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江蘇寧滬高速公路股份有限公司
JIANGSU EXPRESSWAY COMPANY LIMITED

(Established in the People's Republic of China as a joint-stock limited company)
(Stock Code: 00177)

2020 First Quarterly Report

I. IMPORTANT NOTICE

1.1 The board of directors, supervisory committee, directors, supervisors and senior management of the Jiangsu Expressway Company Limited (the “**Company**”) warrant that the contents of this quarterly report are true, accurate and complete and that there are no false representations, misleading statements contained in, or material omissions from, this quarterly report, and they jointly and severally accept responsibility in respect thereof.

1.2 Absent Directors

Name of absent director	Position held by absent director	Reason for absence	Name of proxy
Mr. Wu Xinhua	Non-executive Director	Due to business engagement	Mr. Yao Yongjia
Ms. Hu Yu	Non-executive Director	Due to business engagement	Mr. Yao Yongjia
Mr. Ma Chung Lai, Lawrence	Non-executive Director	Due to business engagement	Mr. Yao Yongjia
Mr. Zhang Zhuting	Independent Non-executive Director	Due to business engagement	Mr. Lin Hui

- 1.3 Mr. Sun Xibin, the legal representative of the Company, Mr. Cheng Xiaoguang, the accounting chief, and Mr. Ren Zhuohua, the person-in-charge of the accounting department (Accounting Supervisor), warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
- 1.4 This first quarterly report of the Company is unaudited.
- 1.5 Please refer to the Preliminary Announcement for 2019 Annual Results of the Company for defined terms.

II. BASIC INFORMATION OF THE COMPANY

2.1 Major Financial Data

Unit: Yuan Currency: RMB

	As at the end of the Reporting Period	As at the end of the previous year	Increase/decrease as at the end of the Reporting Period compared to the end of the previous year (%)
Total assets	55,407,058,985.02	55,625,048,624.75	-0.39
Net assets attributable to shareholders of the Company	27,833,318,542.64	28,546,983,607.15	-2.50
	From the beginning of the year to the end of the Reporting Period	From the beginning of the previous year to the end of the reporting period of the previous year	Increase/ decrease compared to the corresponding period of the previous year (%)
Net cash flow generated from operating activities	112,654,156.12	1,426,162,773.65	-92.10

	From the beginning of the year to the end of the Reporting Period	From the beginning of the previous year to the end of the reporting period of the previous year	Increase/ decrease compared to the corresponding period of the previous year (%)
Operating revenue	963,551,993.82	2,362,097,802.05	-59.21
Net profit attributable to shareholders of the Company	-32,726,431.30	1,034,435,704.26	-
Net profit attributable to shareholders of the Company net of non-recurring profit and loss	-37,591,335.30	1,033,902,573.46	-
Weighted average return on net assets (%)	-0.12	3.85	Decreased by 3.97 percentage points
Basic earnings per share (<i>RMB per share</i>)	-0.0065	0.2053	–
Diluted earnings per share (<i>RMB per share</i>)	–	–	–

Items and amounts of non-recurring profit/loss
☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the Reporting Period	Explanation
Government grants included in profit or loss of the period (excluding those that are closely related to the ordinary operations of the Company and granted in compliance with national policies and regulations or subject to fixed amounts or fixed quantity under certain standards)	4,105,767.68	Mainly the compensation, deductible portion of value-added tax as well as subsidies for employment stabilization for construction of Ningchang Expressway (being Lishui Guizhuang Hub-Changzhou South Interchange Expressway) recognized during the Reporting Period.
Profit or loss from changes in fair values of held-for-trading assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities, and investment gains from disposal of held-for-trading financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments, excluding effective hedging activities related to ordinary business operations of the Company	3,508,565.30	
Other non-operating income and expenses other than the aforesaid items	-674,188.09	
Effects attributable to minority interests (after tax)	-340,204.67	
Effects of income tax	<u>-1,735,036.22</u>	
Total	<u><u>4,864,904</u></u>	

2.2 Table on total Numbers of Shareholders, and Shareholdings of the Top Ten Shareholders and the Top Ten Holders of Circulating Shares (or Holders of Shares not Subject to Trading Restrictions) as at the End of the Reporting Period

Unit: Share

Total number of shareholders 30,040

Shareholdings of top ten shareholders

Name of shareholders (full name)	Number of shares held as at the end of the Reporting Period	Percentage (%)	Number of shares held that are subject to trading restrictions	Shares pledged or frozen	Status of shares	Type of shareholders
Jiangsu Communications Holding Company Limited	2,742,578,825	54.44	0	Nil	–	State-owned legal person
China Merchants Highway Network Technology Holdings Co., Ltd.	589,059,077	11.69	0	Nil	–	State-owned legal person
BlackRock, Inc.	147,373,994	2.93	0	Unknown	–	Foreign legal person
Mitsubishi UFJ Financial Group Inc.	135,228,517	2.68	0	Unknown	–	Foreign legal person
JPMorgan Chase & Co.	110,026,525	2.18	0	Unknown	–	Foreign legal person
China Universal Asset Management Company Limited–Social Security Fund Portfolio 1103	64,000,772	1.27	0	Unknown	–	Others
Citigroup Inc.	63,343,239	1.26	0	Unknown	–	Foreign legal person
Guotai Junan Securities Co., Ltd.	26,127,602	0.52	0	Unknown	–	Others
Jiantou Zhongxin Asset Management Co., Ltd.	21,410,000	0.42	0	Unknown	–	State-owned legal person
CPLI Stock Dividend Product (Shou Zi Ying) Entrusted Investment (Yangtze River Pension)(中國太平洋人壽股票紅利型產品(壽自營)委託投資(長江養老))	12,500,000	0.25	0	Unknown	–	Others

Shareholdings of top ten holders of shares not subject to trading restrictions

Name of shareholders	Number of circulating shares held that are not subject to trading restrictions	Type and number of shares	
		Type	Number
Jiangsu Communications Holding Company Limited	2,742,578,825	RMB-denominated ordinary shares	2,742,578,825
China Merchants Highway Network Technology Holdings Co., Ltd.	589,059,077	RMB-denominated ordinary shares	589,059,077
BlackRock, Inc.	147,373,994	Overseas-listed foreign shares	147,373,994
Mitsubishi UFJ Financial Group Inc.	135,228,517	Overseas-listed foreign shares	135,228,517
JPMorgan Chase & Co.	110,026,525	Overseas-listed foreign shares	110,026,525
China Universal Asset Management Company Limited–Social Security Fund Portfolio 1103	64,000,772	Overseas-listed foreign shares	64,000,772
Citigroup Inc.	63,343,239	RMB-denominated ordinary shares	63,343,239
Guotai Junan Securities Co., Ltd.	26,127,602	RMB-denominated ordinary shares	26,127,602
Jiantou Zhongxin Asset Management Co., Ltd.	21,410,000	RMB-denominated ordinary shares	21,410,000
CPLI Stock Dividend Product (Shou Zi Ying) Entrusted Investment (Yangtze River Pension) (中國太平洋人壽股票紅利型產品(壽自營)委託投資(長江養老))	12,500,000	RMB-denominated ordinary shares	12,500,000

Name of shareholders	Number of circulating shares held that are not subject to trading restrictions	Type and number of shares Type Number
Illustration on the related party/ connected relationship or acting-in-concert Arrangement with respect to the above shareholders	(1) the Company is not aware of the existence of related party relationship or acting-in-concert arrangement with respect to the above shareholders; (2) during the Reporting Period, there were no related parties, strategic investors or ordinary legal persons of the Company becoming the top ten shareholders of the Company because of placing of new shares; and (3) the number of shares held by H shareholders is based on the record of the register kept according to the Securities and Futures Ordinance of Hong Kong.	
Illustration on the preference shareholders with voting rights restored and their shareholdings	Nil	

Note: As at 31 March 2020, the Company had 29,622 A Share shareholders, 418 H Share shareholders, totaling 30,040 Shareholders.

2.3 Total Number of Preference Shareholders, and Shareholdings of the Top Ten Preference Shareholders and the Top Ten Holders of Preference Shares not Subject to Trading Restrictions as at the End of the Reporting Period

☐ Applicable ☒ Not Applicable

III. SIGNIFICANT EVENTS

3.1 Details of and Reasons for Material Changes in the Major Financial Statement Items and Financial Indicators of the Company

☒ Applicable ☐ Not Applicable

1. *Business Progress*

During the Reporting Period, due to the novel coronavirus (COVID-19), the “Notice on the Exemption of Toll Road Vehicle Tolls during the Prevention and Control of Novel Coronary Pneumonia Epidemic” issued by the Ministry of Transport of the People’s Republic of China (“Ministry of Transport”) on 15 February 2020 (the “Notice”) informed that tolls on toll roads nationwide will be waived from 00:00 on 17 February 2020 till the end of the containment of COVID-19 pneumonia. Affected by this, the Company and its subsidiaries (collectively known as the “Group”) achieved operating revenue of approximately RMB963,552,000 in total from business operations, representing a decrease of approximately 59.21% as compared to the corresponding period of the previous year.

In particular:

- (1) Toll revenue generated from the principal business amounted to approximately RMB559,628,000, representing a decrease of approximately 69.91% as compared to the corresponding period of the previous year. During the Reporting Period, the average daily toll revenue derived from Shanghai-Nanjing Expressway was approximately RMB4,172,350, representing a year-on-year decrease of approximately 69.64 %.
- (2) The Company recorded revenue of approximately RMB290,850,000 from ancillary businesses, representing a decrease of approximately 4.58% as compared to the corresponding period of the previous year. In particular, revenue from lease related to petrol stations amounted to approximately RMB52,049,000, representing a year-on-year increase of approximately 4.09%, revenue from oil products amounted to approximately RMB231,808,000, representing a year-on-year decrease of approximately 6.20%, which was mainly due to the impact of the COVID-19, the decrease in vehicle traffic volume

compared to the corresponding period of the previous year and a year-on-year decrease in revenue from sales of oil product as a result of the decrease in the sales prices of oil product. In addition, through increasing price differences between purchase and sales of oil products by the market competition mechanism, the gross profit margin of oil products increased by 3.34 percentage points year-on-year. Based on the above, cost control and other factors, the gross profit of oil products increased by 16.43% year-on-year, leading to a year-on-year increase of approximately 1.06 percentage points in the gross profit margin of ancillary services business.

- (3) The real estate business was affected by the COVID-19 during the Reporting Period, the sales revenue of property projects carried forward decreased as compared to the corresponding period of the previous year. Operating revenue recognized for the real estate business was approximately RMB96,227,000, representing a year-on-year decrease of approximately 48.93%.
- (4) The Group achieved revenue from other businesses was approximately RMB16,848,000, representing a year-on-year increase of approximately 87.42%, mainly due to the year-on-year increase in advertising revenue and revenue from the entrusted operation and management services of Jiangsu Yangtze River Expressway Management Co., Ltd..

According to the PRC Accounting Standards, the Group realized operating loss of approximately RMB22,748,000 for the Reporting Period. Net loss attributable to the shareholders of the Company amounted to approximately RMB32,726,000; and losses per share amounted to approximately RMB0.0065.

2. *Changes in Financial Indicators*

Reasons for material changes in balance sheet items as at 31 March 2020

Unit: Yuan Currency: RMB

Item	As at the end of the Reporting Period	As at the end of the previous year	Increase/ decrease %	Reasons for changes
Accounts receivable	140,147,114.21	224,285,157.62	-37.51	Mainly due to the decrease in toll receivable at the end of the Reporting Period as compared to the beginning of the period.
Prepayments	45,993,081.49	26,865,058.19	71.20	Mainly due to the increase in prepayments for construction at the end of the Reporting Period as compared to the beginning of the period.
Other current assets	466,130,984.27	379,340,961.34	22.88	Mainly due to the increase in the prepayments for value-added tax by the Group as at the end of the Reporting Period as compared to the beginning of the period.
Other equity instruments investment	4,714,053,024.83	5,655,468,613.24	-16.65	Mainly due to the decrease in the carrying amounts of other equity instrument investments recognized at fair values by the Group during the Reporting Period.
Accounts payable	970,529,128.41	1,262,414,819.54	-23.12	Mainly due to the decrease in payables for the construction of projects during the Reporting Period.
Notes payable	50,000,000	–	–	Mainly due to the issuance of bank acceptances by a subsidiary for the payment of construction of project during the Reporting Period.
Deferred tax liabilities	213,114,511.03	416,613,871.66	-48.85	Mainly due to the adjustments to other comprehensive income and the corresponding adjustments to deferred tax liabilities based on the fair value of other equity instrument investments held by the Group during the Reporting Period.
Other comprehensive income	610,809,438.21	1,291,748,071.42	-52.71	Mainly due to the adjustments to other comprehensive income based on the fair value of other equity instrument investments held by the Group during the Reporting Period.

Reasons for material changes in income statement items during the Reporting Period

Unit: Yuan Currency: RMB

Item	From the beginning of the year to the end of the Reporting Period	Corresponding period of last year	Increase/decrease %	Reasons for changes
Operating revenue	963,551,993.82	2,362,097,802.05	-59.21	During the Reporting Period, due to the impact of the COVID-19 and the policy on waiver of tolls on expressways during of the epidemic, the Group's toll revenue decreased significantly year-on-year; and as affected by the COVID-19, the operating revenue decreased year on year due to the decrease in the sales revenue from the delivery of real estate business as compared to the corresponding period of last year and therefore the decrease in the revenue carried forward for the real estate business year on year.
Operating costs	743,620,287.71	947,984,334.35	-21.56	During the Reporting Period, the traffic volume declined year-on-year as affected by the COVID-19, and amortization of road operation right decreased (Note) year-on-year as a result of the adjustment to forecast traffic volume estimates used for the amortization of road operation right; and the operating costs decreased year-on-year due to the year-on-year decrease in the operating costs the real estate business as a result of the decrease in the number of property units delivered and the revenue carried forward by Jiangsu Ninghu Properties Co., Ltd. ("Ninghu Properties"), a subsidiary of the Company, during the Reporting Period as compared to the corresponding period of last year.

Item	From the beginning of the year to the end of the Reporting Period	Corresponding period of last year	Increase/decrease %	Reasons for changes
Selling expenses	4,124,110.25	8,711,111.44	-52.66	Mainly due to the exclusion of Nanjing Hanwei Property Development Co., Ltd. in the scope of consolidation in the corresponding period of last year, and the year-on-year increase in the advertising and promotion expenses relating to the real estate business of Ninghu Properties, a subsidiary of the Company, during the Reporting Period.
Gains from changes in fair value	2,250,753.56	1,186,005.43	89.78	Mainly due to the year-on-year increase in the fair value of other non-current financial assets held by Jiangsu Ninghu Investment Development Co., Ltd., a subsidiary of the Company, during the Reporting Period.
Investment income	-50,170,240.28	145,076,684.30	–	Mainly due to the COVID-19 and the policy on waiver of tolls during the Reporting Period, resulting in operating losses in the road and bridge segment of associated companies.
Other income	3,034,083.70	567,221.13	434.90	Mainly due to the inclusion of deductible portion into other income as a result of the implementation of national policies, which stipulated that commencing from 1 April 2019, an extra 10% shall be credited against deductible input VAT, in line with the policy for deduction of tax amount payable.
Non-operating income	4,904,567.26	275,646.43	1679.30	Mainly due to the year-on-year increase in non-operating income as a result of receipt of employment stabilization subsidies and clearing accounts payable during the Reporting Period.

Item	From the beginning of the year to the end of the Reporting Period	Corresponding period of last year	Increase/decrease %	Reasons for changes
Non-operating expenses	4,507,071.37	2,714,066.79	66.06	Mainly due to the year-on-year increase in expenses for maintenance and repair of road assets during the Reporting Period.
Income tax	21,736,374.39	307,424,037.05	-92.93	Mainly due to the COVID-19 and the policy on waiver of tolls during the Reporting Period, resulting in operating losses recorded in part of subsidiaries of the Group.
Other comprehensive income, net of tax	-704,894,383.21	721,235,951.21	-	Mainly due to the decrease in the fair value of other equity instruments investment held by the Group during the Reporting Period, resulting in a year on year decrease in other comprehensive income.

Note: Due to changes in the road network charging model in 2020, in order to more objectively and fairly reflect the amortized cost of road and bridge assets, as approved by the twentieth meeting of the ninth session of the board of directors of the Company, The Company has taken the standard car flow translated by the new toll standard as the basis for the amortization of highway operation rights since 1 January 2020. In the first quarter of 2020, the impact on the amortization of highway operation rights within the scope of the Company's consolidation amounted to RMB-37.2131 million, which reduced operating costs by RMB37.2131 million. If this change in accounting estimates would be adopted in 2019, it is expected that the Company's amortization of road operating rights in 2019 would be increased by RMB5.6532 million and its operating costs would be increased by RMB5.6532 million.

Analysis of reasons for changes in cash flow statement items during the Reporting Period

Unit: Yuan Currency: RMB

Item	From the beginning of the year to the end of the Reporting Period	Corresponding period of last year	Increase/decrease %	Reasons for changes
Net cash flow generated from operating activities	112,654,156.12	1,426,162,773.65	-92.10	Mainly due to the COVID-19 and the policy on waiver of tolls during the Reporting Period, resulting in a year-on-year decrease in net cash flow generated from operating activities as a result of the year-on-year decrease in toll revenue and pre-sale revenue of property projects.
Net cash flow generated from investment activities	-1,069,290,338.89	-1,675,597,235.35	-36.18	Mainly due to the year-on-year decrease in external investment expenditures such as net cash outflow from the purchase of wealth management products and investment of the asset management scheme of Fuanda Fund during the Reporting Period, resulting in a year-on-year decrease in net cash outflow generated from investment activities.
Net cash flows from financing activities	852,558,641.99	160,997,251.34	429.55	Mainly due to the COVID-19 and the policy on waiver of tolls during the Reporting Period, resulting in a year-on-year increase in net cash inflows from financing activities as a result of the year-on-year increase in cash obtained from loans of the Group.

3.2 Analysis of progress of significant events and their impacts and solutions

☒ Applicable ☐ Not Applicable

The Board meeting of the Company on 23 December 2019 resolved to approve the incorporation of a wholly-owned subsidiary in the Hong Kong Special Administrative Region. In January 2020, the registration procedures of a wholly-owned subsidiary in Hong Kong was completed, and a Certificate of Incorporation and Business Registration Certificate were issued by the Companies Registry of Hong Kong and the Business Registration Office of the Inland Revenue Department, respectively. For details, please refer to the announcement of the Company dated 23 January 2020.

3.3 Undertakings not being fully performed timely during the Reporting Period

☐ Applicable ☒ Not Applicable

3.4 Warning and explanation of reasons in the forecast of the possible aggregate net profits from the beginning of the year to the end of the next reporting period becoming a loss or significant changes compared to the corresponding period of the previous year

☒ Applicable ☐ Not Applicable

During the prevention and control of COVID-19 pneumonia, the Ministry of Transport released the Notice on 15 February 2020, pursuant to which the tolls on toll roads nationwide will be waived from 00:00 on 17 February 2020 till the end of the containment of COVID-19 pneumonia, and the specific deadline will be further notified. The policy on waiver of tolls has a significant impact on the Company's operations. As of the disclosure date of this report, the date of resumption of toll collection has not yet been clarified. It is expected that the cumulative net profit from the beginning of the year to the end of the next reporting period will decrease significantly as compared to the same period of the previous year.

Company	Jiangsu Expressway Company Limited
<i>Legal representative</i>	Sun Xibin
Date	24 April 2020

IV. APPENDIX

4.1 Financial statements

Consolidated Balance Sheet

31 March 2020

Prepared by: Jiangsu Expressway Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Item	31 March 2020	31 December 2019
Current assets:		
Cash and bank balances	406,563,177.75	503,443,740.45
Held-for-trading financial assets	761,694,747.98	676,935,184.62
Accounts receivable	140,147,114.21	224,285,157.62
Prepayments	45,993,081.49	26,865,058.19
Other receivables	50,147,501.04	51,199,899.50
Including: Interest receivable	—	—
Dividends receivable	4,989,960.00	4,989,960.00
Inventories	4,169,794,614.50	4,164,567,305.10
Other current assets	466,130,984.27	379,340,961.34
Total current assets	6,040,471,221.24	6,026,637,306.82

Item	31 March 2020	31 December 2019
Non-current assets:		
Long-term equity investments	6,888,990,774.70	6,939,251,518.62
Investment in other equity instruments	4,714,053,024.83	5,655,468,613.24
Other non-current financial assets	1,447,705,098.11	1,446,175,745.21
Investment properties	18,168,759.35	18,394,459.79
Fixed assets	1,870,352,713.14	1,907,362,713.72
Construction in progress	15,484,135,269.25	14,501,734,494.95
Right-of-use assets	254,973.78	637,434.33
Intangible assets	18,713,108,975.94	18,927,999,470.50
Long-term deferred expenses	11,558,140.66	11,418,643.58
Deferred tax assets	203,304,464.02	175,012,653.99
Other non-current assets	14,955,570.00	14,955,570.00
Total non-current assets	<u>49,366,587,763.78</u>	<u>49,598,411,317.93</u>
TOTAL ASSETS	<u><u>55,407,058,985.02</u></u>	<u><u>55,625,048,624.75</u></u>

Item	31 March 2020	31 December 2019
Current Liabilities:		
Short-term borrowings	1,671,984,176.39	1,972,708,495.84
Notes payable	50,000,000.00	–
Accounts payable	970,529,128.41	1,262,414,819.54
Receipts in advance	14,275,212.15	10,698,899.04
Contract liabilities	1,108,317,872.95	1,134,150,940.01
Employee remuneration payable	1,136,880.15	1,563,119.99
Taxes payable	172,481,850.27	225,458,836.37
Other payables	285,414,171.13	261,048,444.02
Including: Interest payable	–	–
Dividends payable	91,839,646.37	97,197,529.87
Non-current liabilities due within one year:	3,174,311,436.61	3,161,145,193.63
Other current liabilities	5,591,248,734.31	5,092,083,748.87
Total current liabilities	<u>13,039,699,462.37</u>	<u>13,121,272,497.31</u>
Non-current liabilities:		
Long-term borrowings	9,078,479,332.36	8,335,475,444.12
Bonds payable	997,937,744.29	997,460,933.93
Expected liabilities	30,211,590.82	30,211,590.82
Deferred income	40,940,762.38	41,177,151.42
Deferred tax liabilities	213,114,511.03	416,613,871.66
Total non-current liabilities	<u>10,360,683,940.88</u>	<u>9,820,938,991.95</u>
TOTAL LIABILITIES	<u>23,400,383,403.25</u>	<u>22,942,211,489.26</u>

Item	31 March 2020	31 December 2019
OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY):		
Paid-up capital (or share capital)	5,037,747,500.00	5,037,747,500.00
Capital reserve	10,501,913,183.87	10,501,913,183.87
Other comprehensive income	610,809,438.21	1,291,748,071.42
Surplus reserve	3,551,167,000.42	3,551,167,000.42
General risk provision	141,891.32	141,891.32
Retained profits	8,131,539,528.82	8,164,265,960.12
Total owners' equity (or shareholders' equity) attributable to the parent company	<u>27,833,318,542.64</u>	<u>28,546,983,607.15</u>
Minority interests	4,173,357,039.13	4,135,853,528.34
TOTAL OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	<u>32,006,675,581.77</u>	<u>32,682,837,135.49</u>
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	<u>55,407,058,985.02</u>	<u>55,625,048,624.75</u>
<i>Legal representative:</i> Sun Xibin	<i>Accounting chief:</i> Cheng Xiaoguang	<i>Person-in-charge of the accounting department:</i> Ren Zhuohua

Balance Sheet of the Parent Company
31 March 2020

Prepared by: Jiangsu Expressway Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Item	31 March 2020	31 December 2019
Current assets:		
Cash and bank balances	37,177,599.78	72,993,232.97
Held-for-trading financial assets	542,000,000.00	370,000,000.00
Accounts receivable	90,858,084.43	158,693,671.56
Prepayments	7,596,427.26	5,983,721.61
Other receivables	14,034,220.12	13,182,864.41
Including: Interest receivable	—	—
Dividends receivable	4,989,960.00	4,989,960.00
Inventories	12,534,554.83	12,961,862.11
Non-current assets due within one year	977,270,815.03	30,284,152.78
Other current assets	804,174,964.54	404,998,605.25
Total current assets	2,485,646,665.99	1,069,098,110.69
Non-current assets:		
Long-term equity investments	17,410,667,464.00	17,437,162,898.62
Investment in other equity instruments	3,486,341,924.83	4,188,311,013.24
Fixed assets	984,894,513.41	1,010,379,375.99
Construction in progress	79,744,228.20	78,110,869.95
Intangible assets	9,267,101,767.30	9,394,393,034.42
Long-term deferred expenses	4,952,830.07	5,660,377.22
Deferred tax assets	31,291,848.08	—
Other non-current assets	964,955,570.00	1,901,079,653.58
Total non-current assets	32,229,950,145.89	34,015,097,223.02
TOTAL ASSETS	34,715,596,811.88	35,084,195,333.71

Item	31 March 2020	31 December 2019
Current Liabilities:		
Short-term borrowings	1,924,229,333.34	2,022,320,888.89
Accounts payable	444,060,157.93	589,591,720.53
Receipts in advance	786,162.14	4,679,590.76
Employee remuneration payable	750,909.12	1,023,753.28
Taxes payable	12,653,096.01	26,068,004.78
Other payables	149,472,542.04	154,434,539.62
Including: Interest payable	–	–
Dividends payable	91,839,646.37	97,197,529.87
Non-current liabilities due within one year	3,097,076,610.86	3,055,176,013.26
Other current liabilities	5,500,909,363.00	4,998,884,246.00
Total current liabilities	11,129,938,174.44	10,852,178,757.12
Non-current liabilities:		
Long-term borrowings	12,939,332.36	13,827,444.12
Bonds payable	997,937,744.29	997,460,933.93
Deferred tax liabilities	–	144,200,424.02
Total non-current liabilities	1,010,877,076.65	1,155,488,802.07
TOTAL LIABILITIES	12,140,815,251.09	12,007,667,559.19

Item	31 March 2020	31 December 2019
OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY):		
Paid-up capital (or share capital)	5,037,747,500.00	5,037,747,500.00
Capital reserve	7,401,175,276.67	7,401,175,276.67
Other comprehensive income	204,786,249.36	730,095,757.57
Surplus reserve	2,518,873,750.00	2,518,873,750.00
Retained profits	<u>7,412,198,784.76</u>	<u>7,388,635,490.28</u>
TOTAL OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	<u><u>22,574,781,560.79</u></u>	<u><u>23,076,527,774.52</u></u>
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	<u><u>34,715,596,811.88</u></u>	<u><u>35,084,195,333.71</u></u>
<i>Legal representative:</i> Sun Xibin	<i>Accounting chief:</i> Cheng Xiaoguang	<i>Person-in-charge of the accounting department:</i> Ren Zhuohua

Consolidated Income Statement

January–March 2020

Prepared by: Jiangsu Expressway Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Item	First quarter of 2020	First quarter of 2019
I. Total operating income	963,551,993.82	2,362,097,802.05
Including: Operating income	963,551,993.82	2,362,097,802.05
II. Total operating costs	941,414,882.81	1,139,613,554.45
Including: Operating costs	743,620,287.71	947,984,334.35
Taxes and levies	22,212,850.55	25,754,182.89
Selling expenses	4,124,110.25	8,711,111.44
Administrative expenses	44,640,541.52	41,410,711.12
Financial expenses	126,817,092.78	115,753,214.65
Including: Interest expenses	124,530,729.97	117,138,864.04
Interest income	-1,310,255.31	-1,639,880.78
Add: Other income	3,034,083.70	567,221.13
Investment income (Loss is indicated by “-”)	-50,170,240.28	145,076,684.30
Including: Income from investments in associates and joint ventures	-51,428,052.02	143,375,366.03
Gains from changes in fair value (Loss is indicated by “-”)	2,250,753.56	1,186,005.43
Gains from disposal of assets (Loss is indicated by “-”)	–	18,791.48
III. Operating profit (Loss is indicated by “-”)	-22,748,292.01	1,369,332,949.94
Add: Non-operating income	4,904,567.26	275,646.43
Less: Non-operating expenses	4,507,071.37	2,714,066.79
IV. Total profit (Total loss is indicated by “-”)	-22,350,796.12	1,366,894,529.58
Less: Income tax expenses	21,736,374.39	307,424,037.05

Item	First quarter of 2020	First quarter of 2019
V. Net profit (Net loss is indicated by “-”)	-44,087,170.51	1,059,470,492.53
(I) Classified by continuity of operation		
1. Net profit from continuing operations (Net loss is indicated by “-”)	-44,087,170.51	1,059,470,492.53
(II) Classified by ownership of equity		
1. Net profit attributable to owners of the parent company (Net loss is indicated by “-”)	-32,726,431.30	1,034,435,704.26
2. Minority interests (Net loss is indicated by “-”)	-11,360,739.21	25,034,788.27
VI. Other comprehensive income, net of tax	-704,894,383.21	721,235,951.21
(I) Other comprehensive income attributable to owners of the parent company, net of tax	-680,938,633.21	693,594,701.21
1. Other comprehensive income that cannot be reclassified to profit or loss	-680,938,633.21	693,594,701.21
(1) Re-measurement of changes in defined benefit plan	–	–
(2) Other comprehensive income that cannot be reclassified to profit or loss under equity method	1,167,308.10	190,117,258.80
(3) Changes in fair value of investments in other equity instruments	-682,105,941.31	503,477,442.41
(II) Other comprehensive income attributable to minority shareholders, net of tax	-23,955,750.00	27,641,250.00

Item	First quarter of 2020	First quarter of 2019
VII. Total comprehensive income	-748,981,553.72	1,780,706,443.74
(I) Total comprehensive income attributable to owners of the parent company	-713,665,064.51	1,728,030,405.47
(II) Total comprehensive income attributable to minority shareholders	-35,316,489.21	52,676,038.27
VIII. Earnings per share:		
(I) Basic earnings per share (<i>RMB/share</i>)	-0.0065	0.2053
(II) Diluted earnings per share (<i>RMB/share</i>)	N/A	N/A

For the merger of enterprise under common control during the Reporting Period, the net profit recorded by the merged party before the merger was RMB0, and the net profit recorded by the merged party in the previous period was RMB0.

<i>Legal representative:</i>	<i>Accounting chief:</i>	<i>Person-in-charge of the accounting department:</i>
Sun Xibin	Cheng Xiaoguang	Ren Zhuohua

Income Statement of the Parent Company
January–March 2020

Prepared by: Jiangsu Expressway Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Item	First quarter of 2020	First quarter of 2019
I. Operating income	661,526,898.69	1,530,683,994.03
Less: Operating costs	494,530,923.58	565,070,325.08
Taxes and levies	7,191,889.28	10,456,182.75
Administrative expenses	29,077,626.44	28,972,047.49
Financial expenses	85,916,255.22	70,315,513.66
Including: Interest expenses	83,432,704.94	70,481,325.13
Interest income	-373,705.69	-353,737.28
Add: Other income	2,766,332.64	–
Investment income (Loss is indicated by “-”)	-12,080,799.49	125,548,821.32
Including: Income from investments in associates and joint ventures	-27,662,742.72	102,751,956.00
II. Operating profit (Loss is indicated by “-”)	35,495,737.32	981,418,746.37
Add: Non-operating income	4,480,656.57	268,470.33
Less: Non-operating expenses	4,425,817.31	2,553,519.57
III. Total profit (Total loss is indicated by “-”)	35,550,576.58	979,133,697.13
Less: Income tax expenses	11,987,282.10	219,095,435.28
IV. Net profit (Net loss is indicated by “-”)	23,563,294.48	760,038,261.85
(I) Net profit from continuing operations (Net loss is indicated by “-”)	23,563,294.48	760,038,261.85
(II) Net profit from discontinued operations (Net loss is indicated by “-”)		

Item	First quarter of 2020	First quarter of 2019
V. Other comprehensive income, net of tax	-525,309,508.21	536,960,951.2
(I) Other comprehensive income that cannot be reclassified to profit or loss	-525,309,508.21	536,960,951.2
1. Re-measurement of changes in defined benefit plan	—	—
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method	1,167,308.10	190,117,258.80
3. Changes in fair value of investments in other equity instruments	-526,476,816.31	346,843,692.41
VI. Total comprehensive income	-501,746,213.73	1,296,999,213.06
VII. Earnings per share:		
(I) Basic earnings per share (<i>RMB/share</i>)	0.0047	0.1509
<i>Legal representative:</i> Sun Xibin	<i>Accounting chief:</i> Cheng Xiaoguang	<i>Person-in-charge of the accounting department:</i> Ren Zhuohua

Consolidated Cash Flow Statement

January–March 2020

Prepared by: Jiangsu Expressway Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Item	First quarter of 2020	First quarter of 2019
I. Cash flows from operating activities:		
Cash receipts from the sale of goods and the rendering of services	1,048,594,969.35	2,748,176,679.21
Other cash receipts relating to operating activities	44,503,789.17	46,603,398.42
Sub-total of cash inflows from operating activities	1,093,098,758.52	2,794,780,077.63
Cash payments for goods purchased and service received	552,654,197.29	756,217,621.58
Cash payments to and on behalf of employees	214,016,119.81	222,439,840.50
Payments of various types of taxes	140,787,399.60	343,017,520.21
Other cash payments relating to operating activities	72,986,885.70	46,942,321.69
Sub-total of cash outflows from operating activities	980,444,602.40	1,368,617,303.98
Net cash flow generated from operating activities	112,654,156.12	1,426,162,773.65

Item	First quarter of 2020	First quarter of 2019
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments	967,681,690.90	1,041,644,828.41
Cash receipts from investment income	1,714,890.73	4,571,370.91
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	1,048.54	705.60
Sub-total of cash inflows from investing activities	969,397,630.17	1,046,216,904.92
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	986,714,769.06	827,169,129.69
Cash payments to acquire investments	1,051,973,200.00	1,894,645,010.58
Sub-total of cash outflows from investing activities	<u>2,038,687,969.06</u>	<u>2,721,814,140.27</u>
Net cash flow generated from investment activities	<u><u>-1,069,290,338.89</u></u>	<u><u>-1,675,597,235.35</u></u>
III. Cash flows from financing activities:		
Cash receipts from capital contributions	72,820,000.00	–
Including: Cash receipts from capital contributions from minority owners of subsidiaries	72,820,000.00	–
Cash receipts from borrowings	992,690,000.00	512,400,000.00
Cash receipts from issuance of bonds	2,360,000,000.00	–
Sub-total of cash inflows from financing activities	3,425,510,000.00	512,400,000.00
Cash repayments of borrowings	2,423,409,130.59	300,927,864.07
Cash payments for distribution of dividends or profits or settlement of interest expenses	143,129,373.83	49,981,501.06
Other cash payments relating to financing activities	6,412,853.59	493,383.53
Sub-total of cash outflows from financing activities	<u>2,572,951,358.01</u>	<u>351,402,748.66</u>
Net cash flows from financing activities	<u><u>852,558,641.99</u></u>	<u><u>160,997,251.34</u></u>

Item	First quarter of 2020	First quarter of 2019
IV. Effects of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-104,077,540.78	-88,437,210.36
Add: Opening balance of cash and cash equivalents	449,410,135.63	515,126,921.62
VI. Closing balance of cash and cash equivalents	345,332,594.85	426,689,711.26

Legal representative:
Sun Xibin

Accounting chief:
Cheng Xiaoguang

Person-in-charge of the accounting department:
Ren Zhuohua

Cash Flow Statement of the Parent Company
January–March 2020

Prepared by: Jiangsu Expressway Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Item	First quarter of 2020	First quarter of 2019
I. Cash flows from operating activities:		
Cash receipts from sale of goods and rendering of services	750,620,878.84	1,740,087,913.99
Other cash receipts relating to operating activities	12,264,202.35	14,840,575.88
Sub-total of cash inflows from operating activities	762,885,081.19	1,754,928,489.87
Cash payments for goods purchased and service received	321,380,728.74	494,772,232.48
Cash payments to and on behalf of employees	139,837,676.91	145,992,090.08
Payments of various types of taxes	58,833,308.01	261,506,402.49
Other cash payments relating to operating activities	15,175,630.07	20,194,500.24
Sub-total of cash outflows from operating activities	535,227,343.73	922,465,225.29
Net cash flow generated from operating activities	227,657,737.46	832,463,264.58

Item	First quarter of 2020	First quarter of 2019
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments	290,039,040.00	448,034,452.07
Cash receipts from investment income	11,863,075.46	17,162,467.57
Other cash receipts relating to investing activities	11,000,000.00	–
Sub-total of cash inflows from investing activities	312,902,115.46	465,196,919.64
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	35,579,678.42	33,698,576.33
Cash payments to acquire investments	462,039,040.00	1,181,000,000.00
Net cash payments for acquisitions of subsidiaries and other business units		
Other cash payments relating to investing activities	421,000,000.00	11,000,000.00
Sub-total of cash outflows from investing activities	918,618,718.42	1,225,698,576.33
Net cash flow generated from investment activities	-605,716,602.96	-760,501,656.69

Item	First quarter of 2020	First quarter of 2019
III. Cash flows from financing activities:		
Cash receipts from borrowings	200,000,000.00	200,000,000.00
Cash receipts from issuance of bonds	2,360,000,000.00	–
Sub-total of cash inflows from financing activities	2,560,000,000	200,000,000
Cash payment for repayments of borrowings	2,158,861,130.59	270,927,864.07
Cash payments for distribution of dividends or profits or settlement of interest expenses	53,066,509.54	15,906,205.91
Other cash payments relating to financing activities	<u>5,829,127.56</u>	<u>493,383.53</u>
Sub-total of cash outflows from financing activities	<u>2,217,756,767.69</u>	<u>287,327,453.51</u>
Net cash flows from financing activities	<u>342,243,232.31</u>	<u>-87,327,453.51</u>
IV. Effects of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-35,815,633.19	-15,365,845.62
Add: Opening balance of cash and cash equivalents	72,993,232.97	100,931,394.05
VI. Closing balance of cash and cash equivalents	37,177,599.78	85,565,548.43

Legal representative:
Sun Xibin

Accounting chief:
Cheng Xiaoguang

Person-in-charge of the accounting department:
Ren Zhuohua

4.2 Adjustments to relevant items of financial statements at the beginning of the year upon initial adoption of New Revenue Standard and New Lease Standard since 2020

☐ Applicable ☒ Not Applicable

4.3 Explanation on retroactive adjustments to comparative data in the previous periods upon initial adoption of New Revenue Standard and New Lease Standard since 2020

☐ Applicable ☒ Not Applicable

4.4 Auditor's Report

☐ Applicable ☒ Not Applicable

By order of the Board
Yao Yongjia
Secretary to the Board

Nanjing, the PRC, 24 April 2020

As at the date of this announcement, the Directors of the Company are:

Sun Xibin, Cheng Xiaoguang, Yao Yongjia, Chen Yanli, Chen Yongbing, Wu Xinhua, Hu Yu, Ma Chung Lai, Lawrence, Zhang Zhuting, Chen Liang*, Lin Hui*, Zhou Shudong*, Liu Xiaoxing**

** Independent Non-executive Directors*