浙江滬杭甬高速公路股份有限公司
ZHEJIANG EXPRESSWAY CO., LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 0576)

2021 FIRST QUARTERLY RESULTS ANNOUNCEMENT

The directors (the "Directors") of Zhejiang Expressway Co., Ltd. (the "Company") are pleased to announce the first quarterly results of the Company and its subsidiaries (the "Group") for the three months ended March 31, 2021 (the "Period").

The audit committee of the Company has reviewed the quarterly results of the Group for the Period. Set out below are the Group's unaudited condensed consolidated statement of profit or loss and other comprehensive income, unaudited condensed consolidated statement of financial position and unaudited condensed consolidated statement of cash flows for the Period together with the comparative figures for the corresponding period of 2020:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the three months ended March 31,	
	2021	2020
	Rmb'000	*Rmb'000*
	(Unaudited)	(Unaudited and restated)
Revenue	**3,701,533**	1,622,940
Including: interest income under effective interest method	**486,211**	394,574
Operating costs	**(2,040,818)**	(1,837,064)
Gross profit	**1,660,715**	(214,124)
Securities investment gains	**318,418**	612,918
Other income and gains and losses	**222,451**	142,369
Administrative expenses	**(27,042)**	(22,900)
Other expenses	**(16,231)**	(77,579)
Impairment losses under expected credit loss model, net of reversal	**(4,957)**	(2,292)
Share of profit of associates	**255,819**	250,653
Share of profit (loss) of a joint venture	**17,178**	(18,386)
Finance costs	**(466,330)**	(497,464)

	For the three months ended March 31,	
	2021	2020
	Rmb'000	*Rmb'000*
	(Unaudited)	(Unaudited and restated)
Profit before tax	**1,960,021**	173,195
Income tax expense	**(440,045)**	(89,510)
Profit for the Period	**1,519,976**	83,685
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of foreign operations	**2,389**	900
Share of other comprehensive loss of an associate, net of related income tax	**(4,714)**	–
Other comprehensive (loss) income for the Period, net of income tax	**(2,325)**	900
Total comprehensive income for the Period	**1,517,651**	84,585
Profit(loss) for the Period attributable to:		
Owners of the Company	**1,229,347**	(11,396)
Non-controlling interests	**290,629**	95,081
	1,519,976	83,685
Total comprehensive income(loss) attributable to:		
Owners of the Company	**1,225,667**	(10,974)
Non-controlling interests	**291,984**	95,559
	1,517,651	84,585
Earnings(loss) per share		
Basic (Rmb cents)	**28.31**	(0.26)
Diluted (Rmb cents)	**27.08**	(0.26)

Note: The Company entered into an equity purchase agreement with Zhejiang Communications Investment Group Co., Ltd, to acquire 100% equity interest in Zhejiang Longlililong Co., Ltd with Rmb238,140,000, the acquisition was completed in January 2021. Therefore, in accordance with the guidance set out in Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants, the comparative condensed consolidated statement of profit or loss and other comprehensive income and condensed consolidated statement of cash flows for the three months ended March 31, 2020 and the condensed consolidated statement of financial position as at December 31, 2020 have been restated.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at March 31, 2021	As at December 31, 2020
	Rmb'000	*Rmb'000*
	(Unaudited)	(Unaudited and restated)
Non-current assets	**43,296,857**	44,032,701
Current assets	**109,277,875**	91,652,167
Current liabilities	**86,678,285**	72,989,123
Net current assets	**22,599,590**	18,663,044
Total assets less current liabilities	**65,896,447**	62,695,745
Non-current liabilities	**27,432,772**	25,511,581
	38,463,675	37,184,164
Capital and reserves		
Share capital	**4,343,115**	4,343,115
Reserves	**20,492,823**	19,505,296
Equity attributable to owners of the Company	**24,835,938**	23,848,411
Non-controlling interests	**13,627,737**	13,335,753
	38,463,675	37,184,164

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the three months ended March 31,	
	2021	2020
	Rmb'000	*Rmb'000*
	(Unaudited)	(Unaudited and restated)
Net cash generated from operating activities	**619,064**	2,246,016
Net cash used in investing activities	**(61,950)**	(3,316)
Net cash generated from (used in) financing activities	**3,713,002**	(618,825)
Net increase in cash and cash equivalents	**4,270,116**	1,623,875
Cash and cash equivalents at beginning of the Period	**8,645,085**	8,090,694
Effect of foreign exchange rate changes	**2,389**	900
Cash and cash equivalents at end of the Period	**12,917,590**	9,715,469

On behalf of the Board
Zhejiang Expressway Co., Ltd.
YU Zhihong
Chairman

Hangzhou, the PRC, April 30, 2021

As at the date of this announcement, the Chairman of the Company is Mr. YU Zhihong; the executive directors of the Company are: Mr. CHEN Ninghui and Ms. LUO Jianhu; the non-executive directors of the Company are: Mr. DAI Benmeng, Mr. YUAN Yingjie, and Mr. FAN Ye; and the independent non-executive directors of the Company are: Mr. PEI Ker-Wei, Ms. LEE Wai Tsang, Rosa and Mr. CHEN Bin.