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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)

PRELIMINARY ANNOUNCEMENT
2020 ANNUAL RESULTS

The contents of this announcement are disclosed pursuant to Rule 13.49(1) and Paragraph 45 to Appendix 16 of the Hong Kong Listing Rules.

I. IMPORTANT NOTICE

- (I) The board of directors, the supervisory committee and the directors, supervisors and senior management of Jiangsu Expressway Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) warrant that there are no false representations or misleading statements contained in, or material omissions from, this announcement; and jointly and severally accept responsibility for the truthfulness, accuracy and completeness of the contents of this announcement.

The contents of this announcement are extracted from the full text of the annual report, which will be posted on the websites of the Shanghai Stock Exchange (www.sse.com.cn), the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.jsexpressway.com). Investors should read the full text of the annual report carefully for details.

(II) Absence of Directors

Position held by absent director	Name of absent director	Reasons for absence of directors	Name of proxy
Executive Director	Mr. Cheng Xiaoguang	Due to business engagement	Mr. Sun Xibin

(III) The audit committee of the Company has reviewed and confirmed the full text and summary of the annual report for the year ended 31 December 2020. Deloitte Touche Tohmatsu Certified Public Accountants LLP has issued a standard unqualified auditor's report for the Company. The annual financial statements of the Company has been prepared in accordance with the Accounting Standards for Business Enterprises of the PRC and is in compliance with the disclosure requirements under the Hong Kong Companies Ordinance and the Hong Kong Listing Rules.

(IV) Company profile

Stock abbreviation	寧滬高速 (A Shares)	Jiangsu Express (H shares)	JEXYY (ADR)
Stock code	600377	00177	477373104
Listing stock exchange	Shanghai Stock Exchange	The Stock Exchange of Hong Kong Limited	United States

Secretary to the board of directors Representatives of securities affairs

Name	Yao Yongjia	Tu Jun and Lou Qing
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(V) Unless otherwise specified, the financial figures involved in this annual report are expressed in RMB.

(VI) For the items and company abbreviation involved in this announcement, please refer to Section XI of this announcement.

(VII) In this report, there may be a tail difference between the sum of individual data and the number of related data, which is caused by rounding when calculating data.

II. PROFIT DISTRIBUTION PLAN

During the Reporting Period, the Company realized a net profit attributable to the shareholders of the Company of RMB2,464,214,000 and earnings per share was approximately RMB0.4891. The board of directors of the Company proposed to distribute cash dividends of RMB0.46 per share (tax inclusive) in favour of all shareholders based on the total share capital of the Company of 5,037,747,500 shares. The proposed dividends are expected to be paid before 15 July 2021.

III. PRINCIPAL BUSINESSES OR OVERVIEW OF PRODUCTS DURING THE REPORTING PERIOD

Established on 1 August 1992 in the Jiangsu Province of the People's Republic of China, the Group is the only listed company in the transportation and infrastructure industry of the Jiangsu Province. On 27 June 1997, the Company issued 1,222,000,000 H Shares which were listed on the Stock Exchange. On 16 January 2001, the Company issued 150,000,000 A Shares which were listed on the SSE. The Group established the Level I American Depositary Receipt (ADR) Program which became effective on 23 December 2002, trading in the over-the-counter market in the United States of America. As at 31 December 2020, the total share capital of the Company comprised 5,037,747,500 shares with a par value of RMB1 each.

The Group is principally engaged in the investment, construction, operation and management of toll roads and bridges in the Jiangsu Province and the development and operation of ancillary service areas along such expressways. Apart from the Jiangsu section of Shanghai-Nanjing Expressway, the Group also owns the entire or partial interests of other toll roads and bridges located in the Jiangsu Province, including Ningchang Expressway, Zhenli Expressway, Guangjing Expressway, Xicheng Expressway, Xiyi Expressway, Zhendan Expressway, Jiangyin Bridge and Sujiahang Expressway, etc. As at 31 December 2020, 17 road and bridge projects were directly operated and invested by the Group, and over 850 kilometers of the roads and bridges open to traffic were owned or invested by the Group.

The Group's operating areas are located in the Yangtze River Delta, which is the most economically vibrant region in the PRC. The road and bridge projects owned or invested by the Group involve the roads and bridges serving as the major transport corridors linking roads stretching east-to-west and south-to-north across the Jiangsu Province. The vibrant economy in the region leads to hectic traffic. The Jiangsu Section of Shanghai-Nanjing Expressway, being the Group's core assets, links six large and medium cities namely Shanghai, Suzhou, Wuxi, Changzhou, Zhenjiang and Nanjing, and is one of the busiest expressways in the PRC.

In addition, the Group is also actively exploring and venturing into the financial industry with transportation plus and industry promotion with finance, aiming to further enhance profitability and achieve sustainable development of the Group. As at 31 December 2020, the Group directly owned six wholly-owned subsidiaries ^(Note 1), four non-wholly-owned subsidiaries and participated in eleven equity joint ventures, with total assets of approximately RMB61,096 million and net assets of approximately RMB33,049 million.

Note 1: On 26 February 2020, the sixteenth meeting of the ninth session of the board of directors of the Company resolved that, the Company was approved to consolidate Ningchang Zhenli Company, a wholly-owned subsidiary by way of merger, and submitted the same to the general meeting for consideration; on 23 April 2020, the second extraordinary general meeting of the Company resolved that, the Company was approved to consolidate Ningchang Zhenli Company, a wholly-owned subsidiary by way of merger; as at the end of the Reporting Period, the deregistration of business of Ningchang Zhenli Company was in process.

IV. SUMMARY OF MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

Unit: Yuan Currency: RMB

Major accounting data	2020	2019	Increase/decrease in the Period as compared to the corresponding period of the previous year (%)	2018	2017	2016
Operating revenue	8,032,466,746	10,078,181,219	-20.30	9,969,011,165	9,455,680,365	9,201,297,066
Net profit attributable to the shareholders of the Company	2,464,213,676	4,199,704,372	-41.32	4,376,603,925	3,587,861,857	3,346,063,867
Net profit attributable to the shareholders of the Company net of non-recurring profit or loss	2,339,998,350	4,186,308,063	-44.10	3,853,866,529	3,565,591,487	3,316,405,373
Net cash flow from operating activities	3,137,401,530	5,763,283,624	-45.56	5,715,489,507	5,232,104,978	5,463,748,504
	The end of 2020	The end of 2019	Increase/decrease at the end of the Reporting Period as compared to the end of the previous year (%)	The end of 2018	The end of 2017	The end of 2016
Net assets attributable to the shareholders of the Company	28,209,961,099	28,546,983,607	-1.18	26,137,197,732	23,520,283,963	22,209,756,185
Total liabilities	28,046,290,724	22,942,211,489	22.25	18,808,871,891	16,637,560,626	13,340,716,540
Total assets	61,095,560,365	55,625,048,625	9.83	48,162,728,832	42,532,491,238	36,282,573,529

V. MAJOR FINANCIAL DATA FOR 2020 BY QUARTERS

Unit: Yuan Currency: RMB

	Q1 (January– March)	Q2 (April– June)	Q3 (July– September)	Q4 (October– December)
Operating revenue	963,551,994	1,704,799,079	2,684,446,315	2,679,669,358
Net profit attributable to the shareholders of the Company	-32,726,431	518,363,878	1,409,726,799	568,849,430
Net profit attributable to the shareholders of the Company net of non-recurring profit or loss	-37,591,335	457,008,509	1,371,641,662	548,939,514
Net cash flow from operating activities	112,654,156	782,674,994	1,488,648,997	753,423,383

VI. SHARE CAPITAL AND SHAREHOLDERS

(I) Shareholders of ordinary shares and shareholding of the top ten shareholders

Unit: Share

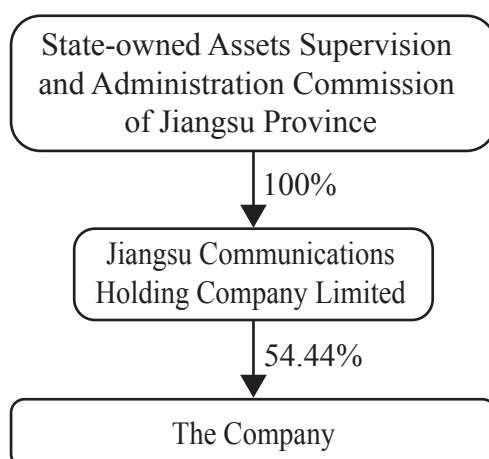
Total number of ordinary shareholders as at the end of the Reporting Period (Number of shareholders of H Shares: 415 (inclusive))	29,820	Total number of ordinary shareholders as at the end of last month before the date of disclosure of the annual report (Number of shareholders of H Shares: 416 (inclusive))	31,749
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Name of shareholder (full name)	Change during the Reporting Period	Shareholdings of top ten shareholders		Number of shares with sales restrictions held	Pledged or frozen Status of shares	Number	Type of shareholder
		Number of shares held as at the end of the Reporting Period	Percentage (%)				
Jiangsu Communications Holding Company Limited	-	2,742,578,825	54.44	-	Nil	-	State-owned legal person
China Merchants Expressway Network & Technology Holdings Co., Ltd.	-	589,059,077	11.69	-	Nil	-	State-owned legal person
BlackRock Inc.	-1,305,302	146,068,692	2.90	-	Unknown	-	Foreign legal person
Mitsubishi UFJ Financial Group Inc.	11,893,626	135,096,597	2.68	-	Unknown	-	Foreign legal person
JPMorgan Chase & Co.	2,280,175	108,818,047	2.16	-	Unknown	-	Foreign legal person
China Universal Asset Management Company Limited-Social Security Fund Portfolio 1103	28,999,984	75,000,010	1.49	-	Unknown	-	Others
Citigroup Inc.	12,269,884	73,715,201	1.46	-	Unknown	-	Foreign legal person
China Galaxy Asset Management Co., Ltd.	21,410,000	21,410,000	0.42	-	Unknown	-	State-owned legal person
China Merchants Bank Co., Ltd. - SSE Dividend Trading Open Index Securities Investment Fund	10,359,595	15,196,757	0.30	-	Unknown	-	Others
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	-	Unknown	-	Others

Shareholdings of top ten shareholders without being imposed on sales restrictions

Name of shareholder	Number of shares in circulation without sales restrictions	Class and number of shares	
		Class	Number
Jiangsu Communications Holding Company Limited	2,742,578,825	RMB-denominated ordinary shares	2,742,578,825
China Merchants Expressway Network & Technology Holdings Co., Ltd.	589,059,077	RMB-denominated ordinary shares	589,059,077
BlackRock Inc.	146,068,692	Oversea-listed foreign shares	146,068,692
Mitsubishi UFJ Financial Group Inc.	135,096,597	Oversea-listed foreign shares	135,096,597
JPMorgan Chase & Co.	108,818,047	Oversea-listed foreign shares	108,818,047
China Universal Asset Management Company Limited– Social Security Fund Portfolio 1103	75,000,010	RMB-denominated ordinary shares	75,000,010
Citigroup Inc.	73,715,201	Oversea-listed foreign shares	73,715,201
China Galaxy Asset Management Co., Ltd.	21,410,000	RMB-denominated ordinary shares	21,410,000
China Merchants Bank Co., Ltd. – SSE Dividend Trading Open Index Securities Investment Fund	15,196,757	RMB-denominated ordinary shares	15,196,757
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
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 relationship or acting-in-concert arrangement with respect to the above shareholders; (2) During the Reporting Period, none of the related parties, strategic investors of the Company and general legal persons became the top ten shareholders of the Company because of placing of new shares; and (3) The number of shares of 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 the shareholding thereof	Nil		

(II) Flowchart of the shareholding and the controlling relationship between the Company and the de facto controller



VII. DISCUSSION AND ANALYSIS OF THE OPERATION

At the beginning of 2020, the outbreak of COVID-19 pandemic resulted in the implementation of toll-free travel policy, which had a significant impact on the Group's revenue from short-term travel. In the face of changes and difficulties, the Group actively sought countermeasures under the leadership of the board of directors, strengthened its main business, optimized its cost management and control, strived to minimize the adverse impact and achieved relatively good economic benefit and high quality and sustainable development, excluding the negative factors brought by the pandemic.

As of the end of 2020, total assets of the Company amounted to RMB61,096 million and net assets attributable to shareholders of the Company amounted to RMB28,210 million. During the Reporting Period, the Company realized operating profit of RMB8,032 million, representing a year-on-year decrease of 20.30% due to the impact of the pandemic and toll-free travel policy, total profits of RMB3,234 million, representing a year-on-year decrease of 41.44%, net profit attributable to shareholders of the Company of RMB2,464 million and earnings per share of RMB0.4891. The operating net cash flow amounted to RMB3,137 million and the weighted average return on net assets was 8.82%.

Concentrating resources to the core business, and taking action to turn our dreams into reality. Firstly, the core assets such as Shanghai-Nanjing Expressway were in good operation. Excluding the impact of the pandemic, the traffic flow increased steadily and the operation and management became more scientific. The Company built Shanghai-Nanjing Expressway into the first 5G-equipped expressway in China through cooperation with the top three telecommunication operators, laying a solid hardware foundation for subsequent 5G subject research and scenario applications. **Secondly**, the projects under construction were in smooth progress. Changyi Expressway was put into operation during the Reporting Period, and Yichang Expressway was officially open for traffic in January 2021. The road network of the Company was further integrated into the Yangtze River Delta integrated economic circle, contributing to regional economic prosperity and promoting the long-term development of the Company. In 2020, the investment for the construction of the Wufengshan Toll Bridge project was RMB1.960 billion, the completed work accounted for 87.40% of the total investment, and it is expected to open for traffic in July 2021, which will increase the Company's share in the road network of southern Jiangsu and enhance its core position. The investment for the construction of Longtan Bridge project was RMB967 million, the completed work accounted for 21.40% of the total investment, and it is expected to open for traffic in 2024. **Thirdly**, the integration of road and bridge resources releases its potential. The leading position of the Company in the road network of southern Jiangsu has been consolidated by absorbing and merging Ningchang Zhenli Company, which created further synergy effect and scale benefit among the road network. The Company explored the strategy of "going global" by establishing Ninghu International Company, participating in the acquisition of the toll road and bridge project of ICA Company in Turkey and identifying overseas high-quality road and bridge projects. **Fourthly**, the operation of service areas recorded new progress. During the Reporting Period, the Company practiced the concept of "travel fast but enjoy the trip", the service areas following "3+3" transformation and upgrading better met the public travel demand, and promoted both the economic and social benefits; the establishment of Yangtze Commerce and Energy, a wholly-owned subsidiary of the Company, to promote the transformation and upgrading and professional operations of the service areas, and to create a growth point of road derivative economy.

Equal attention was given to ancillary businesses, and knowledge was put into practice, which produced effectiveness. Firstly, the scale of investment into fund achieved stable growth. During the Reporting Period, the Company contributed RMB65 million to CDB Kai Yuan Fund, with an aggregate contribution of RMB985 million. It participated in RMB1.5 billion of Luode Huizhi Fund initiated by the Luode Fund Company, and contributed a total investment of RMB500 million. As at the end of the Reporting Period, the fund has received investment of RMB1.198 billion. **Secondly**, the factoring business recorded a steady development. During the Reporting Period, the Company steadily conducted double factoring, re-factoring, joint factoring and other business. **Thirdly**, the real estate business operated smoothly. During the Reporting Period, the Company actively promoted the construction of projects in stock and increased marketing efforts to increase sales.

Governance was conducted in a compliant manner, safeguard measures against risks and dangers were in place. Firstly, the Company improved the establishment of compliance management system and the compliance system, continuously promoted compliance at all links of operation and management of the Company, and implemented the compliance concept into its daily work. **Secondly**, the Company standardized its process management. In order to continuously improve the Company's business performance, the Company promoted the in-depth integration of rules and business processes to improve the quality of management. **Thirdly**, the Company established the "major supervision" system. Based on its internal audit, focusing on internal control and risk control, and beginning with supervision, inspection and guidance, the Company enhanced standardized operation and escorted the long-term development of the Company.

(I) Toll road and bridge operations

1. Analysis of business and operational environment

(1) Impact of the macroeconomic environment

In 2020, the gross domestic product of China grew by 2.3% as compared with the previous year, making it the only major economy in the world which achieved positive growth. During the Reporting Period, the gross regional product in the Jiangsu Province reached RMB10,271.90 billion, representing an increase of 3.7% as compared with the previous year, and its economic operation showed a stable and positive trend. (Data source: Chinese governmental statistics information website)

The macroeconomic environment is a key factor affecting traffic demand. During the Reporting Period, most of the toll road traffic of the Group maintained a relatively stable natural growth.

(2) Development of demands for transportation

At the end of the Reporting Period, a total of 20,444,000 vehicles for civilian use were owned in the Jiangsu Province, representing an increase of 6.5% and a net increase of 1,252,000 vehicles. (Data source: Chinese governmental statistics information website) The stable growth of car ownership could give play to the competitive advantage of highways in the short and medium distance transportation and would be the most direct drive to the growth of road traffic flow.

(3) Changes in competition landscape

As at the end of the Reporting Period, the total operating expressway mileage in the Jiangsu Province was 4,924 kilometers, with additional mileage of 59 kilometers. The railway operation mileage was 3,998 kilometers, with additional mileage of 459 kilometers. (Data source: Chinese governmental statistics information website)

During the Reporting Period, newly constructed and completed projects of expressways and railways did not show obvious diversion impact on toll road and bridge projects of the Group.

(4) Impact of policies related to toll roads

During the Reporting Period, the vehicle tolls for the national toll roads will be exempted from 00:00 on 17 February 2020 to 00:00 on 6 May 2020. To coordinate and safeguard the legitimate interests of users, investors and operators, the relevant ancillary compensation measures are still under study. The policies on toll-free travel for small passenger vehicles in major festivals and holidays, toll-free “green passage” for vehicles carrying fresh and live agricultural products, preferential tolls for the ETC vehicles and ETC freight vehicles installed with “Unitoll Card” and the policy on inspection on of “Preferential Port Container Vehicles” were continuously implemented.

2. Operation Management Measures

The Company implemented digitalization transformation in response to the new changes and new characteristics of the “One Network” operation pattern through the country, promoted the construction of “smart high speed”, implemented delicacy management, further enhanced the ability to comprehensively operate and manage its main business, and provided drivers and passengers with a safer, faster and higher-quality traffic service. Measures included:

Changing and innovating the operation mode according to the actual condition. **Firstly**, ensuring the steady operation of “One Network”. Starting from 00:00 on 1 January 2020, the national expressway network was incorporated into the “One Network” system, successfully completed the switch, and the provincial toll stations were removed to reduce traffic congestion and increase road use efficiency. **Secondly**, speeding was forbidden at the entrance to prevent over-limit vehicles from damaging roads and to prolong the service life of roads. **Thirdly**, ETC was strongly promoted and the ETC charges accounted for 65.66% during the Reporting Period. The efficiency was significantly improved and personnel input has been further reduced. **Fourthly**, by using big data analysis to combat dodging toll across the “One Network”, dodging toll was effectively prevented.

Scientific control to improve operational efficiency. **Firstly**, the Company has built a “high-speed brain”, to achieve dynamic forecast of vehicles’ distribution and improve the accuracy of advance estimation. It built parking bays and redistributed lane resources to make full use of the emergency lane as the “fifth lane”. It deepened the 3510 plan, and created a “10-Minutes rescue circle” to accelerate rescue after the accidents. The traffic efficiency of the whole road section was further improved. **Secondly**, the Company independently researched, developed and launched lane management and control system to implement coordinated management and control for ultra-large traffic flow sections, improving traffic efficiency by nearly 10%. **Thirdly**, the Company strengthened the management of congestion problem and the elimination of potential traffic danger, formulated a plan to reduce traffic flow during peak time, relieved traffic conflicts at traffic nodes, and improved the traffic efficiency for the whole road section.

Smart maintenance to improve road quality. Firstly, the Company followed the concept of whole life cycle maintenance and conducted maintenance proactively, and to lengthen the service life of the roads to ensure minimum maintenance cost and best quality within the life cycle. **Secondly**, with the goal of maximum efficiency and minimum effect, the Company conducted concentrated maintenance and carried out long-distance maintenance for huge-traffic-flow sections, which is the first of such kind of maintenance in China. It completed the centralized maintenance of the 70-kilometer Suzhou section of the Shanghai-Nanjing Expressway in 8 working days and avoided loss resulting from congestion due to the regular maintenance. **Thirdly**, with the goal of being the most intelligent and having the best quality, the Company applied the intelligent control system for road maintenance quality for the first time, realizing intelligent supervision by means of information technology such as the Internet of Things, which improved the accuracy of preventive maintenance and ensured road traffic safety. During the Reporting Period, the MQI and PQI indicators of Shanghai-Nanjing Expressway were 96.97% and 95.67%, respectively.

3. *Business performance and analysis of project operation*

During the Reporting Period, the Group recorded toll revenue of approximately RMB6,016,299,000, representing a year-on-year decrease of approximately 23.19% and representing approximately 74.90% of the total operating revenue of the Group. Of which, Shanghai-Nanjing Expressway recorded an average daily toll revenue of approximately RMB10,727,080, representing a year-on-year decrease of approximately 25.15%. Considering the movement trend of the traffic volume of passenger vehicles and trucks throughout the year, traffic volume of passenger vehicles maintained at a stable growth at an average growth rate of approximately 3.49% throughout the year, representing approximately 80.81% of the total traffic volume. Whereas traffic volume of trucks decreased year on year by 4.46% throughout the year, representing approximately 19.19% of the total traffic volume. The total traffic volume of both passenger vehicles and trucks increased 1.86% (the average daily traffic volume in 2020 included traffic volume recorded during the toll-free travel period).

4. Business Development

(1) Actively advancing the construction of projects under construction

During the Reporting Period, the Group continued to efficiently advance the construction of road and bridge projects under construction in an orderly manner. In 2020, the construction of Wufengshan Toll Bridge Project incurred an investment of RMB1.960 billion and had incurred an aggregate investment of approximately RMB10,968 million, representing 87.40% of the total investment of the project, and it is expected to be completed in 2021. The construction of Longtan Bridge Project incurred an investment of RMB967 million and had incurred an aggregate investment of approximately RMB1,338 million, representing 21.40% of the total investment of the project.

(2) Acquisition of the toll road and bridge projects of the ICA Company in Turkey

During the Reporting Period, the Group approved the contribution of USD130 million for the establishment of Ninghu International Company a wholly-owned subsidiary, in the Hong Kong Special Administrative Region of the People's Republic of China to participate in the acquisition of the toll road and bridge projects of the ICA Company in Turkey through a Chinese-funded consortium. In January 2020, the Group completed the registration procedures for the wholly-owned subsidiary in Hong Kong and obtained the Certificate of Incorporation and the Business Registration Certificate issued by the Companies Registry and the Business Registration Office of the Inland Revenue Department, respectively in Hong Kong. As of the end of the Reporting Period, this overseas investment has obtained the Enterprise Overseas Investment Certificate (Enterprise Overseas Investment Certificate No. N1000202000290 and Enterprise Overseas Investment Certificate No. N1000202000301) issued by the Ministry of Commerce of the People's Republic of China and the Filing Notice of Overseas Investment Project (Fa Gai Ban Wai Zi Bei (發改辦外資備) [2020] No.303) issued by the National Development and Reform Commission of the People's Republic of China. Other approval procedures required for this overseas investment are being processed.

(3) Investment in the Establishment of Yangtze Commerce and Energy, a Wholly-owned Subsidiary

As considered and approved at the twenty-sixth meeting of the ninth session of the board of directors of the Company on 24 December 2020, it was approved that the Company contribute RMB100 million for the establishment of Jiangsu Communications & Commercial Energy Company Limited (tentative name, subject to the name registration at the administrative authorities for industry and commerce). For details of the above investment project, please refer to the announcements published by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on 25 December 2020 and on the website of the Stock Exchange (www.hkex.com.hk) on 24 December 2020, respectively.

In February 2021, Yangtze Commerce and Energy, the newly established wholly-owned subsidiary of the Company completed the business registration and obtained the Business License from the market supervision and administration department. For details of the establishment of wholly-owned subsidiary, please refer to the announcements published by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on 9 February 2021 and on the website of the Stock Exchange (www.hkex.com.hk) on 8 February 2021, respectively.

(II) Operation of ancillary services

During the Reporting Period, the Company realized revenue of approximately RMB1,311,493,000 from ancillary services, representing a year-on-year decrease of approximately 2.69%. In particular, revenue from the service areas rental business amounted to approximately RMB218,044,000, representing a year-on-year decrease of 2.33%, which was mainly due to the rental exemption for some commercial tenants during the pandemic outbreak period. The sales volume of petroleum products was 203,080,000 litres, representing a year-on-year increase of 13.23%, the revenue from which was approximately RMB1,061,060,000, representing a year-on-year decrease of approximately 1.92%, which was mainly due to the decline in oil price. The gross profit from sales was approximately RMB215,553,000, representing a year-on-year increase of 40.03%. Revenue from other business was approximately RMB32,389,000.

(III) Business of property development and sales

During the Reporting Period, the sales area of commodity housing of the Group was 20,975 square meters, realizing a pre-sale income of 503,734,000, and sales revenue carried forward amounted to approximately RMB621,676,000. The net profit after tax realized was approximately RMB76,510,000, representing a year-on-year decrease of approximately 46.74%. The delivery of properties was primarily affected by the pandemic.

(IV) Other businesses

The Company's other businesses mainly comprises advertising businesses and factoring businesses of certain subsidiaries, management services provided by Yangtze River Management Company and property services provided by Ninghu Properties Company. During the Reporting Period, the Group realized revenue from other businesses of approximately RMB82,999,000, representing a year-on-year increase of approximately 15.06% and it was mainly attributable to the increase in revenue from commissioned operation and management services and factoring business.

(V) Financial Analysis

1. Analysis of principal businesses

(1) Table of analysis of changes in the relevant items in income statement and cash flow statement

Unit: Yuan Currency: RMB

Item	Amount in the Reporting Period	Amount in the corresponding period last year	Changes (%)
Operating revenue	8,032,466,746.34	10,078,181,218.81	-20.30
Operating costs	4,686,890,023.93	4,576,009,544.69	2.42
Selling expenses	24,698,386.89	35,971,797.28	-31.34
Administrative expenses	197,226,409.99	227,595,890.11	-13.34
Financial expenses	444,319,354.76	464,164,014.33	-4.28
Net cash flow from operating activities	3,137,401,530.39	5,763,283,624.15	-45.56
Net cash flow from investing activities	-5,699,867,768.28	-7,391,606,310.05	-22.89
Net cash flow from financing activities	2,464,045,195.61	1,562,605,899.87	57.69
Gain on change in fair value	33,547,488.70	71,295,344.11	-52.95
Investment income	618,460,042.64	886,313,895.55	-30.22
Gains from disposal of assets	220,298.98	-70,252,066.32	-100.31
Other gains	33,219,560.42	7,257,958.52	357.70
Non-operating income	82,926,177.75	32,336,183.87	156.45
Non-operating expenses	88,111,461.54	52,532,595.64	67.73
Other comprehensive income, net of tax	-467,550,226.48	453,657,154.34	-203.06

(2) *Principal businesses classified by industries*

The Group had an aggregate operating revenue of approximately RMB8,032,467,000 during the Reporting Period, representing a decrease of approximately 20.30% as compared to the same period in 2019, which was mainly due to the COVID-19 pandemic and the toll-free travel policy. Total operating costs were approximately RMB4,686,890,000, representing an increase of approximately 2.42% as compared to the same period in 2019, which was mainly due to the increase in depreciation and amortisation of roads resulting from the increased traffic volume. The consolidated gross profit margin of the Group decreased by approximately 12.94 percentage points as compared to the same period in 2019.

Unit: Yuan Currency: RMB

By industries	Operating revenue	Operating costs	Gross profit Margin (%)	Principal operating activities classified by industries		
				Change in operating revenue over the corresponding period of last year (%)	Change in operating costs over the corresponding period of last year (%)	Change in gross profit margin over the corresponding period of last year (%)
Toll road business	6,016,298,931.46	3,096,480,407.77	48.53	-23.19	7.66	Decreased by 14.75 percentage points
Shanghai-Nanjing Expressway	3,926,110,186.74	1,764,679,609.32	55.05	-24.94	7.49	Decreased by 13.56 percentage points
Guangjing Expressway and Xicheng Expressway <i>(Note: 1)</i>	754,274,294.15	278,906,462.36	63.02	-21.48	-25.03	Increased by 1.75 percentage points
Ningchang Expressway and Zhenli Expressway	941,181,964.98	747,271,649.26	20.60	-21.18	27.43	Decreased by 30.29 percentage points
Xiyi Expressway and Wuxi Huantaihu Expressway	325,057,442.18	251,047,092.77	22.77	-12.41	12.36	Decreased by 17.03 percentage points
Zhendan Expressway	69,256,321.13	53,306,239.56	23.03	-9.54	1.22	Decreased by 8.18 percentage points
Changyi Expressway <i>(Note: 2)</i>	418,722.28	1,269,354.50	-	-	-	
Ancillary services business	1,311,492,871.44	1,178,933,604.08	10.11	-2.69	-5.08	Increased by 2.27 percentage points
Property sales business	621,675,771.55	351,563,142.96	43.45	-24.67	-18.71	Decreased by 4.14 percentage points
Other businesses <i>(Note: 3)</i>	82,999,171.89	59,912,869.12	27.82	15.06	137.70	Decreased by 37.24 percentage points
Total	8,032,466,746.34	4,686,890,023.93	41.65	-20.30	2.42	Decreased by 12.94 percentage points

Note 1: During the Reporting Period, the gross profit margin for toll business increased due to the year-on-year decrease in costs on road maintenance of Guangjing Xicheng Expressway as a result of the overhaul of Guangjing Xicheng Expressway during the corresponding period of last year.

Note 2: Changyi Expressway was open for traffic on 28 December 2020.

Note 3: During the Reporting Period, the operating costs of other businesses increased year-on-year, mainly due to the increase in operating costs of Yangtze River Management Company, which was established on 6 June 2019, and the increase in financing costs of Factoring Company as its business developed.

Explanation on principal businesses classified by industries, products and regions

During the Reporting Period, the Group conducted its principal business in Jiangsu Province.

(3) Analysis of costs

By Industries

Unit: Yuan Currency: RMB

By industries	Components of costs	Amount for the Reporting Period	Percentage in total costs for the Reporting Period (%)	Amount for the same period last year (%)	Percentage in total costs for the same period last year (%)	Changes in percentage of the amount for the Reporting Period compared with the same period last year	Explanation of the situation
Toll road operations	-	3,096,480,407.77	66.07	2,876,262,069.44	62.86	7.66	-
-	Depreciation and amortization	1,515,831,069.72	32.34	1,420,364,799.11	31.04	6.72	Mainly due to that fact that the traffic volume maintained a stable increase during the Reporting Period, and the increase in the amortization of toll road.
-	Costs on maintenance	551,889,351.53	11.78	531,109,367.09	11.61	3.91	Mainly due to the centralized maintenance of pavement on some sections of Nanjing-Shanghai Expressway and a year-on-year increase in the costs on road maintenance as a result of a comprehensive renovation of the facilities and greening along the expressway in response to the national maintenance inspection during the Reporting Period.
-	Costs on system maintenance	95,132,016.72	2.03	35,594,808.25	0.78	167.26	Mainly due to the year-on-year increase in costs on system maintenance as a result of postponement in implementation of some system maintenance projects till the Reporting Period as affected by the withdrawal of provincial toll stations during the corresponding period of last year.

By industries	Components of costs	Amount for the Reporting Period	Percentage in total costs for the Reporting Period (%)	Amount for the same period last year (%)	Percentage in total costs for the same period last year (%)	Changes in percentage of the amount for the Reporting Period compared with the same period last year	Explanation of the situation
-	Costs on toll collection	187,124,608.79	3.99	169,742,752.56	3.71	10.24	Mainly due to the year-on-year increase in costs on toll collection. as a result of the renovation for standardized station areas along the whole line of Ningchang Zhenli Expressway
-	Labour costs	746,503,361.01	15.93	719,450,342.43	15.72	3.76	-
Ancillary service businesses	-	1,178,933,604.08	25.15	1,242,077,560.33	27.14	-5.08	-
-	Raw materials	796,741,609.02	17.00	890,135,140.61	19.45	-10.49	Mainly due to the year-on-year decrease in procurement cost of raw materials as a result of the impact of the COVID-19 and the drop in oil prices during the Reporting Period.
-	Depreciation and amortization	52,785,198.48	1.13	53,963,009.67	1.18	-2.18	-
-	Labour costs	199,971,366.79	4.27	202,248,843.80	4.42	-1.13	-
-	Other costs	129,435,429.79	2.76	95,730,566.25	2.09	35.21	Mainly due to the year-on-year increase in the cost of property management and maintenance and in the service areas during the Reporting Period.
Property sales business	-	351,563,142.96	7.50	432,465,133.96	9.45	-18.71	During the Reporting Period, the scale of delivery and transfer of real estate projects decreased year-on-year, resulting in a year-on-year decrease in the cost of property sales business.
Other businesses	-	59,912,869.12	1.28	25,204,780.96	0.55	137.70	Mainly due to a year-on-year increase in the costs of other business as a result of the increase in the management cost of Yangtze River Management Company, and the financing cost of Factoring Company and the increase in the scale of the property management concerning the property projects delivered by the subsidiaries during the Reporting Period.

Explanation on other details of cost analysis

As Changyi Expressway and Yichang Expressway were put into operation and Wufengshan Toll Bridge will be opened in the future, the depreciation and amortization expenses of the Group will further increase.

(4) *Expenses*

① Administrative expenses

During the Reporting Period, administrative expenses incurred by the Group were approximately RMB197,226,000 in aggregate, representing a decrease by approximately 13.34% over the same period last year. The year-on-year decrease in administrative expenses was mainly due to the strengthening of budget management and strict control over expenses by the Group to reduce the impact of the COVID-19 during the Reporting Period.

② Financial expenses

During the Reporting Period, the Group's financial expenses were approximately RMB444,319,000 in aggregate. By way of the positive and flexible financing strategy, the financing cost for interest-bearing debts significantly decreased, representing a year-on-year decrease of approximately 4.28% in expenditures, realizing the cost reduction and efficiency enhancement.

③ Selling expenses

During the Reporting Period, the Group's aggregate selling expenses were approximately RMB24,698,000, representing a year-on-year decrease of approximately 31.34%. The year-on-year decrease in selling expenses was mainly due to the year-on-year decrease in advertisement and promotion fee and commission fee for agent of real estate sales of Ninghu Properties Company and Hanwei Company during the Reporting Period as a result of the impact of the COVID-19.

④ Taxes and surcharges

During the Reporting Period, the taxes and surcharges incurred by the Group were RMB125,865,000 in aggregate, representing a year-on-year decrease of approximately 0.89%. The year-on-year decrease in the provision for taxes and surcharges was mainly due to the decrease in operating income of the Group as compared to the corresponding period of last year and the tax relief on some items during the Reporting Period.

⑤ Income tax

The statutory income tax rate for companies of the Group was 25% or 20%. During the Reporting Period, the income tax expense of the Group was approximately RMB714,881,000 in aggregate, representing a year-on-year decrease of approximately 41.46%.

(5) *Cash flow*

The toll revenue of the Group is received in cash and bank balances, contributing to a stable operating cash flow. During the Reporting Period, the Group's net cash flow generated from operating activities was approximately RMB3,137,402,000, representing a year-on-year decrease of approximately 45.56%, mainly due to the significant year-on-year decrease in the net cash flow from operation activities as a result of a year-on-year decrease in toll revenue and revenue from property projects caused by the impact of the pandemic and the toll-free travel policy during the Reporting Period. The net cash outflow generated from investment activities was approximately RMB5,699,868,000, representing a year-on-year decrease of approximately 22.89%, mainly due to a decrease in the net cash outflow from investment activities as a result of the year-on-year decrease in the construction expenditures of road and bridge projects under construction and equity investment expenditures during the Reporting Period. The net cash inflow incurred from financing activities was approximately RMB2,464,045,000, representing a year-on-year increase of 57.69%, mainly due to the year-on-year increase in the net cash inflow incurred from financing activities as a result of a decrease in the Group's revenue, and the expenditures of the projects under construction through an increase in the cash inflow from the borrowings made by the Group caused by the impact of the pandemic and toll-free travel policy during the Reporting Period.

(6) *Gain on changes in fair value*

During the Reporting Period, the Group recorded a gain on changes in fair value of approximately RMB33,547,000, representing a year-on-year decrease of approximately 52.95%. It was mainly due to the year-on-year decrease in growth of the estimated fair value of other non-current financial assets held by Ninghu Investment Company, a subsidiary of the Company.

(7) *Investment income*

During the Reporting Period, the Group's investment income was approximately RMB618,460,000, representing a year-on-year decrease of approximately 30.22%, mainly due to the year-on-year decrease in the operating results of the road and bridge sector which accounted for the majority of the business of the associates under the impact of the COVID-19 pandemic and the policy on toll-free travel during the Reporting Period; and the year-on-year decrease in dividend from investment in other equity instruments. During the Reporting Period, associates, in which the Group had a participating interest, contributed investment income of approximately RMB375,141,000, representing a year-on-year decrease of approximately 42.20%.

(8) *Other income*

During the Reporting Period, the Group recorded other income of approximately RMB33,220,000, representing a year-on-year increase of approximately 357.70%. It was 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; and due to the receipt of subsidies concerning the construction of transformation project of expressway provincial boundary toll stations..

(9) Non-operating income and expenses

During the Reporting Period, the Group achieved a non-operating income of approximately RMB82,926,000, representing a year-on-year increase of approximately 156.45%, which was mainly due to the receipt of pit compensation and the provision made for liquidated damages receivable from Luode Company for the delayed delivery of South Nanjing New City project during the Reporting Period.

During the Reporting Period, the Group incurred a non-operating expense of approximately RMB88,111,000, representing a year-on-year increase of approximately 67.73%, which was mainly due to the expenses for maintenance and repair of road assets and the provision for penalty of RMB56,606,000 for delayed delivery of South Nanjing New City project as affected by the COVID-19 pandemic during the Reporting Period.

2. Assets and Liabilities

As of 31 December 2020, items of assets and liabilities of the Group are as follows:

Unit: Yuan Currency: RMB

Item	Amount as at the end of the Reporting Period	Percentage in the total assets as at the end of the Reporting Period (%)	Amount as at the end of the previous period	Percentage in the total assets as at the end of the previous period (%)	Percentage change of the amount as at the end of the Reporting Period compared to that at the end of the previous year (%)	Explanation of the situation
Held-for-trading financial assets	1,533,818,523.40	2.51	676,935,184.62	1.22	126.58	Mainly due to the increase in wealth management products held by the Group at the end of the Reporting Period as compared to the beginning of the period.
Notes receivable	10,859,500.00	0.02	–	–	–	Mainly due to the increase in the bank acceptances receivable at the end of the Reporting Period.
Accounts Receivable	309,72,553.64	0.51	224,285,157.62	0.40	37.80	Mainly due to the increase in toll road fee receivable at the end of the Reporting Period as compared to the beginning of the period.
Other current assets	1,052,050,289.90	1.72	379,340,961.34	0.68	177.34	Mainly due to the increase in the Group's financing factoring balance, prepaid VAT and enterprise income tax at the end of the Reporting Period as compared to the beginning of the period.
Other equity instruments investment	5,471,025,963.66	8.95	5,655,468,613.24	10.17	-3.26	Mainly due to the decrease in the book value of the other equity instruments investment recognized at fair value by the Group during the Reporting Period.
Other non-current financial assets	2,039,192,599.15	3.34	1,446,175,745.21	2.60	41.01	Mainly due to the additional investment in Nanjing Luode Huizhi Equity Investment Partnership (Limited Partnership) (南京洛德匯智股權投資合夥企業(有限合夥)) and CDB Kai Yuan Phase II Fund (國創開元二期基金) during the Reporting Period and the increase in valuation of other non-current financial assets held as compared to the beginning of the period.
Construction in progress	15,280,716,856.65	25.01	14,501,734,494.95	26.07	5.37	Mainly due to the investment in construction of road and bridge projects in progress.

Item	Amount as at the end of the Reporting Period	Percentage in the total assets as at the end of the Reporting Period (%)	Amount as at the end of the previous period	Percentage in the total assets as at the end of the previous period (%)	Percentage change of the amount as at the end of the Reporting Period compared to that at the end of the previous year (%)	Explanation of the situation
Intangible assets	21,298,818,056.01	34.86	18,927,999,470.50	34.03	12.53	Mainly due to the completion and being open for traffic of Changyi Expressway during the Reporting Period, resulting in the adjustment to its classification from construction in progress to intangible assets.
Right-of-use assets	18,893,134.89	0.03	637,434.33	0.00	2,863.93	Mainly due to the increase in leased assets at the end of the Reporting Period as compared to the beginning of the period.
Short-term borrowings	1,475,103,433.33	2.41	1,972,708,495.84	3.55	-25.22	Mainly due to the partial repayment of short-term borrowings during the Reporting Period.
Notes payable	38,400,000.00	0.06	–	–	–	Mainly due to the issuance of bank acceptances by the subsidiaries engaged in the construction of roads and bridges, concerning the payment of construction projects during the Reporting Period.
Receipts in advance	8,590,278.75	0.01	10,698,899.04	0.02	-19.71	Mainly due to the decrease in lease payments received in advance at the end of the Reporting Period as compared to the beginning of the period.
Contract liabilities	876,391,923.12	1.43	1,134,150,940.01	2.04	-22.73	Mainly due to the slowing down of sales progress of the property business as a result of the COVID-19 during the Reporting Period, resulting in the revenue carried forward after delivery greater than the revenue from pre-sales.
Accounts payable	1,701,582,093.30	2.79	1,262,414,819.54	2.27	34.79	Mainly due to the increase in construction payable at the end of the Reporting Period as compared to the beginning of the period.
Non-current liabilities due within one year	1,103,456,242.14	1.81	3,161,145,193.63	5.68	-65.09	Mainly due to the adjustment of RMB1 billion of medium-term notes due within one year to non-current liabilities due within one year and the return of RMB2 billion of medium-term notes due within one year during the Reporting Period

Item	Amount as at the end of the Reporting Period	Percentage in the total assets as at the end of the Reporting Period (%)	Amount as at the end of the previous period	Percentage in the total assets as at the end of the previous period (%)	Percentage change of the amount as at the end of the Reporting Period compared to that at the end of the previous year (%)	Explanation of the situation
Other current liabilities	8,327,987,272.56	13.63	5,092,083,748.87	9.15	63.55	Mainly due to the ultra-short-term notes newly issued during the Reporting Period, resulting in the increase in the balance as compared to the beginning of the period.
Long-term borrowings	11,545,381,743.39	18.90	8,335,475,444.12	14.99	38.51	Mainly due to the increase in loans for road and bridge projects under construction and borrowings from related parties during the Reporting Period as compared to the beginning of the period.
Bonds payable	1,984,606,358.58	3.25	997,460,933.93	1.79	98.97	Mainly due to the adjustment of RMB1 billion of medium-term notes due within one year to non-current liabilities due within one year and the additional issuance of RMB2 billion of medium-term notes during the Reporting Period.
Provisions	54,115,762.42	0.09	30,211,590.82	0.05	79.12	Mainly due to the newly-added provision for penalty for the delayed delivery of the South Nanjing New City project during the Reporting Period.
Lease liabilities	11,835,601.70	0.02	–	–	–	Mainly due to the lease liabilities recognized in accordance with the New Lease Standards during the Reporting Period.
Deferred tax liabilities	305,018,990.45	0.50	416,613,871.66	0.75	-26.79	Mainly due to the adjustment to other comprehensive income based the fair value of other equity instruments held by the Group, and the adjustment to the deferred incomes tax liabilities accordingly during the Reporting Period.
Deferred income	112,227,270.52	0.18	41,177,151.42	0.07	172.55	Mainly due to the receipt of subsidies concerning the construction of transformation project of expressway provincial boundary toll stations during the Reporting Period.
Other comprehensive income	806,954,969.94	1.32	1,291,748,071.42	2.32	-37.53	Mainly due to the adjustment to other comprehensive income based on the fair value of other equity instruments held by the Group during the Reporting Period.
Total assets	61,095,560,365.16	100	55,625,048,624.75	100	9.83	
Total gearing ratio	45.91%	–	41.24%	–	4.67	
Net gearing ratio	84.86%	–	70.20%	–	14.66	

* The calculation basis for total gearing ratio: liabilities divided by total assets; the calculation basis for net gearing ratio: liabilities divided by shareholders' equity.

(1) *Capital input*

During the Reporting Period, the Group incurred the planned capital expenditure in a sum of approximately RMB6,162,081,000, representing a decrease of approximately RMB1,923,607,000 or approximately 23.79% as compared to RMB8,085,688,000 in 2019. The decrease was mainly due to the year-on-year decrease of other equity instruments investment and equity investment of the Group during the Reporting Period. The breakdown of the capital expenditures incurred by the Group during the Reporting Period is as follows:

Capital Expenditures	Amount (RMB)
Investment in the construction of Wufengshan Toll Bridge	1,960,301,992.14
Investment in the construction of Changyi Expressway (Phase I)	904,056,308.00
Investment in the construction of Yichang Expressway	831,203,393.60
Investment in the construction of Longtan Bridge	966,987,101.55
Payment for final construction fees of the construction of Zhendan Expressway	115,089,147.27
Equity investment in Suzhou Industrial Park CDB Kai Yuan Investment Center Phase II (Limited Partnership)	65,024,383.36
Participation in the placing of shares of Bank of Jiangsu	461,295,000.00
Capital contribution to Hanwei Company	190,000,000.00
Participation in the subscription for Phase III Parent Real Estate Fund initiated by Luode Fund (Luode Huizhi)	500,000,000.00
Alteration and addition of service areas and toll collection points	12,178,118.82
Three major systems and information construction project	18,989,557.26
Other capital expenditures of the Group	136,955,769.10
Total	<u><u>6,162,080,771.10</u></u>

Remarks: The data in the above table includes capital investment in subsidiaries of the Group.

(2) Capital structure and solvency

The Group attached great importance to maintaining a reasonable capital structure and continuously improved its profitability in order to maintain the Group's good credit rating and stable financial position. At the end of the Reporting Period, the total liabilities of the Group amounted to approximately RMB28,046,291,000. The overall gearing ratio of the Group was approximately 45.91%, an increase of approximately 4.67 percentage points from the previous reporting period. In view of the Group's stable and abundant operating cash flow and sound capacity of financing and capital management, the management believes that the gearing ratio remained at a safe level at the end of the Reporting Period.

(3) Financial strategy and financing arrangement

During the Reporting Period, the Group actively expanded its financing channels, adjusted its debt structure and reduced financing costs. Through adopting a proactive financing strategy, the Company was able to meet the funding needs of its operation and management and project investment and controlled the financing costs effectively. During the Reporting Period, an additional fund of RMB19,090,000,000 was obtained through direct financing. As at 31 December 2020, the Group's borrowings amounted to RMB10,322,110,000. As at the end of the Reporting Period, the balance of interest-bearing liabilities amounted to approximately RMB24,252,110,000, representing an increase of approximately RMB4,919,190,000 as compared with the beginning of the year. During 2020, the government adhered to the prudent monetary policy, the liquidity was reasonably abundant, the market interest rates were reasonably stable, and the financing costs on the market lowered as compared with the same period of last year. During the Reporting Period, the rate of the consolidated borrowing costs on interest-bearing liabilities of the Group was approximately 3.80%, representing a decrease of approximately 0.53 percentage point year-on-year, approximately 0.91 percentage point lower than the bank lending rate over the same period.

(4) Credit policy

In order to minimize credit risk, the Group has controlled credit limits, undertaken credit approvals and implemented other control procedures to ensure that necessary follow-up actions are taken to recover overdue debts. In addition, the Group reviews the recovery of its receivables on each balance sheet date to ensure that adequate provisions are made for bad debts. In view of the above, the management considers that the Group's credit risk is relatively low.

(5) Contingencies

As an industrial practice in the real estate industry, Ninghu Properties Company and Hanwei Company, subsidiaries of the Group, provide joint and several guarantees in connection with mortgage loans granted to buyers of commodity housing properties. The guarantee obligation shall begin from the effective date of a guarantee contract and cease when the registration of mortgage in respect of a purchased property is completed and the Building Right Encumbrances Certificate is submitted to banks for enforcement. As at 31 December 2020, the outstanding guarantees amounted to approximately RMB595,334,000.

The Company has provided a wholly-owned subsidiary, Factoring Company, with guarantees for their application for comprehensive credit, with a maximum guarantee balance of RMB810,000,000. The guarantee is joint and several guarantees in nature, with a guarantee period of one year; as of 31 December 2020, the guarantee balance was approximately RMB293,600,000.

(6) Foreign exchange risks

The Group operates its businesses principally in the PRC. There are no material foreign exchange risks as the Group's operating revenue and capital expenditure are all settled in Renminbi except for dividend payments for H Shares and the Group has no investment in foreign currency. The Group obtained a loan of USD9,800,000 from the Spanish Government in 1998 at the interest rate of 2% per annum and it will mature on 18 July 2027. As at 31 December 2020, the balance of the loan was equivalent to approximately RMB12,933,000, against which no foreign exchange hedging arrangements were made by the Group. Fluctuation in exchange rates will have no material impact on the Group's results.

(7) Reserves

Unit: Yuan Currency: RMB

	Share capital	Capital reserve	Other comprehensive income	Surplus reserve	General risk provision	Undistributed profit	Total equity interests attributable to shareholders of the Company
As at 1 January 2019	5,037,747,500	10,428,388,234.50	837,827,667.08	3,411,194,284.79	-	6,422,040,045.25	26,137,197,731.62
Profit for the year	-	-	-	-	-	4,199,704,371.82	4,199,704,371.82
Other capital reserve	-	73,524,949.37	-	-	-	-	73,524,949.37
Total amount of comprehensive income	-	-	453,920,404.34	-	-	-	453,920,404.34
Profit distributed	-	-	-	139,972,715.63	-	(139,972,715.63)	-
Appropriation to general risk reserve	-	-	-	-	141,891.32	(141,891.32)	-
Dividends distributed	-	-	-	-	-	(2,317,363,850)	(2,317,363,850)
As at 31 December 2019	5,037,747,500	10,501,913,183.87	1,291,748,071.42	3,551,167,000.42	141,891.32	8,164,265,960.12	28,546,983,607.15
As at 1 January 2020	5,037,747,500	10,501,913,183.87	1,291,748,071.42	3,551,167,000.42	141,891.32	8,164,265,960.12	28,546,983,607.15
Profit for the year	-	-	-	-	-	2,464,213,675.74	2,464,213,675.74
Other capital reserve	-	920,767.42	-	-	-	-	920,767.42
Total amount of comprehensive income	-	-	-484,793,101.48	-	-	-	-484,793,101.48
Profit distributed	-	-	-	99,238,305.13	-	(99,238,305.13)	-
Appropriation to general risk provision	-	-	-	-	3,345,822.39	(3,345,822.39)	-
Dividends distributed	-	-	-	-	-	(2,317,363,850)	(2,317,363,850)
As at 31 December 2020	5,037,747,500	10,502,833,951.29	806,954,969.94	3,650,405,305.55	3,487,713.71	8,208,531,658.34	28,209,961,098.83

Note: The above statutory reserves may not be used for purposes other than their intended purposes and may not be used for distribution as cash dividends. As at 31 December 2020, reserves distributable to the shareholders were RMB8,208,531,658.34 under the PRC Accounting Standards (as at 31 December 2019, reserves distributable to the shareholders were RMB8,164,265,960.12 under the PRC Accounting Standards).

3. Analysis of investment

During the Reporting Period, the total amount of external equity investment of the Group was approximately RMB1,216,319,000, representing a decrease of approximately 43.52% as compared to 2019. The specific items are as follows:

(1) Material equity investments

① Subscription for CDB Kai Yuan Phase II Fund

As approved by the board of directors of the Company, Ninghu Investment Company has subscribed for a total of RMB1.2 billion units in CDB Kai Yuan Phase II Fund. During the Reporting Period, Ninghu Investment Company made a capital contribution of approximately RMB65,024,000. As at the end of the Reporting Period, Ninghu Investment Company has made an aggregate capital contribution of RMB984,555,000.

② Investment in Luode Parent Real Estate Fund

On 24 April 2020, the 20th meeting of the ninth session of the board of directors of the Company approved the participation by Ninghu Investment Company, in the establishment of the Phase III Parent Real Estate Fund initiated by Luode Fund Company, with total size of the fund no more than RMB1.5 billion, in which Ninghu Investment Company will invest no more than RMB500 million. As at the end of the Reporting Period, Ninghu Investment Company has made an investment of RMB500 million and the total investment in the fund amounted to RMB1,198,000,000.

③ Participation in the placing of shares of Bank of Jiangsu

On 27 November 2020, the 25th meeting of the ninth session of the board of directors of the Company considered and approved the subscription of all entitlements of shares under the placing proposal of Bank of Jiangsu in full by the Company and its controlled subsidiaries Ninghu Investment Company and Ningchang Zhenli Company using self-owned funds. The specific investment amount will be determined according to the final proportion and price of the placing of Bank of Jiangsu.

On 15 December 2020, Bank of Jiangsu completed the issuance of shares for placing; the Company and its controlled subsidiaries Ninghu Investment Company and Ningchang Zhenli Company subscribed for the shares of Bank of Jiangsu using self-owned funds of RMB461,295,000.

④ Increase in registered capital of Hanwei Company

On 24 December 2020, the 26th meeting of the ninth session of the board of directors of the Company considered and approved an increase of RMB190,000,000 in the registered capital of Hanwei Company, a wholly-owned subsidiary of the Company. Upon the capital increase, the registered capital of Hanwei Company was increased to RMB290,000,000.

(2) *Material non-equity investments*

For details, please refer to “(1) Actively advancing the construction of projects under construction” of “4. Business Development” under “I. Discussion and Analysis of the Operation”.

(3) *Financial assets measured at fair value*

Unit: Yuan Currency: RMB

Item	Initial investment cost	Source of funds	Purchased/Sold	Investment income	Change in fair value
Fund investments-Fuanda					
Advantageous Growth Fund	9,999,400.00	Internal funds	-	-	7,358,558.46
Wealth management products	-	Internal funds	1,499,000,000.00	18,623,534.20	-
Gold investments	10,473,491.95	Internal funds	-7,564,479.66	3,351,122.79	-1,803,540.34
Other non-current financial assets (CDB Kai Yuan Phase II)	919,531,171.55	Internal funds	65,024,383.36	30,755,152.68	50,340,087.37
Other non-current financial assets (Luode Dening)	150,000,000.00	Internal funds	-150,000,000.00	40,862,000.00	-38,381,550.76
Other non-current financial assets (Zhongbei Zhiyuan)	300,000,000.00	Internal funds	-	-	17,221,761.15
Other non-current financial assets (Luode Huizhi)	-	Internal funds	500,000,000.00	-	-1,187,827.18
Fuanda Asset Management Scheme	2,000,000,000.00	Internal funds	-	-	-290,142,649.58
Other equity instruments (Bank of Jiangsu Company)	1,947,506,804.71	Internal funds	461,295,000.00	93,130,000.00	-508,865,000.00
Other equity instruments (Jiangsu Leasing Company)	270,898,456.89	Internal funds	-	56,160,000.00	153,270,000.00
New shares subscription	-	Internal funds	242,800.32	436,825.29	-

During the Reporting Period, Ninghu Investment Company, a subsidiary of the Company, continued to hold Fuanda Advantageous Growth Fund purchased in 2011, being approximately 10,000,000 units in total with a net value of approximately RMB22,891,000 at the beginning of the Reporting Period. Investment cost amounted to approximately RMB9,999,000. There was an increase in fair value of approximately RMB7,359,000 during the Reporting Period with a cumulative fair value increase of approximately RMB20,249,000.

During the Reporting Period, Ninghu Investment Company continued to engage in gold bullion investment purchased in 2014 at an investment cost of approximately RMB10,473,000 with a net value of approximately RMB13,695,000 at the beginning of the Reporting Period, and sold approximately RMB7,564,000 of the gold bullion with an investment income of approximately RMB3,351,000 during the Reporting Period. At the end of the Reporting Period, the net value of the investment was approximately RMB4,327,000. There was a decrease in fair value of approximately RMB1,803,000 during the Reporting Period while cumulative fair value increase was approximately RMB1,417,000.

During the Reporting Period, Ninghu Investment Company continued to hold CDB Kai Yuan Phase II Fund subscribed for in 2016 at an investment cost of RMB919,531,000 with its net value of approximately RMB1,107,666,000 at the beginning of the Reporting Period. There was an increase in principal amount of investment of RMB65,024,000 during the Reporting Period with an investment income of RMB30,755,000. At the end of the Reporting Period, net value of the investment was approximately RMB1,223,030,000. There was an increase in fair value of approximately RMB50,340,000 during the Reporting Period with a cumulative fair value increase of approximately RMB238,475,000.

During the Reporting Period, Ninghu Investment Company continued to hold Luode Dening Parent Fund subscribed for in 2016 with a net value of approximately RMB38,414,000 at the beginning of the Reporting Period, and it fully recovered principal amount with an investment income of RMB40,862,000. At the end of the Reporting Period, net value of the investment amounted to approximately RMB32,000. There was a decrease in fair value of approximately RMB38,382,000 during the Reporting Period while cumulative fair value increased by approximately RMB32,000. Ninghu Investment Company continued to hold Zhongbei Zhiyuan Fund subscribed for in 2019 at an investment cost of RMB300,000,000 with its net value of approximately RMB300,096,000 at the beginning of the Reporting Period. At the end of the Reporting Period, the net value was approximately RMB317,317,000. There was an increased in fair value by approximately RMB17,221,000 during the Reporting Period while a cumulative fair value increase of approximately RMB17,317,000. Ninghu Investment Company participated in Luode Huizhi Fund initiated and established by Luode Fund Company at an investment cost of RMB500,000,000. At the end of the Reporting Period, the net value was approximately RMB498,812,000, a decrease in fair value of approximately RMB1,188,000 during the Reporting Period.

(VI) Development strategies of the Company

During the “14th Five-Year Plan” period, in the face of opportunities and challenges, the Group has focused on the five major strategies of “ecologicalization for industry, internationalisation for business, synergy for capital, digitisation for development and marketization for operation”. With the principal business of road and bridge as its foundation, the Group has concentrated on optimising the industrial structure of the Company, enhanced the “two-wheel” drive of asset operation and capital operation, advanced the transformation of resource capitalisation, assets capitalisation and capital securitisation, promoted the four major empowerments of digitisation, openness, safety and green, adjusted the five major structures of industry, assets, financing, profit and personnel, and continuously drove the Company to become better, stronger and larger.

(VII) Operational Plan

1. The year 2021 is the beginning of the “14th Five-Year Plan”, and the Group will make new breakthroughs, take new actions and implement new development from a new starting point. The major tasks involves:

Implementing ingenious “layout” for drawing up a new blueprint for the industry. Firstly, the Company will strengthen the foundation and further explore its principal business. The Company will adhere to the principal business of roads and bridges, actively seize the opportunities arising from the integration of Yangtze River Delta, invest in road and bridge projects with promising long-term benefits, continue to promote the construction of projects such as Wufengshan Toll Bridge and Longtan Bridge, and refine its operation and management, to lay a solid foundation for the long-term development of the Group. **Secondly**, by observing the tradition while pursuing innovation, the Company will expand profits from its ancillary business. It will vigorously develop its subsidiary, Yangtze Commerce and Energy and explore its potential for services and business, and promote the application of intelligent management system, so as to gradually enhance the asset operation capability and achieve the “dual improvement” in economic and social benefits. **Thirdly**, the Company will explore and innovate to optimize financial investments. It will continue to focus on opportunities for investment in quality financial targets, carry out strategic allocation when appropriate, and increase the proportion of financial assets and profits.

Making a dedicated “plan” for creating a new operating journey. **Firstly**, the Company will maintain the technology empowerment. Focusing on digital operation, it will deeply integrate the new generation of information technologies such as 5G, artificial intelligence, big data and cloud computing to promote the construction of smart expressways, expand travelling technology, test vehicle-road synergy, and explore the application of autonomous driving scenarios to improve traffic efficiency on roads. **Secondly**, the Company will strengthen intelligent capacity expansion. Aiming at improving traffic capacity, it will continue to carry out the construction of parking bay projects to fully release traffic resources and improve traffic efficiency and rescue efficiency. **Thirdly**, the Company will resolutely uphold the smart maintenance. With operation and maintenance system based on information technology platform, it will systematically develop the research on the smart maintenance technology and management system to advance smart management of operation and maintenance. It will enhance traffic safety and service quality, launch meticulous and precise maintenance operations to reduce the frequency and time of road occupation for maintenance operations and improve the safety for maintenance operations and the traffic efficiency; implement special actions on traffic safety facilities and focus on the improvement of safety facilities such as guardrails and marking lines to reduce traffic safety and operational management risks.

Carefully “planning” for achieving new efficiency in management. **Firstly**, the Company will continuously promote the construction of the compliance management system. It will establish a comprehensive, scientific, standardized and effective compliance management system; explore the establishment of a mechanism of integration of laws, compliance, internal control and risk control to achieve information sharing, reduce management steps and form management synergy, improve management efficiency and quality and provide compliance guarantee for the stable development of the Company. **Secondly**, it will continuously improve the structure of leader and talent teams. Focusing on the optimization of personnel structure and echelon building in line with the Company’s high-quality development, the Company will broaden the recruitment and appointment channels in accordance with the principles of “simplified positions, limited number of staff, optimized structure, accurate assessment and adequate training”, and cultivate outstanding young leaders to realize an increasingly rational structure of leader and talent teams. **Thirdly**, the Company will continuously strengthen the prevention and control of risks. It will strive to achieve “three avoiding”, i.e. avoiding the occurrence of major and serious accidents in terms of safety risks, avoiding material legal disputes arising from mismanagement in respect of legal risks, and avoiding material asset losses resulting from decision-making mistakes in respect of investment risks.

2. Funding needs required by the Group for maintaining current businesses and completing the investment projects under construction

The Group expects that the total capital expenditure in 2021 will be approximately RMB4,340,344,000, representing a decrease of RMB1,821,737,000 as compared with the actual expenditure of RMB6,162,081,000 in 2020. Capital expenditure for the year of 2021 mainly includes:

Capital expenditure item	Amount (RMB Yuan)
Investment in the construction of Wufengshan Toll Bridge and north-south approach expressways	1,078,000,000.00
Investment in the construction of Yichang Expressway	300,000,000.00
Investment in the construction of Changyi Expressway	200,000,000.00
Investment in the construction of Zhendan Expressway	26,893,400.00
Investment in the construction of Longtan Bridge Project	880,000,000.00
Investment in ICA Project in Turkey	1,000,000,000.00
Investment in the establishment of Yangtze Commerce and Energy	100,000,000.00
Investment in CDB Kai Yuan Phase II Fund	100,000,000.00
Other capital expenditure of the Group	655,451,000.00
Total	<u>4,340,344,400.00</u>

Note: Future capital expenditures of investment in the construction of Yichang Expressway, Changyi Expressway and Zhendan Expressway will mainly be the payment for final settlement of the project and fees for quality assurance.

On the basis of fully leveraging its own capital, the Group timely adjusted its financing strategy based on the financing condition of the capital market so as to satisfy its own funding needs for operation and development, while further optimizing its debt structure and reducing capital risks. Meanwhile, the Group is actively exploring various types of financing channels such as convertible bonds and overseas bonds. Selecting the right financing products for the Group will not only provide the Group with sufficient and efficient funds for its present stage of development, but also make prior arrangements for its future development strategies. As of the end of the Reporting Period, the Group's super short-term bonds registered in National Association of Financial Market Institutional Investors but not issued with a time limit over one year were approximately RMB1,770 million, medium-term notes registered in National Association of Financial Market Institutional Investors but not issued with a time limit over one year were approximately RMB2 billion and the available unutilized bank loan facilities with a time limit over one year were approximately RMB23,572 million; the application for registration of the public issuance of corporate bonds with an aggregate face value of not more than RMB8 billion in aggregate has approved by the China Securities Regulatory Commission; the credit line will be sufficient for supporting capital expenditure, debt roll-over and business development of the Group. If other capital expenditure is required under special cases, the Group will adjust its financing plan based on the size of expenditure and the actual cash flow condition.

VIII. MATTERS CONCERNING THE FINANCIAL STATEMENTS

(I) Analysis by the Company on the reasons and impact on the changes in accounting policies and accounting estimates

1. *Changes in Accounting Policies*

Interpretation No. 13 on Accounting Standards for Business Enterprises (Cai Kuai [2019] No. 21) (“Interpretation No. 13”)

Interpretation No. 13 revised the three elements of business composition and refined the judgment conditions of business. When the acquirer of a business combination not under common control determines whether the acquired business activity or asset combination constitutes a business, the option of “concentration test” is introduced. In addition, Interpretation No. 13 further clarifies that related parties of an entity also include the joint venture(s) or associate(s) of the other members (including the parent and subsidiaries) in the same group that includes the entity, and the other joint venture(s) or associate(s) of the investors who exercise joint control over the entity, etc.

Regulations on Accounting Treatment for Rental Concessions in relation to COVID-19 (Cai Kuai [2020] No. 10)

2. Changes in Accounting Estimates

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- (II) There were no corrections of material accounting errors during the Reporting Period.**

IX. OTHERS

(I) Purchase, sale and redemption of shares of the Company

During the Reporting Period, there was no purchase, sale or redemption of the shares of the Company by the Company or any of its subsidiaries; there was no person who exercised any conversion right or subscription right over convertible securities, options, warrants or other similar rights issued or granted by the Company or any of its subsidiaries at any time.

(II) Pre-emptive right

There are no provisions for pre-emptive rights under the laws of the People's Republic of China and Company's Articles of Association which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

(III) Public float

According to public information and as far as the directors are aware, the board of directors is of the view that the public float of the Company as at 26 March 2021 (as the latest practicable date before the date of this report) complied with the requirements of the Hong Kong Listing Rules.

(IV) Shareholders' waiver or consent to dividend arrangements

During the Reporting Period, there were no arrangements on waiver of any dividend by any shareholder.

(V) Management Contracts

During the Reporting Period, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed.

(VI) Model Code for Securities Transactions by directors

After the Company has made enquiries with all of the directors and supervisors, directors of the Company have complied with the provisions on securities transactions under the "Model Code for Securities Transactions by Directors of Listed Issuers" under Appendix 10 of the Hong Kong Listing Rules during the Reporting Period. The Company has also formulated the "Model Code for Securities Transactions by Directors, Supervisors, Senior Management and Relevant Employees" to ensure the relevant personnel's compliance with this Code in carrying out securities transactions.

(VII) Corporate Governance Report

As at the date of this report, the Board has reviewed the daily governance of the Company with reference to the Corporate Governance Code, and is of the view that the Company fully adopted all code provisions in the Corporate Governance Code and strived to fulfill the recommended best practices other than the code provisions A2.7, A4.2 and A6.7 stated below, the Company has been in compliance with all the code provisions under the Corporate Governance Code and no material deviation or breach of the provisions of the Corporate Governance Code was found.

Code provision	Compliance	Corporate governance procedures
A2.7 The chairman should hold a meeting annually with non-executive directors, in the absence of the executive directors	No	During the Reporting Period, the Board has 12-13 members, of whom 2-3 are executive directors and the rest are non-executive directors. 9-10 directors were appointed externally. This ensures adequate independence of the board of directors and safeguards the decisions of the board of directors from being prejudiced by the opinions of executive directors.
A4.2 Directors appointed to fill casual vacancies should be subject to election by shareholders at the first general meeting after appointment. Every director should be subject to retirement by rotation at least once every three years	No	All directors were elected or replaced at general meetings. The Company has introduced the cumulative voting system for the election of directors. According to the Company Law and the Articles of Association, each session of the board of directors is for a term of three years, with each director appointed for a term of three years, and all directors should retire upon the expiry of the three-year term, instead of retirement by rotation. Any re-appointment is subject to re-election at a general meeting.
A6.7 Independent non-executive directors and other non-executive directors should regularly attend Board meetings, meetings of committees and shareholders' general meetings, and develop a balanced understanding of the views of the shareholders	No	All independent non-executive directors and other non-executive directors have attended board meetings and meetings of various committees regularly and contributed their skills and expertise to the Company's decision-making process. During the year, except for Mr. Wu Xinhua, Ma Chung Lai, Lawrence and Hu Yu, non-executive directors, and Mr. Zhang Zhuting, independent non-executive director, who were unable to attend the 2020 second extraordinary general meeting and the annual general meeting for 2019 due to their business engagements, all the other non-executive directors and independent non-executive directors have attended the general meetings of the Company held during the year.

(VIII) Audit Committee

The audit committee of the Company has reviewed and confirmed the preliminary results announcement for the year ended 31 December 2020. The annual financial statements of the Company has been prepared in accordance with the Accounting Standards for Business Enterprises of the PRC and is in compliance with the disclosure requirements under the Hong Kong Companies Ordinance and the Hong Kong Listing Rules.

(IX) Remuneration policy

Based on the characteristics of road-and-bridge enterprises, the Group determines the employees' salaries according to their specific positions and their performance, continued to innovate the cadre management mechanism, to improve the performance appraisal system, to promote steady construction of employee position channels and to actively implement the caring employee policy. Through the attraction of the positions, matching of salaries, incentive-oriented assessment, improvement of welfare, the Company has created a harmonious and friendly team atmosphere and an aggressive work style, further stimulating the enthusiasm of our employees to work and encouraging them to contribute for the realization of the Group's goals. In 2020, focusing on the strategic goals and work highlights for the year, the Group strictly carried out the administrative measures on performance appraisal and implementation rules. Based on the Company's goals, the Company's condition and the personnel's current status, etc., through adjusting and optimizing the contents and weights of performance assessment indicators, the Company regularly conducted appraisals and assessments on the performance of departments, secondary units and employees. The Company continued to carry out brand-building and encouraged staff to improve their performance based on their positions. The Group nurtured multi-dimensional skillful business professionals, carried forward the spirit of craftsmanship and improved all staff members' performance by ways of the brand-building of "Jiangsu Expressway • Jasmine Flower", selection of "Star Toll Collectors", certification of the qualifications and grades of maintenance and hindrance clearance workers and the on-the-job training, work rotation and communication of management members, etc. During the year, the Company selected a total of 164 outstanding staff members, production veterans and management stars and 34 outstanding teams. The Group vigorously promoted past role models, gave rewards in a timely manner, and encouraged a learning trend for advocating efficiency and excellence by "learning from such exemplars and honoring the role models".

(X) Training programs

Staffs are the primary productive force of business development. The Group always attaches importance to the education and training of staffs at all levels and makes effort to establish the learning organization by closely combining with the development goals, talent needs and the status of the staffs; and formulated multi-dimensional, step-wise comprehensive literacy and competency training programs based on the operating and position needs, etc., so as to improve the employees' skills in a more meticulous way. Training fees incurred during the Reporting Period amounted to approximately RMB10,007,000. The number of attendances at the programs was about 12,000. Starting from the root cause, stressing transformation, and seeking practical results, through the accurate development of power, deep tapping potentials, classified strategies, and building a loyal and multi-professional talent echelon, it further improves the Group's talent echelon empowerment and construction, and provides talent support for the sustainable and rapid development of the Group.

(XI) Outsourcing of labour

Total working hours of outsourced labour	1 year
Total remuneration paid to outsourced labour	RMB46,209,400

(XII) Explanation of Other Significant Matters

1. Change of Accounting Firm

According to relevant regulations under the Trial Measures for Provincial Enterprises to Select and Employ Accounting Firms for Audit Quality Management issued by State-owned Assets Supervision and Administration Commission of Jiangsu Provincial Government, the engagement term of Deloitte, the original auditors, will expire after the completion of 2020 annual audit. Since 2021, the Company shall change the accounting firm, and proposed to appoint KPMG Huazhen LLP as the 2021 Financial Auditing Institution and Internal Auditing Institution as considered and approved at the 28th meeting of the ninth session of the Board of Directors. The matter is subject to the general meeting for consideration.

2. Issuance of Corporate Bonds

On 2 February 2021, the Company issued RMB1 billion corporate bonds, with a term of 3 plus 2 years, and the nominal interest rate was 3.70%.

X. FINANCIAL STATEMENTS (PREPARED UNDER THE PRC ACCOUNTING STANDARDS)

(I) Consolidated balance sheet

As at 31 December 2020

Unit: RMB

Item	31 December 2020	31 December 2019	Item	31 December 2020	31 December 2019
Current Assets:			Current Liabilities:		
Cash and bank balances	386,712,702.84	503,443,740.45	Short-term borrowings	1,475,103,433.33	1,972,708,495.84
Held-for-trading financial assets	1,533,818,523.40	676,935,184.62	Accounts payable	1,701,582,093.30	1,262,414,819.54
Notes receivable	10,859,500.00	–	Notes payable	38,400,000.00	–
Accounts receivable	309,072,553.64	224,285,157.62	Receipts in advance	8,590,278.75	10,698,899.04
Prepayments	21,907,475.29	26,865,058.19	Contract liabilities	876,391,923.12	1,134,150,940.01
Other receivables	74,322,733.51	51,199,899.50	Employee benefits payable	1,195,916.09	1,563,119.99
Inventories	4,148,460,044.19	4,164,567,305.10	Taxes payable	260,171,624.98	225,458,836.37
Other current assets	1,052,050,289.90	379,340,961.34	Other payables	240,226,212.82	261,048,444.02
			Non-current liabilities due within one year	1,103,456,242.14	3,161,145,193.63
			Other current liabilities	8,327,987,272.56	5,092,083,748.87
Total Current Assets	7,537,203,822.77	6,026,637,306.82	Total Current Liabilities	14,033,104,997.09	13,121,272,497.31
Non-current Assets:			Non-current Liabilities:		
Investments in other equity instruments	5,471,025,963.66	5,655,468,613.24	Long-term borrowings	11,545,381,743.39	8,335,475,444.12
Other non-current financial assets	2,039,192,599.15	1,446,175,745.21	Bonds payable	1,984,606,358.58	997,460,933.93
Long-term equity investments	7,130,527,090.60	6,939,251,518.62	Deferred income	112,227,270.52	41,177,151.42
Investment properties	17,581,885.88	18,394,459.79	Provisions	54,115,762.42	30,211,590.82
Fixed assets	2,048,237,771.21	1,907,362,713.72	Deferred tax liabilities	305,018,990.45	416,613,871.66
Construction in progress	15,280,716,856.65	14,501,734,494.95	Lease liabilities	11,835,601.70	–
Intangible assets	21,298,818,056.01	18,927,999,470.50	Total Non-current Liabilities	14,013,185,727.06	9,820,938,991.95
Right-of-use assets	18,893,134.89	637,434.33	TOTAL LIABILITIES	28,046,290,724.15	22,942,211,489.26
Long-term prepaid expenses	4,443,879.42	11,418,643.58	Shareholders' Equity:		
Deferred tax assets	234,039,544.92	175,012,653.99	Share capital	5,037,747,500.00	5,037,747,500.00
Other non-current assets	14,879,760.00	14,955,570.00	Capital reserve	10,502,833,951.29	10,501,913,183.87
			Other comprehensive income	806,954,969.94	1,291,748,071.42
			Surplus reserve	3,650,405,305.55	3,551,167,000.42
			General risk reserve	3,487,713.71	141,891.32
			Retained profits	8,208,531,658.34	8,164,265,960.12
			Total shareholders' equity attributable to equity holders of the Company	28,209,961,098.83	28,546,983,607.15
			Minority interests	4,839,308,542.18	4,135,853,528.34
Total Non-current Assets	53,558,356,542.39	49,598,411,317.93	TOTAL SHAREHOLDERS' EQUITY	33,049,269,641.01	32,682,837,135.49
			TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	61,095,560,365.16	55,625,048,624.75
TOTAL ASSETS	61,095,560,365.16	55,625,048,624.75			

Person in Charge of the
Legal Representative:
Sun Xibin

Accounting Body:
Dai Qian

Chief Accountant:
Yao Qunfang

(II) Consolidated Income Statement

For the year ended 31 December 2020

Unit: RMB

Item	Amount for the current year	Amount for the prior year
I. Total operating income	8,032,466,746.34	10,078,181,218.81
Less: Operating costs	4,686,890,023.93	4,576,009,544.69
Taxes and levies	125,864,731.35	126,990,737.26
Selling expenses	24,698,386.89	35,971,797.28
Administrative expenses	197,226,409.99	227,595,890.11
Financial expenses	444,319,354.76	464,164,014.33
Including: Interest expenses	436,079,760.40	462,160,618.94
Interest income	6,900,927.45	9,466,560.13
Add: Other income	33,219,560.42	7,257,958.52
Investment income	618,460,042.64	886,313,895.55
Including: Income from investments in associates	375,141,407.68	649,050,248.68
Gains from changes in fair values	33,547,488.70	71,295,344.11
Impairment loss of credits	(94,002.60)	(96,972.99)
Gains (losses) from disposal of assets	220,298.98	(70,252,066.32)
II. Operating profit	3,238,821,227.56	5,541,967,394.01
Add: Non-operating income	82,926,177.75	32,336,183.87
Less: Non-operating expenses	88,111,461.54	52,532,595.64
III. Total profit	3,233,635,943.77	5,521,770,982.24
Less: Income tax expenses	714,881,261.68	1,221,286,273.27
IV. Net profit	2,518,754,682.09	4,300,484,708.97
(I) Categorized by the nature of continuing operation:		
1. Net profit from continuing operations	2,518,754,682.09	4,300,484,708.97
2. Net profit from discontinued operations	–	–
(II) Categorized by ownership:		
1. Net profit attributable to owners of the Company	2,464,213,675.74	4,199,704,371.82
2. Profit or loss attributable to minority interests	54,541,006.35	100,780,337.15

Item	Amount for the current year	Amount for the prior year
V. Other comprehensive income, net of tax	(467,550,226.48)	453,657,154.34
Other comprehensive income attributable to owners of the Company, net of tax	(484,793,101.48)	453,920,404.34
(I) Other comprehensive income that cannot be reclassified to profit or loss	(484,793,101.48)	453,920,404.34
1. Other comprehensive income that cannot be reclassified into profit or loss under the equity method	16,753,010.70	54,156,057.60
2. Changes in fair value of investments in other equity instruments	(501,546,112.18)	399,764,346.74
(II) Other comprehensive income that will be reclassified to profit or loss	–	–
Other comprehensive income attributable to minority interests, net of tax	17,242,875.00	(263,250.00)
VI. Total comprehensive income	2,051,204,455.61	4,754,141,863.31
Total comprehensive income attributable to owners of the Company	1,979,420,574.26	4,653,624,776.16
Total comprehensive income attributable to minority interests	71,783,881.35	100,517,087.15
VII. Earnings per share		
(I) Basic earnings per share	0.4891	0.8336
(II) Diluted earnings per share	N/A	N/A

Legal Representative: Sun Xibin	Person in Charge of the Accounting Body: Dai Qian	Chief Accountant: Yao Qunfang
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(III) Consolidated Cash Flow Statement

For the year ended 31 December 2020

Unit: RMB

Item	Amount for the current year	Amount for the prior year
I. Cash Flows from Operating Activities:		
Cash receipts from the sale of goods and the rendering of services	7,792,390,632.50	10,740,094,571.66
Other cash receipts relating to operating activities	378,720,249.25	98,906,672.13
Sub-total of cash inflows from operating activities	8,171,110,881.75	10,839,001,243.79
Cash payments for goods purchased and services received	1,654,191,015.57	2,093,494,299.57
Cash payments to and on behalf of employees	1,049,136,012.24	1,030,417,771.51
Payments of various types of taxes	1,671,493,278.65	1,891,349,359.35
Other cash payments relating to operating activities	658,889,044.90	60,456,189.21
Sub-total of cash outflows from operating activities	5,033,709,351.36	5,075,717,619.64
Net Cash Flow from Operating Activities	3,137,401,530.39	5,763,283,624.15
II. Cash Flows from Investing Activities:		
Cash receipts from disposals and recovery of investments	4,850,614,479.66	8,594,275,554.38
Cash receipts from investment income	422,446,766.50	438,197,635.31
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	586,636.10	7,446,202.30
Sub-total of cash inflows from investing activities	5,273,647,882.26	9,039,919,391.99
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	4,245,496,267.18	4,849,870,040.80
Cash payments to acquire investments	6,728,019,383.36	11,581,655,661.24
Sub-total of cash outflows from investing activities	10,973,515,650.54	16,431,525,702.04
Net Cash Flow from Investing Activities	(5,699,867,768.28)	(7,391,606,310.05)

Item	Amount for the current year	Amount for the prior year
III. Cash Flows from Financing Activities:		
Cash receipts from capital contributions	647,110,000.00	834,062,829.33
Including: cash receipts from capital contributions from minority owners of subsidiaries	647,110,000.00	834,062,829.33
Cash receipts from borrowings	10,420,000,000.00	5,208,116,000.00
Cash receipts from issue of bonds	19,073,500,000.00	7,260,000,000.00
Sub-total of cash inflows from financing activities	30,140,610,000.00	13,302,178,829.33
Cash repayments of borrowings	24,591,540,000.00	8,985,750,460.46
Cash payments for distribution of dividends or profits or settlement of interest expenses	3,068,524,804.39	2,739,766,873.66
Including: payments for distribution of dividends or profits to minority owners of subsidiaries	15,438,867.51	15,385,597.73
Other cash payments relating to financing activities	16,500,000.00	14,055,595.34
Sub-total of cash outflows from financing activities	27,676,564,804.39	11,739,572,929.46
Net Cash Flow generated from Financing Activities	2,464,045,195.61	1,562,605,899.87
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	–	–
V. Net Increase (Decrease) in Cash and Cash Equivalents	(98,421,042.28)	(65,716,786.03)
Add: Opening balance of Cash and Cash Equivalents	449,410,135.63	515,126,921.66
VI. Closing Balance of Cash and Cash Equivalents	350,989,093.35	449,410,135.63

Legal Representative:	Person in Charge of the Accounting Body:	Chief Accountant:
Sun Xibin	Dai Qian	Yao Qunfang

(IV) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS:**1. Operating income and operating costs***Unit: RMB*

Item	Amount recognized in the current year		Amount recognized in the prior year	
	Operating income	Operating costs	Operating income	Operating costs
Principal operating income	7,327,791,802.90	4,275,414,011.85	9,180,829,535.17	4,118,339,629.77
Including: Shanghai-Nanjing Expressway	3,926,110,186.74	1,764,679,609.32	5,230,727,736.60	1,641,739,059.28
Guangjing Xicheng Expressway	754,274,294.15	278,906,462.36	960,563,083.65	372,000,884.08
Ningchang Zhenli Expressway	941,181,964.98	747,271,649.26	1,194,100,593.20	586,436,160.81
Xiyi Expressway	325,057,442.18	251,047,092.77	371,123,856.74	223,423,375.58
Zhendan Expressway	69,256,321.13	53,306,239.56	76,560,202.02	52,662,589.69
Changyi Expressway	418,722.28	1,269,354.50	–	–
Ancillary services	1,311,492,871.44	1,178,933,604.08	1,347,754,062.96	1,242,077,560.33
Real estate development	621,675,771.55	351,563,142.96	825,216,616.96	432,465,133.96
Advertising and others	82,999,171.89	59,912,869.12	72,135,066.68	25,204,780.96
Total	8,032,466,746.34	4,686,890,023.93	10,078,181,218.81	4,576,009,544.69

2. *Income tax expenses*

(1) *Income tax expenses*

Unit: RMB

Item	Amount recognized in the current year	Amount recognized in the prior year
Current tax expenses	723,293,700.58	1,168,510,335.95
Deferred tax expenses	(9,187,359.75)	55,220,522.23
Differences in annual filing for the prior years	<u>774,920.85</u>	<u>(2,444,584.91)</u>
Total	<u>714,881,261.68</u>	<u>1,221,286,273.27</u>

No provision for Hong Kong Profits tax has been made as the income neither arises, nor is derived from Hong Kong.

(2) *Reconciliation of income tax expenses to the accounting profit is as follows*

Unit: RMB

Item	Amount recognized in the current year	Amount recognized in the prior year
Accounting profit	3,233,635,943.77	5,521,770,982.24
Income tax expenses calculated at 25% (prior year: 25%)	807,716,001.78	1,379,647,632.34
Effect of cost, expenses and loss that are not deductible for tax purposes	30,688,401.29	20,157,229.50
Effect of tax-free income	(123,494,994.88)	(191,112,060.89)
Effect of deductible temporary differences and deductible losses of unrecognized deferred tax assets for the current period	13,335,983.75	11,030,211.18
Differences in annual filing for the prior years	774,920.85	(2,444,584.91)
Allocation of income tax for investments in joint ventures	<u>(14,139,051.11)</u>	<u>4,007,846.05</u>
Total	<u>714,881,261.68</u>	<u>1,221,286,273.27</u>

3. *Net Profit for the year has been arrived at after charging:*

Unit: RMB

Item	Current year	Prior year
Staff costs (Include: directors' emoluments)	929,155,144.19	868,265,627.73
Basic endowment insurance and annuity payment	110,659,408.49	151,444,390.41
Total staff costs	1,039,814,552.68	1,019,710,018.14
Audit fee	3,200,000.00	3,200,000.00
Depreciation and amortization (Included in operating costs and administrative expenses)	1,570,916,692.92	1,505,863,530.44
Losses on disposal and retirement of non-current assets	5,015,187.63	70,252,066.32
Amortization of land use rights (Included in operating costs and administrative expenses)	64,658,222.64	64,658,222.64
Sales cost of inventories	1,143,437,020.21	1,376,148,701.35

4. *Breakdown of non-recurring profit or loss*

Unit: RMB

Item	Amount
Gains on disposal of non-current assets	220,298.98
Government grants recognized in profit or loss for the current period	70,492,849.28
Gains or losses from changes in fair values of held-for-trading financial assets, Profit on disposal of held-for-trading and available-for-sale financial investments	127,576,123.66
Other non-operating income or expenses other than the above	-42,458,572.65
Tax effects	-30,570,802.64
Effects attributable to minority interests	-1,044,570.87
Total	<u>124,215,325.76</u>

5. *Return on net assets and earnings per share (“EPS”)*

The return on net assets and EPS have been prepared by Jiangsu Expressway Co., Ltd in accordance with Information Disclosure and Presentation Rules for Companies Making Public Offering of Securities No. 9 – Calculation and Disclosure of Return on Net Assets and Earnings per Share (Revised 2010) issued by China Securities Regulatory Commission.

Profit for the reporting period	Weighted average return on net assets (%)	EPS	
		Basic EPS	Diluted EPS
Net profit attributable to ordinary shareholders of the Company	8.82	0.4891	N/A
Net profit after deduction of non-recurring profits or losses	8.37	0.4645	N/A

6. *Calculation process of basic earnings per share and diluted earnings per share*

For the purpose of calculating basic earnings per share, net profit for the current year attributable to ordinary shareholders is as follows:

Unit: RMB

	Amount recognized in the current year	Amount recognized in the prior year
Net profit attributable to ordinary shareholders of the Company	2,464,213,675.74	4,199,704,371.82
Including: Net profit from continuing operations	2,464,213,675.74	4,199,704,371.82

For the purpose of calculating basic earnings per share, the denominator is the weighted average number of outstanding ordinary shares and its calculation process is as follows:

	<i>Unit: RMB</i>	
	Amount recognized in the current year	Amount recognized in the prior year
Number of ordinary shares outstanding at the beginning of year	5,037,747,500.00	5,037,747,500.00
Add: Weighted average number of ordinary shares issued during the period	–	–
Less: Weighted average number of ordinary shares repurchased during the period	–	–
Number of ordinary shares outstanding at the end of year	5,037,747,500.00	5,037,747,500.00

Earnings per share

	<i>Unit: RMB</i>	
	Amount recognized in the current year	Amount recognized in the prior year
Calculated based on net profit attributable to shareholders of the Company:		
Basic earnings per share	0.4891	0.8336
Diluted earnings per share (<i>Note</i>)	N/A	N/A
Calculated based on net profit from continuing operations attributable to shareholders of the Company:		
Basic earnings per share	0.4891	0.8336
Diluted earnings per share (<i>Note</i>)	N/A	N/A

Note: At 31 December 2020, there were no dilutive potential ordinary shares issued by the Group.

7. Notes receivable

(1) Disclosure of notes receivable by categories

Unit: RMB

Category	31 December 2020	31 December 2019
Bank acceptances	<u>10,859,500.00</u>	<u>–</u>

(2) The Group has no pledged notes receivable at the end of the year.

(3) There is no endorsed or discounted notes receivable that is not yet due at the end of the year.

(4) There is no notes receivable transferred to accounts receivable due to the default of the drawers.

8. Accounts receivable

(1) Disclosure of accounts receivable by aging:

Unit: RMB

Aging	Amount	Proportion (%)	31 December 2020	Book value
			Provision for credit impairment	
Within 1 year	304,830,097.00	98.55	211,467.03	304,618,629.97
More than 1 year but not exceeding 2 years	<u>4,486,484.74</u>	<u>1.45</u>	<u>32,561.07</u>	<u>4,453,923.67</u>
Total	<u>309,316,581.74</u>	<u>100.00</u>	<u>244,028.10</u>	<u>309,072,553.64</u>

(2) *Disclosure of accounts receivable by provision methods for bad debts*

Unit: RMB

Category	31 December 2020				
	Gross carrying amount		Bad debt provision		Net carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision is made on an individual basis	-	-	-	-	-
Bad debt provision is made on a collective basis	309,316,581.74	100.00	244,028.10	100.00	309,072,553.64
Total	<u>309,316,581.74</u>	<u>100.00</u>	<u>244,028.10</u>	<u>100.00</u>	<u>309,072,553.64</u>
Category	31 December 2019				
	Gross carrying amount		Bad debt provision		Net carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision is made on an individual basis	1,699,980.00	0.75	1,699,980.00	91.41	-
Bad debt provision is made on a collective basis	224,444,880.85	99.25	159,723.23	8.59	224,285,157.62
Total	<u>226,144,860.85</u>	<u>100.00</u>	<u>1,859,703.23</u>	<u>100.00</u>	<u>224,285,157.62</u>

(3) *Provision for credit impairment*

Unit: RMB

Provision for credit impairment	Not credit- impaired Lifetime expected credit loss	Credit-impaired Lifetime expected credit loss	Total
At 1 January 2020	159,723.23	1,699,980.00	1,859,703.23
Provisions	84,304.87	–	84,304.87
Reversals	–	–	–
Transfer-out upon derecognition of financial assets	–	(1,699,980.00)	(1,699,980.00)
	<u>244,028.10</u>	<u>–</u>	<u>244,028.10</u>
At 31 December 2020	<u>244,028.10</u>	<u>–</u>	<u>244,028.10</u>

(4) *Accounts receivable actually written off in the current period*

Unit: RMB

Item	31 December 2020
Accounts receivable actually written off	<u>1,699,980.00</u>

No significant accounts receivable were written off in the year.

(5) *Top five entities with the largest balances of accounts receivable*

Unit: RMB

Name of entity	Amount	Provision for credit impairment	Proportion of total accounts receivable (%)
Jiangsu Expressway Network Operation and Management Co., Ltd. (“ Network Operation Company ”)	161,140,417.42	–	52.10
Jiaxing Kaytone Investment Co., Ltd.	60,582,123.88	–	19.59
Changzhou Dinuo Fangmaoshan Business Management Co., Ltd.	19,117,338.58	–	6.18
Jiangsu Yangtze Bridge Co., Ltd. (“ Yangtze Bridge Company ”)	15,643,915.36	–	5.06
Nanjing Baisheng Business Management Co., Ltd	10,003,098.50	–	3.23
Total	<u>266,486,893.74</u>	<u>–</u>	<u>86.16</u>

(6) *Other explanations*

Majority toll road and ancillary services income are settled by cash, sales of real estate are settled by receipts in advance. The accounts receivable mainly represent the receivables due from other toll operation companies by toll network internal income reallocation.

9. Other receivables

Unit: RMB

Item	Note	31 December 2020	31 December 2019
Dividends receivable	(1)	4,989,960.00	4,989,960.00
Others	(2)	69,332,773.51	46,209,939.50
Total		<u>74,322,733.51</u>	<u>51,199,899.50</u>

(1) *Dividends receivable*

Unit: RMB

Item	31 December 2020	31 December 2019
Jiangsu Kuailu Motor Transport Co., Ltd.	<u>4,989,960.00</u>	<u>4,989,960.00</u>

(2) *Others*

i Disclosure of other receivables by aging

Unit: RMB

Aging	Amount	Proportion (%)	31 December 2020	Book value
			Provision for credit impairment	
Within 1 year	49,518,986.33	58.07	66,987.36	49,451,998.97
More than 1 year but not exceeding 2 years	4,313,831.01	5.06	42,185.62	4,271,645.39
More than 2 years but not exceeding 3 years	4,383,550.80	5.14	6,680.00	4,376,870.80
More than 3 years	<u>27,055,518.37</u>	<u>31.73</u>	<u>15,823,260.02</u>	<u>11,232,258.35</u>
Total	<u>85,271,886.51</u>	<u>100.00</u>	<u>15,939,113.00</u>	<u>69,332,773.51</u>

ii Disclosure of other receivables by nature

Unit: RMB

Nature	31 December 2020	31 December 2019
Liquidated damages (<i>Note</i>)	26,000,000.00	–
Amounts of investment clearance	15,812,140.02	15,812,140.02
Landlord maintenance funds	17,131,289.30	12,637,931.05
Project funds borrowed in advance	11,560,425.90	11,528,425.90
Petty cash	4,860,969.89	4,968,493.24
Mortgage deposits for housing fund loan	2,200,000.00	3,950,000.00
Others	7,707,061.40	13,242,364.56
Total	85,271,886.51	62,139,354.77

Note: Hanwei Company, a subsidiary of the Group, entered into an entrusted management agreement with Luode Fund Company, under which Luode Fund Company shall be responsible for the management of the construction of Hanrui Center Real Estate Project. Due to the delay in the construction of the project, it was delivered to the owner late, and Hanwei Company reached an agreement with Luode Fund Company to pay liquidated damages to Hanwei Company for the late delivery of the project.

iii Analysis of provision for credit impairment

Unit: RMB

Provision for credit impairment	Stage I 12-month expected credit losses	Stage II Lifetime expected credit loss (Not credit impaired)	Stage III Lifetime expected credit loss (Credit impaired)	Total
At 1 January 2020	117,275.25	–	15,812,140.02	15,929,415.27
Provisions	14,642.30	–	–	14,642.30
Reversal	(4,944.57)	–	–	(4,944.57)
At 31 December 2020	126,972.98	–	15,812,140.02	15,939,113.00

iv Top five entities with the largest balances of other receivables

Unit: RMB

Name of entity	Nature of other receivables	Amount	Aging	Proportion of the amount to total other receivables (%)	Provision for credit impairment
Luode Fund Company	Liquidated damages	26,000,000.00	Within 1 year	30.49	–
Jiangsu Yixing Highway Administration Department	Amount of investment clearance	15,812,140.02	Over 3 years	18.54	15,812,140.02
China Construction Eighth Engineering Division Corp. Ltd.	Project funds borrowed in advance	9,022,664.30	Over 3 years	10.58	–
Suzhou Housing Property Guarantee Co., Ltd.	Deposit	2,200,000.00	1–3 years	2.58	–
Nanjing Jin Zhong Jian Curtain Decoration Co., Ltd.	Advances of social security contributions	<u>1,723,356.10</u>	2–3 years	<u>2.02</u>	<u>–</u>
Total		<u>54,758,160.42</u>		<u>64.21</u>	<u>15,812,140.02</u>

10. Prepayments

(1) The aging analysis of prepayments is as follows

Unit: RMB

Aging	31 December 2020		31 December 2019	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	16,548,932.55	75.54	10,349,713.39	38.52
More than 1 year but not exceeding 2 years	1,431,631.67	6.53	13,775,744.80	51.28
More than 2 years but not exceeding 3 years	3,614,315.97	16.50	2,739,600.00	10.20
Over three years	312,595.10	1.43	–	–
Total	<u>21,907,475.29</u>	<u>100.00</u>	<u>26,865,058.19</u>	<u>100.00</u>

(2) Top five balances of prepayments categorized by receivers

Unit: RMB

Name of entity	Amount	Proportion of the amount to the total prepayments (%)
Suzhou Transportation Engineering Group Co., Ltd.	5,929,192.01	27.06
State Grid Jiangsu Electric Power Co., Ltd. Kunshan Power Supply Company	3,655,206.01	16.68
Jiangsu Expressway Information Engineering Co., Ltd.	2,550,000.00	11.64
Suzhou Water Supply Co., Ltd. Business Department	1,637,800.00	7.48
State Grid Jiangsu Electric Power Co., Ltd. Suzhou Power Supply Company	<u>1,239,600.00</u>	<u>5.66</u>
Total	<u>15,011,798.02</u>	<u>68.52</u>

11. Accounts payable

(1) Details of accounts payable are as follows

<i>Unit: RMB</i>		
Item	31 December 2020	31 December 2019
Construction payable	1,167,508,726.08	675,826,132.27
Construction payable for real estate project	469,850,481.38	495,168,721.84
Purchase of petroleum payable	6,822,003.91	7,591,687.90
Toll road fee payable	4,044,092.84	23,751,404.00
Others	53,356,789.09	60,076,873.53
Total	<u>1,701,582,093.30</u>	<u>1,262,414,819.54</u>

(2) The aging analysis of accounts payable according to invoice date (close to posting date):

<i>Unit: RMB</i>		
Item	31 December 2020	31 December 2019
Within 1 year	1,312,481,227.00	956,748,644.72
More than 1 year but not exceeding 2 years	295,117,285.28	208,579,349.74
More than 2 years but not exceeding 3 years	61,369,526.86	25,156,000.45
More than 3 years	32,614,054.16	71,930,824.63
Total	<u>1,701,582,093.30</u>	<u>1,262,414,819.54</u>

(3) *Significant accounts payable aged more than one year*

Unit: RMB

Item	31 December 2020	Reasons for outstanding or not carrying forward
Construction payable	156,169,929.95	Long settlement procedure of the project
Construction payable for real estate project	182,087,647.27	Long settlement procedure of the real estate project
Total	<u>338,257,577.22</u>	

12. Receipts in advance

(1) *Receipts in advance are shown as follows*

Unit: RMB

Item	31 December 2020	31 December 2019
Rental deposit received in advance	6,937,173.45	9,088,946.35
Receipts received in advance for lease of expressway billboards	<u>1,653,105.30</u>	<u>1,609,952.69</u>
Total	<u>8,590,278.75</u>	<u>10,698,899.04</u>

(2) *The aging analysis of receipts in advance is as follows:*

Unit: RMB

Aging	31 December 2020		31 December 2019	
	RMB	%	RMB	%
Within 1 year	6,022,965.70	70.11	7,331,042.70	68.52
More than 1 year but not exceeding 2 years	<u>2,567,313.05</u>	<u>29.89</u>	<u>3,367,856.34</u>	<u>31.48</u>
Total	<u>8,590,278.75</u>	<u>100.00</u>	<u>10,698,899.04</u>	<u>100.00</u>

13. Contract liabilities

Unit: RMB

Item	31 December 2020	31 December 2019
Sales of property received in advance	875,844,018.90	1,133,824,799.81
Others	<u>547,904.22</u>	<u>326,140.20</u>
Total	<u>876,391,923.12</u>	<u>1,134,150,940.01</u>

Note:

(1) Qualitative and quantitative analysis on contract liabilities

According to the contract, the income of real estate development can be confirmed until the relevant property procedures have been completed and transferred to the customers. The sales payment is recognized as contract liabilities at the time of the pre-sale of property and is converted into income when the relevant property procedures have been completed and transferred to the customer.

(2) Income recognized in the current period and included in book value at the beginning of the contract liability period

The carrying amount of the contract liabilities from the sales of property received in advance at the beginning of the year is RMB474,222,854.64, which has been recognized as revenue in the current year. The expected carrying amount of contract liabilities at the end of the year is RMB875,844,018.90, which is expected to be recognized as revenue in 2021.

Details of receipts in properties held for sales received in advance are as follows:

Unit: RMB

Project	31 December 2020	31 December 2019	Completion date	Proportion of advance sale (%)
Baohua Hongyan Community B1 Tongchengshijia Project	–	1,457,142.86	April 2014	78.04
Baohua Hongyan Community B2 Tongchengshijia Project	25,837,299.04	38,181,733.33	November 2016	90.79
Huaqiao Urban Core C3 Langqiao Jiayuan	28,325,868.81	84,568,102.75	December 2019	63.86
Suzhou Qingyuan	17,980,952.39	32,843,809.52	December 2013	52.09
Suzhou Nanmen Road G25 Project -Phase I	17,862,954.29	8,722,321.90	January 2018	88.00
Suzhou Nanmen Road G25 Project -Phase II	19,538,631.19	–	June 2021	17.57
Hanrui Center No.2 & 3 Building	766,298,313.18	968,051,689.45	November 2020	32.87
Total	<u>875,844,018.90</u>	<u>1,133,824,799.81</u>		

14. Other payables

Unit: RMB

Item	Note	31 December 2020	31 December 2019
Dividends payable	(1)	93,379,246.71	97,197,529.87
Others	(2)	<u>146,846,966.11</u>	<u>163,850,914.15</u>
Total		<u>240,226,212.82</u>	<u>261,048,444.02</u>

(1) *Dividends payable*

Unit: RMB

Item	31 December 2020	31 December 2019
Ordinary shares dividends	<u>93,379,246.71</u>	<u>97,197,529.87</u>
Total	<u>93,379,246.71</u>	<u>97,197,529.87</u>

Note: The balance of dividends payable over 1 year is RMB87,139,577.17, which is not yet received by investors.

(2) *Others*

i Details of other payables are as follows

Unit: RMB

Item	31 December 2020	31 December 2019
Payable of daily procurement in service area	5,803,735.64	4,582,251.27
Amount of ETC prepaid cards collected on behalf of the internetwork settlement center	763,840.00	698,115.00
Construction quality warrantee fee payable	11,533,600.00	17,318,102.41
Earnest money of acquisition of properties	41,582,187.07	68,230,696.38
Lease deposit of service zone	35,271,000.00	31,571,000.00
Others	<u>51,892,603.40</u>	<u>41,450,749.09</u>
Total	<u>146,846,966.11</u>	<u>163,850,914.15</u>

ii No significant other payables aged more than one year

15. Retained Profits

Unit: RMB

Item	31 December 2020	31 December 2019
Opening retained profits	8,164,265,960.12	6,422,040,045.25
Add: Net profit attributable to owners of the Company for the year	2,464,213,675.74	4,199,704,371.82
Less: Appropriation to statutory surplus reserve	59,899,411.41	85,293,393.21
Appropriation to discretionary surplus reserve	39,338,893.72	54,679,322.42
Appropriation to discretionary surplus reserve	3,345,822.39	141,891.32
Declaration of dividends on ordinary shares (<i>Note</i>)	<u>2,317,363,850.00</u>	<u>2,317,363,850.00</u>
Closing retained profits	<u><u>8,208,531,658.34</u></u>	<u><u>8,164,265,960.12</u></u>

Note: 1. Cash dividends approved in general meeting of shareholders of the Company for the year: In 2020, on the basis of 5,037,747,500 issued shares (with the par value of RMB1 per share), dividends in cash of RMB0.46 per share were distributed to all the shareholders (2019: RMB0.46).

2. Cash distribution decided after the balance sheet date: According to a proposal of the board of directors on 26 March 2021, on the basis of 5,037,747,500 issued shares (with the par value of RMB1 per share) in 2020, cash dividends of RMB0.46 per share will be distributed to all the shareholders. The above proposal regarding dividends distribution is yet to be approved by the general meeting of shareholders.

16. Segment reporting

(1) Determining basis and accounting policy of reporting segment

Based on the Group's internal organization structure, management requirements and internal reporting system, the operations of the Group are classified into 12 operating segments. The Group's management periodically evaluates the operating results of these reporting segments to make decisions about resources to be allocated to the segments and assess their performance. On the basis of the operating segment, the Group determines 12 reporting segments (2019: 12) based on the standard with which the Group's management determines resources allocation and performance assessment, including Shanghai-Nanjing Expressway, Ningchang Expressway and Zhenli Expressway, Guangjing Expressway and Xicheng Expressway, Xiyi Expressway and Wuxi Huantaihu Expressway, Zhendan Expressway, Wufengshan Toll Bridge, Changyi Expressway, Yichang Expressway, Longtan Bridge, Ancillary services (including petrol, food and retail in service zones along the expressways), Real estate development and advertising and others. These reporting segments are determined based on standards of resources allocation and performance assessment by the management.

Segment reporting information is disclosed in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to management. The measurement criteria are consistent with the accounting and measurement criteria in the preparation of the financial statements.

(2) Financial information of reporting segment

Unit: RMB

	Shanghai-Nanjing Expressway		Guangxi Expressway and Xicheng Expressway		Xiwi Expressway and Wuxi Huanfahu Expressway		Changyi Expressway		Yichang Expressway		Ningchang Expressway and Zhenli Expressway	
	Current year	Prior year	Current year	Prior year	Current year	Prior year	Current year	Prior year	Current year	Prior year	Current year	Prior year
Segment operating income	3,926,110,186.74	5,230,727,736.60	754,274,294.15	960,563,083.65	325,057,442.18	371,123,856.74	418,722.28	-	-	-	941,181,964.98	1,194,100,593.20
Operating costs	1,764,679,609.32	1,641,739,059.28	278,906,462.36	372,000,884.08	251,047,092.77	223,423,375.58	1,269,354.50	-	-	-	747,271,649.26	586,436,160.81
Including: Amortization of toll roads operation rights	600,518,184.83	613,821,368.03	121,386,719.72	116,191,846.40	127,192,332.25	108,741,726.77	203,590.31	-	-	-	451,614,434.44	399,594,190.57
Costs of petrol and other goods sold in service zones	-	-	-	-	-	-	-	-	-	-	-	-
Segment operating profit	2,161,430,577.42	3,588,988,677.32	475,367,831.79	588,562,199.57	74,010,349.41	147,700,481.16	(850,632.22)	-	-	-	193,910,315.72	607,664,432.39
Reconciling items:												
Less: Taxes and levies	16,124,177.59	18,830,619.85	2,715,387.46	3,458,027.10	1,170,206.79	1,336,045.88	23,926.22	-	-	-	1,398,074.16	4,298,762.14
Selling expenses	-	-	-	-	-	-	-	-	-	-	-	-
Administrative expenses	72,716,162.62	73,295,557.93	-	-	-	-	-	-	-	-	-	-
Financial expenses	-	-	-	-	-	-	-	-	-	-	-	-
Add: Other income	26,729,773.45	5,239,608.13	3,882,776.42	-	-	-	-	-	-	-	2,224,743.40	1,945,039.96
Investment income	-	-	-	-	-	-	-	-	-	-	-	-
Gains or losses from changes in fair values	-	-	-	-	-	-	-	-	-	-	-	-
Impairment losses of credit	-	-	-	-	-	-	-	-	-	-	-	-
Impairment loss of assets	-	-	-	-	-	-	-	-	-	-	-	-
Gains (losses) from disposal of assets	171,744.99	(65,199,120.58)	-	(2,065,741.85)	-	-	-	-	-	-	-	(3,006,085.40)
Operating profit	2,099,491,755.65	3,436,902,987.09	476,535,220.75	583,038,430.62	72,840,142.62	146,364,435.28	(874,558.44)	-	-	-	194,736,984.96	602,304,624.81
Non-operating income	7,129,200.00	-	-	-	-	-	-	-	-	-	-	-
Non-operating expenses	-	-	-	-	-	-	-	-	-	-	-	-
Total profit	2,106,620,955.65	3,436,902,987.09	476,535,220.75	583,038,430.62	72,840,142.62	146,364,435.28	(874,558.44)	-	-	-	194,736,984.96	602,304,624.81
Income tax expenses	-	-	-	-	-	-	-	-	-	-	-	-
Net profit	2,106,620,955.65	3,436,902,987.09	476,535,220.75	583,038,430.62	72,840,142.62	146,364,435.28	(874,558.44)	-	-	-	194,736,984.96	602,304,624.81
Total segment assets	9,338,559,144.11	10,246,479,106.80	946,419,951.73	1,087,880,522.90	1,689,536,140.13	1,816,728,567.87	3,900,767,681.55	2,962,772,539.74	2,896,568,864.06	2,340,293,304.01	5,108,236,089.36	5,273,673,911.14
Total segment liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary information:												
Depreciation and amortization	780,714,355.23	705,243,114.96	104,475,472.68	252,938,871.20	127,192,428.00	-	179,393.61	-	-	-	478,800,217.71	414,223,607.33
Interest income	-	-	-	-	-	-	-	-	-	-	-	-
Interest expenses	-	-	-	-	-	-	-	-	-	-	-	-
Investment income from long-term equity investment	-	-	-	-	-	-	-	-	-	-	-	-
under equity method												
Non-current assets other than long-term equity investments	9,338,559,144.11	10,246,479,106.80	946,419,951.73	1,087,880,522.90	1,689,536,140.13	1,816,728,567.87	3,900,767,681.55	2,962,772,539.74	2,896,568,864.06	2,340,293,304.01	5,108,236,089.36	5,273,673,911.14
Capital expenditure	16,858,322.81	277,121,709.24	16,277,230.54	152,255,854.17	-	-	904,056,308.00	838,411,723.93	831,203,393.60	573,579,200.29	-	52,522,856.75
Including: Expenditure arising from construction in progress	-	262,336,721.65	134,103,707.20	-	-	-	904,056,308.00	838,411,723.93	831,203,393.60	573,579,200.29	-	42,971,204.86
Expenditure arising from purchase of fixed assets	16,858,322.81	14,784,987.59	16,277,230.54	17,881,956.97	-	-	-	-	-	-	-	9,551,651.89
Expenditure arising from purchase of intangible asset	-	-	-	270,190.00	-	-	-	-	-	-	-	-

(2) Financial information of reporting segment (Continued)

Unit: RMB

	Zhendan Expressway		Wufengshan Toll Bridge		Longtan Bridge		Ancillary services	
	Current year	Prior year	Current year	Prior year	Current year	Prior year	Current year	Prior year
Segment operating income	69,256,321.13	76,560,202.02	-	-	-	-	1,311,492,871.44	1,347,754,062.96
Operating costs	53,306,239.56	52,662,589.69	-	-	-	-	1,178,933,604.08	1,242,077,560.33
Including: Amortization of toll roads								
operation rights	32,747,193.32	35,885,492.76	-	-	-	-	-	-
Costs of petrol and other								
goods sold in service zones	-	-	-	-	-	-	845,506,820.33	881,212,422.91
Segment operating profit	15,950,081.57	23,897,612.33	-	-	-	-	132,559,267.36	105,676,502.63
Reconciling items:								
Less: Taxes and levies	249,322.76	275,616.73	-	-	-	-	30,851,458.45	33,881,659.48
Selling expenses	-	-	-	-	-	-	-	-
Administrative expenses	-	-	-	-	-	-	-	-
Financial expenses	-	-	-	-	-	-	-	-
Add: Other income	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Gains or losses from changes in fair								
values	-	-	-	-	-	-	-	-
Impairment losses of credit	-	-	-	-	-	-	-	-
Impairment loss of assets	-	-	-	-	-	-	-	-
Gains (losses) from disposal of								
assets	-	-	-	-	-	-	-	-
Operating profit	15,700,758.81	23,621,995.60	-	-	-	-	101,707,808.91	71,794,843.15
Non-operating income	-	-	-	-	-	-	-	-
Non-operating expenses	-	-	-	-	-	-	-	-
Total profit	15,700,758.81	23,621,995.60	-	-	-	-	101,707,808.91	71,794,843.15
Income tax expenses	-	-	-	-	-	-	-	-
Net profit	15,700,758.81	23,621,995.60	-	-	-	-	101,707,808.91	71,794,843.15
Total segment assets	1,513,593,649.62	1,540,003,035.38	11,475,593,425.01	9,228,360,377.16	1,338,064,187.44	427,246,516.11	375,533,647.53	377,244,975.33
Total segment liabilities	-	-	-	-	-	-	-	-
Supplementary information:								
Depreciation and amortization	47,240,092.89	47,794,653.49	-	-	-	-	61,462,501.55	54,724,546.76
Interest income	-	-	-	-	-	-	-	-
Interest expenses	-	-	-	-	-	-	-	-
Investment income from long-term equity								
investment under equity method	-	-	-	-	-	-	-	-
Non-current assets other than long-term								
equity investments	1,513,593,649.62	1,540,003,035.38	11,475,593,425.01	9,228,360,377.16	1,338,064,187.44	427,246,516.11	375,533,647.53	377,244,975.33
Capital expenditure	138,196,263.94	14,147,515.01	1,960,301,992.14	2,530,709,929.70	966,987,101.55	371,077,085.89	3,875,405.65	42,152,237.45
Including: Expenditure arising from								
construction in progress		11,557,592.54	1,960,301,992.14	2,530,709,929.70	966,987,101.55	371,077,085.89	-	37,188,282.12
Expenditure arising from								
purchase of fixed assets	138,196,263.94	2,589,922.47	-	-	-	-	3,875,405.65	4,963,955.33
Expenditure arising from								
purchase of intangible asset	-	-	-	-	-	-	-	-

(2) Financial information of reporting segment (Continued)

Unit: RMB

	Real estate development		Advertising and others		Unallocated items		Total	
	Current year	Prior year	Current year	Prior year	Current year	Prior year	Current year	Prior year
Segment operating income	621,675,771.55	825,216,616.96	82,999,171.89	72,135,066.68	-	-	8,032,466,746.34	10,078,181,218.81
Operating costs	351,563,142.96	432,465,133.96	59,912,869.12	25,204,780.96	-	-	4,686,890,023.93	4,576,009,544.69
Including: Amortization of toll roads operation rights	-	-	-	-	-	-	1,333,662,454.87	1,274,234,633.53
Costs of petrol and other goods sold in service zones	-	-	-	-	-	-	845,506,820.33	881,212,422.91
Segment operating profit	270,112,628.59	392,751,483.00	23,086,302.77	46,930,285.72	-	-	3,345,576,722.41	5,502,171,674.12
Reconciling items:								
Less: Taxes and levies	71,660,162.43	62,690,810.14	1,672,015.49	2,219,195.94	-	-	125,864,731.35	126,990,737.26
Selling expenses	24,698,106.87	35,281,256.47	280.02	690,540.83	-	-	24,698,386.89	35,971,797.28
Administrative expenses	-	-	-	-	124,510,247.37	154,300,332.18	197,226,409.99	227,595,890.11
Financial expenses	-	-	-	-	444,319,354.76	464,164,014.33	444,319,354.76	464,164,014.33
Add: Other income	279,215.48	23,022.66	-	-	103,051.67	50,287.77	33,219,560.42	7,257,958.52
Investment income	-	-	-	-	618,460,042.64	886,313,895.55	618,460,042.64	886,313,895.55
Gains or losses from changes in fair values	-	-	-	-	33,547,488.70	71,295,344.11	33,547,488.70	71,295,344.11
Impairment losses of credit	-	-	-	-	(94,002.60)	(96,972.99)	(94,002.60)	(96,972.99)
Impairment loss of assets	-	-	-	-	-	-	-	-
Gains (losses) from disposal of assets	-	135.92	-	-	48,553.99	18,745.59	220,298.98	(70,252,066.32)
Operating profit	174,033,574.77	294,802,574.97	21,414,007.26	44,020,548.97	83,235,532.27	339,116,953.52	3,238,821,227.56	5,541,967,394.01
Non-operating income	-	-	-	-	75,796,977.75	32,336,183.87	82,926,177.75	32,336,183.87
Non-operating expenses	-	-	-	-	88,111,461.54	52,532,595.64	88,111,461.54	52,532,595.64
Total profit	174,033,574.77	294,802,574.97	21,414,007.26	44,020,548.97	70,921,048.48	318,920,541.75	3,233,635,943.77	5,521,770,982.24
Income tax expenses	-	-	-	-	714,881,261.68	1,221,286,273.27	714,881,261.68	1,221,286,273.27
Net profit	174,033,574.77	294,802,574.97	21,414,007.26	44,020,548.97	(643,960,213.20)	(902,365,731.52)	2,518,754,682.09	4,300,484,708.97
Total segment assets	2,788,804,491.62	4,417,920,934.76	2,741,818,417.41	1,833,345,563.53	16,982,064,675.59	14,073,099,270.02	61,095,560,365.16	55,625,048,624.75
Total segment liabilities	-	-	-	-	28,046,290,724.15	22,942,211,489.26	28,046,290,724.15	22,942,211,489.26
Supplementary information:								
Depreciation and amortization	1,302,810.85	585,600.49	4,498,666.23	7,083,882.76	29,708,976.81	87,927,476.14	1,635,574,915.56	1,570,521,753.13
Interest income	-	-	-	-	6,900,927.45	9,466,560.13	6,900,927.45	9,466,560.13
Interest expenses	-	-	-	-	436,079,760.40	462,160,618.94	436,079,760.40	462,160,618.94
Investment income from long-term equity investment under equity method	-	-	-	-	375,141,407.68	649,050,248.68	375,141,407.68	649,050,248.68
Non-current assets other than long-term equity investments	64,629,350.39	96,184,864.16	2,237,315,446.92	1,639,329,155.39	5,543,011,873.94	5,622,962,923.32	46,427,829,451.79	42,659,159,799.31
Capital expenditure	1,123,103.83	1,542,230.75	1,008,383.63	1,351,389.01	105,873,882.05	28,941,505.33	4,945,761,387.74	4,883,813,237.52
Including: Expenditure arising from construction in progress	667,186.86	1,141,504.82	-	1,316,037.72	60,562,549.08	28,941,505.33	4,723,778,531.23	4,833,334,496.05
Expenditure arising from purchase of fixed assets	455,916.97	400,725.93	1,008,383.63	35,351.29	45,311,332.97	-	221,982,856.51	50,208,551.47
Expenditure arising from purchase of intangible asset	-	-	-	-	-	-	-	270,190.00

Segment profit represents the gross profit earned by each segment without allocation of finance costs, investment income, profit or loss from changes in fair value and certain administrative expenses. This is the measure reported to the Group's chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

For the purposes of monitoring segment performances and allocating resources between segments, assets are allocated to segments other than long-term equity investment, held-for-trading financial assets and cash and bank balances etc., Segment liabilities are not allocated to segments for the Group's decision-maker has not consider liabilities of each segment when making decisions.

- (3) External revenue by geographical area of source and non-current assets by geographical location

All income and assets of the Group are from/located in Jiangsu Province.

- (4) Degree of reliance on major customers

The principle activities are toll roads operation and ancillary services along toll roads etc., therefore, there is no reliance on specific customers

XI. DEFINITIONS

Unless the context otherwise requires, the following expressions contained in this annual report shall have the meanings as follows:

Company	Jiangsu Expressway Company Limited (江蘇寧滬高速公路股份有限公司)
Group	the Company and its subsidiaries
Controlling Shareholder, Communications Holding or Jiangsu Communications Holding	Jiangsu Communications Holding Company Limited (江蘇交通控股有限公司)
China Merchants Expressway Network	China Merchants Expressway Network China Merchants Expressway Network & Technology Holdings Co., Ltd. (招商局公路網絡科技控股股份有限公司)
Ningchang Zhenli Company	Jiangsu Ningchang Zhenli Expressway Company Limited (江蘇寧常鎮溧高速公路有限公司)
Ninghu International Company	Jiangsu Expressway International (Hong Kong) Company Limited
Yangtze River Management Company	Jiangsu Yangtze River Expressway Management Co., Ltd. (江蘇揚子江高速通道管理有限公司)
Ninghu Investment Company	Jiangsu Ninghu Investment Development Co., Ltd. (江蘇寧滬投資發展有限責任公司)
Ninghu Properties Company	Jiangsu Ninghu Properties Co., Ltd. (江蘇寧滬置業有限責任公司)
Hanwei Company	Nanjing Hanwei Property Development Company Limited (南京瀚威房地產開發有限公司)
Yangtze Commerce and Energy	Jiangsu Yangtze Commerce and Energy Co., Ltd. (江蘇長江商業能源有限公司)

Guangjing Xicheng Company	Jiangsu Guangjing Xicheng Expressway Company Limited (江蘇廣靖錫澄高速公路有限責任公司)
Zhendan Company	Jiangsu Zhendan Expressway Company Limited (江蘇鎮丹高速公路有限公司)
Wufengshan Toll Bridge Company	Jiangsu Wufengshan Toll Bridge Company Limited (江蘇五峰山大橋有限公司)
Longtan Bridge Company	Jiangsu Longtan Bridge the Company, Ltd. (江蘇龍潭大橋有限公司)
Xiexin Company or Xiexin Ninghu Company	Jiangsu Xiexin Ninghu Gas Co., Ltd. (江蘇協鑫寧滬天然氣有限公司)
Kuailu Company	Jiangsu Kuailu Motor Transport Co., Ltd. (江蘇快鹿汽車運輸股份有限公司)
Suzhou Expressway Company or Suzhou Expressway Management	Suzhou Expressway Management Company Limited (蘇州市高速公路管理有限公司)
Yangtze Bridge Company	Jiangsu Yangtze Bridge Co., Ltd. (江蘇揚子大橋股份有限公司)
Hutong Bridge Company	Jiangsu Hutong Bridge Co., Ltd.(江蘇滬通大橋有限責任公司)
Finance Company or Group Finance Company	Jiangsu Communications Holding Group Finance Co., Ltd. (江蘇交通控股集團財務有限公司)
Media Company	Jiangsu Communications & Culture Media Company Limited (江蘇交通文化傳媒有限公司)
Sundian or Xiandai R&B Company	Jiangsu Sundian Engineering Co., Ltd. (江蘇現代路橋有限責任公司)
Network Operation Company	Jiangsu Expressway Network Operation and Management Co., Ltd. (江蘇高速公路聯網營運管理有限公司)

Bank of Jiangsu	Bank of Jiangsu Co., Ltd. (江蘇銀行股份有限公司)
Factoring Company	Ninghu Commercial Factoring (Guangzhou) Co., Ltd. (寧滬商業保理(廣州)有限公司)
Luode Fund Company	Jiangsu Luode Equity Investment Fund Management Company Limited (江蘇洛德股權投資基金管理有限公司)
Yichang Company	Jiangsu Yichang Expressway Co., Ltd. (江蘇宜長高速公路有限公司)
Changyi Company	Jiangsu Changyi Expressway Co., Ltd. (江蘇常宜高速公路有限公司)
Nanlin Hotel	Suzhou Nanlin Hotel Co., Ltd. (蘇州南林飯店有限責任公司)
Yanjiang Company	Jiangsu Yanjiang Expressway Co., Ltd. (江蘇沿江高速公路有限公司)
Jiangsu Leasing or Jiangsu Financial Leasing Company	Jiangsu Financial Leasing Co., Ltd. (江蘇金融租賃股份有限公司)
Railway Group Company	Jiangsu Railway Group Limited (江蘇省鐵路集團有限公司)
Tongxingbao Company	Jiangsu Tongxingbao Smart Transport Technology Co., Ltd. (江蘇通行寶智慧交通科技股份有限公司)
Jinghu Company	Jiangsu Jinghu Expressway Company Limited (江蘇京滬高速公路有限公司)
Runyang Bridge Company	Jiangsu Runyang Bridge Development Co., Ltd. (江蘇潤揚大橋發展有限責任公司)
Expressway Petroleum Company or Jiangsu Petroleum Company	Jiangsu Expressway Petroleum Development Co., Ltd. (江蘇高速公路石油發展有限公司)
Taixing Oil Products Company	Taixing Hechang Oil Products Trading Co., Ltd. (泰興市和暢油品銷售有限公司)

Far East Shipping Company	Jiangsu Far East Shipping Co., Ltd. (江蘇遠東海運有限公司)
Information Company	Jiangsu Expressway Information Engineering Co., Ltd. (江蘇高速公路信息工程有限公司)
Maintenance Technology Company	Jiangsu Expressway Engineering Maintenance Technology Co., Ltd. (江蘇高速公路工程養護技術有限公司)
Engineering Maintenance Company	Jiangsu Expressway Engineering Maintenance Co., Ltd. (江蘇高速公路工程養護有限公司)
Expressway Maintenance Company	Jiangsu Expressway Maintenance Co., Ltd. (江蘇高速公路養護有限公司)
Communications Holding Training Company	Jiangsu Communications Holding Training Co., Ltd. (江蘇交控培訓有限公司)
Eastern Expressway Company	Jiangsu Eastern Expressway Management Co., Ltd. (江蘇東部高速公路管理有限公司)
Orient Operation Company	Jiangsu Orient Expressway Operation and Management Company Limited (江蘇東方高速公路經營管理有限公司)
East Road & Bridge Company	Jiangsu East Road & Bridge Construction Maintenance Co., Ltd. (江蘇東方路橋建設養護有限公司)
Communications Holding Commercial Operation	Jiangsu Communications Holding Commercial Operation Management Co., Ltd. (江蘇交控商業運營管理有限公司)
Xitai Company	Jiangsu Xitai Tunnel Company Limited (江蘇錫泰隧道有限責任公司)
Cuipingshan Hotel	Jiangsu Cuipingshan Hotel Management Co., Ltd. (江蘇翠屏山賓館管理有限公司)
Sujiahang Company	Suzhou Sujiahang Expressway Co., Ltd. (蘇州蘇嘉杭高速公路有限公司)

Real Estate Parent Fund Phase II	Phase II of Real Estate Investment Parent Fund (房地產投資母基金二期)
Luode Dening	Nanjing Luode Dening Real Estate Investment Partnership (Limited Partnership) (南京洛德德寧房地產投資合夥企業(有限合夥))
Zhongbei Zhiyuan	Nanjing Luode Zhongbei Zhiyuan Equity Investment Partnership (Limited Partnership) (南京洛德中北致遠股權投資合夥企業(有限合夥))
Luode Huizhi	Nanjing Luode Huizhi Equity Investment Partnership (Limited Partnership)
Highway Center	Highway Development Center of Transportation Department of Jiangsu Province (江蘇省交通運輸廳公路事業發展中心)
Expressway Management Center	Expressway Operation and Management Center Department of Jiangsu Province (江蘇省高速公路經營管理中心)
Ninghang Company	Jiangsu Ninghang Expressway Co., Ltd. (江蘇寧杭高速公路有限公司)
Husuzhe Company	Jiangsu Husuzhe Expressway Co., Ltd. (江蘇滬蘇浙高速公路有限公司)
Huatong Company	Jiangsu Huatong Engineering Testing Co., Ltd. (江蘇華通工程檢測有限公司)
Sutong Bridge Company	Jiangsu Sutong Bridge Co., Ltd. (江蘇蘇通大橋有限公司)
Xinhua Media	Jiangsu Xinhua Newspaper Media Group Co., Ltd. (江蘇新華報業傳媒集團有限公司)
Fuanda Fund	Fuanda Fund Management Co., Ltd. (富安達基金管理有限公司)
Sundian Testing Company	Jiangsu Sundian Engineering Testing Co., Ltd. (江蘇現代工程檢測有限公司)

Micro Video Company	Nanjing Micro Video Technology Company Limited (南京感動科技有限公司)
CDB Kai Yuan Phase II Fund	Suzhou Industrial Park CDB Kai Yuan Investment Center Phase II (Limited Partnership) (蘇州工業園區國創開元二期投資中心(有限合夥))
Hanrui Center	Plot No. 2 Complex Project located in the central business district of new city in the south of Nanjing
Shanghai-Nanjing Expressway	Jiangsu Section of Shanghai-Nanjing Expressway
Guangjing Expressway	Northern connection of Guangling-Jingjiang Section, Jiangyin Yangtze Bridge
Xicheng Expressway	Southern connection of Jiangyin-Wuxi Section, Jiangyin Yangtze Bridge
Jiangyin Bridge	Jiangyin Yangtze Bridge
Sujiahang Expressway	Jiangsu Section of Suzhou-Jiaxing-Hangzhou Expressway
Yanjiang Expressway	Changzhou-Taicang Expressway
Changjia Expressway	Kunshan-Wujiang Section of Changshu-Jiaxing Expressway
Zhendan Expressway	Zhenjiang-Danyang Expressway
Ningchang Expressway	Lishui Guizhuang Hub-Changzhou South Interchange Expressway
Zhenli Expressway	Dantu Hub-Liyang Qianma Hub Expressway
Xiyi Expressway	Wuxi North Hub-Yixing Xiwu Hub Expressway
Wuxi Huantaihu Expressway	Wuxi Shuofang Hub-Wuxi Nanquan Interchange Expressway

Sujiayong Expressway	Suzhou-Jiaxing-Ningbo Expressway
Wufengshan Toll Bridge	Wufengshan Toll Bridge and North-South Connection Project
Changyi Expressway	Changzhou-Yixing Expressway
Yichang Expressway	Jiangsu Section of Yixing-Changxing Expressway
Reporting Period	the one year period from 1 January 2020 to 31 December 2020
year-on-year	as compared with the same period of 2019
CSRC	China Securities Regulatory Commission
SFC	The Securities and Futures Commission of Hong Kong
SSE	Shanghai Stock Exchange
Stock Exchange	The Stock Exchange of Hong Kong Limited
A Shares	RMB-denominated ordinary shares issued by the Company and listed on the SSE
H Shares	overseas-listed foreign shares issued by the Company and listed on the Stock Exchange
ADR	Level-1 depositary receipts of the Company listed and traded in the over-the-counter market of the United States
Listing Rules	Listing Rules of the SSE and/or Hong Kong Listing Rules
Listing Rules of SSE	Rules Governing the Listing of Stocks on Shanghai Stock Exchange
Hong Kong Listing Rules	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

PRC Accounting Standards for Business Enterprises	Accounting Standards for Business Enterprises and Relevant Provisions promulgated by the Ministry of Finance of the People's Republic of China
Deloitte or Auditor	Deloitte Touche Tohmatsu Certified Public Accountants LLP
Corporate Governance Code	The Corporate Governance Code set out in Appendix 14 to the Hong Kong Listing Rules

By order of the Board
Yao Yongjia
Secretary to the Board

Nanjing, the PRC, 26 March 2021

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, Ma Chung Lai, Lawrence, Zhang Zhuting*, Chen Liang*, Lin Hui*, Zhou Shudong*, Liu Xiaoxing**

* *Independent Non-executive Directors*