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安徽皖通高速公路股份有限公司

ANHUI EXPRESSWAY COMPANY LIMITED

(incorporated in the People's Republic of China with limited liability as a joint stock company)

(Stock Code: 995)

2024 ANNUAL RESULTS ANNOUNCEMENT

The board of directors (the “**Board**”) of Anhui Expressway Company Limited (the “**Company**”) is pleased to present the audited results of the Company and its subsidiaries (collectively, the “**Group**”) for the financial year ended 31 December 2024 (the “**Reporting Period**”) prepared in accordance with Hong Kong Financial Reporting Standards Accounting Standards, together with the comparative figures of 2023. They are as follows. The audit committee of the Company has reviewed the annual results for the financial year 2024:

I. FINANCIAL HIGHLIGHTS

(All amounts in Renminbi thousand unless otherwise stated)

Consolidated income statement

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

		2024	2023
	Notes	RMB'000	RMB'000
REVENUE	2	7,091,833	6,631,337
Cost of sales		<u>(4,675,228)</u>	<u>(4,037,700)</u>
Gross profit		2,416,605	2,593,637
Other income and gains – net	2	165,387	59,191
Administrative expenses		(191,535)	(183,578)
Net impairment reversal of financial assets		<u>176</u>	<u>(393)</u>
Operating profit		2,390,633	2,468,857
Finance costs	3	(174,490)	(213,627)
Share of gain of associates		<u>10,634</u>	<u>8,596</u>
PROFIT BEFORE INCOME TAX	4	2,226,777	2,263,826
Income tax expense	5	<u>(533,069)</u>	<u>(587,659)</u>
PROFIT FOR THE YEAR		<u>1,693,708</u>	<u>1,676,167</u>
Attributable to:			
Owners of the Company		1,670,667	1,657,726
Non-controlling interests		<u>23,041</u>	<u>18,441</u>
		<u>1,693,708</u>	<u>1,676,167</u>
Basic and diluted earnings per share			
<i>(expressed in RMB per share)</i>	6	<u>1.0073</u>	<u>0.9995</u>

Consolidated statement of comprehensive income**For the year ended 31 December 2024***(All amounts in Renminbi thousand unless otherwise stated)*

	2024 RMB'000	2023 <i>RMB'000</i>
PROFIT FOR THE YEAR	1,693,708	1,676,167
OTHER COMPREHENSIVE INCOME		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Change in value of financial assets at fair value through other comprehensive income ("FVOCI"), net of tax	<u>2,212</u>	<u>(15,594)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>1,695,920</u>	<u>1,660,573</u>
Attributable to:		
Owners of the Company	1,672,879	1,642,132
Non-controlling interests	<u>23,041</u>	<u>18,441</u>
	<u>1,695,920</u>	<u>1,660,573</u>

Consolidated balance sheet**As at 31 December 2024***(All amounts in Renminbi thousand unless otherwise stated)*

		2024	2023
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
ASSETS			
NON-CURRENT ASSETS			
Concession intangible assets		16,422,105	15,024,602
Right-of-use assets		54,069	56,633
Property, plant and equipment		1,280,669	1,208,764
Investment properties		325,236	296,972
Intangible assets		2,915	634
Investments in associates		165,856	155,221
Deferred tax assets		85,277	83,021
Financial assets at fair value through profit or loss (“FVPL”)		745,487	678,660
Financial assets at FVOCI		7,800	4,850
Total non-current assets		19,089,414	17,509,357
CURRENT ASSETS			
Inventories		4,437	4,458
Receivables and prepayments	10	756,512	457,629
Time deposits with original maturity over three months		2,486,783	2,842,728
Cash and cash equivalents		2,115,494	962,380
Total current assets		5,363,226	4,267,195
TOTAL ASSETS		24,452,640	21,776,552

Consolidated balance sheet (Continued)**As at 31 December 2024***(All amounts in Renminbi thousand unless otherwise stated)*

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Ordinary share capital	1,658,610	1,658,610
Share premium	1,415,593	1,415,593
Other reserves	(647,552)	(649,724)
Retained earnings	10,937,452	10,263,570
	13,364,103	12,688,049
Non-controlling interests	1,525,465	1,457,242
Total equity	14,889,568	14,145,291

Consolidated balance sheet (Continued)**As at 31 December 2024***(All amounts in Renminbi thousand unless otherwise stated)*

	<i>Note</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
NON-CURRENT LIABILITIES			
Long-term payables		77,560	77,560
Borrowings		6,382,091	5,959,721
Bonds payable		1,498,802	–
Deferred tax liabilities		28,256	32,528
Deferred income		87,992	100,922
		<hr/>	<hr/>
Total non-current liabilities		8,074,701	6,170,731
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade and other payables	<i>11</i>	1,071,389	842,815
Current income tax liabilities		100,680	38,423
Provision		57,253	61,606
Borrowings		259,049	517,686
		<hr/>	<hr/>
Total current liabilities		1,488,371	1,460,530
		<hr/>	<hr/>
Total liabilities		9,563,072	7,631,261
		<hr/> <hr/>	<hr/> <hr/>
TOTAL EQUITY AND LIABILITIES		24,452,640	21,776,552
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Notes:

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards Accounting Standards (“**HKFRS Accounting Standards**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at FVPL which have been measured at fair value. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and shall continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

1.1. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current (the “2020 Amendments”)</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the “2022 Amendments”)</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The nature and the impact of the revised HKFRS Accounting Standards are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the financial position or performance of the Group.

2. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Toll revenue	3,830,215	4,041,761
Service income from management of toll roads	15,489	14,992
Revenue from construction or upgrade work under Service		
Concessions	3,133,523	2,475,491
Rental income	79,948	72,924
– from toll gas stations	41,752	38,870
– from toll road service sectors	13,415	12,963
– from other investment properties	24,781	21,091
Service income from road emergency assistance	30,576	25,977
Others	2,082	192
Total	<u>7,091,833</u>	<u>6,631,337</u>
	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Other income and gains – net		
Interest income	114,150	109,170
Dividend income	58,475	49,827
Government grants relating to profits	730	487
Amortisation of government grants relating to assets	12,930	12,930
Fair value losses on financial assets at FVPL	(31,845)	(108,755)
Gains/(losses) from disposal of property, plant and equipment	1,661	(6,431)
Gains/(losses) from disposal of concession intangible assets	5,685	(240)
Others	3,601	2,203
Other income and gains	<u>165,387</u>	<u>59,191</u>

3. FINANCE COSTS

An analysis of finance costs is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest expenses of bank borrowings	216,125	230,254
Interest expenses of bonds payable	1,378	–
Interest expenses of long-term payables	7,135	8,680
Less: Capitalised interest expenses	50,148	25,307
	<hr/>	<hr/>
Total	174,490	213,627

4. PROFIT BEFORE INCOME TAX

The Group's profit before income tax is arrived at after charging/(crediting):

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Costs for outsourced construction or upgrade work under		
Service Concessions	3,133,523	2,475,491
Repair and maintenance expenses	194,880	201,103
Taxes and surcharges	32,260	26,284
Auditor's remuneration	3,895	3,380
Employee benefit expense including directors' and chief executive's remuneration:		
Wages, salaries and allowances, social security and benefits	420,006	386,675
Defined contribution pension schemes	60,842	60,025
	<hr/>	<hr/>
	480,848	446,700
	<hr/>	<hr/>
Depreciation in respect of:		
– property, plant and equipment	150,720	149,481
– investment properties	23,556	16,191
Amortisation in respect of:		
– concession intangible assets	699,636	751,414
– right-of-use assets	2,530	2,080
– intangible assets	9,553	5,337
(Gains)/losses from disposal of property, plant and equipment and intangible assets	(1,661)	6,431
(Gains)/losses from disposal of concession intangible assets	(5,685)	240
Impairment of financial assets included in prepayments and other receivables	(176)	393
Foreign exchange differences, net	3,860	919
Interest expenses	174,490	213,627
Interest income	(114,150)	(109,170)
Dividend income from financial assets at FVPL	(50,520)	(42,347)
Dividend income from financial assets at FVOCI	(500)	–
Fair value losses from financial assets at FVPL	31,845	108,755
	<hr/>	<hr/>

5. INCOME TAX

The amount of taxation charged to the consolidated income statement represents:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current taxation – Corporate Income Tax (“CIT”) (a)	540,334	621,523
Deferred taxation charged to the consolidated income statement	<u>(7,265)</u>	<u>(33,864)</u>
Total	<u><u>533,069</u></u>	<u><u>587,659</u></u>

(a) Hong Kong profits tax and the PRC CIT

The Company and its subsidiaries determine and pay the PRC CIT in accordance with the PRC Corporate Income Tax Law (“**PRC CIT Law**”) as approved by the National People’s Congress on 16 March 2007. Under the PRC CIT Law, the CIT rate applicable to the Company and its subsidiaries (except for Anhui Expressway (H.K.) Limited (“**安徽皖通高速公路股份(香港)有限公司**”, “**AEHK**”)) is 25%. The CIT rate applicable to AEHK is 16.5% (Hong Kong CIT rate).

(b) Withholding tax (“WHT”) for dividend paid to foreign investors

Pursuant to the PRC CIT Law, a 10% WHT is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower WHT rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group has fulfilled the obligation of WHT in 2024 for dividends related to 2023 which was paid to foreign shareholders.

- (c) The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the CIT rate for the Group as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit before tax	2,226,777	2,263,826
Tax at the statutory tax rate at 25%	556,694	565,956
Effect of different tax rate of a subsidiary	–	(3)
Expenses not deductible for tax purpose	1,600	1,646
Income not subject to tax	(11,009)	(14,606)
Utilisation of previously unrecognised deductible temporary differences	(5,032)	(1,041)
Deductible losses not recognised as deferred tax assets during the year	–	47,090
Others	(9,184)	(11,383)
	<u>533,069</u>	<u>587,659</u>
Tax charge at the Group's effective tax rate	<u>533,069</u>	<u>587,659</u>

6. EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,658,610,000 (2023: 1,658,610,000) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the two years ended 31 December 2024 and 2023.

	2024	2023
Profit attributable to equity holders of the Company (<i>RMB'000</i>)	1,670,667	1,657,726
Weighted average number of ordinary shares outstanding (<i>thousand</i>)	1,658,610	1,658,610
Basic earnings per share (<i>expressed in RMB per share</i>)	<u>1.0073</u>	<u>0.9995</u>

7. DIVIDENDS

The dividends paid during the years ended 31 December 2024 and 2023 were RMB996,825 thousand (RMB0.601 per share) and RMB912,236 thousand (RMB0.55 per share) respectively. A final dividend for the year ended 31 December 2024 of RMB0.604 per share, amounting to a total of RMB1,001,800 thousand, was proposed at the meeting of the board of directors on 28 March 2025. These consolidated financial statements do not reflect this proposed final dividend and the amount of which is as below:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Final dividend of RMB0.601 (2023: RMB0.55) per ordinary share approved and paid during the year	<u>996,825</u>	<u>912,236</u>

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

8. APPROPRIATION

(a) Statutory surplus reserve fund

In accordance with the PRC Company Law, the Company and its subsidiaries shall appropriate 10% of their annual statutory net income (after offsetting any prior years' loss) to the statutory surplus reserve fund. When the balance of such reserve reaches 50% of a company's share capital or registered capital, any further appropriation is optional. The statutory surplus reserve fund can be utilised to offset prior years' loss or to issue bonus shares/paid-in capital. However, such statutory surplus reserve fund must be maintained at a minimum of 25% of share capital/registered capital after such utilisation.

The balance of statutory surplus reserve has reached 50% of the Company's share capital. As a result, the Company did not appropriate statutory surplus reserve fund in the years ended 31 December 2024 and 2023 in accordance with the PRC Company Law.

(b) Dividends distribution

According to the Articles of Association of the Company, the dividends distributed by the Company to its shareholders are based on the lower of the profit available for distribution to the shareholders in the Company's statutory financial statements and those in the Company's financial statements prepared in accordance with HKFRS Accounting Standards. As at 31 December 2024, the profit available for distribution to the shareholders in the Company's financial statements prepared in accordance with HKFRS Accounting Standards amounted to RMB1,523,992 thousand, which was lower than the profit available for distribution to the shareholders reflected in the Company's statutory financial statements.

9. COMMITMENTS

Capital expenditure as at the balance sheet date but not yet incurred is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Contracted, but not provided for:		
– Concession intangible assets	1,941,903	4,291,806
– Property, plant and equipment	7,698	45,766
	<u>1,949,601</u>	<u>4,337,572</u>
Total	<u><u>1,949,601</u></u>	<u><u>4,337,572</u></u>

10. RECEIVABLES AND PREPAYMENTS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Receivables:		
– Toll revenue receivables (a)	76,547	56,784
– Interest receivable	175,620	142,426
– Receivables for construction	30,051	30,051
– Pawn loans to customers	19,643	19,643
– Toll revenue compensation receivable	43,263	39,208
– Input tax deduction	427,594	185,023
– Others	10,555	11,615
	<u>783,273</u>	<u>484,750</u>
Less: Provision for impairment of pawn loans (b)	13,750	13,750
Provision for impairment of others (c)	15,864	16,041
	<u>753,659</u>	<u>454,959</u>
Prepayments:		
– Prepaid expenses	2,853	2,670
Total	<u><u>756,512</u></u>	<u><u>457,629</u></u>

The ageing analysis of the receivables is as follows:

	2024 RMB'000	2023 <i>RMB'000</i>
Within 1 year	730,156	426,619
Between 1 and 2 years	1,054	5,783
Between 2 and 3 years	318	1,479
Over 3 years	51,745	50,869
	<hr/>	<hr/>
Total	783,273	484,750
	<hr/> <hr/>	<hr/> <hr/>

(a) As at 31 December 2024, toll revenue receivables mainly represented toll revenue receivables from Anhui Expressway Network Operations Company Limited of RMB76,547 thousand (31 December 2023: toll revenue receivables from Anhui Expressway Network Operations Company Limited of RMB56,648 thousand).

(b) Reconciliation of provision account for loss on pawn loans is as follows:

	2024 RMB'000	2023 <i>RMB'000</i>
Beginning of the year	(13,750)	(13,750)
Impairment loss reversed	–	–
Receivables written-off as uncollectible	–	–
	<hr/>	<hr/>
End of the year	(13,750)	(13,750)
	<hr/> <hr/>	<hr/> <hr/>

(c) Reconciliation of provision account for loss on receivables is as follows:

	2024 RMB'000	2023 <i>RMB'000</i>
Beginning of the year	(16,041)	(15,685)
Impairment loss recognised	(2)	(405)
Impairment loss reversed	179	11
Receivables written-off as uncollectible	–	38
	<hr/>	<hr/>
End of the year	(15,864)	(16,041)
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The Group recognises lifetime expected credit losses (“ECLs”) for receivables and measures the lifetime ECLs on a specific basis according to management’s assessment of the recoverability of the individual receivables, are as follows:

	2024				2023	
	Book value <i>RMB’000</i>	Provision for impairment <i>RMB’000</i>	Provision ratio	Reason for impairment	Book value <i>RMB’000</i>	Provision for impairment <i>RMB’000</i>
Receivables for construction	30,051	(15,026)	50%	Continuous uncollected receivables	30,051	(15,026)
Pawn loans to customers	19,643	(13,750)	70%	Continuous uncollected receivables	19,643	(13,750)
Total	<u>49,694</u>	<u>(28,776)</u>			<u>49,694</u>	<u>(28,776)</u>

Movements in respective bad debt provision recognised for the 12-month ECLs and the Lifetime ECLs on other receivables are set out below:

As at 31 December 2024

	12-month ECLs Stage 1 <i>RMB’000</i>	Lifetime ECLs Stage 2 <i>RMB’000</i>		Stage 3 <i>RMB’000</i>	Total <i>RMB’000</i>
Beginning of the year	1,015	–		28,776	29,791
Impairment loss recognised	2	–		–	2
Impairment loss reversed	(179)	–		–	(179)
Receivables written-off as uncollectible	–	–		–	–
End of the year	<u>838</u>	<u>–</u>		<u>28,776</u>	<u>29,614</u>

11. TRADE AND OTHER PAYABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade payables	864,245	627,853
Deposits for construction projects	40,123	42,549
Advance rent receipts	46,656	39,064
Staff salaries and welfare	29,334	28,181
Interest payable	32,480	34,280
Other taxation payables	18,586	18,268
Service fee payable for collection of toll roads income	6,990	9,082
Others	32,975	43,538
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Total	1,071,389	842,815
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As at 31 December 2024, trade and other payables of RMB216,323 thousand (2023: RMB211,927 thousand) were aged over one year. These payables were mainly payables on acquisition of concession intangible assets which will be settled after the completion of construction.

As at 31 December 2024 and 2023, the fair values of trade and other payables, except for staff salaries and welfare, other taxation payables and advance from customers, approximated their carrying amounts.

II. FINAL DIVIDEND

The board of directors of the Company proposes to distribute a final dividend of RMB0.604 (tax inclusive) per share for the year ended 31 December 2024 to all shareholders.

The final dividend is expected to be paid on or before 15 August 2025, subject to approval at the Company's 2024 annual general meeting.

III. BUSINESS REVIEW

(Unless otherwise specified, the following data are based on the accounting statements prepared in accordance with the the PRC Accounting Standards)

(1) Performance summary (in accordance with the PRC Accounting Standards)

During the reporting period, in accordance with the the PRC Accounting Standards, the Group recorded an operating income of RMB7,091.83 million (2023: RMB6,631.34 million), representing an increase of 6.94% as compared with the corresponding period of last year, and a total profit of RMB2,224.70 million (2023: RMB2,266.76 million), representing a decrease of 1.86% as compared with the corresponding period of last year. Net profit attributable to shareholders of the Company was RMB1,668.98 million (2023: RMB1,659.93 million), representing an increase of 0.55% as compared with the corresponding period of last year. Basic earnings per share was RMB1.0063 (2023: RMB1.0008), representing an increase of 0.55% as compared with the corresponding period of last year.

Unit: yuan Currency: RMB

In terms of industries	Main business by industry				Increase/decrease in		Increase/decrease in gross profit margin as compared with last year
	Operating income	Operating costs	Gross profit margin		operating revenue as compared with last year	operating cost as compared with last year	
			(%)		(%)	(%)	(%)
Toll road business	3,885,381,798.05	1,485,534,901.95	61.77		-5.09	-1.45	Decreased by 1.41 percentage points
Revenue/cost during construction	3,133,522,962.31	3,133,522,962.31	0.00		26.58	26.58	Increased by 0.00 percentage point

Main business by product						
In terms of products	Operating income	Operating costs	Gross profit margin (%)	Increase/decrease in operating revenue as compared with last year (%)	Increase/decrease in operating cost as compared with last year (%)	Increase/decrease in gross profit margin as compared with last year (%)
Hening Expressway	1,388,655,066.08	437,056,132.70	68.53	-1.09	-2.06	An increase of 0.31 percentage points
Gaojie Expressway	804,228,668.64	204,757,405.58	74.54	-12.12	12.25	Decreased by 5.53 percentage points
Lianhuo Expressway	265,870,810.20	116,523,747.00	56.17	-4.41	-20.03	An increase of 8.56 percentage points
Tianchang Section of Ninghuai Expressway	110,652,984.39	36,468,179.26	67.04	-11.54	0.46	Decreased by 3.94 percentage points
New Line of Tianchang Section of National Highway 205	80,938,058.41	42,509,454.73	47.48	-2.85	13.59	Decreased by 7.60 percentage points
Xuanguang Expressway	184,780,218.48	131,303,565.43	28.94	-55.26	-7.26	Decreased by 36.78 percentage points
Guangci Expressway	49,931,715.79	19,732,704.21	60.48	-49.50	3.82	Decreased by 20.30 percentage points
Ningxuanhang Expressway	448,095,184.04	281,696,309.60	37.13	55.21	-1.37	Increased by 36.06 percentage points
Anqing Yangtze River Highway Bridge	309,382,994.89	70,155,611.92	77.32	-9.19	0.53	Decreased by 2.20 percentage points
Yuewu Expressway	242,846,097.13	145,331,791.52	40.15	65.61	1.43	An increase of 37.86 percentage points
Revenue/cost during construction	3,133,522,962.31	3,133,522,962.31	0.00	26.58	26.58	Increased by 0.00 percentage point

Main business by region						
In terms of regions	Operating income	Operating costs	Gross profit margin (%)	Increase/decrease in operating revenue as compared with last year (%)	Increase/decrease in operating cost as compared with last year (%)	Increase/decrease in gross profit margin as compared with last year (%)
Anhui Province	7,018,904,760.36	4,619,057,864.26	34.19	6.85	15.97	Decreased by 5.18 percentage points

(2) Operation status of toll road

During the reporting period, the Group recorded a total toll revenue (after tax) of RMB3,830.21 million (2023: RMB4,041.76 million), representing a decrease of 5.23% as compared with the corresponding period of last year.

Various policy relief measures will continue to be implemented. It is estimated that the total amount of various waivers of the Group in 2024 will be RMB754 million, of which:

The amount of exemption for green passage was about RMB141 million with over 217,900 vehicles being exempted.

The amount of exemptions on holidays were RMB318 million with 7.3954 million vehicles exempted;

ETC preferential reduction of RMB276 million. Among them, the amount of preferential reduction and exemption of Anhui traffic card for trucks was RMB171 million, accounting for about 62.12% of the total ETC reduction and exemption.

Other policy exemptions amounted to approximately RMB18 million.

Items	Equity Proportion	Converted average daily traffic volumes for entire journey (vehicle)			Toll revenue (RMB'0,000)		
		2024	2023	Increase/ decrease (%)	2024	2023	Increase/ decrease (%)
Hening Expressway	100%	45,674	45,890	-0.47	141,071	142,661	-1.11
New Line of Tianchang Section of National Highway 205	100%	6,676	7,010	-4.76	8,498	8,748	-2.86
Gaojie Expressway	100%	24,653	27,721	-11.07	81,542	92,971	-12.29
Xuanguang Expressway	55.47%	10,037	20,995	-52.19	19,032	42,543	-55.26
Anhui Section of Lianhuo Highway	100%	21,977	22,029	-0.24	27,132	28,397	-4.45
Tianchang Section of Ninghuai Expressway	100%	41,706	45,442	-8.22	11,131	12,618	-11.78
Guangci Expressway	55.47%	15,266	28,569	-46.56	4,966	10,007	-50.37
Ningxuanhang Expressway	51%	16,689	10,417	60.21	44,575	28,482	56.50
Anqing Yangtze River Highway Bridge	100%	29,876	31,577	-5.39	31,866	35,091	-9.19
Anhui Section of Yuewu Expressway	100%	15,646	9,455	65.48	24,859	14,950	66.28
Total	/	/	/	/	394,674	416,468	-5.23

Items	Equity Proportion	Ratio of passenger vehicles to goods vehicles		Toll revenue per kilometer per day (RMB)		Increase/ decrease (%)
		2024	2023	2024	2023	
Hening Expressway	100%	74:26	74:26	28,764	29,168	-1.39
New Line of Tianchang Section of National Highway 205	100%	26:74	29:71	7,717	7,965	-3.11
Gaojie Expressway	100%	60:40	61:39	20,254	23,156	-12.53
Xuanguang Expressway	55.47%	75:25	73:27	6,168	13,825	-55.39
Anhui Section of Lianhuo Highway	100%	75:25	74:26	13,728	14,407	-4.71
Tianchang Section of Ninghuai Expressway	100%	85:15	84:16	21,708	24,676	-12.03
Guangci Expressway	55.47%	74:26	73:27	9,339	18,870	-50.51
Ningxuanhang Expressway	51%	74:26	76:24	10,409	6,670	56.06
Anqing Yangtze River Highway Bridge	100%	67:33	68:32	145,109	160,232	-9.44
Anhui Section of Yuewu Expressway	100%	65:35	66:34	14,766	8,904	65.84

Note:

1. Except for the new line of Tianchang Section of 205 National Highway and Tianchang Section of Ninghuai Expressway, the above traffic flow data does not include the data of small passenger cars passing through non-ETC lanes on major holidays;
2. The above toll revenue data is tax inclusive, of which the data of Anqing Yangtze River Highway Bridge has included government financial subsidies;
3. The above traffic volume data is provided by Anhui Expressway Network Operation Co., Ltd.

In addition to the macroeconomic environment, the operating performance of toll roads are also affected by other factors, including changes in competing or collaborative neighboring road networks and renovation and expansion of connected or parallel roads. And the extent of such impact will depend on each single road project.

Hening Expressway

During the reporting period, tolls decreased by 1.11% year-on-year. It was mainly affected by the bad weather in the first quarter, resulting in a year-on-year decline in toll revenue.

Tianchang Section of Ninghuai Expressway

During the reporting period, tolls decreased by 11.78% year-on-year. Mainly affected by the bad weather in the first quarter, the diversion of Chutian Expressway and the reconstruction and expansion of Huai'an to Lianyungang section of Ninghuai Expressway, the annual freight vehicles decreased year-on-year, which had an impact on toll revenue.

New Line of Tianchang Section of National Highway 205

During the reporting period, tolls decreased by 2.86% year-on-year. It was mainly affected by the bad weather in the first quarter, resulting in a year-on-year decline in toll revenue.

Anhui Section of Lianhuo Expressway

During the reporting period, tolls decreased by 4.45% year-on-year. The decrease in toll revenue is mainly due to the frequent occurrence of adverse weather conditions, traffic control measures, and the diversion of traffic to surrounding routes such as National Highways 310 and 311, as well as Provincial Highway 101.

Gaojie Expressway

During the reporting period, tolls decreased by 12.29% year-on-year. With the opening of Wuyue Expressway on October 28, 2023, the East Extension Line of Yuewu Expressway runs through the whole line, which has a certain diversion to Gaojie Expressway, and some vehicles choose Yuewu Expressway to pass through. In addition, the maintenance project of 105 National Highway and 318 National Highway Qianshan Outer Ring Section in Taihu County has been completed, and the traffic conditions have been improved, which also has a negative impact on this section.

Xuanguang and Guangci expressways

During the reporting period, the tolls of Xuanguang Expressway and Guangci Expressway decreased by 55.26% and 50.37% respectively. The reconstruction and expansion of the road section, especially the half one-way traffic since March 8, 2024, and the traffic conditions have been improved after the upgrading and reconstruction of the parallel national highway G318, and some vehicles have been diverted.

Ningxuanhang Expressway

During the reporting period, tolls increased by 56.50% year-on-year. Since the opening of the Jiangsu section of the Ningxuanhang Expressway in September 2022 and the opening of the Zhejiang section of the Ningxuanhang Expressway in December of the same year, the inter-provincial and inter-regional traffic in this section has become more convenient, and the traffic volume has continued to grow substantially.

Anqing Yangtze River Highway Bridge

During the reporting period, tolls decreased by 9.19% year-on-year (including government purchase service fees). The Chizhou Yangtze River Bridge of G0321 Deshang Expressway has a diversion impact on it, and the reconstruction and expansion of the upstream Xuanguang Expressway also has a certain adverse impact on this section.

Anhui Section of Yuewu Expressway

During the reporting period, tolls increased by 66.18% year-on-year. With the opening of Wuyue Expressway, Yuewu East Extension Line runs through the whole line, and vehicles traveling between Jiangsu, Zhejiang and Hubei choose to travel from Yuewu section, and the toll has increased significantly year-on-year.

(3) Analysis of major shareholding companies

Unit: RMB'0,000

Company Name	Equity attributable to the Group	Registration Capital	December 31, 2024		2024		Main business
			Total assets	Net assets	Business Income	Net profit	
Xuan Guang Company	55.47%	11,176	705,426	318,476	331,995	1,935	Highway enterprises; Its scope of business includes highway construction, management and operation. At present, it mainly constructs, manages and operates Xuanguang Expressway.
Ningxuanhang Company	51%	30,000	376,560	4,987	45,064	626	Highway enterprises; Its scope of business includes highway construction, management and operation. At present, it mainly constructs, manages and operates Ningxuanhang Expressway (Anhui Section).
Guangci Company	55.47%	5,680	22,649	21,506	4,993	2,297	Construction, management and operation of Guangci Expressway
AEHK	100%	181.7	186	176	0	0.23	Highway enterprises; Its scope of business includes overseas highway construction, investment, operation and other related consulting and technical services, and it has not yet started operation.

Company Name	Equity attributable to the Group	Registration Capital	December 31, 2024		2024		Main business
			Total assets	Net assets	Business Income	Net profit	
Anqing Bridge Company	100%	15,000	293,826	174,410	55,286	21,455	Highway enterprises; Its scope of business includes highway construction, management and operation. At present, it mainly constructs, manages and operates Anqing Yangtze River Highway Bridge and Yuewu Expressway.
Expressway Media	38%	5,000	54,933	41,519	18,992	4,744	Design, production, release and agency of domestic advertisements
Anhui Transportation Information Industry Company	10%	6,000	45,582	8,084	32,322	61	Construction, operation and service of traffic toll collection system; Computer software development; Information system integration services
Jinshi Fund Management Company	2.50%	3,000	31,159	26,156	16,847	12,467	Daily management and investment consultation of Anhui Transportation Jinshi Merger and Acquisition Fund
China Merchants Fund Management Company	2.50%	3,000	5,264	5,004	1,755	1,294	Daily management and investment consultation of Anhui Transportation China Merchants Industrial Fund
China Merchants Fund	6.64%	300,000	212,890	209,033	0	5,015	Investment in transportation, services, energy conservation and environmental protection
Jinshi Merger and Acquisition Fund	6.64%	300,000	130,019	105,519	3,556	2,781	Equity investment, asset management, enterprise management consulting

Company Name	Equity attributable to the Group	Registration Capital	December 31, 2024		2024		Main business
			Total assets	Net assets	Business Income	Net profit	
Jinshi Equity Investment Fund	6.64%	150,000	159,935	159,007	9,165	7,260	Equity investment, investment management, asset management and other activities
Jinshi Emerging Industry Fund	10%	200,000	47,759	39,769	26	-291	Equity investment, investment management, asset management and other activities
Conch Jinshi Innovation Fund	10%	500,000	123,683	123,680	4,522	3,668	Equity investment, investment management, asset management and other activities

(IV) Main customers and suppliers

As the Group's main customers of the toll business were the users of the tollways and usually there were no big purchases related to the daily operation, thus there were no principal customers or suppliers to be further disclosed.

(V) Analysis of investment status

Overall analysis of foreign equity investment

In line with the development trend of the expressway industry, the company seizes major strategic opportunities such as “Yangtze River Delta integration”, continues to optimize and expand the main business of expressways, and makes steady progress in foreign investment. During the reporting period, the construction of the PPP project for the reconstruction and expansion of Xuanguang was nearing completion; the payment of investment funds of RMB13.2833 million, RMB30 million and RMB70 million were completed respectively for the second phase of Anhui Transportation China Merchants Industrial Fund, Jinshi Emerging Industry Fund and Conch Jinshi Innovation and Development Investment Fund, which were established with equity participation. The acquisition projects of Fuzhou Company and Sixu Company were decided by the board of directors and successfully completed in 2025. Foreign investment enlarges the scale of the company’s assets, prolongs the company’s charging period, and improves the company’s overall competitiveness and profitability, which has important strategic significance.

1. Significant equity investments



Applicable



Not applicable

Unit: yuan Currency: RMB

Name of investee company	Main business	Is the subject matter mainly engaged in investment business?	Way of investment	Investment amount	Shareholding ratio	Consolidation or not	Report			Investment period (if any)	Progress as at the balance sheet date		Impact on current profit and loss		Whether it is involved in litigation	Date of disclosure (if any)	Disclosure Index
							Account (if applicable)	Source of funds	Partner (if applicable)		at the balance sheet date	Estimated income (if any)					
Xuanguang Company	Highway enterprises; Its business scope is highway construction, management and operation. At present, it mainly constructs, manages and operates Xuanguang Expressway.	Yes	Capital increase	385,511,060	55.47%	Yes	Long-term equity investment	Own funds	Xuancheng Trading	Long term	Capital increase completed				No		
Totally	/	/	/	<u>385,511,060</u>	/	/	/	/	/	/			/	/	/	/	/

2. Significant non-equity investments

☒ Applicable ☐ Not applicable

The reconstruction and expansion PPP project of Xuanguang Expressway started construction in February 2022. During the reporting period, the completed investment amount was RMB3.134 billion, and the accumulated actual investment amount was RMB7.027 billion.

3. Financial assets measured at fair value

Unit: yuan Currency: RMB

Asset class	Opening balance	Gains and losses from changes in fair value in the current period	Cumulative changes in fair value recorded in equity	Impairment accrued in the current period	Current purchase amount	Current sale/redemption amount	Ending balance
Other investment in equity instruments							
– Jinshi Fund Management Company	3,422,322.44	0.00	6,173,597.15	0.00	0.00	0.00	6,548,597.15
– China Merchants Fund Management Company	1,427,382.26	0.00	875,964.14	0.00	0.00	0.00	1,250,964.14
Other non-current financial assets							
– China Merchants Fund	124,875,080.98	3,331,080.63	0.00	0.00	13,283,334.00	2,656,666.67	138,832,828.94
– Jinshi Merger and Acquisition Fund	104,763,978.09	-22,726,710.98	0.00	0.00	0.00	11,955,000.00	70,082,267.11
– Jinshi Equity Investment Fund	100,785,197.08	4,822,164.13	0.00	0.00	0.00	0.00	105,607,361.21
– Hailuo Jinshi Innovation Development Fund	50,025,786.60	3,654,444.11	0.00	0.00	70,000,000.00	0.00	123,680,230.71
– Jinshi Emerging Industry Fund	10,000,000.00	-230,962.20	0.00	0.00	30,000,000.00	0.00	39,769,037.80
– CICC Anhui Traffic Control Expressway Closed-end Infrastructure Securities Investment Fund	288,210,100.00	-20,694,800.00	0.00	0.00	0.00	0.00	267,515,300.00
Totally	683,509,847.45	-31,844,784.31	7,049,561.29	0.00	113,283,334.00	14,611,666.67	753,286,587.06

4. *Sale of major assets and equity*

During the reporting period, the Group had no significant disposal of assets and equity.

IV. MAJOR LITIGATION AND ARBITRATION MATTERS

The Company had no material litigation or arbitration during the year.

V. GUARANTEES

During the reporting period, the Company has not provided any guarantee.

VI. ENTRUSTED WEALTH MANAGEMENT

1. **Overall situation of entrusted wealth management**

☐ Applicable ☒ Not applicable

2. **Individual entrusted wealth management**

☐ Applicable ☒ Not applicable

3. **Provision for impairment of entrusted wealth management**

☐ Applicable ☒ Not applicable

VII. ENTRUSTED LOANS

1. **Overall situation of entrusted loans**

Unit: '0,000 Currency: RMB

Type	Source of funds	Amount incurred	Outstanding balance	Overdue and unrecovered amount
Bank	Own funds	-13,200	30,384	0

Other circumstances

☐ Applicable ☒ Not applicable

2. Single Entrusted Loan

Unit: '0,000 Currency: RMB

Trustee	Type of entrusted loan	Entrusted loan amount	Commencement date of entrusted loan	Entrusted loan termination date	Funds Source	Investment of funds	Method to determine return	Annualized Rate of return	Expected earnings (If any)	Actual Gain or loss	Actual recovery	Whether it has gone through legal procedures	Planned entrusted loans in the future	Provision for impairment (if any)
Everbright Bank Hefei Daoxianglou Branch	Bank	3,825.00	June 14, 2016	June 14, 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	168.68	168.68	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Branch	Bank	1,428.00	August 24, 2016	June 14, 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	62.97	62.97	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Branch	Bank	3,213.00	September 18, 2016	June 14, 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	141.69	141.69	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Branch	Bank	1,989.00	November 17, 2016	June 14, 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	87.71	87.71	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Branch	Bank	3,009.00	December 20, 2016	June 14, 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	132.70	132.70	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Branch	Bank	368.00	February 9, 2017	June 14, 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	16.23	16.23	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Branch	Bank	6,069.00	April 13, 2017	June 14, 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	267.64	267.64	Not due	Yes	No	

Trustee	Type of entrusted loan	Entrusted loan amount	Commencement date of entrusted loan	Entrusted loan termination date	Funds Source	Investment of funds	Method to determine return	Annualized Rate of return	Expected earnings (If any)	Actual Gain or loss	Actual recovery	Whether it has gone through legal procedures	Planned entrusted loans in the future	Provision for impairment (if any)
Everbright Bank Hefei Daoxianglou Branch	Bank	1,683.00	May 9, 2017	June 14, 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	74.22	74.22	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Branch	Bank	6,477.00	August 31, 2017	August 31, 2027	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.90%	317.37	317.37	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Branch	Bank	2,323.00	December 19, 2017	August 31, 2027	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.90%	113.83	113.83	Not due	Yes	No	

VIII. PURCHASE, SALE AND REPURCHASE OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries or joint ventures purchased, sold or redeemed any of the Company's listed securities during the reporting period.

IX. CORPORATE GOVERNANCE CODE

Since its establishment, the Company has strictly complied with the requirements of the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies, the Guidelines for the Articles of Association of Listed Companies and other laws in the PRC, regulations and normative documents, continuously standardized its operation and continuously improved its corporate governance level. During the reporting period, according to the work deployment of the regulatory authorities and the latest laws and regulations, the company continued to improve the company's relevant systems and operational processes.

During the reporting period, the amended Articles of Association and its appendices, the Rules of Procedures for Shareholders' General Meetings, the Working Regulations for the Board of Directors, the Working Regulations for the Board of Supervisors and the newly formulated Working Rules for Independent Directors were considered and approved at the 2023 Annual General Meeting. The Company also revised the Working Regulations for the General Manager based on the actual situation and was considered and approved by the Board of Directors.

During the reporting period, the actual corporate governance of the Company was not different from the requirements of the Code of Corporate Governance for Listed Companies issued by the CSRC and the relevant laws and regulations, and the Company has fully adopted the code provisions of the Corporate Governance Code.

During the reporting period, except that the duties of the Remuneration Committee and the Nomination Committee were performed by the Human Resources and Remuneration Committee of the Company (as the Company considers that this human resources and remuneration committee model has been effective and more suitable for the Company's own needs), The majority of the members of the Human Resources and Remuneration Committee are independent non-executive directors and directors who do not hold operational and management positions in the Company, which can effectively protect the interests of shareholders). The Company has been complying with the Corporate Governance Code as set out in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and is committed to maintaining a high standard of corporate governance, so as to enhance corporate transparency and protect the interests of shareholders.

X. AUDIT COMMITTEE

The main duties of the Audit Committee of the Company as set out in its terms of reference include: supervising the establishment and implementation of the Company's internal audit system; reviewing the Company's financial information and its disclosure; to review the risk management and internal control systems of the Company and supervise and inspect their implementation, including the review of major related party transactions and the communication, supervision and verification of the internal and external audit of the Company.

As of 31 December 2024, the audit committee of the Company consists of Mr. Lu Taiping (chairman of the committee), Mr. Yang Xudong, Mr. Du Jian, Mr. Zhang Jianping and Ms. Zhao Jianli, all of whom are non-executive directors and independent non-executive directors.

The Audit Committee held a total of seven meetings in 2024. The attendance of the meetings of the Audit Committee is as follows:

Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
January 30, 2024	<ol style="list-style-type: none"> To review the 2024 material risk assessment report of the Company; Review the summary of the Company's post-investment evaluation in 2023; Review the summary of the Company's internal audit work in 2023; To review the internal audit work plan of the Company for 2024. 	Considered and approved the "2024 Major Risk Assessment Report of the Company", the "2023 Post-investment Evaluation Work Summary of the Company", the "2023 Internal Audit Work Summary of the Company" and the "2024 Internal Audit Work Plan of the Company", and agreed to submit the above resolutions to the Board for consideration.	
March 26, 2024	<ol style="list-style-type: none"> Review the financial report of the Company for the year 2023 (prepared in accordance with domestic accounting standards); To review the financial report of the Company for the year 2023 (prepared in accordance with the Hong Kong Accounting Standards); Review the internal control audit report of the company in 2023; To review the profit distribution plan of the Company for 2023; Consideration of the proposal on the expected daily connected transactions in 2024; Review the Company's 2023 Annual Report; 		

Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
	<p>7. Review the evaluation report on the performance of domestic auditors in 2023;</p> <p>8. To consider the resolution on the reappointment of the auditor of the Company for the year 2024;</p> <p>9. To review the report of the audit committee of the board of directors on the performance of supervisory duties of the accounting firm in 2023;</p> <p>10. To review the internal control assessment report of the Company for the year 2023;</p> <p>11. To review the internal control system work report of the Company for the year 2023;</p> <p>12. To review the report on the performance of duties of the Audit Committee for 2023;</p> <p>13. To review the internal control assessment work plan of the Company for 2024;</p> <p>14. To review the communication report of Ernst & Young Hua Ming LLP to the Audit Committee on the audit of the 2023 annual report of the Company.</p>	<p>1. Consideration and approval of the audited “Financial Report of the Company for the Year 2023 (Prepared in accordance with the PRC Accounting Standards)” and the “Audited Financial Report of the Company for the Year 2023 (the “Hong Kong Financial Reporting Standards Financial Report”)”, the “Profit Distribution Plan of the Company for the Year 2023”, the “Resolution on Projected Daily Connected Transactions for the Year 2024”, and the “Internal Control Review of the Company for the Year 2023”, “2023 Annual Report of the Company”, “2023 Work Report on the Internal Control System”, “2023 Report on the Performance of Duties of the Audit Committee”, “2023 Audit Report on the Internal Control of the Company”, “Proposal on the Re-appointment of the Auditors of the Company for 2024”, “Assessment Report on the Performance of Duties of Domestic Auditors for 2023”, “Audit Committee of the Board of Directors Report on the Firm’s Performance of Supervisory Duties in 2023”, and agreed to submit the above proposal to the Board of Directors for consideration;</p> <p>2. The “Internal Control Assessment Work Plan for 2024” and the “Communication Report of Ernst & Young Hua Ming LLP on the Audit of the Financial Statements of 2023 to the Audit Committee” were considered and approved.</p>	

Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
April 25, 2024	<ol style="list-style-type: none"> 1. To review the accounting statements of the Company prepared in accordance with the PRC accounting standards for the first quarter of 2024; 2. Review the special audit report on the management of the Company's road damage rescue business; 3. To review the three-in-one internal control manual of the Company. 	<ol style="list-style-type: none"> 1. The "Financial Report of the Company for the First Quarter of 2024 Prepared in Accordance with the PRC Accounting Standards" was considered and approved, and it was agreed to submit this proposal to the Board for consideration. 2. Considered and approved the "Special Audit Report on the Management of Road Damage Rescue Business of the Company and the Three-in-One Internal Control Manual of the Company". 	
June 6, 2024	To review the Company's proposal on the appointment of the Chief Financial Officer of the Company.	The "Resolution on the Appointment of the Chief Financial Officer of the Company" was considered and approved, and it was agreed to submit this resolution to the Board for consideration.	
August 29, 2024	<ol style="list-style-type: none"> 1. To review the interim financial report of the Company for the year 2024 prepared in accordance with the PRC accounting standards; 2. To review the interim financial report of the Company for 2024 prepared in accordance with the Hong Kong Accounting Standards; 3. To review the interim report of the Company for the year 2024; 4. To review the summary of the 2024 interim report and the 2024 interim results announcement of the Company. 	Considered and approved the "2024 Interim Financial Report Prepared in Accordance with the PRC Accounting Standards", "2024 Interim Financial Report Prepared in Accordance with the Hong Kong Accounting Standards", "2024 Interim Report of the Company", "Summary of 2024 Interim Report and 2024 Interim Results Announcement of the Company", and agreed to submit the above resolutions to the Board for consideration.	

Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
October 25, 2024	<ol style="list-style-type: none"> 1. To review the financial report of the Company for the third quarter of 2024 prepared in accordance with domestic accounting standards; 2. To review the report of the Company for the third quarter of 2024; 3. To discuss the audit communication of Ernst & Young Hua Ming LLP on the audit plan of the Company for 2024. 	<ol style="list-style-type: none"> 1. Considered and approved the Financial Report for the Third Quarter of 2024 Prepared in accordance with the Domestic Accounting Standards and the Third Quarter Report of 2024 of the Company, and approval to submit this proposal to the Board of Directors for consideration; 2. Having listened to the Audit Committee Communication Matters of Ernst & Young Hua Ming LLP on the Audit Plan of Anhui Expressway for 2024, agreed to carry out the audit work according to this plan. 	
December 30, 2024	<ol style="list-style-type: none"> 1. To review the summary of the post-evaluation of the investment projects of the Company in 2024 and the post-evaluation plan of the investment projects in 2025; 2. To review the special audit report of the Company for 2024. 	<ol style="list-style-type: none"> 1. Considered and approved the “Summary of Post-evaluation of Investment Projects of the Company in 2024 and the Post-evaluation Plan of Investment Projects in 2025”, and approval to submit this proposal to the Board for consideration; 2. The special audit report of the Company for 2024 was considered and approved. 	

XI. SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD

Change of Board of Directors and Board of Supervisors of the Company

The term of office of the members of the ninth session of the Board and the Supervisory Committee of the Company has expired. The Company held the 2023 annual general meeting on June 6, 2024 to elect the members of the 10th session of the Board of Directors and the Board of Supervisors of the Company, and elected Mr. Wang Xiaowen, Mr. Yu Yong, Mr. Chen Jiping and Mr. Wu Changming as the executive directors of the 10th session of the Board of Directors of the Company; and elected Mr. Yang Xudong and Mr. Du Jian as the non-executive directors of the 10th session of the Board of Directors of the Company; and elected Mr. Zhang Jianping, Mr. Lu Taiping and Ms. Zhao Jianli as independent non-executive directors of the tenth session of the board of directors of the Company; Mr. Guo Xiaoze and Mr. Jiang Yue were elected as the shareholder representative supervisors of the tenth session of the Supervisory Committee of the Company (Ms. Li Huairu was elected as the employee representative supervisor of the tenth session of the Supervisory Committee at the employee representative meeting of the Company). The term of office of the above persons shall be three years commencing from 6 June 2024. For details, please refer to the announcement of the Company dated 6 June 2024 published on the website of the Stock Exchange in relation to, among other things, change of Directors, Supervisors, members of the Board committees and authorized representative and announcements of the Company titled “Announcement on Resolutions of the Forty-fifth Meeting of the Ninth Session of the Board of Directors” (Lin 2024-009), “Announcement on Resolutions of the Thirty-second Meeting of the Ninth Session of the Supervisory Committee” (Lin 2024-010), “Announcement on the Election of Employee Representative Supervisors” (Lin 2024-011) and the “Announcement on the Resolutions of the First Extraordinary General Meeting of Shareholders in 2024” (Lin 2024-023) published on the website of the Shanghai Stock Exchange.

Public issuance of corporate bonds to professional investors

In order to further broaden financing channels, reduce financing costs, satisfy the Company's development capital requirements and optimize the debt structure, the Company intends to apply for registration with the China Securities Regulatory Commission ("CSRC") and publicly issue corporate bonds with a scale of not more than RMB5 billion (including RMB5 billion) and a term of not more than 5 years (including 5 years) to professional investors on the Shanghai Stock Exchange. The use of funds raised by bonds includes but is not limited to project construction, equity contribution, repayment of corporate debts and replenishment of working capital. The matter was considered and approved at the second meeting of the tenth session of the Board and the second meeting of the tenth session of the Supervisory Committee of the Company held on 28 June 2024 and the first extraordinary general meeting of 2024 held on 25 July. In November 2024, the issuance of corporate bonds was registered with the CSRC (Zheng Jian Xu Ke [2024] No.1496). From December 10 to December 11, 2024, the Company publicly issued corporate bonds (high-growth industrial bonds) (Phase I). The issuance scale of the first type of bonds was RMB1.5 billion, the coupon rate was 1.65%, and the subscription multiple was 3.89 times; the issuance of the second type of bonds was cancelled. From February 28, 2025 to March 3, 2025, the Company publicly issued the Rural Revitalization Corporate Bonds (the first tranche). The issuance scale of the first tranche of the bonds was RMB1.3 billion, with a coupon rate of 1.99% and a subscription multiple of 4.49 times; the issuance scale of the second tranche of the bonds was RMB700 million, with a coupon rate of 2.15% and a subscription multiple of 4.53 times. For details, please refer to the announcements of the Company dated 28 June 2024, 7 November 2024, 6 December 2024, 11 December 2024, 26 February 2025, 3 March 2025 in relation to the issue of corporate bonds in the PRC published on the website of the Stock Exchange and the announcements of the Company titled "Announcement on the Application for Registration for Public Issuance of Corporate Bonds" (Lin 2024-020), "Announcement on the Approval for Registration from the CSRC for Public Issuance of Corporate Bonds to Professional Investors" (Lin 2024-029) published on the website of the Shanghai Stock Exchange.

Reconstruction and Expansion Project Station Toll Operation of Guangde-Xuancheng Section of G50 Huyu Expressway

The reconstruction and expansion project of Xuanguang Expressway has been completed. On January 26, 2025, the People's Government of Anhui Province issued the "Approval of the People's Government of Anhui Province on the Toll Collection Operation of the Reconstruction and Expansion Project of Guangde-Xuancheng Section of G50 Huyu Expressway" (No.11 of Anhui Zhengmi in 2025), according to which, it agreed to the setting up of toll collection stations for the reconstruction and expansion project of Guangde-Xuancheng Section of G50 Shanghai-Chongqing Expressway, to be operated by Guangxuan Company. The Guangxuan reconstruction and expansion project will be charged from the date of opening, and the operation period will not be determined for the time being. After five years of operation, it will be evaluated and determined according to the latest relevant policies of the country and the province.

Invest in the reconstruction and expansion project of G50 Shanghai-Chongqing Expressway from Gezidun Junction to the boundary between Anhui and Hubei

In order to further improve the traffic capacity and service level of the national expressway, enhance the competitiveness of the G50 Shanghai-Chongqing Expressway from Gezidun Hub to the boundary between Anhui and Hubei (hereinafter referred to as “**Gaojie Expressway**”) in the road network, and promote the high-quality economic and social development of the areas along the line and the healthy and sustainable development of the Company, the Company intends to invest in the reconstruction and expansion project of Gaojie Expressway. The total investment of the project is estimated to be RMB12.303 billion yuan, of which the capital is about RMB2.461 billion yuan, accounting for 20% of the investment, which is the Company’s own funds, and the remaining RMB9.842 billion is financed by bank loans and other financing methods. The matter was considered and approved at the seventh meeting of the tenth session of the Board of the Company. For details, please refer to the announcement of the Company dated 28 June 2024 published on the website of the Stock Exchange and the announcements of the Company titled “Announcement on the Resolutions of the Seventh Meeting of the Tenth Session of the Board of Directors” (Lin 2025-002) and “Announcement on the Investment in the Reconstruction and Expansion Project of G50 Shanghai-Chongqing Expressway from Gezidun Junction to the Boundary between Anhui and Hubei” (Lin 2025-003) published on the website of the Shanghai Stock Exchange. As of the date of this announcement, the preliminary design of the reconstruction and expansion project has been approved by the Ministry of Transport, and the next step is to refine the construction drawing design and strive to obtain the approval of the construction drawing by the end of April.

Payment of toll for Wan R and Wan H licenses small passenger cars Passing Through Anqing Yangtze River Highway Bridge

On January 24, 2022, Chizhou Municipal People’s Government, Anqing Municipal People’s Government (hereinafter referred to as the “**two municipal governments**”), Anhui Traffic Control Group and Anqing Bridge Company signed the “Cooperation Agreement on Toll Reduction and Exemption for Small Passenger Cars through Financial Subsidies for Anqing Yangtze River Highway Bridge”. By means of financial subsidies, the two municipal governments provide financial subsidies to small passenger cars with “Wan R, Wan H” license plates with 9 seats or less for ETC users who pass through ETC lanes and only travel between Anqing Bridge Toll Station and Dadukou Toll Station. The subsidy standard is RMB21 per vehicle, and preferential treatment is given in accordance with the relevant policies of expressway tolls in Anhui Province. Vehicles that meet the subsidy conditions can pass through the Anqing Yangtze River Highway Bridge free of charge. It will be implemented from 0:00 on January 25, 2022, with a tentative validity period of three years.

On January 17, 2025, the Transportation Bureau of Anqing City and the Transportation Bureau of Chizhou City issued the “Announcement on the Adjustment of the Local Small Bus Toll Subsidy Mode of Anqing Yangtze River Highway Bridge”, which will adjust the local small bus toll financial subsidy mode of Anqing Yangtze River Highway Bridge from 0:00 on January 25, 2025. For small passenger cars that meet the subsidy conditions, “first deduction, then return, full subsidy” will be implemented, and after the vehicle passes through the Anqing Yangtze River Highway Bridge, it can apply for the toll subsidy through the “Anqing Yangtze River Highway Bridge Toll Subsidy” WeChat mini program.

XII. PROSPECTS AND OUTLOOK

As an important part of modern transportation network, expressway plays an irreplaceable role in promoting regional economic development, promoting logistics efficiency and facilitating people’s travel. In recent years, with the change of macroeconomic environment and the structural adjustment within the industry, the expressway industry is facing many opportunities and challenges.

1. The macroeconomic trend is good and the industry has broad prospects

Faced with the complex and severe international situation, China’s economy has been running smoothly and the quality of development has been steadily improved. The continuous growth of economy is the key driving force for the growth of traffic demand. With the further development of China’s economy, the highway industry, especially the highway industry, will still have a broad space for development and many opportunities. From the perspective of social benefits, transportation is an important support for the national economy, and the national policy on transportation infrastructure construction is continuous, which means that the highway industry will continue to receive policy support in the future to meet the needs of economic and social development.

2. The new generation of information technology is deeply integrated with transportation, and the process of highway intellectualization is accelerated

During the “14th Five-Year Plan” period, in order to speed up the construction of a strong transportation country, improve the transportation infrastructure network, and enhance the resilience and security of the transportation system, the state has taken intelligent transportation as the key development direction of the transportation industry, and has successively introduced supporting policies and supporting measures to promote the development of transportation towards intelligence and informatization. The “14th Five-Year Plan for Scientific and Technological Innovation in the Field of Transportation” issued by the Ministry of Transport and the Ministry of Science and Technology proposes that intelligent transportation should be vigorously developed and integration of new generation information technologies such as cloud computing, big data, Internet of Things, and artificial intelligence with transportation should be promoted. With the continuous implementation and promotion of China’s intelligent transportation policy, it will accelerate the deep integration of the new generation of information technology and transportation, and bring opportunities for the rapid development of China’s wisdom.

3. Deepening the reform of state-owned enterprises to promote high-quality development

The report of the 20th National Congress of the Communist Party of China clearly points out that we should deepen the reform of state-owned enterprises and promote state-owned capital and state-owned enterprises to become stronger, better and bigger. In this context, most local state-owned enterprises have made clear that highway listed companies and their controlling shareholders will carry out a series of development measures such as equity incentives, asset securitization, transformation and upgrading. In the specific implementation path, highway enterprises mainly start from the following aspects to promote reform. Firstly, equity incentive plans should be actively carried out and incentive schemes rationally designed, to closely bind the interests of employees with the development of enterprises, and enhance the cohesion and centripetal force of enterprises. Second, speed up the process of asset securitization, through listing financing, asset restructuring and other means, revitalize the stock assets, optimize asset allocation, improve the efficiency of asset operation, and enhance the financing capacity and market influence of enterprises. For example, injecting high-quality road assets into listed companies to maximize the value of assets; or integrate the upstream and downstream resources of the industrial chain, build highway industrial clusters, and enhance synergy and comprehensive competitiveness. The third is to promote business transformation and upgrading. In addition to the traditional toll road business, it can also expand to new areas such as transportation technology, intelligent logistics and energy services, cultivate new growth points, and adapt to market changes and new trends in industry development.

4. The industry is facing many challenges and sustained development is under pressure.

The development of highway industry is also facing a series of challenges. The slowdown of economic growth has limited the growth of toll revenue, while the cost of land acquisition and demolition, labor costs and other rising, making the construction cost of toll roads rising. At the same time, the safety monitoring facilities, environmental protection, road conditions and other standards improve on an ongoing basis. The amount of reduction and exemption of various policies continues to rise, the management cost of implementing the green pass policy and the free policy for major holidays continues to increase, and the impact of changes in transportation modes such as “expressway to railway” and “expressway to water transport” and the adjustment of road network structure on the diversion of vehicles on road sections persists. All these factors make the traditional investment and financing mode face the problem of declining return on investment. Innovation and development of the industry is imminent. This requires enterprises, on the one hand, to be more cautious in making investment decisions, to fully assess the long-term benefits and risks of the project, and to find potential emerging markets or subdivisions for layout in order to improve the return on investment. On the other hand, we should strengthen the construction of cost management system and reduce construction costs, operation and maintenance costs and road maintenance costs by means of technological innovation and management innovation.

By Order of the Board
Anhui Expressway Company Limited
Wang Xiaowen
Chairman

Hefei, Anhui, the PRC
30 March 2025

As at the date of this announcement, the Board comprises: Wang Xiaowen (chairman), Yu Yong, Chen Jiping and Wu Changming as executive directors, Yang Xudong and Du Jian as non-executive directors, and Zhang Jianping, Lu Taiping and Zhao Jianli as independent non-executive directors.