27,890	325,658
(9) Other	-	-	128,242	-	-	-	-	-	15,786	144,028	(11,770)	132,258
3. Profit distribution												
(1) Appropriation to surplus reserve	-	-	-	-	-	-	-	2,742,035	(2,742,035)	-	-	-
(2) Appropriation to general risk reserve	-	-	-	-	-	-	357,814	-	(357,814)	-	-	-
(3) Profit distribution to shareholders	-	-	-	-	-	-	-	(9,006,272)	(9,006,272)	(9,006,272)	(8,509,858)	(17,516,130)
(4) Profit distribution to holders of other equity instruments	-	-	-	-	-	-	-	(314,300)	(314,300)	(314,300)	(4,220,815)	(4,535,115)
4. Transfer within equity												
(1) Other comprehensive income transferring to retained earnings	-	-	-	-	174,201	-	-	-	(174,201)	-	-	-
5. Special reserve												
(1) Extraction for the year ended 31 December 2021	-	-	-	-	-	31,638,108	-	-	-	31,638,108	125,114	31,763,222
(2) Use for the year ended 31 December 2021	-	-	-	-	-	(31,651,142)	-	-	-	(31,651,142)	(130,210)	(31,781,352)
IV. Balance at the end of the year	41,948,168	10,000,000	12,702,276	(3,485,347)	(613,252)	123,239	1,741,579	12,843,667	270,367,451	345,627,781	296,051,277	641,670,058

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Wang Yunlin

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

	Note V	2022	2021 (restated)
I. Cash flows from operating activities			
Cash receipts from sales of goods and rendering of services		2,127,797,407	2,014,118,683
Refund of taxes and surcharges		11,502,252	6,601,339
Cash receipts relating to other operating activities	68	15,092,571	18,158,280
Sub-total cash flows from operating activities		2,154,392,230	2,038,878,302
Cash payments for goods and services		1,934,974,478	1,825,010,898
Cash payments to and on behalf of employees		104,179,143	93,309,518
Payments of taxes and surcharges		79,807,903	74,298,310
Cash payments relating to other operating activities	68	31,601,779	32,269,938
Sub-total cash flows used in operating activities		2,150,563,303	2,024,888,664
Net cash flows from operating activities	69	3,828,927	13,989,638
II. Cash flows from investing activities			
Cash receipts from disposal of investments		3,780,457	5,839,580
Cash receipts from returns on investments		4,261,963	4,772,195
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets		2,482,917	2,796,912
Net cash receipts from disposal of subsidiaries and other business units		448,115	3,059,952
Net cash receipts from acquisition of subsidiaries and other business units		1,614,107	–
Cash receipts relating to other investing activities	68	23,169,015	9,038,667
Sub-total cash flows from investing activities		35,756,574	25,507,306
Cash payments to acquire fixed assets, intangible assets and other long-term assets		25,948,593	31,370,174
Cash payments for investments		12,447,586	12,224,498
Net cash payments to acquire subsidiaries and other business units		–	343,490
Net cash payments to disposal of subsidiaries and other business units		359,508	–
Cash payments relating to other investing activities	68	8,478,139	14,201,600
Sub-total cash flows used in investing activities		47,233,826	58,139,762
Net cash flows used in investing activities		(11,477,252)	(32,632,456)

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

	Note V	2022	2021 (restated)
III. Cash flows from financing activities			
Cash receipts from capital contributions		2,669,691	32,594,382
Including: Cash receipts from capital contributions from non-controlling shareholders of subsidiaries		2,669,691	32,594,382
Cash receipts from borrowings		465,358,466	394,141,640
Cash receipts from issuance of bonds		34,495,000	26,701,560
Cash receipts relating to other financing activities	68	17,129,076	16,056,412
Sub-total cash flows from financing activities		519,652,233	469,493,994
Repayments of borrowings		442,670,838	339,819,213
Cash payments for distribution of dividends or profit and interest expenses		46,699,147	44,973,190
Including: Dividends or profit paid to non-controlling shareholders of subsidiaries		12,040,723	12,320,925
Other cash payments relating to financing activities	68	13,761,620	31,731,504
Sub-total cash flows used in financing activities		503,131,605	416,523,907
Net cash flows from financing activities		16,520,628	52,970,087
IV. Effect of foreign exchange rate changes on cash and cash equivalents		2,057,637	(706,108)
V. Net increase in cash and cash equivalents		10,929,940	33,621,161
Add: Cash and cash equivalents at the beginning of the year		302,070,251	268,449,090
VI. Cash and cash equivalents at the end of the year	69	313,000,191	302,070,251

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Wang Yunlin

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements

COMPANY BALANCE SHEET

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

ASSETS	Note XV	31 December 2022	31 December 2021
Current assets			
Cash and bank balances		20,029,597	22,054,786
Including: Deposited in financial company		3,759,894	5,722,693
Notes receivable		23,376	164,340
Accounts receivable	1	24,745,860	25,073,418
Accounts receivable financing		65,550	12,000
Prepayments		7,408,728	6,381,174
Other receivables	2	24,582,358	19,783,629
Inventories		132,987	126,677
Contract assets		14,514,926	11,932,569
Current portion of non-current assets		1,818,947	1,373,488
Other current assets		4,688,909	4,007,670
Total current assets		98,011,238	90,909,751
Non-current assets			
Debt investments		9,170,625	5,916,668
Long-term receivables		653,489	22,537
Long-term equity investments	3	216,923,658	205,860,857
Investments in other equity instruments		620,008	1,353,916
Other non-current financial assets		282,427	305,804
Investment properties		487,913	512,764
Fixed assets		1,005,720	962,829
Construction in progress		98,486	188,792
Right of use assets		656,546	403,122
Intangible assets		116,030	115,395
Long-term prepaid expenses		50,000	35,867
Deferred tax assets		1,625,028	1,244,055
Other non-current assets		6,167,158	6,886,085
Total non-current assets		237,857,088	223,808,691
TOTAL ASSETS		335,868,326	314,718,442

The accompanying notes form an integral part of these financial statements

COMPANY BALANCE SHEET (continued)

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

LIABILITIES AND SHAREHOLDERS' EQUITY	31 December 2022	31 December 2021
Current liabilities		
Short-term borrowings	20,917,854	30,947,377
Accounts payable	55,843,707	48,935,866
Contract liabilities	11,634,516	12,400,313
Employee benefit payable	414,569	359,814
Taxes payable	2,722,102	3,020,084
Other payables	46,957,924	45,350,607
Current portion of non-current liabilities	17,305,991	7,941,396
Other current liabilities	3,951,737	3,623,984
Total current liabilities	159,748,400	152,579,441
Non-current liabilities		
Long-term borrowings	19,610,000	2,861,000
Bonds payable	–	9,994,870
Lease liabilities	558,645	286,967
Long-term payables	9,598,952	9,734,635
Long-term employee benefit payable	113,510	129,050
Provisions	15,965	26,621
Deferred income	2,354	2,452
Total non-current liabilities	29,899,426	23,035,595
TOTAL LIABILITIES	189,647,826	175,615,036
Shareholders' equity		
Paid-in capital	41,934,433	41,948,168
Other equity instruments	10,000,000	10,000,000
Including: Perpetual bonds	10,000,000	10,000,000
Capital reserve	30,538,929	29,824,590
Less: Treasury shares	(1,880,038)	(3,485,347)
Other comprehensive income	(228,173)	(693,172)
Special reserve	35,061	–
Surplus reserve	14,349,125	12,843,667
Retained earnings	51,471,163	48,665,500
TOTAL SHAREHOLDERS' EQUITY	146,220,500	139,103,406
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	335,868,326	314,718,442

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Wang Yunlin

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements

COMPANY INCOME STATEMENT

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

	Note XV	2022	2021
Revenue	4	72,670,029	86,061,467
Less: Cost of sales	4	68,657,169	81,661,678
Taxes and surcharges		72,290	91,924
General and administrative expenses		1,799,195	1,706,239
Research and development expenses		283,107	224,910
Finance expenses		1,650,727	2,126,214
Including: Interest expenses		1,974,945	1,932,186
Interest income		224,500	202,669
Add: Other income		4,825	6,854
Investment income	5	17,087,774	29,971,620
Including: Share of income/(losses) of associates and joint ventures		277,925	(155,552)
Derecognition Losses of financial assets measured at amortized cost		(2,510)	(1,073)
(Losses)/Gains from changes in fair value		(23,377)	5,804
Credit impairment losses		(892,217)	(1,604,500)
Asset impairment losses		(19,084)	(12,500)
Gains/(Losses) on disposals of assets		7,598	(133)
Operating profit		16,373,060	28,617,647
Add: Non-operating income		5,056	5,853
Less: Non-operating expenses		233,140	122,660
Profit before income taxes		16,144,976	28,500,840
Less: Income tax expenses		1,090,402	1,080,493
Profit		15,054,574	27,420,347
Including: Profit from continuing operations		15,054,574	27,420,347
Other comprehensive income, net of tax		524,061	45,553
Other comprehensive income that will not be reclassified to profit or loss		21,251	108,082
Remeasurement gains or losses of a defined benefit plan		5,390	7,160
Changes in fair value of investments in other equity instruments		15,861	100,922
Other comprehensive income that may be reclassified to profit or loss		502,810	(62,529)
Shares of other comprehensive losses that will be reclassified subsequently into profit or loss by the investee under equity method		(173)	(626)
Exchange differences on translation of foreign currency financial statements		502,983	(61,903)
Total comprehensive income		15,578,635	27,465,900

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Wang Yunlin

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

For the year ended 31 December 2022

	Paid-in capital	Other equity instruments Perpetual bonds	Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained earnings	Total shareholders' equity
I. Balance at the beginning of the year	41,948,168	10,000,000	29,824,590	(3,485,347)	(693,172)	-	12,843,667	48,665,500	139,103,406
II. Changes for the year									
1. Total comprehensive income	-	-	-	-	524,061	-	-	15,054,574	15,578,635
2. Owners' contributions and reductions in capital									
(1) Capital contributions by the holders of other equity instruments	-	-	746,275	-	-	-	-	-	746,275
(2) Buyback and cancellation of locked restricted shares	(13,735)	-	(31,936)	45,671	-	-	-	-	-
(3) Effect on unlocking restricted shares	-	-	-	1,559,638	-	-	-	-	1,559,638
3. Profit distribution									
(1) Appropriation to surplus reserve	-	-	-	-	-	-	1,505,458	(1,505,458)	-
(2) Profit distribution to shareholders	-	-	-	-	-	-	-	(10,485,215)	(10,485,215)
(3) Profit distribution to holders of other equity instruments	-	-	-	-	-	-	-	(317,300)	(317,300)
4. Special reserve									
(1) Extraction for the year ended 31 December 2022	-	-	-	-	-	1,292,275	-	-	1,292,275
(2) Use for the year ended 31 December 2022	-	-	-	-	-	(1,257,214)	-	-	(1,257,214)
5. Transfer within equity									
(1) Other comprehensive income transferring to retained earnings	-	-	-	-	(59,062)	-	-	59,062	-
III. Balance at the end of the year	41,934,433	10,000,000	30,538,929	(1,880,038)	(228,173)	35,061	14,349,125	51,471,163	146,220,500

The accompanying notes form an integral part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY (continued)

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

For the year ended 31 December 2021

	Paid-in capital	Other equity instruments Perpetual bonds	Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained earnings	Total shareholders' equity
I. Balance at the end of prior year	41,965,072	10,000,000	29,016,685	(4,204,385)	(738,725)	25,106	10,101,632	33,307,760	119,473,145
II. Changes for the year									
1. Total comprehensive income	-	-	-	-	45,553	-	-	27,420,347	27,465,900
2. Owners' contributions and reduction in capital									
(1) Capital contributions by the holders of other equity instruments	-	-	836,446	-	-	-	-	-	836,446
(2) Buyback and cancellation of locked restricted shares	(16,904)	-	(40,495)	57,399	-	-	-	-	-
(3) Effect on unlocking restricted shares	-	-	-	661,639	-	-	-	-	661,639
(4) Other	-	-	11,954	-	-	-	-	-	11,954
3. Profit distribution									
(1) Appropriation to surplus reserve	-	-	-	-	-	-	2,742,035	(2,742,035)	-
(2) Profit distribution to shareholders	-	-	-	-	-	-	-	(9,006,272)	(9,006,272)
(3) Profit distribution to holders of other equity instruments	-	-	-	-	-	-	-	(314,300)	(314,300)
4. Special reserve									
(1) Extraction for the year ended 31 December 2021	-	-	-	-	-	614,982	-	-	614,982
(2) Use for the year ended 31 December 2021	-	-	-	-	-	(640,088)	-	-	(640,088)
III. Balance at the end of the year	41,948,168	10,000,000	29,824,590	(3,485,347)	(693,172)	-	12,843,667	48,665,500	139,103,406

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Wang Yunlin

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements

COMPANY STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

	2022	2021
I. Cash flows from operating activities:		
Cash receipts from sales of goods and rendering of services	73,343,601	84,813,566
Refund of taxes and surcharges	67,139	33,230
Cash receipts relating to other operating activities	3,868,247	7,219,308
Sub-total cash flows from operating activities	77,278,987	92,066,104
Cash payments for goods and services	65,755,717	83,942,735
Cash payments to and on behalf of employees	2,665,370	2,249,935
Payments of taxes and surcharges	2,207,876	1,389,799
Cash payments relating to other operating activities	6,174,962	3,440,679
Sub-total cash flows used in operating activities	76,803,925	91,023,148
Net cash flows from operating activities	475,062	1,042,956
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	1,239,480	506,606
Cash receipts from returns on investments	14,469,731	29,590,909
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	10,795	12,595
Cash receipts relating to other investing activities	1,124,495	3,760,120
Sub-total cash flows from investing activities	16,844,501	33,870,230
Cash payments to acquire fixed assets, intangible assets and other long-term assets	241,577	547,593
Cash payments for investments	8,078,862	21,674,396
Cash payments relating to other investing activities	4,347,331	603,694
Sub-total cash flows used in investing activities	12,667,770	22,825,683
Net cash flows from investing activities	4,176,731	11,044,547

The accompanying notes form an integral part of these financial statements

COMPANY STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2022

(All amounts in RMB Thousand Yuan unless otherwise stated)

	2022	2021
III. Cash flows from financing activities:		
Cash receipts from borrowings	45,721,000	43,460,000
Cash receipts relating to other financing activities	–	200,000
Sub-total cash flows from financing activities	45,721,000	43,660,000
Repayments of borrowings	39,386,167	45,522,000
Cash payments for distribution of dividends or profit and interest expenses	12,719,189	11,027,366
Other cash payments relating to financing activities	507,187	1,092,512
Sub-total cash flows used in financing activities	52,612,543	57,641,878
Net cash flows used in financing activities	(6,891,543)	(13,981,878)
IV. Effect of foreign exchange rate changes on cash and cash equivalents	350,441	(70,063)
V. Net decrease in cash and cash equivalents	(1,889,309)	(1,964,438)
Add: Cash and cash equivalents at the beginning of the year	21,698,935	23,663,373
VI. Cash and cash equivalents at the end of the year	19,809,626	21,698,935

The financial statements have been signed by:

Chairman: Zheng Xuexuan

Chief Finance Officer: Wang Yunlin

Head of the Finance Department: Xie Song

The accompanying notes form an integral part of these financial statements

Notes to the financial statements

I. General information

China State Construction Engineering Corporation Limited ("the Company") was established as a joint stock limited company under the People's Republic of China ("PRC") laws and regulations in accordance with the approval of Guo Zi Gai Ge [2007] No. 1495 issued by State-owned Assets Supervision and Administration Commission of the State Council ("SASAC") on 6 December 2007. The founder-members of the Company are China State Construction Engineering Corporation ("CSCEC"), China National Petroleum Corporation, Baosteel Group Corporation and Sinochem Corporation (the latter three are called by "other founder-members").

In November 2017, after approval by SASAC, CSCEC was transformed from a wholly people-owned enterprise to a wholly state-owned company. After the transformation, the Company's name was changed to China State Construction Engineering Co., Ltd. ("CSCEC"), and its contributor was SASAC who represents the State Council.

The Company was established on 10 December 2007 in Beijing, PRC, and its head quarter is situated in Beijing, PRC. The parent company and the ultimate parent company of the Company is CSCEC. The Company was listed on Shanghai Stock Exchange ("A shares") for trading in July 2009. As at 31 December 2022, total share capital of the Company was approximately RMB41.9 billion at the par value of RMB1.00 per share. As at 31 December 2022, CSCEC held approximately 23,630,700,000 shares, representing 56.35% of the total share capital.

The approved scope of business of the Company and its subsidiaries (together "the Group") includes survey, design, construction, installation, consultation, development, decoration service, manufacturing, wholesale, retail and imports and exports. The core operations include: offering a full range of construction-related services to foreign and domestic civil engineering and building construction such as construction, installation and consultation, investment and construction of infrastructure projects, foreign and domestic real estate investment and development, architecture and infrastructure construction survey and design, decoration engineering, landscape engineering design and construction, industrial investment, contracting for foreign projects in PRC, import and export, production and distribution of construction materials and other non-metal mineral products, construction-related metalwork and tools and construction engineering and drilling equipment, and financial business such as lending and borrowing within the Group.

These financial statements are authorised for issue by the Company's Board of Directors on 17 April 2023.

Please refer to Note VI for details of significant subsidiaries included in the consolidation scope in the current year. The Group does not have any significant subsidiaries newly included in the consolidation scope or excluded from the consolidation scope in the current year.

II. Basis of preparation of the financial statements

These financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises – Basic Standard and specific accounting standards, implementation guidance, interpretations, other relevant regulations issued subsequently by the Ministry of Finance (the "MOF") (hereinafter collectively referred to as "ASBEs").

The financial statements have been presented on a going concern basis.

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

III. Significant accounting policies and estimates

Specific accounting policies and estimates were decided by the Group according to the characteristics of its production and operation, mainly including measurement of expected credit losses on receivables and contract assets, valuation method of inventories, recognition and measurement of revenue.

1. Statement of compliance with ASBEs

The consolidated and company financial statements present fairly and fully the financial position of the Group and the Company as at 31 December 2022, and the financial performance and the cash flows for the year 2022 in accordance with ASBEs.

2. Accounting period

The accounting year of the Group is from 1 January to 31 December of each calendar year.

3. Functional currency

The Group's reporting and presentation currency is Renminbi ("RMB"). Unless otherwise specified, all are expressed in thousands of RMB.

Each subsidiary, joint venture or associate of the Group determines its own functional currency based on the primary economic environment in which it operates. In preparation of the financial statements, their functional currencies are translated into RMB.

III. Significant accounting policies and estimates (continued)

4. Business combinations

Business combinations are classified into business combinations involving entities under common control and business combinations not involving entities under common control.

Business combinations involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

The assets and liabilities (including goodwill arising from the ultimate controlling party's acquisition of the entity being absorbed) that are obtained by the absorbing entity in a business combination involving entities under common control shall be measured on the basis of their carrying amounts in the financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or the aggregate face value of shares issued as consideration) shall be adjusted to share premium under capital reserve. If the capital premium is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Business combinations not involving entities under common control

A business combination not involving entities under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the combination.

The acquirer shall measure the acquiree's identifiable assets, liabilities and contingent liabilities acquired in the business combination at their fair values on the acquisition date. Goodwill is initially recognised and measured at cost, being the excess of the aggregate of the fair value of the consideration transferred (or the fair value of the equity securities issued) and any fair value of the Group's previously held equity interest in the acquiree over the Group's interest in the fair value of the acquiree's net identifiable assets. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Where the aggregate of the fair value of the consideration transferred (or the fair value of the equity securities issued) and any fair value of the Group's previously held equity interest in the acquiree is lower than the Group's interest in the fair value of the acquiree's net identifiable assets, the Group reassesses the measurement of the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities and the fair value of the consideration transferred (or the fair value of the equity securities issued), together with the fair value of the Group's previously held equity interest in the acquiree. If after that reassessment, the aggregate of the fair value of the consideration transferred (or the fair value of the equity securities issued)

and the Group's previously held equity interest in the acquiree is still lower than the Group's interest in the fair value of the acquiree's net identifiable assets, the Group recognises the remaining difference in profit or loss.

Where a business combination not involving enterprises under common control is achieved through multiple transactions in stages, the long-term equity investments held in the acquiree before the acquisition date are remeasured at fair value at the acquisition date, with any difference between the fair value and the carrying amount included in investment income for the current period. Where the long-term equity investments held in the acquiree before the acquisition date relates to other comprehensive income measured under the equity method, the accounting treatment shall be conducted on the same basis as the direct disposal of related assets or liabilities by the invested entity, other changes in shareholders' equity except net profit or loss, other comprehensive income and profit distribution shall be transferred to income for the period in which the acquisition date falls. Where the equity instrument investments are held in the acquiree before the acquisition date, accumulated changes in the fair value of other comprehensive income of those equity instrument investment before the acquisition date are transferred to retained earnings.

5. Consolidated financial statements

The scope of the consolidated financial statements, which include the financial statements of the Company and all of its subsidiaries, is determined on the basis of control. Subsidiary refers to the entity controlled by the company (including the divisible parts of the enterprises, the invested units, and the structured entities controlled by the company, etc).

In the preparation of the consolidated financial statements, where the accounting policies of a subsidiary are different from those of the Company have made adjustments to the financial statements of the subsidiary based on the Company's own accounting policies. Where the accounting period of a subsidiary is different from that of the Company, the Company has adjusted the financial statements of the subsidiary based on the Company's own accounting period. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Where the loss for the current period attributable to non-controlling interests of a subsidiary exceeds the non-controlling interests of the opening balance of equity of the subsidiary, the excess shall still be allocated against the non-controlling interests.

For subsidiaries acquired through business combinations not involving entities under common control, the financial performance and cash flows of the acquiree shall be consolidated from the date on which the Group obtains control, and continue to be consolidated until the date such control ceases. While preparing the consolidated financial statements, the Group shall adjust the subsidiary's financial statements, on the basis of the fair values of the identifiable assets, liabilities and contingent liabilities recognised on the acquisition date.

III. Significant accounting policies and estimates (continued)

5. Consolidated financial statements (continued)

For subsidiaries acquired through business combinations involving entities under common control, the financial performance and cash flows of the entity being absorbed shall be consolidated from the beginning of the period in which the combination occurs. While preparing the comparative financial statements, adjustments are made to related items in the financial statements for the prior period as if the reporting entity after the combination has been in existence since the date the ultimate controlling party first obtained the control.

The Group reassesses whether or not it controls an investee if any changes in facts and circumstances indicate that there are changes to one or more of the three elements of control.

A change in the non-controlling interests, without a loss of control, is accounted for as an equity transaction.

If the accounting treatment of a transaction is inconsistent in the financial statements at the Group level and at the Company or its subsidiary level, adjustment will be made from the perspective of the Group.

6. Classification of joint arrangement and joint operation

A joint arrangement is classified as either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the joint operators have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the joint operators have rights to the net assets of the arrangement.

A joint operator recognises the following items in relation to its interest in a joint operation: its solely-held assets and its share of any assets held jointly; its solely-assumed liabilities and its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; its solely-incurred expenses and its share of any expenses incurred jointly.

7. Cash and cash equivalents

Cash comprises the Group's cash on hand and bank deposits that can be readily withdrawn on demand. Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash, and are subject to an insignificant risk of changes in value.

8. Foreign currency transactions and foreign currency translation

The Group translates foreign currency transactions into its functional currency.

Foreign currency transactions are initially recorded, on initial recognition in the functional currency using the spot exchange rates prevailing at the dates of transactions in which the transactions occur. Monetary items denominated in foreign currencies are translated at the spot exchange rates ruling at the balance sheet date. Differences arising on settlement or translation of monetary items are recognised in profit or loss, with the exception of those relating to foreign currency borrowings specifically for the construction and acquisition of qualifying assets, which are capitalised in accordance with the guidance for capitalisation of borrowing costs. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions, and the amount denominated in the functional currency is not changed. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The resulting exchange differences are recognised in profit or loss or other comprehensive income depending on the nature of the non-monetary items.

For foreign operations, the Group translates their functional currency amounts into RMB when preparing the financial statements as follows: as at the balance sheet date, the assets and liabilities are translated using the spot exchange rates at the balance sheet date, and equity items other than "unappropriated profit" are translated at the spot exchange rates at the dates of transactions; revenue and expense items in profit or loss are translated using the average exchange rates (unless this average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the spot exchange rates prevailing on the dates of the transactions). The resulting exchange differences are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss. If the disposal only involves a portion of a particular foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss on a pro-rata basis.

Foreign currency cash flows and the cash flows of foreign subsidiaries are translated using the average exchange rates (unless this average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case cash flows are translated using the spot exchange rates prevailing on the dates of cash flows). The effect of exchange rate changes on cash is separately presented as an adjustment item in the statement of cash flows.

III. Significant accounting policies and estimates (continued)

9. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Recognition and derecognition

The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of a financial instrument.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated balance sheet) when:

- (1) the rights to receive cash flows from the financial asset have expired; or
- (2) the Group has transferred its rights to receive cash flows from the financial asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) has transferred substantially all the risks and rewards of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised using trade date accounting. Regular way purchases and sales are purchases or sales of financial assets that require delivery within the period generally established by regulation or convention in the marketplace. The trade date is the date that the Group committed to purchase or sell a financial asset.

Classification and measurement of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them: financial assets at amortised cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss. All affected related financial assets will be reclassified only if the Group changes its business model for managing financial assets.

Financial assets are measured at fair value on initial recognition, but accounts receivable or notes receivable arising from the sale of goods or rendering of services that do not contain significant financing components or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component due within one year, are initially measured at the transaction price.

For financial assets at fair value through profit or loss, relevant transaction costs are directly recognised in profit or loss, and transaction costs relating to other financial assets are included in the initial recognition amounts.

The subsequent measurement of financial assets depends on their classification as follows:

Debt investments measured at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met: the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

III. Significant accounting policies and estimates (continued)

9. Financial instruments (continued)

Classification and measurement of financial assets (continued)

Debt investments at fair value through other comprehensive income

The Group measures debt investment held at fair value through other comprehensive income if both of the following conditions are met: the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognised using the effective interest method. The interest income, impairment losses and foreign exchange revaluation are recognised in profit or loss. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Equity investments at fair value through other comprehensive income

The Group can elect to classify irrevocably its equity investments which are not held for trading as equity investments designated at fair value through other comprehensive income. Only the relevant dividend income (excluding the dividend income explicitly recovered as part of the investment cost) is recognised in profit or loss. Subsequent changes in the fair value are included in other comprehensive income, and no impairment allowance is made. When the financial asset is derecognised, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income to retained earnings.

Financial assets at fair value through profit or loss

The financial assets other than the above financial assets measured at amortised cost and financial assets at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value with net changes in fair value recognised in profit or loss.

Classification and measurement of financial liabilities

Except for the financial guarantee contracts issued and the financial liabilities caused by financial assets that do not qualify for derecognition or by continuing involvement in transferred assets, the Group's financial liabilities are, on initial recognition, classified into financial liabilities at fair value through profit or loss, or financial liabilities at amortised cost. For financial liabilities at fair value through profit or loss, relevant transaction costs are directly recognised in profit or loss, and transaction costs relating to financial liabilities at amortised cost are included in the initial recognition amounts.

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss consist of financial liabilities held for trading (including derivative instruments that are financial liabilities) and those designated upon initial recognition as at fair value through profit or loss. Financial liabilities held for trading (including derivative instruments that are financial liabilities) are subsequently measured at fair value. All changes in fair value of such financial liabilities are recognised in profit or loss. Financial liabilities designated at fair value through profit or loss are subsequently measured at fair value and gains or losses are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income. If gains or losses arising from the Group's own credit risk which are presented in other comprehensive income will lead to or expand accounting mismatch in profit or loss, the Group will include all the changes in fair value (including the amount affected by changes in the Group's own credit risk) of such financial liabilities in profit or loss.

Financial liabilities at amortised cost

For such financial liabilities, the effective interest rate method is adopted and the subsequent measurement is carried out according to the amortized cost.

Impairment of financial assets

Based on the expected credit losses ("ECLs"), the Group recognises an allowance for ECLs for the financial assets measured at amortised cost, debt investments at fair value through other comprehensive income, lease receivables, contract assets, and financial guarantee contracts.

III. Significant accounting policies and estimates (continued)

9. Financial instruments (continued)

Impairment of financial assets (continued)

For accounts receivable and contract assets excluding significant financing components, the Group applies the simplified approach to recognise a loss allowance based on lifetime ECLs.

For accounts receivable and contract assets including significant financing components and lease receivable, the Group applies the simplified approach to recognise a loss allowance based on lifetime ECLs.

Except for financial assets which apply the simplified approach as mentioned above, the Group assesses whether the credit risks of other financial assets and financial guarantee contracts has increased significantly since initial recognition at each end of the reporting period. If the credit risk has not increased significantly since initial recognition (stage 1), the loss allowance is measured at an amount equal to 12-month ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate; if the credit risk has increased significantly since initial recognition but are not credit-impaired (stage 2), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate; if such financial assets are credit-impaired after initial recognition (stage 3), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the amortised cost and the effective interest rate. If the credit risk of financial instruments is low at the end of the reporting period, the Group assumes that the credit risk has not increased significantly since initial recognition.

The Group assesses the expected credit loss of financial instruments based on individual and portfolio. Taking into account the credit risk characteristics of different customers, the Group evaluates the expected credit loss of accounts receivable and contract assets on the basis of ageing portfolio.

In case the ECLs of individually assessed accounts receivable and contract assets cannot be evaluated with reasonable cost, the Group divides accounts receivable and contract assets into certain groupings based on credit risk characteristics, and calculates the ECLs of the groupings of accounts receivable. The groupings of accounts receivable are as follows:

Grouping 1	Due from government, authorities and central state-owned enterprises
Grouping 2	Due from overseas and enterprises
Grouping 3	Due from other customers

The Group, with consideration to historical credit loss experience, current conditions and forecasts of future economic conditions, prepares the cross-reference between the ageing of accounts receivable and the lifetime ECLs rates, and calculates the ECLs of the groupings of contract assets. The groupings of contract assets are as follows:

Grouping 1	Engineering projects
Grouping 2	Real estate projects
Grouping 3	Unmatured warranties
Grouping 4	Investments not confirmed by projects owner
Grouping 5	Primary land development projects
Grouping 6	Other contract assets

Based on the exposure at default and the lifetime ECLs rate, the Group calculates the ECLs of contract assets that are classified into groupings with consideration to historical credit losses experience, current conditions and forecasts of future economic conditions.

For long-term receivables arising from sales of goods or rendering of services in the ordinary course of the activities, such as receivables for BT projects, receivables for primary land development, advances for demolition, and receivables for other infrastructure projects, the Group calculates the ECLs through default risk exposure and the lifetime ECLs rate, on the basis of historical credit loss experience, the current conditions and forecasts of future economic conditions. Based on the exposure at default and the 12-month/lifetime ECLs rate, the Group calculates the ECLs of other long-term receivables with consideration of historical credit loss experience, the current conditions and forecasts of future economic conditions.

In the case where the ECLs of other receivables individually assessed cannot be evaluated with reasonable cost, the Group divides other receivables into certain groupings based on credit risk characteristics, and calculates the ECLs for the groupings. The groupings of other receivables are as follows:

Grouping 1	Guarantees, deposits and reserves receivables
Grouping 2	Advances receivable
Grouping 3	Other receivables

The Group, on the basis of the exposure at default and the 12-month/lifetime ECLs rate, calculates the ECLs of other receivables that are classified into groupings with consideration to historical credit loss experience, the current conditions and forecasts of future economic conditions.

The Group's judgement criteria for a significant increase of credit risk, the definition of credit-impaired assets are disclosed in Note VIII. 3.

III. Significant accounting policies and estimates (continued)

9. Financial instruments (continued)

Impairment of financial assets (continued)

The factors reflected in the Group's method of measuring the expected credit losses of financial instruments include: the unbiased probability weighted average amount determined by evaluating a series of possible results, the time value of money, and the reasonable and reliable information about past events, current conditions and future economic conditions that can be obtained without unnecessary extra costs or efforts on the balance sheet date.

When the Group no longer reasonably expects to be able to recover all or part of the contractual cash flows of a financial asset, the Group directly writes down the carrying amount of the financial asset.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts; and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made by the issuer to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are measured, on initial recognition, at fair value. For financial guarantee contracts that are not designated as financial liabilities at fair value through profit or loss, they are, after initial recognition, subsequently measured at the higher of: (i) the amount of provisions for ECLs at the balance sheet date, and (ii) the amount initially recognised less the cumulative amortisation recognised in accordance with the guidance for revenue recognition.

Transfer of financial assets

A financial asset is derecognised when the Group has transferred substantially all the risks and rewards of the asset to the transferee. A financial asset is not derecognised when the Group retains substantially all the risks and rewards of the financial asset.

When the Group has neither transferred nor retained substantially all the risks and rewards of the financial asset, it either (i) derecognises the financial asset and recognises the assets and liabilities created in the transfer when it has not retained control of the asset; or (ii) continues to

recognise the transferred asset to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability.

Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the guarantee amount. The guarantee amount is the maximum amount of consideration that the Group could be required to repay.

10. Inventories

The inventories include inventories of raw materials, work in progress, finished goods, turnover materials, properties under development and completed properties for sale, etc.

Inventories are initially carried at cost. Cost of inventories comprises all costs of purchase, laid down cost, costs of conversion and other costs.

Cost is determined using the first-in first-out or weighted average method when raw materials, turnover materials, work in progress and finished goods are delivered. The cost of finished goods and work in progress comprises raw materials, direct labour and systematically allocated production overhead based on the normal production capacity.

Properties under development and completed properties for sale mainly include costs for acquiring the land use rights, expenditures of basic facilities, expenditures of construction and installation work, borrowing costs incurred before the completion of development and other related expenses during the development process. Properties under development will be carried forward to the completed properties for sale according to the actual cost after the completion of the project, completed properties for sale are measured at actual cost.

Turnover materials are amortised based upon numbers of usage.

The Group adopts the perpetual inventory system.

At the end of the reporting period, inventories are stated at the lower of cost and net realisable value. The inventories are written down below cost to net realisable value and the write-down is recognised in profit or loss if the cost is higher than the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. For inventories with large quantity and low values, provision for decline in value is made based on categories of inventories, and other inventories are written down item by category. Items of inventories relating to the same product line that have the same or similar end uses or purposes, are produced and marketed in the same geographical area, and cannot be practicably evaluated separately from other items in that product line, are grouped and written down on an aggregate basis.

III. Significant accounting policies and accounting estimates (continued)

11. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries, joint ventures and associates.

A long-term equity investment is initially measured at its initial investment cost on acquisition. For a long-term equity investment acquired through a business combination involving entities under common control, the initial investment cost of the long-term equity investment is the acquirer's share of the carrying value of shareholder's equity of the party being absorbed at the combination date. For the difference between the initial investment cost and the book value of the merger consideration, the capital reserve shall be adjusted (if it is not enough to offset, the retained earnings shall be offset); for other comprehensive income before the merger date, the accounting treatment shall be conducted on the same basis as the direct disposal of relevant assets or liabilities by the investee. The shareholder's equity recognised due to changes in other shareholders' equity of the investee other than net profit and loss, other comprehensive income and profit distribution shall be transferred to the current profit and loss when the investment is disposed of; among them, the long-term equity investment after disposal shall be carried forward proportionally, and that converted into financial instruments after disposal shall be carried forward in full. For a long-term equity investment through a business combination not involving entities under common control, the initial investment cost of the long-term equity investment is the cost of combination (for a business combination not involving entities under common control achieved in stages that involves multiple exchange transactions, the initial investment cost is carried at the aggregate of the carrying amount of the acquirer's previously held equity interest in the acquiree and the new investment cost incurred on the acquisition date), the cost of combination is the aggregate of the fair values, at the acquisition date, of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer; For other comprehensive income held before the acquisition date and recognised by the equity method, the accounting treatment shall be carried out on the same basis as the direct disposal, relevant assets or liabilities by the investee, and the shareholder's equity recognised due to changes in other shareholders' equity of the investee other than net profit and loss, other comprehensive income and profit distribution, When the investment is disposed, it is transferred to the current profit and loss; among them, the long-term equity investment after disposal is carried forward proportionally, and the financial instrument converted after disposal is carried forward in full; the accumulated fair value change of the equity investment held before the

purchase date as a financial instrument included in other comprehensive income is transferred to retained earnings when accounting by cost method. For a long-term equity investment acquired otherwise than through a business combination, the initial investment cost is determined as follows: for a long-term equity investment acquired by cash, the initial investment cost is the actual purchase price paid and direct costs, taxes and other necessary expenditures directly attributable to the acquisition of the long-term equity investment; for a long-term equity investment acquired by the issue of equity securities, the initial investment cost is the fair value of the securities issued; for a long-term equity investment acquired through exchange of non-monetary assets, the initial investment cost is determined in accordance with *Accounting Standard for Business Enterprises No. 7 – Exchange of Non-monetary Assets*; for a long-term equity investment acquired through debt restructuring, the initial investment cost is determined in accordance with *Accounting Standard for Business Enterprises No. 12 – Debt Restructuring*.

For a long-term equity investment where the Company can exercise control over the investee, the long-term investment is accounted for using the cost method in the Company's individual financial statements. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Under the cost method, the long-term equity investment is measured at its initial investment cost. When additional investment is made or the investment is recouped, the cost of long-term equity investment is adjusted accordingly. Cash dividends or profit distributions declared by the investee are recognised as investment income in profit or loss.

The equity method is adopted when the Group has joint control, or exercises significant influence over the investee. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control with other parties over those policies.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the acquisition date, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's interest in the fair values of the investee's identifiable net assets at the acquisition date, the difference is charged to profit or loss, and the cost of the long-term equity investment is adjusted accordingly.

III. Significant accounting policies and accounting estimates (continued)

11. Long-term equity investments (continued)

Under the equity method, after it has acquired a long-term equity investment, the Group recognises its share of the investee's profit or loss, as well as its share of the investee's other comprehensive income, as investment income or loss and other comprehensive income, and adjusts the carrying amount of the investment accordingly. The Group recognises its share of the investee's profit or loss after making appropriate adjustments to the investee's profit or loss based on the fair value of the investee's identifiable assets at the acquisition date, using the Group's accounting policies and periods. Unrealised profits and losses from transactions with its joint ventures and associates are eliminated to the extent of the Group's investments in the associates or joint ventures (except for assets that constitute a business) (However, any loss arising from such transactions which are attributable to an impairment loss shall be recognised at its entirety). The carrying amount of the investment is reduced based on the Group's share of any profit distributions or cash dividends declared by the investee. The Group's share of net losses of the investee is recognised to the extent that the carrying amount of the investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero, except that the Group has the obligations to assume further losses. The Group's share of the investee's equity changes, other than those arising from the investee's profit or loss, other comprehensive income or profit distribution, is recognised in the Group's equity, and the carrying amount of the long-term equity investment is adjusted accordingly.

Upon disposal of a long-term equity investment, the difference between the proceeds actually received and the carrying amount is recognised in profit or loss. For a long-term equity investment accounted for using the equity method, when the Group discontinues using the equity method due to disposal, all amounts previously recognised in other comprehensive income are accounted for on the same basis as would have been required if the investee had directly disposed of the related assets or liabilities. Equity previously recognised resulting from the investee's equity changes other than profit or loss, other comprehensive income and profit distribution is reclassified to profit or loss in its entirety. When the Group continues to use the

equity method, the amounts previously recognised in other comprehensive income are accounted for on the same basis as would have been required if the investee had directly disposed of the related assets or liabilities and reclassified to profit or loss on a pro-rata basis. Equity previously recognised resulting from the investee's equity changes other than profit or loss, other comprehensive income and profit distribution is reclassified to profit or loss on a pro-rata basis.

12. Investment properties

Investment properties are properties held to earn rental income and/or for capital appreciation. Investment properties include land use rights leased out, land use rights held for transfer upon capital appreciation, and buildings leased out.

An investment property is measured initially at cost. If the economic benefits relating to an investment property will probably flow in and the cost can be reliably measured, subsequent costs incurred for the property are included in the cost of the investment property. Otherwise, subsequent costs are recognised in profit or loss as incurred.

The Group uses the cost model for the subsequent measurement of its investment properties. Buildings and land use rights are depreciated or amortised according to their service life and estimated net residual values rate.

13. Fixed assets

A fixed asset is recognised only when the economic benefits associated with the asset will probably flow into the Group and the cost of the asset can be measured reliably. Subsequent expenditures incurred for a fixed asset that meets the recognition criteria shall be included in the cost of the fixed asset, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditures are recognised in profit or loss as incurred.

Fixed assets are initially measured at cost. The cost of a purchased fixed asset comprises the purchase price, relevant taxes and any directly attributable expenditure for bringing the asset to working condition for its intended use.

In addition to the safety production expenses extracted, depreciation of fixed assets is calculated using the straight-line method. The useful lives, estimated net residual value rates and annual depreciation rates of each category of the fixed assets are as follows:

	Useful life	Estimated net residual value rate	Annual depreciation rate
Buildings	8 to 35 years	0% to 5%	2.71% to 12.50%
Machinery and equipment	5 to 14 years	0% to 5%	6.79% to 20.00%
Motor vehicles	3 to 10 years	0% to 5%	9.50% to 33.33%
Office equipment, temporary facilities and others	5 to 10 years	0% to 5%	9.50% to 20.00%

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least at each year end, and make adjustments if necessary.

III. Significant accounting policies and accounting estimates (continued)

14. Construction in progress

The cost of construction in progress is determined according to the actual expenditures incurred for the construction, including all necessary construction expenditures incurred during the construction period, borrowing costs that shall be capitalised before the construction is ready for its intended use, and other relevant expenditures.

Construction in progress is transferred to fixed assets when it is ready for its intended use.

15. Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised. The amounts of other borrowing costs incurred are recognised as an expense in the period in which they are incurred. Qualifying assets are assets that necessarily take a substantial period of time of acquisition, construction or production to get ready for their intended use or sale.

The capitalisation of borrowing costs commences only when all of the following conditions are satisfied:

- (1) expenditures for the asset have been incurred;
- (2) borrowing costs have been incurred; and
- (3) activities that are necessary to acquire, construct or produce the asset for its intended use or sale have been undertaken.

Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced gets ready for its intended use or sale. Any borrowing costs subsequently incurred are recognised in profit or loss.

During the capitalisation period, the amount of interest eligible for capitalisation for each accounting period shall be determined as follows:

- (1) where funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of interest eligible for capitalisation is the actual interest costs incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds; or
- (2) where funds are borrowed generally for the purpose of obtaining a qualifying asset, the amount of interest eligible for capitalisation is determined by applying a weighted average interest rate on the general borrowings to the weighted average of the excess of the cumulative expenditures on the asset over the expenditures on the asset funded by the specific borrowings.

Capitalisation of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally by activities other than those necessary to get the asset ready for its intended use or sale, when the suspension is for a continuous period of more than 3 months. Borrowing costs incurred during these periods are recognised as an expense in profit or loss until the acquisition, construction or production is resumed.

16. Right-of-use assets

At the commencement date of the lease, the Group recognises its right to use the leased asset within the lease term as the right to use assets at cost. The cost of right of use assets includes: the initial measurement amount of the lease liability; For the lease payment paid on or before the beginning of the lease term, if lease incentive exists, the relevant amount of lease incentive used shall be deducted; Initial direct expenses incurred by the lessee; The estimated cost incurred by the lessee for dismantling and removing the leased asset, restoring the site where the leased asset is located or restoring the leased asset to the condition agreed in the lease terms. If the Group remeasures lease liabilities due to changes in lease payments, the carrying amount of the right of use assets shall be adjusted accordingly. The Group subsequently depreciates the right of use assets by using the straight-line method. If the ownership of the leased asset is obtained at the expiration of the lease term by reasonable anticipation, the group accrues depreciation within the remaining service life of the leased asset. If the ownership of the leased asset cannot be obtained at the expiration of the lease term by reasonable anticipation, the group accrues depreciation within the shorter of the lease term and the remaining service life of the leased asset.

17. Intangible assets

An intangible asset shall be recognised only when it is probable that the economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. However, intangible assets acquired in a business combination not involving entities under common control with a fair value that can be measured reliably are recognised separately as intangible assets and initially measured at the fair value at the date of acquisition.

The useful life of an intangible asset is determined according to the period over which it is expected to generate economic benefits for the Group. An intangible asset is regarded as having an indefinite useful life when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group.

III. Significant accounting policies and accounting estimates (continued)

17. Intangible assets (continued)

Land use rights that are purchased by the Group are accounted for as intangible assets. Buildings, such as plants that are developed and constructed by the Group, and relevant land use rights are accounted for as fixed assets and intangible assets, respectively. Payments for the land and buildings purchased are allocated between the land use rights and the buildings; they are accounted for as fixed assets if they cannot be reasonably allocated.

The Group is involved in a number of service franchising arrangements. The Group carries out infrastructure projects for the licensor in accordance with the preconditions set by the licensor in exchange for the right to operate the relevant assets. Prescribed in the contract after the completion of the infrastructure, the Group engaged in business has rights to access the service object for a certain period of time of charge with uncertain amount, those rights do not constitute an unconditional charge right which can collect the certain amount of money or other financial assets, and is attributed to intangible assets. The Group will present the franchise acquired under such franchise arrangement as an intangible asset on its balance sheet. Upon completion of the relevant infrastructure project under the franchise arrangement, the franchise shall be amortized on a straight-line basis during the franchise period.

An intangible asset with a finite useful life is amortised using the straight-line method over its useful life. For an intangible asset with a finite useful life, the Group reviews the useful life and amortisation method at least at each year end and makes adjustment if necessary.

The Group classifies the expenditures on an internal research and development project into expenditure on the research phase and expenditure on the development phase. Expenditure on the research phase is recognised in profit or loss as incurred. Expenditure on the development phase is capitalised only when the Group can demonstrate all of the following: (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale; (ii) the intention to complete the intangible asset and use or sell it; (iii) how the intangible asset will generate probable future economic benefits (among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset); (iv) the availability of adequate technical, financial and other resources to complete the development

and the ability to use or sell the intangible asset; and (v) the ability to measure reliably the expenditure attributable to the intangible asset during the development phase. Expenditure on the development phase which does not meet these above criteria is recognised in profit or loss when incurred.

18. Impairment of assets

The Group determines the impairment of assets, other than the impairment of inventories, contract assets and contract cost assets, deferred tax assets, and financial assets, by using the following methods: The Group assesses at the end of the reporting period whether there is any indication that an asset may be impaired. If any indication exists that an asset may be impaired, the Group estimates the recoverable amount of the asset and performs impairment testing; Goodwill arising from a business combination an intangible asset with an indefinite useful life and intangible assets that have not been ready for their intended use are tested for impairment at least at each year end, irrespective of whether there is any indication that the asset may be impaired.

The recoverable amount of an asset is the higher of its fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. The Group estimates the recoverable amount on an individual basis unless it is not possible to estimate the recoverable amount of the individual asset, in which case the recoverable amount is determined for the asset group to which the asset belongs. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups.

When the recoverable amount of an asset or asset group is less than its carrying amount, the carrying amount is reduced to the recoverable amount by the Group. The reduction in the carrying amount is treated as an impairment loss and recognised in profit or loss. A impairment allowance loss of the asset is recognised accordingly.

For the purpose of impairment testing, the carrying amount of goodwill acquired in a business combination is allocated from the acquisition date on a reasonable basis, to each of the related asset groups unless it is impossible to allocate to the related asset groups, in which case it is allocated to each of the related sets of asset groups. Each of the related asset groups or sets of asset groups is an asset group or a set of asset groups that is expected to benefit from the synergies of the business combination and shall not be larger than a reportable segment determined by the Group.

III. Significant accounting policies and accounting estimates (continued)

18. Impairment of assets (continued)

When testing an asset group (a set of asset groups) to which goodwill has been allocated for impairment, if there is any indication of impairment, the Group firstly tests the asset group (set of asset groups), excluding the amount of goodwill allocated, for impairment, i.e., the Group determines and compares the recoverable amount with the related carrying amount and recognises any impairment loss. After that, the Group tests the asset group (set of asset groups), including goodwill, for impairment, the carrying amount of the related asset group (set of asset groups) is compared to its recoverable amount. If the carrying amount of the asset group (set of asset groups) is higher than its recoverable amount, the amount of the impairment loss is firstly used to reduce the carrying amount of the goodwill allocated to the asset group (set of asset groups), and then used to reduce the carrying amount of other assets (other than the goodwill) within the asset group (set of asset groups), on a pro-rata basis of the carrying amount of each asset.

Once the above impairment loss is recognised, it cannot be reversed in subsequent accounting periods.

19. Long-term prepaid expenses

Long-term prepaid expenses include the expenditure for improvements to fixed assets held under operating leases, and other expenditures that have been incurred but should be recognised as expenses over more than one year in the current and subsequent periods. Long-term prepaid expenses are amortised on the straight-line basis over the expected beneficial period and are presented at actual expenditure net of accumulated amortisation.

20. Employee benefits

Employee benefits refer to all forms of consideration or compensation other than share-based payments given by the Group in exchange for services rendered by employees or for termination of employment. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits given by the Group to an employee's spouse, children and dependents, family members of deceased employees and other beneficiaries are also employee benefits.

Short-term employee benefits

The short-term employee benefits actually occurred are recognised as a liability in the accounting period in which the service is rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

Post-employment benefits (defined contribution plan)

The employees of the Group participate in a pension scheme and unemployment insurance managed by the local government, and an enterprise pension fund, the corresponding expenses shall be included in the cost of related assets or profit or loss.

Post-employment benefits (defined benefit plan)

The Group operates a defined benefit pension plan which requires contributions to be made to a separately administered fund. The benefits are unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements arising from the defined benefit pension plan, comprising actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to equity through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earlier of the date of the plan amendment and the date that the Group recognises restructuring-related costs or termination benefits.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under administrative expenses, and finance expenses in the income statement: service costs comprising current service costs, past service costs, gains and losses on settlements; net interest comprising interest income on plan assets, interest costs on the defined benefit obligation and interest on the effect of the asset ceiling.

Termination benefits

The Group provides termination benefits to employees and recognises an employee benefits liability for termination benefits, with a corresponding charge to profit or loss, at the earlier of when the Group can no longer withdraw the offer of those benefits resulting from an employment termination plan or a curtailment proposal and when the Group recognise costs involving the payment of termination benefits.

III. Significant accounting policies and accounting estimates (continued)

20. Employee benefits (continued)

Early retirement benefits

The Group offers early retirement benefits to those employees who accept early retirement arrangements. The early retirement benefits refer to the salaries and social security contributions to be paid to and for the employees who accept voluntary retirement before the statutory retirement age, as approved by management. The Group pays early retirement benefits to those early retired employees from the early retirement date until the normal retirement date. The Group accounts for the early retirement benefits in accordance with the treatment for termination benefits, in which the salaries and social security contributions to be paid to and for the early retired employees from the off-duty date to the normal retirement date are recognised as liabilities with a corresponding charge to the profit or loss for the current period. The differences arising from the changes in the respective actuarial assumptions of the early retirement benefits and the adjustments of benefit standards are recognised in profit or loss in the period in which they occur.

The termination benefits expected to be settled within one year since the balance sheet date are classified as current liabilities.

21. Lease liabilities

At the commencement date of the lease, the Group measures the lease liability at the present value of the lease payments that are not paid at that date, except for short-term leases and leases of low-value assets. The lease payment include: fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

In calculating the present value of the lease payments, the Group uses the interest rate implicated in the lease as the discount rate. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate. The Group calculates the interest expenses of the lease liability in each period during the lease term using the constant periodic rate of interest, and recognises such interest expenses in profit or loss, except those recognised in the costs of the related asset as required. Variable lease payments that are not included in the measurement of the lease liabilities are recognised in profit or loss as incurred, except those recognised in the costs of the related asset as required.

After the commencement date of the lease, the Group shall increase the carrying amount of lease liability to reflect interest on the lease liability and reduce the carrying amount of lease liability to reflect the lease payments made. When the actual fixed payment amount changes, the expected

payable amount of the guaranteed residual value changes, the index or ratio used to determine the lease payment amount changes, the evaluation results or actual exercise of the purchase option, renewal option or termination option change, the Group remeasures the lease liabilities according to the present value of the changed lease payments.

22. Provisions

An obligation related to a contingency shall be recognised by the Group as a provision when all of the following conditions are satisfied, except for contingent considerations and contingent liabilities assumed in a business combination not involving entities under common control:

- (1) the obligation is a present obligation of the Group;
- (2) it is probable that an outflow of economic benefits from the Group will be required to settle the obligation; and
- (3) a reliable estimate can be made of the amount of the obligation.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money as a whole. Provisions are reviewed at each balance sheet date. Where there is clear evidence that the carrying amount of a provision does not reflect the current best estimate, the carrying amount is adjusted to the current best estimate.

The expected credit losses of financial guarantees are listed as provisions.

23. Share-based payments

A share-based payment is classified as either an equity-settled share-based payment or a cash-settled share-based payment. An equity-settled share-based payment is a transaction in which the Group receives services and uses shares or other equity instruments as consideration for settlement.

An equity-settled share-based payment in exchange for services received from employees is measured at the fair value of the equity instruments granted to the employees. If such equity-settled share-based payment could vest immediately, related costs or expenses at an amount equal to the fair value on the grant date are recognised, with a corresponding increase in capital reserve; if such equity-settled share-based payment could not vest until the completion of services for a vesting period, or until the achievement of a specified performance condition, the Group at each balance sheet date during the vesting period recognises the services received for the current period as related costs and expenses, with a corresponding increase in capital reserve, at an amount equal to the fair value of the equity instruments at the grant date, based on the best estimate of the number of equity instruments expected to vest, which is made on the basis of the latest available information such as the changes in the number of covered employees. The fair value of the Share Options was determined by the Binomial Options Pricing Model, as stated in Note XI.

III. Significant accounting policies and accounting estimates (continued)

23. Share-based payments (continued)

No cost or expense is recognized for share payments that are ultimately unexercised due to non-market conditions and/or term of service conditions not being met. Where a market condition or non-viable option condition is specified in the share-based payment agreement, it is deemed to be a viable option provided that all other performance conditions and/or term of service conditions are satisfied, regardless of whether the market condition or non-viable option condition is satisfied.

Where the terms of an equity-settled share-based award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled share-based award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award.

24. Other equity instruments

Upon the maturity of the perpetual bonds issued by the Group, the Group has the right to extend the term indefinitely. For the coupon interest of the perpetual bonds, the Group has the right to defer payment. When the perpetual bonds are in the same order of repayment as ordinary bonds and other debts issued by the issuer, the Group considers whether the repayment order results in the expectation of contractual obligation of holder to pay cash or other financial assets to issuer cautiously. For the perpetual bonds classified as equity instruments, the Group has no contractual obligation to pay cash or other financial assets.

25. Revenue from contracts with customers

Revenue from contracts with customers is recognised when the Group has fulfilled its performance obligations in the contracts, that is, when the customer obtains control of relevant goods or services. Control of relevant goods or services refers to the ability to direct the use of the goods, or the provision of the services, and obtain substantially all of the remaining benefits from the goods or services.

Revenue from construction contracts

The revenue from construction contracts between the Group and the customer usually includes performance obligations of housing construction and infrastructure construction. Because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced, the revenue is recognised over time only if the Group can reasonably measure its progress towards the complete satisfaction of the performance obligation. The Group uses the input method and determines the progress towards the complete satisfaction of the rendering of services on the basis of costs incurred. If the progress towards the complete satisfaction of the performance obligation cannot be reasonably measured, but the Group expects to recover the costs incurred in satisfying the performance obligation, the revenue is recognised only to the extent of the costs incurred until such time that the Group can reasonably measure the progress towards the complete satisfaction of the performance obligation.

Revenue from sales of real estate

The Group's revenue from real estate development business is recognised when the control over properties is transferred to the customer. According to the terms under the sales contract and laws and regulations applicable to the contract, the control over properties can be transferred within a certain period of time or at a certain point of time. Where goods produced during the Group's performance of the contract are irreplaceable and the Group is entitled to collect payments for the part of the performance that has been completed so far during the entire contract period, revenue is recognised within a certain period of time based on the progress of performance obligation fulfilment during the contract period, and the progress of performance obligation fulfilment is determined based on the proportion of contract costs incurred for the fulfilled performance obligations to the estimated total contract costs. Otherwise, revenue is recognised when the customer obtains the physical ownership of goods or the legal ownership of completed properties and the Group obtains the present right to receive payment and probably recovers the contract consideration.

III. Significant accounting policies and accounting estimates (continued)

25. Revenue from contracts with customers (continued)

Revenue from design services

Due to the reason that the design services provided by the Group during the performance of contracts have irreplaceable uses, and the Group has the right to receive payments for the completed portions of the projects during the entire contract period. Therefore, such services are accounted for as performance obligations to be fulfilled within certain periods of time, and revenue is recognised based on the performance schedule, unless the performance of the contract cannot be reasonably determined. The Group determines the performance progress for the services rendered by using the input method. Where the performance of the contract cannot be reasonably determined, revenue is recognised at the amount of costs incurred if it is predicted that the costs can be compensated till the performance progress can be reasonably determined.

Contracts for the sale of goods

A contract for the sale of goods between the Group and the customer usually only includes the performance obligation to transfer the goods. The revenue is recognised at transfer control point in time based on the following indicators, which include: a present right to payment for goods, the transfer of significant risks and rewards of ownership of goods, the transfer of legal title to goods, the transfer of physical possession of goods, the customer's acceptance of goods.

Variable consideration

Some of the Group's contracts with customers include arrangements of variable consideration. The Group determines the best estimate of variable consideration by using the expected value method or the most likely amount method. However, the transaction price including variable consideration is only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Significant financing components

When the contract contains a significant financing component, the Group determines the transaction price based on an amount that reflects the price that a customer would have paid for the goods or services in cash at the time of obtaining the control of the goods or services, and amortises the difference between the transaction price and the consideration promised in the contract under the effective interest method within the contract period using the discount rate that discounts the nominal amount of the contract consideration to the current selling price of the goods or services. The Group does not consider the effects of a significant financing component in the contract if it is expected that the period between when the customer obtains control of the goods or services and when the customer pays for such goods or services will be one year or less.

Warranties

The Group provides a warranty in connection with the sale of a good or the construction of an asset in accordance with the contract and the relevant laws and regulations, etc. For an assurance-type warranty that provides the customer the assurance that the goods sold or the assets built complies with agreed-upon specifications, the Group accounts for the warranty in accordance with Notes III.22. For a service-type warranty that provides a customer with a service in addition to the assurance that the product complies with agreed-upon specifications, the Group accounts for it as a separate performance obligation. On the basis of the relative proportion between the stand-alone selling price of the good and the service-type warranty, a portion of the transaction price is allocated to the service-type warranty and revenue is recognised when a customer obtained control of the good. When assessing whether a service-type warranty provides a customer with a separate service in addition to the assurance that the good complies with agreed-upon specifications, the Group considers whether the warranty is required by law, the length of the warranty coverage period and the nature of the tasks that the Group promises to perform, etc.

Principal/agent

The Group judges whether the identity of the group is a principal or an agent when the transaction is conducted based on whether the Group has control over the product or service before transferring to the customer. Under the circumstance that the Group controls goods or services before goods or services are transferred to the customer, the Group is a principal and recognises revenue in the gross amount of consideration received or receivable. Otherwise, the Group is an agent and recognises revenue in the amount of any fee or commission to which it expects to be entitled from the customer. The amount is the net amount of the gross consideration received or receivable after paying the other party the consideration received in exchange for the goods or services to be provided by that party or determined by the agreed-upon amount or proportion of commissions, etc.

Recognition of revenue from Public-Private Partnership ("PPP")

Public-Private-Partnership project contracts refers to the contract established by the Group and the government for PPP project cooperation in accordance with laws and regulations, and the contract shall meet the following features at the same time (hereinafter referred to as "double features"):

- (1) The Group provides public products and services on behalf of the government by using PPP project assets during the contractually agreed operation period;
- (2) The Group is compensated for the public goods and services it provides for the period agreed in the contract.

III. Significant accounting policies and accounting estimates (continued)

25. Revenue from contracts with customers (continued)

Recognition of revenue from Public-Private Partnership (“PPP”) (continued)

The following conditions shall be met at the same time (hereinafter referred to as “double controls”):

- (1) The government controls or regulates the type, object and price of public goods and services that the Group must provide in the use of PPP project assets;
- (2) When the PPP project contract is terminated, the government party controls the significant residual interests of the PPP project assets through ownership, income rights or other forms of control.

The social capital party who provides multiple service (eg. providing construction service for PPP project and operation and maintenance service after the construction is complete) base on PPP contract, recognises revenues and costs of construction service in accordance with construction contract. Revenue from construction service is measured by consideration collected or entitled to charge and recognise contract assets at the same time.

In accordance with the PPP contract, during the operation of PPP project, the Group, entitled to collect certain cash flows (or other financial assets), should recognise revenue and receivables simultaneously when the social capital party has the right to collect such consideration (a right is only determined by the passage of time), in accordance with “Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments”.

In accordance with the PPP contract, during the operation of PPP project, the Group is entitled to collect cash flows from parties who received public products and services with uncertain amount, and such right doesn’t constitute an unconditional right to collect cash. The Group should recognise the consideration or the revenue recognised from construction activity of PPP assets as intangible assets when the PPP assets reach working condition, in accordance with “Accounting Standards for Business Enterprises No. 6 – Intangible Assets”.

After PPP assets reach working condition, the social capital party should recognise revenue for operation of PPP projects in accordance with “Accounting Standards for Business Enterprises No. 14 – Revenue”.

Recognition of revenue from Build-Transfer (“BT”)

For construction services rendered by the Group, related revenue and costs are recognised during the stage of construction according to the construction contract. Revenue from construction services is measured at the consideration received or receivable by the Group. The Group recognises contract assets when recognising revenue, and accounts for any significant financing component in the contractual arrangement. The contract assets are transferred to financial assets when the Group obtains the right to unconditionally collect consideration and is deducted against long-term receivables after the Group receives the payment from the project owner.

26. Contract assets and contract liabilities

The Group presents contract assets or contract liabilities depending on the relationship between the satisfaction of its performance obligations and the customer’s payment in the balance sheet. The Group offsets the contract assets and contract liabilities under the same contract and presents the net amount.

Contract assets

A contract asset is the right to consideration in exchange for goods or services that the Group has transferred to a customer, and that right is conditioned on something other than the passage of time.

For details of how the Group measures and accounts for the ECLs of a contract asset, refer to Notes III.9.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration or an amount of consideration is due from the customer, such as an amount of consideration that an entity has received before the transfer of the promised goods or services.

III. Significant accounting policies and accounting estimates (continued)

27. Contract cost assets

The Group's contract cost assets include the costs to obtain and fulfil a contract and are classified as inventories, other current assets and other non-current assets by liquidity.

The Group recognises as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs, unless the amortisation period of the asset is one year or less.

Other than the costs which are capitalised as inventories, fixed assets and intangible assets, etc., costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (1) the costs relate directly to a contract or to an anticipated contract, including direct labour, direct materials, overheads (or similar expenses), costs that are explicitly chargeable to the customer and other costs that are incurred only because an entity entered into the contract;
- (2) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and
- (3) the costs are expected to be recovered.

The contract cost asset is amortised and charged to profit or loss on a systematic basis that is consistent with the pattern of the revenue to which the asset related is recognised.

The Group accrues provisions for impairment and recognises impairment losses to the extent that the carrying amount of a contract cost asset exceeds:

- (1) the remaining amount of consideration that the entity expects to receive in exchange for the goods or services to which the asset relates; less
- (2) the costs that are expected to be incurred to transfer those related goods or services.

28. Government grants

Government grants are recognised when all attaching conditions will be complied with and the grants will be received. If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value; if fair value is not reliably determinable, it is measured at a nominal amount.

According to the government documents, those used for the purposes of purchase, construction or other formations of long-term assets shall be regarded as the government grants related to assets; if the government documents are not clear, the judgment shall be made on the basis of the basic conditions that must be met to obtain the grants. The government grants related to assets shall be those based on the purchase, construction or other formations of long-term assets, and the others shall be regarded as the government grants related to income.

The group adopts the total method to measure government grants.

A government grant related to income is accounted for as follows: (i) if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognised as deferred income, and released in profit or loss over the periods in which the related costs are recognised; or (ii) if the grant is a compensation for related expenses or losses already incurred, it is recognised immediately in profit or loss.

A government grant relating to an asset shall be offset against the carrying amounts of relevant assets, or recognised as deferred income and amortised in profit or loss over the useful life of the related asset by annual instalments in a systematic and rational way (however, a government grant measured at a nominal amount is recognised directly in profit or loss). Where the assets are sold, transferred, retired or damaged before the end of their useful lives, the rest of the remaining deferred income is released to profit or loss for the period in which the relevant assets are disposed of.

Where the Group receives loans granted at a below-market rate of interest from a lending bank funded with financial interest subsidies, the initial carrying amount of the borrowings is the actual proceeds received, and the calculation of the borrowing costs shall be based on the principal and the below-market rate of interest.

III. Significant accounting policies and accounting estimates (continued)

29. Deferred Income tax

Deferred tax is provided using the balance sheet liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts, and temporary differences between the tax bases and the carrying amounts of the items, which have a tax base according to related tax laws but are not recognised as assets and liabilities.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (1) when the taxable temporary difference arises from the initial recognition of goodwill, or an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither accounting profit nor taxable profit or loss; and
- (2) in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax losses and any unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax losses and unused tax credits can be utilised, except:

- (1) when the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (2) in respect of the deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised in the future.

At the end of the reporting period, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, in accordance with the requirements of tax laws. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover the assets or settle the liabilities.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future periods to allow the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at the end of the reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

30. Leases

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

Except for short-term leases and leases for which the underlying asset is of low value, the Group shall recognise right of use assets and lease liabilities. For the general accounting treatment refers to Note III.16 and Note III. 21.

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group shall allocate the consideration in the contract according to stand-alone selling prices.

III. Significant accounting policies and accounting estimates (continued)

30. Leases (continued)

As lessee (continued)

Short-term leases and leases of low-value assets

The Group considers a lease that, at the commencement date of the lease, has a lease term of 12 months or less, and does not contain any purchase option as a short-term lease; and a lease for which the value of the individual underlying asset is not more than RMB30,000 when it is new as a lease of low-value assets. If the Group subleases an asset, or expects to sublease an asset, the head lease does not qualify as a lease of a low-value asset. The Group does not recognise the right-of-use assets and lease liabilities for short-term leases and of low-value assets. The Group recognises lease payments on short-term leases and leases of low-value assets in the costs of the related asset or profit or loss on a straight-line basis over the lease term.

As lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, except that a lease is classified as an operating lease at the inception date. The Group, as an intermediate lessor, classifies the sublease by reference to the right-of-use asset arising from the head lease. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group shall allocate the consideration in the contract according to stand-alone selling prices.

As lessor of an operating lease

Rent income under an operating lease is recognised on a straight-line basis over the lease term, through profit or loss. Variable lease payments that are not included in the measurement of lease receivables are charged to profit or loss as incurred. The Group shall add initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognise those costs as an expense over the lease term on the same basis as the lease income.

Sale and leaseback transactions

The Group assess and determine whether the assets transferred in sale and lease back transactions is sales activity in accordance with Note III. 25.

As a seller-lessee

For assets transferred in sale and lease back transactions constitutes a sale, the Group, as a seller-lessee, measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained, and recognises only the amount of any gain or loss that relates to the

rights transferred to the buyer-lessor. For assets transferred in sale and lease back transactions doesn't constitute a sale, the Group, as a lessee, continues to recognise the transferred asset, and recognises a financial liability which equals to the transfer proceeds and accounts for the financial liability in accordance with Note III.9.

31. Share repurchase

Considerations and transaction costs paid for repurchase of our equity instruments should be accounted for a deduction from equity. In addition to share-based payment, the issuance (including refinancing), repurchase, sales or cancellations of own equity instruments shall be treated as changes in equity.

32. Profit distribution

The cash dividend is recognised as a liability upon approval in the general meeting of shareholders.

33. Safety production expenses

Safety production expenses provided according to the regulations are included in costs of related products or profit or loss, and credited to the special reserve. They are treated differently when being utilised: (i) the special reserve are debited for those expenditure with the expense nature; or (ii) the cumulative expenditures are capitalised as a fixed asset for those expenditure to be capitalised when the working condition for the intended use is reached, and at the same time, special reserve are debited with the full depreciation of the fixed asset of the same amount.

34. Fair value measurement

The Group measures part of its debt instruments and equity investments at fair value at each end of the reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1	Based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2	Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly;
Level 3	Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are measured at fair value in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation on each balance sheet date.

III. Significant accounting policies and accounting estimates (continued)

35. Significant accounting judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have a significant effect on the amounts recognised in the financial statements:

Operating leases – the Group as lessor

The Group has entered into lease agreements on its investment property portfolio. The Group has determined these leases to be operating leases, based on an evaluation of the terms and conditions of the agreements, that it retains almost all the significant risks and rewards of ownership of these properties.

Division of investment properties and inventories

The properties constructed by the group may be used for sale, rent earning and/or capital appreciation. At the initial stage of construction, the Group classifies the property into inventory or investment property according to the holding purpose. During the period under construction, the properties used for sale after completion are classified as inventories-properties under development and included in current assets, and the properties used to earn rent and/or capital appreciation after completion are classified as investment properties in progress and included in non-current assets. After completion, the properties used for sale are transferred to inventories-completed properties for sale, while the properties used to earn rent and/or capital appreciation are transferred to investment properties.

Division of investment properties and fixed assets

The Group determines whether the property it holds meets the definition of investment property and establishes relevant standards when making judgments. The Group classifies the property held for earning rent or capital appreciation, or both (including buildings under construction or development for future use for rental). The Group will consider whether the cash flow generated by the property is largely independent of other assets held by the group. Some properties are used to

earn rent or capital appreciation, and the remaining part is used to produce goods, provide services or operation and management. If the part used to earn rent or capital appreciation can be sold or leased separately, the Group measures that part separately. If not, the property will be classified as investment property only if the part used for producing goods, providing labor services or operation and management is not significant. When determining whether the importance of auxiliary services is sufficient to make the property not meet the recognition conditions of investment property, the Group will make a separate judgment based on individual property benchmark.

Determination method of construction contract performance schedule

The Group determines the performance progress of the construction contract according to the input method. Specifically, the Group determines the performance progress according to the proportion of the accumulated actual construction cost in the estimated total cost. The accumulated actual cost includes the direct cost and indirect cost incurred in the process of the Group transferring goods to customers. The construction contract price with the customer is determined based on the construction cost. The proportion of the actual construction cost to the estimated total cost can truly reflect the performance progress of the construction service. In view of the long lifetime of the construction contract and the possibility of spanning several accounting periods, the Group will review and revise the budget with the progress of the construction contract, and adjust the revenue recognition amount accordingly.

Business model

The classification of financial assets at initial recognition depends on the Group's business model for managing financial assets. When determining the business model, the Group considers the methods to include evaluation and report financial asset performance to key management, the risks affecting the performance of financial assets and the risk management, and the manner in which the relevant management receives remuneration. When assessing whether the objective is to collect contractual cash flows, the Group needs to analyse and judge the reason, timing, frequency and value of the sale before the maturity date of the financial assets.

Contractual cash flow characteristics

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics, and the judgements on whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding, including when assessing the modification of the time value of money, the judgement on whether there is any significant difference from the benchmark cash flow and whether the fair value of the prepayment features is insignificant for financial assets with prepayment features, etc.

III. Significant accounting policies and accounting estimates (continued)

35. Significant accounting judgements and estimates (continued)

Judgements (continued)

Whether a contract is, or contains, a lease

The Group signed the lease agreement on equipment for some engineering construction projects. The Group believes that, based on the agreement, there is no identified asset, or the supplier has the substantive right to substitute the underlying asset throughout the period of use. Therefore, the agreement does not contain a lease, and the Group treats it as acceptance of a service.

Revenue from sales of real estate

According to the accounting policies described in Note III. 25, the Group's revenue from real estate development business is recognised when the control over properties is transferred to the customer. According to the terms under the sales contract and laws and regulations applicable to the contract, the control over properties can be transferred within a certain period of time or at a certain point of time. Where goods produced during the Group's performance of the contract are irreplaceable and the Group is entitled to collect payments for the part of the performance that has been completed so far during the entire contract period, revenue is recognised over a certain period of time based on the progress of performance obligation fulfilment during the contract period. Otherwise, revenue is recognised when the customer obtains the physical ownership of goods or the legal ownership of completed properties, and the Group obtains the present right to receive payment and probably recovers the contract consideration.

Due to the restriction of real estate sales contract, the Group's properties generally have no alternative use. However, whether the Group has the enforcement right to collect the part that has been completed so far and use the method of recognising income over a period of time depends on the agreement of each contract term and the relevant law applicable to the contract. In order to assess whether the Group has obtained the enforcement right on the part that has been performed, the Group reviews its contract terms, relevant local laws, and takes into account the opinions of local regulatory authorities when necessary, and needs to make a lot of judgments.

When the Group signs a sales contract with a properly buyer, according to the requirements of some banks, if the buyer needs to obtain a mortgage loan from the bank to pay the house money, the Group will enter into a tripartite mortgage guarantee loan agreement with the buyer and the bank. The Group will provide phased joint liability guarantee for mortgage loans issued

by banks to the properly buyer. The phased joint liability guarantee will be released after the properly buyer has completed the house ownership certificate and completed the real estate mortgage registration procedures. The Group only needs to provide guarantee to the bank for the outstanding mortgage loan of the buyer within the guarantee period. The bank will only claim against the Group if the buyer defaults and fails to repay the mortgage loan.

According to the Group's historical experience in selling similar developed products, the Group believes that during the period of phased joint liability guarantee, the ratio of the Group's guarantee liability to the bank due to the buyer's failure to repay the mortgage loan is very low, and the Group can claim the advance payment paid by the buyer for undertaking the guarantee of phased joint liability. In the case of non-repayment by the buyer, the Group can avoid loss by giving priority to the relevant property according to the relevant purchase contract. Therefore, the Group believes that the financial guarantee has no significant impact on the recognition of sales revenue of development products.

Equity instruments

Equity instruments such as perpetual bonds issued by the Group do not need to be settled by the Group's own equity instruments, excluding the contractual obligations to deliver cash or other financial assets to other parties, or to exchange financial assets or financial liabilities with other parties under potential adverse conditions. Therefore, the Group calculates them as other equity instruments.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods, are described below.

Impairment of financial instruments and contract assets

The Group uses the expected credit loss model to assess the impairment of financial instruments and contract assets. The Group is required to perform significant judgements and estimations and take into account all reasonable and supportable information, including forward-looking information. When making such judgements and estimates, the Group infers the expected changes in the debtor's credit risk based on historical repayment data combined with economic policies, macroeconomic indicators, industry risks and other factors. The different estimates may impact the impairment assessment, and the impairment allowance may also not be representative of the actual impairment loss in the future.

III. Significant accounting policies and accounting estimates (continued)

35. Significant accounting judgements and estimates (continued)

Estimation uncertainty (continued)

Impairment of non-current assets other than financial assets (other than goodwill)

The Group assesses whether there are any indications of impairment for all non-current assets other than financial assets at the end of the reporting period. Intangible assets with indefinite useful lives are tested for impairment annually and at other times when such an indication exists. Other non-current assets other than financial assets are tested for impairment when there are indications that the carrying amounts may not be recoverable. An impairment exists when the carrying amount of an asset or asset group exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from it. The calculation of the fair value less costs of disposal based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the assets. When the calculations of the present value of the future cash flows expected to be derived from an asset or asset group are undertaken, management must estimate the expected future cash flows from the asset or asset group and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill has been allocated. Testing the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Fair value of unlisted equity investments

For a part of unlisted equity investments, the Group adopts the market approach to estimate the fair value, which involves choosing comparable companies and market multiples and estimating the liquidity discount rate. Therefore, it is subject to uncertainty. For all the other unlisted equity investments, the Group estimates the fair value through the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics. This valuation requires the Group to make estimates about expected future cash flows, credit risk, volatility and discount rates, and hence they are subject to uncertainty.

Construction and service contracts

Recognition of revenue and expenses from construction and service contracts requires management to make relevant estimates. If losses are expected to occur in construction and service contracts, such losses should be recognised as current costs. The management of the Group estimates the possible losses based on the construction and service contract budget. Due to the characteristics of housing construction, infrastructure construction, and design businesses, the date at which the contract activity is entered into and the date when the activity is completed usually fall into different accounting periods. The Group reviews and revises the estimates of both contract revenue and contract costs in each contract budget as the contract progresses.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant judgement from the management is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Land appreciation tax

The Group is required to pay land appreciation tax in accordance with tax laws on the value-added portion of property sales. The provision for land appreciation tax is the best estimate made by the management based on the understanding of relevant tax laws and regulations. The actual land appreciation tax liability must be determined by the tax authority when the land appreciation tax is settled. The Group has not yet determined its land appreciation tax settlement and taxation plans for certain real estate development projects with tax authorities. The final land appreciation tax calculation result may be different from the amount initially recorded, and any difference will affect the land appreciation tax expenditure and related provision amount during the period when the difference is realised.

Confirmation and allocation of properties under development

The cost of real estate construction is recorded as inventory during the construction period, and will be carried forward to the income statement after real estate sales revenue is confirmed. Before the final settlement of project costs and other related real estate development costs, such costs need to be estimated by the management of the Group based on budgeted costs and development progress. The Group's real estate development is generally carried out in stages, and the cost directly related to the development of a certain period is recorded as the cost of that period. The common costs of different stages are allocated to each stage according to the saleable area. If the final settlement of the project cost and the related cost allocation are different from the initial estimate, the increase or decrease of the project cost and other costs will affect the profit and loss in the future years.

III. Significant accounting policies and accounting estimates (continued)

35. Significant accounting judgements and estimates (continued)

Estimation uncertainty (continued)

Inventory impairment

The Group's inventory is measured at the lower of cost and net realisable value. The net realisable value of inventory refers to the estimated selling price of the inventory minus the estimated cost, estimated selling expenses and relevant taxes and fees at the time of completion. The management's calculation of the net realisable value of inventories involves the estimation of estimated selling prices, estimated costs to be incurred by the time of completion, estimated selling expenses and relevant taxes. Changes in these estimates will affect the book value of inventories and the profit and loss of future changes.

Measurement of defined benefit obligations

The Group recognised the supplementary allowances and benefits paid to certain retired and early retirement employees as liabilities. The amount of these welfare expenses and liabilities are determined using actuarial valuations conducted by independent professional actuaries. Independent professional actuaries evaluate the actuarial status of the Group's retirement plan every year. These

actuarial valuations involve assumptions made on discount rates, retirement benefit inflation rates and other factors. In view of its long-term nature, the above estimates are uncertain.

Useful lives and residual values of fixed assets

After considering the residual value of the fixed assets, the Group accrues depreciation within the estimated useful life. The Group regularly reviews the estimated useful life and residual value of related assets to determine the amount of depreciation expenses that will be included in each reporting period. The useful life and residual value of assets are determined by the Group based on the past experience of similar assets and combined with expected technological changes. If the previous estimate changes significantly, the depreciation expense will be adjusted in the future period.

Lessee's incremental borrowing rate

If the interest rate implicit in the lease cannot be readily determined, the Group measures the lease liability at the present value of the lease payments discounted using the lessee's incremental borrowing rate. According to the economic environment, the Group takes the observable interest rate as the reference basis for determining the incremental borrowing rate, then adjusts the observable interest rate based on its own circumstances, underlying assets, lease terms and amounts of lease liabilities to determine the applicable incremental borrowing rate.

IV. Taxation

1. Main taxes and rates

Value-added tax	-	Taxable income is calculated at the corresponding tax rate as output tax, and the value-added tax is calculated on the basis of the difference after deducting the input tax allowed to be deducted in the current period. The applicable tax rates of the Group for the year ended 31 December 2022 included 13%, 9%, 6%, 5% and 3%.
		According to the "Regulations on Issues Related to the Pilot Reform of Business Tax to Value-Added Tax" issued by the Ministry of Finance and the State Administration of Taxation in 2016, the Group calculates tax payable at 3% and 5% of taxable income for old projects in the construction industry based on simple tax calculation methods and in the real estate development industry, respectively.
City maintenance and construction tax	-	Calculated and paid at 7% or 5% of the actual turnover tax paid.
Corporate income tax	-	The Group's corporate income tax in Mainland China is calculated and paid at 25% of the taxable income (except for the tax incentives described in Note IV.2). The corporate income tax in Hong Kong, China is calculated and paid at 16.5% of the taxable income. For other overseas regions, the taxable income shall be 0% to 35% of the taxable income.
Education surcharge	-	Calculated and paid at 3% of the actual turnover tax paid.
Land appreciation tax	-	If the Group transfers land use rights and the property rights of buildings or other attachments on the ground for a fee, the land appreciation tax is calculated and paid at a four-tier progressive tax rate of 30% to 60%.
Real estate tax	-	Real estate tax is levied at 1.2% of the original value of the property or 12% of the rental income.

IV. Taxation (continued)

2. Preferential tax treatments

The corporate income tax preferences enjoyed by the Group are as follows:

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows:

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
China Municipal Engineering Northwest Design & Research Institute Co., Ltd.	GR202162000417	15%
China Architecture Southwest Design & Research Institute Co., Ltd.	GR202051002428	15%
China State Construction Northeast Architectural Design Institute Co., Ltd.	GR202021001043	15%
China Construction Aolian Decoration Engineering Co., Ltd.	GR202244207198	15%
China Construction Dongshe Geotechnical Engineering Co., Ltd.	GR202021001224	15%
CSCEC (Tianjin) Industrial Construction Engineering Co., Ltd.	GR202112003765	15%
China Construction First Engineering Bureau Group Construction & Development Co., Ltd.	GR202011001749	15%
China Construction First Engineering Bureau Huajiang Construction Co., Ltd.	GR202111002519	15%
The Second Construction Engineering Co., Ltd. of China Construction First Engineering Bureau	GR202111000744	15%
Beijing Construction Engineering Quality Sixth Testing Institute Co., Ltd.	GR202211002384	15%
Beijing Zhongjian Building Research Institute Co., Ltd.	GR202011006430	15%
China Construction First Engineering Bureau (Group) Co., Ltd.	GR202111000630	15%
China Construction First Engineering Bureau Group Decoration Engineering Co., Ltd.	GR202011004486	15%
China Construction First Engineering Bureau Third Construction Engineering Co., Ltd.	GR202011002605	15%
Beijing Zhongjian Architectural Design Institute Co., Ltd.	GR202211007788	15%
China Construction Science and Industry Group Co., Ltd.	GR202044202198	15%
The Fifth Construction Engineering Co., Ltd. of China Construction First Engineering Bureau	GR202111000242	15%
China Construction Engineering Design Group Corporation Limited	GR202011003894	15%
China Construction Southwest Survey and Design Institute Co., Ltd.	GR202051000142	15%
China Construction Underground Space Co., Ltd.	GR202251005258	15%
China Construction Ecological Environment Group Co., Ltd.	GR202011000210	15%
China Construction Infrastructure Co., Ltd.	GR202011000318	15%
China Construction Steel Structure Guangdong Co., Ltd.	GR202144011432	15%
China Construction Steel Structure Engineering Co., Ltd.	GR202144205230	15%
China Construction Science and Technology Group Smart Parking Technology Co., Ltd.	GR202244200933	15%
China State Construction Technology (Shenshan Special Cooperation Zone) Co., Ltd.	GR202044204908	15%
China State Construction Technology Group Co., Ltd.	GR202044206081	15%
China State Construction Technology (Beijing) Co., Ltd.	GR202011001695	15%
China State Construction Engineering Industry Technology Research Institute Co., Ltd.	GR202111005533	15%
China Building Decoration Group Co., Ltd.	GR202211008320	15%
China State Construction Curtain Wall Co., Ltd.	GR202242008622	15%
China Construction Oriental Decoration Co., Ltd.	GR202131000852	15%
China Construction Lighting Co., Ltd.	GR202044200342	15%

IV. Taxation (continued)

2. Preferential tax treatments (continued)

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state (continued)

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows: (continued)

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
China Construction Fifth Engineering Bureau Building Energy Saving Technology Co., Ltd.	GR202143003490	15%
China Construction No. 2 Curtain Wall Decoration Co., Ltd.	GR202143000237	15%
China Construction Fifth Engineering Bureau Decorative Curtain Wall Co., Ltd.	GR202143002509	15%
The Third Construction Engineering Co., Ltd. of China Construction Fifth Engineering Bureau	GR202143001620	15%
China State Construction Technology Hunan Co., Ltd.	GR202143000481	15%
China Construction Fifth Engineering Bureau Installation Engineering Co., Ltd.	GR202043002082	15%
China Construction Fifth Engineering Bureau East China Construction Co., Ltd.	GR202231001316	15%
China State Construction Fifth Engineering Bureau Co., Ltd.	GR202043000761	15%
China Construction Fifth Engineering Bureau South China Construction Co., Ltd.	GR202244201874	15%
China Construction Sixth Bureau First Construction Co., Ltd.	GR202012001086	15%
China Construction Sixth Engineering Bureau Construction and Development Co., Ltd.	GR202112001037	15%
China Construction Bridge Co., Ltd.	GR202251101476	15%
Shanghai Haida Communication Co., Ltd.	GR202131000679	15%
China Construction Port and Shipping Bureau Group Co., Ltd.	GR202131001570	15%
China Construction Port Group Co., Ltd.	GR202037100401	15%
The Third Construction Engineering Co., Ltd. of China Construction Second Engineering Bureau	GR202111006398	15%
China Construction Second Engineering Bureau First Construction Engineering Co., Ltd.	GR202111000524	15%
China Construction Second Engineering Bureau Co., Ltd.	GR202011005634	15%
China Construction Second Engineering Bureau Decoration Engineering Co., Ltd.	GR202011000990	15%
China Construction Second Engineering Bureau Installation Engineering Co., Ltd.	GR202111000676	15%
CSCEC Jiuhe Development Group Co., LTD.	GR202211004893	15%
The Second Construction Engineering Co., Ltd. of China Construction Second Engineering Bureau	GR202044203757	15%
China Construction Zhonghuan New Energy Co., Ltd.	GR202232014683	15%
China Construction Second Engineering Bureau sunshine Intelligent Manufacturing Co., Ltd.	GR202044010624	15%
China State Construction West Construction Hunan Co., Ltd.	GR202243000326	15%
Henan Zhongjian Western Construction Co., Ltd.	GR202141003468	15%
China Construction West Construction New Material Technology Co., Ltd.	GR202251004147	15%
Nanjing Huajian Testing Technology Co., Ltd.	GR202232014332	15%
China State Construction Electronic Engineering Co., Ltd.	GR202211000245	15%
CSCEC Wuzhou Engineering Equipment Co., Ltd.	GR202032006648	15%
China Construction Industrial & Energy Engineering Group Co., Ltd.	GR202132010981	15%
CSCEC Xinjiang Installation Engineering Co., Ltd.	GR202065000255	15%
Guangxi Construction Co., Ltd. of China Construction Eighth Engineering Bureau	GR202145001083	15%

IV. Taxation (continued)

2. Preferential tax treatments (continued)

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state (continued)

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows: (continued)

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
The Second Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau	GR202137002542	15%
Shandong Zhongjian Construction Checking Testing Co., Ltd.	GR202137004126	15%
China Construction Eighth Engineering Bureau Fourth Construction Co., Ltd.	GR202137101123	15%
Jiangsu Tianyu design and Research Institute Co., Ltd.	GR202032011349	15%
The First Construction Engineering Co., Ltd. of China Construction Eighth Engineering Bureau	GR202037003064	15%
Investment Construction Co., Ltd. of China Construction Eighth Engineering Division (Shandong)	GR202137000714	15%
China Construction Technology (Jinan) Co., Ltd.	GR202037001173	15%
China Construction Eighth Engineering Bureau (Xiamen) Construction Co., Ltd.	GR202135100676	15%
China Construction Eighth Engineering Bureau Decoration Engineering Co., Ltd.	GR202131000520	15%
China Construction Eighth Engineering Bureau South China Construction Co., Ltd.	GR202144014361	15%
China Construction Eighth Engineering Bureau Rail Transit Construction Co., Ltd.	GR202032012507	15%
Northwest Construction Co., Ltd. of China Construction Eighth Engineering Bureau	GR202161002076	15%
China Construction Eighth Engineering Bureau Technology Construction Co., Ltd.	GR202131000014	15%
China Construction Eighth Bureau Development and Construction Co., Ltd.	GR202145001083	15%
Southwest Construction Co., Ltd. of China Construction Eighth Engineering Bureau	GR202051003475	15%
China Construction Eighth Engineering Bureau Environmental Protection Technology Co., Ltd.	GR202231004662	15%
China State Construction Xinjiang Construction Group Fifth Construction Engineering Co., Ltd.	GR202265000206	15%
China Construction Xinjiang Construction Engineering Group First Construction Engineering Co., Ltd.	GR202265000227	15%
China State Construction Xinjiang Construction Engineering (Group) Co., Ltd.	GR202165000046	15%
China State Construction Zhongxin Engineering Co., Ltd.	GR202037101613	15%
China State Construction Xinjiang Construction Group Third Construction Engineering Co., Ltd.	GR202065000046	15%
China State Construction Xinjiang Construction Engineering Civil Engineering Co., Ltd.	GR202165000059	15%
China Construction Western Construction Building Materials Science Research Institute Co., Ltd.	GR202251003078	15%
China Architecture Shanghai Design & Research Institute Co., Ltd.	GR202131003421	15%
China Construction Zhongyuan Architectural Design Institute Co., Ltd.	GR202241003089	15%
China Construction Strait Construction Development Co., Ltd.	GR202235001605	15%
China Construction Technology Henan Co., Ltd.	GR202241000224	15%
China Construction Fifth Engineering Bureau Civil Engineering Co., Ltd.	GR202243000667	15%
China Construction Fifth Engineering Bureau Garden Co., Ltd.	GR202143002615	15%
China Construction Eighth Engineering Bureau Third Construction Co., Ltd.	GR202132007163	15%
China Construction Fourth Engineering Bureau First Construction Co., Ltd.	GR202144000186	15%
China Construction Fourth Engineering Bureau Installation Engineering Co., Ltd.	GR202252000123	15%
China Construction Fourth Engineering Bureau Third Construction Co., Ltd.	GR202152000142	15%

IV. Taxation (continued)

2. Preferential tax treatments (continued)

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state (continued)

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows: (continued)

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
China Construction Fourth Engineering Bureau Civil Engineering Co., Ltd.	GR202044205254	15%
Guizhou Zhongjian Architectural Research and Design Institute Co., Ltd.	GR202052000333	15%
Second Construction Co., Ltd. of China Construction Third Engineering Division	GR202042002204	15%
Third Construction Co., Ltd. of China Construction Third Engineering Division	GR202042001764	15%
China Construction Third Engineering Design Co., Ltd.	GR202242001692	15%
Shenzhen Overseas Decoration Engineering Co., Ltd.	GR202044206222	15%
China Construction Third Engineering Bureau Installation Engineering Co., Ltd.	GR202242002833	15%
China State Construction Technology Wuhan Co., Ltd.	GR202042001219	15%
China Construction Third Engineering Bureau Intelligent Technology Co., Ltd.	GR202142003113	15%
China Construction Fourth Engineering Bureau Fifth Construction Engineering Co., Ltd.	GR202044204395	15%
China Construction Communications Construction Group Co., Ltd.	GR202111000067	15%
China Construction Municipal Engineering Co., Ltd.	GR202111000695	15%
Liaoning traffic engineering Co., Ltd.	GR202121000707	15%
China Construction Second Engineering Bureau Civil Engineering Group Co., Ltd.	GR202111008514	15%
China Construction Sixth Engineering Bureau Water Conservancy and Hydropower Construction Group Co., Ltd.	GR202112001611	15%
Huanan Construction Co., Ltd. of China Construction Sixth Engineering Bureau	GR202144207418	15%
China Construction Third Engineering Bureau infrastructure construction investment Co., Ltd.	GR202142004991	15%
China Construction Railway Investment Testing Co., Ltd.	GR202121002182	15%
Chongqing Xinda Engineering Testing Technology Co., Ltd.	GR202051101356	15%
China Construction Seventh Engineering Bureau Co., Ltd.	GR202241001707	15%
China State Construction Technology (Fuzhou) Co., Ltd.	GR202035000126	15%
China State Construction Northeast Architectural Design Institute (Xiamen) Co., Ltd.	GR202035100542	15%
China Construction Eighth Engineering Division. Co., Ltd.	GR202231009889	15%
China Construction Sixth Engineering Bureau Decoration Engineering Co., Ltd.	GR202231002194	15%
China Construction Fourth Engineering Bureau Sixth Construction Engineering Co., Ltd.	GR202234000052	15%
China Construction Commodity Concrete Co., Ltd.	GR202142000108	15%
Xinjiang Institute of Building Research (Limited Liability Company)	GR202065000035	15%
China Construction Railway Investment and Construction Group Co., Ltd.	GR202111005102	15%
China Construction Sixth Engineering Bureau Co., Ltd.	GR202212003407	15%
China Construction Third Engineering Bureau Group Co., Ltd.	GR202242002413	15%
Guangdong Zhongjian New Building Components Co., Ltd.	GR202144001673	15%
China Construction Third Engineering Bureau Urban Construction Co., Ltd.	GR202022000413	15%
China Construction Integrated Technology Co., Ltd.	GR202111008263	15%

IV. Taxation (continued)

2. Preferential tax treatments (continued)

(1) Preferential tax treatment for key high and new technological enterprises encouraged and supported by the state (continued)

According to the income tax law and other relevant regulations, the Group's subsidiaries recognised as key high and new technological enterprises encouraged and supported by the state are as follows: (continued)

Company name	Certificate of High and New Technological Enterprises	Effective tax rate
Xinjiang Construction Engineering Quality and Safety Testing Center	GR202265000205	15%
China Construction Third Engineering Bureau First Construction Engineering Co., Ltd.	GR202142002193	15%
China State Construction Fourth Engineering Bureau Group Co., Ltd.	GR202244002938	15%
China State Construction Intelligent Technology Co., Ltd.	GR202011001520	15%
China Construction Eighth Engineering Bureau Testing Technology Co., Ltd.	GR202211006171	15%
Hong Kong Huayi Design Consultants (Shenzhen) Co., Ltd.	GR202044204944	15%
Zhongjian Hailong Technology Co., Ltd.	GR202144205013	15%
Anhui Hailong Construction Industry Co., Ltd.	GR202134004805	15%
Shandong Hailong Construction Technology Co., Ltd.	GR202237005327	15%
Zhonghai Construction Co., Ltd.	GR202244203757	15%
Shenzhen Xinghai Electromechanical Engineering Co., Ltd.	GR202144204632	15%
Shenzhen Xinghai Internet of Things Technology Co., Ltd.	GR202044200845	15%
China Construction Xinke Decoration Engineering Co., Ltd.	GR202211000432	15%
China Construction Steel Wuhan Co., Ltd.	GR202242005943	15%
China Construction Science and Engineering Group Operations Management Co., Ltd.	GR202244207907	15%
China Construction Eighth Engineering Bureau Decoration Curtain Wall Co., Ltd.	GR202232012957	15%
China Construction Eighth Engineering Bureau New Construction Engineering Co., Ltd.	GR202231001001	15%
China Construction Fourth Engineering Bureau South China Construction Co., Ltd.	GR202244003699	15%
China Construction Fourth Engineering Bureau Construction Development Co., Ltd.	GR202235100237	15%
China Construction Third Engineering Group South China Co., Ltd.	GR202244013374	15%
China Construction Third Engineering Group Beijing Co., Ltd.	GR202211003712	15%
China Construction Third Engineering Bureau Green Industry Investment Co., Ltd.	GR202242006156	15%
Hubei China Construction Third Bureau Construction Engineering Technology Co., Ltd.	GR202242000742	15%

IV. Taxation (continued)

2. Preferential tax treatments (continued)

(2) Preferential tax policy related with Western Development Strategies and Xinjiang region

Company name	Effective tax rate
Xi'an Xingchu Construction Co., Ltd.	15%
Chongqing Maohe Infrastructure Construction Co., Ltd.	15%
Haidong Underground Tube Construction and Operation Management Co., Ltd.	15%
Chongqing Kaizhou China Construction Tube Installation Co., Ltd.	15%
China Construction Tunnel Construction Co., Ltd.	15%
Chongqing Jinsha Yangtze River Bridge Construction and Development Co., Ltd.	15%
CSCEC Zunyi Xinpu Construction Development Co., Ltd.	15%
China Northwest design and Research Institute Co., Ltd.	15%
Sichuan Southwest Construction Management and Consulting China Northwest design and Research Institute Co., Ltd.	15%
CSCEC Southwest Consulting Company Limited	15%
Shihezi Tube Construction and Investment Co., Ltd.	15%
Yanqi Xiqingjiyuan Construction Co., Ltd.	15%
CSCEC Wuzhou Infrastructure Investment Co., Ltd.	15%
China Construction Technology Mianyang Co., Ltd.	15%
China Construction Silk Road Construction and Investment Co., Ltd.	15%
Shihezi Western Construction Co., Ltd.	15%
Xinjiang Construction Engineering Quality and Safety Testing Center	15%
China Construction Communications Engineering (Xizang) Co., Ltd.	15%
Shaanxi China Construction Northwest Engineering Supervision Co., Ltd.	15%
Sichuan Southwest Construction Engineering Consulting Co., Ltd.	15%
Sichuan Southwest Engineering Project Management Consulting Co., Ltd. Tibet Branch	15%
China Construction Steel Structure Sichuan Co., Ltd.	15%
Sichuan West Construction Xingcheng Building Materials Co., Ltd.	15%
Chengdu West Construction Xiangtou New Material Co., Ltd.	15%
Nanning China Construction West Construction Co., Ltd.	15%
Guangxi China Construction West Construction Co., Ltd.	15%
Chongqing China Construction West Construction Co., Ltd.	15%
CSCEC Rongcheng building materials Chengdu Co., Ltd.	15%
CSCEC West Construction southwest Co., Ltd.	15%
Yunnan China Construction West Construction Co., Ltd.	15%
Meishan China Construction West Construction Co., Ltd.	15%

IV. Taxation (continued)

2. Preferential tax treatments (continued)

(2) Preferential tax policy related with Western Development Strategies and Xinjiang region (continued)

Company name	Effective tax rate
Chengdu West Construction Sancha Lake building materials Co., Ltd.	15%
China Construction West Construction North Co., Ltd.	15%
Guiyang Zhongjian West Construction Co., Ltd.	15%
Kashgar West Construction Co., Ltd.	15%
CSCEC western construction Xinjiang Co., Ltd.	15%
Gansu China Construction West Construction Co., Ltd.	15%
Xinjiang West Construction Qingsong Co., Ltd.	15%
Ya'an West Land and Sea Construction Engineering Management Co., Ltd.	15%
CSCEC Silk Road Xi'an Construction and Operation Co., Ltd.	15%
China Railway Construction (Chengdu) Co., Ltd.	15%
China Construction Fifth Bureau (Ganzhou) Engineering Construction Co., Ltd.	15%
Kunming Haixiang Real Estate Development Co., Ltd.	15%
Kunming Haijia Real Estate Development Co., Ltd.	15%
Chongqing Xinyue Real Estate Co., Ltd.	15%
Chongqing Jinjiahai Real Estate Development Co., Ltd.	15%

Note: According to the Notice Concerning the Continuation of the Western Development Enterprise Income Tax Policies (Ministry of Finance Notice No. 23 of 2020), the eligible enterprises are entitled 15% preferential income tax rate.

V. Notes to the consolidated financial statements

1. Cash and bank balances

	31 December 2022	31 December 2021 (restated)
Cash on hands	128,867	79,733
Cash at banks	328,536,332	322,029,481
Other cash and bank balances	6,588,903	5,899,343
Total	335,254,102	328,008,557

Other cash and bank balances represents deposits for bank acceptance notes, guarantee deposits and deposits for migrant workers' wages, etc.

As at 31 December 2022, the amount of fixed deposit with maturity of more than 3 months in the Group's bank deposits is RMB715,000 thousand (31 December 2021: RMB8,658,299 thousand).

Restricted cash and bank balances mainly represents reserves with Central Bank, deposits for bank acceptance notes, guarantee deposits, pre-sale supervision fund, mortgage deposits and salary deposit for migrant workers. As at 31 December 2022, the restricted cash and bank balances is RMB21,538,911 thousand (31 December 2021: RMB17,280,007 thousand).

As at 31 December 2022, the offshore deposits of the Group amounted to RMB35,751,807 thousand (31 December 2021: RMB31,387,163 thousand). The amount deposited abroad and restricted in remittance recovery is RMB2,727,915 thousand (31 December 2021: RMB2,622,085 thousand).

Short-term time deposits are made for varying periods of between one day and one year depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates.

2. Financial assets held for trading

	31 December 2022	31 December 2021
Financial assets at fair value through profit or loss		
Debt investments (Note 1)	–	47,864
Equity investments (Note 2)	20,153	23,733
Total	20,153	71,597

Note 1: The fair value of an investment in debt instrument held for trading is mainly determined based on the trading price published by the financial institution in which it trades on the last trading day of the current period.

Note 2: The fair value of an investment in equity instrument held for trading is determined based on the closing price of the last trading day of the current period of the stock exchange in which the instrument trades.

3. Notes receivable

	31 December 2022	31 December 2021
Commercial acceptance bills	6,455,791	18,247,621
Less: Impairment allowance	(64,867)	(502,016)
Total	6,390,924	17,745,605

V. Notes to the consolidated financial statements (continued)

3. Notes receivable (continued)

The pledged notes receivable are as follows:

	31 December 2022	31 December 2021
Commercial acceptance bills	64,736	14,210

As at 31 December 2022 and 31 December 2021, the notes receivable that were pledged by the Group to banks for borrowings are presented in details in Note V. 70.

Notes receivable and impairment provisions disclosed by category:

	31 December 2022				
	Gross carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment of individually accrued	684,853	10.61	41,776	6.10	643,077
Impairment of collectively accrued by credit risk portfolio	5,770,938	89.39	23,091	0.40	5,747,847
Total	6,455,791	100.00	64,867	1.00	6,390,924

	31 December 2021				
	Gross carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment of individually accrued	2,740,914	15.02	439,989	16.05	2,300,925
Impairment of collectively accrued by credit risk portfolio	15,506,707	84.98	62,027	0.40	15,444,680
Total	18,247,621	100.00	502,016	2.75	17,745,605

Regardless of whether there is a significant financing component or not, the impairment provision of the Group's notes receivables are measured based on the lifetime ECL.

Commercial acceptance bills which had not matured but had been endorsed to other parties are as follows:

	31 December 2022		31 December 2021	
	Derecognised	Recognised	Derecognised	Recognised
Commercial acceptance bills	–	2,985,517	–	8,412,053

In 2022, the amount of the bill turned into accounts receivable due to the drawer's failure to perform the contract or the group's initiative to return the bill is RMB2,339,074 thousand (2021: RMB10,713,977 thousand).

V. Notes to the consolidated financial statements (continued)

4. Accounts receivable

(1) The ageing of accounts receivable is analysed as follows:

	31 December 2022	31 December 2021 (restated)
Within 1 year	163,872,112	146,629,478
1-2 years	44,799,267	31,768,951
2-3 years	16,856,351	16,185,318
3-4 years	9,754,016	8,865,583
4-5 years	6,823,066	5,092,307
Over 5 years	6,261,543	5,296,535
Sub-total	248,366,355	213,838,172
Less: Impairment allowance	(37,934,735)	(33,239,590)
Total	210,431,620	180,598,582

(2) Provision for impairment:

Accounts receivable and impairment allowance are disclosed by category:

	31 December 2022				
	Gross carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment of individually accrued	91,210,378	36.72	21,844,067	23.95	69,366,311
Impairment of collectively accrued by credit risk portfolio	157,155,977	63.28	16,090,668	10.24	141,065,309
Total	248,366,355	100.00	37,934,735	15.27	210,431,620

	31 December 2021 (restated)				
	Gross carrying amount		Impairment allowance		Carrying value
	Amount	Ratio (%)	Amount	Ratio (%)	
Impairment of individually accrued	70,007,122	32.74	19,531,732	27.90	50,475,390
Impairment of collectively accrued by credit risk portfolio	143,831,050	67.26	13,707,858	9.53	130,123,192
Total	213,838,172	100.00	33,239,590	15.54	180,598,582

As at 31 December 2022, impairment allowance of accounts receivable individually accrued is as follows:

	Carrying amount	Impairment allowance	Expected credit loss ratio	Reasons
Company 1	1,783,618	198,497	11.13%	Recovery possibility
Company 2	1,543,000	1,543,000	100.00%	Recovery possibility
Company 3	1,295,060	104,349	8.06%	Recovery possibility
Company 4	1,182,525	147,816	12.50%	Recovery possibility
Company 5	831,593	654,920	78.75%	Recovery possibility
Other	84,574,582	19,195,485	22.70%	Recovery possibility
Total	91,210,378	21,844,067		

V. Notes to the consolidated financial statements (continued)

4. Accounts receivable (continued)

(2) Provision for impairment: (continued)

As at 31 December 2021, impairment allowance of accounts receivable individually accrued is as follows:

	Carrying amount	Impairment allowance	Expected credit loss ratio	Reasons
Company 1	2,422,103	1,723,593	71.16%	Recovery possibility
Company 2	1,643,000	1,643,000	100.00%	Recovery possibility
Company 3	1,303,425	162,928	12.50%	Recovery possibility
Company 4	1,106,794	1,015,604	91.76%	Recovery possibility
Company 5	958,498	166,689	17.39%	Recovery possibility
Other	62,573,302	14,819,918	23.68%	Recovery possibility
Total	70,007,122	19,531,732		

The accounts receivable with impairment allowance collectively accrued by credit risk portfolio are as follows:

Portfolio 1:

	31 December 2022			31 December 2021 (restated)		
	Estimated gross carrying amount at default	Expected credit loss ratio (%)	Lifetime expected credit loss	Estimated gross carrying amount at default	Expected credit loss ratio (%)	Lifetime expected credit loss
Within 1 year	28,829,427	2.00	575,757	25,901,239	2.00	518,025
1-2 years	8,740,694	5.00	437,035	5,406,440	5.00	270,322
2-3 years	3,000,543	15.00	450,081	2,432,319	15.00	364,848
3-4 years	1,504,956	30.00	451,487	960,602	30.00	288,181
4-5 years	655,213	45.00	294,846	307,392	45.00	138,326
Over 5 years	464,331	100.00	464,331	329,430	100.00	329,430
Total	43,195,164		2,673,537	35,337,422		1,909,132

Portfolio 2:

	31 December 2022			31 December 2021		
	Estimated gross carrying amount at default	Expected credit loss ratio (%)	Lifetime expected credit loss	Estimated gross carrying amount at default	Expected credit loss ratio (%)	Lifetime expected credit loss
Within 1 year	3,437,067	6.00	206,258	2,759,637	6.00	165,578
1-2 years	381,619	12.00	45,794	507,748	12.00	60,930
2-3 years	193,490	25.00	48,373	311,655	25.00	77,914
3-4 years	197,553	45.00	88,899	169,648	45.00	76,342
4-5 years	150,166	70.00	105,117	33,614	70.00	23,530
Over 5 years	140,766	100.00	140,766	107,152	100.00	107,152
Total	4,500,661		635,207	3,889,454		511,446

V. Notes to the consolidated financial statements (continued)

4. Accounts receivable (continued)

(2) Provision for impairment: (continued)

The accounts receivable with impairment allowance collectively accrued by credit risk portfolio are as follows: (continued)

Portfolio 3:

	31 December 2022			31 December 2021		
	Estimated gross carrying amount at default	Expected credit loss ratio (%)	Lifetime expected credit loss	Estimated gross carrying amount at default	Expected credit loss ratio (%)	Lifetime expected credit loss
Within 1 year	71,884,831	4.50	3,233,859	73,514,262	4.50	3,308,142
1-2 years	20,882,232	10.00	2,088,223	14,267,572	10.00	1,426,757
2-3 years	6,622,900	20.00	1,324,414	9,555,196	20.00	1,911,039
3-4 years	5,151,576	40.00	2,060,630	3,633,652	40.00	1,453,461
4-5 years	2,410,901	65.00	1,567,086	1,273,172	65.00	827,561
Over 5 years	2,507,712	100.00	2,507,712	2,360,320	100.00	2,360,320
Total	109,460,152		12,781,924	104,604,174		11,287,280

The movements in impairment allowance for accounts receivable are as follows:

2022

Opening balance	Provision	Reversal	Write-off	Other movements	Closing balance
33,239,590	21,559,382	(14,839,522)	(246,155)	(1,778,560)	37,934,735

2021 (restated)

As at 31 December 2020	Accounting policy alternative	Opening balance	Provision	Reversal	Write-off	Other movements	Closing balance
25,792,354	12,430	25,804,784	19,341,507	(11,112,880)	(644,966)	(148,855)	33,239,590

The major amounts reversal or collection of 2022 are as follows:

	Reason for reversal/ collection	Basis and rationality for determining the provision for impairment	Amount of reversal/ collection	Way of collection
Company 1	Recover project funds	Individually accrued	911,035	Cession
Company 2	Recover project funds	Individually accrued	132,980	Cession
Company 3	Recover project funds	Individually accrued	121,037	Cession
Company 4	Recover project funds	Individually accrued	103,976	Cash
Company 5	Recover project funds	Individually accrued	96,925	Cession
Others	Recover project funds, etc.	Individually and collectively accrued	13,473,569	Cash or reversal
Total			14,839,522	

V. Notes to the consolidated financial statements (continued)

4. Accounts receivable (continued)

(3) As at 31 December 2022, the five largest accounts receivable according to customers are analysed as follows:

	Amount	Amount of Impairment allowance	Percentage of total accounts receivable
Total amount of the five largest accounts receivable	8,791,233	2,180,852	3.54%

As at 31 December 2021, the five largest accounts receivable according to customers are analysed as follows:

	Amount	Amount of Impairment allowance	Percentage of total accounts receivable
Total amount of the five largest accounts receivable	9,138,994	3,668,654	4.27%

For the year ended 31 December 2022, the amount of accounts receivable and contract assets derecognised by the Group due to the transfer of financial assets was RMB61,208,013 thousand (2021: RMB43,232,447 thousand), and the related expenses were RMB2,153,251 thousand (2021: RMB1,968,990 thousand).

As at 31 December 2022 and 31 December 2021, accounts receivable that were pledged by the Group to banks for borrowings are presented in details in Note V. 70.

5. Accounts receivable financing

	31 December 2022	31 December 2021 (restated)
Bank acceptance bills	4,658,182	3,773,078

The Group discounts and endorses some bank acceptance bills according to the needs of daily capital management. Therefore, bank acceptance bills are classified as financial assets measured at fair value and their changes included in other comprehensive income.

Accounts receivable financing that have been endorsed or discounted on the balance sheet date but not overdue are as follows:

	31 December 2022		31 December 2021	
	Derecognised	Recognised	Derecognised	Recognised
Bank acceptance bills	1,246,298	1,322,082	1,415,666	1,389,861

As at 31 December 2022 and 31 December 2021, the Group measured impairment allowance based on the expected credit loss of the entire lifetime. The bank acceptance bills held by the assessment was not subject to significant credit risk, and the amount of expected credit loss was not significant.

6. Prepayments

The ageing analysis of prepayments is as follows:

	31 December 2022		31 December 2021 (restated)	
	Carrying amount	Ratio (%)	Carrying amount	Ratio (%)
Within 1 year	31,772,261	85.36	46,641,323	94.39
1-2 years	4,518,940	12.14	1,663,278	3.37
2-3 years	595,982	1.60	717,754	1.45
Over 3 years	335,978	0.90	390,850	0.79
Total	37,223,161	100.00	49,413,205	100.00

As at 31 December 2022, prepayments aged more than 1 year amounted to RMB5,450,900 thousand (31 December 2021: RMB2,771,882 thousand), mainly including advances to subcontractors and prepayments for land use rights, where the project is not completed, or land has not been obtained.

V. Notes to the consolidated financial statements (continued)

6. Prepayments (continued)

As at 31 December 2022, the five largest prepayments to suppliers are as follows:

	Amount	Percentage of total balance
Total amount of the five largest prepayments to suppliers	10,898,498	29.28%

As at 31 December 2021, the five largest prepayments to suppliers are as follows:

	Amount	Percentage of total balance
Total amount of the five largest prepayments to suppliers	21,300,072	43.11%

7. Other receivables

	31 December 2022	31 December 2021 (restated)
Other receivables	73,584,067	60,981,694

The ageing analysis of other receivables is as follows:

	31 December 2022	31 December 2021 (restated)
Within 1 year	58,670,492	42,330,545
1 to 2 years	10,147,845	13,208,940
2 to 3 years	4,697,506	6,371,798
3 to 4 years	3,915,904	3,812,884
4 to 5 years	2,529,849	830,082
Over 5 years	1,780,768	1,521,033
Sub-total	81,742,364	68,075,282
Less: Impairment allowance	(8,158,297)	(7,093,588)
Total	73,584,067	60,981,694

Natures of other receivables are as follows:

	31 December 2022	31 December 2021 (restated)
Deposits and petty cash receivable	16,405,471	14,399,091
Advances receivable	32,021,771	24,797,576
Receivables from related parties (Note X. 7)	5,593,651	5,660,953
Deposit receivable	4,702,770	4,164,185
Others	23,018,701	19,053,477
Sub-total	81,742,364	68,075,282
Less: Impairment allowance	(8,158,297)	(7,093,588)
Total	73,584,067	60,981,694

V. Notes to the consolidated financial statements (continued)

7. Other receivables (continued)

Changes in impairment allowance recognised for the future 12-month ECLs and lifetime ECLs on other receivables are as follows:

2022

	Stage 1	Stage 3	Total
	12-month expected credit losses	Credit-impaired financial assets (Lifetime expected credit losses)	
Opening balance of the year	2,051,818	5,041,770	7,093,588
Provision	1,561,342	1,135,598	2,696,940
Reversal	(1,221,707)	(476,526)	(1,698,233)
Write-off	(11,829)	(74,077)	(85,906)
Others	75,756	76,152	151,908
Closing balance of the year	2,455,380	5,702,917	8,158,297

2021 (restated)

	Stage 1	Stage 3	Total
	12-month expected credit losses	Credit-impaired financial assets (Lifetime expected) credit losses	
Opening balance of the year	2,025,888	4,734,463	6,760,351
Changes due to the opening balance Transfer of stages	(73,704)	73,704	–
Provision	1,525,545	604,044	2,129,589
Reversal	(1,120,503)	(266,743)	(1,387,246)
Write-off	(292,788)	(96,228)	(389,016)
Others	(12,620)	(7,470)	(20,090)
Closing balance of the year	2,051,818	5,041,770	7,093,588

The major amounts reversal or collection of 2022 is as follows:

	Reason for reversal/collection	Receivable collected	Amount of reversal/collection	Way of collection
Company 1	Receivable collected	Combined accrual	33,892	Cash
Company 2	Receivable collected	Combined accrual	29,131	Cash
Company 3	Receivable collected	Individual accrual	27,828	Cash
Company 4	Receivable collected	Individual accrual	26,880	Cash
Company 5	Receivable collected	Combined accrual	25,215	Cash
Others	Receivable collected, etc.	Individual and combined accrual	1,555,287	Cash or Reversal
Total			1,698,233	

V. Notes to the consolidated financial statements (continued)

7. Other receivables (continued)

As at 31 December 2022, other receivables from the five largest customers are as follows:

	Amount	% of total balance	Nature	Ageing	Impairment allowance Amount
Company 1	999,138	1.22	Account current	1 to 2 years	39,966
Company 2	918,000	1.12	Account current	2 to 3 years, 3 to 4 years	209,400
Company 3	848,634	1.04	Account current	Within 1 year, 1 to 2 years	33,964
Company 4	626,814	0.77	Cash deposit	1 to 2 years	1,880
Company 5	593,500	0.73	Account current	1 to 2 years	23,740
Total	3,986,086	4.88			308,950

As at 31 December 2021, other receivables from the five largest customers are as follows:

	Amount	% of total balance	Nature	Ageing	Impairment allowance Amount
Company 1	1,584,775	2.33	Account current	Within 1 year, 1 to 2 years	122,377
Company 2	1,125,658	1.65	Cash deposit	Within 1 year, 1 to 2 years	44,026
Company 3	926,360	1.36	Account current	Within 1 year	36,807
Company 4	918,000	1.35	Account current	1 to 2 years, 2 to 3 years	104,400
Company 5	626,726	0.92	Account current	Within 1 year, 1 to 2 years	40,275
Total	5,181,519	7.61			347,885

8. Inventories

	31 December 2022			31 December 2021 (restated)		
	Carrying amount	Impairment provision	Net value	Carrying amount	Impairment provision	Net value
Properties under development	601,559,471	(5,041,972)	596,517,499	568,518,817	(3,184,784)	565,334,033
Completed properties for sale	150,927,611	(1,704,555)	149,223,056	112,087,777	(873,390)	111,214,387
Raw materials	19,849,281	(880)	19,848,401	21,070,777	(21,110)	21,049,667
Work in progress	1,506,507	–	1,506,507	926,326	–	926,326
Finished goods	4,187,585	(7,550)	4,180,035	4,781,195	(2,971)	4,778,224
Others	273,102	–	273,102	149,472	–	149,472
Total	778,303,557	(6,754,957)	771,548,600	707,534,364	(4,082,255)	703,452,109

As at 31 December 2022 and 31 December 2021, the inventories that were pledged by the Group to banks for borrowings are presented in details in Note V. 70.

V. Notes to the consolidated financial statements (continued)

8. Inventories (continued)

The details of properties under development are as follows:

Project Name	Date of commencement	Estimated completion time	Estimated completion investment	31 December 2022	31 December 2021
Jianguo East Road 69th Street	December 2022	December 2025	35,754,365	21,582,926	11,924,394
Guangzhou Asian Games City	November 2011	December 2023	23,652,451	17,062,620	–
Beijing Daji Critical Reform Project	January 2003	December 2023	33,966,945	11,466,640	19,135,708
Beijing Fuhuali	November 2022	September 2024	13,088,490	10,897,285	–
Zhonghai Huanyu Shidai Residence	March 2021	November 2024	15,380,153	9,291,741	11,325,546
Yangpu Project	June 2022	December 2024	9,300,000	7,953,446	–
Shanghai Hongkou District Duolun Road Project	November 2015	December 2025	10,940,594	7,473,286	7,263,200
Huashanlongcheng Project	July 2014	July 2024	50,021,918	7,148,368	7,024,918
Guanggang No.234 Plot	March 2022	December 2023	11,193,700	6,897,955	3,201,194
Dalian CITIC Harbour City	January 2013	May 2028	7,500,000	6,831,337	3,681,643
Canal new town 22 Plots	December 2021	December 2023	7,780,040	6,548,586	3,008,423
Sun Palace	August 2022	February 2025	8,577,000	6,079,577	–
Lake light	August 2022	April 2024	8,856,524	5,977,119	–
Herui 3rd	December 2022	December 2024	6,613,520	5,541,428	–
Zhonghai Huideli Mansion	March 2022	December 2024	8,103,847	5,488,250	6,044,902
CSCEC Yipin Xuefu Residence	March 2022	June 2024	6,296,730	5,400,243	103
China Construction LuMing Mansion Project	June 2021	September 2024	7,129,000	4,999,969	4,471,866
Zhonghai Jianqiao	July 2020	December 2027	22,200,054	5,151,745	3,991,852
Zhonghai Huawan	September 2021	December 2023	6,222,670	5,033,112	4,494,182
Zhonghai Chunlang Garden	April 2021	April 2023	5,514,270	4,903,312	3,985,128
CSCEC Yipin Xuefu Residence West District	February 2022	June 2024	6,000,000	4,863,852	24
Beijing Company Rice Field Project	November 2020	January 2023	5,602,640	4,835,818	4,766,084
246 Xiangshan's Island Project	December 2020	June 2025	6,687,242	4,701,208	3,870,786
Zhonghai Xinchuan Huafu	September 2022	April 2024	6,061,410	4,689,335	–
Cuilanyunjing	February 2022	December 2023	5,513,873	4,671,204	–
No. 6066, 6067 and other plots projects	October 2021	December 2024	7,684,640	4,667,716	4,334,772
Beijing Huideli	May 2022	October 2023	6,089,037	4,658,138	4,658,325
Zhonghai Guanyuan project	January 2022	June 2024	5,200,000	4,600,083	3,266,297
CSCEC Tianfu Residence	September 2020	December 2024	7,659,000	4,470,503	4,213,904
Jiangbei district 2021 G15	December 2021	October 2023	5,343,490	4,396,094	3,730,971
Nanjing Xiyuan mansion	July 2018	December 2023	9,200,000	4,228,858	4,283,140
Suzhou high tech Zone headquarters base residence	April 2022	March 2024	5,800,000	4,203,976	115
Zhonghai Beilonghuzhu	July 2021	December 2023	5,316,020	4,178,865	3,770,830
Guangzhou Haizhu Nanzhou Road Project	March 2021	October 2023	5,757,869	4,133,501	4,755,781

V. Notes to the consolidated financial statements (continued)

8. Inventories (continued)

The details of properties under development are as follows: (continued)

Project Name	Date of commencement	Estimated completion time	Estimated completion investment	31 December 2022	31 December 2021
Guanggang Nanping continent Plot	October 2021	December 2023	4,731,055	4,104,069	3,537,916
Zhonghai Wenhuali	March 2022	December 2023	4,784,671	4,036,210	2,924,880
No.1 consulate	October 2020	June 2023	4,666,580	3,990,660	3,503,254
Top scientists community 02 Group Project	June 2021	December 2023	6,110,000	3,979,453	2,698,410
Dongguan Zhonghai Qirui garden	November 2021	September 2023	4,754,784	3,946,175	3,247,144
Zhonghai Huanyu Longchen	February 2022	April 2024	4,756,310	3,898,327	2,439,786
Xihongmen Project	July 2022	June 2024	5,289,020	3,801,914	–
Tianjin Zuo'an Yuanjing Project	November 2021	October 2023	4,553,890	3,736,839	1,431,946
Huizhili	March 2022	June 2024	4,932,926	3,711,573	–
Guanjiang Jiayuan	September 2022	December 2024	5,836,330	3,600,644	–
Tianjin Park City	May 2013	December 2028	16,813,110	3,588,152	4,559,543
Shanghai Shenggang academy B0701 Project	July 2021	December 2023	4,897,830	3,530,708	2,693,433
Shili Guanlan Project	August 2021	September 2023	4,138,700	3,511,096	2,770,378
Unit FXC1-0016, Fengxian new town Commercial housing project of plot 27-06	August 2021	March 2024	5,855,000	3,508,931	115,200
Changzhou hongken project	January 2021	September 2023	5,270,948	3,507,282	3,415,087
Shenzhen Light phoenix Plot	March 2023	September 2025	4,812,540	3,397,424	–
Taiyuan Zhonghai Internation Community	May 2019	February 2026	13,307,682	3,326,726	1,615,261
Shenyang Huideli	July 2020	June 2023	4,268,144	3,270,258	3,296,776
China Construction Fudi starlight City	December 2014	December 2023	12,921,810	3,261,449	7,301,033
Shanghai Heke Public Project	October 2022	September 2025	11,184,571	3,253,812	–
Top Scientist Community 03 Group Project	June 2021	December 2023	4,570,000	3,189,237	2,013,381
Suzhou Gaoxin Nanda Supporting Project	March 2022	November 2023	5,500,000	3,179,533	202
Beijing Chaoyang Cuigezhuang Naixi Village 318 Plot	September 2022	December 2024	3,599,920	3,154,078	–
Guiyang Zhonghai Yingshan Lake Project	February 2020	April 2023	6,626,460	3,084,710	4,738,287
Spring Scenery Yayuan Project	April 2021	September 2024	4,163,510	3,060,978	2,499,364
Jin'an Lake 3rd	March 2022	September 2023	3,496,650	3,001,074	2,165,517
Ningbo Fuhuali	December 2022	December 2024	4,784,260	2,977,701	–
The Big Mansion Project	December 2020	October 2025	13,947,382	2,976,845	2,568,201
Kunming Southwest Forestry University	April 2021	December 2023	3,756,500	2,951,510	2,542,126
Chengdu Zhonghai Tianfu Plot 3 and 4	July 2018	January 2026	20,618,446	2,877,906	2,726,838
Taihu Lake Star Residential Project	October 2021	August 2024	4,578,423	2,841,767	35,197
Others				270,274,334	372,475,569
Total				601,559,471	568,518,817

V. Notes to the consolidated financial statements (continued)

8. Inventories (continued)

The details of completed properties held for sale are as follows:

2022

Project Name	Completion time of the latest phase	At the beginning of the balance	Additions	Deductions	At the end of the balance
Hong Kong Kai Tak 6575 Plot Project	December 2022	-	10,974,890	(3,966,458)	7,008,432
Shenzhen Zhonghai Minzhi Project	December 2022	-	4,000,508	(42,991)	3,957,517
Zhongjian • Jinxiu World	December 2022	171,050	6,523,335	(3,064,891)	3,629,494
Tianjin city park project	December 2022	1,843,481	1,461,432	(741,375)	2,563,538
Fengtai Zaojia Village	September 2022	-	7,224,663	(4,838,527)	2,386,136
Zhonghai Jincheng International	November 2021	755,620	1,681,142	(65,846)	2,370,916
Zhonghai Shangxuefu phase 2	December 2022	335,467	2,171,209	(177,153)	2,329,523
Yunlujiuli II Phase	December 2021	2,892,117	-	(797,890)	2,094,227
Jilin Changchun Zhonghai Shengshi City D	September 2022	1,721,589	515,855	(152,652)	2,084,792
Dalian Zhonghai Park Uptown Project	October 2022	1,579,209	1,855,037	(1,370,519)	2,063,727
Jiangsu 2017-WG-40 Plot	January 2022	-	4,771,518	(2,778,798)	1,992,720
Guangzhou Asian Games City	November 2022	-	8,364,366	(6,394,800)	1,969,566
Kunming Zhonghai Universe World Plot 11	December 2020	2,791,685	-	(969,698)	1,821,987
Changxindian Plot C	December 2022	300	3,715,658	(1,910,882)	1,805,076
Xin zhi yuan jing	September 2022	-	5,108,488	(3,304,055)	1,804,433
Zhonghai Universe Times	December 2022	853,761	1,154,578	(309,862)	1,698,477
Zhongjian Guanhu Mansion	December 2022	-	1,690,110	-	1,690,110
Zhonghai Xi Garden	December 2021	1,910,714	-	(298,361)	1,612,353
Zhonghai Longwan peninsula Garden A	December 2022	-	5,722,514	(4,194,031)	1,528,483
Zhonghai Universe World four Period	December 2022	-	6,960,087	(5,434,157)	1,525,930
Dalian CITIC Harbour City	December 2022	2,687,779	-	(1,174,296)	1,513,483
Zhongjian Binshui Garden	December 2022	-	1,505,798	-	1,505,798
Zhongjian HuaFu-B Plot-Real Estate	June 2022	1,406,700	131,191	(94,893)	1,442,998
No.9 Mansion	December 2019	1,937,460	-	(514,004)	1,423,456
Zhonghairuyuan	March 2022	1,221,148	563,656	(376,779)	1,408,025
Guangzhou Zhonghai Litchi Mansion	August 2022	-	1,367,277	(148,595)	1,218,682
Comprehensive Reform Zone Yangzhuang Project 1#	June 2022	515,511	2,310,823	(1,697,398)	1,128,936
Technology City Project	December 2022	-	1,947,294	(821,149)	1,126,145
Zhonghai Yunchuan Yuanjing	November 2022	-	1,626,280	(500,323)	1,125,957
Zhonghai Erqi Binjiang (business zone)	November 2022	-	1,116,086	-	1,116,086
Eastlight	December 2022	-	1,086,424	(28,244)	1,058,180
Jilin Changchun Zhonghai Shengshi City C	September 2022	1,027,891	61,582	(44,923)	1,044,550
Zhonghai New City No.1 Mansion I	December 2022	1,064,676	18,346	(70,994)	1,012,028
Harbin Zhonghai Tianyu	December 2021	1,391,000	-	(396,557)	994,443
Zhongjian Meixi Shangjun	September 2022	-	1,020,726	(29,524)	991,202

V. Notes to the consolidated financial statements (continued)

8. Inventories (continued)

The details of completed properties held for sale are as follows: (continued)

2022 (continued)

Project Name	Completion time of the latest phase	At the beginning of the balance	Additions	Deductions	At the end of the balance
Zhonghai Yunzhu	November 2020	1,218,674	-	(242,793)	975,881
Mirror of the sky	June 2022	-	5,045,432	(4,127,020)	918,412
Taiyuan Zhonghai international community	April 2022	1,120,106	1,806,124	(2,015,468)	910,762
Wuxi Jiangyin Yuecheng River	September 2022	-	1,050,503	(170,387)	880,116
Changchun Zhonghai Jincheng	October 2021	1,427,763	-	(549,792)	877,971
3 Eco-Health City, Chengdu	November 2018	944,998	-	(76,758)	868,240
Chongqin Kafu Project	September 2022	604,534	843,201	(580,646)	867,089
Zhongjian Guanhu Mansion	December 2022	-	862,492	-	862,492
Zhonghai Huideli	September 2022	-	1,595,477	(737,941)	857,536
Zhonghai Wansongjiuli	June 2021	1,082,316	-	(249,643)	832,673
Kowloon peak	June 2019	759,144	63,574	-	822,718
Guangzhou Zhonghai Zuo'an Lanting Project	September 2021	1,050,683	-	(230,126)	820,557
Licang District Hotel Management School west side plot project - Huishui road	September 2022	-	827,857	(33,599)	794,258
Universe Times	May 2022	723,815	2,855,703	(2,813,159)	766,359
Plot 116 Project	January 2022	494,875	553,676	(292,909)	755,642
Zhonghai Yonghexi'an Mansion	December 2022	1,060,401	-	(308,077)	752,324
Hangzhou Royal Road Plot 1, 2012-2013	October 2018	750,502	-	(372)	750,130
Zhonghai Lixianghu Project	December 2013	852,381	-	(111,274)	741,107
Shenzhen Zhonghai Wanjinxi'an	December 2020	1,307,346	-	(569,854)	737,492
Zhonghai Chunxiaodongyuan	June 2022	-	1,185,954	(470,128)	715,826
No.0056 Plot Project	November 2022	-	2,820,908	(2,124,585)	696,323
Zhonghai Yunzhu	December 2019	1,057,776	-	(364,732)	693,044
Hefei China Construction Industrial Base	June 2022	701,414	70,165	(79,670)	691,909
Jilin Changchun Oak Park	December 2022	745,717	202,300	(256,975)	691,042
537 Greenwich Senior apartment project	June 2022	1,287,597	232,520	(830,333)	689,784
Jinli 2019-09 lot project	November 2022	77,117	1,228,739	(616,272)	689,584
Shougang Garden II	September 2022	148,928	813,166	(274,071)	688,023
Fuzhou Zhonghai Ziyu Garden	December 2022	714,810	289,087	(317,853)	686,044
Zhongjian Jinxiu world B, C block	August 2021	699,708	-	(39,259)	660,449
Zhonghai Shijihui Garden	January 2020	838,538	-	(196,994)	641,544
Foshan Yunlu Residence	December 2022	972,482	731,644	(1,063,767)	640,359
Nanchang Zhonghai Universal World	March 2019	425,177	228,534	(15,540)	638,171
Dalian Zhonghai Wanjin Mansion	September 2022	577,765	181,995	(123,287)	636,473

V. Notes to the consolidated financial statements (continued)

8. Inventories (continued)

The details of completed properties held for sale are as follows: (continued)

2022 (continued)

Project Name	Completion time of the latest phase	At the beginning of the balance	Additions	Deductions	At the end of the balance
Dragon Bay U-live	November 2021	715,766	1	(86,871)	628,896
Yunqi Garden, Yunshang Garden, Yunzhen Garden	April 2022	-	635,184	(13,914)	621,270
Zhongjian City 7th Project	December 2022	185,608	1,315,349	(897,043)	603,914
Beijing Yizhuang Smart City Project	December 2022	-	10,357,402	(9,756,933)	600,469
Nanjing Xiyuan Mansion	June 2022	1,276,595	717,475	(1,397,042)	597,028
Tsingdao Linxishijia Project	June 2022	999,313	13,902	(418,147)	595,068
Universe World	January 2022	82,540	756,635	(245,979)	593,196
Zhonghai Huanyu Mansion	December 2022	-	3,175,453	(2,587,660)	587,793
Konggang Lanting Bueaty B	June 2022	629,322	10,630	(66,688)	573,264
Goya Park Project	June 2022	534,942	693,934	(666,877)	561,999
Zhonghai Hongzhu Project	December 2019	556,391	304	(2,082)	554,613
Huideli	June 2022	-	749,056	(194,832)	554,224
Zhongjian Luxi lan'an	December 2022	-	534,410	-	534,410
Fangshanyin	June 2022	-	2,852,617	(2,322,758)	529,859
Shenzhou Peninsula Second Bay	June 2022	23,446	986,921	(484,044)	526,323
Xingang Senior apartment project	March 2022	1,016,380	77,331	(570,422)	523,289
Zhonghai Lichun Lake Villa	December 2021	2,153,057	-	(1,631,219)	521,838
Runshan Mansion	June 2021	848,689	-	(329,566)	519,123
Zhongjian Shangshu Garden	December 2022	-	518,132	-	518,132
Others		55,314,003	127,372,944	(133,801,784)	48,885,163
Total		112,087,777	260,907,604	(222,067,770)	150,927,611

Movements in the carrying amount of inventories are as follows:

2022

	At the beginning of the balance	Additions	Deductions	At the end of the balance
Properties under development	568,518,817	316,366,194	(283,325,540)	601,559,471
Completed properties for sale	112,087,777	260,907,604	(222,067,770)	150,927,611
Raw materials	21,070,777	614,265,827	(615,487,323)	19,849,281
Work in progress	926,326	3,049,995	(2,469,814)	1,506,507
Finished goods	4,781,195	50,937,822	(51,531,432)	4,187,585
Others	149,472	8,582,342	(8,458,712)	273,102
Total	707,534,364	1,254,109,784	(1,183,340,591)	778,303,557

V. Notes to the consolidated financial statements (continued)

8. Inventories (continued)

Movements in the carrying amount of inventories are as follows: (continued)

2021 (restated)

	At the beginning of the balance	Additions	Deductions	At the end of the balance
Properties under development	575,666,522	310,738,209	(317,885,914)	568,518,817
Completed properties for sale	79,177,264	300,114,770	(267,204,257)	112,087,777
Raw materials	20,162,404	600,307,598	(599,399,225)	21,070,777
Work in progress	716,143	4,027,627	(3,817,444)	926,326
Finished goods	3,298,251	52,991,031	(51,508,087)	4,781,195
Others	302,270	4,230,864	(4,383,662)	149,472
Total	679,322,854	1,272,410,099	(1,244,198,589)	707,534,364

Movements in the impairment provision of inventories are as follows:

2022

	1 January 2022	Increase during the year		Decrease during the year			31 December 2022
		Accrual	Others	Reversal	Write-off	Others	
Properties under development	3,184,784	1,441,565	415,623	-	-	-	5,041,972
Completed properties for sale	873,390	1,067,788	80,117	(291,212)	(25,528)	-	1,704,555
Raw materials	21,110	880	-	(4,111)	-	(16,999)	880
Finished goods	2,971	4,520	59	-	-	-	7,550
Total	4,082,255	2,514,753	495,799	(295,323)	(25,528)	(16,999)	6,754,957

2021

	1 January 2021	Increase during the year		Decrease during the year			31 December 2021
		Accrual	Others	Reversal	Write-off	Others	
Properties under development	3,537,411	291,532	(599,600)	-	-	(44,559)	3,184,784
Completed properties for sale	557,024	360,280	599,600	(612,225)	(10,878)	(20,411)	873,390
Raw materials	17,803	16,999	-	(8,126)	(5,566)	-	21,110
Finished goods	60,411	21,149	-	(59,266)	(19,323)	-	2,971
Total	4,172,649	689,960	-	(679,617)	(35,767)	(64,970)	4,082,255

	Net realisable value	Reasons of reversal and write-off during the period
Properties under development	Expected selling price less estimated costs to be incurred at completion, the estimated selling expenses and the relevant taxes and fees	Net realisable value increased or sales realised
Completed properties for sale		
Raw materials		

V. Notes to the consolidated financial statements (continued)

9. Contract assets

	31 December 2022	31 December 2021 (restated)
Unconfirmed Investment payment	220,578,461	181,988,662
Receivables for Construction project	193,324,278	157,324,720
Project quality warranty	110,188,617	95,637,640
Franchise rights not yet in operation	11,087,255	10,437,049
Primary land development	9,513,644	9,510,441
Others	3,185,013	3,670,867
Sub-total	547,877,268	458,569,379
Less: Provision for impairment allowance of contract assets	(11,311,279)	(8,841,709)
Sub-total	536,565,989	449,727,670
Less: Contract assets disclosed within the other non-current assets (Note V. 25)	(263,334,996)	(223,656,703)
Less: Contract assets disclosed within the intangible assets (Note V. 21)	(10,719,669)	(10,437,049)
Total	262,511,324	215,633,918
Original value of current contract assets	269,902,884	221,728,920
Provision for impairment allowance of current contract assets	(7,391,560)	(6,095,002)

The Group provides construction services to customers and recognizes revenue and contract assets over a period of time. These contract assets are transferred to accounts receivable after the formation of unconditional payment rights, or to intangible assets after reaching the predetermined usable state.

Changes in provision for impairment of contract assets are as follows:

2022

1 January 2022	Provision	Reversal	Write-offs	Other changes	31 December 2022
8,841,709	4,843,733	(2,202,417)	(1,208)	(170,538)	11,311,279

2021 (restated)

31 December 2020	Changes in accounting policies	1 January 2021	Provision	Reversal	Write-offs	Other changes	31 December 2021
5,331,714	377,813	5,709,527	4,132,172	(856,222)	(105,649)	(38,119)	8,841,709

The changes in the impairment allowance of the current part of contract assets are as follows:

2022

1 January 2022	Provision	Reversal	Write-offs	Other changes	31 December 2022
6,095,002	3,319,629	(1,813,081)	(1,208)	(208,782)	7,391,560

2021 (restated)

31 December 2020	Changes in accounting policies	1 January 2021	Provision	Reversal	Write-offs	Other changes	31 December 2021
3,818,976	15,134	3,834,110	3,061,077	(671,997)	(105,649)	(22,539)	6,095,002

Whether the contract assets have significant financing components or not, the provisions for impairment is measured according to the expected credit loss of the whole duration.

V. Notes to the consolidated financial statements (continued)

9. Contract assets (continued)

	31 December 2022			
	Gross carrying amount		Provision for bad debts	
	Amount	Ratio (%)	Amount	Withdrawal ratio (%)
Impairment of individually accrued	57,492,327	21.30	6,091,220	10.59
Impairment of collectively accrued by credit risk portfolio	212,410,557	78.70	1,300,340	0.61
Total	269,902,884	100.00	7,391,560	2.74

	31 December 2021 (restated)			
	Gross carrying amount		Provision for bad debts	
	Amount	Ratio (%)	Amount	Withdrawal ratio (%)
Impairment of individually accrued	41,867,440	18.88	5,070,255	12.11
Impairment of collectively accrued by credit risk portfolio	179,861,480	81.12	1,024,747	0.57
Total	221,728,920	100.00	6,095,002	2.75

As at 31 December 2022, contract assets individually assessed for expected credit losses are as follows:

	Carrying amount	Impairment allowance	ECLs rate for the entire lifetime (%)	Reasons
Company 1	781,310	32,665	4.18	Note
Company 2	385,994	170,524	44.18	Note
Company 3	358,580	146,744	40.92	Note
Company 4	259,695	79,940	30.78	Note
Company 5	232,345	46,469	20.00	Note
Others	55,474,403	5,614,878	10.12	Note
Total	57,492,327	6,091,220		

As at 31 December 2021, contract assets individually assessed for expected credit losses are as follows:

	Carrying amount	Impairment allowance	ECLs rate for the entire lifetime (%)	Reasons
Company 1	1,124,502	324,276	28.84	Note
Company 2	626,795	62,679	10.00	Note
Company 3	375,643	117,651	31.32	Note
Company 4	210,724	210,724	100.00	Note
Company 5	191,841	44,124	23.00	Note
Others	39,337,935	4,310,801	10.96	Note
Total	41,867,440	5,070,255		

Note: The Group provides construction services to customers above. Due to the shortage of funds of the customers, the Group expected some contract assets are difficult to be settled and impairment allowance is provided accordingly.

The terminated contract assets by the Group are presented in detail in Note V. 4.

As at 31 December 2022 and 31 December 2021, the contract assets that were pledged by the Group to banks for borrowings are presented in detail in Note V. 70.

V. Notes to the consolidated financial statements (continued)

10. Current portion of non-current assets

	31 December 2022	31 December 2021 (restated)
Current portion of long-term receivables (Note V. 13)	41,729,496	37,533,482
Current portion of debt Investments (Note V. 12)	6,920,385	5,891,532
Current portion of other debt Investments	–	142,945
Others	604,161	452,962
Total	49,254,042	44,020,921

11. Other current assets

	31 December 2022	31 December 2021 (restated)
Input VAT to be credited	46,987,300	40,569,051
Prepaid taxes	47,007,377	39,436,844
Receivables from related parties (Note X. 7)	15,065,951	20,874,947
Short term debt investment measured at amortization cost	5,162,736	5,196,946
Others	11,363,641	6,270,094
Sub-total	125,587,005	112,347,882
Less: Provision for impairment allowance	(1,675,125)	(938,046)
Total	123,911,880	111,409,836

12. Debt investments

	31 December 2022		
	Gross carrying amount	Provision for impairment	Carrying amount
Loans receivable from related parties (Note X. 7)	24,647,313	(95,197)	24,552,116
Entrusted loans	498,116	(3,999)	494,117
Including: Entrusted loans from related parties (Note X. 7)	357,867	(3,578)	354,289
Others	4,631,706	(212,515)	4,419,191
Sub-total	29,777,135	(311,711)	29,465,424
Less: Debt investments of non-current assets due within one year (Note V. 10)	7,126,817	(206,432)	6,920,385
Total	22,650,318	(105,279)	22,545,039
	31 December 2021 (restated)		
	Gross carrying amount	Provision for impairment	Carrying amount
Loans receivable from related parties (Note X. 7)	24,040,370	(7,414)	24,032,956
Entrusted loans	633,106	(4,502)	628,604
Including: Entrusted loans from related parties (Note X. 7)	359,732	(3,597)	356,135
Others	2,387,739	(212,437)	2,175,302
Sub-total	27,061,215	(224,353)	26,836,862
Less: Debt investments of non-current assets due within one year (Note V. 10)	6,098,340	(206,808)	5,891,532
Total	20,962,875	(17,545)	20,945,330

V. Notes to the consolidated financial statements (continued)

13. Long-term receivables

	31 December 2022	31 December 2021 (restated)
Receivables from PPP projects	28,455,821	26,145,380
Receivables from BT projects	63,201,890	60,541,030
Primary land development	28,402,595	27,643,763
Receivables from Infrastructure construction projects	30,163,780	25,424,887
Project quality warranty	2,474,659	2,397,707
Receivables from related parties (Note X. 7)	22,130	15,053
Others	379,164	515,458
Sub-total	153,100,039	142,683,278
Less: Impairment allowance	(2,278,941)	(1,726,677)
Sub-total	150,821,098	140,956,601
Less: Due within 1 year (Note V. 10)	(41,729,496)	(37,533,482)
Total	109,091,602	103,423,119

As at 31 December 2022 and 31 December 2021, the Group pledged long-term receivables to banks as guarantees for obtaining loans, please refer to Note V. 70.

14. Long-term equity investments

	31 December 2022	31 December 2021 (restated)
Joint ventures	52,430,699	49,067,296
Associates	58,967,722	52,080,910
Sub-total	111,398,421	101,148,206
Less: Impairment allowance for long term equity investment	(296,270)	(293,820)
Total	111,102,151	100,854,386

V. Notes to the consolidated financial statements (continued)

14. Long-term equity investments (continued)

2022

(a) Joint ventures

	Opening Balance of the year	Movement during the year					Closing balance of the year	Impairment allowance at the end of the year
		Increase/ (Decrease) Investment	Investment profits/ (losses) under equity method	Other comprehensive income adjustment	Declaration of cash dividends	Others (Note 1)		
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	2,422,996	-	224,812	(15,705)	-	16,509	2,648,612	-
Guilong Investment Co., Ltd.	2,612,784	-	(9,795)	(172,911)	-	172,911	2,602,988	-
Xiamen Haimao Real Estate Co., Ltd.	1,824,133	-	338,284	(38,699)	-	-	2,123,718	-
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	1,908,276	-	65,072	(34,960)	-	34,960	1,973,348	292,462
Guizhou Leirong Expressway Investment Management Co., Ltd.	1,321,507	547,808	-	(45,607)	-	64,209	1,887,917	-
Zunyi Nanhuan Expressway Development Co., Ltd.	1,545,576	-	82,302	-	-	-	1,627,878	-
CSCEC Jianxin No. 9 Urbanization Investment Private Equity Fund.	1,248,043	36,262	-	-	-	-	1,284,305	-
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd.	1,154,265	22,018	61,410	-	-	-	1,237,693	-
Beijing Chenxing International Convention and Exhibition Co., Ltd.	1,199,964	-	-	-	-	-	1,199,964	-
CSCEC Road & Bridge Group Co., Ltd.	1,149,729	-	34,283	(433)	-	(3,417)	1,180,162	-
Nanjing Second Yangtze River Bridge Co., Ltd.	1,202,302	-	110,596	219,467	(214,739)	(185,273)	1,322,353	-
Qingdao Haijie Real Estate Co., Ltd.	1,761,322	(793,760)	119,149	-	-	-	1,086,711	-
Anhui Bengywu Expressway Investment Management Co., Ltd.	1,045,167	-	-	(43,873)	-	52,705	1,053,999	-
Shanghai Lingang New District Jingang Dongjiu Real Estate Co., Ltd.	909,040	-	(7,876)	-	-	-	901,164	-
Shanghai Linbo Haihui City Construction and Development Co., Ltd.	883,409	14,073	(13,848)	(9,503)	-	(7,156)	866,975	-
Lupanshui urban pipe gallery construction and Development Investment Co., Ltd.	854,001	-	(16,810)	-	-	-	837,191	-
China Overseas South Airlines Construction and Development Co., Ltd.	812,302	-	(6,709)	(4,499)	-	4,498	805,592	-
Beijing Nanvuo Real Estate Development Co., Ltd.	766,668	-	(21,172)	-	-	-	745,496	-
Chongqing Zhongjian Erenxian Infrastructure Construction Co., Ltd.	686,780	-	40,642	-	-	-	727,422	-
Xingui Investment Co., Ltd.	595,813	-	4,369	49,101	-	(49,101)	600,182	-
Zhengzhou Zhongjian Zhicheng Comprehensive Pipe Gallery Construction Management Co., Ltd.	495,325	75,319	1,973	-	-	-	572,617	-
Others	22,667,894	2,707,194	862,099	(516,937)	(800,011)	414,173	25,334,412	1,358
Joint ventures sub-total	49,067,296	2,608,914	1,868,780	(614,559)	(1,014,750)	515,018	52,430,699	293,820

Note 1: Other changes are mainly caused by changes in the scope of consolidation this year, changes in equity of the invested party other than other comprehensive income, and changes in exchange rates.

V. Notes to the consolidated financial statements (continued)

14. Long-term equity investments (continued)

2022 (continued)

(b) Associates

	Opening Balance of the year (restated)	Movement during the year						Closing balance of the year	Impairment allowance at the end of the year
		Increase/(Decrease) investment	Investment profits/(losses) under equity method	Other comprehensive income adjustment	Declaration of cash dividends	Others (Note 1)			
China Overseas Grand Oceans Group Ltd.	11,008,526	340,494	1,248,519	(543,189)	(413,767)	225,509	11,666,092	-	
Anhui Guoyuan Trust Co., Ltd.	3,208,922	-	242,404	30,301	(61,537)	(7,999)	3,412,091	-	
Jiling Express Railway Co., Ltd.	2,262,313	-	(60,062)	-	-	-	2,202,251	-	
CCCC Jijiao Expressway Investment & Development Co., Ltd.	1,650,377	296,304	(27,077)	-	-	-	1,919,604	-	
Everbright Securities Co., Ltd.	1,498,311	-	97,179	-	(35,761)	138,395	1,698,124	-	
Yunnan Huaili expressway investment and Development Co., Ltd.	1,561,094	-	22,670	-	-	-	1,583,764	-	
Shandong Ningliang Expressway Co., Ltd.	1,033,900	-	89,948	-	-	-	1,123,848	-	
Sanmenxia National Highway 310 South Moving Project Construction Management Co., Ltd.	1,263,227	-	(177,121)	-	-	-	1,086,106	-	
Anhui Guoyuan Investment Co., Ltd.	1,012,527	-	16,066	(66)	(9,828)	268	1,018,967	-	
Taizhongyin Railway Co., Ltd.	933,707	-	32,776	-	-	-	966,483	-	
Shenzhen Zhaohang Real Estate Co., Ltd.	-	925,007	8	(8,012)	-	-	917,003	-	
Suzhou Fuyuan Real Estate Co., Ltd.	945,284	-	(39,277)	-	-	-	906,007	-	
Nantong Ring Expressway Co., Ltd.	888,624	-	-	-	-	-	888,624	-	
Jinmao Investment (Changshai) Co., Ltd.	808,297	-	22,393	-	-	-	830,690	-	
Xiamen Yueqin Hailian Construction and Development Co., Ltd.	-	814,500	(15,356)	-	-	-	799,144	-	
Fast Shift Investments Limited	1,025,572	-	57,247	-	(373,665)	78,150	787,304	-	
China State Construction Xian Urban Construction Investment Co., Ltd.	628,013	-	48,906	-	-	-	676,919	-	
Guangzhou Fuchuang Real Estate Development Co., Ltd.	636,062	-	(9,782)	-	-	-	626,280	-	
Chongqing Jinke Zhaoji Real Estate Development Co., Ltd.	622,466	-	473	-	-	-	622,939	-	
Tianjin Zhonghai Haixin Real Estate Co., Ltd.	-	588,800	(943)	(6,781)	-	33,723	614,799	-	
Shanghai Jiasheng Real Estate Development Co., Ltd.	994,889	(992,000)	(5,363)	-	-	-	587,526	-	
Others	20,108,799	4,335,256	1,047,277	(208,034)	(946,680)	(1,101,461)	23,833,157	2,450	
Associates sub-total	52,080,910	6,908,361	2,590,865	(735,781)	(1,243,238)	(633,415)	58,967,722	2,450	
Total	101,148,206	9,517,275	4,453,665	(1,350,340)	(2,257,988)	(118,397)	111,398,421	296,270	

Note 1: Other changes are mainly caused by changes in the scope of consolidation this year, changes in equity of the invested party other than other comprehensive income, and changes in exchange rates.

V. Notes to the consolidated financial statements (continued)

14. Long-term equity investments (continued)

2021

(a) Joint ventures

	Opening Balance of the year	Movement during the year						Closing balance of the year	Impairment allowance at the end of the year
		Increase/(Decrease) investment	Investment profits/(losses) under equity method	Other comprehensive income adjustment	Declaration of cash dividends	Others (Note 1)			
Guiheng Investment Co., Ltd.	2,413,091	-	199,693	-	-	-	2,612,784	-	
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	2,452,818	-	(29,443)	(379)	-	-	2,422,996	-	
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	1,925,754	-	(17,478)	-	-	-	1,908,276	292,462	
Xiamen Haimao Real Estate Co., Ltd.	-	1,846,000	(21,867)	-	-	-	1,824,133	-	
Qingdao Haijie Real Estate Co., Ltd.	-	-	(2,087)	-	-	1,763,409	1,761,322	-	
Zunyi Nanhuan Expressway Development Co., Ltd.	1,402,963	46,550	96,063	-	-	-	1,545,576	-	
Guizhou Leitong Expressway Investment Management Co., Ltd.	1,004,347	329,667	-	(12,507)	-	-	1,321,507	-	
CSCEC Jianxin No. 9 Urbanization Investment Private Equity Fund.	1,230,138	22,643	106,596	-	(111,334)	-	1,248,043	-	
Nanjing Second Yangtze River Bridge Co., Ltd.	1,010,136	-	214,589	(948)	(21,475)	-	1,202,302	-	
Beijing Chenxing International Convention and Exhibition Co., Ltd.	-	1,199,964	-	-	-	-	1,199,964	-	
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd.	826,422	292,852	44,703	-	(9,712)	-	1,154,265	-	
CSCEC Road & Bridge Group Co., Ltd.	1,101,373	-	44,846	(1,567)	-	5,077	1,149,729	-	
Ahui Bengwu Expressway Investment Management Co., Ltd.	740,658	309,750	-	(5,241)	-	-	1,045,167	-	
Shanghai Lingang New District Jingang Dongjiu Real Estate Co., Ltd.	911,400	-	(2,360)	-	-	-	909,040	-	
Shanghai Linbo Haihui City Construction and Development Co., Ltd.	947,670	30,221	(13,867)	(80,615)	-	-	883,409	-	
Lupanshui urban pipe gallery construction and Development Investment Co., Ltd.	794,934	-	59,067	-	-	-	854,001	-	
China Overseas South Airlines Construction and Development Co., Ltd.	825,130	-	(12,828)	-	-	-	812,302	-	
Beijing Nanvuo Real Estate Development Co., Ltd.	764,918	-	1,750	-	-	-	766,668	-	
Nanjing Zhongjian Gubei Urban Development Co., Ltd.	10,000	17,718	(39,834)	-	-	711,320	699,204	-	
Chongqing Zhongjian Efhengxian Infrastructure Construction Co., Ltd.	-	-	37,902	-	-	648,878	686,780	-	
Guangdong Guotong Logistics City Co., Ltd.	666,978	16,206	(27,612)	(26,497)	-	-	629,075	-	
Xingui Investment Co., Ltd.	261,358	-	334,455	-	-	-	595,813	-	
Others	20,630,104	1,755,913	587,830	191,166	(496,536)	(833,537)	21,834,940	1,358	
Joint ventures sub-total	39,920,192	5,867,484	1,560,118	63,412	(639,057)	2,295,147	49,067,296	293,820	

Note 1: Other changes are mainly caused by changes in the scope of consolidation this year, changes in equity of the invested party other than other comprehensive income, and changes in exchange rates.

V. Notes to the consolidated financial statements (continued)

14. Long-term equity investments (continued)

2021 (continued)

(b) Associates (restated)

	Opening Balance of the year	Movement during the year						Closing balance of the year	Impairment allowance at the end of the year
		Increase/(Decrease) investment	Investment profits/(losses) under equity method	Other comprehensive income adjustment	Declaration of cash dividends	Others (Note 1)			
China Overseas Grand Oceans Group Ltd.	9,247,852	-	1,935,380	212,798	(384,708)	(2,796)	11,008,526	-	
Anhui Guoyuan Trust Co., Ltd.	3,010,767	-	253,270	(77,422)	(46,152)	68,459	3,208,922	-	
Jiqing Express Railway Co., Ltd.	2,312,211	-	(49,898)	-	-	-	2,262,313	-	
CCCC Jijiao Expressway Investment & Development Co., Ltd.	1,662,658	95,000	(107,281)	-	-	-	1,650,377	-	
Yunnan Huaili expressway investment and Development Co., Ltd.	1,185,000	376,094	-	-	-	-	1,561,094	-	
Everbright Securities Co., Ltd.	1,453,184	-	110,523	(3,747)	(23,345)	(38,304)	1,498,311	-	
Sanmenxia National Highway 310 South Moving Project Construction Management Co., Ltd.	1,242,836	85,734	(65,443)	-	-	-	1,263,227	-	
Shandong Ningliang Expressway Co., Ltd.	1,033,900	-	-	-	-	-	1,033,900	-	
Fast Shift Investments Limited	1,032,289	-	200,659	-	(167,678)	(39,698)	1,025,572	-	
Anhui Guoyuan Investment Co., Ltd.	989,025	-	33,696	(2,109)	(8,546)	461	1,012,527	-	
Shanghai Jiasheng Real Estate Development Co., Ltd.	987,142	-	(2,253)	-	-	-	984,889	-	
Suzhou Fuyuan Real Estate Co., Ltd.	966,270	-	(20,986)	-	-	-	945,284	-	
Taizhongyin Railway Co., Ltd.	886,606	-	47,101	-	-	-	933,707	-	
Nantong Ring Expressway Co., Ltd.	-	888,624	-	-	-	-	888,624	-	
Jinmao Investment (Changshai) Co., Ltd.	997,925	-	3,726	-	(193,354)	-	808,297	-	
Guangzhou Fuchuang Real Estate Development Co., Ltd.	669,119	-	(33,057)	-	-	-	636,062	-	
China State Construction Xian Urban Construction Investment Co., Ltd.	548,866	90,000	(10,853)	-	-	-	628,013	-	
Chongqing Jinke Zhaoji Real Estate Development Co., Ltd.	612,740	-	9,726	-	-	-	622,466	-	
Guangzhou Lihe Real Estate Development Co., Ltd.	1,066,922	-	524,141	-	(1,008,747)	-	582,316	-	
Lupanshui Dongda Highway Investment and Development Co., Ltd.	501,602	-	-	(5,340)	-	-	496,262	-	
Zhengzhou Public Utilities Zhongcheng Road and Bridge Construction Management Co., Ltd.	477,658	-	-	-	-	-	477,658	-	
Shanxi International Power Group Real Estate Development Co., Ltd.	494,659	-	(25,287)	-	-	-	469,372	-	
Xiamen International Trade Exhibition Center Co., Ltd.	-	449,280	(1,125)	-	-	-	448,155	-	
Others	15,489,006	1,638,885	562,391	137,844	(277,683)	84,593	17,635,036	-	
Associates sub-total	46,888,337	3,623,617	3,364,430	262,024	(2,110,213)	72,715	52,080,910	-	
Total	86,788,529	9,491,101	4,924,548	325,436	(2,749,270)	2,367,862	101,148,206	293,820	

Note 1: Other changes are mainly caused by changes in the scope of consolidation this year, changes in equity of the invested party other than other comprehensive income, and changes in exchange rates.

V. Notes to the consolidated financial statements (continued)

14. Long-term equity investments (continued)

The movements in provision for impairment of long-term equity investments are as follows:

2022

	Opening balance of the year	Increase during the year	Decrease during the year (Note)	Closing balance of the year
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	292,462	–	–	292,462
Others	1,358	2,450	–	3,808
Total	293,820	2,450	–	296,270

2021

	Opening balance of the year	Increase during the year	Decrease during the year (Note)	Closing balance of the year
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	292,462	–	–	292,462
Others	1,594	–	(236)	1,358
Total	294,056	–	(236)	293,820

Note: The decrease in 2022 and 2021 was due to the disposal of long-term equity investments by the Group's subsidiaries, resulting in a corresponding reduction in impairment provisions.

15. Investments in other equity instruments

	31 December 2022	31 December 2021 (restated)
Equity investments		
Listed equity investments	300,867	1,204,980
Unlisted equity investments	4,309,604	3,857,206
Total	4,610,471	5,062,186
	31 December 2022	31 December 2021 (restated)
Equity investments		
Cost		
Listed equity investments	241,479	1,039,951
Unlisted equity investments	3,959,989	3,246,472
Cumulative changes in fair value		
Listed equity investments	59,388	165,029
Unlisted equity investments	349,615	610,734
Total	4,610,471	5,062,186

V. Notes to the consolidated financial statements (continued)

15. Investments in other equity instruments (continued)

2022

	Changes in fair value accumulated to other comprehensive income	Fair value	Dividend income of the year		Reasons designated as fair value measurement with changes included in other comprehensive income
			Equity instruments derecognised in the current period	Equity instruments still held	
Listed equity investments	59,388	300,867	40,111	19,594	Non-tradable
Unlisted equity investments	349,615	4,309,604	60	46,668	Non-tradable
Total	409,003	4,610,471	40,171	66,262	

2021 (restated)

	Changes in fair value accumulated to other comprehensive income	Fair value	Dividend income of the year		Reasons designated as fair value measurement with changes included in other comprehensive income
			Equity instruments derecognised in the current year	Equity instruments still held	
Listed equity investments	165,029	1,204,980	473	72,913	Non-tradable
Unlisted equity investments	610,734	3,857,206	12	127,319	Non-tradable
Total	775,763	5,062,186	485	200,232	

For the year 2022, the Group disposed of RMB1,277,806 thousand of other equity instrument investment (2021: RMB223,707 thousand), and a total amount of RMB97,017 thousand has been transferred from other comprehensive income to retained earnings. (2021: RMB174,201 thousand).

16. Other non-current financial assets

	31 December 2022	31 December 2021
Financial assets measured at fair value and the change of which is included in the profit or loss of the current period	1,565,153	1,559,354

17. Investment properties

Subsequent measurement under the cost model:

2022

	Buildings	Land use rights	Investment properties in progress	Total
Cost				
Opening balance	73,848,542	24,065,540	37,173,830	135,087,912
Increase in the current year	13,647,273	7,923,459	9,340,497	30,911,229
Decrease in the current year	(1,462,068)	(1,241,725)	(365,443)	(3,069,236)
Closing balances	86,033,747	30,747,274	46,148,884	162,929,905
Accumulated depreciation and amortisation				
Opening balance	(9,690,375)	(2,646,395)	–	(12,336,770)
Increase in the current year	(2,453,015)	(786,387)	–	(3,239,402)
Decrease in the current year	236,229	137,805	–	374,034
Closing balance	(11,907,161)	(3,294,977)	–	(15,202,138)

V. Notes to the consolidated financial statements (continued)

17. Investment properties (continued)

Subsequent measurement under the cost model: (continued)

2022 (continued)

	Buildings	Land use rights	Investment properties in progress	Total
Provision for impairment				
Opening balance	(54,344)	–	–	(54,344)
Increase in the current year	(7,897)	–	–	(7,897)
Decrease in the current year	9,680	–	–	9,680
Closing balance	(52,561)	–	–	(52,561)
Net book value				
At the end of the year	74,074,025	27,452,297	46,148,884	147,675,206
At the beginning of the year	64,103,823	21,419,145	37,173,830	122,696,798

2021

	Buildings	Land use rights	Investment properties in progress	Total
Cost				
Opening balance	61,368,409	16,536,224	29,176,233	107,080,866
Increase in the current year	13,393,558	7,609,085	8,783,512	29,786,155
Decrease in the current year	(913,425)	(79,769)	(785,915)	(1,779,109)
Closing balance	73,848,542	24,065,540	37,173,830	135,087,912
Accumulated depreciation and amortisation				
Opening balance	(7,810,724)	(2,125,309)	–	(9,936,033)
Increase in the current year	(2,008,580)	(538,406)	–	(2,546,986)
Decrease in the current year	128,929	17,320	–	146,249
Closing balance	(9,690,375)	(2,646,395)	–	(12,336,770)
Provision for impairment				
Opening balance	(21,153)	–	–	(21,153)
Increase in the current year	(35,146)	–	–	(35,146)
Decrease in the current year	1,955	–	–	1,955
Closing balance	(54,344)	–	–	(54,344)
Net book value				
At the end of the year	64,103,823	21,419,145	37,173,830	122,696,798
At the beginning of the year	53,536,532	14,410,915	29,176,233	97,123,680

The investment property is leased out to a third party or a related party under an operating leases.

V. Notes to the consolidated financial statements (continued)

17. Investment properties (continued)

For the year ended 31 December 2022, the Group changes the houses and buildings with a book value of RMB69,250 thousand (original price: RMB120,784 thousand) for self use and transferred them into fixed assets accounting from the date of change of use; For the year of 2021, the Group changed the use of houses and buildings with a carrying amount of RMB175,992 thousand (A cost of: RMB255,100 thousand) for self-use and transferred them into fixed assets at the date of change of use.

For the year ended 31 December 2022, the Group will convert the investment properties with book value of RMB54,668 thousand (original price: RMB61,150 thousand) to inventories accounting; For the year of 2021, the Group changed the investment properties with a carrying amount of RMB270,013 thousand (A cost of: RMB273,494 thousand) to inventories.

For the year ended 31 December 2022, the Group changes the inventories with book value of RMB11,524,550 thousand (original price: RMB11,524,550 thousand) to lease, and turns the inventories into investment properties accounting from the date of change of use; For the year of 2021, the Group changed the inventories with a carrying amount of RMB11,983,694 thousand (A cost of: RMB11,983,694 thousand) to lease, and transfers the inventories into investment properties at the date of change of use.

For the year ended 31 December 2022, the Group changes fixed assets with book value of RMB1,218,160 thousand (original price: RMB1,239,195 thousand) to lease, and turns the fixed assets into investment properties accounting from the date of change of use; For the year of 2021, the Group changed the fixed assets with a carrying amount of RMB253,572 thousand (A cost of: RMB327,465 thousand) to lease, and transferred from fixed assets to investment properties at the date of change of use.

For the year ended 31 December 2022, the Group changes construction in progress with book value of RMB90,227 thousand (original price: RMB90,227 thousand) to lease, and turns the construction in progress into investment properties accounting from the date of change of use; For the year of 2021, the Group's construction in progress project with a carrying amount of RMB5,857,271 thousand (A cost of: RMB5,857,271 thousand) was completed and used for leasing, which was changed to investment properties.

For the year ended 31 December 2022, the Group disposed the investment properties with book value of RMB1,099,522 thousand with a disposal losses of RMB3,324 thousand; For the year of 2021, the Group disposed the investment properties with book value of RMB805,284 thousand with a disposal income of RMB19,619 thousand.

For the year ended 31 December 2022 and December 31 2021, refers to Note V. 70 for details of the group's mortgage of investment properties to the bank as a guarantee for obtaining loans.

V. Notes to the consolidated financial statements (continued)

18. Fixed assets

2022

	Buildings	Machinery and equipment	Motor vehicles	Office equipment, temporary facilities and others	Total
Cost					
Opening balance of the year	35,831,179	18,090,593	3,227,927	21,313,004	78,462,703
Purchases	1,286,050	1,734,489	294,562	3,166,825	6,481,926
Transfers from construction in progress (Note V. 19)	2,052,191	283,814	438	1,116,262	3,452,705
Other addition	5,451,789	474,161	42,582	32,540	6,001,072
Disposals or retirements	(606,822)	(787,548)	(254,904)	(804,185)	(2,453,459)
Other decrease	(1,096,739)	(201,778)	(32,005)	(337,446)	(1,667,968)
Closing balance of the year	42,917,648	19,593,731	3,278,600	24,487,000	90,276,979
Accumulated depreciation					
Opening balance of the year	(6,570,680)	(10,560,216)	(2,129,147)	(15,484,186)	(34,744,229)
Depreciation accrued during the year	(1,114,934)	(1,409,286)	(272,834)	(4,019,520)	(6,816,574)
Other additions	(205,290)	(393,796)	(41,653)	(143,754)	(784,493)
Disposals or retirements	163,761	625,659	217,461	756,794	1,763,675
Other decrease	48,920	136,311	23,855	198,365	407,451
Closing balance of the year	(7,678,223)	(11,601,328)	(2,202,318)	(18,692,301)	(40,174,170)
Impairment allowance					
Opening balance of the year	(228,305)	(9,033)	(353)	(35)	(237,726)
Impairment accrued during the year	(950)	(22,586)	(506)	(356)	(24,398)
Other additions	(287)	–	(62)	(136)	(485)
Disposals or retirements	950	1,913	794	492	4,149
Other decrease	–	–	62	–	62
Closing balance of the year	(228,592)	(29,706)	(65)	(35)	(258,398)
Net book value					
At the end of the year	35,010,833	7,962,697	1,076,217	5,794,664	49,844,411
At the beginning of the year (restated)	29,032,194	7,521,344	1,098,427	5,828,783	43,480,748

V. Notes to the consolidated financial statements (continued)

18. Fixed assets (continued)

2021 (restated)

	Buildings	Machinery and equipment	Motor vehicles	Office equipment, temporary facilities and others	Total
Cost					
Opening balance of the period	30,771,272	17,866,152	3,178,675	18,558,213	70,374,312
Changes in accounting policies	–	(710,394)	(342)	–	(710,736)
Opening balance of the year	30,771,272	17,155,758	3,178,333	18,558,213	69,663,576
Purchases	1,480,507	1,532,015	393,482	3,470,194	6,876,198
Transfers from construction in progress (Note V. 19)	4,346,681	217,842	4,810	1,253,525	5,822,858
Other addition	1,139,413	558,937	100,366	224,759	2,023,475
Disposals or retirements	(782,944)	(1,366,426)	(348,555)	(1,168,990)	(3,666,915)
Other decrease	(1,123,750)	(7,533)	(100,509)	(1,024,697)	(2,256,489)
Closing balance of the year	35,831,179	18,090,593	3,227,927	21,313,004	78,462,703
Accumulated depreciation					
Opening balance of the period	(5,605,382)	(10,338,048)	(2,106,545)	(12,823,444)	(30,873,419)
Changes in accounting policies	–	137,189	96	–	137,285
Opening balance of the year	(5,605,382)	(10,200,859)	(2,106,449)	(12,823,444)	(30,736,134)
Depreciation accrued during the year	(1,088,032)	(1,270,050)	(298,412)	(3,795,836)	(6,452,330)
Other additions	(131,028)	(81,541)	(85,639)	(126,345)	(424,553)
Disposals or retirements	77,275	985,786	305,861	920,639	2,289,561
Other decrease	176,487	6,448	55,492	340,800	579,227
Closing balance of the year	(6,570,680)	(10,560,216)	(2,129,147)	(15,484,186)	(34,744,229)
Impairment allowance					
Opening balance of the year	(211,876)	(12,979)	(2,877)	(35)	(227,767)
Impairment accrued during the year	(17,605)	–	–	–	(17,605)
Other additions	–	(3)	–	–	(3)
Disposals or retirements	1,042	3,949	2,524	–	7,515
Other decrease	134	–	–	–	134
Closing balance of the year	(228,305)	(9,033)	(353)	(35)	(237,726)
Net book value					
At the end of the year	29,032,194	7,521,344	1,098,427	5,828,783	43,480,748
At the beginning of the year	24,954,014	6,941,920	1,069,007	5,734,734	38,699,675

Operating leased fixed assets are as follows:

As at 31 December 2022, the fixed assets with a carrying amount of RMB110,165 thousand, and a cost of RMB210,303 thousand are leased out under operating leases (31 December 2021: a carrying amount of RMB130,502 thousand, and a cost of RMB235,471 thousand).

As at 31 December 2022 and 31 December 2021, the fixed assets that were pledged by the Group to banks for borrowings are presented in detail in Note V. 70.

V. Notes to the consolidated financial statements (continued)

19. Construction in progress

	31 December 2022			31 December 2021 (restated)		
	Carrying amount	Impairment allowance	Net book value	Carrying amount	Impairment allowance	Net book value
Construction in progress	4,250,969	(251,268)	3,999,701	3,954,041	(250,945)	3,703,096

Changes of significant projects of construction in progress are as follows:

2022

	Budgeted amount	Opening balance of the year	Additions	Transfer to fixed assets (Note V. 18)	Other transferred out (Note)	Closing balance of the year	Source of funds	Proportion of investment to budget (%)
Zhangjiang Project B07-9 Office Building Project	3,000,000	-	806,872	-	-	806,872	Self-funding	27
K05-01 Office building project	960,000	185,765	185,285	-	-	371,050	Self-funding and loan	39
Wanning Jinxin Grand Hyat	1,340,814	988,298	237,257	(900,579)	-	324,976	Self-funding and loan	91
Xi'an Jinxu Tiandi Area A Office Building Project	337,643	-	270,112	-	-	270,112	Self-funding	80
Decoration Project of Headquarters Building of China Construction Northeast Design and Research Institute Co., Ltd.	298,000	633	266,264	-	-	266,897	Self-funding	90
CSCEC Algeria headquarters building project	282,849	182,553	52,647	-	-	235,200	Self-funding and loan	83
Chonghe Bay Engineering Real Estate General Contracting Project	213,333	168,409	40,657	-	-	209,066	Self-funding	98
Shenzhen Shantou Green Industrial Park Project	417,148	245,255	967	-	(73,457)	172,765	Self-funding and loan	77
Others	N/A	2,183,128	2,297,048	(2,552,126)	(334,019)	1,594,031	Self-funding and loan	N/A
Total		3,954,041	4,157,109	(3,452,705)	(407,476)	4,250,969		

2021 (restated)

	Budgeted amount	Opening balance of the year	Additions	Transfer to fixed assets (Note V. 18)	Other transferred out (Note)	Closing balance of the year	Source of funds	Proportion of investment to budget (%)
Beijing Advanced Business Park Office Building of China Construction Third Engineering Bureau Co., Ltd.	2,320,424	1,923,147	397,278	(2,200,556)	(119,869)	-	Self-funding and loan	100
Shanghai Zhongjian Yuelan Mountain Project	1,473,684	936,438	51,970	-	(988,408)	-	Self-funding	67
CSCEC Jinxiutiandi Construction Project	1,215,997	895,968	320,029	-	(1,215,997)	-	Self-funding and loan	100
Songjiang Building Construction Project	1,360,223	839,821	520,402	-	(1,360,223)	-	Self-funding and loan	100
Wanning Jinxin Grand Hyatt	1,340,814	714,036	274,262	-	-	988,298	Self-funding and loan	74
Liutai Building of China Construction Sixth Engineering Division Corp. Ltd.	720,808	626,476	94,332	(720,808)	-	-	Self-funding	100
Songjiang Yunzhu Shenlan Construction Project	383,163	369,439	10,302	-	(379,741)	-	Self-funding and loan	99
Zhonghai Huanyu City Construction Project	591,139	348,621	242,518	(591,139)	-	-	Self-funding and loan	100
Others	N/A	4,530,270	3,494,311	(2,310,355)	(2,748,483)	2,965,743	Self-funding and loan	N/A
Total		11,184,216	5,405,404	(5,822,858)	(6,812,721)	3,954,041		

Note: Other transferred out mainly includes the conditions that construction in progress is used for leasing after completing and transferred to Long-term prepaid expenses.

V. Notes to the consolidated financial statements (continued)

19. Construction in progress (continued)

Interest of significant projects of construction in progress are as follows:

2022

	Progress	Accumulated amount of interest capitalised	Including: Interest capitalised during the year	Capitalisation rate during the year (%)
Shenzhen Shantou Green Industrial Park Project	77%	24,904	964	3.95
K05-01 Office building project	39%	18,426	15,982	4.50
CSCEC Algeria headquarters building project	83%	4,576	660	1.95
Others	N/A	769	–	N/A
Total		48,675	17,606	

2021

	Progress	Accumulated amount of interest capitalised	Including: Interest capitalised during the year	Capitalisation rate during the year (%)
Beijing Advanced Business Park Office Building of China Construction Third Engineering Bureau Co., Ltd.	100%	209,501	22,084	5.78
CSCEC Jinxiutiandi Construction Project	100%	135,000	19,730	4.50
Songjiang Yunzhushenlan Construction Project	99%	6,716	413	4.75
Others	N/A	99,234	39,851	N/A
Total		450,451	82,078	

As at 31 December 2022 and 31 December 2021, the construction in progress that were pledged by the Group to banks for borrowings are presented in details in Note V. 70.

Impairment allowance of construction in progress:

2022

Opening balance of the year	Increase during the year	Closing balance of the year	Reason
250,945	323	251,268	The book value is higher than the recoverable amount

2021

Opening balance of the year	Increase during the year	Closing balance of the year	Reason
250,945	–	250,945	The book value is higher than the recoverable amount

V. Notes to the consolidated financial statements (continued)

20. Right of use assets

2022

	Buildings	Machinery and equipment	Motor vehicles	Other equipment	Total
Cost					
Opening balance of the year	6,292,463	1,381,301	21,174	160,503	7,855,441
Increase during the year	3,099,882	353,075	11,533	34,529	3,499,019
Decrease during the year	(537,749)	(300,488)	(4,139)	(2,708)	(845,084)
Closing balance of the year	8,854,596	1,433,888	28,568	192,324	10,509,376
Accumulated amortisation					
Opening balance of the year	(1,414,414)	(492,121)	(9,832)	(45,525)	(1,961,892)
Increase during the year	(1,679,590)	(396,099)	(8,250)	(91,258)	(2,175,197)
Decrease during the year	346,038	211,880	2,754	1,479	562,151
Closing balance of the year	(2,747,966)	(676,340)	(15,328)	(135,304)	(3,574,938)
Net book value					
Closing balance of the year	6,106,630	757,548	13,240	57,020	6,934,438
Opening balance of the year	4,878,049	889,180	11,342	114,978	5,893,549

2021 (restated)

	Buildings	Machinery and equipment	Motor vehicles	Other equipment	Total
Cost					
As of 31 December 2020	–	–	–	–	–
Changes in accounting policies	4,310,238	1,610,259	15,633	219,392	6,155,522
Opening balance of the year	4,310,238	1,610,259	15,633	219,392	6,155,522
Increase during the year	2,797,627	240,131	12,027	13,494	3,063,279
Decrease during the year	(815,402)	(469,089)	(6,486)	(72,383)	(1,363,360)
Closing balance of the year	6,292,463	1,381,301	21,174	160,503	7,855,441
Accumulated amortisation					
As of 31 December 2020	–	–	–	–	–
Changes in accounting policies	–	(137,189)	(96)	–	(137,285)
Opening balance of the year	–	(137,189)	(96)	–	(137,285)
Increase during the year	(1,442,558)	(476,635)	(9,736)	(45,538)	(1,974,467)
Decrease during the year	28,144	121,703	–	13	149,860
Closing balance of the year	(1,414,414)	(492,121)	(9,832)	(45,525)	(1,961,892)
Net book value					
Closing balance of the year	4,878,049	889,180	11,342	114,978	5,893,549
Opening balance of the year	4,310,238	1,473,070	15,537	219,392	6,018,237

V. Notes to the consolidated financial statements (continued)

21. Intangible assets

2022

	Land use rights	Franchise rights	Software	Others	Total
Cost					
Opening balance of the year	8,038,945	19,267,856	1,083,526	692,337	29,082,664
Increase during the year	1,457,057	4,091,571	172,876	87,205	5,808,709
Decrease during the year	(208,466)	(1,005,478)	(10,104)	(24,729)	(1,248,777)
Closing balance of the year	9,287,536	22,353,949	1,246,298	754,813	33,642,596
Accumulated amortisation					
Opening balance of the year	(1,244,721)	(1,735,836)	(621,286)	(361,730)	(3,963,573)
Increase during the year	(193,332)	(248,763)	(123,230)	(60,208)	(625,533)
Decrease during the year	49,041	75,156	7,619	23,909	155,725
Closing balance of the year	(1,389,012)	(1,909,443)	(736,897)	(398,029)	(4,433,381)
Impairment allowance					
Opening balance of the year	(1,618,900)	(952,660)	–	–	(2,571,560)
Increase during the year	(66,573)	(367,586)	–	–	(434,159)
Decrease during the year	–	131	–	–	131
Closing balance of the year	(1,685,473)	(1,320,115)	–	–	(3,005,588)
Net book value					
Closing balance of the year	6,213,051	19,124,391	509,401	356,784	26,203,627
Opening balance of the year	5,175,324	16,579,360	462,240	330,607	22,547,531

2021 (restated)

	Land use rights	Franchise rights	Software	Others	Total
Cost					
Opening balance of the year	7,737,010	20,852,063	891,948	705,356	30,186,377
Increase during the year	410,806	3,783,882	214,342	47,659	4,456,689
Decrease during the year	(108,871)	(5,368,089)	(22,764)	(60,678)	(5,560,402)
Closing balance of the year	8,038,945	19,267,856	1,083,526	692,337	29,082,664
Accumulated amortisation					
Opening balance of the year	(1,146,805)	(1,469,176)	(487,121)	(346,583)	(3,449,685)
Increase during the year	(114,784)	(266,660)	(149,946)	(15,437)	(546,827)
Decrease during the year	16,868	–	15,781	290	32,939
Closing balance of the year	(1,244,721)	(1,735,836)	(621,286)	(361,730)	(3,963,573)
Impairment allowance					
Opening balance and Closing balance	(1,618,900)	(952,660)	–	–	(2,571,560)
Net book value					
Closing balance of the year	5,175,324	16,579,360	462,240	330,607	22,547,531
Opening balance of the year	4,971,305	18,430,227	404,827	358,773	24,165,132

V. Notes to the consolidated financial statements (continued)

21. Intangible assets (continued)

As at 31 December 2022, the franchise rights in the construction period of contract assets RMB10,719,669 thousand are listed as Intangible assets – franchise rights (31 December 2021: RMB10,437,049 thousand).

As at 31 December 2022 and 31 December 2021, the intangible assets that were pledged by the Group to banks for borrowings are presented in details in Note V. 70.

22. Goodwill

2022

The invested entity	Opening balance of the year	Increase during the year	Other movements (Note)	Closing balance of the year
China Overseas Land & Investment Ltd.	1,375,252	–	115,169	1,490,421
China State Construction Development Holdings Limited	469,063	–	39,281	508,344
Plaza Construction LLP	96,465	–	8,909	105,374
Finqnciere Groupe Betom	59,407	–	–	59,407
China Construction Sixth Engineering Division Water Conservancy and Hydropower Construction Group	42,797	–	–	42,797
China Construction Zhonghuan New Energy Co., Ltd. (Original name: CSCEC Zhong Huan Engineering Co., Ltd.)	40,103	–	–	40,103
Yueyang Hecheng Construction Investment	27,027	–	–	27,027
China State Construction Built Port Group	15,583	–	–	15,583
Xinjiang Zhongjian West Construction Cement Manufacturing Co., Ltd.	14,601	–	–	14,601
China Construction Sixth Bureau (Qingdao) Construction Engineering Co., Ltd. (Original name: Dezhou Haoyu Investment Co., Ltd.)	13,142	–	–	13,142
China Construction Third Engineering Bureau Construction Engineering Co., Ltd. Civil Air Defense Construction Design Institute	11,563	–	–	11,563
Yunnan Changkun Hydropower Base Construction Management Co., Ltd.	11,163	–	–	11,163
Liaoning Road & Bridge Construction Group	10,562	–	–	10,562
Chongqing Zhonghai Investment Co., Ltd.	10,246	–	858	11,104
Others	92,585	–	(61,961)	30,624
Sub-total	2,289,559	–	102,256	2,391,815
Less: Impairment allowance	51,665	–	–	52,535
Total	2,237,894	–	–	2,339,280

V. Notes to the consolidated financial statements (continued)

22. Goodwill (continued)

2021

The invested entity	Opening balance of the year	Increase during the year	Other movements (Note)	Closing balance of the year
China Overseas Land & Investment Ltd.	1,429,449	–	(54,197)	1,375,252
China State Construction Development Holdings Limited	487,548	–	(18,485)	469,063
Plaza Construction LLP	98,722	–	(2,257)	96,465
Finqciere Groupe Betom	58,403	–	1,004	59,407
China Construction Sixth Engineering Division Water Conservancy and Hydropower Construction Group	42,797	–	–	42,797
China Construction Zhonghuan New Energy Co., Ltd. (Original name: CSCEC Zhong Huan Engineering Co., Ltd.)	40,103	–	–	40,103
Yueyang Hecheng Construction Investment	27,027	–	–	27,027
China State Construction Built Port Group	15,583	–	–	15,583
Xinjiang Zhongjian West Construction Cement Manufacturing Co., Ltd.	14,601	–	–	14,601
China Construction Sixth Bureau (Qingdao) Construction Engineering Co., Ltd. (Original name: Dezhou Haoyu Investment Co., Ltd.)	13,142	–	–	13,142
China Construction Third Engineering Bureau Construction Engineering Co., Ltd. Civil Air Defense Construction Design Institute	11,563	–	–	11,563
Yunnan Changkun Hydropower Base Construction Management Co., Ltd.	11,163	–	–	11,163
Liaoning Road & Bridge Construction Group	10,562	–	–	10,562
Chongqing Zhonghai Investment Co., Ltd.	10,650	–	(404)	10,246
Others	73,629	21,603	(2,647)	92,585
Sub-total	2,344,942	21,603	(76,986)	2,289,559
Less: Impairment allowance	54,681			51,665
Total	2,290,261			2,237,894

Changes in impairment allowance of goodwill are as below:

2022

	Opening balance of the year	Accrued this period	Other movements (Note)	Closing balance of the year
Xinjiang Zhongjian West Construction Cement Manufacturing Co., Ltd.	14,601	–	–	14,601
China Construction Sixth Bureau (Qingdao) Construction Engineering Co., Ltd. (Original name: Dezhou Haoyu Investment Co., Ltd.)	13,142	–	–	13,142
Chongqing Zhonghai Investment Co., Ltd.	10,246	–	858	11,104
China Construction Zhonghuan New Energy Co., Ltd. (Original name: CSCEC Zhong Huan Engineering Co., Ltd.)	12,031	–	–	12,031
Others	1,645	–	12	1,657
Total	51,665	–	870	52,535

V. Notes to the consolidated financial statements (continued)

22. Goodwill (continued)

Changes in impairment allowance of goodwill are as below: (continued)

2021

	Opening balance of the year	Accrued this year	Other movements (Note)	Closing balance of the year
Xinjiang Zhongjian West Construction Cement Manufacturing Co., Ltd.	14,601	–	–	14,601
China Construction Sixth Bureau (Qingdao) Construction Engineering Co., Ltd. (Original name: Dezhou Haoyu Investment Co., Ltd.)	13,142	–	–	13,142
Chongqing Zhonghai Investment Co., Ltd.	10,650	–	(404)	10,246
China Construction Zhonghuan New Energy Co., Ltd. (Original name: CSCEC Zhong Huan Engineering Co., Ltd.)	12,031	–	–	12,031
Others	4,257	34	(2,646)	1,645
Total	54,681	34	(3,050)	51,665

Note: Other movements are mainly due to changes in exchange rates.

The group allocates the book value of goodwill to the asset group or portfolio that can benefit from the synergy of business combination, and carries out impairment test on this basis.

The goodwill obtained from business combination has been allocated to the following asset groups or portfolio for impairment test:

Asset group-China Overseas Land & Investment

Asset group-State Construction Development

The measurement basis and main assumptions of the recoverable amount of the above asset groups are as follows:

Asset Group-China Overseas Land & Investment

The recoverable amount of China Overseas Land & Investment is determined by the present value of the expected future cash flow of the asset group portfolio according to the cash flow forecast based on the five-year financial budget approved by the management. The discount rate used for cash flow forecast is 9.5%, and the growth rate of cash flow of China Overseas Land & Investment after 5 years is 3.0%.

Asset Group-State Construction Development

The recoverable amount of State Construction Development shall be the net amount of the fair value of the asset group minus the disposal expenses.

The carrying amount of goodwill is apportioned to the asset group or portfolio as follows:

	China Overseas Land & Investment		State Construction Development		Total	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Carrying amount of goodwill	1,490,421	1,375,252	508,344	469,063	1,998,765	1,844,315

V. Notes to the consolidated financial statements (continued)

23. Long-term prepaid expenses

2022

	Opening balance of the year	Increase	Amortisation	Other decrease	Closing balance of the year
Expenditure on improvement of leased fixed assets	497,571	272,260	(178,770)	(167)	590,894
Others	645,648	372,147	(266,446)	(54,133)	697,216
Total	1,143,219	644,407	(445,216)	(54,300)	1,288,110

2021 (restated)

	31 December 2020	Changes in accounting policies	Opening balance of the year	Increase	Amortisation	Other decrease	Closing balance of the year
Expenditure on improvement of leased fixed assets	444,600	-	444,600	222,902	(153,167)	(16,764)	497,571
Office rent	154,202	(154,202)	-	-	-	-	-
Others	532,547	-	532,547	406,198	(282,036)	(11,061)	645,648
Total	1,131,349	(154,202)	977,147	629,100	(435,203)	(27,825)	1,143,219

24. Deferred tax assets/liabilities

Deferred tax assets and liabilities without taking into consideration the offsetting of balances:

	31 December 2022		31 December 2021 (restated)	
	Deductible temporary differences and losses	Deferred tax assets	Deductible temporary differences and losses	Deferred tax assets
Deferred tax assets				
Impairment allowance of assets	55,232,889	9,755,897	42,007,226	7,310,128
Elimination of intra group unrealised profit	9,270,681	1,850,124	7,024,945	1,469,229
Accrued expenses	22,195,727	5,394,162	29,193,942	7,148,365
Accrued liabilities	2,628,236	482,981	3,118,363	514,395
Deductible losses	16,712,358	4,181,507	14,657,896	3,481,511
Tax differences on lease liabilities	7,092,352	1,433,132	5,696,798	1,114,115
Others	4,383,044	1,072,272	2,204,032	534,794
Total	117,515,287	24,170,075	103,903,202	21,572,537

V. Notes to the consolidated financial statements (continued)

24. Deferred tax assets/liabilities (continued)

Deferred tax assets and liabilities without taking into consideration the offsetting of balances: (continued)

	31 December 2022		31 December 2021 (restated)	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Deferred tax liabilities				
Depreciation of fixed assets	334,834	60,620	351,378	74,323
Depreciation of investment properties	6,679,785	1,669,946	4,850,763	1,212,691
Fair value adjustment of business combinations involving enterprises not under common control	23,322,873	5,821,068	10,043,291	2,501,096
Gain from special restructuring of subsidiaries (Note 1)	1,179,437	294,859	1,179,437	294,859
Withholding tax for dividends (Note 2)	2,978,567	148,928	3,271,939	163,597
Revenue from BT/PPP projects	10,307,967	2,576,973	6,372,427	1,597,641
Tax differences on right of use assets	6,613,463	1,315,859	5,384,277	1,046,470
Others	3,988,262	981,057	4,553,646	1,175,514
Total	55,405,188	12,869,310	36,007,158	8,066,191

Note 1: According to Notice of the Ministry of Finance and the State Administration of Taxation on Enterprise Income Tax Treatment of Enterprise Reorganization (Cai Shui [2009] No. 59), deferred tax liabilities are recognised by the Company and other related subsidiaries for the difference between tax base and accounting base of equity investment arising from reorganization of West Construction.

Note 2: According to the arrangement between Mainland China and Hong Kong Special Administrative Region over income taxes to avoid double taxation and tax evasion, signed between Mainland China and Hong Kong, withholding tax for dividends are provided by domestic subsidiaries, domestic associates and domestic joint ventures of the subsidiaries of China Overseas Land & Investment and China State Construction International Holdings Limited ("China State Construction International") for profit estimated to be distributed to the subsidiaries of China Overseas Land & Investment and China State Construction International at the tax rate of 5%.

Deferred tax assets and deferred tax liabilities that are presented at the net amount after offsetting:

	31 December 2022		31 December 2021 (restated)	
	Offsetting amount	Net amount after offsetting	Offsetting amount	Net amount after offsetting
Deferred tax assets	3,331,806	20,838,269	2,667,394	18,905,143
Deferred tax liabilities	3,331,806	9,537,504	2,667,394	5,398,797

Deductible temporary differences and deductible tax losses for which deferred tax assets are not recognised are listed as follows:

	31 December 2022	31 December 2021 (restated)
Deductible temporary differences	23,357,459	21,509,681
Deductible tax losses	23,381,631	19,726,831
Total	46,739,090	41,236,512

Deductible tax losses that are not recognised as deferred tax assets will expire in the following years:

	31 December 2022	31 December 2021 (restated)
2022	–	1,175,677
2023	1,462,151	1,954,484
2024	3,237,977	3,922,016
2025	4,034,114	4,760,868
2026	7,119,147	7,913,786
2027 to 2031	7,528,242	–
Total	23,381,631	19,726,831

V. Notes to the consolidated financial statements (continued)

25. Other non-current assets

	31 December 2022	31 December 2021 (restated)
Contract assets (Note V. 9)	266,887,129	226,403,410
Include: PPP Project	190,927,489	162,521,421
Warranty deposit	51,180,886	46,066,901
Others	24,778,754	17,815,088
Input VAT to be verified	816,807	907,103
Prepayment of purchase of long-term assets	2,432,438	418,719
Others	3,384,630	2,573,693
Sub-total	273,521,004	230,302,925
Less: Impairment allowance	(3,716,135)	(2,806,601)
Total	269,804,869	227,496,324

As at 31 December 2022, the impairment allowance of the above contract assets is RMB3,552,133 thousand (31 December 2021: RMB2,746,707 thousand).

26. Impairment allowance of assets

2022

	Opening balance of the year	Provision for the year	Decrease during the year		Other movement	Closing balance of the year
			Reversal	Transfer/Write-off		
Impairment allowance of notes receivable	502,016	50,314	(469,360)	-	(18,103)	64,867
Impairment allowance of accounts receivable	33,239,590	21,559,382	(14,839,522)	(246,155)	(1,778,560)	37,934,735
Impairment allowance of other receivables	7,093,588	2,696,940	(1,698,233)	(85,906)	151,908	8,158,297
Impairment allowance of other current assets	938,046	1,254,844	(517,757)	-	(8)	1,675,125
Impairment allowance of current portion of non-current assets	459,492	249,330	(69,503)	(61)	2,896	642,154
Impairment allowance of other non-current assets	2,806,601	1,245,520	(389,583)	-	53,597	3,716,135
Other ECLs provisions	27,201	-	(750)	-	-	26,451
Impairment allowance of debt investments	17,545	89,764	(2,342)	-	312	105,279
Impairment allowance of long-term receivables	1,365,997	308,117	(106,430)	-	69,103	1,636,787
Impairment allowance of contract assets (Note)	6,095,002	3,319,629	(1,813,081)	(1,208)	(208,782)	7,391,560
Impairment allowance of inventories	4,082,255	2,514,753	(295,323)	(25,528)	478,800	6,754,957
Impairment allowance of long-term equity investments	293,820	2,450	-	-	-	296,270
Impairment allowance of fixed assets	237,726	24,398	-	(4,149)	423	258,398
Impairment allowance of construction in progress	250,945	-	-	-	323	251,268
Impairment allowance of investment properties	54,344	-	-	-	(1,783)	52,561
Impairment allowance of intangible assets	2,571,560	434,159	-	-	(131)	3,005,588
Impairment allowance of goodwill	51,665	-	-	-	870	52,535
Total	60,087,393	33,749,600	(20,201,884)	(363,007)	(1,249,135)	72,022,967

Note: The impairment allowance of contract assets listed here only includes the impairment of current portion of contract assets.

V. Notes to the consolidated financial statements (continued)

26. Impairment allowance of assets (continued)

2021 (restated)

	31 December 2020	Changes in accounting policies	Opening balance of the year	Provision for the year	Decrease during the year		Other movement	Closing balance of the year
					Reversal	Transfer/ Write-off		
Impairment allowance of notes receivable	-	-	-	502,016	-	-	-	502,016
Impairment allowance of accounts receivable	25,792,354	12,430	25,804,784	19,341,507	(11,112,880)	(644,966)	(148,855)	33,239,590
Impairment allowance of other receivables	6,760,351	-	6,760,351	2,129,589	(1,387,246)	(389,016)	(20,090)	7,093,588
Impairment allowance of other current assets	1,531,269	-	1,531,269	83,548	(671,198)	-	(5,573)	938,046
Impairment allowance of current portion of non-current assets	449,032	29,126	478,158	170,436	(138,041)	(1,371)	(49,690)	459,492
Impairment allowance of other non-current assets	1,512,744	333,553	1,846,297	1,146,832	(178,570)	(187)	(7,771)	2,806,601
Other ECLs provisions	1,200	-	1,200	25,998	-	-	3	27,201
Impairment allowance of debt investments	15,228	-	15,228	5,414	(2,970)	-	(127)	17,545
Impairment allowance of long-term receivables	1,425,700	(379,301)	1,046,399	647,259	(380,680)	(117)	53,136	1,365,997
Impairment allowance of contract assets (Note)	3,818,976	15,134	3,834,110	3,061,077	(671,997)	(105,649)	(22,539)	6,095,002
Impairment allowance of inventories	4,172,649	-	4,172,649	689,960	(679,617)	(35,767)	(64,970)	4,082,255
Impairment allowance of long-term equity investments	294,056	-	294,056	-	-	(236)	-	293,820
Impairment allowance of fixed assets	227,767	-	227,767	17,605	-	(7,515)	(131)	237,726
Impairment allowance of construction in progress	250,945	-	250,945	-	-	-	-	250,945
Impairment allowance of investment properties	21,153	-	21,153	35,146	-	-	(1,955)	54,344
Impairment allowance of intangible assets	2,571,560	-	2,571,560	-	-	-	-	2,571,560
Impairment allowance of goodwill	54,681	-	54,681	34	-	(2,641)	(409)	51,665
Total	48,899,665	10,942	48,910,607	27,856,421	(15,223,199)	(1,187,465)	(268,971)	60,087,393

Note: The impairment allowance of contract assets listed here only includes the impairment of current portion of contract assets.

27. Short-term borrowings

	31 December 2022	31 December 2021
Unsecured borrowings	74,694,488	52,938,117
Guaranteed borrowings	1,632,714	1,527,472
Pledged borrowings	1,499,896	5,097,643
Mortgaged borrowings	327,061	382,600
Total	78,154,159	59,945,832

As at 31 December 2022, the annual interest rate for the above borrowings varied from 0.90% to 8.00% (31 December 2021: 1.00% to 10.00%).

As at 31 December 2022 and 31 December 2021, the Group has mortgaged or pledged various assets to banks as security for borrowings that are presented in details in Note V. 70.

V. Notes to the consolidated financial statements (continued)

28. Notes payable

	31 December 2022	31 December 2021 (restated)
Commercial acceptance bills	723,120	780,529
Bank acceptance bills	9,580,861	6,926,864
Total	10,303,981	7,707,393

29. Accounts payable

	31 December 2022	31 December 2021 (restated)
Payables for projects and for real estate development	284,284,912	257,486,405
Payables for purchase of materials	200,712,588	174,776,995
Payables for services	68,651,444	57,759,230
Rent payable	17,834,521	16,185,139
Others	14,260,808	10,995,234
Total	585,744,273	517,203,003

As at 31 December 2022, accounts payable over 1 year with a carrying amount of RMB157,976,975 thousand (31 December 2021: RMB143,694,525 thousand) are mainly payables for projects, which are unsettled as the projects have not been completed or settled.

30. Advances from customers

	31 December 2022	31 December 2021
Rent and others	729,857	782,465

As at 31 December 2022, advances from customers over 1 year with a carrying amount of RMB37,024 thousand (31 December 2021: RMB12,481 thousand) are mainly for advance rent receipts.

31. Contract liabilities

	31 December 2022	31 December 2021 (restated)
Amount due to customers for contract work	72,781,751	81,360,626
Advances for projects	59,062,934	58,083,500
Advances for sale of properties	200,565,988	178,702,437
Others	5,282,546	5,907,320
Total	337,693,219	324,053,883

V. Notes to the consolidated financial statements (continued)

31. Contract liabilities (continued)

At the balance sheet date, the details of advances for sale of properties are as follows:

Project name	31 December 2022	31 December 2021	Estimated completion/ completion date (Note)	Pre-sale percentage (%) (Note)
Guangzhou Asian Games City H Division	8,233,831	–	October 2023	77
Sun Palace	7,002,765	–	April 2025	71
Heyingyunji	6,068,296	–	December 2023	89
CSCEC Yipin Xuefu Residence	5,147,200	–	June 2024	100
Cuilanyunjing	4,843,154	–	December 2023	94
Zhonghai Guanyuan project	4,818,961	–	June 2023	95
CSCEC Yipin Xuefu Residence West district	4,602,069	–	June 2024	79
China Construction LuMing mansion Project	4,307,832	–	September 2024	61
Guangzhou Nanzhou Road Project	4,107,127	1,344,954	October 2023	82
Unit FXC1-0016, Fengxian new town Commercial housing project of plot 27-06	3,885,930	–	December 2023	82
CSCEC Tianfu Residence phase II	3,771,685	–	December 2023	100
Beijing Huideli	3,480,472	–	October 2023	87
Jinan Zhonghai Huashan Longcheng Project	3,460,627	3,447,172	July 2024	56
Top scientist community 02 group project	3,388,835	–	December 2023	43
Xueshili Project	3,295,117	–	June 2023	86
Zhonghai Wenhuali	2,988,032	–	December 2023	60
South Mountain Seal	2,783,030	1,217,666	August 2023	91
Changsha Zhongjian Yuhe City	2,603,234	2,228,422	December 2023	74
C5B-11	2,372,607	–	December 2023	99
Kunshan 137 plot project	2,325,586	–	September 2024	80
Duolundao Project	2,278,235	–	June 2024	100
Shanghai Pudong Huinan Minle Affordable Housing Project	2,276,232	1,898,309	December 2023	90
Top scientist community 03 group project	2,198,747	–	December 2023	50
6039, 6040 plot project	2,163,465	1,076,562	December 2022	86
Beijing Chaoyang Cuigezhuang Naixi Village 318 Plot	2,143,480	–	December 2024	100
Rice field project	2,090,515	874,557	December 2023	33
Jiufengli Project	1,841,788	389,973	January 2023	86
Zhonghai Universe World four Period	1,771,057	2,922,598	March 2023	100
Zhonghai Huanyu Longchen	1,765,719	–	April 2024	100
Changzhou Hongken Project	1,744,543	436,026	December 2023	40
Zhonghai Mingdeli	1,642,858	821,597	December 2022	40
Lake Light	1,576,835	–	April 2024	28
Taihu Lake Star Residential Project	1,558,949	–	August 2024	68
Shandong First Medical University Staff Dormitory A-2 Plot	1,520,919	1,281,009	March 2023	63
Wuhan Zhonghai Guanggu East Donglu Project (Phase I and II)	1,480,491	1,153,202	September 2022	58

V. Notes to the consolidated financial statements (continued)

31. Contract liabilities (continued)

At the balance sheet date, the details of advances for sale of properties are as follows: (continued)

Project name	31 December 2022	31 December 2021	Estimated completion/ completion date (Note)	Pre-sale percentage (%) (Note)
Suzhou high tech Zone headquarters base residence	1,429,510	–	November 2024	100
East Lake Star Project	1,404,547	383,998	June 2024	48
Zhongjian Lake view Garden Project	1,387,744	1,083,273	January 2023	84
Zhongjian Big Mansion K3	1,375,179	–	December 2021	99
B0603 project of harbour College of CSCEC Second Bureau	1,349,746	208,668	December 2023	78
Shiliguanlan Project	1,346,065	336,194	September 2023	47
Nanjing Xiyuan Mansion	1,309,366	549,754	December 2023	50
Zhongjian Platinum Mansion	1,305,187	1,160,527	December 2023	80
Zhonghai Yunlu Mansion (Phase I)	1,232,775	756,160	December 2022	100
Guangzhou Guanggang No.234 Plot	1,219,001	–	December 2023	31
Shanghai Hongqi Village Project	1,199,903	1,205,084	June 2023	100
Residential project of Unit 042701, BSP 0-0104, Gucun Village, Baoshan District	1,182,144	–	September 2024	31
Chongqing Zhongjian Yuhu No. 1	1,164,936	1,924,809	December 2025	60
Shanghai Shenggang academy B0701 Project	1,130,338	–	December 2023	27
Huizhili	1,119,367	–	December 2023	44
Zhongjian Lujiang Mansion	1,104,595	–	December 2023	80
Zhongjian Forest County 3# plot project	1,019,296	858,874	September 2023	57
Guangzhou Asian Games City E Division	1,009,296	–	November 2023	82
Guangzhou Haizhu Haoke Island plot project	978,698	–	April 2024	11
Zhongjian Guanhu Yuefu	971,559	758,571	December 2022	57
Plot A, north of Tianchen Street and east of Development Road, Xianwen Area	955,614	–	March 2024	32
Yamenkou 670 Plot	916,765	–	June 2025	100
Zhonghai Huanyu Era	915,392	1,930,826	November 2024	14
0056 plot project	908,909	1,827,817	May 2024	73
Zhonghai Chunlang Garden	904,294	–	January 2023	30
Concentric Lake Project Lot A	891,262	683,929	November 2023	100
Chengdu Zhonghai Huanyunju	886,213	133,581	June 2023	64
Zhongjian Binshui Garden	885,772	424,115	December 2022	48
Guanjiangyue Project	859,530	–	November 2023	100
Chefang Project	840,268	–	June 2023	100
CSCEC Chang'an Lufu project	839,208	286,670	September 2024	47
Changsha Zhongjian Jinghe City Project	832,111	1,296,701	December 2022	99
Beijing Fuhuali	819,534	–	October 2024	15
No. 6066, 6067 and other plots projects	816,535	39,001	December 2023	25
Beijing Third Courtyard	804,978	3,276,345	December 2022	100

V. Notes to the consolidated financial statements (continued)

31. Contract liabilities (continued)

At the balance sheet date, the details of advances for sale of properties are as follows: (continued)

Project name	31 December 2022	31 December 2021	Estimated completion/ completion date (Note)	Pre-sale percentage (%) (Note)
Licang District Hotel Management School west side plot project – Huishui Road	801,436	730,197	September 2022	100
CSCEC Longyuetai Phase I	799,973	187,312	June 2024	27
Zhonghai Xiangshui Mansion	791,609	–	December 2024	88
East Circle Time	787,896	–	December 2023	35
Taiyuan Zhonghai International Community	768,940	1,317,089	February 2026	32
Guangzhou Haizhushigang Road Project	760,809	–	August 2023	29
Suzhou Baofeng Road Project	734,425	236,146	June 2023	24
Jinan Zhangma New East Railway Station Project C6-1 plot	693,646	581,142	June 2023	72
Zuo'anlanting	689,278	–	October 2023	100
Zhongjian Meixi Lake Center	682,890	540,474	December 2024	99
Zhongjian Jiangshan Jiuyue Metro First Phase	665,892	543,337	June 2023	92
Xihongmen Project	633,418	–	June 2024	100
Chongzhou Zhongwu Project	632,875	–	September 2023	41
Changsha Zhongjian Phoenix Terrace Project	625,155	819,244	December 2024	92
Zhonghai Yunlu Mansion (Phase II)	617,857	829	December 2022	100
Dongguan Zhonghai Qirui Garden	608,936	–	September 2023	53
Zhongjian Xingguang city KT2 plot	595,589	4,307,169	December 2022	100
Jinan Zhangma New East Railway Station Project A8 plot	593,629	26,659	June 2024	58
Jinan Zhangma New East Railway Station Project A3 plot	585,954	490,519	September 2023	69
Nanchang Zhonghai Sunny Rose Garden	577,154	163,598	June 2023	63
Zhonghai Time Mansion II	563,725	231,391	November 2021	70
Yunqi Garden, Yunshang Garden, Yunzhen Garden	559,897	1,199,061	April 2022	100
Dongsha Project	549,878	160,502	March 2023	29
Zhonghai Yingshanhu Preoject II	541,064	135,526	December 2023	41
Huanyu City	536,554	163,195	November 2022	44
Fangshan Dongyangzhuang Project	531,258	–	June 2024	18
Guangxi Zhongjian Yonghe Mansion	524,216	1,951,756	September 2023	95
Tianjin Zuo'an Yuanjing Project	521,171	–	October 2023	15
CSCEC Yinghu Yuefu	516,014	268,896	July 2024	12
Huanhu Time	495,948	12,360	October 2023	100
Others	32,723,042	126,419,091		
Total	200,565,988	178,702,437		

Note: Most of the above projects are phased development projects. The estimated completion time is the last phase of completion, and the pre-sale ratio is the proportion of the contracted area of the housing area that not meets the sales conditions at the end of each year.

V. Notes to the consolidated financial statements (continued)

32. Employee benefits payable

2022

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Short-term employee benefits payable	8,313,076	90,751,667	(89,148,229)	9,916,514
Defined contribution plans payable (Defined contribution plans)	228,620	9,444,657	(9,269,812)	403,465
Termination benefits payable (Note V. 41)	14,500	45,045	(49,985)	9,560
Total	8,556,196	100,241,369	(98,468,026)	10,329,539

2021 (restated)

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Short-term employee benefits payable	7,967,214	86,175,076	(85,829,214)	8,313,076
Defined contribution plans payable (Defined contribution plans)	219,657	7,797,838	(7,788,875)	228,620
Termination benefits payable (Note V. 41)	19,620	17,720	(22,840)	14,500
Total	8,206,491	93,990,634	(93,640,929)	8,556,196

Short-term employee benefits payable are as follows:

2022

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Salaries, bonuses, allowances and subsidies	6,738,672	70,092,267	(68,796,948)	8,033,991
Staff welfare	20,596	7,865,369	(7,839,606)	46,359
Social security	115,106	4,395,195	(4,332,909)	177,392
Including: Medical insurance	94,493	3,951,506	(3,896,227)	149,772
Work injury insurance	12,422	327,787	(322,789)	17,420
Maternity insurance	8,191	115,902	(113,893)	10,200
Supplementary commercial insurance	5,225	199,421	(198,957)	5,689
Housing funds	88,292	5,755,830	(5,708,123)	135,999
Union running costs and employee education costs	1,221,422	2,016,832	(1,776,378)	1,461,876
Other short-term benefits	123,763	426,753	(495,308)	55,208
Total	8,313,076	90,751,667	(89,148,229)	9,916,514

2021 (restated)

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Salaries, bonuses, allowances and subsidies	6,524,660	67,586,518	(67,372,506)	6,738,672
Staff welfare	18,178	6,845,022	(6,842,604)	20,596
Social security	94,756	3,842,128	(3,821,778)	115,106
Including: Medical insurance	79,576	3,425,007	(3,410,090)	94,493
Work injury insurance	9,940	284,462	(281,980)	12,422
Maternity insurance	5,240	132,659	(129,708)	8,191
Supplementary commercial insurance	1,013	189,905	(185,693)	5,225
Housing funds	106,926	5,070,755	(5,089,389)	88,292
Union running costs and employee education costs	1,128,425	2,005,142	(1,912,145)	1,221,422
Other short-term benefits	93,256	635,606	(605,099)	123,763
Total	7,967,214	86,175,076	(85,829,214)	8,313,076

V. Notes to the consolidated financial statements (continued)

32. Employee benefits payable (continued)

Defined contribution plans are as follows:

2022

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Basic pension insurance	167,348	7,672,784	(7,569,244)	270,888
Contribution to annuity	50,727	1,539,817	(1,477,832)	112,712
Unemployment insurance	10,545	232,056	(222,736)	19,865
Total	228,620	9,444,657	(9,269,812)	403,465

2021 (restated)

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Basic pension insurance	172,860	6,250,401	(6,255,913)	167,348
Contribution to annuity	37,821	1,338,769	(1,325,863)	50,727
Unemployment insurance	8,976	208,668	(207,099)	10,545
Total	219,657	7,797,838	(7,788,875)	228,620

33. Taxes and surcharges payable

	31 December 2022	31 December 2021 (restated)
Land appreciation tax	29,812,248	33,450,665
Corporate income tax	21,114,103	23,677,966
Value-added tax	12,546,057	9,626,421
Individual income tax	1,118,494	1,209,506
Urban maintenance and construction tax	506,551	451,875
Educational surcharge	277,362	233,809
Others	489,880	433,685
Total	65,864,695	69,083,927

34. Other payables

	31 December 2022	31 December 2021 (restated)
Dividends payable	1,771,700	1,192,181
Other payables	135,782,465	125,551,138
Total	137,554,165	126,743,319

Dividends payable

	31 December 2022	31 December 2021
Dividends payable to non-controlling interests	1,454,400	874,881
Preference perpetual bond dividends payable	317,300	317,300
Total	1,771,700	1,192,181

V. Notes to the consolidated financial statements (continued)

34. Other payables (continued)

Other payables

	31 December 2022	31 December 2021 (restated)
Guarantees payable	34,461,711	33,236,549
Project financing payables	43,840,048	34,654,452
Deposits payable	9,294,574	7,820,443
Payables for advances and construction incentives	22,521,661	24,273,310
Payments due to restricted stock incentive object	1,939,955	3,545,264
Others	23,724,516	22,021,120
Total	135,782,465	125,551,138

As at 31 December 2022, other payables over 1 year with a carrying amount of RMB47,190,222 thousand (31 December 2021: RMB48,579,926 thousand) are mainly guarantees payable and project financing payables, which were unsettled due to the incompleteness of projects.

35. Current portion of non-current liabilities

	31 December 2022	31 December 2021 (restated)
Current portion of long-term borrowings (Note V. 37)	61,453,543	53,314,143
Current portion of bonds payable (Note V. 38)	35,441,981	14,858,213
Current portion of long-term payables (Note V. 40)	13,927,227	11,030,386
Current portion of lease liabilities (Note V. 39)	2,347,216	2,201,995
Current portion of other non-current liabilities (Note V. 44)	4,967,342	–
Others	46,634	51,191
Total	118,183,943	81,455,928

36. Other current liabilities

	31 December 2022	31 December 2021 (restated)
VAT output to be transferred	79,757,803	72,066,921
Absorption deposits	3,071,922	3,993,191
Short term financing bonds (Note 1)	–	2,000,000
Estimated liabilities (Note V. 42)	1,803,708	1,892,816
Including: Estimated contract losses	836,638	1,146,911
Warranties	925,844	659,173
Pending litigations	33,473	53,398
Others	111,294	74,115
Total	84,744,727	80,027,043

Note 1: The information of short-term financing bonds is listed as follows:

	Issuance date	Maturity	Opening balance	Issue of current period	Repayment in current period	Ending balance	Annual interest rate (%)
China Construction Second Engineering Bureau Co., Ltd. 2021 fifth ultra short term financing bonds	November 12, 2021	105 days	2,000,000	–	2,000,000	–	2.48

V. Notes to the consolidated financial statements (continued)

37. Long-term borrowings

	31 December 2022	31 December 2021 (restated)
Unsecured borrowings	299,689,759	259,485,252
Guaranteed borrowings	13,571,608	13,047,953
Pledged borrowings	126,804,400	101,630,260
Mortgage borrowings	20,358,669	17,927,433
Sub-total	460,424,436	392,090,898
Less: Long-term borrowings due within 1 year (Note V. 35)		
Including: Unsecured borrowings	(42,301,352)	(45,277,842)
Guaranteed borrowings	(1,083,393)	(1,312,843)
Pledged borrowings	(14,489,861)	(5,573,834)
Mortgage borrowings	(3,578,937)	(1,149,624)
Total	398,970,893	338,776,755

As at 31 December 2022, the annual interest rate of long-term borrowings (including current portion of long-term borrowings) varied from 1.20% to 7.36% (31 December 2021: 1.03% to 7.00%).

As at 31 December 2022, the Group had RMB37,702,110 thousand long-term loan principal pledged by future income rights and the project franchise (31 December 2021: RMB20,907,226 thousand).

At 31 December 2022 and 31 December 2021, the Group has mortgaged or pledged various assets to banks as security for borrowings that are presented in detail in Note V. 70.

38. Bonds payable

	31 December 2022	31 December 2021
Corporate bonds	37,726,099	31,276,197
Non-public targeted bond financing instruments	82,629,210	69,109,991
Others	18,883,867	13,932,775
Sub-total	139,239,176	114,318,963
Less: Bonds payable due within 1 year (Note V. 35)	(35,441,981)	(14,858,213)
Total	103,797,195	99,460,750

V. Notes to the consolidated financial statements (continued)

38. Bonds payable (continued)

As at 31 December 2022, the amount of bonds payable is as follows:

	Par value	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year
2012 Hong Kong Guaranteed Notes No. 4579	USD700 million	15-Nov-2012	10 years	USD700 million	4,422,191	-	101,847	5,622	(4,784,327)	254,667	-
2012 Hong Kong Guaranteed Notes No. 4580	USD300 million	15-Nov-2012	30 years	USD300 million	1,856,610	-	163,753	463	(162,492)	154,402	2,012,736
2013 Hong Kong Class B Guaranteed Notes	USD500 million	29-Oct-2013	10 years	USD500 million	3,171,223	-	197,336	4,122	(191,399)	262,591	3,443,873
2013 Hong Kong Class C Guaranteed Notes	USD500 million	29-Oct-2013	30 years	USD500 million	3,156,163	-	194,313	628	(194,441)	261,378	3,418,041
2014 Hong Kong Guaranteed Notes No. 4746	USD700 million	8-May-2014	10 years	USD700 million	4,438,205	-	413,030	(2,396)	(895,283)	370,072	4,823,628
2014 Hong Kong Guaranteed Notes No. 6013	USD500 million	11-Jun-2014	20 years	USD500 million	3,131,036	-	78,741	1,475	(91,882)	260,397	3,379,767
2016 China Overseas Real Estate Phase I Corporate Bonds	RMB6 billion	22-Aug-2016	10 years	RMB6 billion	1,900,000	-	69,967	-	(47,678)	-	1,922,289
CSECEC II N 2207	USD500 million	5-Jul-2017	5 years	USD500 million	3,230,808	-	51,615	2,446	(3,963,287)	298,418	-
CSECEC II N 2707	USD500 million	5-Jul-2017	10 years	USD500 million	3,222,483	-	121,880	3,634	(182,821)	297,649	3,462,825
2017 Hong Kong Class A Guaranteed Notes	USD550 million	29-Nov-2017	5 years	USD550 million	3,490,751	-	124,372	3,303	(3,819,875)	201,449	-
2017 Hong Kong Class B Guaranteed Notes	USD250 million	29-Nov-2017	10 years	USD250 million	1,881,219	-	58,450	1,233	(57,996)	131,983	1,714,899
2018 China Construction Second Bureau Phase I Medium-Term Notes	RMB1 billion	17-Apr-2018	5 years	RMB1 billion	1,034,888	-	50,862	-	(50,300)	-	1,035,450
2018 Hong Kong Guaranteed Notes No. 4475	USD750 million	26-Apr-2018	5 years	USD750 million	4,780,733	-	290,866	5,222	(273,122)	397,381	5,201,080
2018 Hong Kong Guaranteed Notes No. 4476	USD750 million	26-Apr-2018	10 years	USD750 million	4,769,420	-	161,592	3,271	(172,565)	396,021	5,157,739
2018 China State Construction Transportation Phase I Medium-term Notes	RMB500 million	23-Jul-2018	5 years	RMB500 million	511,178	-	25,570	-	(25,500)	-	511,248
2018 First Medium Term Notes	RMB5 billion	15-Aug-2018	5 years	RMB5 billion	5,065,640	-	235,000	1,617	(235,000)	-	5,067,257
2018 Second Medium Term Notes	RMB5 billion	15-Aug-2018	5 years	RMB5 billion	5,065,640	-	235,000	1,617	(235,000)	-	5,067,257
2019 China Overseas Real Estate Phase I Corporate Bond Variety I	RMB2 billion	23-Jan-2019	6 years	RMB2 billion	2,000,000	-	-	-	(2,000,000)	-	-
2019 China Overseas Real Estate Phase I Corporate Bond Variety II	RMB1.5 billion	23-Jan-2019	7 years	RMB1.5 billion	1,500,000	-	55,237	-	(37,641)	-	1,517,596
2019 China State Construction Transportation Phase I Medium Term Notes	RMB300 million	10-Apr-2019	5 years	RMB300 million	310,307	-	14,250	-	(14,250)	-	310,307
2019 China State Construction Xinjiang Construction Engineering Phase I Medium-term Notes	RMB800 million	20-Jun-2019	3-4H years	RMB800 million	822,487	-	11,680	370	(834,537)	-	-
2019 Hong Kong Guaranteed Notes No. 4437	HKD2 billion	15-Jul-2019	5.5 years	HKD2 billion	1,699,216	-	70,024	1,226	(113,926)	135,726	1,782,266
2019 Hong Kong Guaranteed Notes No. 4438	USD450 million	15-Jul-2019	10 years	USD450 million	2,865,279	-	69,210	1,192	(62,983)	238,435	3,111,133
2019 Hong Kong Guaranteed Notes No. 40076	USD294 million	27-Nov-2019	10 years	USD294 million	1,863,118	-	77,352	1,925	(60,440)	155,180	2,037,135
China Construction Third Bureau - Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 01 Asset-Backed Securities	RMB88 million	20-Dec-2019	3.082 years	RMB88 million	25,006	-	5,622	-	(30,628)	-	-

V. Notes to the consolidated financial statements (continued)

38. Bonds payable (continued)

As at 31 December 2022, the amount of bonds payable is as follows: (continued)

	Par value	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 02 Asset-Backed Securities	RMB129 million	20-Dec-2019	6.08 years	RMB129 million	134,075	-	3,121	-	(54,753)	-	82,443
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 03 Asset-Backed Securities	RMB149 million	20-Dec-2019	9.085 years	RMB149 million	154,861	-	5,861	-	(5,861)	-	154,861
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 04 Asset-Backed Securities	RMB174 million	20-Dec-2019	12.09 years	RMB174 million	180,845	-	6,845	-	(6,845)	-	180,845
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 05 Asset-Backed Securities	RMB201 million	20-Dec-2019	15.088 years	RMB201 million	208,907	-	7,907	-	(7,907)	-	208,907
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 06 Asset-Backed Securities	RMB234 million	20-Dec-2019	18.096 years	RMB234 million	243,205	-	9,205	-	(9,205)	-	243,205
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 07 Asset-Backed Securities	RMB271 million	20-Dec-2019	21.093 years	RMB271 million	281,661	-	10,661	-	(10,661)	-	281,661
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 08 Asset-Backed Securities	RMB315 million	20-Dec-2019	24.099 years	RMB315 million	327,392	-	12,392	-	(12,392)	-	327,392
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 09 Asset-Backed Securities	RMB365 million	20-Dec-2019	27.096 years	RMB365 million	379,359	-	14,359	-	(14,359)	-	379,359
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 10 Asset-Backed Securities	RMB274 million	20-Dec-2019	29.104 years	RMB274 million	284,779	-	10,779	-	(10,779)	-	284,779
2020 Hong Kong Guaranteed Notes No. 40177	USD300 million	2-Mar-2020	5 years	USD300 million	1,855,824	-	125,936	2,596	(89,529)	158,102	2,092,929
2020 Hong Kong Guaranteed Notes No. 40178	USD500 million	2-Mar-2020	10 years	USD500 million	3,149,585	-	33,709	2,942	(38,022)	262,463	3,410,677
2020 Hong Kong Guaranteed Notes No. 40179	USD200 million	2-Mar-2020	15 years	USD200 million	1,266,726	-	19,471	275	(19,953)	105,466	1,371,985
Beijing Zhonghai Plaza Commercial Development Co., Ltd. CMBS Phase I	RMB3,701 billion	26-Apr-2020	18 years	RMB3,701 billion	3,694,351	-	57,189	-	(63,763)	-	3,687,777
China State Construction International Group Co., Ltd. 2020 for Professional Investors – Public Offering of Corporate Bonds (Phase I)	RMB2 billion	26-Jul-2020	3 years	RMB2 billion	2,022,907	-	195,695	1,461	(67,313)	-	2,152,750
China Overseas Enterprise Development Group Co., Ltd. 2020 for Professional Investors – Public Offering of Special Corporate Bonds for Housing Leasing (Phase I)	RMB2 billion	13-Aug-2020	6 years	RMB2 billion	2,000,000	-	73,650	-	(50,188)	-	2,023,462
Beijing China Overseas Plaza Commercial Development Co., Ltd. CMBS Phase II	RMB3 billion	17-Aug-2020	18 years	RMB3 billion	3,001,122	-	116,892	-	(118,672)	-	2,999,342
China State Construction International Investment Group Co., Ltd. 2020 first medium-term notes	RMB500 million	26-Oct-2020	3 years	RMB500 million	503,074	-	17,250	-	(12,257)	-	508,067

V. Notes to the consolidated financial statements (continued)

38. Bonds payable (continued)

As at 31 December 2022, the amount of bonds payable is as follows: (continued)

	Par value	issuance date	Maturity	issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year
China Overseas Enterprise Development Group Co., Ltd. 2020 for Professional Investors – Public Offering of Corporate Bonds (Phase I)	RMB2.4 billion	6-Nov-2020	3 years	RMB2.4 billion	2,400,000	-	88,379	-	(60,225)	-	2,428,154
China Overseas Enterprise Development Group Limited 2020 First Medium-Term Notes	RMB1.5 billion	10-Dec-2020	3 years	RMB1.5 billion	1,500,000	-	55,237	-	(37,641)	-	1,517,596
China Overseas Enterprise Development Group Co., Ltd. 2021 First Medium-Term Notes	RMB1.5 billion	13-Jan-2021	3 years	RMB1.5 billion	1,500,000	-	55,237	-	(37,641)	-	1,517,596
CITIC Securities – China Overseas Commercial Management No. 3 Asset-Backed Special Plan	RMB1,001 billion	23-Mar-2021	18 years	RMB1,001 billion	1,001,329	-	36,781	-	(27,593)	-	1,010,517
China State Construction International Investment Group Co., Ltd. 2021 First Medium-Term Notes	RMB1 billion	27-May-2021	3 years	RMB1 billion	1,020,924	-	44,167	-	(9,309)	-	1,055,782
China Overseas Enterprise Development Group Co., Ltd. Open to Professional Investors in 2021 – Public Issuance of Corporate Bonds (Phase I) (Variety 1)	RMB2 billion	11-Jun-2021	3 years	RMB2 billion	2,000,000	-	73,650	-	(50,188)	-	2,023,462
China Overseas Enterprise Development Group Co., Ltd. Open to Professional Investors in 2021 – Public Issuance of Corporate Bonds (Phase I) (Variety 2)	RMB1 billion	11-Jun-2021	5 years	RMB1 billion	1,000,000	-	36,825	-	(25,094)	-	1,011,731
CITIC Securities – Chengde China Overseas International Center Green Asset-Backed Special Program	RMB2,101 billion	23-Jun-2021	18 years	RMB2,101 billion	2,105,458	-	75,274	-	(112,653)	-	2,068,079
China Overseas Enterprise Development Group Co., Ltd. Publicly Issues Corporate Bonds to Professional Investors in 2021 (Phase II) (Variety 1)	RMB1 billion	9-Jul-2021	4 years	RMB1 billion	1,000,000	-	36,825	-	(25,094)	-	1,011,731
China Overseas Enterprise Development Group Co., Ltd. Publicly Issues Corporate Bonds to Professional Investors in 2021 (Phase II) (Variety 2)	RMB2 billion	9-Jul-2021	4 years	RMB2 billion	2,000,000	-	73,650	-	(50,188)	-	2,023,462
China Overseas Enterprise Development Group Co., Ltd. Publicly Issues Corporate Bonds to Professional Investors in 2021 (Phase III) (Variety 1)	RMB500 million	6-Aug-2021	4 years	RMB500 million	500,000	-	18,412	-	(12,547)	-	505,865
China Overseas Enterprise Development Group Co., Ltd. Publicly Issues Corporate Bonds to Professional Investors in 2021 (Phase III) (Variety 2)	RMB1.5 billion	6-Aug-2021	7 years	RMB1.5 billion	1,500,000	-	55,237	-	(37,641)	-	1,517,596
2021 China State Construction West Construction Phase I Medium-Term Notes	RMB700 million	18-Aug-2021	3 years	RMB700 million	707,611	-	23,450	350	(23,450)	-	707,961
CITIC Securities – China Overseas Business Management Corporation 2021 Phase I Asset-Support Special Plan	RMB1.9 billion	10-Nov-2021	18 years	RMB1.9 billion	1,910,426	-	18,241	-	(17,276)	-	1,911,391
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase IV) (Variety 1)	RMB1.7 billion	24-Nov-2021	3 years	RMB1.7 billion	1,700,000	-	62,602	-	(42,659)	-	1,719,943
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase IV) (Variety 2)	RMB1.2 billion	24-Nov-2021	5 years	RMB1.2 billion	1,200,000	-	44,190	-	(30,113)	-	1,214,077
2021 China Construction Fourth Bureau Phase III Medium-term Notes (Variety 1)	RMB1 billion	16-Dec-2021	5 years	RMB1 billion	1,000,650	-	39,609	-	(38,415)	-	1,001,844
2021 China Construction Fourth Bureau Phase III Medium-term Notes (Variety 2)	RMB1 billion	16-Dec-2021	5 years	RMB1 billion	1,000,095	-	33,090	-	(34,095)	-	999,100

V. Notes to the consolidated financial statements (continued)

38. Bonds payable (continued)

As at 31 December 2022, the amount of bonds payable is as follows: (continued)

	Par value	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase V) (Variety 1)	RMB1.3 billion	17-Dec-2021	3 years	RMB1.3 billion	1,300,000	-	47,872	-	(32,622)	-	1,315,250
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase V) (Variety 2)	RMB800 million	17-Dec-2021	5 years	RMB800 million	800,000	-	29,460	-	(20,075)	-	809,385
China State Construction International Investment Group Co., Ltd. 2021 Second Medium-Term Notes	RMB1.5 billion	27-Dec-2021	3 years	RMB1.5 billion	1,501,196	-	36,500	-	(23,815)	-	1,512,881
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase I Medium-term Notes (Variety 1)	RMB1.8 billion	12-Jan-2022	3 years	RMB1.8 billion	-	1,800,000	50,832	-	-	-	1,850,832
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase I Medium-term Notes (Variety 2)	RMB1.2 billion	12-Jan-2022	5 years	RMB1.2 billion	-	1,200,000	38,242	-	-	-	1,238,242
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase II Green Medium-term Notes	RMB1 billion	21-Feb-2022	5 years	RMB1 billion	-	1,000,000	27,996	-	-	-	1,027,996
CITIC Securities - Shanghai Zhonghai International Center Green asset support special plan (special for carbon neutrality)	RMB5 billion	29-Mar-2022	18 years	RMB5 billion	-	4,995,000	130,138	-	(61,800)	-	5,063,308
China Construction International Investment Group Co., Ltd. 2022 Phase I Green Medium-term Notes	RMB960 million	31-Mar-2022	3 years	RMB960 million	-	960,000	21,694	-	(21,595)	-	960,199
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase I) (Variety 1)	RMB2 billion	6-Apr-2022	3 years	RMB2 billion	-	2,000,000	45,581	-	-	-	2,045,581
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase I) (Variety 2)	RMB1 billion	6-Apr-2022	5 years	RMB1 billion	-	1,000,000	26,153	-	-	-	1,026,153
China Construction International Investment Group Co., Ltd. 2022 Phase II Medium-term Notes	RMB1.5 billion	25-Apr-2022	3 years	RMB1.5 billion	-	1,500,000	32,291	-	(32,033)	-	1,500,258
China Construction Capital Holdings Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase I)	RMB1 billion	27-Apr-2022	3 years	RMB1 billion	-	1,000,000	22,513	(1,468)	-	-	1,021,045
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase II) (Variety 1)	RMB1.5 billion	9-May-2022	3 years	RMB1.5 billion	-	1,500,000	27,042	-	-	-	1,527,042
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase II) (Variety 2)	RMB1.5 billion	9-May-2022	5 years	RMB1.5 billion	-	1,500,000	34,220	-	-	-	1,534,220
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase III Medium-term Notes (Variety 1)	RMB2 billion	25-May-2022	3 years	RMB2 billion	-	2,000,000	32,144	-	-	-	2,032,144
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase III Medium-term Notes (Variety 2)	RMB1 billion	25-May-2022	5 years	RMB1 billion	-	1,000,000	18,944	-	-	-	1,018,944
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase IV Medium-term Notes	RMB2 billion	21-July-2022	5 years	RMB2 billion	-	2,000,000	29,521	-	-	-	2,029,521
China Construction International Investment Group Co., Ltd. 2022 Phase III Medium-term Notes	RMB1.04 billion	11-Aug-2022	5 years	RMB1.04 billion	-	1,040,000	10,452	-	-	-	1,050,452
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase III) (Variety 1)	RMB1 billion	19-Sep-2022	3 years	RMB1 billion	-	1,000,000	6,800	-	-	-	1,006,800

V. Notes to the consolidated financial statements (continued)

38. Bonds payable (continued)

As at 31 December 2022, the amount of bonds payable is as follows: (continued)

	Par value	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase III) (Variety 2)	RMB500 million	19-Sep-2022	5 years	RMB500 million	-	500,000	4,463	-	-	-	504,463
China State Construction Seventh Engineering Bureau Co., Ltd. 2022 Phase I Medium Term Notes	RMB1.5 billion	26-Oct-2022	3 years	RMB1.5 billion	-	1,500,000	-	-	-	-	1,500,000
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase V Medium-term Notes	RMB1 billion	25-Oct-2022	5 years	RMB1 billion	-	1,000,000	5,304	-	-	-	1,005,304
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase VI Green Medium-term Notes	RMB2 billion	12-Dec-2022	5 years	RMB2 billion	-	2,000,000	2,850	-	-	-	2,002,850
China Overseas Enterprise Development Group Co., Ltd. 2022 Phase VII Green Medium-term Notes	RMB1 billion	12-Dec-2022	5 years	RMB1 billion	-	1,000,000	1,425	-	-	-	1,001,425
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase IV) (Variety 1)	RMB1.5 billion	19-Dec-2022	3 years	RMB1.5 billion	-	1,500,000	1,031	-	-	-	1,501,031
China Overseas Enterprise Development Group Co., Ltd. 2022 Public Offering of Corporate Bonds to Professional Investors (Phase IV) (Variety 2)	RMB1.5 billion	19-Dec-2022	5 years	RMB1.5 billion	-	1,500,000	1,036	-	-	-	1,501,036
Sub-total					114,318,963	34,495,000	5,153,851	43,126	(19,113,594)	4,341,790	139,239,176
Less: bonds payable due within one year (Note V.35)					(14,568,213)						(65,441,961)
Total					99,460,750						103,797,195

V. Notes to the consolidated financial statements (continued)

38. Bonds payable (continued)

As at 31 December 2021, the amount of bonds payable is as follows:

	Par value	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year
2012 Hong Kong Guaranteed Notes No. 4579	USD700 million	15-Nov-2012	10 years	USD700 million	4,575,930	-	176,948	(5,309)	(163,334)	(161,444)	4,422,191
2012 Hong Kong Guaranteed Notes No. 4580	USD300 million	15-Nov-2012	30 years	USD300 million	1,943,858	-	101,528	(422)	(116,553)	(71,801)	1,856,610
2013 Hong Kong Class B Guaranteed Notes	USD500 million	29-Oct-2013	10 years	USD500 million	3,304,713	-	172,113	(3,228)	(185,096)	(117,279)	3,171,223
2013 Hong Kong Class C Guaranteed Notes	USD500 million	29-Oct-2013	30 years	USD500 million	3,288,148	-	204,135	(568)	(193,705)	(121,647)	3,156,163
2014 Hong Kong Guaranteed Notes No. 5746	USD700 million	8-May-2014	10 years	USD700 million	4,614,376	-	266,684	1,449	(267,592)	(176,712)	4,438,205
2014 Hong Kong Guaranteed Notes No. 6013	USD500 million	11-Jun-2014	20 years	USD500 million	3,253,288	-	205,299	(1,331)	(206,388)	(119,832)	3,131,036
2015 China State Construction Eighth Bureau First Medium Term Notes	RMB100 million	29-Apr-2015	5 years	RMB100 million	7,947	-	-	-	(7,947)	-	-
2015 China State Construction Eighth Bureau Second Medium Term Notes	RMB1.6 billion	17-Aug-2015	5 years	RMB1.6 billion	18,613	-	-	-	(18,613)	-	-
2015 China Overseas Real Estate Phase I Corporate Bonds	RMB7 billion	19-Nov-2015	6 years	RMB7 billion	3,439,691	-	133,643	-	(3,573,334)	-	-
2015 China Overseas Real Estate Phase II Corporate Bonds	RMB1 billion	19-Nov-2015	7 years	RMB1 billion	10,267	-	-	-	(10,267)	-	-
CITIC Real Estate Co., Ltd. 2016 Non-public Issuance of Corporate Bonds (Phase I)	RMB1 billion	15-Jan-2016	5 years	RMB1 billion	416,925	-	542	-	(417,467)	-	-
2016 First Medium Term Notes	RMB3 billion	11-Apr-2016	5 years	RMB3 billion	3,034,180	-	53,556	264	(3,088,000)	-	-
CSCEC II N 2106	USD500 million	14-Jun-2016	5 years	USD500 million	3,264,387	-	38,972	2,139	(3,230,886)	(74,612)	-
2016 China Overseas Real Estate Phase I Corporate Bonds	RMB6 billion	22-Aug-2016	10 years	RMB6 billion	6,152,201	-	173,882	-	(4,426,083)	-	1,900,000
2016 China State Construction Sixth Bureau First Medium Term Notes	RMB500 million	24-Aug-2016	5 years	RMB500 million	505,816	-	11,251	333	(517,400)	-	-
2016 China Construction West Construction Phase I Medium-term Notes	RMB700 million	27-Sep-2016	5 years	RMB700 million	705,990	-	20,633	1,167	(727,790)	-	-
CSCEC II N 2207	USD500 million	5-Jul-2017	5 years	USD500 million	3,301,999	-	92,448	4,313	(92,448)	(75,504)	3,220,808
CSCEC II N 2707	USD500 million	5-Jul-2017	10 years	USD500 million	3,294,590	-	111,576	3,237	(111,575)	(75,335)	3,222,463
2017 Hong Kong Class A Guaranteed Notes	USD550 million	29-Nov-2017	5 years	USD550 million	3,624,870	-	122,561	6,077	(122,970)	(139,787)	3,490,751
2017 Hong Kong Class B Guaranteed Notes	USD250 million	29-Nov-2017	10 years	USD250 million	1,642,368	-	63,962	-	(64,176)	(60,935)	1,581,219
2018 China Overseas Real Estate Phase I Medium-Term Notes	RMB3 billion	5-Feb-2018	3 years	RMB3 billion	3,069,759	-	17,266	-	(3,087,025)	-	-
2018 China Construction Second Bureau Phase I Medium-Term Notes	RMB1 billion	17-Apr-2018	5 years	RMB1 billion	1,034,354	-	50,834	1,200	(51,500)	-	1,034,888
2018 China Construction Fangsheng Non-public Issuance of Corporate Bonds (Phase I)	RMB700 million	24-Apr-2018	3 years	RMB700 million	726,537	-	12,176	-	(738,713)	-	-
2018 Hong Kong Guaranteed Notes No. 4475	USD750 million	26-Apr-2018	5 years	USD750 million	4,351,294	-	204,586	(4,811)	(193,121)	(177,215)	4,780,733
2018 Hong Kong Guaranteed Notes No. 4476	USD750 million	26-Apr-2018	10 years	USD750 million	4,966,747	-	228,656	(3,000)	(242,724)	(180,259)	4,769,420

V. Notes to the consolidated financial statements (continued)

38. Bonds payable (continued)

As at 31 December 2021, the amount of bonds payable is as follows: (continued)

	Par value	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year
2018 China State Construction Transportation Phase I Medium-term Notes	RMB500 million	23-Jul-2018	5 years	RMB500 million	511,178	-	25,500	-	(25,500)	-	511,178
2018 First Medium Term Notes	RMB5 billion	15-Aug-2018	5 years	RMB5 billion	5,114,358	-	204,739	1,543	(235,000)	-	5,085,640
2018 Second Medium Term Notes	RMB5 billion	15-Aug-2018	5 years	RMB5 billion	5,114,358	-	204,739	1,543	(235,000)	-	5,085,640
2018 China Overseas Real Estate Phase I Corporate Bonds	RMB3.5 billion	19-Oct-2018	6 years	RMB3.5 billion	3,565,531	-	130,879	-	(3,695,410)	-	-
2018 China State Construction Seventh Bureau Phase I Medium-Term Notes	RMB2 billion	8-Nov-2018	3 years	RMB2 billion	2,017,386	-	67,814	-	(2,085,200)	-	-
2018 China Construction Fourth Bureau Third Medium-Term Notes	RMB2 billion	22-Nov-2018	3 years	RMB2 billion	2,009,544	-	76,256	-	(2,085,800)	-	-
2019 China Overseas Real Estate Phase I Corporate Bond Variety I	RMB2 billion	23-Jan-2019	6 years	RMB2 billion	2,067,645	-	64,878	-	(132,523)	-	2,000,000
2019 China Overseas Real Estate Phase I Corporate Bond Variety II	RMB1.5 billion	23-Jan-2019	7 years	RMB1.5 billion	1,536,238	-	52,596	-	(68,824)	-	1,500,000
2019 China State Construction Transportation Phase I Medium Term Notes	RMB300 million	10-Apr-2019	5 years	RMB300 million	310,307	-	14,250	-	(14,250)	-	310,307
2019 China State Construction Xinjiang Construction Engineering Phase I Medium-term Notes	RMB800 million	20-Jun-2019	3+N years	RMB800 million	821,622	-	45,965	740	(45,840)	-	822,487
2019 Hong Kong Guaranteed Notes No. 4437	HKD2 billion	15-Jul-2019	5.5 years	HKD2 billion	1,710,356	-	200,257	(1,144)	(158,710)	(61,543)	1,689,216
2019 Hong Kong Guaranteed Notes No. 4438	USD450 million	15-Jul-2019	10 years	USD450 million	2,988,422	-	53,604	(1,107)	(65,687)	(109,953)	2,865,279
2019 Hong Kong Guaranteed Notes No. 40076	USD294 million	27-Nov-2019	10 years	USD294 million	1,973,321	-	30,960	(1,794)	(69,982)	(69,377)	1,863,118
China Construction Third Bureau - Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 01 Asset-Backed Securities	RMB88 million	20-Dec-2019	3.082 years	RMB88 million	91,585	-	10,768	-	(77,347)	-	25,006
China Construction Third Bureau - Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 02 Asset-Backed Securities	RMB129 million	20-Dec-2019	6.088 years	RMB129 million	134,255	-	5,075	-	(5,255)	-	134,075
China Construction Third Bureau - Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 03 Asset-Backed Securities	RMB149 million	20-Dec-2019	9.085 years	RMB149 million	155,070	-	5,861	-	(6,070)	-	154,861
China Construction Third Bureau - Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 04 Asset-Backed Securities	RMB174 million	20-Dec-2019	12.09 years	RMB174 million	181,089	-	6,845	-	(7,089)	-	180,845
China Construction Third Bureau - Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 05 Asset-Backed Securities	RMB201 million	20-Dec-2019	15.088 years	RMB201 million	209,189	-	7,907	-	(8,189)	-	208,907
China Construction Third Bureau - Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 06 Asset-Backed Securities	RMB234 million	20-Dec-2019	18.086 years	RMB234 million	243,533	-	9,205	-	(9,533)	-	243,205
China Construction Third Bureau - Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 07 Asset-Backed Securities	RMB271 million	20-Dec-2019	21.083 years	RMB271 million	282,041	-	10,661	-	(11,041)	-	281,661

V. Notes to the consolidated financial statements (continued)

38. Bonds payable (continued)

As at 31 December 2021, the amount of bonds payable is as follows: (continued)

	Par value	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 08 Asset-Backed Securities	RMB315 million	20-Dec-2019	24.09 years	RMB315 million	327,833	-	12,392	-	(12,833)	-	327,392
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 09 Asset-Backed Securities	RMB365 million	20-Dec-2019	27.06 years	RMB365 million	379,870	-	14,359	-	(14,870)	-	379,359
China Construction Third Bureau – Shijian Pipe Corridor PPP Project Asset-Backed Special Plan Priority 10 Asset-Backed Securities	RMB274 million	20-Dec-2019	29.104 years	RMB274 million	285,163	-	10,779	-	(11,163)	-	284,779
2020 Hong Kong Guaranteed Notes No. 40177	USD300 million	2-Mar-2020	5 years	USD300 million	1,972,538	-	24,602	(2,451)	(23,440)	(69,425)	1,895,824
2020 Hong Kong Guaranteed Notes No. 40178	USD500 million	2-Mar-2020	10 years	USD500 million	3,261,612	-	47,475	(2,750)	(39,833)	(117,919)	3,148,585
2020 Hong Kong Guaranteed Notes No. 40179	USD200 million	2-Mar-2020	15 years	USD200 million	1,314,775	-	21,580	(257)	(20,263)	(49,109)	1,266,726
Beijing China Overseas Plaza Commercial Development Co., Ltd. CMBS Phase I	RMB3,701 billion	28-Apr-2020	18 years	RMB3,701 billion	3,706,541	-	61,679	-	(73,869)	-	3,694,351
China State Construction International Group Co., Ltd. 2020 for Professional Investors – Public Offering of Corporate Bonds (Phase I)	RMB2 billion	28-Jul-2020	3 years	RMB2 billion	2,025,943	-	70,603	1,407	(75,046)	-	2,022,907
China Overseas Enterprise Development Group Co., Ltd. 2020 for Professional Investors – Public Offering of Special Corporate Bonds for Housing Leasing (Phase I)	RMB2 billion	13-Aug-2020	6 years	RMB2 billion	2,024,711	-	59,831	-	(84,542)	-	2,000,000
Beijing China Overseas Plaza Commercial Development Co., Ltd. CMBS Phase II	RMB3 billion	17-Aug-2020	18 years	RMB3 billion	3,005,982	-	78,020	-	(82,880)	-	3,001,122
China State Construction International Investment Group Co., Ltd. 2020 first medium-term Notes	RMB500 million	26-Oct-2020	3 years	RMB500 million	503,072	-	17,252	-	(17,250)	-	503,074
China Overseas Enterprise Development Group Co., Ltd. 2020 for professional investors – Public Offering of Corporate Bonds (Phase I)	RMB2.4 billion	6-Nov-2020	3 years	RMB2.4 billion	2,411,787	-	56,091	-	(67,878)	-	2,400,000
China Overseas Enterprise Development Group Limited 2020 First Medium Term Notes	RMB1.5 billion	10-Dec-2020	3 years	RMB1.5 billion	1,503,150	-	50,482	-	(53,632)	-	1,500,000
China Overseas Enterprise Development Group Co., Ltd. 2021 First Medium-Term Notes	RMB1.5 billion	13-Jan-2021	3 years	RMB1.5 billion	-	1,500,000	49,133	-	(49,133)	-	1,500,000
CITIC Securities – China Overseas Commercial Management No. 3 Asset-Backed Special Plan	RMB1,001 billion	23-Mar-2021	18 years	RMB1,001 billion	-	1,001,000	25,690	-	(25,361)	-	1,001,329
China State Construction International Investment Group Co., Ltd. 2021 First Medium-Term Notes	RMB1 billion	27-May-2021	3 years	RMB1 billion	-	1,000,000	20,924	-	-	-	1,020,924
China Overseas Enterprise Development Group Co., Ltd. Open to Professional Investors in 2021 – Public Issuance of Corporate Bonds (Phase I) (Variety 1)	RMB2 billion	11-Jun-2021	3 years	RMB2 billion	-	2,000,000	35,931	-	(35,931)	-	2,000,000
China Overseas Enterprise Development Group Co., Ltd. Open to Professional Investors in 2021 – Public Issuance of Corporate Bonds (Phase I) (Variety 2)	RMB1 billion	11-Jun-2021	5 years	RMB1 billion	-	1,000,000	19,624	-	(19,624)	-	1,000,000
CITIC Securities – Chengdu China Overseas International Center Green Asset-Backed Special Program	RMB2,101 billion	23-Jun-2021	18 years	RMB2,101 billion	-	2,101,000	108,744	-	(104,286)	-	2,105,458

V. Notes to the consolidated financial statements (continued)

38. Bonds payable (continued)

As at 31 December 2021, the amount of bonds payable is as follows: (Continued)

	Par value	Issuance date	Maturity	Issuance amount	Opening balance of the year	Issuance during the year	Par interest accrued	Interest adjustment	Repayment	Others (Note)	Closing balance of the year
China Overseas Enterprise Development Group Co., Ltd. Publicly Issues Corporate Bonds to Professional Investors in 2021 (Phase II) (Variety 1)	RMB1 billion	9-Jul-2021	4 years	RMB1 billion	-	1,000,000	14,811	-	(14,811)	-	1,000,000
China Overseas Enterprise Development Group Co., Ltd. Publicly Issues Corporate Bonds to Professional Investors in 2021 (Phase II) (Variety 2)	RMB2 billion	9-Jul-2021	4 years	RMB2 billion	-	2,000,000	31,056	-	(31,056)	-	2,000,000
China Overseas Enterprise Development Group Co., Ltd. Publicly Issues Corporate Bonds to Professional Investors in 2021 (Phase III) (Variety 1)	RMB500 million	6-Aug-2021	4 years	RMB500 million	-	500,000	5,500	-	(5,500)	-	500,000
China Overseas Enterprise Development Group Co., Ltd. Publicly Issues Corporate Bonds to Professional Investors in 2021 (Phase III) (Variety 2)	RMB1.5 billion	6-Aug-2021	7 years	RMB1.5 billion	-	1,500,000	19,500	-	(19,500)	-	1,500,000
2021 China State Construction West Construction Phase I Medium-term Notes	RMB700 million	18-Aug-2021	3 years	RMB700 million	-	700,000	8,544	(933)	-	-	707,611
2021 CITIC Securities - China Overseas Commercial Management Phase I Asset-Backed Special Plan	RMB1.9 billion	10-Nov-2021	18 years	RMB1.9 billion	-	1,901,000	9,426	-	-	-	1,910,426
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase IV) (Variety 1)	RMB1.7 billion	24-Nov-2021	3 years	RMB1.7 billion	-	1,700,000	5,236	-	(5,236)	-	1,700,000
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase IV) (Variety 2)	RMB1.2 billion	24-Nov-2021	5 years	RMB1.2 billion	-	1,200,000	4,056	-	(4,056)	-	1,200,000
2021 China Construction Fourth Bureau Phase III Medium-term Notes (Variety 1)	RMB1 billion	16-Dec-2021	5 years	RMB1 billion	-	999,460	1,190	-	-	-	1,000,650
2021 China Construction Fourth Bureau Phase III Medium-term Notes (Variety 2)	RMB1 billion	16-Dec-2021	5 years	RMB1 billion	-	999,100	995	-	-	-	1,000,095
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase V) (Variety 1)	RMB1.3 billion	17-Dec-2021	3 years	RMB1.3 billion	-	1,300,000	1,184	-	(1,184)	-	1,300,000
China Overseas Enterprise Development Group Co., Ltd. 2021 Public Offering of Corporate Bonds to Professional Investors (Phase V) (Variety 2)	RMB800 million	17-Dec-2021	5 years	RMB800 million	-	800,000	826	-	(826)	-	800,000
China State Construction International Investment Group Co., Ltd. 2021 Second Medium-Term Notes	RMB1.5 billion	27-Dec-2021	3 years	RMB1.5 billion	-	1,500,000	196	-	-	-	1,500,196
Sub-total					118,888,843	24,701,560	4,579,711	(4,233)	(31,816,970)	(2,029,888)	114,318,963
Less: bonds payable due within one year (Note V. 35)					(30,106,372)						(14,858,213)
Total					88,782,471						99,460,750

Note: Others are mainly caused by change of foreign exchange rate.

V. Notes to the consolidated financial statements (continued)

39. Lease liabilities

	31 December 2022	31 December 2021 (restated)
Buildings	6,387,714	4,897,387
Machinery and equipment	570,361	797,096
Motor vehicles	18,449	11,333
Other equipments	211,200	188,985
Sub-total	7,187,724	5,894,801
Less: Lease liabilities due within one year (Note V. 35)	(2,347,216)	(2,201,995)
Total	4,840,508	3,692,806

40. Long-term payables

	31 December 2022	31 December 2021 (restated)
Project quality warranty payable	21,719,856	20,643,915
Payables for minority interest financing	2,360,837	2,087,549
Payables for leasing companies	1,349,254	1,364,020
Others	3,489,952	3,520,894
Sub-total	28,919,899	27,616,378
Less: Current portion of long-term payables (Note V. 35)	(13,927,227)	(11,030,386)
Total	14,992,672	16,585,992

41. Long-term employee benefits payable

	31 December 2022	31 December 2021
Net defined benefit liability (a)	1,645,740	1,778,960
Long-term termination benefits (b)	31,750	44,860
Sub-total	1,677,490	1,823,820
Less: Termination benefits expected to be paid within one year (Note V. 32)	(9,560)	(14,500)
Total	1,667,930	1,809,320

(a) Net defined benefit liability

The company pays supplementary retirement benefits for its employees who retire on or before 31 March 2007 in addition to the contribution made to statutory insurance schemes. Such supplementary retirement benefits are defined benefit plans. The present value of the defined benefit plan obligation is calculated annually by the external independent actuary Towers Watson Consulting Company based on the interest rate of the national debt similar to the obligation period and currency, using the expected cumulative benefit unit method.

The principal actuarial assumptions used as at the balance sheet date are as follows:

	31 December 2022	31 December 2021
Discount rate	2.75%	3.00%
Annual growth rate of living expenses for the family dependents of deceased employees	4.50%	4.50%
Annual growth rate of average medical expenses	8.00%	8.00%
Annual growth rate of supplementary welfare for retired employees	0.00%	0.00%
Mortality rate	Move three years backward annuity life chart of China's Life Insurance Industry of man/women (Year 2010-2013)	Move three years backward annuity life chart of China's Life Insurance Industry of man/women (Year 2010-2013)

V. Notes to the consolidated financial statements (continued)

41. Long-term employee benefits payable (continued)

(a) Net defined benefit liability (continued)

The quantitative sensitivity analysis for significant assumptions used is as follows:

31 December 2022

	Increase %	Decrease in defined benefit obligations	Decrease %	Increase in defined benefit obligations
Discount rate	0.25	(31,040)	0.25	32,210

31 December 2021

	Increase %	Decrease in defined benefit obligations	Decrease %	Increase in defined benefit obligations
Discount rate	0.25	(33,730)	0.25	35,010

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the balance sheet date. The sensitivity analysis is based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligations as it is unlikely that changes in assumptions would occur in isolation of one another.

The total expenses recognised in profit or loss in respect of the plan are as follows:

	2022	2021
Past service cost	6,190	(33,420)
Net interest	49,700	59,230
Net cost of post-employment benefits	55,890	25,810
Recognised/(Write-off) in administrative expenses	6,190	(33,420)
Recognised in finance expenses	49,700	59,230
Total	55,890	25,810

Movements in the present value of defined benefit obligations are as follows:

	2022	2021
Opening balance	1,778,960	1,955,040
Included in profit or loss		
Past service cost	6,190	(33,420)
Net interest	49,700	59,230
Included in other comprehensive income		
Actuarial gains	(7,120)	(1,500)
Other changes		
Benefits paid	(181,990)	(200,390)
Closing balance	1,645,740	1,778,960

V. Notes to the consolidated financial statements (continued)

41. Long-term employee benefits payable (continued)

(b) Long-term termination benefits

Some of the Group's employees early retired. At the balance sheet date, the main actuarial assumptions used to determine the Group's early retirement benefits payable are as follows:

	31 December 2022	31 December 2021
Discount rate	2.50%	2.50%
Annual growth rate of living expenses for the family dependents of deceased employees	4.50%	4.50%
Annual growth rate of average medical expenses	8.00%	8.00%
Mortality rate	Move three years backward annuity life chart of China's Life Insurance Industry of man/women (Year 2010-2013)	Move three years backward annuity life chart of China's Life Insurance Industry of man/women (Year 2010-2013)

Early retirement benefits recognised in profit or loss for the current period:

	2022	2021
Recognised/(Write-off) in administrative expenses	30	(2,050)
Financial expenses	860	1,380
Total	890	(670)

42. Provisions

2022

	Opening balance (restated)	Increase	Decrease	Closing balance
Pending litigations	3,176,132	68,638	(400,132)	2,844,638
Warranties	1,804,059	1,070,503	(583,570)	2,290,992
Estimated contract losses	1,191,728	539,120	(884,166)	846,682
Others	145,577	69,787	(76,405)	138,959
Sub-total	6,317,496	1,748,048	(1,944,273)	6,121,271
Less: Current portion of provisions (Note V. 36)	(1,892,816)			(1,803,708)
Total	4,424,680			4,317,563

43. Deferred income

	31 December 2022	31 December 2021
Government grants	411,592	469,975
Others	5,000	5,539
Total	416,592	475,514

V. Notes to the consolidated financial statements (continued)

43. Deferred income (continued)

As at December 31 2022, government grants related to liabilities were as follows:

	Opening balance of the year	Increase During the year	Amount recognised in other income during the year	Amount recognised in non-operating income during the year	Other changes during the year	Closing balance of the year	Related to assets/ Related to income
Government Compensation for Workshop Construction of Guangdong Construction Base Co., Ltd.	137,003	-	(4,167)	-	-	132,836	Related to assets
Government Compensation for Demolition of Tangshan Fengrun District Linyin Road West Side Land	72,414	-	-	(14,206)	-	58,208	Related to assets
Government Compensation for Demolition of Guiyang Dayingpo Renovation Project	70,260	-	(2,370)	-	-	67,890	Related to assets
Others	190,298	73,434	(72,760)	(4,118)	(34,196)	152,658	Related to assets and income
Total	469,975	73,434	(79,297)	(18,324)	(34,196)	411,592	

As at December 31 2021, government grants related to liabilities were as follows:

	Opening balance of the year	Increase During the year	Amount recognised in other income during the year	Amount recognised in non-operating income during the year	Other changes during the year	Closing balance of the year	Related to assets/ Related to income
Government Compensation for Workshop Construction of Guangdong Construction Base Co., Ltd.	142,003	-	(5,000)	-	-	137,003	Related to assets
Government Compensation for Demolition of Tangshan Fengrun District Linyin Road West Side Land	77,408	-	-	(4,994)	-	72,414	Related to assets
Government Compensation for Demolition of Guiyang Dayingpo Renovation Project	72,631	-	(2,371)	-	-	70,260	Related to assets
Others	171,711	154,565	(99,277)	(5,299)	(31,402)	190,298	Related to assets and income
Total	463,753	154,565	(106,648)	(10,293)	(31,402)	469,975	

44. Other non-current liabilities

	31 December 2022	31 December 2021 (restated)
Exchangeable bonds in 2016 (Note 1)	4,967,342	4,488,392
Prepaid investment of convertible bonds in 2015 (Note 2)	2,333,865	1,485,882
Advance receipt of capital increase (Note 3)	-	400,000
VAT output to be transferred	893,468	288,751
Others	1,445,648	796,176
Sub-total	9,640,323	7,459,201
Less: Current portion of non-current liabilities (Note V. 35)	(4,967,342)	-
Total	4,672,981	7,459,201

Note 1: The Group's subsidiary China Overseas Finance Investment (Cayman) V Limited (here in after "the issuer") publicly issued exchangeable bonds of USD1.5 billion on Hong Kong Stock Exchange on 6 January 2016. The bonds are guaranteed by China Overseas Holdings Limited, and the maturity date is 5 January 2023. Related clauses are as follows:

- (1) The bondholder is entitled to apply for redemption of bonds at 111.54% of par value on 5 January 2020;
- (2) In cases of the change of guarantor, or delisting or restricted trading of China Overseas Land & Investment Ltd. on Hong Kong Stock Exchange, bond holders have the right to require the issuer to redeem the bonds readily;

V. Notes to the consolidated financial statements (continued)

44. Other non-current liabilities (continued)

Note 1: (continued)

- (3) Bond holders have the right to apply for redemption on maturity date at 121.07% of par value;
- (4) During the exchange period from 15 February 2016 to 8 work days before maturity date, bond holders have the right to exchange the bonds for ordinary shares of China Overseas Land & Investment Ltd., the par value of which is HKD0.10, at the price of HKD41.50 per share;
- (5) At any time from 5 January 2020 to 7 work days before maturity date, if the stock price of China Overseas Land & Investment Ltd. during 15 trading days is continuously higher than 130% of early redemption price set in the agreement divided by exchange rate, the issuer has the right to carry out exchange in the full (not partial) amount, and should release notice in no more than 3 days after the matter occurs.

Exchangeable bonds in 2016 were recognised as financial liabilities at fair value through profit or loss in the first place and disclosed in other non-current liabilities. Changes in fair value caused by changes in relevant credit risks are insignificant.

The Exchangeable bonds were redeemed on January 4, 2023.

Note 2: Related information regarding prepaid investment of convertible bonds in 2015:

Strategic Capital, LLC, a subsidiary of the Group, received a prepaid investment of USD300 million from Riton Holdings Corporation Limited, a wholly-owned subsidiary of Guoxin International Investment Co., Ltd. The interest of the above convertible bonds is calculated from the issuance date to the date of full repayment or conversion, and the annual interest rate is LIBOR average interest rate plus 370 basis points. As at 31 December 2022, under the convertible bond framework agreement entered into by both parties, and the relevant conversion clauses under the framework agreement have not yet been determined, and Strategic Capital, LLC has redeemed a total of USD\$67 million.

Note 3: The Group's subsidiary China State Construction Finance Co., Ltd., received an advance capital increase of RMB400 million from its shareholder, China State Construction Engineering Corporation, in 2021. As at 31 December 2022, the capital increase procedures have been completed.

45. Paid-in capital

2022

	Opening balance of the year	Movement during the year	Closing balance of the year
Shares not subjected to trading restriction	40,644,583	190,784	40,835,367
Shares subjected to trading restriction	1,303,585	(204,519)	1,099,066
Total	41,948,168	(13,735)	41,934,433

2021

	Opening balance of the year	Movement during the year	Closing balance of the year
Shares not subjected to trading restriction	41,253,603	(609,020)	40,644,583
Shares subjected to trading restriction	711,469	592,116	1,303,585
Total	41,965,072	(16,904)	41,948,168

V. Notes to the consolidated financial statements (continued)

46. Other equity instruments

2022

	Opening balance of the year		Increase during the year		Decrease during the year		Closing balance of the year	
	amount	net book value	amount	net book value	amount	net book value	amount	net book value
Perpetual Bond	-	10,000,000	-	-	-	-	-	10,000,000

2021

	Opening balance of the year		Increase during the year		Decrease during the year		Closing balance of the year	
	amount	net book value	amount	net book value	amount	net book value	amount	net book value
Perpetual Bond	-	10,000,000	-	-	-	-	-	10,000,000

During the period from April 1 to 2 April 2020, the Company issued the 2020 first-phase medium-term notes of which the value date was 3 April 2020, and it can be redeemed by the Company on 3 April 2023 and there after. The total issuance amount was RMB4 billion, and the actual amount received was RMB4 billion. The value date of issuance from April 9 to April 10, 2020 is April 13, 2020, and it can be issued on April 13, 2023. The second-phase medium-term notes can be redeemed on April 3, 2023 and beyond and thereafter has a total issuance of RMB3 billion, and the actual receipt of RMB3 billion. The value date of the company's issuance from April 16 to April 17, 2020 is April 20, 2020, the 2020 third-phase medium-term notes, which can be redeemed on and after April 20, 2023, have a total issuance of RMB3 billion, and actually received RMB3 billion. According to the issuance terms of the batch of medium-term notes, the batch of medium-term notes will last for a long time before being redeemed by the Company. On the third and every subsequent interest payment date of the batch of medium-term notes, the company has the right to redeem the batch of medium-term notes (hereinafter referred to as Right of "redemption") at face value plus interest payable (including all deferred interest and its yield). Investors of this batch of medium-term notes have no right to sell back. Unless there is a compulsory interest payment event that can be determined by the company to control whether it occurs, on each interest payment date of the batch of medium-term notes, the company can choose to include the current interest and all interest and its fruits that have been deferred in accordance with the terms. Interest is deferred to the next interest payment date, and is not subject to any restrictions on the number of deferred interest payments.

The coupon rate of this batch of medium-term notes remained unchanged for the first three interest-bearing years. The annual interest rate of the first phase of medium-term notes in 2020 is 3.29%, and the annual interest rate of the second phase of medium-term notes in 2020 is 3.10%. The annual interest rate of the third-phase medium-term notes is 3.09%. If the Company does not exercise the Right of redemption, the annual interest rate will be reset every 3 years based on the current benchmark interest rate plus the initial spread plus 300 basis points from the fourth interest calculation year. Among them, the initial spread is the difference between the coupon rate and the initial benchmark interest rate.

The aforementioned compulsory interest payment event refers to one of the following circumstance occurring within 12 months before the interest payment date: (1) Dividend distribution to ordinary shareholders (except for the profit paid by a wholly state-owned enterprise); (2) Reduction of registered capital. The issuer promises that there is no hidden compulsory dividend.

As of 31 December 2022, the carrying amount of the perpetual bonds issued by the Company was RMB10,000,000 thousand (31 December 2021: RMB10,000,000 thousand).

V. Notes to the consolidated financial statements (continued)

47. Capital reserve

2022

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Capital premium	10,561,560	1,189,172	(1,748,373)	10,002,359
Others	2,140,716	737,985	(1,073,040)	1,805,661
Total	12,702,276	1,927,157	(2,821,413)	11,808,020

2021 (restated)

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Capital premium	9,856,991	741,084	(36,515)	10,561,560
Others	1,567,853	1,002,312	(429,449)	2,140,716
Total	11,424,844	1,743,396	(465,964)	12,702,276

Note: The change of the capital stock premium in 2022 is mainly due to the unlocking of the third batch of the third phase Restricted stock and the first batch of the fourth phase Restricted stock on December 26, 2022 and December 23, 2022 respectively (the change of the capital stock premium in 2021 is mainly due to the unlocking of the second batch of the third phase Restricted stock on December 27, 2021) (as described in Note XI), and the impact of business combination under the same control. Changes in other capital reserves are mainly caused by changes in equity of the investee other than comprehensive income and profit distribution accounted for by the Equity method and the current share based payment included in shareholders' equity.

48. Other comprehensive income

Accumulated balance of other comprehensive income attributable to owners of the parent in the consolidated balance sheet:

2022

	1 January 2022	Increase/decrease	31 December 2022
Remeasurement gains or losses of a defined benefit plan	(242,214)	6,956	(235,258)
Change in the fair value of other equity investments	(1,122,227)	(223,662)	(1,345,889)
Other comprehensive income of the investee accounted for under the equity method which will be reclassified to profit or loss subsequently	(925,600)	(567,030)	(1,492,630)
Change in the fair value of other debt investments	(19,426)	(34,170)	(53,596)
Exchange differences on translation of foreign currency financial statements	1,696,215	(522,591)	1,173,624
Total	(613,252)	(1,340,497)	(1,953,749)

2021

	1 January 2021	Increase/decrease	31 December 2021
Remeasurement gains or losses of a defined benefit plan	(243,903)	1,689	(242,214)
Change in the fair value of other equity investments	(828,927)	(293,300)	(1,122,227)
Other comprehensive income of the investee accounted for under the equity method which will be reclassified to profit or loss subsequently	(892,534)	(33,066)	(925,600)
Change in the fair value of other debt investments	(16,246)	(3,180)	(19,426)
Exchange differences on translation of foreign currency financial statements	802,209	894,006	1,696,215
Total	(1,179,401)	566,149	(613,252)

V. Notes to the consolidated financial statements (continued)

48. Other comprehensive income (continued)

Amount of other comprehensive income:

2022

	Before tax	Less: Reclassification of other comprehensive income to profit or loss	Less: Income tax	Attributable to owners of the parent	Attributable to non- controlling interests
Other comprehensive income that will not be reclassified to profit or loss					
Remeasurement gains or losses of a defined benefit plan	7,120	-	-	6,956	164
Change in the fair value of other equity investments	(170,004)	97,017	(32,664)	(223,662)	(10,695)
Other comprehensive income that May be reclassified to profit or loss					
Other comprehensive income of the investee accounted for under the equity method which will be reclassified to profit or loss	(1,350,340)	-	-	(567,030)	(783,310)
Change in the fair value of other debt investments	(61,518)	-	-	(34,170)	(27,348)
Exchange differences on translation of foreign currency financial statements	(1,286,713)	-	-	(522,591)	(764,122)
Total	(2,861,455)	97,017	(32,664)	(1,340,497)	(1,585,311)

2021

	Before tax	Less: Reclassification of other comprehensive income to profit or loss	Less: Income tax	Attributable to owners of the parent	Attributable to non- controlling interests
Other comprehensive income that will not be reclassified to profit or loss					
Remeasurement gains or losses of a defined benefit plan	1,500	-	-	1,689	(189)
Change in the fair value of other equity investments	(609,635)	(174,201)	(139,806)	(293,300)	(2,328)
Other comprehensive income that May be reclassified to profit or loss					
Other comprehensive income of the investee accounted for under the equity method which will be reclassified to profit or loss	325,437	-	-	(33,066)	358,503
Change in the fair value of other debt investments	(5,912)	-	-	(3,180)	(2,732)
Exchange differences on translation of foreign currency financial statements	342,734	-	-	894,006	(551,272)
Total	54,124	(174,201)	(139,806)	566,149	(198,018)

49. Special reserve

2022

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Safety production funds	123,239	42,910,562	(42,728,625)	305,176

2021 (restated)

	Opening balance of the year	Increase during the year	Decrease during the year	Closing balance of the year
Safety production funds	136,273	31,638,108	(31,651,142)	123,239

V. Notes to the consolidated financial statements (continued)

50. Surplus reserve

2022

	Opening balance of the year	Increase during the year	Closing balance of the year
Statutory surplus reserve	12,843,667	1,505,458	14,349,125

2021

	Opening balance of the year	Increase during the year	Closing balance of the year
Statutory surplus reserve	10,101,632	2,742,035	12,843,667

According to the provisions of the Company Law and the Company's Articles of Association, the Company appropriates 10% of the net profit to the statutory surplus reserve. Where the accumulated amount of the surplus reserve reaches 50% or more of the Company's registered capital, further appropriation is not required.

When approved, the statutory surplus reserve can be used to make up for accumulated losses or converted to the paid-in capital.

51. Retained earnings

	2022	2021 (restated)
Retained earnings at the beginning of the year before adjustment	270,081,501	231,953,228
Adjustments 1 (Note 1)	285,950	117,218
Adjustments 2 (Note 2)	–	(672,735)
Retained earnings at the beginning of the year after adjustment	270,367,451	231,397,711
Net profit attributable to owners of the parent	50,950,301	51,548,576
Other comprehensive income included in the previous year	97,017	(174,201)
Impact on changes in shareholding ratios of subsidiaries	(1,293,073)	–
Others	203,872	15,786
Less: Appropriation for statutory surplus reserve (Note V. 50)	1,505,458	2,742,035
Ordinary share dividends payable (Note 3)	10,485,215	9,006,272
Dividends payable to other equity holders (Note 4)	317,300	314,300
Appropriation to general reserve (Note 5)	443,450	357,814
Retained earnings at the end of year	307,574,145	270,367,451

V. Notes to the consolidated financial statements (continued)

51. Retained earnings (continued)

Note 1: In 2022, China Construction Seventh Engineering Bureau Co., Ltd., a subsidiary of the group, completed the business combination under the common control of China Construction Seventh Bureau Sixth Construction Co., Ltd.(hereinafter referred to as "China Construction Seventh Bureau Sixth Company"). In addition, China Construction Development Co., Ltd., a subsidiary of the group, completed the business combination under the common control of China Construction Ecological Environment Group Co., Ltd.(hereinafter referred to as "China Construction Ecological Environment"). Due to the fact that China Construction Ecological Environment Group Co., Ltd. and China Construction Seventh Engineering Bureau Co., Ltd., a subsidiary of the group, jointly control Liyang China Construction Water Co., Ltd., and China Construction Ecological Environment and China Construction Installation Group Co., Ltd., a subsidiary of the group, jointly control China Construction Taixing Water Co., Ltd., after the combination under the common control mentioned above, both companies are included in the scope of the group consolidation. China Construction Seventh Bureau Sixth Construction Co., Ltd., China Construction Ecological Environment Group Co., Ltd., Liyang China Construction Water Co., Ltd., China Construction Taixing Water Co., Ltd. are deemed to have existed since the controlling shareholder began to take the control, and the retained earnings at the beginning of 2022 have been retroactively increased by RMB285,950 thousand (2021: RMB117,218 thousand).

Note 2: In 2021, due to the change of accounting policy, the retained earning at the beginning of the year was reduced by RMB672,735 thousand.

Note 3: According to the resolution at the General Meeting of Shareholders dated 13 May 2022, the Company proposed a cash dividend of RMB0.25 (before tax) per share to the shareholders on 31 December 2022, multiplied by the number which resulted in the total amount of RMB10.485 billion (2021: RMB9.006 billion) of shares of 41.941 billion before the implementation of the profit distribution plan.

Note 4: As stated in Note V. 46, according to the resolution of the General Meeting of Shareholders on 13 May, 2022, the Company's payment of 2021 cash dividends to ordinary shareholders was one of the mandatory interest payment events stipulated in the perpetual bond clauses of the 2022 three-phase medium-term notes (total RMB1,000,000 thousand), which required the Company to pay the dividends on the most recent perpetual bond interest date (the first phase of the 2020 mid-term notes is 3 April 2023, the second phase of medium-term notes is 13 April 2023, and the third phase of 2020 mid-term notes is 20 April 2023). Therefore, the Company accrued a total dividend of RMB317,300 thousand on perpetual bonds in 2022 (2021: RMB314,300 thousand).

Note 5: Appropriation to general reserve

China State Construction Finance Co., Ltd., a subsidiary of the company:

In accordance with the requirements of the Administrative Measures for the Provision of Reserves of Financial Enterprises (Cai Jin [2012] No. 20), financial institutions (including financial companies) should provide general risk reserve for assets bearing risks and losses at the balance sheet date. The general reserve shall be appropriated from net profit as profit distribution with an appropriation ratio not lower than 1.5% of risk assets at the end of year. If it's difficult for financial institutions to appropriate 1.5% general reserve at one time, it can also be made in years but principally not more than 5 years. The general risk reserve of China State Construction Finance Co., Ltd. in 2022 was RMB513,822 thousand, of which the amount attributable to shareholders of the parent company was RMB411,057 thousand. It was fully accrued on 31 December 2022.

China State Construction Commercial Factoring Co., Ltd.and Shenzhen Wannong Factoring Co., Ltd. the subsidiaries of the company:

According to the "Notice of the General Office of the China Banking and Insurance Regulatory Commission on Strengthening the Supervision and Management of Commercial Factoring Enterprises" issued by the General Office of the China Banking and Insurance Regulatory Commission (issued by the Office of the China Banking and Insurance Regulatory Commission[2019]No. 205), China State Construction Commercial Factoring Co., Ltd. and Shenzhen Wannong Factoring Co., Ltd. accrued the risk reserve. The general risk reserve is when the financing factoring funds are overdue, bad or in the event of unforeseen risks, in order to maintain the funds for the normal operation of the enterprise, the risk reserve should not be less than 1% of the balance at the end of the financial factoring business. The general risk reserve of China State Construction Commercial Factoring Co., Ltd. and Shenzhen Wannong Factoring Co., Ltd. on 31 December 2022 was RMB32,393 thousand. It was fully accrued on 31 December 2022.

52. Revenue and cost of sales

	2022		2021 (restated)	
	revenue	cost	revenue	cost
Revenue from main operations	2,046,879,464	1,833,011,813	1,889,150,539	1,675,628,702
Revenue from other operations	8,172,606	7,170,568	3,555,768	2,338,942
Total	2,055,052,070	1,840,182,381	1,892,706,307	1,677,967,644

V. Notes to the consolidated financial statements (continued)

52. Revenue and cost of sales (continued)

Revenue is as follows:

	2022	2021 (restated)
Revenue from contracts with customers	2,048,406,726	1,885,506,373
Rentals	6,645,344	7,199,934
Total	2,055,052,070	1,892,706,307

For breakdown of operating income by main operating regions and main product types, please refer to Note XIV. 1.

Revenue is as follows:

2022

	Building construction engineering	Infrastructure construction and investment	Real estate development and investment	Prospecting and design	Others	Total
Revenue from main operations	1,239,221,344	488,963,911	281,747,260	10,242,691	26,704,258	2,046,879,464
Revenue recognised at a point of time	-	-	248,025,072	-	14,934,573	262,959,645
Revenue recognised over time	1,239,221,344	488,963,911	28,929,783	10,242,691	11,182,852	1,778,540,581
Rentals	-	-	4,792,405	-	586,833	5,379,238
Revenue from other operations	-	-	-	-	8,172,606	8,172,606
Including: Rentals	-	-	-	-	1,266,106	1,266,106
Total	1,239,221,344	488,963,911	281,747,260	10,242,691	34,876,864	2,055,052,070

2021 (restated)

	Building construction engineering	Infrastructure construction and investment	Real estate development and investment	Prospecting and design	Others	Total
Revenue from main operations	1,121,922,218	404,323,453	330,888,573	9,969,165	22,047,130	1,889,150,539
Revenue recognised at a point of time	-	-	299,825,687	-	11,540,560	311,366,247
Revenue recognised over time	1,121,922,218	404,323,453	25,916,015	9,969,165	9,472,812	1,571,603,663
Rentals	-	-	5,146,871	-	1,033,758	6,180,629
Revenue from other operations	-	-	-	-	3,555,768	3,555,768
Including: Rentals	-	-	-	-	1,019,305	1,019,305
Total	1,121,922,218	404,323,453	330,888,573	9,969,165	25,602,898	1,892,706,307

As of 31 December 2022, part of the Group's project contracting business is still in the process of operation, and the remaining performance obligations is related to the progress of the corresponding contract, and will be recognised as revenue according to the progress of performance in the future performance period.

V. Notes to the consolidated financial statements (continued)

52. Revenue and cost of sales (continued)

The revenue recognised in the current year included in the carrying amount of contract liabilities at the beginning of the year is as follows:

	2022	2021 (restated)
Advances for sale of properties	157,604,351	169,777,705
Amount due to customers for contract work	80,183,632	67,138,438
Advances for projects	56,475,805	46,288,529
Others	4,464,783	2,139,071
Total	298,728,571	285,343,743

53. Taxes and surcharges

	2022	2021 (restated)
Land appreciation tax	5,608,989	9,180,571
Urban maintenance and construction tax	1,810,667	1,894,281
Educational surcharge	947,523	903,544
Others	3,388,038	2,809,281
Total	11,755,217	14,787,677

V. Notes to the consolidated financial statements (continued)

54. Selling and distribution expenses

	2022	2021
Operating expenses	2,854,043	2,390,638
Advertising and communication fees	2,054,746	1,993,368
Employee benefits	902,227	1,158,717
Others	732,614	633,963
Total	6,543,630	6,176,686

55. General and administrative expenses

	2022	2021 (restated)
Employee benefits	23,618,262	23,425,119
Office and travelling expenses	2,094,143	2,537,505
Rental and property management fees	1,978,734	2,256,370
Depreciation and amortisation	2,231,884	2,102,447
Service fees of specialist agency	1,017,657	1,001,545
Others	3,056,099	3,318,278
Total	33,996,779	34,641,264

56. Research and development expenses

	2022	2021 (restated)
Materials, fuels and power of consumption	34,460,059	27,459,569
Employee benefits	10,774,034	8,193,413
Maintenance and lease expenses	2,196,685	2,128,905
Others	2,322,458	2,237,866
Total	49,753,236	40,019,753

57. Finance expenses

	2022	2021 (restated)
Interest expenses	30,106,722	25,084,855
Less: Interest income	(3,913,677)	(3,196,953)
Less: Capitalised amount of interest	(12,211,301)	(11,061,683)
Commission charges	2,224,397	2,319,174
Exchange Gains or losses	3,343,780	(2,017,420)
Others	123,841	166,345
Total	19,673,762	11,294,318

The Group capitalizes the borrowing costs incurred for the acquisition, construction or production of assets that meet the capitalization conditions. The capitalized amount of borrowing costs in 2022 was RMB12,211,301 thousand (2021: RMB11,061,683 thousand), which is included inventory, construction in progress, and intangible assets.

V. Notes to the consolidated financial statements (continued)

58. Other income

	2022	2021 (restated)	Related to income/ assets
Government rewards	209,820	178,199	related to income
Research Subsidies	54,200	175,771	related to assets and income
Additional deduction for value-added tax	74,999	78,112	related to income
Refund of Surcharge on individual income tax	64,859	53,224	related to income
Tax return	301,663	51,115	related to income
Government appropriation	55,279	47,834	related to income
Others	348,001	188,624	related to assets and income
Total	1,108,821	772,879	

59. Investment income

	2022	2021 (restated)
Long-term equity investment income under the equity method	4,459,665	4,924,548
Investment losses from disposal of financial assets measured at amortized cost	(2,153,251)	(1,968,990)
Investment income from disposal of long-term equity investments	385,929	84,330
Investment income from disposal of financial assets at fair value through profit or loss	18,539	1,331
Investment income from financial assets held for trading	12,823	14,232
Investment income obtained during the holding period of debt investments	1,633,982	987,185
Dividend income from other equity instruments	106,433	200,717
Investment income from other debt investments	22,875	50,443
Investment income from transactions through a step-by-step business combination	1,251,160	172,237
Others	(62,632)	237,339
Total	5,675,523	4,703,372

60. Losses arising from changes in fair value

	2022	2021
Financial assets measured at fair value through profit or loss		
Investment in debt instrument held for trading	3,044	(4,106)
Investment in equity instrument held for trading	(23,671)	6,263
Financial liabilities measured at fair value through profit or loss		
Others	(95,670)	(238,750)
Total	(116,297)	(236,593)

V. Notes to the consolidated financial statements (continued)

61. Credit impairment losses

	2022	2021 (restated)
Reversal/(Loss) from impairment of notes receivable	419,046	(502,016)
Loss from impairment of account receivable	(6,719,860)	(8,228,627)
Loss from impairment of other receivables	(998,707)	(742,343)
(Loss)/Reversal from impairment of other current assets	(737,087)	587,650
Loss from impairment of long-term receivables	(381,514)	(298,974)
Others	(173,782)	(28,442)
Total	(8,591,904)	(9,212,752)

62. Asset impairment losses

	2022	2021 (restated)
Loss from impairment of inventories	(2,219,430)	(10,343)
Loss from impairment of contract assets	(2,273,730)	(3,275,950)
Loss from impairment of intangible assets	(434,159)	–
Loss from impairment of goodwill	–	(34)
Others	(28,493)	(134,143)
Total	(4,955,812)	(3,420,470)

63. Non-operating income

	2022	2021 (restated)	Non-recurring profit or loss in 2022
Accounts payable exemption	168,841	146,683	168,841
Government grants not related to the ordinary course of business	152,551	118,073	152,551
Liquidated damages	209,133	149,974	209,133
Gains on penalties and fines	103,186	83,189	103,186
Gains from damage and retirement of non-current assets	10,933	47,739	10,933
The cost of business merger is less than the fair value of the identifiable net assets of the merged party that should be enjoyed at the time of merger (Note VI. 1)	1,236,618	–	1,236,618
Others	437,017	286,983	437,017
Total	2,318,279	832,641	2,318,279

V. Notes to the consolidated financial statements (continued)

63. Non-operating income (continued)

Details of government grants:

	2022	2021	Related to income/assets
Steady growth award from Social Security Bureau (China Construction Sixth Engineering Bureau South China Construction Co., Ltd.)	12,225	–	related to income
Steady growth award in the construction industry awards (China Construction Third Engineering Bureau Group (Shenzhen) Co., Ltd.)	10,000	–	related to income
Steady growth award in the construction industry awards (China State Construction Technology Group Co., Ltd.)	10,000	10,000	related to income
Steady growth award in the construction industry awards (China Construction Science and Industry Co., Ltd.)	10,000	–	related to income
Compensation for demolition (Southwest Co., Ltd. of China West Construction)	–	10,345	related to income
Steady growth award in the construction industry awards (China Construction Fourth Bureau Fifth Construction Engineering Co., Ltd.)	8,000	8,353	related to income
Others	102,326	89,375	related to assets and income
Total	152,551	118,073	

64. Non-operating expenses

	2022	2021 (restated)	Non-recurring profit or loss in 2022
(Reversal)/Provision Litigation Estimated Liabilities	(319,936)	142,125	(319,936)
Public welfare donations	162,680	29,989	162,680
Liquidated damages	58,406	52,161	58,406
Loss on damage and retirement of non-current assets	44,235	42,049	44,235
Late fees	20,429	39,757	20,429
Forfeiture loss	148,155	47,379	148,155
Others	101,961	193,448	101,961
Total	215,930	546,908	215,930

65. Expenses by nature

The supplemental information for the total amount of cost of sales, selling and distribution expenses, general and administrative expenses, and research and development expenses which categorised by nature is as follows:

	2022	2021 (restated)
Subcontracting cost	587,100,251	529,492,428
Consumed raw materials	508,097,282	429,165,109
Labor expenditure	293,169,966	264,542,759
Changes in inventories of finished goods and work in progress	217,259,901	250,144,727
Other construction cost	170,342,182	145,892,068
Employee benefits	97,859,885	86,806,296
Cost of sales from other products	32,520,196	30,237,186
Depreciation and amortization expenses	13,301,922	11,955,813
Others	10,824,441	10,568,961
Total	1,930,476,026	1,758,805,347

V. Notes to the consolidated financial statements (continued)

66. Income tax expenses

	2022	2021 (restated)
Current tax	21,176,403	26,365,580
Deferred tax	(1,552,731)	(3,198,787)
Total	19,623,672	23,166,793

The reconciliation between income tax expenses and profit before income taxes is as follows:

	2022	2021 (restated)
Profit before income tax	88,835,435	101,038,185
Tax at the applicable (25%) tax rate	22,208,859	25,259,546
Effect of preferential tax rates for certain subsidiaries	(4,468,135)	(3,244,662)
Income not subjected to tax	(2,028,276)	(2,007,641)
Weighted deduction of expenditure on research	(1,613,290)	(1,455,051)
Expenses not deductible for tax	4,168,884	2,787,692
Unrecognised deductible losses	1,553,276	1,599,855
Use of deductible losses from prior periods	(382,789)	(288,341)
Utilization of deductible losses for which no deferred tax assets was recognised in prior periods	(64,578)	(400,124)
Deferred tax assets not recognised	1,131,382	1,033,855
Deductible temporary differences resulting from rehearsal or recognition of previously unrecognised deferred tax assets in current periods	(677,667)	(642,751)
Adjustments of tax expenses for prior periods	(203,994)	524,415
Tax expenses at the Group's effective tax rate	19,623,672	23,166,793

67. Earnings per share

	2022 RMB/share	2021 RMB/share (restated)
Basic earnings per share		
Continuing operations	1.23	1.25
Diluted earnings per share		
Continuing operations	1.23	1.25

The basic earnings per share is calculated based on the net profit for the year attributable to ordinary shareholders of the Company and the weighted average number of outstanding ordinary shares during the year.

The numerator of the diluted earnings per share is determined based on the current net profit attributable to ordinary shareholders of the Company after adjusting the following factors: (1) the interest of the diluted potential ordinary shares that have been recognised as expenses in the current period; (2) the income or expenses of dilution potential ordinary that will be generated when the shares are converted; and (3) the income tax impact related to the above adjustments.

The denominator of the diluted earnings per share is equal to the sum of the following two items: (1) the weighted average number of issued ordinary shares of the parent company in the basic earnings per share; and (2) the increase of the weighted average number of ordinary shares, assuming the conversion of dilutive potential ordinary shares into ordinary shares.

When calculating the weighted average of the number of ordinary shares increased by the conversion of diluted potential ordinary shares into issued ordinary shares, the diluted potential ordinary shares issued in the previous period are assumed to be converted at the beginning of the current period; the current diluted potential ordinary shares issued, assuming the conversion on the issue date.

V. Notes to the consolidated financial statements (continued)

67. Earnings per share (continued)

The calculation of basic earnings per share is as follows:

	2022	2021 (restated)
Revenue		
Net profit attributable to ordinary shareholders of the Company	50,950,301	51,548,576
Less: The effect of other equity instruments dividends (Note 1)	(317,300)	(314,300)
The effect of restricted shares (Note 2)	(268,361)	(275,451)
	50,364,640	50,958,825
Shares		
Weighted average number of ordinary shares outstanding (in units of 1,000 shares) (Note 3)	40,836,893	40,623,354
Basic earnings per share (RMB/share)	1.23	1.25

Note 1: In accordance with the relevant clauses and regulations of perpetual bonds as stated in Note V. 46, in calculating the basic earnings per share, the dividends of other equity instruments included in the net profit attributable to shareholders of the parent company is deducted. The accrued dividends of perpetual bonds with a value date of 3 April 2020 amounted to RMB132 million in 2022, The accrued dividends of perpetual bonds with a value date of 13 April 2020 amounted to RMB93 million in 2022, The accrued dividends of perpetual bonds with a value date of 20 April 2020 amounted to RMB92 million In 2022, the above was RMB317 million in total. (2021: RMB314 million).

Note 2: As stated in Note XI, the granting of the third batch of restricted shares to the third batch incentive targets in accordance with the third batch incentive plan on 26 December 2018. On December 23, 2020, the grant of restricted stocks for the fourth phase of incentive objects will be completed in accordance with the fourth batch incentive plan. In accordance with the relevant stipulations in Explanation of Accounting Standards for Business Enterprises No.7 issued by the Ministry of Finance in 2015, the Company deducted net profits attributable to restricted shares, which are expected to be unlocked in the future from net profits attributable to shareholders of the Company in calculating the basic earnings per share. The net profits attributable to restricted shares which are expected to be unlocked in the future was about RMB270 million and RMB280 million in 2022 and 2021 respectively.

Note 3: As stated in Note XI, in accordance with the regulations of the third batch incentive plans and the fourth batch incentive plan, whether the unlocked shares granted could be listed and circulated depended on whether the restricted shares met the unlocking conditions at the unlocking date. Therefore, the impacted amount of the restricted shares not yet meeting the unlocking conditions and those invalid restricted shares were deducted from weighted average number of outstanding ordinary shares in calculating the basic earnings per share.

The calculation of diluted earnings per share is as follows:

	2022	2021 (restated)
Net profit attributable to ordinary shareholders of the Company after adjustment	50,364,640	50,958,825
Dilutive potential common shares will generate gains upon conversion	268,361	-
Consolidated net profit attributable to ordinary shareholders of the Company used for calculating diluted earnings per share	50,633,001	50,958,825
Weighted average of the Company's outstanding ordinary shares (in units of 1,000 shares)	40,836,893	40,623,354
Dilution effect the weighted average number of common shares	289,593	-
Weighted average number of ordinary shares outstanding used for calculating diluted earnings per share (in units of 1,000 shares)	41,126,486	40,623,354
Diluted earnings per share (RMB/share)	1.23	1.25

In 2022, the restricted shares outstanding and the share options issued by the company have dilutive effects in calculating the earnings per share. The restricted shares outstanding and the share options issued by the Company's subsidiary China Overseas Land & Investment Ltd. have no dilutive effects in calculating the earnings per share. However, the convertible bond issued by the Company's subsidiary China Overseas Holdings Limited has anti-dilutive effects on consolidated net profit attributable to ordinary shareholders of the Company. (In 2021, the restricted shares outstanding and the share options issued by the company have anti-dilutive effects in calculating the earnings per share. The restricted shares outstanding and the share options issued by the Company's subsidiary China Overseas Land & Investment Ltd. have no dilutive effects in calculating the earnings per share. However, the convertible bond issued by the Company's subsidiary China Overseas Holdings Limited has anti-dilutive effects on consolidated net profit attributable to ordinary shareholders of the Company.)

V. Notes to the consolidated financial statements (continued)

68. Notes to the consolidated cash flow statement

	2022	2021 (restated)
Cash receipts relating to other operating activities		
Receivables, Taxes withheld and Construction reward	2,569,959	4,682,704
Decrease of restricted cash	–	4,031,787
Deposits and warrant received and returned	6,104,099	2,947,102
Increase of deposits absorbed by China State Construction Finance Co., Ltd.	–	2,280,693
Interest income	1,527,306	1,211,986
Other receivables received and returned	1,948,288	824,225
Others	2,942,919	2,179,783
Total	15,092,571	18,158,280
Cash payments relating to other operating activities		
Other payables paid to third party	13,205,907	17,210,083
Deposits and warrant paid and refunded to third party	3,827,351	6,812,124
Increase of restricted cash	4,258,904	–
Decrease of deposits absorbed by China State Construction Finance Co., Ltd.	921,269	–
Others	9,388,348	8,247,731
Total	31,601,779	32,269,938
Cash receipts relating to other investing activities		
Loans to co-operative corporation and projects	2,489,995	4,257,246
Loans from related parties	10,436,394	2,428,316
Fixed deposits of which maturity is more than three months	7,943,299	–
Entrusted loan	2,299,327	2,353,105
Total	23,169,015	9,038,667
Cash payments relating to other investing activities		
Loans to related parties	5,167,040	6,960,943
Payment to co-operative corporation and projects	3,311,099	5,266,974
Payment of fixed deposits which would mature after three months	–	1,973,683
Total	8,478,139	14,201,600
Cash receipts relating to other financing activities		
Obtaining loans from related parties and third parties	16,783,523	16,056,412
Equity transactions with non-controlling interests	345,553	–
Total	17,129,076	16,056,412
Cash payments relating to other financing activities		
Cash paid for redemption of other equity instruments	8,835,161	26,349,347
Rental payment	2,201,104	1,713,265
Repayment of related parties and third-party loans	2,610,164	3,385,330
Purchase of minority interests from subsidiaries	69,520	226,163
Repurchase of unlocked restricted stock	45,671	57,399
Total	13,761,620	31,731,504

V. Notes to the consolidated financial statements (continued)

69. Supplementary information to the consolidated cash flow statement

(1) Supplementary information to the consolidated cash flow statement

Reconciliation from net profit to cash flows from operating activities:

	2022	2021 (restated)
Net profit	69,211,763	77,871,392
Add: Asset impairment losses	4,955,812	3,420,470
Credit impairment losses	8,591,904	9,212,752
Depreciation of fixed assets	6,816,574	6,452,330
Depreciation of right of use assets	2,175,197	1,974,467
Depreciation of investment properties	3,239,402	2,546,986
Amortisation of intangible assets	625,533	546,827
Amortisation of long-term prepaid expenses	445,216	435,203
Profit from disposal of fixed assets, intangible assets and other long-term assets	(432,388)	(332,741)
Losses arising from changes in fair value	116,297	236,593
Finance expenses	19,031,891	10,188,706
Investment income	(5,675,523)	(4,703,372)
Increase in deferred tax assets	(2,060,060)	(3,959,306)
Increase in deferred tax liabilities	507,329	760,519
Increase in inventories	(48,448,760)	(38,694,935)
(Increase)/Decrease of restricted cash	(4,258,904)	4,031,787
Increase in operating receivables	(133,010,586)	(107,101,948)
Increase in operating payables	83,052,911	51,116,942
Others	(1,054,681)	(13,034)
Net cash flows from operating activities	3,828,927	13,989,638

Changes in cash and cash equivalents:

	2022	2021 (restated)
Closing balance of cash	313,000,191	302,070,251
Less: Opening balance of cash	302,070,251	268,449,090
Net increase in cash and cash equivalents	10,929,940	33,621,161

V. Notes to the consolidated financial statements (continued)

69. Supplementary information to the consolidated cash flow statement (continued)

(2) Cash and cash equivalents

	31 December 2022	31 December 2021 (restated)
Cash		
Including: Cash on hand	128,867	79,733
Cash at bank that can be readily drawn on demand	312,847,563	301,381,338
Other cash that can be readily drawn on demand	23,761	609,180
Cash and cash equivalents at the end of the year	313,000,191	302,070,251

70. Assets with restricted ownership or right to use

	31 December 2022	31 December 2021 (restated)	
Cash and bank balances	21,538,911	17,280,007	Note 1
Notes receivable	64,736	14,210	Note 2
Accounts receivable	2,107,710	3,447,139	Note 2
Inventories	38,888,815	20,644,043	Note 2
Contract assets	66,492,011	44,033,881	Note 2
Investment properties	20,345,263	22,816,049	Note 2
Fixed assets	961,405	376,335	Note 2
Construction in progress	394,568	154,397	Note 2
Intangible assets	9,990,438	7,790,450	Note 2
Long-term receivables	64,249,109	69,767,268	Note 2
Total	225,032,966	186,323,779	

Note 1: Cash and bank balances with restricted ownership or use rights mainly include reserves with Central Bank, deposits for bank acceptance notes, guarantee deposits, pre-sale supervision fund, mortgage deposits and salary deposit for migrant workers. As of 31 December 2022, the balance of restricted cash and bank balances was RMB21,538,911 thousand (31 December 2021: RMB17,280,007 thousand).

Note 2: At 31 December 2022 and 31 December 2021, the Group pledged or mortgaged notes receivable, accounts receivable, inventories, contract assets (including non-current parts), investment properties, fixed assets, construction in progress, intangible assets and long-term receivables (including the portion due within one year) to banks for borrowings.

V. Notes to the consolidated financial statements (continued)

71. The foreign currency monetary items

	31 December 2022			31 December 2021		
	Amount in foreign currency	Exchange rate	Amount in RMB	Amount in foreign currency	Exchange rate	Amount in RMB
Cash and Bank balance						
HKD	12,970,388	0.8933	11,586,448	13,850,756	0.8176	11,324,378
USD	1,419,367	6.9646	9,885,323	1,746,202	6.3757	11,133,260
SGD	375,400	5.1831	1,945,736	439,739	4.7179	2,074,645
DZD	27,734,076	0.0501	1,389,477	36,648,301	0.0457	1,674,827
MOP	1,761,206	0.8586	1,512,171	1,823,866	0.7913	1,443,225
EUR	158,717	7.4229	1,178,140	170,400	7.2197	1,230,237
GBP	14,617	8.3941	122,697	30,166	8.6064	259,621
Others	N/A	N/A	10,405,477	N/A	N/A	9,435,174
Total			38,025,469			38,575,367
Accounts receivable						
USD	694,510	6.9646	4,836,984	720,599	6.3757	4,594,323
HKD	3,452,403	0.8933	3,084,032	3,468,104	0.8176	2,835,522
MOP	444,303	0.8586	381,479	2,246,852	0.7913	1,777,934
AED	559,288	1.8966	1,060,746	524,749	1.7361	911,017
XAF	86,455,146	0.0113	976,943	66,483,656	0.0110	731,320
DZD	14,853,535	0.0501	744,162	9,871,289	0.0457	451,118
SGD	100,718	5.1831	522,031	85,282	4.7179	402,352
Others	N/A	N/A	2,769,397	N/A	N/A	1,705,151
Total			14,375,774			13,408,737
Other receivables						
USD	312,804	6.9646	2,178,555	337,090	6.3757	2,149,185
AED	931,547	1.8966	1,766,772	664,797	1.7361	1,154,154
HKD	226,084	0.8933	201,961	449,018	0.8176	367,117
XAF	9,777,604	0.0113	110,487	8,843,779	0.011	97,282
Others	N/A	N/A	2,358,860	N/A	N/A	870,605
Total			6,616,635			4,638,343
Current portion of non-current assets						
USD	129	6.9646	898	5	6.3757	32
Others	N/A	N/A	2,546	N/A	N/A	1,122
Total			3,444			1,154
Debt investments						
HKD	12,285,702	0.8933	10,974,818	10,874,686	0.8176	8,891,143
EUR	2,634	7.4229	19,552	2,634	7.2197	19,017
Total			10,994,370			8,910,160

V. Notes to the consolidated financial statements (continued)

71. The foreign currency monetary items (continued)

	31 December 2022			31 December 2021		
	Amount in foreign currency	Exchange rate	Amount in RMB	Amount in foreign currency	Exchange rate	Amount in RMB
Long-term receivables						
HKD	369,352	0.8933	329,942	481,637	0.8176	393,786
USD	13,651	6.9646	95,074	14,901	6.3757	95,004
Others	N/A	N/A	4,811	N/A	N/A	1,905
Total			429,827			490,695
Short-term borrowings						
USD	300,700	6.9646	2,094,255	447,916	6.3757	2,855,778
Others	N/A	N/A	1,051,738	N/A	N/A	1,226,546
Total			3,145,993			4,082,324
Accounts payable						
HKD	11,021,139	0.8933	9,845,183	6,586,379	0.8176	5,385,023
USD	800,459	6.9646	5,574,877	581,849	6.3757	3,709,695
AED	725,549	1.8966	1,376,076	1,528,236	1.7361	2,653,171
SGD	436,296	5.1831	2,261,366	442,090	4.7179	2,085,736
DZD	36,423,705	0.0501	1,824,828	45,579,136	0.0457	2,082,967
MOP	2,552,370	0.8586	2,191,465	1,974,260	0.7913	1,562,232
PKR	988,872	0.0305	30,161	1,211,455	0.0361	43,734
Others	N/A	N/A	6,063,746	N/A	N/A	5,160,719
Total			29,167,702			22,683,277
Other payables						
USD	757,263	6.9646	5,274,034	341,370	6.3757	2,176,473
AED	737,179	1.8966	1,398,134	415,999	1.7361	722,216
AUD	18,853	4.622	87,139	65,028	4.6220	300,559
HKD	383,865	0.8933	342,907	229,488	0.8176	187,629
XFA	6,755,348	0.0113	76,335	6,709,947	0.0110	73,809
PKR	190,710	0.0305	5,817	1,376,596	0.0361	49,695
Others	N/A	N/A	1,642,222	N/A	N/A	1,024,773
Total			8,826,588			4,535,154
Current portion of non-current Liabilities						
HKD	1,479,861	0.8933	1,321,960	1,293,597	0.8176	1,057,645
USD	723,680	6.9646	5,040,142	312	6.3757	1,989
Others	N/A	N/A	115,386	N/A	N/A	379,612
Total			6,477,488			1,439,246

V. Notes to the consolidated financial statements (continued)

71. The foreign currency monetary items (continued)

	31 December 2022			31 December 2021		
	Amount in foreign currency	Exchange rate	Amount in RMB	Amount in foreign currency	Exchange rate	Amount in RMB
Long-term borrowings						
HKD	103,807,169	0.8933	92,730,944	95,587,695	0.8176	78,152,499
USD	1,046,873	6.9646	7,291,052	756,548	6.3757	4,823,523
GBP	100,000	8.3941	839,410	200,000	8.6064	1,721,280
SGD	66,300	5.1831	343,640	142,100	4.7179	670,414
Others	N/A	N/A	1,375,188	N/A	N/A	1,826,105
Total			102,580,234			87,193,821
Bonds payable						
USD	6,012,341	6.9646	41,873,550	8,251,933	6.3757	52,611,849
HKD	2,025,304	0.8933	1,809,204	2,080,319	0.8176	1,700,869
Total			43,682,754			54,312,718
Long-term payables						
AED	629,799	1.8966	1,194,477	612,993	1.7361	1,064,217
HKD	2,842,825	0.8933	2,539,496	1,258,233	0.8176	1,028,731
MOP	1,029	0.8586	883	614,989	0.7913	486,641
SGD	14,796	5.1831	76,689	69,599	4.7179	328,361
Others	N/A	N/A	287,604	N/A	N/A	248,247
Total			4,099,149			3,156,197
Other non-current liabilities						
USD	-	6.9646	-	708,664	6.3757	4,518,229
Others	N/A	N/A	57,615	N/A	N/A	585,174
Total			57,615			5,103,403

VI. Changes of consolidation scope

1. Business combination not under common control

In 2022, the main subjects newly included in the merger scope of the Group through the merger of enterprises not under the same control are as follows:

The subsidiary of our group, Guangdong Zhonghai Real Estate Co., Ltd. (hereinafter referred to as “Guangdong Zhonghai”), acquired 53.33% equity of Guangzhou Lihe Real Estate Development Co., Ltd. (hereinafter referred to as “Guangzhou Lihe”) for cash of RMB3,668,412 thousand. The purchase date is determined to be January 27, 2022. Guangdong Zhonghai originally held 20.00% equity in Guangzhou Lihe, obtained 26.66% equity in Guangzhou Lihe held by Agile Real Estate Holdings Ltd. for RMB1,833,869 thousand, and obtained 26.67% equity in Guangzhou Lihe held by Shimao Group Holdings Co., Ltd. for RMB1,834,543 thousand. After the completion of the above-mentioned equity acquisition, Guangdong Zhonghai held a total of 73.33% equity in Guangzhou Lihe, which belongs to a merger of enterprises not under the same control.

The fair value and carrying amount of the assets and liabilities of Guangzhou Lihe at the balance sheet date of the consolidation date and the previous accounting period is as follows:

	27 January 2022	27 January 2022
	Fair value	Carrying amounts
Cash and bank balances	5,224,952	5,224,952
Accounts receivable	8,822	8,822
Prepayments	186	186
Other receivables	1,846,088	1,846,088
Inventories	24,224,943	12,514,702
Other current assets	309,507	309,507
Investment properties	406,305	406,305
Fixed assets	67,723	67,723
Construction in progress	447	447
Right of use assets	211	211
Intangible assets	95	95
Long-term prepaid expenses	3,290	3,290
Deferred tax assets	568,469	568,469
Accounts payable	(1,045,613)	(1,045,613)
Advances from customers	(66)	(66)
Contract liabilities	(12,323,574)	(12,323,574)
Employee benefits payable	(14,282)	(14,282)
Taxes and surcharges payable	(1,411,902)	(1,411,902)
Other payables	(155,544)	(155,544)
Long-term borrowings	(3,057,900)	(3,057,900)
Deferred tax liabilities	(5,454,438)	–
Lease liability	(214)	(214)
Fair value of identifiable net assets at the consolidation date	9,197,505	2,941,702
Less: Non-controlling interests	2,458,999	
Add: Consolidated difference (included in current profit and loss) (Note V,63)	(1,236,618)	
Acquisition consideration (Note)	5,501,888	

Note: This amount includes the cash payment of RMB3,668,412 thousand paid by the Group in the enterprise merger and RMB1,833,476 thousand in fair value added of 20.00% equity of Guangzhou Lihe held by the Group prior to the purchase date determined according to the assessed.

VI. Changes of consolidation scope (continued)

1. Business combination not under common control (continued)

The operating results and cash flows of Guangzhou Lihe from the date of purchase to the end of the current year are as below:

	27 January 2022 to 31 December 2022
Revenue	7,074,667
Profit	1,780,659
Net cash flow	(1,194,344)

Net cash received from acquiring subsidiaries

	2022
Acquiring prices from subsidiaries	5,501,888
Cash and cash equivalents paid for acquiring subsidiaries	3,668,412
Less: Cash and cash equivalents held by subsidiaries	5,224,952
Net cash received from acquiring subsidiaries	(1,556,540)

2. Business combination under common control

In November 2022, the Group's subsidiary China State Construction Seventh Engineering Bureau Co., Ltd. acquired 100% of the equity of China Construction Seventh Bureau Sixth Construction Co., Ltd. from CSCEC for RMB10,152 thousand in cash. In December 2022, the Group's subsidiary China State Construction Development Corporation acquired 100% of the equity of China Construction Ecological Environment for RMB1,706,285 thousand in cash from the Group's subsidiary, CSCEC Innovation Investment Co., Ltd. Since both parties involved in the business combination are controlled by the Group and the control is not temporary, the business combination is under common control, and the date of the combination is determined to be November 30, 2022 and December 31, 2022, which is the date on which the merging party actually obtains control over the merged party. CSCEC Ecological Environment and China State Construction Seventh Engineering Bureau Co., Ltd. have joint control on Liyang China Construction Water Co., Ltd.; China Construction Ecological Environment and China Construction Industrial & Energy Engineering Group Co., Ltd. have joint control on China Construction Taixing Water Co., Ltd. Thus the two companies are included in 2022's consolidated range.

	1 January 2022 to the combining date	2021
Revenue	1,223,548	2,080,338
Net Profit	62,546	179,595
Net cash flow	267,559	(597,685)

VI. Changes of consolidation scope (continued)

2. Business combination under common control (continued)

The carrying amount of the assets and liabilities of above mentioned at the balance sheet date of the consolidation date and the previous accounting period is as follows:

	Combining date	31 December 2021
Cash and bank balances	1,278,106	1,147,723
Accounts receivable	718,834	566,949
Accounts receivable financing	230	4,000
Prepayments	10,135	38,790
Other receivables	154,332	34,315
Inventories	6,728	5,960
Contract assets	39,934	43,512
Current portion of non-current assets	20,184	98,221
Other current assets	133,316	590,268
Long-term receivables	93,444	112,916
Long-term equity investments	627,274	580,602
Fixed assets	24,227	24,787
Right of use assets	7,801	11,057
Construction in progress	648	–
Intangible assets	1,927,790	1,894,471
Long-term prepaid expenses	27,102	11,809
Deferred tax assets	8,554	2,854
Other non-current assets	4,171,821	3,964,033
Notes payable	(134,538)	(164,977)
Accounts payable	(1,227,406)	(1,477,737)
Advances from customers	(1)	(3,430)
Contract liabilities	(310,589)	(324,351)
Employee benefits payable	(2,357)	(5,085)
Taxes and surcharges payable	(25,113)	(11,700)
Other payables	(258,000)	(107,246)
Current portion of non-current liabilities	(156,192)	(129,062)
Other current liabilities	(167,914)	(205,663)
Long-term borrowings	(4,324,363)	(4,040,852)
Lease liability	(3,644)	(7,061)
Long-term payables	(107,513)	(96,718)
Provisions	(7,740)	(2,793)
Deferred tax Liability	(3,732)	(3,828)
Other non-current liabilities	(3,912)	(3,096)
Total	2,517,446	2,548,668
Less: Non-controlling interests	374,334	
Add: Consolidated difference (included in equity)	38,414	
Consolidation consideration	2,181,526	
Including: Cash	1,716,437	
The carrying amount of the original shareholding	465,089	

VI. Changes of consolidation scope (continued)

3. Disposal of subsidiaries

The entities which were excluded from the consolidated scope due to disposal of subsidiaries in 2022 were not significant to the Group.

VII. Interests in other entities

1. Interests in subsidiaries

Significant subsidiaries obtained through incorporation:

	Main operation Location	Place of registration	Nature of business	Registered capital	Shareholding Percentage (%)	
					Direct	Indirect
The significant subsidiaries acquired through establishing or investment						
China Overseas Holdings Limited	Hong Kong	Hong Kong	Investment	RMB31.03 billion	100.00	-
China Overseas Land & Investment Ltd.	Hong Kong	Hong Kong	Real Estate Investment and Development	HKD1.095 billion	-	56.09
China State Construction Engineering Corporation International Operations	Hong Kong	Cayman Islands	Construction and Installation	HKD1.5 billion	-	64.81
China Overseas Property Holdings Ltd.	Hong Kong	Cayman Islands	Property Management	HKD0.03 billion	-	61.18
China Construction First Group Corporation Limited	Beijing	Beijing	Construction and Installation	RMB10 billion	100.00	-
China Construction Second Engineering Bureau Ltd.	Beijing	Beijing	Construction and Installation	RMB10 billion	100.00	-
China Construction Third Engineering Bureau Co., Ltd.	Wuhan, Hubei	Wuhan, Hubei	Construction and Installation	RMB5.09 billion	100.00	-
China Construction Fourth Engineering Division Corp., Ltd.	Guangzhou, Guangdong	Guangzhou, Guangdong	Construction and Installation	RMB8 billion	100.00	-
China Construction Fifth Engineering Division Corp., Ltd.	Changsha, Hunan	Changsha, Hunan	Construction and Installation	RMB10 billion	100.00	-
China Construction Sixth Engineering Division Corp., Ltd.	Tianjin	Tianjin	Construction and Installation	RMB4.28 billion	100.00	-
China Construction Seventh Engineering Division Corp., Ltd.	Zhengzhou, Henan	Zhengzhou, Henan	Construction and Installation	RMB6 billion	100.00	-
China Construction Eighth Engineering Division Corp., Ltd.	Shanghai	Shanghai	Construction and Installation	RMB15.22 billion	100.00	-
China Architecture Southwest Design & Research Institute Co., Ltd.	Chengdu, Sichuan	Chengdu, Sichuan	Prospecting, design, etc.	RMB0.38 billion	100.00	-
China Construction Decoration Group Co., Ltd.	Beijing	Beijing	Industrial Decoration	RMB1 billion	50.00	50.00
China Construction Fangcheng Investment & Development Group Co., Ltd.	Beijing	Beijing	Infrastructure Construction	RMB5 billion	100.00	-
The significant subsidiaries acquired through a business combination not involving under common control						
China State Construction Development Holdings Limited (Note)	Hong Kong	Cayman Islands	Construction and Installation	HKD0.1 billion	-	45.87
China Construction Harbour and Channel Engineering Bureau Group Co., Ltd.	Shanghai	Shanghai	Infrastructure Construction	RMB1.33 billion	70.00	-
The significant subsidiaries acquired through a business combination involving entities under common control						
CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd.	Wulumuqi, Xinjiang	Wulumuqi, Xinjiang	Construction and Installation	RMB3.50 billion	85.00	-
China West Construction Group Co., Ltd.	Chengdu, Sichuan	Wulumuqi, Xinjiang	Construction Materials	RMB1.26 billion	12.29	45.50
China State Construction Finance Co., Ltd.	Beijing	Beijing	Finance	RMB15 billion	80.00	-

Note: The Group holds 45.87% of shares of China State Construction Development Holdings Limited. The board of directors has the rights to determine the relevant activities of China State Construction Development Holdings Limited. The Group holds 70.78% of voting rights of China State Construction Development Holdings Limited according to the proportion of the board of directors.

VII. Interests in other entities (continued)

1. Interests in subsidiaries (continued)

Significant subsidiaries involving non-controlling interest:

2022

	Shareholding of Non-controlling Interest	Non-controlling Interest	Dividend attributable to the non-controlling shareholders	Non-controlling Interest
China Overseas Land & Investment Ltd.	43.91%	7,200,821	5,951,964	143,816,129
China State Construction Engineering Corporation International Operations	35.19%	2,834,275	677,638	25,746,863
China West Construction Group Co., Ltd.	42.21%	232,397	44,974	4,035,785
China State Construction Finance Co., Ltd.	20.00%	206,270	70,549	3,738,677

2021

	Shareholding of Non-controlling Interest	Non-controlling Interest	Dividend attributable to the non-controlling shareholders	Non-controlling Interest
China Overseas Land & Investment Ltd.	43.91%	15,377,344	7,104,596	137,957,690
China State Construction Engineering Corporation International Operations	35.19%	3,333,804	571,069	22,891,500
China West Construction Group Co., Ltd.	42.21%	356,573	43,743	3,864,031
China State Construction Finance Co., Ltd.	20.00%	165,158	51,401	2,603,107

The summarised financial information of the above subsidiaries which progress necessary adjustments in accordance with the company's accounting policies is set out below. The amounts disclosed are before inter-company eliminations:

2022

	China Overseas Land & Investment Ltd.	China State Construction Engineering Corporation International Operations	China West Construction Group Co., Ltd.	China State Construction Finance Co., Ltd.
Current Assets	659,772,495	110,165,259	28,292,472	24,558,631
Non-current Assets	167,187,742	86,996,275	5,011,372	73,239,120
Total Assets	826,960,237	197,161,534	33,303,844	97,797,751
Current Liabilities	273,749,836	86,716,348	20,487,515	79,088,247
Non-current Liabilities	246,330,011	53,478,908	2,384,844	16,117
Total Liabilities	520,079,847	140,195,256	22,872,359	79,104,364
Revenue	186,308,872	90,078,412	24,856,131	3,105,349
Net Profit	18,460,185	7,550,380	715,148	1,031,350
Total Comprehensive Income	21,277,627	3,678,380	717,830	1,030,600
Cash flow (used in)/from operating activities	(10,641,457)	183,348	309,158	(13,542,076)

VII. Interests in other entities (continued)

1. Interests in subsidiaries (continued)

Significant subsidiaries involving non-controlling interest: (continued)

The summarised financial information of the above subsidiaries which progress necessary adjustments in accordance with the company's accounting policies is set out below. The amounts disclosed are before inter-company eliminations: (continued)

2021

	China Overseas Land & Investment Ltd.	China State Construction Engineering Corporation International Operations	China West Construction Group Co., Ltd.	China State Construction Finance Co., Ltd.
Current Assets	650,738,501	89,672,924	25,737,654	31,805,914
Non-current Assets	145,495,211	84,834,856	4,282,066	75,580,342
Total Assets	796,233,712	174,507,780	30,019,720	107,386,256
Current Liabilities	291,712,440	72,265,836	17,254,341	92,345,397
Non-current Liabilities	204,848,409	50,527,516	1,306,980	2,025,326
Total Liabilities	496,560,849	122,793,352	18,561,321	94,370,723
Revenue	242,731,528	64,103,628	26,926,362	2,908,125
Net Profit	31,836,381	6,267,375	980,921	825,789
Total Comprehensive Income	32,656,812	8,354,971	978,284	857,139
Cash flow from/(used in) operating activities	22,573,932	(455,532)	403,807	(12,452,501)

Perpetual bonds of subsidiaries are as follows:

As of 31 December 2022, the balance of perpetual bonds and renewable loans issued by Company's subsidiaries (hereinafter collectively referred to as the "subsidiary perpetual bonds") amounted to RMB65,217,933 thousand (31 December 2021: RMB73,992,903 thousand). The perpetual bonds of these subsidiaries exist for a long time, and the subsidiaries of the Company can decide whether to redeem and repay them. Unless there is a compulsory interest payment event that can be determined and controlled to occur by the Company's subsidiary, on each interest payment date, the Company's subsidiaries can choose to postpone the current interest and all deferred interest to the next interest payment date and is not subject to any restrictions on the number of deferred interest payments. The Group accounted for these perpetual bonds as non-controlling shareholders' equity.

Debt-to-equity swaps of subsidiaries are as follows:

In December 2019, some of the Company's subsidiaries entered into capital increase agreements and shareholder agreements with a number of third-party investors. In accordance with the Capital Increase Agreement and the Shareholder Agreement (collectively referred to as the "Agreement"), third-party investors increase their capital in cash to the subsidiaries of such subsidiaries (hereinafter referred to as "the underlying company"), and upon completion of the capital increase, the shareholding of the Company's subsidiaries in the underlying company decreases, but there is no loss of control over the underlying company. The agreement stipulates that the profit distribution of the underlying company shall be determined by the shareholders' meeting, that the exit method of the third-party investor shall be agreed with the controlling shareholder of the target company, and that the controlling shareholder of the target company shall have the right to acquire or designate other parties to acquire the shares of the target company held by the third party investor after the expiration of a certain period ("investment period") from the date of payment of the investment price. In the event of a specific situation or the expiry of the investment period of the underlying company, a third-party investor may make a request to the subsidiary of the Company to acquire the shares of the underlying company held by the Company's subsidiaries, and if the subsidiary of the Company does not choose to acquire such shares, the annual expected dividend ratio will up to until the agreed upper limit of the dividend ratio. However, if the shareholders of the underlying company will not pay dividends it do not constitute a breach of contract; A third party investor can transfer all or part of its equity interest in the underlying company to any third part or increase the voting rights of third-party investors in the shareholders' meeting or board of directors of the underlying company in order to achieve the joint control of the underlying company with the Company's subsidiaries. The above-mentioned arrangement does not constitute a contractual obligation of the Company or its subsidiaries to deliver cash or other financial assets to other parties or to exchange financial assets or financial liabilities with other parties under potential adverse conditions, and the Company shall therefore account for such capital increases as the equity of the underlying company. The relevant provisions in the 2020 and 2021 Capital Increase Agreement and the Shareholders' Agreement are consistent with these provisions.

As of 31 December 2022, the total amount of debt-to-equity swaps by third-party investors in the underlying company was RMB31,540,525 thousand (31 December 2021: RMB31,962,831 thousand), and there was no new investment amount in the current period.

VII. Interests in other entities (continued)

2. Interests in joint ventures and associates

	Main operation location	Place of registration	Nature of business	Registered capital	Percentage of Shares(%)		Accounting treatment
					Direct	Indirect	
Associates							
China Overseas Grand Oceans Group Limited	Hong Kong	Hong Kong	Real Estate Investment and Development	5,579,100	-	39.63	Equity method

As an important associated company of the Group, The summarised financial information in respect of China Overseas Grand Oceans Group Limited (hereinafter referred to as "China Overseas Grand Oceans") adjusted for any differences in accounting policies and reconciled to the carrying amount in the financial statements is as follows:

	31 December 2022	31 December 2021
Current Assets	172,725,660	190,642,582
Including: Cash and cash equivalents	19,433,181	19,876,023
Non-current Assets	8,056,171	8,143,839
Total Assets	180,781,831	198,786,421
Current Liabilities	105,287,362	127,586,335
Non-current Liabilities	38,093,317	35,443,827
Total Liabilities	143,380,679	163,030,162
Non-controlling Interests	7,458,956	7,028,370
Attributable to shareholders of the Company	29,942,196	28,727,889
Net assets calculated by the percentage of shares holding	11,866,092	11,008,526
Book value of investment	11,866,092	11,008,526
The fair value of investment in associated companies that have publicly quoted prices	4,208,043	5,194,936
	2022	2021
Revenue	57,492,018	53,830,471
Income tax expenses	(2,922,587)	(4,504,664)
Net Profit	3,056,124	5,644,902
Other Comprehensive Income	(1,642,515)	555,319
Total Comprehensive Income	1,413,609	6,200,221
Dividends received	413,767	384,708

VII. Interests in other entities (continued)

2. Interests in joint ventures and associates (continued)

Except for China Overseas Grand Oceans, the Group has no single significant joint ventures and associates. The following table shows the summary financial information of the non-significant joint ventures and associates of the Group:

	2022	2021 (restated)
Joint Ventures		
Total book value of investment	52,136,879	48,773,476
Subtotals by the percentage of share holding		
Net Profit (Note 1)	1,868,780	1,560,118
Other Comprehensive Income (Note 1)	(614,559)	63,412
Total Comprehensive Income	1,254,221	1,623,530
Associates		
Total book value of investment	47,099,180	41,072,384
Subtotals by the percentage of share holding		
Net Profit (Note 1)	1,342,366	1,429,050
Other Comprehensive Income (Note 1)	(192,592)	49,226
Total Comprehensive Income	1,149,774	1,478,276

Note 1: Both the net profit and other comprehensive income have considered the fair value of the identifiable assets and liabilities at the time the investment is obtained and the adjustment effects of the unified accounting policy.

3. Interests in consolidated structured entities

As at 31 December 2022 the main consolidated structured entities which set up by the Group's subsidiary China State Construction Fund (BEIJING) Management Ltd. (hereinafter referred to as "China Construction Fund") amounted to RMB12,738,963 thousand, and the Group's subscribed amount is RMB4,576,093 thousand. As at 31 December 2022, the Group's paid-in amount is RMB3,069,015 thousand and other parties is RMB1,908,978 thousand. The Group classified other parties' paid-in amount as non-controlling interests. The Group has no obligation and intention to provide financial supporting to these structured entities.

4. Interests in non-consolidated structured entities

As at 31 December 2022, the non-consolidated structured entities China Construction Fund participated in is amounted to RMB35,653,022 thousand, and the Group's subscribed amount is RMB8,585,387 thousand and other parties is RMB27,067,635 thousand. The Group has no control power over these entities, thus The Group doesn't consolidate them. As at 31 December 2022, the Group's paid-in amount is RMB4,896,515 thousand and classified as long-term equity investments. The largest risk exposure of the Group is the paid-in amount as at the balance sheet date. The Group has no obligation and intention to provide financial supporting to these structured entities.

VIII. Financial instruments and related risks

1. Financial instruments by category

Carrying amounts of each category of financial instruments at the balance sheet date are as follows:

31 December 2022

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income		Total
	Required by the standard		Required by the standard	Designated	
Cash and bank balances	–	335,254,102	–	–	335,254,102
Financial assets held for trading	20,153	–	–	–	20,153
Notes receivable	–	6,390,924	–	–	6,390,924
Accounts receivable	–	210,431,620	–	–	210,431,620
Accounts receivable financing	–	–	4,658,182	–	4,658,182
Other receivables	–	73,584,067	–	–	73,584,067
Current portion of non-current assets	–	48,649,881	–	–	48,649,881
Other current assets	–	18,583,651	–	1,730,559	20,314,210
Debt investments	–	22,545,039	–	–	22,545,039
Other debt investments	–	–	272,924	–	272,924
Long-term receivables	–	109,091,602	–	–	109,091,602
Investments in other equity instruments	–	–	–	4,610,471	4,610,471
Other non-current financial assets	1,565,153	–	–	–	1,565,153
Total	1,585,306	824,530,886	4,931,106	6,341,030	837,388,328

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	Required by the standard		
Short-term borrowings	–	78,154,159	78,154,159
Notes payable	–	10,303,981	10,303,981
Accounts payable	–	585,744,273	585,744,273
Other payables	–	137,554,165	137,554,165
Current portion of non-current liabilities	4,967,342	110,822,751	115,790,093
Other current liabilities	–	3,071,922	3,071,922
Long-term borrowings	–	398,970,893	398,970,893
Bonds payable	–	103,797,195	103,797,195
Long-term payables	–	14,992,672	14,992,672
Other non-current liabilities	–	2,333,865	2,333,865
Total	4,967,342	1,445,745,876	1,450,713,218

VIII. Financial instruments and related risks (continued)

1. Financial instruments by category (continued)

Carrying amounts of each category of financial instruments at the balance sheet date are as follows: (continued)

31 December 2021 (Restated)

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income		Total
	Required by the standard		Required by the standard	Designated	
Cash and bank balances	–	328,008,557	–	–	328,008,557
Financial assets held for trading	71,597	–	–	–	71,597
Notes receivable	–	17,745,605	–	–	17,745,605
Accounts receivable	–	180,598,582	–	–	180,598,582
Accounts receivable financing	–	–	3,773,078	–	3,773,078
Other receivables	–	60,981,694	–	–	60,981,694
Current portion of non-current assets	–	43,425,014	142,945	–	43,567,959
Other current assets	–	18,518,162	–	2,218,083	20,736,245
Debt investments	–	20,945,330	–	–	20,945,330
Other debt investments	–	–	264,083	–	264,083
Long-term receivables	–	103,423,119	–	–	103,423,119
Investments in other equity instruments	–	–	–	5,062,186	5,062,186
Other non-current financial assets	1,559,354	–	–	–	1,559,354
Total	1,630,951	773,646,063	4,180,106	7,280,269	786,737,389

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	Required by the standard		
Short-term borrowings	–	59,945,832	59,945,832
Notes payable	–	7,707,393	7,707,393
Accounts payable	–	517,203,003	517,203,003
Other payables	–	126,743,319	126,743,319
Current portion of non-current liabilities	–	79,202,742	79,202,742
Other current liabilities	–	5,993,191	5,993,191
Long-term borrowings	–	338,776,755	338,776,755
Bonds payable	–	99,460,750	99,460,750
Long-term payables	–	16,585,992	16,585,992
Other non-current liabilities	4,488,392	1,485,882	5,974,274
Total	4,488,392	1,253,104,859	1,257,593,251

VIII. Financial instrument and related risk (continued)

2. Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety

As at 31 December 2022, the book value of bank acceptance and commercial acceptance bills approved and discounted by the Group was RMB4,307,599 thousand (31 December 2021: RMB9,801,914 thousand). In the view of the Group, the Group retains almost all of its risks and remuneration, including the risk of default associated with it, and therefore continues to fully recognise it and the settled accounts payable or short-term borrowings associated with it. After endorsement or discount, the Group no longer reserves the right to use it, including the right to sell, transfer or pledge it to other third parties. As of 31 December 2022, the Group's book value of its settled accounts payable or short-term borrowings received totalled RMB4,307,599 thousand (31 December 2021: RMB9,801,914 thousand).

Transferred financial assets that are derecognised in their entirety in which continuing involvement exists

As of 31 December 2022, the book value of the Group's endorsed and discounted but not yet due bank acceptance bill was RMB1,246,298 thousand (31 December 2021: RMB1,415,666 thousand). On 31 December 2022, its maturity date is 1 to 12 months. According to the relevant provisions of the "Negotiable Instruments Law", if the acceptance bank refuses to pay, its holder has the right to claim against the group ("continue involvement"). The Group believes that the group has transferred almost all of its risks and rewards, therefore, the book value of its and related settled accounts payable is derecognised. The maximum loss and undiscounted cash flow of continued involvement and repurchase is equal to its book value. The Group believes that the continued involvement in fair value is not significant.

During the year ended 31 December 2022, the Group did not recognise gains or losses on the transfer date. There was no income or expenses recognised in the current year and accumulatively due to the Group's continued involvement in the derecognised financial assets.

3. Financial instrument risks

The Group's activities expose it to a variety of financial risks: mainly include credit risk, liquidity risk and market risk (including interest rate risk, currency risk and equity instrument price risk). The Group's financial instrument mainly includes cash and bank balances, equity investments, debt investments, loans, bills receivable and accounts receivable, receivables financing, bills payable,

accounts payable, bonds payable and convertible bonds. The risks related to the financial instruments, and the risk management strategies adopted by the Group to reduce these risks are as follows.

The Board of Directors is responsible for planning and establishing the Group's risk management structure, formulating the Group's risk management policies and related guidelines, and supervising the implementation of risk management measures. The Group has formulated risk management policies to identify and analyze the risks faced by the Group. These risk management policies specify specific risks, covering market risk, credit risk and liquidity risk management. The Group regularly assesses changes in the market environment and the Group's operating activities to decide whether to update the risk management policies and systems. The risk management of the Group is carried out by the Risk Management Committee in accordance with the policies approved by the Board of Directors. The Risk Management Committee identifies, evaluates and avoids related risks through close cooperation with other business departments of the Group. The internal audit department of the Group conducts regular audits on risk management controls and procedures, and reports the audit results to the audit committee of the Group.

The Group diversifies the risk of financial instruments through appropriate diversified investment and business portfolios, and formulates corresponding risk management policies to reduce the risk of concentration in any single industry, specific region or specific counterparty.

Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable and contract assets balances are monitored on an ongoing basis to ensure that the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Department of Credit Control in the Group.

Since the counterparties of monetary funds, bank acceptance bills receivable are banks with good reputations and high credit ratings, these financial instruments have low credit risks.

Other financial assets of the Group include notes receivable, accounts receivable, financial assets held for trading, other receivables, debt investments, long-term receivable, other debt investments, other equity instrument investments, and other non-current financial assets. The credit risk of these financial assets stems from the default of the counterparty. The maximum risk exposure is equal to the book value of these instruments.

VIII. Financial instrument and related risk (continued)

3. Financial instrument risks (continued)

Credit risk (continued)

The maximum credit risk exposure that the Group faces on each balance sheet date is the total amount collected from customers minus the amount of impairment allowances.

The Group also faces credit risks due to the provision of financial guarantees, as disclosed in Note XII 2 for details.

Since the Group only conducts transactions with recognised and reputable third parties, there is no need for collateral. Credit risk is centralized and managed according to customers/counterparties, geographic regions and industries. Because the Group's accounts receivable customer base is relatively wide. Therefore, there is no significant concentration of credit risk within the Group.

The judgment criteria for the significant increase of credit risk

The Group evaluates on each balance sheet date whether the credit risk of relevant financial instruments has increased significantly since the initial recognition. When determining whether the credit risk has increased significantly since the initial recognition, the Group considers whether it is necessary to pay unnecessary additional costs or efforts can be made to obtain reasonable and based information, including qualitative and quantitative analysis based on the historical data of the Group, external credit risk ratings, and forward-looking information. Based on a single financial instrument or a combination of financial instruments with similar credit risk characteristics, the Group determines the change in the risk of default during the expected life of the financial instrument by comparing the risk of default on the balance sheet date of the financial instrument with the risk of default on the initial recognition date.

When one or more of the following quantitative and qualitative standards are triggered, the Group believes that the credit risk of financial instruments has increased significantly:

- (1) The quantitative standard is mainly that the probability of default in the remaining lifetime of the reporting day has increased by more than a certain percentage compared with the initial confirmation;
- (2) The qualitative standards are mainly the major adverse changes in the debtor's business or financial situation, the list of early warning customers, etc.

Definition of credit-impaired assets

In order to determine whether credit impairment has occurred, the standard used by the Group is consistent with the internal credit risk management objectives for relevant financial instruments, while considering quantitative and qualitative indicators. The main consideration when the Group assesses whether a debtor has credit impairment The following factors:

- (1) The issuer or debtor has major financial difficulties;
- (2) The debtor breached the contract, such as defaulting or overdue payment of interest or principal;
- (3) The creditor, out of economic or contractual considerations related to the debtor's financial difficulties, gives the debtor a concession that the debtor would not make under any other circumstances;
- (4) The debtor is likely to go bankrupt or undergo other financial restructuring;
- (5) The issuer or debtor's financial difficulties caused the disappearance of the active market for the financial asset;
- (6) A financial asset is purchased or originated at a significant discount, and the discount reflects the fact that credit losses have occurred.

The credit impairment of financial assets may be caused by a combination of multiple events, and may not be caused by a separately identifiable event.

The exposure to credit risk

As at 31 December 2022 and 31 December 2021, the exposure to credit risk of notes receivable, accounts receivable, accounts receivable financing, other receivable, contract assets, debt investments and long-term receivable refers to Note V. 3, 4, 5, 7, 9, 12 and 13.

VIII. Financial instrument and related risk (continued)

3. Financial instrument risks (continued)

Liquidity risk

The Group uses circular liquidity planning tools to manage the risk of funding shortfalls. The facility takes into account both the maturity date of its financial instruments and the expected cash flows from the Group's operations.

The objective of the Group is to maintain a balance between sustainability and flexibility in financing through the use of a variety of financing instruments. As at 31 December 2022 and 31 December 2021, the Group's financial liabilities were mainly due within one year.

The tables below summarise the maturity profile of the Group's financial liabilities and other liabilities based on contractual undiscounted payments and earliest payment date required by related parties for the maximum amount under financial guarantee contracts:

31 December 2022

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	79,184,430	–	–	–	79,184,430
Notes payable	10,303,981	–	–	–	10,303,981
Accounts payable	585,744,273	–	–	–	585,744,273
Other payables	137,554,165	–	–	–	137,554,165
Other current liabilities	3,082,674	–	–	–	3,082,674
Long-term borrowings	77,240,840	132,854,090	191,488,381	123,394,857	524,978,168
Bonds payable	45,041,972	20,468,708	60,921,558	59,426,818	185,859,056
Lease liabilities	2,347,216	1,540,322	2,129,693	2,017,605	8,034,836
Long-term payables	14,523,373	9,934,264	4,934,431	85,847	29,477,915
Other non-current liabilities	4,980,549	2,669,891	–	–	7,650,440
Financial guarantee contracts	124,091,982	4,855,343	9,039,133	1,193,323	139,179,781
Total	1,084,095,455	172,322,618	268,513,196	186,118,450	1,711,049,719

31 December 2021 (restated)

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	60,998,969	–	–	–	60,998,969
Notes payable	7,707,393	–	–	–	7,707,393
Accounts payable	517,203,003	–	–	–	517,203,003
Other payables	126,743,319	–	–	–	126,743,319
Other current liabilities	6,014,777	–	–	–	6,014,777
Long-term borrowings	66,989,434	98,126,665	187,573,792	117,027,733	469,717,624
Bonds payable	18,556,512	29,741,003	37,919,699	55,434,197	141,651,411
Lease liabilities	2,201,673	1,486,402	1,471,570	1,421,182	6,580,827
Long-term payables	11,124,782	13,096,052	4,019,691	111,285	28,351,810
Other non-current liabilities	–	–	6,860,021	–	6,860,021
Financial guarantee contracts	95,770,704	2,235,150	5,660,405	3,500,000	107,166,259
Total	913,310,566	144,685,272	243,505,178	177,494,397	1,478,995,413

Note: The above-mentioned long-term borrowings, bonds payable, lease liabilities and long-term payables and other non-current liabilities all include the parts due within one year.

VIII. Financial instrument and related risk (continued)

3. Financial instrument risks (continued)

Market risk

Interest rate risk

The Group's interest rate risk arises from interest bearing borrowings including borrowings, bonds payable. Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk.

The Group manages interest costs by maintaining an appropriate mix of fixed and variable rate debt. As at 31 December 2022, the Group's interest bearing borrowings with fixed rates amounted to RMB314,850,545 thousand (31 December 2021: RMB251,065,768 thousand), and floating rates interest bearing borrowings amounted to RMB377,089,607 thousand (31 December 2021: RMB331,916,930 thousand).

The Group's finance department at its headquarters continuously monitors the interest rate position of the Group. Increases in interest rates will increase the cost of new borrowings and the interest expenses with respect to the Group's outstanding floating rate borrowings, which could have a material adverse effect on the Group's financial position. The management of the Group makes decisions with reference to the latest market conditions. The Group may enter into interest rate swap agreements to mitigate its exposure to interest rate risk. For 2022 and 2021 the Group did not enter into any significant interest rate swap agreements.

As at 31 December 2022, if the borrowing interest rate calculated at floating interest rate had been 50 basis points higher/lower, with all other variables held constant, the Group's net profit would have been decreased/increased by approximately RMB1,384 million (31 December 2021: approximately RMB1,238 million.)

Currency risk

The Group's major operational activities are carried out in Mainland China and a majority of the transactions is denominated in RMB. The Group's confirmed foreign currency assets and liabilities and future foreign currency transactions (foreign currency assets and liabilities and foreign currency transactions are mainly denominated in

US dollars and HK dollars) are subject to foreign exchange risks. The Group's finance department at its headquarters is responsible for monitoring the foreign currency transactions and the scale of foreign currency assets and liabilities to minimize foreign exchange risks;. The Group may consider entering into forward exchange contracts or currency swap contracts to mitigate the foreign exchange risk. During 2022 and 2021, the Group did not enter into any significant forward exchange contracts or currency swap contracts.

As at 31 December 2022, for Group's all kinds of foreign currency financial assets and foreign currency financial liabilities, if RMB appreciation or devaluation against foreign currency were 10%, other factors remain unchanged, the Group would increase or decrease by approximately RMB9.916 billion (31 December 2021: approximately RMB8.962 billion).

Equity instrument price risk

The Group's equity instrument price risk mainly arises from various types of equity instrument investments, and there is a risk of changes in equity instrument prices.

As at 31 December 2022, if the expected price of various types of equity instrument investments of the Group increased or decreased by 10% and other factors remained unchanged, the Group's net profit would increase or decrease by approximately RMB131,275 thousand (31 December 2021: approximately RMB130,903 thousand), other comprehensive income would increase or decrease by approximately RMB508,823 thousand (31 December 2021: approximately RMB576,662 thousand).

4. Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support business development and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk profile of related assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to owners, return capital to owners or issue new shares. The Group is not subject to external mandatory capital requirements. No changes in the objectives, policies or processes for managing capital were made in 2022 and 2021.

VIII. Financial instrument and related risk (continued)

4. Capital management (continued)

The Group's total capital is the shareholders' equity shown in the consolidated balance sheet. The Group uses the gearing ratio to monitor its capital. The debt to assets ratio refers to the consolidated balance sheet total liabilities divided by total assets. The debt to assets ratio of the Group at 31 December 2022 and 31 December 2021 was as follows:

	31 December 2022	31 December 2021 (restated)
Total liabilities	1,972,516,396	1,753,642,804
Total assets	2,652,903,306	2,395,321,862
Debt to assets ratio	74.35%	73.21%

IX. Disclosure of fair value

1. Assets and liabilities measured at fair value

31 December 2022

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Recurring fair value measurements				
Financial assets held for trading				
Equity investments	20,153	–	–	20,153
Accounts receivables financing	–	–	4,658,182	4,658,182
Other current assets				
Investment in listed equity instrument	1,730,559	–	–	1,730,559
Other non-current financial assets				
Investment in stock	–	–	35,510	35,510
Investment in fund	–	–	1,529,643	1,529,643
Other investment in debenture instrument	272,924	–	–	272,924
Other investment in equity instrument				
Investment in listed equity instrument	300,867	–	–	300,867
Investment in non-listed equity instrument	–	–	4,309,604	4,309,604
Total financial assets	2,324,503	–	10,532,939	12,857,442
Recurring fair value measurements				
Other non-current liabilities	–	4,967,342	–	4,967,342
Total financial liabilities	–	4,967,342	–	4,967,342

IX. Disclosure of fair value (continued)

1. Assets and liabilities measured at fair value (continued)

31 December 2021 (restated)

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Recurring fair value measurements				
Financial assets held for trading				
Debt investments	47,864	–	–	47,864
Equity investments	23,733	–	–	23,733
Accounts receivable financing	–	–	3,773,078	3,773,078
Other current assets				
Investment in listed equity instrument	2,218,083	–	–	2,218,083
Other non-current financial assets				
Investment in stock	–	–	35,510	35,510
Investment in fund	–	–	1,523,844	1,523,844
Non-current assets due within one year	142,945	–	–	142,945
Other investment in debt investments	264,083	–	–	264,083
Other investment in equity instrument				
Investment in listed equity instrument	1,204,980	–	–	1,204,980
Investment in non-listed equity instrument	–	–	3,857,206	3,857,206
Total financial assets	3,901,688	–	9,189,638	13,091,326
Recurring fair value measurements				
Other non-current liabilities	–	4,488,392	–	4,488,392
Total financial liabilities	–	4,488,392	–	4,488,392

IX. Disclosure of fair value (continued)

2. Valuation of fair value

Fair value of financial instruments

The illustration below is the disclosure on comparison between the fair value and the carrying amount for each class of financial assets and financial liabilities of the Group, except for lease liabilities and financial instruments where the difference between the carrying amount and the fair value is insignificant:

	Carrying amounts		Fair value	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Bonds payable	103,797,195	99,460,750	110,255,924	103,766,312

The fair value of bonds payable quoted in an active market is determined at the quoted market price, and categorised within Level 1 of the fair value hierarchy. The fair value of bonds payable not quoted in an active market is the present value of the contractually determined stream of future cash flows discounted at the rate of interest applied at that time by the market to instruments of comparable credit status and providing substantially the same cash flows on the same terms, and categorised within Level 3 of the fair value hierarchy.

Management has assessed that the fair value of cash and bank balances, notes receivable, accounts receivable, other receivables, Short-term borrowings, notes payable, accounts payable and other payables. Given the short term maturities, the fair value approximate to the carrying value.

The Group's finance department headed by the person in charge of the accounting institution is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The person in charge of the accounting institution reports directly to the person in charge of accounting work and the audit committee. At each reporting date, the finance department analyses the movements in the value of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the person in charge of accounting work.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value.

Long-term receivables, long-term borrowings, debt investments, bonds payable, etc., adopt the future cash flow discount method to determine the fair value, and use the market yield of other financial instruments with similar contractual terms, credit risks and remaining maturity as the discount rate. As at 31 December 2022 and 31 December 2021, the fair value of long-term receivables, long-term borrowings and debt investments approximated to the carrying amount. The default risk of long-term borrowings was evaluated as insignificant.

The fair value of listed equity instrument investment is determined at the market price. For investment in unlisted equity instruments, valuation models such as market-comparable company models and discounted cash flow models are used to estimate fair value. For the market-comparable company models, the market method is used to estimate the fair value based on unobservable market prices or interest rate assumptions. The Group needs to identify comparable listed companies based on industry, size, leverage and strategy and calculate appropriate market multipliers such as enterprise value multiplier, price-to-book multiplier and price-to-earnings multiplier for each identified comparable listed company. Adjustments are made according to enterprise-specific facts and circumstances, taking into account factors such as liquidity and size differences with comparable listed companies. For the discounted cash flow model, the discounted valuation model is used to estimate the fair value according to the unobservable market price or interest rate assumption. The Group is required to provide estimates of expected future cash flows, including expected future dividends and disposal income. The Group believes that the fair value and its changes estimated by valuation techniques are reasonable and are the most appropriate value on the balance sheet date.

3. Unobservable inputs

The valuation models used are mainly discounted cash flow models and market-comparable company models. The input value of valuation techniques mainly include future cash flows, price-to-book ratio and price-earnings ratio of companies of the same category.

IX. Disclosure of fair value (continued)

4. Reconciliation of fair value measurements

Reconciliation of recurring fair value measurements within Level 3 is as follows:

2022

	Opening balance of the year	Total gains or losses during the year		Purchases	Sales	Closing balance of the year	Changes in unrealised gains or losses included in profit or loss for assets held at end of the year
		Included in profit or loss	Included in other comprehensive income				
Accounts receivable financing	3,773,078	-	-	4,117,244	(3,232,140)	4,658,182	-
Other non-current financial assets							
Investment in stock	35,510	-	-	-	-	35,510	-
Investment in fund	1,523,844	9,855	-	30,600	-	1,529,643	(24,801)
Other investment in equity instrument							
Investment in non-listed equity instrument equity instrument	3,857,206	46,095	349,615	231,104	(128,321)	4,309,604	-
Total	9,189,638	55,950	349,615	4,378,948	(3,360,461)	10,532,939	(24,801)

2021

	Opening balance of the year	Total gains or losses during the year		Purchases	Sales	Closing balance of the year	Changes in unrealised gains or losses included in profit or loss for assets held at end of the year
		Included in profit or loss	Included in other comprehensive income				
Accounts receivable financing	3,791,162	-	-	5,146,850	(5,164,934)	3,773,078	-
Other non-current financial assets							
Investment in stock	35,510	-	-	-	-	35,510	-
Investment in fund	300,000	7,349	-	1,408,105	(190,065)	1,523,844	5,804
Other investment in equity instrument							
Investment in non-listed equity instrument equity instrument	4,508,545	127,320	214,345	498,550	(1,364,234)	3,857,206	-
Total	8,635,217	134,669	214,345	7,053,505	(6,719,233)	9,189,638	5,804

For recurring fair value measurements categorised within Level 3 of the fair value hierarchy, gains and losses included in profit or loss that relate to financial assets and non-financial assets are as follows:

	2022	
	Profit or loss related to financial assets	Profit or loss related to non-financial assets
Total realised gains included in profit or loss	55,950	-
Changes in unrealised losses included in profit or loss for assets held at end of year	(24,801)	-
	2021	
	Profit or loss related to financial assets	Profit or loss related to non-financial assets
Total realised gains included in profit or loss	134,669	-
Changes in unrealised losses included in profit or loss for assets held at end of year	5,804	-

IX. Disclosure of fair value (continued)

5. Fair value level conversion

During the year 2022 and 2021, the fair value level of the equity instrument or debt investment continuously measured at fair value has no change.

X. Related party relationships and transactions

1. Parent

	Registered address	Nature of business	Registered capital (RMB)	Proportion of ownership interest in the Company	Proportion of voting power in the Company
CSCEC	Beijing	Investment holding	10 billion	56.35%	56.35%

The Company's ultimate controlling party is State-owned Assets Supervision and Administration Commission of the State Council.

2. Subsidiaries

The company's important subsidiaries refer to Note VII. 1.

3. Joint ventures and associates

Except the general information and other related information of joint ventures and associates set out in Note VII. 2, the situation of joint ventures and associated enterprises that have transactions with the group is listed as follows:

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (Note 3)					
CSCEC (Tangshan Caofeidian) Engineering Construction Co., Ltd. (Note 1)	Hebei, China	Hebei, China	Infrastructure construction business	No	90.00
Cangzhou Bohai New Area China Construction Port Construction Management Co., Ltd. (Note 1)	Hebei, China	Hebei, China	Infrastructure construction business	No	90.00
Liupanshui urban pipe gallery construction and Development Investment Co., Ltd. (Note 1)	Guizhou, China	Guizhou, China	Infrastructure construction business	No	80.00
CSCEC Haijia (Foshan) Investment Construction Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Other business	No	80.00
CSCEC Zhanjiang Avenue Investment and Construction Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Infrastructure construction business	No	70.10
Anhui Bengwu Expressway Investment Management Co., Ltd. (Note 1)	Anhui, China	Anhui, China	Infrastructure construction business	No	70.00
China Construction International (Xiangyang) Construction Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Housing construction business	No	70.00
Yinchuan Shenyang Road Underground Comprehensive Pipe Gallery Construction Management Co., Ltd. (Note 1)	Ningxia, China	Ningxia, China	Infrastructure construction business	No	70.00
Jingyu Co., Ltd. (Note 1)	Hong Kong, China	Hong Kong, China	Other business	No	70.00
Chongqing Zhongjian Hailong Liangjiang Construction Technology Co., LTD. (Note 1)	Chongqing, China	Chongqing, China	Housing construction business	No	70.00
Guizhou Leirong Expressway Investment Management Co., Ltd. (Note 1)	Guizhou, China	Guizhou, China	Infrastructure construction business	No	68.90
Dazhou Dahuan Construction Management Co., Ltd. (Note 1)	Sichuan, China	Sichuan, China	Infrastructure construction business	No	65.89
Urumqi Zhongcheng Silk Road Sports Management Co., Ltd. (Note 1)	Xinjiang, China	Xinjiang, China	Other business	No	65.34

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (continued) (Note 3)					
Changsha Zhongjian International Development Co., Ltd. (Note 1)	Hunan, China	Hunan, China	Infrastructure construction business	No	65.00
Xuancheng Haijia Lancheng Real Estate Co., Ltd. (Note 1)	Anhui, China	Anhui, China	Real estate investment and development business	No	65.00
Nanjing Yangtze River Second Bridge Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	65.00
Shenzhen Shenzhen-Shantou Special Cooperation Zone Zhongpu Infrastructure Investment Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Infrastructure construction business	No	64.00
Liuzhou China Construction Science and Industry Exhibition Operation Management Co., Ltd. (Note 1)	Guangxi, China	Guangxi, China	Architectural decoration, decoration and other construction industries	No	63.49
Wuhan Pinlian Real Estate Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Business service industry	No	63.20
Putian Haijia Real Estate Co., Ltd. (Note 1)	Fujian, China	Fujian, China	Infrastructure construction business	No	60.00
Guizhou Zhengxi Expressway Investment Management Co., Ltd. (Note 1)	Guizhou, China	Guizhou, China	Infrastructure construction business	No	60.00
Zunyi South Ring Expressway Development Co., Ltd. (Note 1)	Guizhou, China	Guizhou, China	Infrastructure construction business	No	60.00
Guangzhou Zhongjian Tiantou Investment Real Estate Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	60.00
Construction Technology Jingmen Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Other business	No	60.00
China Construction Technology Hubei Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Non-metallic mineral products industry	No	60.00
Shandong China Overseas Huachuang Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	60.00
Hengshui CECS Hangang Expressway Management Co., Ltd. (Note 1)	Hebei, China	Hebei, China	Public facilities management	No	59.93
Jingmen China Construction 207 Highway Construction Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Infrastructure construction business	No	52.00
Zhaotong Zhongjian Construction Investment Development Co., Ltd. (Note 1)	Yunnan, China	Yunnan, China	Infrastructure construction business	No	51.00
Liuan Haijia Lancheng Real Estate Co., Ltd. (Note 1)	Anhui, China	Anhui, China	Real estate investment and development business	No	51.00
Changsha CSCEC International High-speed Railway West Industrial City Investment Co., Ltd. (Note 1)	Hunan, China	Hunan, China	Infrastructure construction business	No	51.00
Xiangtan Haijia Construction Co., Ltd. (Note 1)	Hunan, China	Hunan, China	Infrastructure construction business	No	51.00
Wuhan Hongtai Hongli CSCEC Yipin Real Estate Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Real estate investment and development business	No	51.00
CSCEC Roads and Bridges Co., Ltd. (Note 1)	Hebei, China	Hebei, China	Infrastructure construction business	No	51.00

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (continued) (Note 3)					
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Real estate investment and development business	No	51.00
Beijing Yipin Haikai Real Estate Development Co., Ltd. (Note 1)	Beijing, China	Beijing, China	Business service industry	No	51.00
Guangzhou Xinghong Real Estate Development Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	51.00
Foshan China Construction Yipin Pengyue Real Estate Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	51.00
Guangdong Haichao Technology Industry Development Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Other business	No	51.00
Hengyang Lingsheng Real Estate Co., Ltd. (Note 1)	Hunan, China	Hunan, China	Real estate investment and development business	No	51.00
China Overseas South Airlines Construction and Development Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	51.00
Nanjing China Construction Fifth Engineering Bureau Lishui Development Area Affordable Housing Investment Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Housing construction business	No	51.00
Leading Investment Co., Ltd. (Note 1)	Jiangsu, China	Hong Kong, China	Real estate investment and development business	No	51.00
Beijing Xingying Real Estate Co., Ltd. (Note 1)	Beijing, China	Beijing, China	Real estate investment and development business	No	51.00
Wuxi Zhonghai Taihu New City Property Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	51.00
Tianjin Chuangqing Investment Management Co., Ltd. (Note 1)	Tianjin, China	Tianjin, China	Other business	No	51.00
Dongguan Zhonghai Century City Education Technology Development Co., Ltd.	Guangdong, China	Guangdong, China	Other business	No	50.00
Guangzhou CSCEC Green Financial Holding Construction Investment Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00
Wuhan CSCEC Yipin Zhaoying Real Estate Co., Ltd.	Wuhan, China	Wuhan, China	Real estate investment and development business	No	50.00
Ezhou Chuangu Real Estate Development Co., Ltd.	Hubei, China	Hubei, China	Real estate investment and development business	No	50.00
Guangzhou XingLv Real Estate Development Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00
CSCEC Dacheng Construction Co., Ltd.	Beijing, China	Beijing, China	Housing construction business	No	50.00
Xiamen International Trade Conference Center Co., Ltd.	Fujian, China	Fujian, China	Other business	No	50.00
Xing Chuang Enterprises LTD.	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	50.00
Guiheng Investments Co., Ltd.	Chongqing, China	Hong Kong, China	Real estate investment and development business	No	50.00
Xinggui Investment Co., Ltd.	Zhejiang, China	Hong Kong, China	Real estate investment and development business	No	50.00
Sunrise JV Limited	Hong Kong, China	Hong Kong, China	Other business	No	50.00
Xi'an Jiarun Rongcheng Real Estate Co., Ltd.	Shaanxi, China	Shaanxi, China	Real estate investment and development business	No	50.00

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (continued) (Note 3)					
Xiamen Haimao Real Estate Co., Ltd.	Fujian, China	Fujian, China	Real estate investment and development business	No	50.00
Qingdao Haijie Real Estate Co., Ltd.	Shandong, China	Shandong, China	Real estate investment and development business	No	50.00
Xi'an Hehui Xingshang Real Estate Co., Ltd.	Shaanxi, China	Shaanxi, China	Real estate investment and development business	No	50.00
China Resources Land Real Estate (Taiyuan) Development Co., Ltd.	Shanxi, China	Shanxi, China	Real estate investment and development business	No	50.00
Jiangmen Pengjiang Tianque Real Estate Development Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00
Quanzhou Taiwan Business Investment Zone China Construction Fifth Engineering Bureau Haiwan Avenue Investment Co., Ltd.	Fujian, China	Fujian, China	Infrastructure construction business	No	50.00
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00
Zhongshan Kaixuan City Real Estate Development Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00
Chengdu Langxin Real Estate Co., Ltd.	Sichuan, China	Sichuan, China	Realty industry	No	50.00
Harbin Runzhi Real Estate Development Co., Ltd.	Heilongjiang, China	Heilongjiang, China	Real estate investment and development business	No	50.00
Changchun Hairun Rongcheng Real Estate Development Co., Ltd.	Jilin, China	Jilin, China	Real estate investment and development business	No	50.00
Shanghai Linbo Haihui City Construction Development Co., Ltd. (Note 1)	Shanghai, China	Shanghai, China	Infrastructure construction business	No	49.00
Changsha Yida Chuangzhi Real Estate Development Co., Ltd. (Note 1)	Hunan, China	Hunan, China	Real estate investment and development business	No	49.00
Yunnan Airport Construction and Development Co., Ltd. (Note 1)	Yunnan, China	Yunnan, China	Infrastructure construction business	No	49.00
Foshan Construction investment China Construction Yipin Real estate Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	49.00
Shanghai Lingang New Area Jingang Dongjiu Real Estate Co., Ltd. (Note 1)	Shanghai, China	Shanghai, China	Real estate investment and development business	No	49.00
Xi'an Chuxin investment and Construction Co., Ltd. (Note 1)	Shaanxi, China	Shaanxi, China	Infrastructure construction business	No	49.00
Suzhou Dongfu Yongxu Real Estate Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	49.00
Nanjing Kangyuan Real Estate Development Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	49.00
Chongqing Qingneng Yuehe Real Estate Co., Ltd. (Note 1)	Chongqing, China	Chongqing, China	Real estate investment and development business	No	49.00

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (continued) (Note 3)					
Dalian CSCEC Sponge City Construction Development Co., Ltd. (Note 1)	Liaoning, China	Liaoning, China	Infrastructure construction business	No	49.00
Zhongshan Shenshui Environmental Water Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Other business	No	48.98
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd. (Note 1)	Chongqing, China	Chongqing, China	Infrastructure construction business	No	46.77
Xuzhou Metro Line Three Investment Development Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	44.44
Suzhou Wujiang Taihai Real Estate Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	44.00
Yili CSCEC Highway Construction and Operation Co., Ltd. (Note 1)	Xinjiang, China	Xinjiang, China	Infrastructure construction business	No	40.00
Zhangzhou Chengjia Real Estate Co., Ltd. (Note 1)	Fujian, China	Fujian, China	Realty industry	No	40.00
Xiangyang Loop Line Speed Improvement Construction Co., Ltd. (Note 1)	Hubei, China	Hubei, China	Infrastructure construction business	No	39.00
Guigang Nine Roads and Two Bridges Construction Management Co., Ltd. (Note 1)	Guangxi, China	Guangxi, China	Infrastructure construction business	No	37.57
Mianyang CSCEC Kefa Guanlang road investment and Construction Co., Ltd. (Note 1)	Sichuan, China	Sichuan, China	Housing construction business	No	37.18
Shantou CSCEC New Urbanization Investment Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Infrastructure construction business	No	36.77
Beijing Nanyue Real Estate Development Co., Ltd. (Note 1)	Beijing, China	Beijing, China	Real estate investment and development business	No	35.00
Top Colour Development Limited (Note 1)	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	34.00
Tianjin Chuangliang Investment Management Co., Ltd. (Note 1)	Tianjin, China	Tianjin, China	Other business	No	34.00
Beijing Chenxing International Exhibition Co., Ltd. (Note 1)	Beijing, China	Beijing, China	Other business	No	33.33
TEDA Group Co., Ltd. (Note 1)	Hong Kong, China	Hong Kong, China	Infrastructure construction business	No	33.33
Dongguan Jiafang Real Estate Development Co., LTD. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	32.50
Cangzhou CSCEC Bohai investment Logistics Park Construction Development Co., Ltd. (Note 1)	Hebei, China	Hebei, China	Infrastructure construction business	No	30.00
Clear Elegant Limited (Note 1)	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	30.00
Luminous Dream Limited (Note 1)	Hong Kong, China	Hong Kong, China	Infrastructure construction business	No	30.00
Yantai Zhongda Xinhong Science Education Investment Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Other business	No	29.33
CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd. (Note 1)	Tianjin, China	Tianjin, China	Infrastructure construction business	No	25.40
Guangzhou SuiHai Real Estate Co., Ltd. (Note 1)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	25.00

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Joint Ventures (continued) (Note 3)					
Shanghai Chenggang Real Estate Co., Ltd. (Note 1)	Shanghai, China	Shanghai, China	Real estate investment and development business	No	25.00
Liuzhou CSCEC Science and Technology Cultural Tourism Development Co., Ltd. (Note 1)	Guangxi, China	Guangxi, China	Other business	No	25.00
Tongxiang Haoli Enterprise Management Co., Ltd. (Note 1)	Zhejiang, China	Zhejiang, China	Other business	No	25.00
CSCEC Xi'an Infrastructure Construction Investment Co., Ltd. (Note 1)	Shaanxi, China	Shaanxi, China	Infrastructure construction business	No	22.50
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd. (Note 1)	Xinjiang, China	Xinjiang, China	Infrastructure construction business	No	20.00
Gainable Development Limited (Note 1)	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	20.00
Xiamen Yongjingwan Real Estate Co., Ltd. (Note 1)	Fujian, China	Fujian, China	Real estate investment and development business	No	20.00
Beijing Zhonghai Excellent Urban and Rural Construction Investment Fund (Note 1)	Beijing, China	Beijing, China	Public facilities management	No	18.09
Qingdao Fangchen Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Qingdao Maozhang Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Marble Edge Limited (Note 1)	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	18.00
Qingdao Tengmao Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Qingdao Caimao Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Qingdao Fangchuan Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Qingdao Songmao Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Qingdao Fanghui Real Estate Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Real estate investment and development business	No	18.00
Sanya Bihai Jincheng Business Management Co., Ltd. (Note 1)	Hainan, China	Hainan, China	Real estate investment and development business	No	17.00
Zhangzhou Binbei Real Estate Co., Ltd. (Note 1)	Fujian, China	Fujian, China	Real estate investment and development business	No	15.00
Tianjin Shunji Real Estate Co., Ltd. (Note 1)	Tianjin, China	Tianjin, China	Real estate investment and development business	No	12.50
Rizhao CSCEC Transportation Service Co., Ltd. (Note 1)	Shandong, China	Shandong, China	Infrastructure construction business	No	5.00
Nanjing CSCEC Gubei City Development Co., Ltd. (Note 1)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	5.00

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (Note 3)					
Liuzhou China Construction Steel Structure Dongcheng Exhibition Construction Co., Ltd. (Note 2)	Guangxi, China	Guangxi, China	Infrastructure construction business	No	63.49
Hengshui China Construction HaYuan Project Management Co., Ltd. (Note 2)	Hebei, China	Hebei, China	Other business	No	60.00
Liyang Zhongjian Sangde Environmental Governance Co., LTD. (Note 2)	Jiangsu, China	Jiangsu, China	Ecological protection and environmental governance industry	No	54.00
Wuhan Chongjiang Real Estate Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Real estate investment and development business	No	51.00
Jinan Zhiying Real Estate Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Realty industry	No	50.00
Liupanshui Dongda Highway Investment and Development Co., Ltd. (Note 2)	Guizhou, China	Guizhou, China	Infrastructure construction business	No	50.00
Jiangmen Pengjiang Area Hebang Real Estate Development Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	50.00
Wuhan Optics Valley Science Island Construction and Development Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Infrastructure construction business	No	50.00
Putian CSCEC Mulan Construction Development Co., Ltd.	Fujian, China	Fujian, China	Infrastructure construction business	No	49.90
Grand Dunman Pte Ltd.	Singapore	Singapore	Real estate investment and development business	No	49.00
Haizhou Investment Co., Ltd.	Hong Kong, China	Hong Kong, China	Other business	No	49.00
Beijing Hengyi Real Estate Development Co., Ltd.	Beijing, China	Beijing, China	Real estate investment and development business	No	49.00
Shanghai Jiasheng Real Estate Development Co., Ltd.	Shanghai, China	Shanghai, China	Real estate investment and development business	No	49.00
Urumqi Linkong Construction Infrastructure Co., Ltd.	Xinjiang, China	Xinjiang, China	Other business	No	49.00
Beijing Jianyan Real Estate Development Co., Ltd.	Beijing, China	Beijing, China	Real estate investment and development business	No	49.00
Yunnan Huali Expressway investment and Development Co., Ltd.	Yunnan, China	Yunnan, China	Infrastructure construction business	No	46.00
Chongqing Jinke Zhaoji Real Estate Development Co., Ltd.	Chongqing, China	Chongqing, China	Real estate investment and development business	No	45.00
China Construction Third Engineering Bureau Xianning Big Continent Lake Ecological Construction and Operation Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	45.00
Sichuan West Construction Zhonghe Machinery Co., Ltd.	Sichuan, China	Sichuan, China	Other business	No	44.44
CSCEC Xi'an Chanba Ecological Region Construction Investment Co., Ltd.	Shaanxi, China	Shaanxi, China	Infrastructure construction business	No	44.00
Anhui Guoyuan Investment Co., Ltd.	Anhui, China	Anhui, China	Other business	No	42.73
China Construction Third Engineering Bureau Yichang City Pipe Corridor Construction and Operation Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	41.29
Sanmenxia National Road 310 South Transplanted Project Construction Co., Ltd.	Henan, China	Henan, China	Infrastructure construction business	No	40.00

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (continued) (Note 3)					
Zhongshan Public Utilities Sanlianwei Watershed Governance Co., Ltd.	Guangdong, China	Guangdong, China	Wholesale business	No	40.00
China State Construction Wuhan Yangsigang Road and Bridge Construction and Operation Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	40.00
Beijing Jinliang Xingye Real Estate Development Co., Ltd.	Beijing, China	Beijing, China	Real estate investment and development business	No	40.00
Fuqing CSCEC Ronghai Construction and Development Co., Ltd.	Fujian, China	Fujian, China	Real estate investment and development business	No	40.00
Zhijiang Jianxin Municipal Engineering Construction Co., Ltd.	Hubei, China	Hubei, China	Housing construction business	No	40.00
Suining East Lake Bishui Environmental Investment Construction Co, Ltd.	Sichuan, China	Sichuan, China	Other business	No	39.00
Qingdao China Construction Eighth Engineering Bureau Education Development Co., Ltd.	Shandong, China	Shandong, China	Other business	No	38.65
Anhui Guoyuan Trust Co., Ltd.	Anhui, China	Anhui, China	Other business	No	36.63
China Construction Haoyun Co., Ltd.	Hebei, China	Hebei, China	Other business	No	35.00
Wuhan Binjiang Infrastructure Construction and Development Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	35.00
Guangzhou Fuchuang Real Estate Development Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	34.00
Suzhou Fuyuan Real Estate Co., Ltd.	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	34.00
Shanghai Fuda Real Estate Co., Ltd.	Shanghai, China	Shanghai, China	Real estate investment and development business	No	34.00
Tianjin Zhonghai Haixin Real Estate Co., Ltd. (Note 4)	Tianjin, China	Tianjin, China	Real estate investment and development business	No	34.00
Nantong City Ring Road Expressway Co., Ltd.	Jiangsu, China	Jiangsu, China	Housing construction business	No	33.00
Changsha Xirong Real Estate Co., Ltd.	Hunan, China	Hunan, China	Real estate investment and development business	No	33.00
Beijing Rongzhu Real Estate Development Co., Ltd.	Beijing, China	Beijing, China	Real estate investment and development business	No	33.00
Nanjing Guancheng Hengrui Real Estate Co., Ltd.	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	33.00
Nanjing Anjujianhe Construction Technology Co., Ltd.	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	33.00
Putian Puyang University Construction Co., Ltd.	Fujian, China	Fujian, China	Housing construction business	No	32.90
Vanlink Company Limited	Shandong, China	Shandong, China	Real estate investment and development business	No	32.14
Southwest Section of Wuhan Metropolitan Area Circle Line Investment Management Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	31.83
Guangxi Nanbin Highway Construction and Development Co., Ltd.	Guangxi, China	Guangxi, China	Infrastructure construction business	No	31.50
Hong Kong and Kowloon Concrete Co., Ltd.	Hong Kong, China	Hong Kong, China	Sales materials	No	31.50

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (continued) (Note 3)					
Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	Hunan, China	Hunan, China	Real estate investment and development business	No	30.00
Xiamen Haitou Construction Technology Co., Ltd.	Fujian, China	Fujian, China	Other business	No	30.00
Jinyu Jiaxing Nanjing Real Estate Development Co., Ltd.	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	30.00
Shandong CSCEC Zhongli Equipment Leasing Co., Ltd.	Shandong, China	Shandong, China	Leasing business	No	30.00
Sichuan West Construction shantui Logistics Co., Ltd.	Sichuan, China	Sichuan, China	Other business	No	30.00
Beijing CSCEC Runtong Electromechanic Engineering Co., Ltd.	Beijing, China	Beijing, China	Housing construction business	No	30.00
Shandong Zhongcheng Machinery Leasing Co., Ltd.	Shandong, China	Shandong, China	Leasing business	No	30.00
Shandong CSCEC Material Equipment Co., Ltd.	Shandong, China	Shandong, China	Other business	No	30.00
Dongguan Jiangpan New City Real Estate Development Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	30.00
Nanjing Jinlingyi Cultural Tourism Development Co., Ltd.	Jiangsu, China	Jiangsu, China	Other business	No	30.00
CSCEC Xi'an City Construction Investment Co., Ltd.	Shaanxi, China	Shaanxi, China	Infrastructure construction business	No	30.00
Wuhan CSCEC Wudi Development Construction Co., Ltd.	Hubei, China	Hubei, China	Other business	No	30.00
Wuhan Wuyang Expressway Investment Management Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	30.00
Jingdezhen Taoyangli Scenic Spot Tourism Development Co., Ltd.	Jiangxi, China	Jiangxi, China	Infrastructure construction business	No	30.00
Shenzhen Zhaohang Real Estate Co., Ltd.	Guangdong, China	Guangdong, China	Realty industry	No	30.00
Xiamen Yueqin Real Estate Co., Ltd.	Fujian, China	Fujian, China	Real estate investment and development business	No	30.00
Xianyi International Co., Ltd.	Hong Kong, China	Hong Kong, China	Other business	No	30.00
Fuzhou Modern Logistics City Investment Construction Development Co., Ltd.	Fujian, China	Fujian, China	Real estate investment and development business	No	30.00
Zhuzhou China Overseas Real Estate Co., Ltd.	Hunan, China	Hunan, China	Real estate investment and development business	No	30.00
Zhuzhou Zhonghai Commercial Development Co., Ltd.	Hong Kong, China	Hong Kong, China	Real estate investment and development business	No	30.00
Yantai Yuanxin Zhongda Investment Co., Ltd.	Shandong, China	Shandong, China	Other business	No	28.00
Chongqing Derun Yipin Environmental Governance Co., Ltd.	Chongqing, China	Chongqing, China	Infrastructure construction business	No	26.91
Zhengzhou Public Zhongcheng Roads and Bridges Construction Management Co., Ltd.	Henan, China	Henan, China	Infrastructure construction business	No	25.00
Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (Note 5)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	25.00
Luzhou Yangtze River Second Bridge Construction Co., Ltd.	Sichuan, China	Sichuan, China	Infrastructure construction business	No	24.35

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (continued) (Note 3)					
Xiamen International Exhibition Center Co., Ltd.	Fujian, China	Fujian, China	Other business	No	24.00
Guangzhou Fangbai Intercity Rail Transit Co., Ltd.	Guangdong, China	Guangdong, China	Railway transportation	No	23.93
CCCC Jijiao Expressway Investment Development Co., Ltd.	Hebei, China	Hebei, China	Infrastructure construction business	No	21.03
Zhangzhou China Merchants Steamship Company Economic Technology Area CSCEC Infrastructure Investment Development Co., Ltd. (Note 5)	Fujian, China	Fujian, China	Infrastructure construction business	No	20.10
Fernvale Lane Pte Ltd.	Singapore	Singapore	Real estate investment and development business	No	20.00
Suzhou Junda National Highway 206 Construction Co., Ltd.	Anhui, China	Anhui, China	Housing construction business	No	20.00
China Construction Third Engineering Bureau Jingzhou Huanchang Lake Construction Operation Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	20.00
Xinjiang CSCEC City Construction Investment Co., Ltd.	Xinjiang, China	Xinjiang, China	Infrastructure construction business	No	20.00
Hubei Transportation Investment Xiangyang North Expressway Co., Ltd.	Hubei, China	Hubei, China	Infrastructure construction business	No	20.00
Guangzhou Zengcheng Run Yu Real Estate Co., Ltd.	Guangdong, China	Guangdong, China	Real estate investment and development business	No	20.00
Dongguan Songrun Real Estate Co., Ltd.	Guangdong, China	Guangdong, China	Realty industry	No	20.00
Wuhan Chenzhan Real Estate Development Co., Ltd.	Hubei, China	Hubei, China	Real estate investment and development business	No	20.00
Jinmao Investment (Changsha) Co., Ltd.	Hunan, China	Hunan, China	Real estate investment and development business	No	20.00
Nanjing CSCEC Travel Construction Investment Co., Ltd.	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	20.00
Ezhou CSCEC Yipin Lanyue Real Estate Co., Ltd.	Hubei, China	Hubei, China	Real estate investment and development business	No	20.00
Sichuan Dehui Expressway Co., Ltd.	Sichuan, China	Sichuan, China	Housing construction business	No	20.00
Liuzhou CSCEC Steel Structure Ecological Garden Construction Co., Ltd.	Guangxi, China	Guangxi, China	Infrastructure construction business	No	20.00
Xi'an Chufeng Construction Co., Ltd.	Shaanxi, China	Shaanxi, China	Infrastructure construction business	No	20.00
Guangzhou Lihe Real Estate Development Co., LTD. (Note 5)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	20.00
Wuhan Chenfa Real Estate Development Co., Ltd.	Hubei, China	Hubei, China	Real estate investment and development business	No	20.00
Chengdu Chuantou Airport Construction Co., Ltd.	Sichuan, China	Sichuan, China	Infrastructure construction business	No	20.00
Zhangzhou Zhanyuan Environmental Technology Co., Ltd. (Note 2)	Fujian, China	Fujian, China	Other business	No	19.00
Fuyang Three Gorges Phase I Water Environment Comprehensive Treatment Co., Ltd. (Note 2)	Anhui, China	Anhui, China	Infrastructure construction business	No	19.00

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (continued) (Note 3)					
Wuhan Transportation Investment Tongxiu High-speed Construction Management Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Infrastructure construction business	No	18.98
Fujian Minxin Environmental Development Co., Ltd. (Note 2)	Fujian, China	Fujian, China	Infrastructure construction business	No	18.00
Guizhou Jianxin Water Environment Industry Co., Ltd. (Note 2)	Guizhou, China	Guizhou, China	Ecological protection and environmental governance industry	No	17.56
Shucheng Sanxia Phase I Comprehensive Water Environment Treatment Co., Ltd. (Note 2)	Anhui, China	Anhui, China	Infrastructure construction business	No	17.00
Xuzhou Line 1 Rail Transit Investment and Development Co., Ltd. (Note 2)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	16.69
Guangzhou Ivrong Real Estate Development Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Real estate investment and development business	No	16.66
Rizhao CSCEC Eighth Engineering Bureau Transportation Service Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Infrastructure construction business	No	15.66
Hangzhou City Investment Wulin Investment Development Co., Ltd. (Note 2)	Zhejiang, China	Zhejiang, China	Infrastructure construction business	No	15.00
Wenzhou China Construction Science and Industry Olympic Sports Project Management Co., LTD. (Note 2)	Zhejiang, China	Zhejiang, China	Business service industry	No	15.00
Baoding CSCEC Xingye Investment Co., Ltd. (Note 5)	Hebei, China	Hebei, China	Infrastructure construction business	No	15.00
Wuhan Sanxia Jiangnan Water Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Infrastructure construction business	No	14.50
Rizhao China Construction Eighth Engineering Bureau culture and Technology Development Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Infrastructure construction business	No	14.00
Qingdao China Construction Eighth Engineering Bureau Airport City Construction Development Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Real estate investment and development business	No	13.00
Jiangsu Susu Industrial Park Development Co., Ltd. (Note 2)	Jiangsu, China	Jiangsu, China	Real estate investment and development business	No	11.00
Wuhan Huangpi Three Gorges Water Environment Comprehensive Treatment Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Other business	No	10.00
Urumqi Linkong CSCEC Airport Construction Operation Co., Ltd. (Note 2)	Xinjiang, China	Xinjiang, China	Infrastructure construction business	No	10.00
Wuhan Zhongjian Yipin Zhaoli Real Estate Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Real estate investment and development business	No	10.00
Jinjiang Zhongyun Sports Construction Development Co., Ltd. (Note 2)	Fujian, China	Fujian, China	Infrastructure construction business	No	10.00
Xinyu Ring Road Construction Investment Co., Ltd. (Note 2)	Jiangxi, China	Jiangxi, China	Infrastructure construction business	No	10.00
Taizhou Luqiao Xindao Investment and Development Co., Ltd. (Note 2)	Zhejiang, China	Zhejiang, China	Other business	No	10.00
Chongqing Chengtuo Chaotianmen Project Management Co., Ltd. (Note 2)	Chongqing, China	Chongqing, China	Business service industry	No	10.00
Guizhou Wengma Railway North-South Extension Line Co., Ltd. (Note 2)	Guizhou, China	Guizhou, China	Other business	No	9.93
CSCEC Wuhan Huangxiao River Airport River Environment Comprehensive Treatment Construction Operation Co., Ltd. (Note 2)	Hubei, China	Hubei, China	Infrastructure construction business	No	9.70

X. Related party relationships and transactions (continued)

3. Joint ventures and associates (continued)

	Main place of business	Place of registration	Nature of business	Strategic to group activities	Shareholding ratio (%)
Associates (continued) (Note 3)					
Panzhuhua China Construction Third Engineering Bureau Government Service Center Construction Development Co., Ltd. (Note 2)	Sichuan, China	Sichuan, China	Infrastructure construction business	No	9.00
Jizheng High Speed Railway Limited (Note 2)	Shandong, China	Shandong, China	Infrastructure construction business	No	7.73
Jiqing Express Railroad Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Infrastructure construction business	No	7.21
Dongfang Anzhen (Beijing) Hospital Management Co., Ltd. (Note 2)	Beijing, China	Beijing, China	Other business	No	5.98
Qingdao CSCEC Eighth Engineering Bureau City Investment and Development Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Other business	No	5.96
Foshan Urban Rail Transit Line 3 Development Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Infrastructure construction business	No	5.59
Shanwei Yuehai Qingyuan Environmental Protection Co., Ltd. (Note 2)	Guangdong, China	Guangdong, China	Other business	No	5.00
Putian Jiangkou Suanxi CSCEC Strait Infrastructure Investment Development Co., Ltd. (Note 2)	Fujian, China	Fujian, China	Real estate investment and development business	No	5.00
Hebei Chenghong Pipelines Engineering Co., Ltd. (Note 2)	Hebei, China	Hebei, China	Infrastructure construction business	No	5.00
Weihai CSCEC Eighth Engineering Bureau Construction Development Co., Ltd. (Note 2)	Shandong, China	Shandong, China	Infrastructure construction business	No	4.99
Shangqiu New Voyage Development and Construction Management Co., Ltd. (Note 2)	Henan, China	Henan, China	Infrastructure construction business	No	4.16
Deyang Hongbo Construction Investment Co., Ltd. (Note 2)	Sichuan, China	Sichuan, China	Business service industry	No	3.00
Zhangzhou Yingzhi Construction and Development Co., Ltd. (Note 2)	Fujian, China	Fujian, China	Infrastructure construction business	No	3.00
Pingxiang Jianyu Real Estate Co., Ltd. (Note 2)	Jiangxi, China	Jiangxi, China	Housing construction business	No	2.00
Chengdu Changtuo Dongjin Construction Co., Ltd. (Note 2)	Sichuan, China	Sichuan, China	Infrastructure construction business	No	1.00
Chongqing Water Affairs Shatian Environmental Governance Co., Ltd. (Note 2)	Chongqing, China	Chongqing, China	Other business	No	1.00
Hebei Xiong'an Citizen Service Center Co., Ltd. (Note 2)	Hebei, China	Hebei, China	Infrastructure construction business	No	1.00
Xiangshui Huachen Yuanheng Real Estate Co., Ltd. (Note 2)	Jiangsu, China	Jiangsu, China	Infrastructure construction business	No	1.00

Note 1: The Group's shareholding ratio in some of the aforementioned joint ventures is less than 50% or more than 50%. Major business decisions made by the board of directors of these companies or similar institutions can only be approved after the unanimous consent of all investors; or according to the provisions of the articles of association of these companies, major business decisions must be approved by representatives of more than two-thirds of the voting rights. These decisions can be passed only if the Group and other shareholders agree unanimously. The Group has no substantial control over these companies, so these companies are accounted for as joint ventures.

Note 2: For invested companies with a shareholding ratio of less than 20%, the Group has the right to participate in their business decision-making by appointing directors to the board of directors of these companies, and has a significant influence; for invested companies with a shareholding ratio of not less than 50%, According to the provisions of the articles of association of these companies on the decision-making mechanism for major operations and financial decisions, they cannot be controlled or jointly controlled, but the Group can only exercise significant influence. Therefore, these companies are accounted for as associates.

Note 3: The aforementioned joint ventures include joint ventures and their subsidiaries, and associates include associates and their subsidiaries.

Note 4: Due to the disposal of the equity of these companies this year, these companies were excluded from the scope of the consolidation and became associates since 31 December 2022.

Note 5: Due to the acquisition of partial equity in these companies this year, these companies were changed from joint ventures to companies within the scope of consolidation on December 31, 2022.

X. Related party relationships and transactions (continued)

4. Other related parties

	Relationship with the group
CSCEC Scimee Sci.&Tech. Co., Ltd.	Controlled by the same parent company
China Construction Aluminum New materials Chengdu Co., Ltd.	Controlled by the same parent company
Beijing Zhongyi Chengjian Property Management Co., Ltd.	Controlled by the same parent company
CSCEC Electronic Commerce Co., Ltd.	Controlled by the same parent company
Beijing Hongde Materials Co., Ltd.	Controlled by the same parent company
China Construction Asset Management Co., Ltd.	Controlled by the same parent company
CSCEC Innovation Investment Co., Ltd. (formerly known as "Beijing CSCEC Qiming Enterprise Management Co., Ltd.")	Controlled by the same parent company
China State Construction Property Management Co., Ltd.	Controlled by the same parent company
Chengdu CSCEC Minjiang River Construction Engineering Investment Co., Ltd.	Controlled by the same parent company
China Construction Aluminum New materials Co., Ltd.	Controlled by the same parent company
CSCEC Science and Technology Innovation (Shanghai) Investment Co., Ltd.	Controlled by the same parent company
China Automobile Trade Co., Ltd.	Controlled by the same parent company
Shanggang group Ruitai Development Co., Ltd.	Controlled by another shareholder of a subsidiary of the Group
Shanghai International Port (Group) Co., Ltd.	Controlled by another shareholder of a subsidiary of the Group

5. Major transactions between the Group and its related parties

(1) Related party goods and services transactions

Purchase of goods and accepting services from related parties

	Nature of the transaction	2022	2021 (restated)
CSCEC Electronic Commerce Co., Ltd.	Purchase of goods	2,866,041	3,310,968
Hong Kong and Kowloon Concrete Co., Ltd.	Purchase of goods	383,113	269,087
Anhui Guoyuan Investment Co., Ltd.	Purchase of goods	163,463	–
Sichuan West Construction Zhonghe Machinery Co., Ltd.	Accepting services	63,385	–
Sichuan West Construction shantui Logistics Co., Ltd.	Accepting services	50,459	–
China Construction Aluminum New materials Chengdu Co., Ltd.	Purchase of goods	15,989	15,180
Others	Purchase of goods and Accepting services	63,307	836,198
Total		3,605,757	4,431,433

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(2) Contract engineering and projects sub-contracted out

Contract engineering

	Nature of the transaction	2022	2021 (restated)
Guizhou Leirong Expressway Investment Management Co., Ltd.	Contract engineering	3,344,392	2,326,635
Jiqing Express Railroad Co., Ltd.	Contract engineering	3,265,944	3,500,436
Urumqi Zhongcheng Silk Road Sports Management Co., Ltd.	Contract engineering	2,749,687	285,152
CCCC Jijiao Expressway Investment Development Co., Ltd.	Contract engineering	2,484,973	1,990,892
Nantong City Ring Road Expressway Co., Ltd.	Contract engineering	2,215,543	775,731
CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd.	Contract engineering	2,123,936	1,535,154
Urumqi Linkong CSCEC Airport Construction Operation Co., Ltd.	Contract engineering	1,656,706	1,073,089
CSCEC Wuhan Huangxiao River Airport River Environment Comprehensive Treatment Construction Operation Co., Ltd.	Contract engineering	1,282,355	1,599,339
Sichuan Dehui Expressway Co., Ltd.	Contract engineering	1,166,903	549,487
CSCEC Xi'an Chanba Ecological Region Construction Investment Co., Ltd.	Contract engineering	1,162,921	1,232,120
Shanwei Yuehai Qingyuan Environmental Protection Co., Ltd.	Contract engineering	1,093,119	924,102
CSCEC Xi'an City Construction Investment Co., Ltd.	Contract engineering	1,051,999	2,541,844
Yunnan Huali Expressway Investment and Development Co., Ltd.	Contract engineering	991,750	1,376,716
Hangzhou City Investment Wulin Investment Development Co., Ltd.	Contract engineering	958,421	824,411
Wuhan CSCEC Wudi Development Construction Co., Ltd.	Contract engineering	957,856	974,487
Xiamen International Trade Conference Center Co., Ltd.	Contract engineering	900,079	–
Yantai Zhongda Xinhong Science Education Investment Co., Ltd.	Contract engineering	854,038	157,815
Xiamen International Exhibition Center Co., Ltd.	Contract engineering	808,927	986,151
Beijing Chenxing International Exhibition Co., Ltd.	Contract engineering	799,690	–
Hengshui CECSC Hangang Expressway Management Co., Ltd.	Contract engineering	783,862	48,497
Urumqi Linkong Construction Infrastructure Co., Ltd.	Contract engineering	783,786	1,259,057
Guangzhou Fangbai Intercity Rail Transit Co., Ltd.	Contract engineering	762,787	–
Shanghai International Port (Group) Co., Ltd.	Contract engineering	717,475	453,617
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	Contract engineering	709,533	517,499
Qingdao China Construction Eighth Engineering Bureau Airport City Construction Development Co., Ltd.	Contract engineering	697,607	156,848
Hebei Chenghong Pipelines Engineering Co., Ltd.	Contract engineering	630,861	627,884
Yantai Yuanxin Zhongda Investment Co., Ltd.	Contract engineering	608,114	–
Xi'an Chufeng Construction Co., Ltd.	Contract engineering	589,151	84,198
Shanggang group Ruitai Development Co., Ltd.	Contract engineering	580,062	561,041
Xiangyang Loop Line Speed Improvement Construction Co., Ltd.	Contract engineering	572,184	431,532
Wenzhou China Construction Science and Industry Olympic Sports Project Management Co., Ltd.	Contract engineering	546,665	–
Foshan Urban Rail Transit Line 3 Development Co., Ltd.	Contract engineering	538,280	–
Shanghai Chenggang Real Estate Co., Ltd.	Contract engineering	534,755	25,041
Luzhou Yangtze River Second Bridge Construction Co., Ltd.	Contract engineering	514,176	–

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(2) Contract engineering and projects sub-contracted out (continued)

Contract engineering (continued)

	Nature of the transaction	2022	2021 (restated)
Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	Contract engineering	504,646	348,276
Sanmenxia National Road 310 South Transplanted Project Construction Co., Ltd.	Contract engineering	470,473	921,736
Guangzhou Fuchuang Real Estate Development Co., Ltd.	Contract engineering	463,648	875,129
Anhui Bengwu Expressway Investment Management Co., Ltd.	Contract engineering	454,449	1,379,443
Hengshui China Construction HaYuan Project Management Co., Ltd.	Contract engineering	434,572	139,808
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd.	Contract engineering	432,136	592,665
Nanjing China Construction Fifth Engineering Bureau Lishui Development Area Affordable Housing Investment Co., Ltd.	Contract engineering	421,748	642,689
Jingmen China Construction 207 Highway Construction Co., Ltd.	Contract engineering	417,663	283,089
Wuhan Huangpi Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	Contract engineering	413,138	67,743
Jiangsu Susu Industrial Park Development Co., Ltd.	Contract engineering	411,363	–
Beijing Jianyan Real Estate Development Co., Ltd.	Contract engineering	408,318	346,280
Deyang Hongbo Construction Investment Co., Ltd.	Contract engineering	391,665	–
Jizheng High Speed Railway Limited	Contract engineering	378,328	–
Wuhan Hongtai Hongli CSCEC Yipin Real Estate Co., Ltd.	Contract engineering	367,821	395,799
Zhongshan Public Utilities Sanlianwei Watershed Governance Co., Ltd.	Contract engineering	344,951	–
Shanghai Linbo Haihui City Construction Development Co., Ltd.	Contract engineering	330,684	101,322
Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	Contract engineering	330,446	–
Changsha Zhongjian International Development Co., Ltd.	Contract engineering	328,707	144,693
Foshan China Construction Yipin Pengyue Real Estate Co., Ltd.	Contract engineering	327,198	131,425
Weihai CSCEC Eighth Engineering Bureau Construction Development Co., Ltd.	Contract engineering	326,602	300,603
Chengdu Changtou Dongjin Construction Co., Ltd.	Contract engineering	315,140	629,615
Quanzhou Taiwan Business Investment Zone China Construction Fifth Engineering Bureau Haiwan Avenue Investment Co., Ltd.	Contract engineering	311,051	480,725
Liuzhou CSCEC Science and Technology Cultural Tourism Development Co., Ltd.	Contract engineering	309,864	4,805
Guigang Nine Roads and Two Bridges Construction Management Co., Ltd.	Contract engineering	308,640	248,453
Putian CSCEC Mulan Construction Development Co., Ltd.	Contract engineering	297,317	298,728
Guangzhou XingLv Real Estate Development Co., Ltd.	Contract engineering	293,604	292,856
Nanjing CSCEC Travel Construction Investment Co., Ltd.	Contract engineering	293,423	156,117
Wuhan Wuyang Expressway Investment Management Co., Ltd.	Contract engineering	289,113	988,311
Shantou CSCEC New Urbanization Investment Co., Ltd.	Contract engineering	287,469	1,899,333
China Construction Third Engineering Bureau Jingzhou Huanchang Lake Construction Operation Co., Ltd.	Contract engineering	287,410	322,544
Chongqing Water Affairs Shatian Environmental Governance Co., Ltd.	Contract engineering	285,879	222,923
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	Contract engineering	281,435	220,476
Xiangshui Huachen Yuanheng Real Estate Co., Ltd.	Contract engineering	281,411	7,662
Fuqing CSCEC Ronghai Construction and Development Co., Ltd.	Contract engineering	277,708	130,036
Shanghai Lingang New Area Jingang Dongjiu Real Estate Co., Ltd.	Contract engineering	275,647	166,780

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(2) Contract engineering and projects sub-contracted out (continued)

Contract engineering (continued)

	Nature of the transaction	2022	2021 (restated)
Jingdezhen Taoyangli Scenic Spot Tourism Development Co., Ltd.	Contract engineering	271,157	–
China Construction Third Engineering Bureau Xianning Big Continent Lake ecological construction and Operation Co., Ltd.	Contract engineering	271,101	135,604
Xi'an Chuxin investment and Construction Co., Ltd.	Contract engineering	269,831	319,372
Others	Contract engineering	17,088,871	29,842,249
Total		69,693,164	69,856,064

Projects sub-contracted out

	Nature of the transaction	2022	2021 (restated)
Yunnan Airport Construction and Development Co., Ltd.	Projects sub-contracted out	228,920	–
CSCEC Roads and Bridges Co., Ltd.	Projects sub-contracted out	133,887	1,830
CSCEC Dacheng Construction Co., Ltd.	Projects sub-contracted out	116,961	560,499
Others	Projects sub-contracted out	140,040	131,919
Total		619,808	694,248

(3) Related party leasing

As lessor

	Types of leased assets	2022	2021 (restated)
CSCEC Electronic Commerce Co., Ltd.	Buildings	1,379	639
CSCEC Scimee Sci.&Tech. Co., Ltd.	Buildings	321	68
China State Construction Property Management Co., Ltd.	Buildings	248	495
Beijing Zhongyi Chengjian Property Management Co., Ltd.	Motor vehicles	83	108
China Construction Aluminum New materials Chengdu Co., Ltd.	Buildings	83	4,241
Others	Buildings	–	591
Total		2,114	6,142

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(3) Related party leasing (continued)

As lessee

2022

	Types of leased assets	Simplified management of leased costs for short-term leased and low-value leased assets	Paid rent	Interest expense accepted on rental obligations	Increased use of legal remedies
China Overseas Grand Oceans	Buildings	–	230,517	7,942	–
Shandong Zhongcheng Machinery Leasing Co., Ltd.	Machinery equipment	183,447	189,149	462	–
Shandong CSCEC Zhongli Equipment Leasing Co., Ltd.	Machinery equipment	117,401	114,095	9	–
China Construction Aluminum New materials Chengdu Co., Ltd.	Buildings and Materials	76,013	63,264	673	27,503
Beijing Zhongyi Chengjian Property Management Co., Ltd.	Buildings	950	7,495	977	1,373
Shanghai International Port (Group) Co., Ltd.	Buildings	675	6,587	618	–
China Construction Asset Management Co., Ltd.	Buildings	5,732	6,010	–	–
Shandong CSCEC Material Equipment Co., Ltd.	Machinery equipment	5,522	3,560	–	–
Hebei Xiong'an Citizen Service Center Co., Ltd.	Buildings	–	605	5	654
Changsha Zhongjian International Development Co., Ltd.	Buildings	–	509	70	–
Beijing Hongde Materials Co., Ltd.	Buildings	–	–	31	–
Others	Buildings and leasing	–	56,322	2,299	10,140
Total		389,740	678,113	13,086	39,670

2021 (restated)

	Types of leased assets	Simplified management of leased costs for short-term leased and low-value leased assets	Paid rent	Interest expense accepted on rental obligations	Increased use of legal remedies
Shandong Zhongcheng Machinery Leasing Co., Ltd.	Machinery equipment	148,504	157,657	1,169	13,511
China Construction Aluminum New materials Chengdu Co., Ltd.	Materials	80,423	54,862	140	–
Sichuan West Construction shantui Logistics Co., Ltd.	Transport equipment	63,114	70,205	–	–
Sichuan West Construction zhonghe Machinery Co., Ltd.	Transport equipment	49,976	47,423	–	–
Beijing Zhongyi Chengjian Property Management Co., Ltd.	Buildings	374	18,915	1,804	–
Others	Buildings etc	18,989	37,425	3,034	46,547
Total		361,380	386,487	6,147	60,058

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(4) Related party guarantee

Offering guarantee to related parties

As of December 31, 2022, the balance of related party guarantees provided by the Group is:

	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Whether the guarantee has been fulfilled
Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	210,000	September 29, 2021	September 28, 2026	NO
Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	32,700	March 31, 2022	September 28, 2027	NO
Chongqing Zhongjian Hailong Liangjiang Construction Technology Co., Ltd.	97,300	October 29, 2021	October 29, 2031	NO
Chongqing Zhongjian Hailong Liangjiang Construction Technology Co., Ltd.	11,088	January 27, 2022	May 10, 2023	NO
Chongqing Jiayi Real Estate Development Co., Ltd.	345,000	March 15, 2022	March 15, 2027	NO
Chongqing Jiayi Real Estate Development Co., Ltd.	121,300	November 20, 2020	November 20, 2025	NO
Changsha Yida Chuangzhi Real Estate Development Co., Ltd.	173,460	April 20, 2020	April 20, 2026	NO
Suzhou Fuyuan Real Estate Co., Ltd.	204,000	January 5, 2022	January 4, 2028	NO
Suzhou Fuyuan Real Estate Co., Ltd.	195,500	December 29, 2020	May 31, 2024	NO
Suzhou Dongfu Yongxu Real Estate Co., Ltd.	98,000	January 17, 2022	December 18, 2024	NO
Xiamen Haimao Real Estate Co., Ltd.	259,459	January 24, 2022	December 13, 2024	NO
Xiamen Haimao Real Estate Co., Ltd.	186,049	January 21, 2022	December 16, 2024	NO
Xiamen Haimao Real Estate Co., Ltd.	90,277	January 7, 2022	December 20, 2024	NO
Xiamen Haimao Real Estate Co., Ltd.	28,380	December 14, 2021	December 13, 2024	NO
Xiamen Haimao Real Estate Co., Ltd.	13,936	December 17, 2021	December 16, 2024	NO
Xiamen Haimao Real Estate Co., Ltd.	9,704	December 20, 2021	December 20, 2024	NO
Qingdao Haijie Real Estate Co., Ltd.	49,923	January 13, 2022	June 7, 2024	NO
Guangzhou Fuchuang Real Estate Development Co., Ltd.	799,000	August 5, 2021	December 30, 2024	NO
Guangzhou Fuchuang Real Estate Development Co., Ltd.	510,000	December 28, 2021	January 6, 2030	NO
Guangzhou bizhen Real Estate Development Co., Ltd.	72,857	December 11, 2018	December 8, 2023	NO
Guangdong Haichao Technology Industry Development Co., Ltd.	39,163	October 31, 2022	October 31, 2041	NO
Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	150,000	September 13, 2022	September 15, 2040	NO
Ultra Keen Holdings Limited	1,745,958	November 11, 2020	October 30, 2025	NO
Ultra Keen Holdings Limited	215,642	January 31, 2022	October 30, 2025	NO
Marble Edge Investments Limited	810,475	June 1, 2020	December 1, 2024	NO
Marble Edge Investments Limited	143,568	May 12, 2022	December 1, 2024	NO
Infinite Sun Limited	1,119,148	December 4, 2019	December 4, 2024	NO
Infinite Sun Limited	257,145	January 25, 2022	December 4, 2024	NO
Dragon Star H.K. Investments Limited	928,534	July 27, 2020	January 27, 2025	NO
Dragon Star H.K. Investments Limited	125,569	January 17, 2022	January 27, 2025	NO
Asia Power Development Limited	1,199,970	May 27, 2022	May 27, 2026	NO
Grand Ample Ltd.	932,254	June 22, 2021	June 22, 2024	NO
Grand Ample Ltd.	156,026	January 10, 2022	June 22, 2024	NO
Fernvale Lane Pte Ltd.	147,500	June 4, 2020	March 3, 2025	NO
Total	11,478,885			

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(4) Related party guarantee (continued)

Offering guarantee to related parties (continued)

As of December 31, 2021, the balance of related party guarantees provided by the Group is:

	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Whether the guarantee has been fulfilled
Chongqing Jiayi Real Estate Development Co., Ltd.	128,800	November 20, 2020	November 20, 2025	No
Chongqing Jiayi Real Estate Development Co., Ltd.	22,500	February 9, 2021	March 15, 2022	No
Chongqing Jiayi Real Estate Development Co., Ltd.	39,850	March 16, 2017	March 15, 2022	No
Chongqing Jiayi Real Estate Development Co., Ltd.	135,150	April 14, 2017	March 15, 2022	No
Chongqing Jiayi Real Estate Development Co., Ltd.	175,000	July 5, 2017	March 15, 2022	No
Qingdao Haijie Real Estate Co., Ltd.	78,862	June 7, 2021	June 7, 2024	No
Guangzhou bizhen Real Estate Development Co., Ltd.	173,000	December 11, 2018	December 8, 2023	No
Guangzhou Lihe Real Estate Development Co., Ltd.	1,000	April 22, 2019	April 21, 2022	No
Guangzhou Lihe Real Estate Development Co., Ltd.	162,000	June 29, 2020	June 28, 2023	No
Infinite Sun Limited	1,067,861	December 4, 2019	December 4, 2024	No
Marble Edge Investments Limited	773,348	June 1, 2020	December 1, 2024	No
Dragon Star H.K. Investments Limited	885,973	July 27, 2020	January 27, 2025	No
Ultra Keen Holdings Limited	1,665,899	November 11, 2020	October 30, 2025	No
Grand Ample Ltd.	1,059,660	June 22, 2021	June 22, 2024	No
Guangzhou Fuchuang Real Estate Development Co., Ltd.	1,113,500	August 5, 2021	December 30, 2024	No
Suzhou Dongfu Yongxu Real Estate Co., Ltd.	49,000	December 19, 2021	December 18, 2024	No
Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd.	173,250	April 10, 2021	April 9, 2024	No
Suzhou Fuyuan Real Estate Co., Ltd.	564,400	December 29, 2020	May 31, 2024	No
Total	8,269,053			

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(5) Inter bank loan of related parties

Capital borrowings

2022

	Borrowing amount	Starting date	Ending date
CSCEC	336,000	August 22, 2022	August 21, 2025
Qingdao Haijie Real Estate Co., Ltd.	210,000	September 27, 2022	No fixed maturity date
Xiamen Haimao Real Estate Co., Ltd.	159,771	December 31, 2022	No fixed maturity date
Xiamen Haimao Real Estate Co., Ltd.	106,700	November 25, 2022	No fixed maturity date
Guiheng Investments Co., Ltd.	75,000	October 13, 2022	No fixed maturity date
Guiheng Investments Co., Ltd.	50,000	March 9, 2022	No fixed maturity date
Xi'an Hehui Xingshang Real Estate Co., Ltd.	40,000	September 19, 2022	No fixed maturity date
Jinmao Investment (Changsha) Co., Ltd.	36,000	March 29, 2022	No fixed maturity date
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	34,056	December 14, 2022	No fixed maturity date
Sanya Bihai Jincheng Business Management Co., Ltd.	34,000	December 27, 2022	No fixed maturity date
Sanya Bihai Jincheng Business Management Co., Ltd.	25,500	June 29, 2022	No fixed maturity date
Sunrise JV Limited	26,543	January 1, 2022	No fixed maturity date
Xing Chuang Enterprises LTD.	24,000	December 20, 2022	No fixed maturity date
Xinggui Investment Co., Ltd.	23,000	January 28, 2022	No fixed maturity date
Xing Chuang Enterprises LTD.	20,750	January 24, 2022	No fixed maturity date
China Resources Land Real Estate (Taiyuan) Development Co., Ltd.	10,000	January 21, 2022	No fixed maturity date
Zhongshan Kaixuan City Real Estate Development Co., Ltd.	3,500	December 29, 2022	No fixed maturity date
Total	1,214,820		

2021

	Borrowing amount	Starting date	Ending date
CSCEC	1,400,000	July 23, 2021	July 23, 2022
CSCEC	60,000	July 26, 2021	July 26, 2024
Guangzhou Lihe Real Estate Development Co., Ltd.	640,000	June 25, 2021	No fixed maturity date
Sanya Bihai Jincheng Business Management Co., Ltd.	255,000	February 28, 2021	December 31, 2021
China Overseas South Airlines Construction and Development Co., Ltd.	153,000	June 9, 2021	June 9, 2022
Qingdao tengmao Real Estate Co., Ltd.	138,376	April 12, 2021	April 11, 2022
Xi'an Jiarun Rongcheng Real Estate Co., Ltd.	100,000	August 27, 2021	No fixed maturity date
Dongguan Jiangpan New City Real Estate Development Co., Ltd.	51,000	February 4, 2021	No fixed maturity date
Qingdao Caimao Real Estate Co., Ltd.	26,532	April 12, 2021	April 11, 2022
Qingdao Fangchuan Real Estate Co., Ltd.	24,300	April 12, 2021	April 11, 2022
Qingdao Fangchen Real Estate Co., Ltd.	19,800	April 12, 2021	April 11, 2022
Zhangzhou Binbei Real Estate Co., Ltd.	18,000	January 5, 2021	December 31, 2022
Wuxi Zhonghai Taihu New City Property Co., Ltd.	3,308	January 29, 2021	No fixed maturity date
China Overseas South Airlines Construction and Development Co., Ltd.	154	December 1, 2021	No fixed maturity date
Guangzhou SuiHai Real Estate Co., Ltd.	53	January 31, 2021	December 31, 2022
Total	2,889,523		

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(5) Inter bank loan of related parties (continued)

Fund lent

2022

	Loan amount	Starting date	Ending date
CSCEC	2,000,000	October 21, 2022	October 20, 2023
Wuhan Pinlian Real Estate Co., Ltd.	1,769,350	May 25, 2022	December 31, 2023
Shenzhen Zhaohang Real Estate Co., Ltd.	1,541,700	September 1, 2022	No fixed maturity date
Beijing Yipin Haikai Real Estate Development Co., Ltd.	1,438,200	September 18, 2022	December 31, 2023
Wuhan Chongjiang Real Estate Co., Ltd.	1,317,075	January 21, 2022	December 31, 2023
Xiamen Yueqin Real Estate Co., Ltd.	825,527	November 10, 2022	August 30, 2025
Chengdu Langxin Real Estate Co., Ltd.	741,929	July 1, 2022	June 30, 2025
Anhui Bengwu Expressway Investment Management Co., Ltd.	495,642	December 15, 2022	No fixed maturity date
Xuancheng Haijia Lancheng Real Estate Co., Ltd.	317,691	July 7, 2022	No fixed maturity date
Guangzhou Zengcheng Run Yu Real Estate Co., Ltd.	230,000	July 1, 2022	No fixed maturity date
Dongguan Songrun Real Estate Co., Ltd.	223,960	December 16, 2022	June 14, 2023
Guangzhou SuiHai Real Estate Co., Ltd.	220,000	March 15, 2022	No fixed maturity date
Guangzhou XingLv Real Estate Development Co., Ltd.	100,000	September 22, 2022	March 21, 2023
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	73,604	December 19, 2022	No fixed maturity date
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	36,000	December 20, 2022	No fixed maturity date
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	30,000	January 18, 2022	No fixed maturity date
Vanlink Company Limited	60,750	December 26, 2022	No fixed maturity date
Vanlink Company Limited	20,780	December 26, 2022	No fixed maturity date
China Construction International (Xiangyang) Construction Co., Ltd.	51,000	December 18, 2022	No fixed maturity date
Putian CSCEC Mulan Construction Development Co., Ltd.	44,000	September 25, 2022	March 26, 2023
Putian CSCEC Mulan Construction Development Co., Ltd.	20,000	September 11, 2022	March 17, 2023
CSCEC Xi'an Infrastructure Construction Investment Co., Ltd.	40,000	December 13, 2022	May 31, 2023
Wuhan Chenzhan Real Estate Development Co., Ltd.	36,000	November 18, 2022	November 17, 2023
Wuhan Chenzhan Real Estate Development Co., Ltd.	8,000	June 28, 2022	June 27, 2023
Wuhan Chenzhan Real Estate Development Co., Ltd.	3,600	November 1, 2022	October 31, 2023
Wuhan Chenzhan Real Estate Development Co., Ltd.	2,800	April 2, 2022	April 1, 2023
Zhengzhou Public Zhongcheng Roads and Bridges Construction Management Co., Ltd.	34,113	September 13, 2022	March 13, 2023
Guangzhou CSCEC Green Financial Holding Construction Investment Co., Ltd.	33,000	July 26, 2022	No fixed maturity date
Guangzhou CSCEC Green Financial Holding Construction Investment Co., Ltd.	22,120	July 26, 2022	No fixed maturity date
TEDA Group Co., Ltd.	32,218	December 29, 2022	No fixed maturity date
Liupanshui urban pipe gallery construction and Development Investment Co., Ltd.	28,075	June 21, 2022	December 20, 2023
Mianyang CSCEC Kefa Guanlang road investment and Construction Co., Ltd.	23,500	December 20, 2022	December 19, 2023
Mianyang CSCEC Kefa Guanlang road investment and Construction Co., Ltd.	22,500	September 20, 2022	September 19, 2023
Mianyang CSCEC Kefa Guanlang road investment and Construction Co., Ltd.	5,000	November 18, 2022	November 17, 2023

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(5) Inter bank loan of related parties (continued)

Fund lent (continued)

2022 (continued)

	Loan amount	Starting date	Ending date
Shanghai Linbo Haihui City Construction Development Co., Ltd.	23,000	December 19, 2022	No fixed maturity date
Xinjiang CSCEC City Construction Investment Co., Ltd.	20,000	December 13, 2022	June 12, 2023
Putian Jiangkou Suanxi CSCEC Strait Infrastructure Investment Development Co., Ltd.	10,400	September 25, 2022	March 27, 2023
Wuhan Chenfa Real Estate Development Co., Ltd.	8,400	April 28, 2022	April 27, 2023
Beijing Xingying Real Estate Co., Ltd.	8,370	May 16, 2022	December 21, 2023
Wuhan CSCEC Yipin Zhaoying Real Estate Co., Ltd.	7,658	August 3, 2022	December 31, 2023
CSCEC (Tangshan Caofeidian) Engineering Construction Co., Ltd.	3,400	September 13, 2022	No fixed maturity date
Xianyi International Co., Ltd.	3,213	March 31, 2022	No fixed maturity date
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	1,916	January 17, 2022	December 31, 2023
Top Colour Development Limited	29	May 16, 2022	No fixed maturity date
Total	11,934,520		

2021

	Loan amount	Starting date	Ending date
CSCEC	3,500,000	October 11, 2021	October 10, 2022
CSCEC	1,200,000	August 13, 2021	August 12, 2022
Xiamen Haimao Real Estate Co., Ltd.	2,960,240	December 10, 2021	December 10, 2024
Jingyu Co., Ltd.	2,535,141	January 1, 2021	No fixed maturity date
Harbin Runzhi Real Estate Development Co., Ltd.	2,405,000	November 18, 2021	November 18, 2026
Foshan China Construction Yipin Pengyue Real Estate Co., Ltd.	1,489,756	January 1, 2021	December 31, 2023
Wuhan Chongjiang Real Estate Co., Ltd.	1,196,296	June 23, 2021	December 31, 2023
Changchun Hairun Rongcheng Real Estate Development Co., Ltd.	1,138,350	March 15, 2021	February 19, 2024
Guangzhou Xinghong Real Estate Development Co., Ltd.	1,048,148	December 11, 2021	December 10, 2023
Beijing Xingying Real Estate Co., Ltd.	839,755	January 27, 2021	December 31, 2023
Zhuzhou China Overseas Real Estate Co., Ltd.	676,388	April 1, 2021	March 30, 2024
Xuancheng Haijia Lancheng Real Estate Co., Ltd.	493,151	March 23, 2021	No fixed maturity date
Top Colour Development Limited	488,434	December 1, 2021	March 31, 2022
Suzhou Wujiang Taihai Real Estate Co., Ltd.	476,929	June 23, 2021	June 22, 2023
Ezhou CSCEC Yipin Lanyue Real Estate Co., Ltd.	461,865	January 1, 2021	December 31, 2023
Guangzhou Fuchuang Real Estate Development Co., Ltd.	330,580	January 7, 2021	No fixed maturity date
Foshan Construction investment China Construction Yipin Real estate Co., Ltd.	211,969	January 1, 2021	December 31, 2023
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	196,000	July 3, 2021	November 30, 2022
Baoding CSCEC Xingye Investment Co., Ltd.	180,250	April 6, 2021	December 31, 2021
Guangzhou XingLv Real Estate Development Co., Ltd.	177,868	January 11, 2021	December 12, 2022

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(5) Inter bank loan of related parties (continued)

Fund lent (continued)

2021 (continued)

	Loan amount	Starting date	Ending date
CSCEC Xi'an Infrastructure Construction Investment Co., Ltd.	105,000	July 22, 2021	July 22, 2022
Changsha Yida Chuangzhi Real Estate Development Co., Ltd.	97,173	March 31, 2021	February 6, 2022
Putian CSCEC Mulan Construction Development Co., Ltd.	71,000	August 30, 2021	No fixed maturity date
Chongqing Qingneng Yuehe Real Estate Co., Ltd.	67,620	April 20, 2021	August 21, 2022
Jiangmen Pengjiang Area Hebang Real Estate Development Co., Ltd.	65,000	April 27, 2021	No fixed maturity date
Zhuzhou Zhonghai Commercial Development Co., Ltd.	60,121	April 1, 2021	March 30, 2024
Putian Puyang University Construction Co., Ltd.	59,419	January 7, 2021	March 8, 2034
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	49,412	December 17, 2021	No fixed maturity date
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	38,400	December 17, 2021	December 31, 2022
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	37,650	April 2, 2021	June 30, 2023
Dalian CSCEC Sponge City Construction Development Co., Ltd.	45,000	January 7, 2021	No fixed maturity date
Changsha Xirong Real Estate Co., Ltd.	42,570	September 3, 2021	No fixed maturity date
Xiamen Yongjingwan Real Estate Co., Ltd.	37,400	March 8, 2021	No fixed maturity date
Guangzhou Lihe Real Estate Development Co., Ltd.	35,965	May 31, 2021	November 30, 2022
Liupanshui urban pipe gallery construction and Development Investment Co., Ltd.	33,800	June 28, 2021	December 19, 2022
Wuhan Zhongjian Yipin Zhaoli Real Estate Co., Ltd.	32,828	January 1, 2021	December 31, 2023
Jinjiang Zhongyun Sports Construction Development Co., Ltd.	32,000	June 18, 2021	No fixed maturity date
Jinjiang Zhongyun Sports Construction Development Co., Ltd.	19,000	September 19, 2021	No fixed maturity date
Jinjiang Zhongyun Sports Construction Development Co., Ltd.	14,000	February 2, 2021	No fixed maturity date
Jinjiang Zhongyun Sports Construction Development Co., Ltd.	13,000	January 12, 2021	No fixed maturity date
Jinjiang Zhongyun Sports Construction Development Co., Ltd.	13,000	March 19, 2021	No fixed maturity date
Jinjiang Zhongyun Sports Construction Development Co., Ltd.	4,500	January 12, 2021	No fixed maturity date
China Construction Aluminum New materials Chengdu Co., Ltd.	30,000	March 29, 2021	March 28, 2022
China Construction Aluminum New materials Chengdu Co., Ltd.	10,000	May 26, 2021	May 25, 2022
China Construction Aluminum New materials Chengdu Co., Ltd.	10,000	June 29, 2021	June 28, 2022
Wuhan Chenfa Real Estate Development Co., Ltd.	28,000	April 30, 2021	October 30, 2022
Wuhan Chenzhan Real Estate Development Co., Ltd.	27,200	April 30, 2021	December 20, 2022
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	26,290	May 1, 2021	December 31, 2022
Clear Elegant Limited	26,061	January 31, 2021	No fixed maturity date
Cscec Scimee Sci.&Tech. Co., Ltd.	26,000	May 11, 2021	May 10, 2022
Cscec Scimee Sci.&Tech. Co., Ltd.	20,000	June 15, 2021	June 14, 2022
Zhengzhou Public Zhongcheng Roads and Bridges Construction Management Co., Ltd.	22,495	March 10, 2021	March 10, 2022
Shanghai Linbo Haihui City Construction Development Co., Ltd.	20,000	February 16, 2021	No fixed maturity date
Chongqing Zhongjian Hailong Liangjiang Construction Technology Co., Ltd.	19,643	March 31, 2021	September 19, 2023

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(5) Inter bank loan of related parties (continued)

Fund lent (continued)

2021 (continued)

	Loan amount	Starting date	Ending date
Marble Edge Limited	18,375	January 4, 2021	No fixed maturity date
Beijing Rongzhu Real Estate Development Co., Ltd.	17,257	December 31, 2021	December 31, 2023
Putian Jiangkou Suanxi CSCEC Strait Infrastructure Investment Development Co., Ltd.	12,580	January 22, 2021	No fixed maturity date
Dongfang Anzhen (Beijing) Hospital Management Co., Ltd.	9,306	March 25, 2021	December 14, 2039
TEDA Group Co., Ltd.	8,135	January 11, 2021	No fixed maturity date
Zhangzhou China Merchants Steamship Company Economic Technology Area CSCEC Infrastructure Investment Development Co., Ltd.	8,000	March 26, 2021	No fixed maturity date
Nanjing Guancheng Hengrui Real Estate Co., Ltd.	6,600	January 1, 2021	December 31, 2021
Nanjing AnjuJianhe Construction Technology Co., Ltd.	6,000	January 28, 2021	January 28, 2024
Nanjing China Construction Fifth Engineering Bureau Lishui Development Area Affordable Housing Investment Co., Ltd.	5,500	January 6, 2021	January 29, 2021
Luminous Dream Limited	4,385	January 31, 2021	No fixed maturity date
China Overseas Polytec Real Estate (Foshan) Co., Ltd.	3,662	December 1, 2021	March 31, 2022
Dongguan Jiafang Real Estate Development Co., Ltd.	2,458	July 1, 2021	No fixed maturity date
Zhijiang Jianxin Municipal Engineering Construction Co., Ltd.	2,150	June 30, 2021	March 17, 2022
Liuan Haijia Lancheng Real Estate Co., Ltd.	456	January 13, 2021	No fixed maturity date
Total	23,350,531		

(6) A takes deposits

2022

	1 January 2022	Increase in the current year	Decrease in the current year	31 December 2022
CSCEC Electronic Commerce Co., Ltd.	1,933,025	6,651,708	(6,666,458)	1,918,275
CSCEC	364,014	16,747,724	(16,858,815)	252,923
Qingdao China Construction Eighth Engineering Bureau Education Development Co., Ltd.	–	223,293	(45,743)	177,550
Weihai CSCEC Eighth Engineering Bureau Construction Development Co., Ltd.	–	390,360	(223,207)	167,153
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd.	–	140,127	–	140,127
CSCEC Innovation Investment Co., Ltd. (formerly known as “Beijing CSCEC Qiming Enterprise Management Co., Ltd.”)	85,553	148,690	(139,604)	94,639
Rizhao China Construction Eighth Engineering Bureau culture and Technology Development Co., Ltd.	–	90,156	(23,000)	67,156
Chengdu CSCEC Minjiang River Construction Engineering Investment Co., Ltd.	75,542	757	(9,895)	66,404
China Construction Aluminum New materials Co., Ltd.	44,026	74,604	(85,811)	32,819
CSCEC science and technology innovation (Shanghai) Investment Co., Ltd.	67,693	242	(37,824)	30,111
China Construction Aluminum New materials Chengdu Co., Ltd.	15,276	232,277	(219,351)	28,202
Rizhao CSCEC Transportation Service Co., Ltd.	–	21,000	–	21,000

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(6) A takes deposits (continued)

2022 (continued)

	1 January 2022	Increase in the current year	Decrease in the current year	31 December 2022
Beijing Zhongyi Chengjian Property Management Co., Ltd.	3,465	35,997	(23,237)	16,225
Qingdao CSCEC Eighth Engineering Bureau City Investment and Development Co., Ltd.	–	89,147	(74,308)	14,839
Nanjing CSCEC Travel Construction Investment Co., Ltd.	721,071	57,160	(768,717)	9,514
Qingdao China Construction Eighth Engineering Bureau Airport City Construction Development Co., Ltd.	–	110,039	(103,479)	6,560
Cscec Scimee Sci.&Tech. Co., Ltd.	28,210	169,613	(191,806)	6,017
Nanjing CSCEC Gubei City Development Co., Ltd.	569,449	85,952	(653,812)	1,589
China Construction Asset Management Co., Ltd.	5,875	21	(5,000)	896
CSCEC Dacheng Construction Co., Ltd.	578	2	(157)	423
China Automobile Trade Co., Ltd.	484	152	(400)	236
China Construction Haoyun Co., Ltd.	78,903	36	(78,903)	36
Guangzhou Fuchuang Real Estate Development Co., Ltd.	25	400,000	(400,000)	25
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	2	–	–	2
Total	3,993,191	25,669,057	(26,609,527)	3,052,721

2021 (restated)

	1 January 2021	Increase in the current year	Decrease in the current year	31 December 2021
CSCEC Electronic Commerce Co., Ltd.	1,292,341	4,567,765	(3,927,081)	1,933,025
Nanjing CSCEC Travel Construction Investment Co., Ltd.	297	933,503	(212,729)	721,071
Nanjing CSCEC Gubei City Development Co., Ltd.	172	729,476	(160,199)	569,449
CSCEC	234,682	24,669,702	(24,540,370)	364,014
CSCEC Innovation Investment Co., Ltd. (formerly known as "Beijing CSCEC Qiming Enterprise Management Co., Ltd.")	75,732	582,246	(572,425)	85,553
China Construction Haoyun Co., Ltd.	595	100,147	(21,839)	78,903
Chengdu CSCEC Minjiang River Construction Engineering Investment Co., Ltd.	9,521	80,170	(14,149)	75,542
CSCEC science and technology innovation (Shanghai) Investment Co., Ltd.	–	91,239	(23,546)	67,693
China Construction Aluminum New materials Co., Ltd.	4,554	107,312	(67,840)	44,026
Cscec Scimee Sci.&Tech. Co., Ltd.	2,000	147,646	(121,436)	28,210
China Construction Aluminum New materials Chengdu Co., Ltd.	11,358	256,391	(252,473)	15,276
China Construction Asset Management Co., Ltd.	5,848	27	–	5,875
Beijing Zhongyi Chengjian Property Management Co., Ltd.	–	16,095	(12,630)	3,465
CSCEC Dacheng Construction Co., Ltd.	365	17,388	(17,175)	578
China Automobile Trade Co., Ltd.	182	402	(100)	484
Guangzhou Fuchuang Real Estate Development Co., Ltd.	–	400,025	(400,000)	25
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	–	20,625	(20,623)	2
Total	1,637,647	32,720,159	(30,364,615)	3,993,191

X. Related party relationships and transactions (continued)

5. Major transactions between the Group and its related parties (continued)

(7) Transfer of related parties assets

	Nature of the transaction	2022	2021
China Overseas Grand Oceans	Trade mark use right	171,800	165,200

(8) Other related parties transactions

	2022	2021
Key management's remuneration	7,779	10,953

The credit line of the Finance Company to the Group's affiliates as of December 31, 2022 is RMB19,700,000 thousand (December 31, 2021: RMB22,770,000 thousand), the used credit line is RMB2,633,110 thousand (December 31, 2021: RMB6,291,667 thousand), and the unused credit line is RMB17,066,890 thousand. (December 31, 2021: RMB16,478,333 thousand).

As of December 31, 2022, the amount of performance guarantee provided by the Finance Company to the group's affiliated parties is RMB427,013 thousand. (December 31, 2021: RMB997,929 thousand).

In 2022, the total service fee charged by the Finance Company for providing other financial services to the group's affiliated parties is RMB4,542 thousand. (December 31, 2021: RMB2,974 thousand).

In 2022, the Group completed the merger of several companies under the same control, which constitutes related party transaction of the Group. For details, please refer to Notes VI. 2.

6. Commitments of related parties

The following are the commitments of related parties that have been contracted at the balance sheet date and do not have to be set out on the balance sheet:

Providing construction services

	31 December 2022	31 December 2021 (restated)
CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd.	11,721,271	12,450,541
Fuzhou Modern Logistics City Investment Construction Development Co., Ltd.	10,937,415	-
Nanjing CSCEC Travel Construction Investment Co., Ltd.	5,713,337	7,202,326
Jiqing Express Railroad Co., Ltd.	5,514,999	7,341,021
Nantong City Ring Road Expressway Co., Ltd.	4,517,040	-
Guangxi Nanbin Highway Construction and Development Co., Ltd.	3,972,023	4,872,764
Nanjing Jinlingyi Cultural Tourism Development Co., Ltd.	3,572,774	3,823,407
Putian CSCEC Mulan Construction Development Co., Ltd.	3,158,824	3,456,141
Urumqi Linkong CSCEC Airport Construction Operation Co., Ltd.	2,871,982	2,953,709
Hengshui CECS Hangang Expressway Management Co., Ltd.	2,854,870	-
Wuhan Binjiang Infrastructure Construction and Development Co., Ltd.	2,839,640	2,923,438
Taizhou Luqiao Xindao Investment and Development Co., Ltd.	2,530,817	344,501
CSCEC Xi'an Infrastructure Construction Investment Co., Ltd.	2,168,799	2,333,025
Zhaotong Zhongjian Construction Investment Development Co., Ltd.	1,912,638	1,907,262

X. Related party relationships and transactions (continued)

6. Commitments of related parties (continued)

The following are the commitments of related parties that have been contracted at the balance sheet date and do not have to be set out on the balance sheet: (continued)

Providing construction services (continued)

	31 December 2022	31 December 2021 (restated)
Shanghai Lingang New Area Jingang Dongjiu Real Estate Co., Ltd.	1,871,146	1,613,015
Guizhou Leirong Expressway Investment Management Co., Ltd.	1,681,598	5,023,796
Guangzhou Xinghong Real Estate Development Co., Ltd.	1,680,981	1,823,330
Chongqing Chengtuo Chaotianmen Project Management Co., Ltd.	1,578,514	1,620,946
Nanjing Kangyuan Real Estate Development Co., Ltd.	1,504,459	2,324,671
Changsha CSCEC International High-speed Railway West Industrial City Investment Co., Ltd.	1,345,914	2,469,282
Xiamen International Trade Conference Center Co., Ltd.	1,313,786	126,440
CCCC Jijiao Expressway Investment Development Co., Ltd.	1,286,284	5,165,760
China Construction Third Engineering Bureau Jingzhou Huanchang Lake Construction Operation Co., Ltd.	1,207,596	1,466,559
Guangzhou Fangbai Intercity Rail Transit Co., Ltd.	1,191,923	2,760,346
Hangzhou City Investment Wulin Investment Development Co., Ltd.	1,189,136	2,260,170
Rizhao CSCEC Eighth Engineering Bureau Transportation Service Co., Ltd.	1,177,467	1,320,753
Guangzhou XingLv Real Estate Development Co., Ltd.	1,176,458	1,396,714
Xiamen International Exhibition Center Co., Ltd.	1,175,548	1,074,904
Foshan China Construction Yipin Pengyue Real Estate Co., Ltd.	1,165,560	1,366,524
Anhui Bengwu Expressway Investment Management Co., Ltd.	1,157,794	1,164,467
CSCEC Xi'an Chanba Ecological Region Construction Investment Co., Ltd.	1,115,069	75,430
Fuqing CSCEC Ronghai Construction and Development Co., Ltd.	1,092,905	1,370,613
Zhijiang Jianxin Municipal Engineering Construction Co., Ltd.	1,065,024	1,130,431
China Construction Third Engineering Bureau Xianning Big Continent Lake ecological construction and Operation Co., Ltd.	1,032,541	1,306,357
Jiangsu Susu Industrial Park Development Co., Ltd.	976,637	1,388,000
China Construction International (Xiangyang) Construction Co., Ltd.	970,017	1,011,844
Jingyu Co., Ltd.	933,557	1,139,846
Southwest Section of Wuhan Metropolitan Area Circle Line Investment Management Co., Ltd.	917,431	193,557
CSCEC Xi'an City Construction Investment Co., Ltd.	889,587	1,742,144
Chongqing Derun Yipin Environmental Governance Co., Ltd.	859,258	–
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	854,332	1,308,401
Wuhan Chongjiang Real Estate Co., Ltd.	852,434	–
Chengdu Chuantou Airport Construction Co., Ltd.	826,500	903,852
Guigang Nine Roads and Two Bridges Construction Management Co., Ltd.	823,694	1,481,295
Fuyang Three Gorges Phase I Water Environment Comprehensive Treatment Co., Ltd.	785,093	–
Zhangzhou Zhanyuan Environmental Technology Co., Ltd.	751,417	777,452
Shucheng Sanxia Phase I Comprehensive Water Environment Treatment Co., Ltd.	748,378	–
Xi'an Chufeng Construction Co., Ltd.	694,793	720,292

X. Related party relationships and transactions (continued)

6. Commitments of related parties (continued)

The following are the commitments of related parties that have been contracted at the balance sheet date and do not have to be set out on the balance sheet: (continued)

Providing construction services (continued)

	31 December 2022	31 December 2021 (restated)
Yantai Zhongda Xinhong Science Education Investment Co., Ltd.	679,507	1,907,969
Fujian Minxin Environmental Development Co., Ltd.	659,040	880,691
Guangdong Haichao Technology Industry Development Co., Ltd.	624,936	–
Sichuan Dehui Expressway Co., Ltd.	607,519	2,081,383
Zhuzhou China Overseas Real Estate Co., Ltd.	589,634	1,140,299
Wuhan Transportation Investment Tongxiu High-speed Construction Management Co., Ltd.	566,101	917,431
Luzhou Yangtze River Second Bridge Construction Co., Ltd.	540,443	1,054,619
Shantou CSCEC New Urbanization Investment Co., Ltd.	536,750	–
CSCEC Wuhan Huangxiao River Airport River Environment Comprehensive Treatment Construction Operation Co., Ltd.	522,322	1,352,720
Wuhan Optics Valley Science Island Construction and Development Co., Ltd.	494,416	–
Putian Puyang University Construction Co., Ltd.	440,834	152,752
Changsha Yida Chuangzhi Real Estate Development Co., Ltd.	438,171	527,158
Pingxiang Jianyu Real Estate Co., Ltd.	426,605	459,259
Xinyu Ring Road Construction Investment Co., Ltd.	426,293	2,415,947
Liuzhou CSCEC Steel Structure Ecological Garden Construction Co., Ltd.	424,665	458,142
Urumqi Zhongcheng Silk Road Sports Management Co., Ltd.	409,473	368,285
Beijing Xingying Real Estate Co., Ltd.	401,375	662,294
Zhangzhou Yingzhi Construction and Development Co., Ltd.	384,953	397,764
Others	12,740,327	50,485,698
Total	124,092,624	162,397,737

7. Amounts due from related parties

(1) Notes receivable

	31 December 2022		31 December 2021 (restated)	
	Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Qingdao Fangchen Real Estate Co., Ltd.	31,352	(125)	267	(1)
Qingdao Maozhang Real Estate Co., Ltd.	25,602	(102)	3,000	(12)
Qingdao Fanghui Real Estate Co., Ltd.	23,171	(93)	1,737	(7)
Others	500	(2)	259,759	(692)
Total	80,625	(322)	264,763	(712)

X. Related party relationships and transactions (continued)

7. Amounts due from related parties (continued)

(2) Accounts receivable

	31 December 2022		31 December 2021 (restated)	
	Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Anhui Bengwu Expressway Investment Management Co., Ltd.	571,291	(25,926)	119,507	(6,187)
CSCEC Xi'an Chanba Ecological Region Construction Investment Co., Ltd.	536,526	(43,141)	443,816	(16,858)
CSCEC New Urbanization (Xinjiang) Investment Co., Ltd.	510,773	(57,945)	694,566	(39,453)
Chengdu Changtuo Dongjin Construction Co., Ltd.	438,838	(8,777)	424,417	(8,488)
Zhaotong Zhongjian Construction Investment Development Co., Ltd.	411,404	(115,971)	440,186	(132,056)
CSCEC Xi'an Infrastructure Construction Investment Co., Ltd.	400,091	(86,290)	529,992	(95,982)
Jiqing Express Railroad Co., Ltd.	387,259	(19,942)	240,048	(12,520)
CSCEC (Tangshan Caofeidian) Engineering Construction Co., Ltd.	364,027	(91,155)	689,697	(44,486)
Guizhou Leirong Expressway Investment Management Co., Ltd.	328,296	(139)	1,395,835	(62,370)
Xuzhou Line 1 Rail Transit Investment and Development Co., LTD.	300,613	(111,745)	304,528	(56,996)
Shanggang group Ruitai Development Co., Ltd.	287,542	(63,419)	282,172	(55,379)
Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	272,770	-	-	-
China Overseas Grand Oceans	266,278	-	-	-
Shanwei Yuehai Qingyuan Environmental Protection Co., Ltd.	265,463	(13,814)	160,230	(6,182)
CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd.	236,794	(10,954)	2,611	(202)
Shanghai Linbo Haihui City Construction Development Co., Ltd.	233,845	-	110,441	-
China Construction International (Xiangyang) Construction Co., Ltd.	207,232	-	234,716	-
Putian Haijia Real Estate Co., Ltd.	200,917	-	178,016	-
Liuan Haijia Lancheng Real Estate Co., Ltd.	194,381	(90)	60,499	(30)
Mianyang CSCEC Kefa Guanlang road investment and Construction Co., Ltd.	181,477	(12,679)	61,395	(3,388)
Zhongshan Shenshui Environmental Water Co., Ltd.	180,592	(16,559)	172,560	(7,765)
Changsha CSCEC International High-speed Railway West Industrial City Investment Co., Ltd.	178,297	(426)	1,997	-
Xi'an Chufeng Construction Co., Ltd.	166,553	(91,124)	1,096	(49)
Cangzhou Bohai New Area China Construction Port Construction Management Co., Ltd.	131,499	(65,750)	131,499	(65,750)
Changsha Yida Chuangzhi Real Estate Development Co., Ltd.	128,351	-	-	-
Qingdao China Construction Eighth Engineering Bureau Airport City Construction Development Co., Ltd.	113,294	(5,098)	-	-
Chongqing Water Affairs Shatian Environmental Governance Co., Ltd.	111,769	(7,119)	68,924	(3,102)
Shanghai International Port (Group) Co., Ltd.	105,042	(10,552)	86,016	(7,009)
Liupanshui urban pipe gallery construction and Development Investment Co., Ltd.	101,284	(30,385)	209,819	(56,330)
Changsha Zhongjian International Development Co., Ltd.	99,408	(15)	190,767	-
Cangzhou CSCEC Bohai investment Logistics Park Construction Development Co., Ltd.	96,521	(38,608)	146,521	(29,304)
Foshan Urban Rail Transit Line 3 Development Co., Ltd.	88,000	(7,503)	-	-
Xiangtan Haijia Construction Co., Ltd.	86,926	-	90,146	-
Shantou CSCEC New Urbanization Investment Co., Ltd.	85,402	(3,843)	199,051	(8,957)
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	85,349	(3,556)	15,029	(676)

X. Related party relationships and transactions (continued)

7. Amounts due from related parties (continued)

(2) Accounts receivable (continued)

	31 December 2022		31 December 2021 (restated)	
	Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Wuhan Huangpi Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	83,428	(3,754)	16,337	(735)
Yunnan Airport Construction and Development Co., Ltd.	79,008	(3,555)	-	-
Zunyi South Ring Expressway Development Co., Ltd.	75,966	-	-	-
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	74,296	(1,486)	7,669	(153)
Liyang Zhongjian Sangde Environmental Governance Co., LTD.	67,960	(3,064)	3,010	(304)
Zhongshan Public Utilities Sanlianwei Watershed Governance Co., Ltd.	66,199	(2,979)	-	-
Wuhan Hongtai Hongli CSCEC Yipin Real Estate Co., Ltd.	61,151	(2,603)	128,355	(5,778)
Others	1,669,871	(170,607)	3,793,648	(401,319)
Total	10,531,983	(1,130,573)	11,635,116	(1,127,808)

(3) Other receivables

	31 December 2022		31 December 2021 (restated)	
	Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Guangzhou Zhongjian Tiantou Investment Real Estate Co., LTD.	999,138	(39,966)	-	-
Guangzhou Fuchuang Real Estate Development Co., Ltd.	848,634	(33,964)	926,360	(36,807)
Jinan Zhiying Real Estate Co., LTD.	580,318	(1,010)	-	-
Suzhou Fuyuan Real Estate Co., Ltd.	541,971	(40,931)	626,726	(40,275)
Grand Dunman Pte Ltd.	532,513	-	-	-
Panzhuhua China Construction Third Engineering Bureau Government Service Center Construction Development Co., Ltd.	302,412	(3,071)	98,289	(98)
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	142,968	(8,857)	76,868	(3,134)
Liupanshui urban pipe gallery construction and Development Investment Co., Ltd.	134,197	(16,135)	58,453	(3,165)
Fernvale Lane Pte Ltd.	116,776	-	-	-
Urumqi Linkong CSCEC Airport Construction Operation Co., Ltd.	81,488	(6,357)	57,981	(4,085)
Suzhou Junda National Highway 206 Construction Co., Ltd.	75,004	(15,976)	91,804	(13,566)
Xiamen Haitou Construction Technology Co., Ltd.	74,250	(10,020)	74,250	(5,198)
Dongguan Zhonghai Century City Education Technology Development Co., Ltd.	69,064	(12,859)	108,986	(13,717)
Shanghai Fuda Real Estate Co., Ltd.	68,393	(2,736)	-	-
Guangxi Nanbin Highway Construction and Development Co., Ltd.	63,051	(2,522)	-	-
Shantou CSCEC New Urbanization Investment Co., Ltd.	55,626	(21,276)	53,365	(15,894)
CCCC Jijiao Expressway Investment Development Co., Ltd.	51,858	(2,170)	64,408	(3,751)

X. Related party relationships and transactions (continued)

7. Amounts due from related parties (continued)

(3) Other receivables (continued)

	31 December 2022		31 December 2021 (restated)	
	Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Guangzhou CSCEC Green Financial Holding Construction Investment Co., Ltd.	50,351	(1,511)	–	–
Rizhao CSCEC Transportation Service Co., Ltd.	50,000	(15,000)	50,000	(10,000)
China Construction Asset Management Co., Ltd.	47,665	–	–	–
Shangqiu New Voyage Development and Construction Management Co., LTD.	47,412	(2,939)	28,321	(1,133)
Wuhan Chongjiang Real Estate Co., Ltd.	46,234	(3,657)	45,194	(1,808)
Putian CSCEC Mulan Construction Development Co., Ltd.	45,504	(1,921)	–	–
CSCEC Roads and Bridges Co., Ltd.	39,299	(7,434)	48,044	(6,905)
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	34,657	(2,677)	32,741	(1,310)
Zhengzhou Public Zhongcheng Roads and Bridges Construction Management Co., Ltd.	34,113	(1,023)	–	–
Construction Technology Jingmen Co., Ltd.	28,737	(1,409)	62,135	(2,485)
Jingmen China Construction 207 Highway Construction Co., Ltd.	18,720	(749)	–	–
Hengshui CECSC Hangang Expressway Management Co., Ltd.	18,378	(1,312)	18,350	(734)
Liuzhou China Construction Science and Industry Exhibition Operation Management Co., Ltd.	18,311	(1,895)	–	–
Beijing Yipin Haikai Real Estate Development Co., Ltd.	17,790	(705)	–	–
Wuhan CSCEC Yipin Zhaoying Real Estate Co., Ltd.	17,461	(715)	23,989	(960)
Ezhou Chuanguo Real Estate Development Co., Ltd.	17,328	(999)	11,163	(447)
Cangzhou CSCEC Bohai investment Logistics Park Construction Development Co., Ltd.	16,805	(962)	10,751	(418)
Yili CSCEC Highway Construction and Operation Co., Ltd.	15,234	(1,776)	–	–
Guangzhou XingLv Real Estate Development Co., Ltd.	11,621	(491)	13,824	(680)
Putian Jiangkou Suanxi CSCEC Strait Infrastructure Investment Development Co., Ltd.	11,400	(228)	1,000	(20)
Zhangzhou Chengjia Real Estate Co., Ltd.	9,742	(1,290)	–	–
CSCEC Dacheng Construction Co., Ltd.	8,995	(360)	5,236	(209)
Guangzhou Xinghong Real Estate Development Co., Ltd.	8,951	(289)	3,966	(159)
Guizhou Jianxin Water Environment Industry Co., Ltd.	8,820	(2,646)	8,820	(1,764)
Liupanshui Dongda Highway Investment and Development Co., Ltd.	8,768	(1,128)	8,795	(611)
CSCEC Electronic Commerce Co., Ltd.	7,916	–	7,383	–
Others	215,778	(17,810)	3,043,751	(225,984)
Total	5,593,651	(288,776)	5,660,953	(395,317)

X. Related party relationships and transactions (continued)

7. Amounts due from related parties (continued)

(4) Contract assets

	31 December 2022		31 December 2021 (restated)	
	Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	913,324	(3,681)	1,017,703	(4,230)
Sanmenxia National Road 310 South Transplanted Project Construction Co., Ltd.	623,463	(3,117)	441,281	(5,013)
Hebei Chenghong Pipelines Engineering Co., Ltd.	515,392	(5,241)	36,399	(6,612)
Wuhan Sanxia Jiangnan Water Co., LTD.	262,095	(1,310)	-	-
Mianyang CSCEC Kefa Guanlang road investment and Construction Co., Ltd.	218,223	(1,113)	244,406	(1,280)
Guizhou Leirong Expressway Investment Management Co., Ltd.	214,557	(2,666)	1,346	(904)
Zhongshan Public Utilities Sanlianwei Watershed Governance Co., Ltd.	185,399	(1,352)	-	-
Jiqing Express Railroad Co., Ltd.	156,022	(715)	155,296	(1,008)
Zunyi South Ring Expressway Development Co., Ltd.	150,607	(1,101)	272,121	(1,105)
Foshan Urban Rail Transit Line 3 Development Co., Ltd.	149,899	(668)	-	-
China Construction Haoyun Co., Ltd.	139,238	(603)	137,018	(570)
Panzhuhua China Construction Third Engineering Bureau Government Service Center Construction Development Co., Ltd.	135,092	(490)	7,265	(87)
Foshan China Construction Yipin Pengyue Real Estate Co., Ltd.	126,234	(631)	29,590	(148)
Shanggang group Ruitai Development Co., Ltd.	122,490	(506)	52,430	(359)
Cangzhou CSCEC Bohai investment Logistics Park Construction Development Co., Ltd.	117,254	(515)	48,197	(206)
Hebei Xiong'an Citizen Service Center Co., Ltd.	107,728	(511)	473,475	(2,367)
Guizhou Wengma Railway North-South Extension Line Co., Ltd.	104,846	(825)	14,955	(434)
Zhongshan Shenshui Environmental Water Co., Ltd.	102,955	(515)	38,912	(195)
China Construction Third Engineering Bureau Jingzhou Huanchang Lake Construction Operation Co., Ltd.	101,239	(398)	489	(489)
CSCEC Wuhan Huangxiao River Airport River Environment Comprehensive Treatment Construction Operation Co., Ltd.	98,059	(1,148)	89,824	(4,082)
Suzhou Junda National Highway 206 Construction Co., Ltd.	94,902	(771)	116,043	(864)
Wuhan Huangpi Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	93,690	(468)	-	-
Yunnan Huali Expressway investment and Development Co., Ltd.	91,271	(456)	793	(793)
CSCEC New Urbanization (Xinjiang)Investment Co., Ltd.	84,440	(375)	156,622	(643)
Xiamen International Trade Conference Center Co., Ltd.	82,395	(412)	-	-
China State Construction Wuhan Yangsigang Road and Bridge Construction and Operation Co., Ltd.	79,576	(270)	239	(239)
Xinjiang CSCEC City Construction Investment Co., Ltd.	75,382	(358)	25,491	(268)
Yinchuan Shenyang Road Underground Comprehensive Pipe Gallery Construction Management Co., Ltd.	73,022	(365)	80,934	(284)
Hubei Transportation Investment Xiangyang North Expressway Co., Ltd.	70,835	(354)	5,543	(258)
CSCEC Zhanjiang Avenue Investment and Construction Co., Ltd.	60,604	(406)	6,174	(147)
Jingmen China Construction 207 Highway Construction Co., Ltd.	60,038	(448)	938	(41)
Others	2,059,195	(136,722)	4,333,357	(118,595)
Total	7,469,466	(168,511)	7,786,841	(151,221)

X. Related party relationships and transaction (continued)**7. Amounts due from related parties (continued)****(5) Other current assets**

	31 December 2022		31 December 2021	
	Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
CSCEC	2,001,833	(58,800)	4,700,000	(138,180)
Tianjin Chuangqing Investment Management Co., Ltd.	985,195	(488,783)	334,050	-
Harbin Runzhi Real Estate Development Co., Ltd.	922,982	-	2,414,941	-
China Overseas Grand Oceans	826,536	-	564,887	-
Xinggui Investment Co., Ltd.	813,259	-	756,929	-
Xuancheng Haijia Lancheng Real Estate Co., Ltd.	810,842	-	493,151	-
Chengdu Langxin Real Estate Co., Ltd.	758,359	-	-	-
Tongxiang Haoli Enterprise Management Co., Ltd.	659,340	(364,776)	1,613,446	-
Shenzhen Zhaohang Real Estate Co., Ltd.	651,076	-	-	-
Suzhou Wujiang Taihai Real Estate Co., Ltd.	648,641	-	476,929	-
CSCEC Xi'an Infrastructure Construction Investment Co., Ltd.	614,480	(102,446)	574,480	(64,183)
Changchun Hairun Rongcheng Real Estate Development Co., Ltd.	587,220	-	538,350	-
Anhui Bengwu Expressway Investment Management Co., Ltd.	495,642	-	-	-
Tianjin Chuangliang Investment Management Co., Ltd.	449,216	(301,420)	449,216	-
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	311,276	-	237,672	-
Jinjiang Zhongyun Sports Construction Development Co., Ltd.	301,000	-	307,000	-
Jinyu Jiaxing Nanjing Real Estate Development Co., Ltd.	300,000	(14,400)	300,000	(14,400)
Top Colour Development Limited	284,587	-	488,767	-
Tianjin Zhonghai Haixin Real Estate Co., Ltd.	260,817	-	-	-
Tianjin Shunji Real Estate Co., Ltd.	242,668	(104,781)	263,668	(68,934)
Guangzhou Zengcheng Run Yu Real Estate Co., Ltd.	230,000	-	-	-
Dongguan Songrun Real Estate Co., Ltd.	223,960	-	-	-
Guangzhou SuiHai Real Estate Co., Ltd.	170,065	-	-	-
Others	1,516,957	(183,937)	6,361,461	(148,902)
Total	15,065,951	(1,619,343)	20,874,947	(434,599)

(6) Long-term receivables

	31 December 2022		31 December 2021 (restated)	
	Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Cscec Scimee Sci.&Tech. Co., Ltd.	9,614	-	-	-
Sanmenxia National Road 310 South Transplanted Project Construction Co., Ltd.	6,000	(1,800)	6,000	(1,020)
China Construction Aluminum New materials Chengdu Co., Ltd.	5,680	-	-	-
Beijing Zhongyi Chengjian Property Management Co., Ltd.	612	-	612	-
Others	224	(47)	8,441	(477)
Total	22,130	(1,847)	15,053	(1,497)

X. Related party relationships and transaction (continued)

7. Amounts due from related parties (continued)

(7) Debt Investments

	31 December 2022		31 December 2021	
	Carrying amount	Impairment allowance	Carrying amount	Impairment allowance
Clear Elegant Limited	2,770,274	–	2,501,150	–
Jingyu Co., Ltd.	1,779,975	–	2,554,260	–
Luminous Dream Limited	1,768,486	–	1,597,323	–
TEDA Group Co., Ltd.	1,698,808	–	1,537,081	–
Wuhan Pinlian Real Estate Co., Ltd.	1,584,031	–	–	–
Gainable Development Limited	1,470,089	–	1,327,138	–
Beijing Yipin Haikai Real Estate Development Co., Ltd.	1,438,200	–	–	–
Wuhan Chongjiang Real Estate Co., Ltd.	1,406,671	–	1,196,296	–
Marble Edge Limited	1,361,826	–	1,229,560	–
Guangzhou Xinghong Real Estate Development Co., Ltd.	921,263	(921)	1,044,183	(1,044)
Vanlink Company Limited	748,800	–	748,800	–
Beijing Nanyue Real Estate Development Co., Ltd.	729,714	–	729,714	–
Guangzhou SuiHai Real Estate Co., Ltd.	683,750	–	683,750	–
Xing Chuang Enterprises Ltd.	609,273	–	609,273	–
Foshan China Construction Yipin Pengyue Real Estate Co., Ltd.	513,725	–	1,054,814	–
Ezhou Chuangu Real Estate Development Co., Ltd.	510,565	–	510,565	–
Zhuzhou China Overseas Grand Oceans Real Estate Co., Ltd.	473,879	–	–	–
Guiheng Investments Co., Ltd.	324,074	–	324,074	–
Changsha Yida Chuangzhi Real Estate Development Co., Ltd.	288,835	–	288,835	–
Beijing Jinliang Xingye Real Estate Development Co., Ltd.	282,102	–	506,102	–
CSCEC Xi'an Infrastructure Construction Investment Co., Ltd.	269,148	(2,691)	269,863	(2,699)
Wuhan CSCEC Yipin Zhaoying Real Estate Co., Ltd.	266,860	(88,222)	296,860	–
Dazhou Dahuan Construction Management Co., Ltd.	228,720	–	296,146	–
Jiangmen Pengjiang Area Hebang Real Estate Development Co., Ltd.	221,126	–	221,126	–
Xiangtan Haijia Construction Co., Ltd.	212,216	–	–	–
Guangzhou Zengcheng Run Yu Real Estate Co., Ltd.	195,600	–	195,600	–
Foshan Construction investment China Construction Yipin Real estate Co., Ltd.	186,200	–	211,969	–
Haizhou Investment Co., Ltd.	186,119	–	–	–
Wuhan Chenzhan Real Estate Development Co., Ltd.	178,054	–	178,576	–
Others	1,696,797	(6,941)	4,287,044	(7,268)
Total	25,005,180	(98,775)	24,400,102	(11,011)

Note: As at 31 December 2022, the entrusted loan amounted RMB269,148 thousand lent to a joint venture of the Group, China State Construction Xi'an Infrastructure Construction Investment Co., Ltd. (31 December 2021: RMB269,863 thousand) and China State Construction Xi'an Urban Construction Investment Co., Ltd., an associate of the Group, amounted RMB88,719 thousand (31 December 2021: RMB89,869 thousand), are presented in the entrusted loans of Note V. 12.

X. Related party relationships and transaction (continued)

8. Payables to related parties

(1) Accounts payable

	31 December 2022	31 December 2021 (restated)
CSCEC Electronic Commerce Co., Ltd.	1,110,503	1,114,339
CSCEC Roads and Bridges Co., Ltd.	356,942	170,129
CSCEC Dacheng Construction Co., Ltd.	260,633	180,735
Anhui Guoyuan Investment Co., Ltd.	142,091	9,057
Shandong CSCEC Zhongli Equipment Leasing Co., Ltd.	116,558	88,481
China Construction Aluminum New Materials Chengdu Co., Ltd.	107,714	73,426
Cscec Scimee Sci.&Tech. Co., Ltd.	105,353	46,822
China Overseas Grand Oceans	37,268	9,776
Sichuan West Construction Zhonghe Machinery Co., Ltd.	37,095	24,213
Guangdong Haichao Technology Industry Development Co., Ltd.	32,081	–
China Construction Technology Hubei Co., LTD.	31,692	–
Sichuan West Construction Shantui Logistics Co., Ltd.	30,201	38,598
Beijing CSCEC Runtong Electromechanic Engineering Co., Ltd.	29,201	46,546
Shandong Zhongcheng Machinery Leasing Co., Ltd.	27,598	21,965
Shandong CSCEC Material Equipment Co., Ltd.	24,587	32,562
Others	116,424	246,351
Total	2,565,941	2,103,000

(2) Other Payables

	31 December 2022	31 December 2021 (restated)
CSCEC Innovation Investment Co., Ltd. (formerly known as “Beijing CSCEC Qiming Enterprise Management Co., Ltd.”)	1,927,355	104,980
Xinggui Investment Co., Ltd.	1,260,000	1,237,000
Sunrise JV Limited	997,707	895,521
Xing Chuang Enterprises LTD.	805,750	761,000
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	555,218	357,586
Chongqing Jinke Zhaoji Real Estate Development Co., Ltd.	549,762	600,750
CSCEC Haijia (Foshan) Investment Construction Co., Ltd.	413,888	413,888
China Overseas Grand Oceans	400,944	–
Nanjing CSCEC Gubei City Development Co., Ltd.	394,403	–
Hengyang Lingsheng Real Estate Co., Ltd.	373,269	390,429
Nanjing CSCEC Travel Construction Investment Co., Ltd.	369,717	14,845
Wuhan Hongtai Hongli CSCEC Yipin Real Estate Co., Ltd.	312,922	197,182

X. Related party relationships and transaction (continued)

8. Payables to related parties (continued)

(2) Other Payables (continued)

	31 December 2022	31 December 2021 (restated)
China Overseas South Airlines Construction and Development Co., Ltd.	303,508	153,154
Xi'an Jiarun Rongcheng Real Estate Co., Ltd.	297,394	812,433
Shantou CSCEC New Urbanization Investment Co., Ltd.	294,985	–
Guiheng Investments Co., Ltd.	280,050	150,000
Xiamen Haimao Real Estate Co., Ltd.	266,471	–
Qingdao Haijie Real Estate Co., Ltd.	260,000	843,760
Nanjing China Construction Fifth Engineering Bureau Lishui Development Area Affordable Housing Investment Co., Ltd.	245,600	151,800
Qingdao tengmao Real Estate Co., Ltd.	234,758	277,993
Beijing Hengyi Real Estate Development Co., Ltd.	231,104	245,505
Shenzhen Shenzhen-Shantou Special Cooperation Zone Zhongpu Infrastructure Investment Co., Ltd.	230,618	232,106
Guangzhou Ivrong Real Estate Development Co., Ltd.	217,413	217,413
Shanghai Jiasheng Real Estate Development Co., Ltd.	205,761	467,408
China Construction Third Engineering Bureau Xianning Big Continent Lake ecological construction and Operation Co., Ltd.	168,644	2,252
Beijing Zhonghai Excellent Urban and Rural Construction Investment Fund	132,389	132,389
Nanjing Yangtze River Second Bridge Co., Ltd.	128,286	148,025
Leading Investment Co., Ltd.	124,499	594,150
Qingdao Caimao Real Estate Co., Ltd.	120,150	111,704
Anhui Guoyuan Trust Co., Ltd.	119,000	–
Rizhao CSCEC Eighth Engineering Bureau Transportation Service Co., Ltd.	111,725	61,535
Ezhou CSCEC Yipin Lanyue Real Estate Co., Ltd.	105,577	–
Xi'an Hehui Xingshang Real Estate Co., Ltd.	105,190	183,765
China Resources Land Real Estate (Taiyuan) Development Co., Ltd.	105,000	115,000
China Construction Third Engineering Bureau Yichang City Pipe Corridor Construction and Operation Co., Ltd.	104,279	803
Qingdao Fangchuan Real Estate Co., Ltd.	91,577	85,856
Vanlink Company Limited	86,922	–
Xinyu Ring Road Construction Investment Co., Ltd.	86,339	122,384
Shandong China Overseas Huachuang Real Estate Co., Ltd.	83,026	83,026
Dongguan Jiangpan New City Real Estate Development Co., Ltd.	81,000	93,000
Jiangmen Pengjiang Tianque Real Estate Development Co., Ltd.	78,124	78,124
Qingdao Songmao Real Estate Co., Ltd.	74,704	69,062
Wuhan CSCEC Yipin Zhaoying Real Estate Co., Ltd.	69,908	–
CSCEC Roads and Bridges Co., Ltd.	65,959	44,094
Qingdao Fangchen Real Estate Co., Ltd.	64,769	60,789
Others	1,469,864	2,625,162
Total	15,005,528	13,135,873

X. Related party relationships and transaction (continued)

8. Payables to related parties (continued)

(3) Contract Liabilities

	31 December 2022	31 December 2021 (restated)
CCCC Jijiao Expressway Investment Development Co., Ltd.	770,321	710,474
Hengshui CECSC Hangang Expressway Management Co., Ltd.	587,414	65,386
Shanghai Chenggang Real Estate Co., Ltd.	505,664	602,956
Urumqi Linkong Construction Infrastructure Co., Ltd.	428,356	61,109
CSCEC Xi'an Infrastructure Construction Investment Co., Ltd.	417,227	392,820
Guangzhou Fangbai Intercity Rail Transit Co., Ltd.	279,455	–
Yantai Zhongda Xinhong Science Education Investment Co., Ltd.	261,422	151,861
Hangzhou City Investment Wulin Investment Development Co., Ltd.	247,105	133,581
Urumqi Linkong CSCEC Airport Construction Operation Co., Ltd.	201,829	630,831
Shanghai Lingang New Area Jingang Dongjiu Real Estate Co., Ltd.	196,828	68,677
Sichuan Dehui Expressway Co., Ltd.	187,840	70,919
Wenzhou China Construction Science and Industry Olympic Sports Project Management Co., Ltd.	173,656	318,859
CSCEC Xi'an Chanba Ecological Region Construction Investment Co., Ltd.	168,030	508,398
Nanjing Jinlingyi Cultural Tourism Development Co., Ltd.	163,915	–
Liuzhou China Construction Steel Structure Dongcheng Exhibition Construction Co., Ltd.	152,083	229,625
Liuzhou CSCEC Steel Structure Ecological Garden Construction Co., Ltd.	132,541	25
Shanghai International Port (Group) Co., Ltd.	130,199	142,346
CSCEC Third Engineering Bureau Shengshi Jingzhou Real Estate Development Co., Ltd.	126,095	–
Hebei Chenghong Pipelines Engineering Co., Ltd.	125,171	14,139
Suining East Lake Bishui Environmental Investment Construction Co., Ltd.	116,836	176,073
Chongqing CSCEC Erhengxian Infrastructure Construction Co., Ltd.	115,904	58,462
Yantai Yuanxin Zhongda Investment Co., Ltd.	110,073	–
Zhaotong Zhongjian Construction Investment Development Co., Ltd.	104,366	104,366
Zhangzhou Zhanyuan Environmental Technology Co., Ltd.	102,454	178,925
Xuzhou Metro Line Three Investment Development Co., Ltd.	98,763	88,212
Xuzhou Line 1 Rail Transit Investment and Development Co., Ltd.	96,017	159,763
Chongqing Derun Yipin Environmental Governance Co., Ltd.	86,978	–
Others	1,155,928	5,771,126
Total	7,242,470	10,638,933

X. Related party relationships and transaction (continued)

8. Payables to related parties (continued)

(4) Lease liabilities

	31 December 2022	31 December 2021 (restated)
China Overseas Grand Oceans	93,582	326,403
China Construction Aluminum New materials Chengdu Co., Ltd.	22,104	15,491
Beijing Zhongyi Chengjian Property Management Co., Ltd.	21,570	34,716
Shanghai International Port (Group) Co., Ltd.	13,639	19,825
Shandong CSCEC Zhongli Equipment Leasing Co., Ltd.	1,337	–
Others	2,260	148,802
Total	154,492	545,237

(5) Entrusted loans

	31 December 2022	31 December 2021
CSCEC	2,398,638	3,481,106
Jinmao Investment (Changsha) Co., Ltd.	765,000	729,000
Total	3,163,638	4,210,106

(6) Long-term Payables

	31 December 2022	31 December 2021
Sunrise JV Limited	2,400,000	2,400,000
Others	135,133	55,409
Total	2,535,133	2,455,409

(7) Other non-current liabilities

	31 December 2022	31 December 2021
China State Construction Engineering Corporation	–	400,000

XI. Share-based payment

1. Overview

	2022	2021
Number of restricted shares unlocked	485,023,600	190,784,000
Number of restricted shares forfeited	13,735,000	16,903,667
The remaining term of the contract of the outstanding stock options at the end of the year	2.0	3.0
	2022	2021
Total amount of employee services in exchange for share based payment	746,275	836,446

XI. Share-based payment (continued)

1. Overview (continued)

The equity-settled share-based payment is as follows:

	2022	2021
Accumulated amount of equity-settled share-based payment in capital surplus	3,263,171	2,516,896
Total expenses recognised in equity-settled share-based payment	746,275	836,446

2. Share-based payment plan

(a) Share-based payment by the Company

- (1) In accordance with the authorisation of the third extraordinary General Meeting of Shareholders held on 3 December 2018, the Company held the 15th meeting of the second session of the Board of Directors on 26 December 2018, and the Board of Directors approved the resolution of China State Construction Engineering Corporation Limited. Granted Third Batch Restricted Shares Incentive Plan (A share) ("the third batch Incentive Plan"), in which the Company was approved to grant the restricted shares incentive to 2,081 targets ("the third batch Incentive Targets"). From 4 December 2018 to 21 December 2018, the Company completed the repurchase of 599,910,000 shares ("the third batch of Restricted Shares") in total from secondary market and completed the granting to the third batch Incentive Targets on 26 December 2018 ("the third batch grant day"). The third batch Incentive Targets' purchase price is RMB3.468 per share and the limited sales period is 2 years. If the unlock condition of the restricted shares prescribed by the plan is met, the third batch Incentive Targets can unlock the shares with the upper limit of 1/3, 1/3 and 1/3 of the granted shares on 26 December 2020 (the first batch of Phase III), 26 December 2021 (the second batch of Phase III) and 26 December 2022 (the third batch of Phase III) respectively.

In accordance with the authorisation of the third extraordinary General Meeting of Shareholders held on 7 December 2020, the Company held the 50th meeting of the second session of the Board of Directors on 23 December 2020, and the Board of Directors approved the resolution of China State Construction Engineering Corporation Limited. Granted Fourth Batch Restricted Shares Incentive Plan (A share) ("the fourth batch Incentive Plan"), in which the Company was approved to grant the restricted shares incentive to 2,765 targets ("the fourth batch Incentive Targets"). From 30 October 2020 to 14 December 2020, the Company completed the repurchase of 912,036,000 shares ("the fourth batch of Restricted Shares") in total from secondary market and completed the granting to the fourth batch Incentive Targets on 23 December 2020 ("the fourth batch grant day"). The fourth batch Incentive Targets' purchase price is RMB3.06 per share and the limited sales period is 2 years. If the unlock condition of the restricted shares prescribed by the plan is met, the fourth batch Incentive Targets can unlock the shares with the upper limit of 1/3, 1/3 and 1/3 of the granted shares on 23 December 2022 (the first batch of Phase IV), 23 December 2023 (the second batch of Phase IV) and 23 December 2024 (the third batch of Phase IV) respectively. If the business achievement or individual performance fail to meet the unlock condition, the unlocked restricted shares will be repurchased by the Company at the grant price and with no interests.

- (2) The market price of the third batch of Restricted Shares was RMB5.58 per share at the third batch grant date. The price paid by the third batch Incentive Targets was RMB3.468 per share, based on which, the fair value of the third batch of Restricted Shares granted this time was determined to be RMB2.2112 per share at the third batch grant date.

The market price of the fourth batch of Restricted Shares was RMB5.00 per share at the fourth batch grant date. The price paid by the fourth batch Incentive Targets was RMB3.06 per share, based on which, the fair value of the fourth batch of Restricted Shares granted this time was determined to be RMB1.94 per share at the fourth batch grant date.

- (3) In 2021, there are total 190,784,000 shares has been unlocked due to the second batch of Phase III meet the unlock condition, and the treasury stock decreased by RMB661,639 thousand.
- (4) In 2022, there are total 485,023,600 shares has been unlocked due to the third batch of Phase III and the first batch of Phase IV meet the unlock condition, and the treasury stock decreased by RMB1,559,638 thousand.

XI. Share-based payment (continued)

2. Share-based payment plan (continued)

(a) Share-based payment by the Company (continued)

(5) Increase/decrease of restricted shares in the reporting period

	2022	2021
Number of restricted shares at the beginning of the year	1,100,642,936	1,308,330,603
Number of restricted shares granted in current year	–	–
Number of restricted shares unlocked in current year	(485,023,600)	(190,784,000)
Number of restricted shares forfeited in current year	(13,735,000)	(16,903,667)
Number of restricted shares at the end of the year	601,884,336	1,100,642,936

(6) The impact on the Company's financial position and operating results from restricted shares is as follows:

	2022	2021
Total expenses recognised in equity-settled share-based payment	746,275	836,446
	31 December 2022	31 December 2021
Accumulated amount of equity-settled share-based payment in capital surplus	3,263,171	2,516,896

(b) Share Option Schemes by China Overseas Land & Investment Ltd.

On 29 June 2018, China Overseas Land & Investment Ltd. offered to grant share options (the "Share Options") to certain eligible persons (collectively, the "Grantees"), to subscribe for a total of 107,320,000 shares, subject to acceptance of the Grantees, under the share option scheme adopted by China Overseas Land & Investment Ltd. on 11 June 2018 with a term of 6 years. Out of the 107,320,000 Share Options granted, a total of 2,000,000 Share Options were granted to directors of China Overseas Land & Investment Ltd. The exercise price is HKD\$25.85 per share. The Share Options granted will vest on 29 June 2020, 29 June 2021 and 29 June 2022 respectively.

On 24 November 2020, China Overseas Land & Investment Ltd. offered to grant share options (the "Share Options") to certain eligible persons (collectively, the "Grantees"), to subscribe for a total of 285,840,000 shares, subject to acceptance of the Grantees, under the share option scheme adopted by China Overseas Land & Investment Ltd. on 11 June 2018 with a term of 6 years. Out of the 285,840,000 Share Options granted, a total of 6,300,000 Share Options were granted to directors of China Overseas Land & Investment Ltd. The exercise price is HKD\$18.724 per share. The Share Options granted will vest on 24 November 2022, 24 November 2023 and 24 November 2024 respectively.

On 11 November 2021, China Overseas Land & Investment Ltd. offered to grant share options (the "Share Options") to certain eligible persons (collectively, the "Grantees"), to subscribe for a total of 7,130,000 shares, subject to acceptance of the Grantees, under the share option scheme adopted by China Overseas Land & Investment Ltd. on 11 June 2018 with a term of 6 years. Out of the 7,130,000 Share Options granted, a total of 1,600,000 Share Options were granted to directors of China Overseas Land & Investment Ltd. The exercise price is HKD\$18.7 per share. The Share Options granted will vest on 11 November 2023, 11 November 2024 and 11 November 2025 respectively.

As at 31 December 2022, 326,112,500 share options were granted for the plan (31 December 2021: 370,280,000).

The fair value of the Share Options was determined by the Binomial Options Pricing Model. For the year ended 31 December 2022, the relevant cost was RMB128,840 thousand arising from staff services (For the year ended 31 December 2021: RMB114,517 thousand). Due to failure to meet non-market performance conditions, China Overseas Land & Investment Ltd. cancelled the stock option plan that expires on November 24, 2022, and offset the related expenses confirmed during the waiting period of the previous year of RMB226,334 thousand.

XII. Commitments and Contingencies

1. Commitments

	31 December 2022	31 December 2021
Contracted, but not provided for Capital commitments		
Purchase and construction of non-current assets	6,886,875	7,698,367
Investment commitments	16,745,497	11,641,851
Total	23,632,372	19,340,218

2. Contingencies

	31 December 2022	31 December 2021	
Contingent liabilities arising from pending litigations or arbitrations	9,274,297	5,371,906	Note 1
Contingent liabilities arising from the provision of guarantees	139,179,781	107,166,259	Note 2
Total	148,454,078	112,538,165	

Note 1: As at 31 December 2022 and 31 December 2021, pending litigations in which the Group was the defending party are listed as follows:

	31 December 2022 Disputed value	31 December 2021 Disputed value
China Construction Seventh Engineering Bureau Co., Ltd.	1,452,639	799,364
CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd.	1,363,088	448,721
China Construction Third Engineering Bureau Co., Ltd.	1,301,941	1,010,268
China Construction Fifth Engineering Bureau Co., Ltd.	1,029,208	363,393
China Overseas Holdings Limited	873,937	702,778
The Company	688,382	404,812
China Construction Eighth Engineering Bureau Co., Ltd.	566,038	115,869
China Construction Second Engineering Bureau Ltd.	481,320	121,157
China Construction Design and Research Institute Co., Ltd.	381,237	189,475
China Construction Decoration Group Ltd.	313,727	160,067
China Construction Fourth Engineering Bureau Co., Ltd.	234,224	390,000
Jilin Zhongjian Construction Engineering Co., Ltd. (Consolidated)	200,931	201,401
China Construction Southwest Investigation & Design Institute Co., Ltd.	140,953	36,890
China Construction Northeast design and Research Institute Co., Ltd.	69,022	–
China Construction Harbour and Channel Engineering Bureau Group Co., Ltd.	67,150	67,150
China Construction Communications Engineering Group Co., Ltd.	60,926	135,160
China Construction First Group Corporation Limited	25,390	83,257
China Construction Science & Technology Group Co., Ltd.	21,957	16,843
China Construction Sixth Engineering Bureau Co., Ltd.	2,018	30,200
China State Construction Development Corporation	209	209
China Construction (Siping) Infrastructure Development Co., Ltd.	–	1,050
China Construction Railway Construction Co., Ltd.	–	83,183
China Construction Fangcheng Investment & Development Group Co., Ltd.	–	10,659
Total	9,274,297	5,371,906

XII. Commitments and Contingencies (continued)

2. Contingencies (continued)

Note 1: The above pending litigations are mostly related with project quality, progress payment, financing etc. Please refer to Note V. 42 for the progress of litigation matters at 31 December 2022 and the confirmed losses of judgment results, and relevant liabilities are not recognised for the event that the potential obligations generated do not meet the conditions for the recognition of provisions for other liabilities and charges.

Note 2: As at 31 December 2022 and 31 December 2021, the Group's external guarantees are listed as follows:

	31 December 2022 Guarantee amount	31 December 2021 Guarantee amount
Mortgage guarantee provided to property owners (Note)	124,008,036	95,397,206
Guarantees for bank loan	15,171,745	11,769,053
Total	139,179,781	107,166,259

Note: The Group provides guarantees to property owners and property owners pledge the houses they have bought when taking loans from banks. For the year of 2022 and for the year of 2021, there was no significant breach of contract from commodity house buyers and the Group considers the risk associated with the guarantee obligation is immaterial.

XIII. Events after the balance sheet date

1. After the balance sheet date, the bonds issued by the subsidiaries of the Group are as follows:

Issuer	Type of bond	Value in issue	Issuance date	Interest rate (%)
China Construction First Group Corporation Limited	Ultra short-term financing bonds	3,000,000	10 January 2023	2.05
China Construction Second Engineering Bureau Ltd.	Ultra short-term financing bonds	3,000,000	10 April 2023	2.23
China Construction Second Engineering Bureau Ltd.	Ultra short-term financing bonds	2,000,000	17 January 2023	1.97
China Construction Third Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	5,000,000	10 February 2023	1.98
China Construction Fifth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	1,000,000	16 March 2023	2.47
China Construction Sixth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	1,000,000	14 March 2023	2.30
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	500,000	05 January 2023	1.86
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	500,000	06 January 2023	1.83
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	500,000	28 February 2023	2.02
China Construction Eighth Engineering Bureau Co., Ltd.	Ultra short-term financing bonds	500,000	09 March 2023	1.79
China Construction Communications Engineering Group Co., Ltd.	Ultra short-term financing bonds	300,000	01 March 2023	3.20
China Construction Communications Engineering Group Co., Ltd.	Ultra short-term financing bonds	300,000	02 March 2023	3.20
China Construction Fangcheng Investment & Development Group Co., Ltd.	Corporate bonds	800,000	27 March 2023	3.38

2. Pursuant to the resolution proposed by the Board of Directors on April 17 2023, the Company distributes a cash dividend of RMB2.527 (including tax) for every 10 ordinary shares to all ordinary shareholders on the basis of 41,934,432,844 shares as at the date of disclosure, and the dividends total to approximately RMB10.597 billion. In the event of any change in the total share capital of the Company before the date of registration of the dividend distribution, it is proposed to maintain the same distribution ratio per share but to adjust the total distribution accordingly. The details of the adjustment will be disclosed separately. The proposal for the distribution of dividends is yet to be approved by the shareholders of the Company in general meeting and is not recognised in this financial statement.

XIV. Other important matters

1. Segment reporting

Operating segments

For management purpose, the Group is organised into business units based on their products and has five reportable operating segments as follows:

- (1) Building construction engineering;
- (2) Infrastructure construction and investment;
- (3) Real estate development and investment;
- (4) Prospecting and design;
- (5) Others.

Management monitors the results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the profit or loss of reportable segment.

The intersegment transactions are transacted with reference to the prices used for transactions made to third parties at then prevailing market prices.

2022

	2022							Total
	Building construction engineering	Infrastructure construction and investment	Real estate development and investment	Prospecting and design	Others	Unallocated	Elimination	
Revenue from external	1,239,221,344	488,963,911	281,747,260	10,242,691	34,876,864	-	-	2,055,052,070
Revenue from inter-segment	25,860,175	4,534,449	297,369	520,869	3,817,280	-	(35,030,142)	-
Total revenue	1,265,081,519	493,498,360	282,044,629	10,763,560	38,694,144	-	(35,030,142)	2,055,052,070
Cost of goods sold	(1,164,411,378)	(441,893,060)	(228,551,609)	(8,522,205)	(30,475,497)	-	33,671,368	(1,840,182,381)
Credit impairment losses	(4,842,913)	(1,845,095)	(1,045,196)	(240,511)	(618,189)	-	-	(8,591,904)
Asset impairment (losses)/reversal	(1,843,599)	(818,053)	(2,301,033)	(2,326)	9,199	-	-	(4,955,812)
Depreciation and amortisation	(6,089,598)	(1,589,966)	(3,417,183)	(297,052)	(1,908,123)	-	-	(13,301,922)
Profit/(losses) before income taxes	31,891,933	23,885,206	34,647,283	274,941	(587,643)	(959,379)	(316,906)	88,835,435
Less: Income tax expenses								(19,623,672)
Net profit								69,211,763
Total segment assets	672,588,416	586,882,827	1,126,811,611	15,806,723	345,107,914	116,580,786	(210,874,971)	2,652,903,306
Total segment liabilities	479,379,971	466,744,096	573,661,326	8,721,083	294,033,724	322,802,505	(172,826,309)	1,972,516,396

XIV. Other important matters (continued)

1. Segment reporting (continued)

Operating segments (continued)

2021 (restated)

	2021							
	Building construction engineering	Infrastructure construction and investment	Real estate development and investment	Prospecting and design	Others	Unallocated	Elimination	Total
Revenue from external	1,121,922,218	404,323,453	330,888,573	9,969,165	25,602,898	-	-	1,892,706,307
Revenue from inter-segment	25,163,690	6,794,436	54,713	839,204	2,716,729	-	(35,568,772)	-
Total revenue	1,147,085,908	411,117,889	330,943,286	10,808,369	28,319,627	-	(35,568,772)	1,892,706,307
Cost of goods sold	(1,057,399,772)	(367,959,096)	(261,228,798)	(8,532,540)	(19,302,698)	-	36,455,260	(1,677,967,644)
Credit impairment (losses)/reversal	(5,917,362)	(2,557,590)	(179,082)	(119,908)	(439,630)	820	-	(9,212,752)
Asset impairment (losses)/reversal	(2,556,164)	(867,869)	(14,421)	52	17,890	42	-	(3,420,470)
Depreciation and amortisation	(5,995,756)	(1,757,857)	(2,717,780)	(140,496)	(1,321,135)	(22,789)	-	(11,955,813)
Profit/(losses) before income taxes	24,498,840	19,178,272	57,018,178	325,572	(136,499)	(732,666)	886,488	101,038,185
Less: Income tax expenses								(23,166,793)
Net profit								77,871,392
Total segment assets	573,379,255	518,372,779	1,008,692,914	14,787,442	325,227,566	168,624,263	(213,762,357)	2,395,321,862
Total segment liabilities	372,504,940	384,591,854	541,434,348	8,729,656	276,074,213	347,090,370	(176,782,577)	1,753,642,804

Other information

Information about products and services

Revenue from external customers

	2022	2021 (restated)
Building construction engineering	1,239,221,344	1,121,922,218
Infrastructure construction and investment	488,963,911	404,323,453
Real estate development and investment	281,747,260	330,888,573
Prospecting and design	10,242,691	9,969,165
Others	34,876,864	25,602,898
Total	2,055,052,070	1,892,706,307

XIV. Other important matters (continued)

1. Segment reporting (continued)

Other information (continued)

Geographic information

Revenue from external customers

	2022	2021 (restated)
Mainland China	1,947,083,949	1,803,422,524
In other countries/geographical regions	107,968,121	89,283,783
Total	2,055,052,070	1,892,706,307

The revenue information above is based on the locations of the customers.

Non-current assets

	31 December 2022	31 December 2021 (restated)
Mainland China	478,797,089	401,421,227
In other countries/geographical regions	29,292,553	27,777,932
Total	508,089,642	429,199,159

The non-current asset information above is based on the locations of the assets and excludes financial assets, long-term equity investments and deferred tax assets.

Information about a major customer

The Group does not rely on one or several major customers.

2. Leases

(1) As lessor

The Group has entered into operating leases on some of its houses and buildings, and the lease term is 1-10 years. All leases include a clause to enable revision of the rental charge on an annual basis according to prevailing market conditions. For the year ended 31 December 2022, the rental income recognised by the Group on those houses and buildings was RMB6,084,162 thousand (For the year ended 31 December 2021: RMB7,072,059 thousand). Details of the underlying houses and buildings are disclosed in Note V.17 Investment properties.

The Group has also entered into operating leases on idle machinery equipment and transportation equipment, and the lease term is 1-5 years. The rental income recognised by the Group this year was RMB561,182 thousand (For the year ended 31 December 2021: RMB127,875 thousand).

XIV. Other important matters (continued)

2. Leases (continued)

(1) As lessor (continued)

Operating leases

The profit or loss relating to operating leases is as follows:

	2022	2021 (restated)
Lease income	6,645,344	7,199,934

The Group had total future minimum lease receivables under non-cancellable leases with its tenants falling due as follows:

	31 December 2022	31 December 2021 (restated)
Within 1 year, inclusive	4,818,292	5,030,862
1 to 2 years, inclusive	3,373,994	3,593,388
2 to 3 years, inclusive	2,300,724	2,264,292
3 to 4 years, inclusive	1,388,674	1,320,694
4 to 5 years, inclusive	921,223	916,194
Over 5 years	2,754,140	2,383,293
Total	15,557,047	15,508,723

For fixed assets leased out under operating leases, refer to Note V.18.

(2) As lessee

	2022	2021 (restated)
Interest expense on lease liabilities	250,049	229,044
Expenses relating to short-term leases accounting for applying practical expedients	2,275,187	2,974,938
Expenses relating to leases of low-value assets accounted for applying practical expedients (other than short-term leases)	34,550	79,531
Total cash outflow for leases	4,440,111	3,946,789

The Group has lease contracts for various items of houses and buildings, machinery, transportation equipment and other equipment used in its operations. Leases of houses and buildings and machinery generally have lease terms of 1 to 10 years, while those of transportation equipment and other equipment generally have lease terms of 0.5 to 3 years. Generally, the Group is restricted from assigning and subleasing the underlying assets and some contracts require the Group to maintain certain financial ratios.

Other information relating to leases

For right-of-use assets, refer to Notes V. 20; For simplified treatment of short-term leases and leases of low-value assets, refer to Notes III. 30; For lease liabilities, refer to Notes V. 39 and Notes VIII. 3.

3. Comparative Data

As noted in Notes VI. 2, the Group completed the business combination under common control over China Construction Seventh Bureau Sixth Construction Co., Ltd., China Construction Ecological Environment Group Co., Ltd., Liyang China Construction Water Co., Ltd. and China Construction Taixing Water Co. Ltd. during the year and, as such, the comparative data in the Group's consolidated financial statements have also been restated to include the financial position, results of operations and cash flows of the merged parties to meet the presentation and accounting requirements for the current year.

XV. Notes to the Company's financial statements

1. Accounts receivable

The aging of accounts receivable is analysed as follows:

	31 December 2022	31 December 2021
Within 1 year	16,519,421	16,318,061
1-2 years	3,987,642	4,169,538
2-3 years	2,571,275	5,119,409
3-4 years	3,293,582	818,940
4-5 years	535,765	1,779,880
Over 5 years	959,443	700,609
Sub-total	27,867,128	28,906,437
Less: Impairment allowance	(3,121,268)	(3,833,019)
Total	24,745,860	25,073,418

Accounts receivable and impairment allowance are disclosed by category:

	31 December 2022			
	Carrying amount		Impairment allowance	
	Amount	Ratio (%)	Amount	Ratio (%)
Impairment allowance individually accrued	12,233,023	43.90	1,240,427	10.14
Impairment allowance accrued by credit risk portfolio	15,634,105	56.10	1,880,841	12.03
Total	27,867,128	100.00	3,121,268	11.20

	31 December 2021			
	Carrying amount		Impairment allowance	
	Amount	Ratio (%)	Amount	Ratio (%)
Impairment allowance individually accrued	12,953,045	44.81	2,221,590	17.15
Impairment allowance accrued by credit risk portfolio	15,953,392	55.19	1,611,429	10.10
Total	28,906,437	100.00	3,833,019	13.26

As at 31 December 2022, impairment allowance of accounts receivable individually accrued is as follows:

	Amount	Impairment	Expected credit losses ratio	Reasons
Company 1	1,182,525	147,816	12.50%	Recovery possibility
Company 2	428,897	85,779	20.00%	Recovery possibility
Company 3	388,858	173,125	44.52%	Recovery possibility
Company 4	382,186	114,656	30.00%	Recovery possibility
Company 5	346,870	25,502	7.35%	Recovery possibility
Others	9,503,687	693,549	7.30%	Recovery possibility
Total	12,233,023	1,240,427		

XV. Notes to the Company's financial statements (continued)

1. Accounts receivable (continued)

As at 31 December 2021, impairment allowance of accounts receivable individually accrued is as follows:

	Amount	Impairment	Expected credit losses ratio	Reasons
Company 1	1,745,526	1,265,992	72.53%	Recovery possibility
Company 2	1,303,425	162,928	12.50%	Recovery possibility
Company 3	521,137	104,227	20.00%	Recovery possibility
Company 4	440,186	132,056	30.00%	Recovery possibility
Company 5	388,858	97,908	25.18%	Recovery possibility
Others	8,553,913	458,479	5.36%	Recovery possibility
Total	12,953,045	2,221,590		

The accounts receivable with impairment allowance accrued by credit risk portfolio are as follows:

Portfolio 1:

	31 December 2022			31 December 2021		
	Estimated gross carrying amount at default	Expected credit losses ratio (%)	Lifetime expected credit losses	Estimated gross carrying amount at default	Expected credit losses ratio (%)	Lifetime expected credit losses
Within 1 year	4,160,029	2.00	83,201	3,473,185	2.00	69,464
1-2 years	434,769	5.00	21,738	496,293	5.00	24,815
2-3 years	376,838	15.00	56,526	585,091	15.00	87,764
3-4 years	420,158	30.00	126,048	265,397	30.00	79,619
4-5 years	232,485	45.00	104,618	1,353	45.00	608
Over 5 years	14,080	100.00	14,080	14,080	100.00	14,080
Total	5,638,359		406,211	4,835,399		276,350

Portfolio 2:

	31 December 2022			31 December 2021		
	Estimated gross carrying amount at default	Expected credit losses ratio (%)	Lifetime expected credit losses	Estimated gross carrying amount at default	Expected credit losses ratio (%)	Lifetime expected credit losses
Within 1 year	1,494,011	6.00	89,641	1,068,470	6.00	64,108
1-2 years	56,214	12.00	6,745	176,046	12.00	21,126
2-3 years	9,189	25.00	2,297	186,034	25.00	46,509
3-4 years	144,453	45.00	65,004	54,530	45.00	24,538
4-5 years	54,067	70.00	37,847	–	70.00	–
Total	1,757,934		201,534	1,485,080		156,281

XV. Notes to the Company's financial statements (continued)

1. Accounts receivable (continued)

The accounts receivable with impairment allowance accrued by credit risk portfolio are as follows: (continued)

Portfolio 3:

	31 December 2022			31 December 2021		
	Estimated gross carrying amount at default	Expected credit losses ratio (%)	Lifetime expected credit losses	Estimated gross carrying amount at default	Expected credit losses ratio (%)	Lifetime expected credit losses
Within 1 year	4,548,289	4.50	204,673	5,928,486	4.50	266,782
1-2 years	1,560,132	10.00	156,013	1,191,448	10.00	119,145
2-3 years	635,784	20.00	127,157	1,916,500	20.00	383,300
3-4 years	1,113,073	40.00	445,229	303,888	40.00	121,555
4-5 years	115,743	65.00	75,233	13,071	65.00	8,496
Over 5 years	264,791	100.00	264,791	279,520	100.00	279,520
Total	8,237,812		1,273,096	9,632,913		1,178,798

Impairment allowance of accounts receivable are as follows:

2022

Opening balance	Provision	Reversal	Other movements	Closing balance
3,833,019	1,661,543	(857,581)	(1,515,713)	3,121,268

2021

Opening balance	Provision	Reversal	Other movements	Closing balance
2,311,807	2,384,840	(833,184)	(30,444)	3,833,019

The important reversal amounts in 2022 are listed as follows:

	Reason for reversal/ collection	Basis for the impairment allowance	Amount of reversal/ collection	Way of collection
Company 1	Accounts receivable of project collected	Collectively accrued	103,976	Cash
Company 2	Accounts receivable of project collected	Collectively accrued	82,341	Cash
Company 3	Accounts receivable of project collected	Collectively accrued	69,748	Cash
Company 4	Accounts receivable of project collected	Collectively accrued	50,961	Cash
Company 5	Accounts receivable of project collected	Collectively accrued	30,543	Cash
Others	Accounts receivable of project collected, etc.	Individually and collectively accrued	520,012	Cash or Reversal
Total			857,581	

As at 31 December 2022, the five largest accounts receivable due to customers are as follows:

	Amount	Amount of impairment allowance	% of total accounts receivable
Total amount of the five largest accounts receivable	4,072,185	289,996	14.61%

As at 31 December 2021, the five largest accounts receivable due to customers are as follows:

	Amount	Amount of impairment allowance	% of total accounts receivable
Total amount of the five largest accounts receivable	5,901,707	1,611,639	20.42%

XV. Notes to the Company's financial statements (continued)

2. Other receivables

	31 December 2022	31 December 2021
Dividend receivables	312,462	351,212
Other receivables	24,269,896	19,432,417
Total	24,582,358	19,783,629

The ageing analysis of other receivables is as follows:

	31 December 2022	31 December 2021
Within 1 year	20,447,154	15,567,458
1-2 years	2,199,734	2,956,523
2-3 years	1,000,594	1,092,107
3-4 years	867,661	620,528
4-5 years	581,479	20,969
Over 5 years	254,353	241,295
Sub-total	25,350,975	20,498,880
Less: Impairment allowance	(768,617)	(715,251)
Total	24,582,358	19,783,629

Natures of other receivables are as follows:

	31 December 2022	31 December 2021
Receivables from related parties	22,805,505	18,433,010
Dividends receivable	312,462	351,212
Deposits and petty cash receivable	682,653	690,048
Others	1,550,355	1,024,610
Sub-total	25,350,975	20,498,880
Less: Impairment allowance	(768,617)	(715,251)
Total	24,582,358	19,783,629

Changes in impairment allowance recognised for the 12-month expected credit losses and lifetime expected credit losses on other receivables are as follows:

2022

	Stage 1 12-month expected credit losses	Stage 3 Credit losses of credit-impaired financial assets (Lifetime-expected credit losses)	Total
Opening balance	35,339	679,912	715,251
Accrual	22,003	56,347	78,350
Reversal	(9,329)	(14,671)	(24,000)
Other movements	(1,039)	55	(984)
Closing Balance	46,974	721,643	768,617

XV. Notes to the Company's financial statements (continued)

2. Other receivables (continued)

Changes in impairment allowance recognised for the 12-month expected credit losses and lifetime expected credit losses on other receivables are as follows: (continued)

2021

	Stage 1 12-month expected credit losses	Stage 3 Credit losses of credit-impaired financial assets (Lifetime-expected credit losses)	Total
Opening balance	21,586	672,905	694,491
Changes due to the opening balance	(14,805)	14,805	–
Accrual	39,714	10,574	50,288
Reversal	(9,729)	(18,536)	(28,265)
Other movements	(1,427)	164	(1,263)
Closing Balance	35,339	679,912	715,251

The important reversal amounts for the year ended 31 December 2022 are listed as follows:

	Reason for reversal/ collection	Basis for the impairment allowance	Amount of reversal/ collection	Way of collection
Company 1	Receivable collected	Combination of credit risk characteristics	5,003	Cash
Company 2	Receivable collected	Combination of credit risk characteristics	2,710	Cash
Company 3	Receivable collected	Combination of credit risk characteristics	2,498	Cash
Company 4	Receivable collected	Combination of credit risk characteristics	2,387	Cash
Company 5	Receivable collected	Combination of credit risk characteristics	1,409	Cash
Others	Receivable collected, etc.	Combination of credit risk characteristics	9,993	Cash or Reversal
Total			24,000	

As at 31 December 2022, other receivables from the five largest customers are as follows:

	Closing Balance	% of total balance	Relation to the Company	Ageing	Impairment allowance
Company 1	1,441,000	5.68	Due from Related parties	Within 1 year	–
Company 2	1,352,179	5.33	Due from Related parties	Within 1 year	–
Company 3	1,055,149	4.16	Due from Related parties	Within 1 year	–
Company 4	954,508	3.77	Due from Related parties	Within 1 year	–
Company 5	863,919	3.41	Due from Related parties	Within 1 year	–
Total	5,666,755	22.35			–

As at 31 December 2021, other receivables from the five largest customers are as follows:

	Closing Balance	% of total balance	Relation to the Company	Ageing	Impairment allowance
Company 1	1,491,177	7.27	Due from Related parties	Within 1 year	–
Company 2	1,080,752	5.27	Due from Related parties	Within 1 year	–
Company 3	1,080,568	5.27	Due from Related parties	Within 3 years	–
Company 4	1,006,667	4.91	Due from Related parties	Within 1 year	–
Company 5	694,081	3.39	Due from Related parties	Within 2 years	–
Total	5,353,245	26.11			–

XV. Notes to the Company's financial statements (continued)

3 Long-term equity investments

	31 December 2022	31 December 2021
Subsidiaries	204,568,115	194,654,437
– Subsidiaries under direct control (1)	197,505,387	187,822,538
– Subsidiaries under indirect control (2)	7,062,728	6,831,899
Joint ventures (3)	7,304,375	6,760,732
Associates (4)	6,166,106	5,560,626
Sub-total	218,038,596	206,975,795
Less: Impairment allowance	(1,114,938)	(1,114,938)
Total	216,923,658	205,860,857

(1) Subsidiaries under direct control

2022

	Opening balance	Current year movements	Closing balance	Cash dividend declared
China Overseas Holdings Limited	49,444,328	–	49,444,328	5,677,630
China Construction First Group Corporation Limited	7,576,219	–	7,576,219	908,810
China Construction Second Engineering Bureau Ltd.	10,209,149	–	10,209,149	1,071,590
China Construction Third Engineering Bureau Ltd.	6,271,354	1,521,183	7,792,537	2,322,510
China Construction Fourth Engineering Bureau Ltd.	5,199,701	–	5,199,701	286,832
China Construction Fifth Engineering Bureau Ltd.	10,395,789	–	10,395,789	1,111,374
China Construction Sixth Engineering Bureau Ltd.	4,277,946	–	4,277,946	132,741
China Construction Seventh Engineering Bureau Ltd.	6,006,530	–	6,006,530	503,470
China Construction Eighth Engineering Bureau Ltd.	15,589,151	268,000	15,857,151	2,399,490
China Construction Fangcheng Investment & Development Co., Ltd.	5,851,624	–	5,851,624	456,660
Shenzhen China Overseas Investment Management Co., Ltd.	301,537	–	301,537	–
China Construction Infrastructure Co., Ltd.	11,194,030	–	11,194,030	4,200
China State Construction Finance Co., Ltd.	7,924,554	4,000,000	11,924,554	282,197
China Construction America, Inc.	3,976,853	–	3,976,853	–
China State Construction Development Co., Ltd.	1,790,637	–	1,790,637	52,000
China Construction Liupanshui Infrastructure Investment and Development Co., Ltd.	800,000	–	800,000	–
China State Construction Thailand Co., Ltd.	656,107	–	656,107	5,393
CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd.	2,881,906	88,000	2,969,906	57,200
China Construction (South Pacific) Development Co Pte Ltd	596,630	200,000	796,630	45,510
China Construction Decoration Group Ltd.	548,375	–	548,375	1,410
China Construction Capital Holdings Limited	8,305,000	–	8,305,000	253,630
China State Railway Investment Construction Group Co., Ltd.	1,673,183	(1,473,183)	200,000	–
China Construction Silu Construction Investment Company Limited	2,500,000	200,000	2,700,000	200,000
China Construction Changjiang Construction Investment Co., Ltd.	1,036,096	–	1,036,096	–
China Construction North Investment Co., Ltd.	947,821	167,262	1,115,083	–
China Construction Overseas Co., Ltd.	400,000	(400,000)	–	–
China Construction Science & Technology Group Co., Ltd.	1,700,000	40,000	1,740,000	77,680
China Construction Communications Engineering Group Co., Ltd.	1,279,000	–	1,279,000	40,148
China State Construction International Holdings Limited	1,600,000	1,400,000	3,000,000	–
Others	16,889,018	3,671,587	20,560,605	471,240
Total	187,822,538	9,682,849	197,505,387	16,361,715

XV. Notes to the Company's financial statements (continued)

3 Long-term equity investments (continued)

(1) Subsidiaries under direct control (continued)

2021

	Opening balance	Current year movements	Closing balance	Cash dividend declared
China Overseas Holdings Limited	49,444,328	–	49,444,328	5,000,000
China Construction First Group Corporation Limited	7,576,219	–	7,576,219	1,245,175
China Construction Second Engineering Bureau Ltd.	5,209,149	5,000,000	10,209,149	6,046,085
China Construction Third Engineering Bureau Ltd.	6,271,354	–	6,271,354	1,978,819
China Construction Fourth Engineering Bureau Ltd.	5,199,701	–	5,199,701	296,749
China Construction Fifth Engineering Bureau Ltd.	6,413,789	3,982,000	10,395,789	5,182,800
China Construction Sixth Engineering Bureau Ltd.	4,277,946	–	4,277,946	120,830
China Construction Seventh Engineering Bureau Ltd.	6,006,530	–	6,006,530	618,750
China Construction Eighth Engineering Bureau Ltd.	10,139,151	5,450,000	15,589,151	6,010,240
China Construction Fangcheng Investment & Development Co., Ltd.	5,851,624	–	5,851,624	1,328,500
Shenzhen China Overseas Investment Management Co., Ltd.	301,537	–	301,537	–
China Construction Infrastructure Co., Ltd.	11,194,030	–	11,194,030	830
China State Construction Finance Co., Ltd.	7,924,554	–	7,924,554	205,605
China Construction America, Inc.	3,976,853	–	3,976,853	–
China State Construction Development Co., Ltd.	1,790,637	–	1,790,637	20,490
China Construction Liupanshui Infrastructure Investment and Development Co., Ltd.	800,000	–	800,000	–
China State Construction Thailand Co., Ltd.	656,107	–	656,107	–
CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd.	2,881,906	–	2,881,906	158,660
China Construction (South Pacific) Development Co Pte Ltd	520,630	76,000	596,630	42,440
China Construction Decoration Group Ltd.	548,375	–	548,375	32,310
China Construction Capital Holding Co., Ltd.	8,305,000	–	8,305,000	221,860
China State Railway Investment Construction Group Co., Ltd.	1,673,183	–	1,673,183	–
China Construction Silu Construction Investment Company Limited	1,500,000	1,000,000	2,500,000	–
China Construction Changjiang Construction Investment Co., Ltd.	1,036,096	–	1,036,096	–
China Construction North Investment Co., Ltd.	903,981	43,840	947,821	–
China Construction Overseas Co., Ltd.	400,000	–	400,000	–
China Construction Science & Technology Group Co., Ltd.	1,700,000	–	1,700,000	61,180
China Construction Communications Engineering Group Co., Ltd.	–	1,279,000	1,279,000	53,600
Others	14,285,578	4,203,440	18,489,018	911,147
Total	166,788,258	21,034,280	187,822,538	29,536,070

XV. Notes to the Company's financial statements (continued)

3 Long-term equity investments (continued)

(2) Subsidiaries under indirect control

2022

	Opening balance	Current year movements	Closing balance	Cash dividend declared
China West Construction Group Co., Ltd.	942,264	–	942,264	14,739
China Construction Industrial & Energy Engineering Group Co., Ltd.	837,305	–	837,305	6,080
China Construction Science and Industry Corporation Ltd.	739,664	–	739,664	63,145
Hangzhou China Construction Guobo Property Investment Co., Ltd.	668,432	–	668,432	–
CSCEC Strait Construction and Development Co., Ltd.	300,000	–	300,000	–
China Construction Tunnel Construction Co., Ltd.	300,000	–	300,000	–
China Construction Electric Power Construction Co., Ltd.	230,000	–	230,000	–
Foshan China State Construction Transportation Joint Investment Co., Ltd.	4,800	–	4,800	–
Shanghai China Construction Overseas Development Co., Ltd.	100,000	–	100,000	–
CSCEC Underground Space Co., Ltd.	100,000	–	100,000	–
China Construction Bridge Co., Ltd.	300,000	–	300,000	–
Shanxi China Construction Infrastructure Construction and Operation Co., Ltd.	438,600	173,400	612,000	–
Others	1,870,834	57,429	1,928,263	–
Total	6,831,899	230,829	7,062,728	83,964

2021

	Opening balance	Current year movements	Closing balance	Cash dividend declared
China Construction Communications Engineering Group Co., Ltd.	1,279,000	(1,279,000)	–	–
China West Construction Group Co., Ltd.	942,264	–	942,264	13,963
China Construction Industrial & Energy Engineering Group Co., Ltd.	837,305	–	837,305	17,922
China Construction Science and Industry Corporation Ltd.	739,664	–	739,664	60,280
Hangzhou China Construction Guobo Property Investment Co., Ltd.	668,432	–	668,432	–
CSCEC Strait Construction and Development Co., Ltd.	300,000	–	300,000	–
China Construction Tunnel Construction Co., Ltd.	300,000	–	300,000	–
China Construction Electric Power Construction Co., Ltd.	230,000	–	230,000	–
Foshan China State Construction Transportation Joint Investment Co., Ltd.	4,800	–	4,800	–
China Construction Overseas Development (Shanghai) Co., Ltd.	100,000	–	100,000	–
CSCEC Underground Space Co., Ltd.	100,000	–	100,000	–
China Construction Wuhan Construction Investment Co., Ltd.	60,000	(60,000)	–	–
China Construction Bridge Co., Ltd.	300,000	–	300,000	–
Others	2,079,457	229,977	2,309,434	14,169
Total	7,940,922	(1,109,023)	6,831,899	106,334

XV. Notes to the Company's financial statements (continued)

3. Long-term SPA equity investments (continued)

(3) Joint ventures

2022

	Opening Balance	Movement during the period				Closing Balance
		Increase/(Decrease) in investment	Investment income/(losses) under equity method	Other comprehensive income adjustment	Others	
CSCEC Zhaotong Construction Investment Development Co., Ltd.	512,388	-	1,546	-	-	513,934
CSCEC Road & Bridge Group Co., Ltd.	456,865	-	13,713	(173)	-	470,405
Zhengzhou China Construction Shenzhen Rail Transit Co., Ltd.	1,028,458	-	31,825	-	244,607	1,304,890
Changsha China Construction Chengtou Pipe Gallery Development Investment Co., Ltd.	324,145	-	4,074	-	-	328,219
CSCEC Zhanjiang Avenue Investment and Construction Co., Ltd.	498,664	26,295	2,231	-	-	527,190
ASEC CIMENT SPA	225,584	-	(210)	-	21,747	247,121
Yinchuan Shenyang Road Underground Comprehensive Pipe Gallery Construction Management Co., Ltd.	218,303	-	7,035	-	-	225,338
CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd.	460,784	195,805	-	-	359,185	1,015,774
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	226,271	-	(10,812)	-	-	215,459
Dalian CSCEC Haimian City Construction Development Co., Ltd.	237,893	(78,926)	19,253	-	-	178,220
Xuzhou Metro Line Three Investment Development Co., Ltd.	745,184	-	21,809	-	(380,993)	386,000
CSCEC Dacheng Construction Co., Ltd.	148,638	-	26,756	-	(10,000)	165,394
Others	1,677,555	261,482	35,481	-	(248,087)	1,726,431
Total	6,760,732	404,656	152,701	(173)	(13,541)	7,304,375

2021

	Opening Balance	Movement during the year					Closing Balance
		Increase/(Decrease) in investment	Investment income/(losses) under equity method	Other comprehensive income adjustment	Distribution of dividends	Others	
CSCEC Zhaotong Construction Investment Development Co., Ltd.	511,373	-	1,015	-	-	-	512,388
China Construction Chengdu Rail Transit Construction Investment Co., Ltd.	425,007	(424,500)	17	-	-	-	524
CSCEC Road & Bridge Group Co., Ltd.	439,554	-	17,938	(627)	-	-	456,865
Zhengzhou China Construction Shenzhen Rail Transit Co., Ltd.	1,029,089	-	(631)	-	-	-	1,028,458
Changsha China Construction Chengtou Pipe Gallery Development Investment Co., Ltd.	323,461	-	3,853	-	(3,169)	-	324,145
CSCEC Zhanjiang Avenue Investment and Construction Co., Ltd.	369,813	116,934	20	-	-	11,897	498,664
ASEC CIMENT SPA	243,777	-	(55)	(18,138)	-	-	225,584
Yinchuan Shenyang Road Underground Comprehensive Pipe Gallery Construction Management Co., Ltd.	268,484	-	(50,181)	-	-	-	218,303
CSCEC (Tianjin) Railroad Transportation Investment Development Co., Ltd.	460,784	-	-	-	-	-	460,784
Guizhou Zhengxi Expressway Investment Management Co., Ltd.	229,220	-	(2,949)	-	-	-	226,271
Dalian CSCEC Haimian City Construction Development Co., Ltd.	231,613	-	6,280	-	-	-	237,893
Xuzhou Metro Line Three Investment Development Co., Ltd.	386,000	359,184	-	-	-	-	745,184
CSCEC Dacheng Construction Co., Ltd.	147,076	-	1,562	-	-	-	148,638
Qinghai Zhengping Jiayi Highway Construction Co., Ltd.	294,000	(294,000)	7,865	-	-	(7,865)	-
Others	1,060,960	615,067	10,817	-	(11,613)	1,800	1,677,031
Total	6,420,211	372,685	(4,449)	(18,765)	(14,782)	5,832	6,760,732

XV. Notes to the Company's financial statements (continued)

3. Long-term equity investments (continued)

(4) Associates

2022

	Opening balance	Movement during the period			Closing balance
		Increase/(Decrease) in investment	Investment income/(losses) under equity method	Distribution of dividends	
CCCC Jijiao Expressway Investment & Development Co., Ltd.	1,650,377	296,304	(27,078)	-	1,919,603
Yunnan Huali Expressway Investment & Development Co., Ltd.	1,561,094	-	22,671	-	1,583,765
Xuzhou Line 1 Rail Transit Investment and Development Co. Ltd.	100,000	-	101,097	(101,097)	100,000
Sanmenxia National Road 310 South Transplanted Project Construction Co., Ltd.	631,614	-	(88,553)	-	543,061
Anhui Province Yuehuang Expressway Co., Ltd.	224,000	(224,000)	-	-	-
Liyang Zhongjian Sangde Environmental Governance Co., Ltd.	147,877	-	10,791	-	158,668
Cangzhou Development Zone BAIC Industrial Park Investment Center (limited partnership)	28,261	-	1,806	(2,524)	27,543
Xinyu Ring Road Construction Investment Co., Ltd.	60,000	-	(13)	-	59,987
Taizhou Road & Bridge Xindao Investment and Development Co., Ltd.	19,425	-	(186)	-	19,239
Zhangzhou Zhanyuan Environmental Technology Co., Ltd.	75,965	-	6,629	-	82,594
Others	1,062,013	505,181	98,060	6,392	1,671,646
Total	5,560,626	577,485	125,224	(97,229)	6,166,106

2021

	Opening balance	Movement during the year				Closing balance
		Increase/(Decrease) in investment	Investment income/(losses) under equity method	Distribution of dividends	Others	
CCCC Jijiao Expressway Investment & Development Co., Ltd.	1,662,658	95,000	(107,281)	-	-	1,650,377
Yunnan Huali Expressway Investment & Development Co., Ltd.	1,185,000	376,094	-	-	-	1,561,094
Xuzhou Line 1 Rail Transit Investment and Development Co., Ltd.	465,000	(365,000)	2	(2)	-	100,000
Sanmenxia National Road 310 South Transplanted Project Construction Co., Ltd.	664,335	-	(32,721)	-	-	631,614
Anhui Province Yuehuang Expressway Co., Ltd.	224,000	-	-	-	-	224,000
Shenzhen-Shantou Special Cooperation Zone Harbour City Investment & Construction Co., Ltd.	95,174	(88,947)	6,271	(12,498)	-	-
Liyang Zhongjian Sangde Environmental Governance Co., Ltd.	146,140	-	1,737	-	-	147,877
Cangzhou Development Zone BAIC Industrial Park Investment Center (limited partnership)	28,967	-	1,818	(2,524)	-	28,261
Xinyu Ring Road Construction Investment Co., Ltd.	60,000	-	-	-	-	60,000
Taizhou Road & Bridge Xindao Investment and Development Co., Ltd.	19,595	-	(170)	-	-	19,425
Shijiazhuang Jiaotou Jinshi Expressway Construction Management Co., Ltd.	19,600	-	(19,600)	-	-	-
Zhangzhou Zhanyuan Environmental Technology Co., Ltd.	75,965	-	-	-	-	75,965
Others	48,035	1,016,023	(1,159)	-	(886)	1,062,013
Total	4,694,469	1,033,170	(151,103)	(15,024)	(886)	5,560,626

XV. Notes to the Company's financial statements (continued)

4. Revenue and cost of sales

	2022		2021	
	Revenue	Cost	Revenue	Cost
Revenue from main operations	72,624,168	68,628,630	86,025,210	81,635,154
Revenue from other operations	45,861	28,539	36,257	26,524
Total	72,670,029	68,657,169	86,061,467	81,661,678

Revenue is shown as follows:

	2022	2021
Revenue from contracts with customers	72,632,164	86,023,894
Rentals	37,865	37,573
Total	72,670,029	86,061,467

As at 31 December 2022, the transaction price allocated to the unfulfilled or partially unfulfilled performance obligations is related to the progress of the corresponding contract, and will be recognised as revenue according to the progress of performance in the future performance period.

The breakdown of revenue generated by the contract with customers is as follows:

	2022	2021
Timing of revenue recognition		
Recognise revenue at a point in time	293,379	268,852
Others	293,379	268,852
Recognise revenue over time	72,338,785	85,755,042
Housing construction project	17,004,703	16,826,977
Infrastructure construction and investment	55,303,351	68,909,981
Others	30,731	18,084
Total	72,632,164	86,023,894

5. Investment income

	2022	2021
Investment income from disposal of long-term equity investments under cost method	16,445,679	29,642,404
Investment income/(losses) from disposal of long-term equity investments under equity method	277,925	(155,552)
Investment losses from disposal of financial assets measured at amortized cost	(2,510)	(1,073)
Investment income from disposal of long-term equity investments	43,853	–
Losses on arrangement	(40,897)	–
Investment income obtained during the holding period of the held for trading financial assets	6,855	1,546
Investment income from debt investments	314,808	428,457
Investment income from other equity instrument investments	42,061	55,838
Total	17,087,774	29,971,620

The company has no major restrictions on the repatriation of investment income.

SUPPLEMENTARY INFORMATION

2022

Unit: RMB'000

1. Statement of non-recurring profit or loss

	2022
Gains from disposal of non-current assets, including the write-off portion of the provision for impairment of assets	432,388
Government grants recognised into the current profits and losses	1,049,139
The investment cost of the enterprise to obtain the subsidiary is less than the income generated by the fair value of the identifiable net assets of the investee at the time of obtaining the investment.	1,236,618
Income from step-realized business combination	1,251,160
In addition to the normal operation of the company's effective hedging business, profits or losses from changes in fair value of financial assets held for trading and financial liabilities held for trading and investment losses from disposal of financial assets held for trading, financial liabilities held for trading, and other debt investments	(84,935)
Interest income from loans to non-financial corporations	469,261
Reversal of the provision on receivables and contract assets for impairment on an individual basis	3,326,302
The current net profit before the merger date of subsidiaries acquired through business combination under the same control	50,362
Other non-operating income and expenses than the above items	746,481
Other profit or loss items that meet the definition of non recurring profit or loss	(4,430)
Sub-total	8,472,346
Impact on income tax	(1,253,512)
Sub-total	7,218,834
Impact on non-controlling interests (after tax)	(1,502,397)
Total	5,716,437

The Group's recognition of non-recurring profit or loss items shall be carried out in accordance with the provisions of "Explanatory Notice of Corporate Information Disclosure of Public Securities Offering No. 1 – Non-recurring Profit or Loss" (CSRC Announcement No. [2008]43).

2. Return on net assets and earnings per share

2022

	Weighted average return on net assets (%)	Earnings per share (RMB/Share)	
		Basic	Diluted
Net profit attributable to the Company's ordinary shareholders	13.94	1.23	1.23
Net profit attributable to the Company's ordinary shareholders after deducting non-recurring profit or loss	12.42	1.07	1.07



2021

	Weighted average return on net assets (%)	Earnings per share (RMB/Share)	
		Basic	Diluted
Net profit attributable to the Company's ordinary shareholders	15.90	1.25	1.25
Net profit attributable to the Company's ordinary shareholders after deducting non-recurring profit or loss	15.34	1.17	1.17



中國建築股份有限公司
CHINA STATE CONSTRUCTION ENGRG. CORP. LTD

China Construction Fortune International Center, Building 3,
Courtyard 5, Anding Road, Chaoyang District, Beijing
Postal code: 100029
Tel: 86 10 8649 8888
E-mail: ir@cscec.com
Website: www.cscec.com

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