

2025 Interim Report



深圳高速公路集团股份有限公司
SHENZHEN EXPRESSWAY CORPORATION LIMITED

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 600548 (SSE) 00548 (HKEx))

Cautionary Statement in relation to Forward-looking Statement:

Beside statements of facts, this report also contains certain “forward-looking statements”, including, without limitation, statements relating to all anticipation, objectives, estimations and operation plans of the Company which are anticipated or expected to happen. Forward-looking statements involve certain general or specifically known or unknown risk and negative factors. Affected by these factors, the future results of the Company may substantially differ from these forward looking statements. Readers of this report should consider the aforesaid and other factors carefully, and should not place undue reliance on such “forward-looking statements”. In addition, the Company undertakes no obligation to update or revise any forward-looking statements in this report publicly in respect of any future information, incident or any other reason. The Company and any of its employee or associate make no representation or assurance to the future performance of the Company and expressly disclaim any responsibilities of such statements.



The Board, the Supervisory Committee and the Directors, the Supervisors, the Senior Management of the Company confirm the truthfulness, accuracy and completeness of the content of this interim report and that there are no false representations or misleading statements contained in or material omissions from this report, and assume several and joint legal responsibility.

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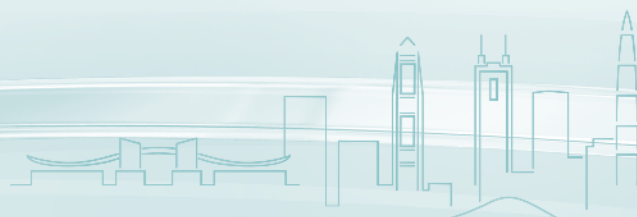
Definition and Cautionary Statement

1. Definitions

In this report, the following expressions shall have the meanings set out below unless the context otherwise requires:

Reporting Period, 2025 Interim, Period	For the six months from 1 January 2025 to 30 June 2025.
Reporting date	The date on which the Interim Report 2025 of the Company is approved by the Board, being 22 August 2025.
YOY	Year-on-year change rate as compared to the same period of 2024.
The Company, Shenzhen Expressway	Shenzhen Expressway Corporation Limited.
The Group	The Company and its consolidated subsidiaries.
RMB/yuan	Renminbi yuan, the lawful currency of PRC.
CSRC	China Securities Regulatory Commission.
SFC	Securities and Futures Commission of Hong Kong.
SSE	The Shanghai Stock Exchange.
SZEX	The Shenzhen Stock Exchange.
HKEx	The Stock Exchange of Hong Kong Limited.
Listing Rules	The Rules Governing the Listing of Securities on HKEx and/or the Rules Governing the Listing of Stocks on SSE (as the case may be).
CASBE	The Accounting Standards for Business Enterprises (2006) of the PRC and the specific accounting standards as well as relevant provisions issued later.
State Council	State Council of the People's Republic of China (中華人民共和國國務院).
SASAC	State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會).
NDRC	National Development and Reform Commission of the People's Republic of China (中華人民共和國國家發展和改革委員會).
MOT	Ministry of Transport of the People's Republic of China (中華人民共和國交通運輸部).
National Energy Administration	National Energy Administration of the People's Republic of China (中華人民共和國國家能源局).
Ministry of Finance	Ministry of Finance of the People's Republic of China (中華人民共和國財政部).
Ministry of Industry and Information Technology	Ministry of Industry and Information Technology of the People's Republic of China (中華人民共和國工業和信息化部).

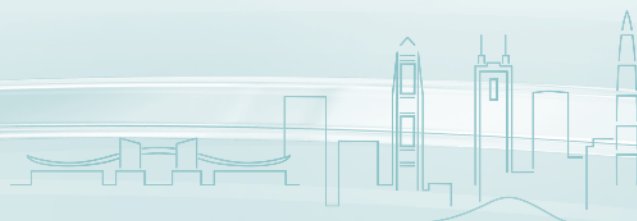
Ministry of Ecology and Environment	Ministry of Ecology and Environment of the People's Republic of China (中華人民共和國生態環境部).
Ministry of Housing and Urban-Rural Development	Ministry of Housing and Urban-Rural Development of the People's Republic of China (中華人民共和國住房和城鄉建設部).
Guangdong PDRC	Guangdong Provincial Development and Reform Commission (廣東省發展和改革委員會).
Shenzhen SASAC	State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government (深圳市人民政府國有資產監督管理委員會).
Shenzhen Transport Bureau	Transport Bureau of Shenzhen Municipality (深圳市交通運輸局).
SIHC	Shenzhen Investment Holdings Company Limited (深圳市投資控股有限公司).
Shenzhen International	Shenzhen International Holdings Limited (深圳國際控股有限公司).
XTC Company	Xin Tong Chan Development (Shenzhen) Company Limited (新通產實業開發(深圳)有限公司).
SGH Company	Shenzhen Shen Guang Hui Highway Development Company Limited (深圳市深廣惠公路開發有限公司).
Advance Great Company	Advance Great Limited (晉泰實業公司).
CMET	China Merchants Expressway Network & Technology Holdings Company Limited (招商局公路網絡科技控股股份有限公司).
GDRB Company	Guangdong Roads and Bridges Construction Development Company Limited (廣東省路橋建設發展有限公司).
Yunshan Capital	Jiangsu Yunshan Capital Management Co., LTD. (江蘇雲杉資本管理有限公司).
Anhui Expressway	Anhui Expressway Company Limited (安徽皖通高速公路股份有限公司).
Shenzhen International (Shenzhen)	Shenzhen International Holdings (SZ) Limited (深國際控股(深圳)有限公司).
SIICH	Shenzhen Investment International Capital Holdings Company Limited (深圳投控國際資本控股有限公司), a wholly-owned subsidiary of SIHC.
SIICHIC	Shenzhen Investment International Capital Holdings Infrastructure Company Limited (深圳投控國際資本控股基建有限公司).
Guangming Environment	Shenzhen Guangming Environment Technology Company Limited (深圳光明深高速環境科技有限公司).
Guishen Company	Guizhou Guishen Investment Development Company Limited (貴州貴深投資發展有限公司).



Definition and Cautionary Statement

Bank of Guizhou	Bank of Guizhou Company Limited (貴州銀行股份有限公司).
Huayu Company	Shenzhen Huayu Expressway Investment Company Limited (深圳市華昱高速公路投資有限公司).
Environmental Company	Shenzhen Expressway Environmental Company Limited (深圳高速環境有限公司).
Infrastructure and Environmental Protection Company	Shenzhen Expressway Infrastructure and Environmental Protection Development Company Limited (深圳深高速基建環保開發有限公司).
Fund Company	Shenzhen Expressway Private Equity Industrial Investment Fund Management Company Limited (深圳高速私募產業投資基金管理有限公司).
Construction Company	Shenzhen Expressway Construction Development Company Limited (深圳高速建設發展有限公司).
Architecture Technology Company	Shenzhen Expressway Architecture Technology Development Company Limited (深圳高速建築科技發展有限公司).
Asphalt Technology Company	Shenzhen Expressway Asphalt Technology Development Company Limited (深圳高速瀝青科技發展有限公司).
Longda Company	Shenzhen Longda Expressway Company Limited (深圳龍大高速公路有限公司).
Meiguan Company	Shenzhen Meiguan Expressway Company Limited (深圳市梅觀高速公路有限公司).
Nanjing Third Bridge Company	Nanjing Yangtze River Third Bridge Company Limited (南京長江第三大橋有限責任公司).
Qinglian Company	Guangdong Qinglian Highway Development Company Limited (廣東清連公路發展有限公司).
Qinglong Company	Shenzhen Qinglong Expressway Company Limited (深圳清龍高速公路有限公司).
Financial Leasing Company	Shenzhen Expressway Financial Leasing Company Limited (深圳市深高速融資租賃有限公司).
Business Company	Shenzhen Expressway Business Company Limited (深圳深高速商務有限公司).
Shenchang Company	Changsha Shenchang High Speed Trunk Road Company Limited (長沙市深長快速幹道有限公司).
Digital Technology Company	Shenzhen Expressway Digital Technology Company Limited (深圳高速公路集團數字科技有限公司).
Shenshan Qiantai	Shenzhen Shenshan Special Cooperation Zone Qiantai Technology Company Limited (深圳深汕特別合作區乾泰技術有限公司).

Investment Company	Shenzhen Expressway Investment Company Limited (深圳高速投資有限公司).
Outer Ring Company	Shenzhen Outer Ring Expressway Investment Company Limited (深圳市外環高速公路投資有限公司).
Property Company	Shenzhen Expressway Property Management Company Limited (深圳高速物業管理有限公司).
GZ W2 Company	Guangzhou Western Second Ring Expressway Company Limited (廣州西二環高速公路有限公司).
Coastal Company	Shenzhen Guangshen Coastal Expressway Investment Company Limited (深圳市廣深沿江高速公路投資有限公司).
Yangmao Company	Guangdong Yangmao Expressway Company Limited (廣東陽茂高速公路有限公司).
Yichang Company	Hunan Yichang Expressway Development Company Limited (湖南益常高速公路開發有限公司).
Yunji Intelligent (Former Consulting Company)	Yunji Intelligent Engineering Holding Company Limited (雲基智慧工程股份有限公司).
Operation Development Company	Shenzhen Expressway Operation Development Company Limited (深圳高速運營發展有限公司).
Engineering Development Company	Shenzhen Expressway Engineering Development Company Limited (深圳高速工程發展有限公司).
Guangdong Qizhen	Guangdong Qizhen Highway Engineering Co., Ltd. (廣東啟振公路工程有限公司).
Mei Wah Company	Mei Wah Industrial (Hong Kong) Limited (美華實業(香港)有限公司).
Logistics Financial Company	China Logistics Financial Services Limited (中國物流金融服務有限公司).
Yichang Operation Management Company	Hunan Yichang Expressway Operation Management Company Limited (湖南益常高速公路運營管理有限公司).
Meiguan Expressway	The expressway from Meilin to Guanlan in Shenzhen City. The Toll-Free Section of Meiguan Expressway refers to the section from Meilin to Guanlan with a mileage of approximately 13.8 km, which has become toll-free from 24:00 on 31 March 2014. The Toll Section of Meiguan Expressway refers to the section from Shenzhen-Dongguan border to Guanlan with a mileage of approximately 5.4 km which remains toll collection.
Jihe Expressway	The expressway from Shenzhen International Airport to He'ao in Shenzhen City, comprising Jihe East (Qinghu to He'ao) and Jihe West (Airport to Qinghu).
Jihe Expressway R&E Project	The reconstruction and expansion project of the section from He'ao to Shenzhen Airport of Shenyang-Haikou National Expressway



Definition and Cautionary Statement

Shuiguan Expressway	The expressway from Shuijingcun to Guanjintou in Shenzhen City.
Shuiguan Extension	An extension to Shuiguan Expressway, Phase I of Qingping Expressway (the expressway from Yulongkeng to Pinghu in Shenzhen City).
Outer Ring Project	The project of Shenzhen section of Outer Ring Expressway in Shenzhen City (referred to as Outer Ring Expressway), among which, the section with the length of 35.67 km from Shajing to Guanlan and the section with the length of 15.06 km from Longcheng to Pingdi, totalling approximately 51 km (referred to as Outer Ring Phase I) has opened to traffic on 29 December 2020. The section with the length of 9.35 km from the end of Longgang Section of Outer Ring Phase I to Kengzi via Pingdi etc. (referred to as Outer Ring Phase II) has opened to traffic on 1 January 2022. The section with the length of 16.8 km from Kengzi to Dapeng (referred to as Outer Ring Phase III) has started construction in late 2023.
Coastal Project	The section from Nanshan, Shenzhen to Dongbao River (the boundary between Dongguan and Shenzhen) (referred to as Coastal Expressway (Shenzhen Section)) of the coastal expressway from Guangzhou to Shenzhen (referred to as Coastal Expressway). Among which, the project of the main line of Coastal Expressway (Shenzhen Section) and related facilities are referred to as Coastal Phase I , and the project of the ramp bridge of airport interchange of Coastal Expressway (Shenzhen Section) and related facilities are referred to as Coastal Phase II .
Longda Expressway	The expressway from Longhua, Shenzhen to Dalingshan, Dongguan. Starting from 0:00 on 7 February 2016, a total of 23.8 km of the Shenzhen section of Longda Expressway (i.e. the section from Longhua Shenzhen to Nanguang expressway ramp access) has been operated by toll-free with card access method, and had been transferred to Shenzhen Transport Bureau from 0:00 on 1 January 2019. The Toll Section of Longda Expressway refers to the section of about 4.426 km starting from north of Songgang to Guanfo expressway, which still retains toll collection.
Qinglian Expressway	The expressway from Qingyuan to Lianzhou.
Yangmao Expressway	The expressway from Yangjiang to Maoming.
GZ W2 Expressway	The section from Xiaotang to Maoshan of Guangzhou Ring Expressway, also referred to as Guangzhou Western Second Ring Expressway.
Changsha Ring Road	Changsha Ring Expressway (North-Western Section).
Nanjing Third Bridge	Nanjing Yangtze River Third Bridge.
Yichang Project	The expressway from Yiyang to Changde in Hunan (referred to as Yichang Expressway) and Changde connection line.
Four Expressways	Nanguang Expressway, Yanpai Expressway, Yanba Expressway and the Shenzhen section of Longda Expressway, all of which have been transferred to Shenzhen Transport Bureau from 0:00 on 1 January 2019.

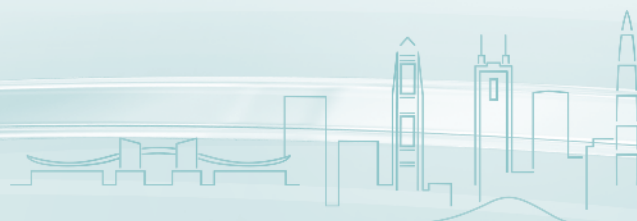
Bay Area Development	Shenzhen Investment Holdings Bay Area Development Company Limited (深圳投控灣區發展有限公司), a red chip company listed on the HKEx, stock code: 00737.
Shenwan Infrastructure	Shenwan Bay Area Infrastructure (Shenzhen) Company Limited (深灣基建(深圳)有限公司).
Xintang JV	Guangzhou Zhentong Development Company Limited (廣州臻通實業發展有限公司).
Guangshenzhu Company	Guangshenzhu Expressway Co., Ltd (廣深珠高速公路有限公司), whose core business encompasses the investment, construction, operation and management of Guangzhou-Shenzhen Expressway, completed its corporate restructuring and registered organisational changes in April 2025. Bay Area Development is indirectly entitled 45% stake in Guangshenzhu Company.
Guangdong Construction	Guangdong Provincial Highway Construction Company Limited (廣東省公路建設有限公司), which holds a 55% stake in Guangshenzhu Company.
GS Expressway, the Guangzhou-Shenzhen section of G4	The Guangzhou-Shenzhen section of Beijing-Hong Kong-Macao Expressway (G4), starting from Huangcun interchange in Tianhe District, Guangzhou in the north, ends at Huanggang Checkpoint in Futian District, Shenzhen in the south, with a total length of approximately 122.8 km.
GZ West Expressway	Guangzhou-Zhuhai West Expressway, comprising Phase I, Phase II and Phase III, starts from Hainan interchange of Liwan District, Guangzhou in the north and to Yuehuan Interchange of Tanzhou Town, Zhongshan in the south, with a total length of approximately 98 km.
Shenzhen-Zhongshan Link	A cross-sea passage connecting Shenzhen with Zhongshan and Guangzhou in Guangdong Province.
Shenshan Environmental Park Project	The entrusted construction and management project for the whole process in relation to the infrastructure and ancillary projects for Shenshan Eco-Environmental Science and Technology Industrial Park which is undertaken by the Group.
Guilong Project	The construction project of phase I of Guilong Road in Longli, Guizhou under BT model and the primary development project of relevant land which is undertaken by the Group.
Longli River Bridge Project (Former Duohua Bridge Project)	A road construction project from Jichang Village to Duohua Village in Longli County undertaken by Guishen Company under BT model. The major part of the project is Longli River Bridge.
Guizhou Property	Guizhou Shenzhen Expressway Property Company Limited (貴州深高速置地有限公司).
Guizhou Hengtongli	Guizhou Hengtongli Property Company Limited (貴州恒通利置業有限公司).



Definition and Cautionary Statement

Land of Longli Project	The peripheral land of Guilong Project and the Longli River Bridge Project which were successfully bid by the Group. As at the end of the Reporting Period, the Group has cumulatively won the bids for the land of Longli Project with an area of approximately 3,038 mu, including 2,770 mu for Guilong Project and 269 mu for the Longli River Bridge Project.
Guilong Development Project	The proprietary secondary development project of the land with an area of over 1,000 mu in Guilong Project, which is conducted by the Group with approval from the Board.
Meilin Checkpoint Renewal Project	The Urban Renewal Project of Meilin Checkpoint of Minzhi Office in Longhua District, the entity which carried out the project is United Land Company and the area of the land is approximately 96,000 square meters.
Shenzhen Water Planning	Shenzhen Water Planning & Design Institute Company Limited (深圳市水務規劃設計院股份有限公司), a company listed on the Shenzhen Stock Exchange, stock code: 301038.
Derun Environment	Chongqing Derun Environment Company Limited (重慶德潤環境有限公司).
Chongqing Water	Chongqing Water Group Company Limited (重慶水務集團股份有限公司), a company listed on the SSE, stock code: 601158.
Sanfeng Environment	Chongqing San Feng Environmental Industrial Group Company Limited (重慶三峰環境集團股份有限公司), a company listed on the SSE, stock code: 601827.
Nanjing Wind Power	Nanjing Wind Power Technology Company Limited (南京風電科技有限公司).
Baotou Nanfeng	Baotou Nanfeng Wind Power Technology Company Limited (包頭市南風風電科技有限公司).
Baotou Ningyuan	Damao Ningyuan Wind Power Company Limited (達茂旗寧源風力發電有限公司), a wholly-owned subsidiary of Baotou Nanfeng.
Baotou Ningxiang	Damao Ningxiang Wind Power Company Limited (達茂旗寧翔風力發電有限公司), a wholly-owned subsidiary of Baotou Nanfeng.
Baotou Ningfeng	Damao Ningfeng Wind Power Company Limited (達茂旗寧風風力發電有限公司), a wholly-owned subsidiary of Baotou Nanfeng.
Baotou Nanchuan	Damao Nanchuan Wind Power Company Limited (達茂旗南傳風力發電有限公司), a wholly-owned subsidiary of Baotou Nanfeng.
Lingxiang Company	Baotou Lingxiang New Energy Company Limited (包頭市陵翔新能源有限公司), a wholly-owned subsidiary of Baotou Nanfeng.
New Energy Company	Shenzhen Expressway New Energy Holdings Company Limited (深圳高速新能源控股有限公司).
Shengneng Technology	Shenzhen Expressway Shengneng Technology Company Limited (深圳深高速晟能科技有限公司).

Jinshen New Energy	Shenzhen Jinshen New Energy Company Limited (深圳金深新能源有限公司).
Jishen New Energy	Pingshan Jishen New Energy Technology Co., Ltd. (平山縣冀深新能源科技有限公司).
Jinxin New Energy	Duyun Jinxin New Energy Company Limited (都勻市金鑫新能源有限公司).
Guangdong New Energy	Shenzhen Expressway (Guangdong) New Energy Investment Company Limited (深高速(廣東)新能源投資有限公司).
Huai'an Zhongheng	Huai'an Zhongheng New Energy Company Limited (淮安中恒新能源有限公司).
SPIC Fujian Company	State Power Investment Corporation Fujian Electric Power Company Limited (國家電投集團福建電力有限公司).
Nanjing Avis	Nanjing Avis Transmission Technology Company Limited (南京安維士傳動技術股份公司).
Fenghe Energy	Shenzhen Fenghe Energy Investment Limited (深圳峰和能源投資有限公司).
Yongcheng Zhuneng	The 32 MW wind power project in Yongcheng City, Shangqiu City, Henan Province.
Zhongwei Gantang	The 49.5 MW wind power project in Gantang, Zhongwei City, Ningxia Province.
Xinjiang Mulei	The wind power project of Changji Mulei Laojunmiao Wind Farm in Xinjiang Zhundong New Energy Base, including Qianzhi, Qianhui and QianXin projects.
Qianzhi	Xinjiang Mulei County Qianzhi New Energy Development Company Limited (新疆木壘縣乾智能源開發有限公司).
Qianhui	Xinjiang Mulei County Qianhui New Energy Development Company Limited (新疆木壘縣乾慧能源開發有限公司).
Qianxin	Xinjiang Mulei County Qianxin New Energy Development Company Limited (新疆木壘縣乾新能源開發有限公司).
Zhangshu Gaochuan	About 20 MW wind power generation project in Zhangshu City, Jiangxi Province.
Guangming Environmental Park Project	The Shenzhen Guangming Environmental Park Project, invested in and constructed by the Company under the BOT model.
Bioland	Shenzhen Expressway Bioland Environmental Technologies Corp., Ltd (深高藍德環保科技集團股份有限公司).



Definition and Cautionary Statement

Lisai Environmental	Shenzhen Lisai Environmental Technology Limited (深圳市利賽環保科技有限公司).
Shaoyang Project	The concession project of kitchen waste collection and disposal in Shaoyang, Hunan Province.
Unitoll Services	Guangdong Unitoll Services Incorporated (廣東聯合電子服務股份有限公司).
United Land	Shenzhen International United Land Company Limited (深圳市深國際聯合置地有限公司).
Gaoleyi	Shenzhen Expressway Gaoleyi Health and Elderly Care Services Limited (深圳高速高樂亦健康養老有限公司).
Fengrunjiu	Shenzhen Guangming Fengrunjiu Health Services Limited (深圳光明鳳潤玖健康服務有限公司).
BOT (model)	Build-Operate-Transfer model.
EPC (model)	Engineering Procurement Construction model.
BIM	Building Information Modelling, which is a model equipped with a complete and realistic construction database by building a virtual three-dimensional construction model and using digitisation technology.
ETC	Electronic Toll Collection, a system used to electronically collect tolls on highways.
Coastal Freight Compensation Scheme	Shenzhen Transport Bureau and the Company entered into the freight compensation agreement, wherein it is agreed that during the period from 1 January 2021 to 31 December 2024, the vehicles passing the Coastal Project should be charged at 50% of the standard rate of the toll, and such toll waived by the Company and Coastal Company shall be compensated by the government in a one-off manner in March of the following year.
ISCC	International Sustainability & Carbon Certification (國際可持續發展與碳認證).

Note:

1. For principal business of the investee companies of the Company, please refer to the Group Structure in "Introduction of the Company" of this report.
2. For information on the projects operated, invested and managed by the Company, please refer to the website of the Company at <http://www.sz-expressway.com>.

II. Cautionary Statement on Risk

Detailed analysis and description on the future operation and development of the Group were set out in "Management Discussion and Analysis" of this Interim Report. Investors' inspection and attention are reminded.

Introduction of the Company

Incorporated in Shenzhen on 30 December 1996, the Company principally engages in the investment, construction, operation and management of toll highway, as well as the general-environmental protection business. At present, the general-environmental protection business mainly includes solid waste recycling management, and clean energy power generation. In addition, the Company provides construction management and highways operation maintenance services for the government and other enterprises. Building on relevant management experience and resources and relying on its core business, the Company has launched in the related businesses such as project development and management, road operation and maintenance, intelligent transportation, engineering management and industrial financial services.

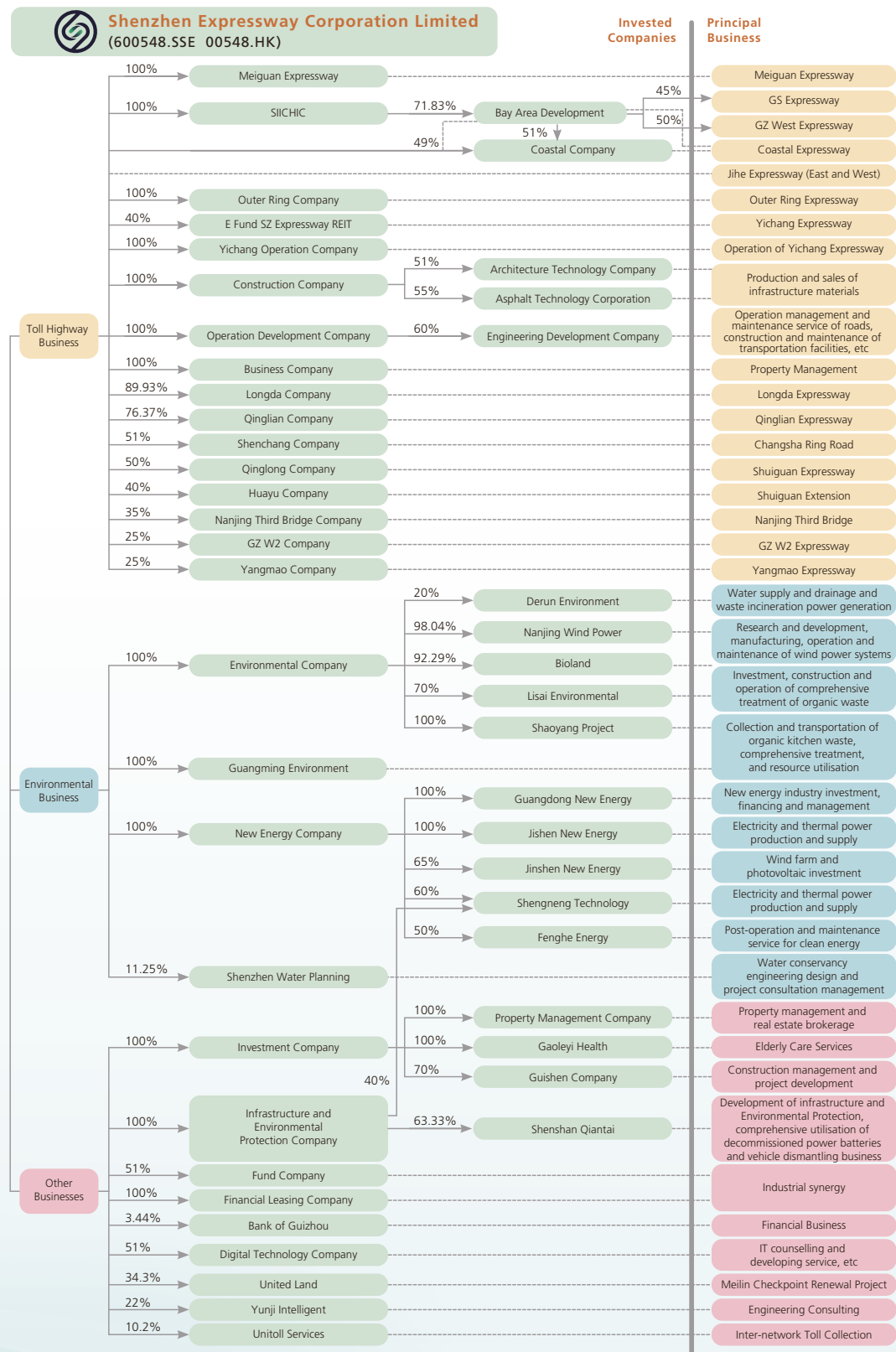
As of the end of the Reporting Period, the Company operated and invested in a total of 16 highway projects. The total mileage of the high-grade highways invested in or operated by the Company (on equity basis) is approximately 613 kilometres. The Company participated in regional urban infrastructure development projects and invested in environmental protection, clean energy, and industrial financial projects, and set up multiple platform companies: Investment Company, Construction Company, Operation Development Company, Environmental Company, Urban Infrastructure Company and New Energy Company, etc.

As at the end of the Reporting Period, the Company had 2,537,856,127 ordinary shares in issue, of which 1,790,356,127 A Shares were listed and traded on the SSE, representing approximately 70.55% of the Company's total share capital; and 747,500,000 H Shares were listed and traded on the Stock Exchange, representing approximately 29.45% of the Company's total share capital. XTC Company, one of the promoters of the Company and currently a wholly-owned subsidiary of Shenzhen International (stock code: 00152) which is listed on the HKEx, is currently holding approximately 28.79% shares of the Company as the largest shareholder of the Company. Shenzhen International indirectly owns a total of 47.30% equity interests of the Company, and is the indirect controlling shareholder of the Company.



Introduction of the Company

As at the end of the Reporting Period, the Group's principal investee companies and business structure are shown as follows:



Note: This structure chart only includes the first level and the second level subsidiaries and joint-stock enterprises of the group, and the third level and below subsidiaries and joint-stock enterprises are not listed.

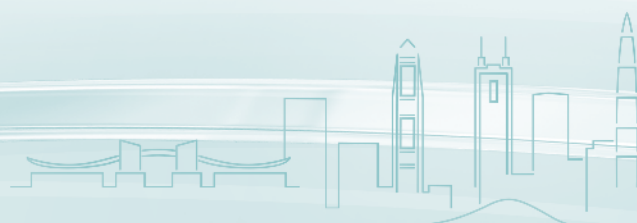
Financial Highlights/Summary

I. Principal Accounting Data and Financial Indicators in the Reporting Period

Item (unit: RMB)	2025 Interim (unaudited)	2024 Interim (unaudited)	Change (%)
Revenue	3,918,555,340.74	3,756,892,301.30	4.30
Total profit	1,255,312,119.50	1,099,724,969.99	14.15
Net profit/Loss attributable to owners of the Company (loss shown with "-")	959,891,990.84	773,857,169.47	24.04
Net profit attributable to owners of the Company – excluding non-recurring items/Loss (loss shown with "-")	899,651,218.85	673,242,747.10	33.63
Net cash flows from operating activities	1,954,978,990.73	1,760,822,084.42	11.03

Item (unit: RMB)	As at 30 Jun 2025 (unaudited)	As at 31 Dec 2024 (audited)	Change (%)
Owners' equity attributable to owners of the Company	26,916,838,311.98	21,903,521,723.27	22.89
Total assets	72,038,805,666.83	67,558,030,948.58	6.63

Item	2025 Interim (unaudited)	2024 Interim (unaudited)	Change (%)
Earnings/Loss per share – basic (RMB/share) (loss shown with "-")	0.382	0.312	22.44
Earnings/Loss per share – diluted (RMB/share) (loss shown with "-")	0.382	0.312	22.44
Earnings/Loss per share excluding non-recurring items – basic (RMB/share) (loss shown with "-")	0.357	0.266	34.21
Return on equity – weighted average (%)	4.34	3.68	Increase 0.66 pct.pt
Return on equity excluding non-recurring items – weighted average (%)	4.06	3.15	Increase 0.91 pct.pt



Financial Highlights/Summary

Description of Principal Accounting Data and Financial Indicators of the Company:

- During the current period, the Group redeemed early the RMB4 billion perpetual bonds issued in 2020. Concurrently, the Group also issued RMB4 billion of perpetual corporate bonds, which were classified as other equity instruments. In accordance with relevant regulations, the Company excluded the impact of the perpetual bonds/perpetual corporate bonds when calculating earnings per share and weighted average return on net assets for each period.

Non-recurring Profit/Loss Items and Amounts

Unit: Yuan Currency: RMB

Non-recurring Profit/Loss Item	2025 Interim	Notes
Gains or losses on disposal of non-current assets, including the reversal of previously recognised asset impairment provisions	-54,929.89	
Government grants recognised in the profit or loss for the period, except for those which are closely related to the Company's normal business operation, qualified with the requirements under national policies and according to established standards, and continuously impact on the Company's profit and loss	1,547,024.22	
Except for the effective hedging business in relation to the normal operation of the Company, profit and loss from fair value changes arising from the financial assets and the financial liabilities held by non-financial enterprises, and the profit and loss from the disposal of the financial assets and financial liabilities	76,421,030.52	Mainly due to the profit or loss from changes in the fair value of equity in associated companies
Other non-operating income and expenditure excluding above items	2,759,496.68	
Less: Income tax effects	18,552,753.40	
Minority shareholder's interest effects (after taxes)	1,879,096.14	
Total	60,240,771.99	

II. Financial Summary for Five Years

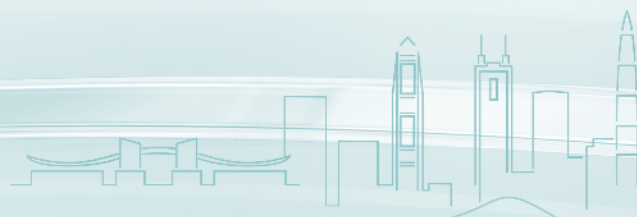
Financial Summary (unit: RMB million, unless otherwise stated)					
Item	2024	2023	2022 (restated)	2021 (restated)	2020 (restated)
Revenue	9,246	9,295	9,373	10,890	8,027
<i>of which: Toll revenue</i>	5,053	5,375	4,978	5,893	4,387
Profit before interests and tax	2,781	4,105	3,597	4,419	3,463
Net profit attributable to owners of the Company	1,145	2,327	2,016	2,618	1,771
Net cash inflows from operating activities	3,717	4,095	3,369	3,757	1,059
Interest covered multiple (Times)	2.69	3.42	3.16	4.05	3.16
Earnings per share (RMB)	0.441	0.982	0.839	1.115	0.805
Cash dividends per share (RMB)	0.244	0.55	0.462	0.62	0.43

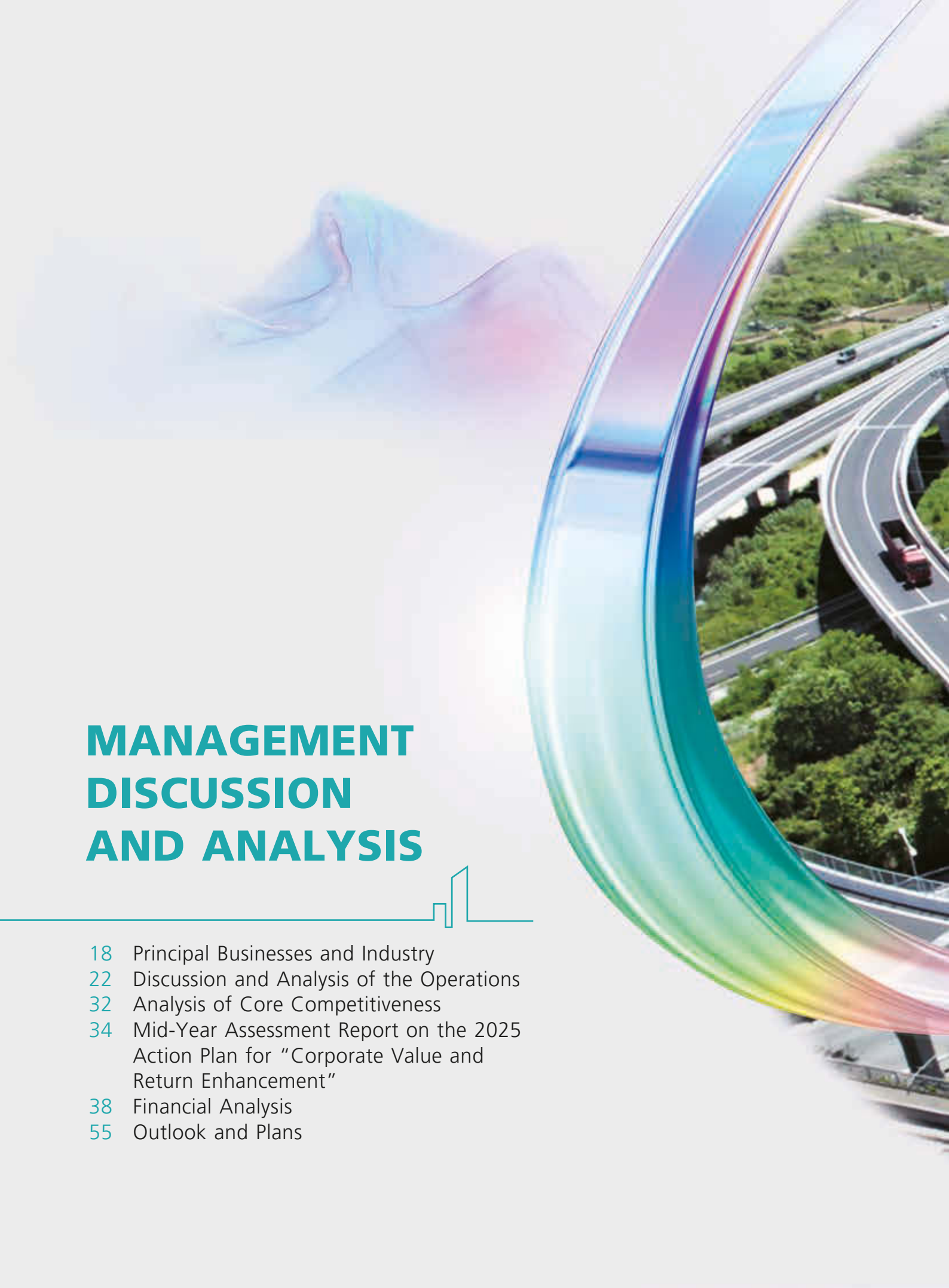
Item	Year-end 2024	Year-end 2023	Year-end 2022 (restated)	Year-end 2021 (restated)	Year-end 2020 (restated)
Total assets	67,558	67,507	69,205	72,312	67,073
Total liabilities	40,356	39,509	41,841	40,772	36,837
Total equity	27,202	27,999	27,364	31,539	30,236
Debt-to-asset ratio (%)	59.74	58.53	60.46	56.38	54.92
Gross liabilities-to-equity ratio (%)	148.36	141.11	152.90	129.28	121.83
Net borrowings-to-equity ratio (%)	108.03	106.18	110.12	79.12	74.05
Net assets per share (RMB)	8.21	8.42	7.96	9.89	9.22

Note 1: The acquisition of controlling interests in Financial Leasing Company, Logistics Financial Company, and Longda Company was completed in 2020. The acquisition of 100% equity in SILCHIC (holding 71.83% equity in Bay Area Development and consolidating its financial statements) was completed in 2022. These companies were consolidated into the Group as entities under the same control in the year of acquisition, and retrospective adjustments were made to the consolidated financial statements for previous years.

Description of Key Financial Ratios

Profit before interests and tax	=	Net profit + Income tax expenses + Interest expenses
Interest covered multiple	=	Profit before interests and tax/Interest expenses
Debt-to-asset ratio	=	Total liabilities/Total assets
Gross liabilities-to-equity ratio	=	Total liabilities/Total equity
Net borrowings-to-equity ratio	=	(Total amount of borrowings – Cash and cash equivalents)/Total equity





MANAGEMENT DISCUSSION AND ANALYSIS

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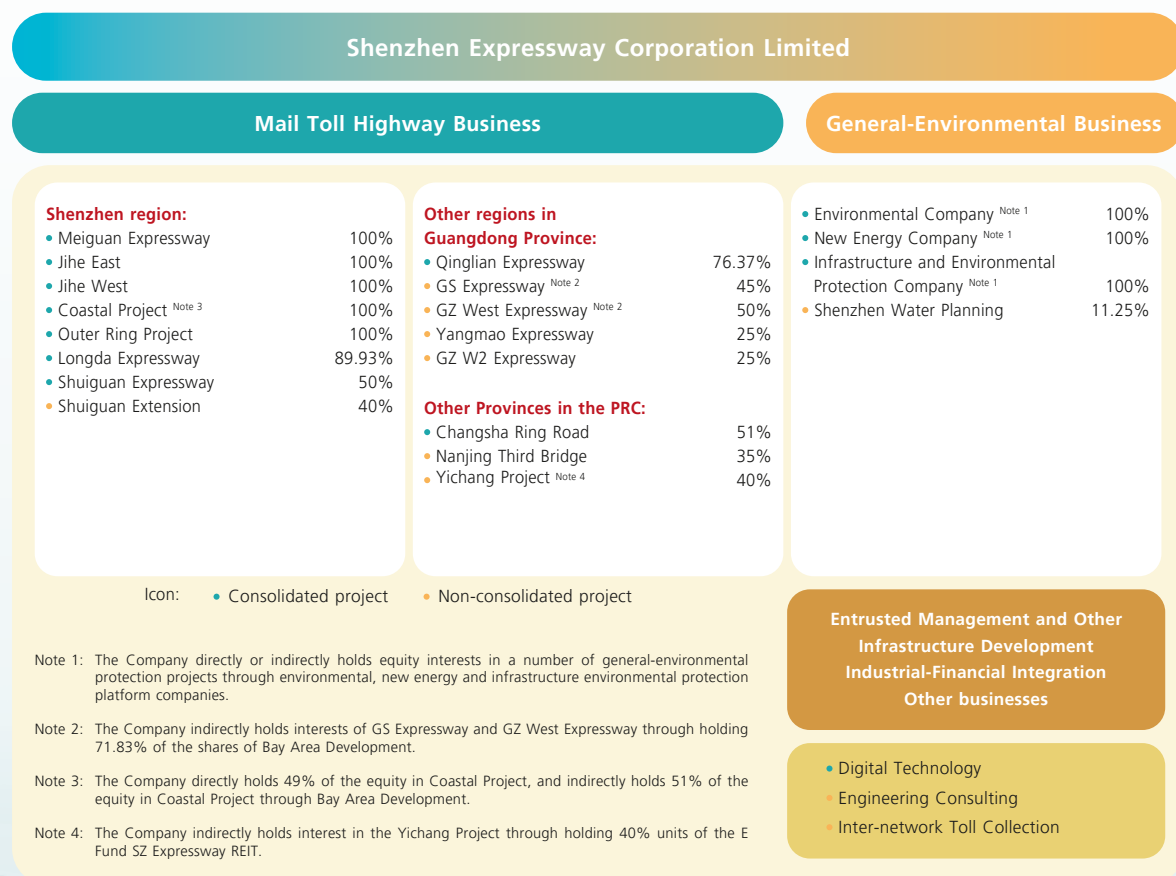
Management Discussion and Analysis

I. Principal Business and Industry

(I) Overview of Principal Business

The Group principally engages in the investment, construction, operation and management of toll highways, as well as the general-environmental protection business. Currently, the Group's general-environmental protection business mainly includes solid waste recycling treatment and clean energy power generation. By adhering to a market-oriented, specialised and industrialised approach, the Group has gradually established various business platforms for urban infrastructure, environmental protection, operation, construction and new energy which include Operation Development Company, a company principally engaging in highway operation and maintenance management services; the New Energy Company, a company principally engaging in the expansion of businesses relating to wind energy, photovoltaics and other new energy power generation; Environmental Company, a company principally engaging in the environmental protection business such as solid waste recycling treatment; the Infrastructure and Environmental Protection Company, a company located in Shenshan Special Cooperation Zone that engages in the provision of infrastructure construction management services for the cooperation zone and environmental project investment within the cooperation zone; the Construction Company, a company principally engaging in the provision of project construction management services; and the Investment Company, a company principally engaging in the business of infrastructure construction along with comprehensive development of land. Through the aforesaid business platforms, the Group will give full play to its own competitive advantages in infrastructure investment and financing, construction, operation and integrated management, extend its business scope appropriately upstream and downstream of the industry chain, develop service-oriented businesses such as operation and maintenance, engineering management, industry finance, and digital technology, and strive to expand its business development space with focus on the dual core businesses of "toll highways + general-environmental protection".

The toll highway business currently represents the Group's primary source of revenue and profit. As at the end of the Reporting Period, the core businesses of the Group are set out as follows:



(II) Particulars of the Industry in which the Company Operates During the Reporting Period

In the first half of 2025, China's economy maintain steady recovery momentum amid ongoing macroeconomic policy support, demonstrating overall stability. China's gross domestic product (GDP) reached RMB66.05 trillion in the first half of 2025, representing a YOY increase of 5.3%, while total value of foreign trade imports and exports stood at RMB21.79 trillion, representing a YOY increase of 2.9%. The sustained stable development of the economy is conducive to promoting steady demand in highway transportation and logistics as a whole, while also boosting the demand for environmental protection businesses such as solid waste recycling treatment and clean energy power generation to some extent. Source: government statistics information website

1. Toll highway business

As a vital foundational industry for national economic development, the expressway sector is characterised by relatively limited exposure to macroeconomic fluctuations, relatively rigid transportation demand, and stable cash flows, etc.; compared to other transportation modes such as railway and aviation, expressways demonstrate distinct advantages including high capacity, high speed, low travel costs, and high flexibility, making them particularly competitive for short-haul and small-scale passenger and cargo transportation.

During the Reporting Period, there was no significant change in toll highway management policies. The Group has invested in or operated 16 toll highway projects in total, with approximately 613 km under its controlling interest, mainly located in Shenzhen, the Guangdong-Hong Kong-Macao Greater Bay Area, and other economically developed regions with geographical advantages. Currently, the Group is actively promoting the investment and implementation of major construction, reconstruction and expansion projects such as Outer Ring Phase III, Jihe Expressway, and Guangzhou-Shenzhen Section of the Beijing-Hong Kong & Macao Expressway, in order to keep enriching the Group's high-quality road assets. In addition, the Group actively leverages its professional expertise in expressway construction, management, and maintenance, providing operational management services for nearly 90% of Shenzhen's expressways. In recent years, the Group has actively promoted the research and application of intelligent transportation systems in response to the requirements of high-quality development. The successfully developed road network monitoring and command scheduling platform has been put into operation, serving as an intelligent application platform for road operation monitoring and management, business collaboration, joint emergency response, and more. The integrated pavement information control platform for the Outer Ring Project developed independently by the Group has obtained four software copyrights and two national utility model patents, and has been selected by the China Highway and Transportation Society as an excellent case of digital transformation in the transportation industry. The development of the main functions of the BIM-based expressway construction management platform has been completed, and the BIM-based management platform for highway reconstruction and expansion projects, and waste treatment plants has been completed and is being optimised constantly. The Group has expanded upstream and downstream industry chains moderately to deeply empower the development of its core businesses. For details of the industry position of the Group, please refer to "Analysis of Core Competitiveness" below.



Management Discussion and Analysis

2. **General-environmental protection business**

The Group's general-environmental protection sector primarily focuses on solid waste recycling treatment and clean energy power generation.

◆ **Solid waste recycling treatment industry**

Strengthening solid waste recycling treatment is a pivotal initiative for advancing resource recycling and fostering the development of an ecological civilisation. With the deepening of the national policies and continuous refinement of industry regulations, solid waste recycling has evolved from single disposal to a systematic governance model of "reduction – recycling – regeneration". Through policy-driven constraints and technology-industry synergies, it now provides core support for building a Beautiful China. In March 2025, the Ministry of Housing and Urban-Rural Development issued an announcement on partial amendments to the national standard *Technical Code for Sanitary Landfill of Municipal Solid Waste*, effective on 1 June 2025, introducing further requirements for landfill materials and siting criteria. In May 2025, the General Office of the CPC Central Committee and the General Office of the State Council released the *Guidelines on Promoting Urban Renewal Actions*, mandating the upgrading and modernisation of municipal solid waste treatment facilities. Besides, in the first half of 2025, multiple provinces and municipalities across China issued regulatory documents on urban household waste classification management, steering solid waste governance towards a more refined and professional approach.

In recent years, China's solid waste treatment sector has experienced rapid development driven by policy initiatives and market demands. Currently, it has transitioned from high-speed expansion to a new phase emphasising both quality enhancement and technological innovation. Amidst emerging challenges such as a slowing growth rate, intensified market competition, and narrowing investment returns, the sector must pursue endogenous growth through a dual strategy of "cost reduction via management + value creation through technological advancement" to fully comply with high-quality development requirements.

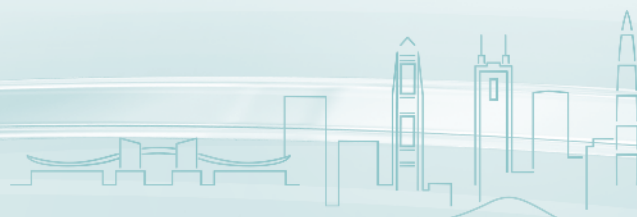
Bioland, a subsidiary of Environmental Company under the Group, is a major enterprise in integrated organic waste treatment in China. As of the date of this report, Bioland had a total of 19 organic waste treatment projects under BOT and other concession arrangements. Environmental Company also invested in and managed two organic waste treatment projects in Shenzhen, namely Lisai Environmental and Guangming Environmental Park, and one in Shaoyang, Hunan, in which the Shaoyang Project was put into commercial operation in September 2024, and the Shenzhen Guangming Environmental Park Project was put into commercial operation in February 2025. As of the date of this report, the designed organic waste treatment capacity of the Group is over 6,300 tons/day, ranking top in the domestic industry. In addition, Shenshan Qiantai, a subsidiary of the Group, holds the qualification for the "White List" of battery echelon utilisation and the qualification for recycling and dismantling scrapped motor vehicles, and can provide recycling services for scrapped motor vehicles and integrated recycling services for retired power batteries. The Group will further integrate management and build a professional talent team, and strive to improve the quality and efficiency of the existing projects. Through multi-pronged measures, the Group will elevate lean management standards and profitability.

◆ **Clean energy industry**

In the first half of 2025, the Chinese government further established and improved the energy market regulations and accelerated the improvement of energy market mechanisms. Through coordinated institutional constraints and industrial guidance, these efforts ensured the implementation of national objectives for energy security and low-carbon transition. The *Energy Law of the People's Republic of China*, effective from 1 January 2025, marks the nation's first fundamental and overarching legislation in the energy sector. It establishes a legal framework for energy transition and explicitly mandates the shifts to dual carbon control mechanisms. In January 2025, the National Development and Reform Commission (NDRC) and the National Energy Administration (NEA) jointly issued *Notice on Deepening the Market-Oriented New Energy Feed-in Tariff Reform and Promoting the High-Quality Development of New Energy* (NDRC Price [2025] No.136) ("Notice No. 136"). The Notice No.136 mandates that all on-grid electricity from new energy sources must be traded through the power market to establish market-based pricing, and a sustainable price settlement mechanism for new energy power generation must be established, implementing distinct tariff mechanisms for existing and new projects. It also explicitly prohibits local authorities from requiring new energy projects to be co-located with mandatory energy storage facilities. In March 2025, the two ministries promulgated the *Notice on Matters Concerning the Orderly Promotion of the Development of Direct Green Power Connection*, introducing an innovative model of localised new energy consumption. This model allows wind, photovoltaic power and other new energy projects to directly supply electricity to power-consuming enterprises via dedicated lines, and requires grid-connected direct connection projects to maintain a minimum 60% self-consumption ratio for new energy electricity. Furthermore, the National Energy Administration (NEA) issued the *Guiding Opinions on Energy Work in 2025* in February 2025, calling for accelerated efforts to establish a new energy system, actively yet prudently advancing the green and low-carbon energy transition, and further improving policy mechanisms for green and low-carbon development. It also sets the following targets: adding more than 200 million kilowatts of new energy generation capacity, increasing the share of non-fossil energy in total installed power capacity to approximately 60%, and raising the proportion of non-fossil energy in the total energy consumption to approximately 20%. Additionally, the National Energy Administration (NEA) has introduced relevant policies and documents on the development, construction and management of distributed photovoltaic power generation, as well as pilot initiatives for constructing a new power system.

The Notice No. 136 represents a core policy initiative in China's strategic shift towards a fully market-oriented mechanism for the new energy sector. In the first half of 2025, several Chinese provincial and municipal governments introduced detailed implementation rules to align with the Notice No. 136. These rules are designed to steer the new energy sector away from its historical reliance on subsidies and towards market-based competition. This is achieved through a "dual-track" system that combines two core elements: mandating that all new energy generation be traded on the open market, while simultaneously establishing a contract-for-difference settlement mechanism to provide a safety net. The variations in these provincial rules reflect a delicate balancing act by local governments among the allocation of energy transition costs, their grid's capacity to absorb new energy, and the overall competitiveness of their local industries. In the short term, this policy shift will intensify industry reshuffle, while in the long run, it will leverage market competition to drive new energy enterprises to increase R&D investment and technological innovation, enhance their operation and management capabilities, and promote high-quality development of the new energy industry.

As at the end of the Reporting Period, the Group has acquired ownership of 13 standardized wind farms with a cumulative installed wind power capacity of 668MW through investment and M&A. It has invested in and indirectly holds minority stakes in two distributed photovoltaic power generation projects. The Group holds 51% equity interests in Nanjing Avis, which principally engages in the business of aftersales operation and maintenance services in wind power through a joint venture with the SPIC Fujian Company. Additionally, the Group also holds a financing leasing license. Through early-stage layout planning, the Group has developed integrated business capabilities in the investment, operation, aftersales operation and maintenance, and financing of wind farm and photovoltaic projects. As a newcomer in the industry, the Group will strengthen the management system of merged and acquired enterprises, and promote the stable development of the clean energy business.



Management Discussion and Analysis

II. Discussion and Analysis of the Operations

The year 2025 marks the conclusion of China's 14th Five-Year Plan period and serves as a critical transitional juncture for the 15th Five-Year Plan. During the Reporting Period, guided by the strategic objectives of the 14th Five-Year Plan, the Group proactively implemented a range of measures to promote the production and operation. Through multiple coordinated initiatives, the Group improved production efficiency by tapping potential, upgrading quality, reducing costs, and increasing effectiveness, to diligently carry out the work related to toll highways, the general-environmental protection, and other related business segments. During the Reporting Period, the Group recorded revenue of approximately RMB3.919 billion, representing a YOY increase of 4.30%. Among them, toll revenue was approximately RMB2.449 billion, revenue from environmental protection businesses such as clean energy and solid waste recycling treatment was approximately RMB750 million, and other revenue was approximately RMB719 million, which accounted for 62.51%, 19.14% and 18.35% of the total revenue of the Group, respectively.

(I) Toll Highway Business

1. Business performance and analysis

The average daily traffic volume and toll revenue of all toll highways operated and invested by the Group in the first half of 2025 are as follows:

Toll highway	Average daily mixed traffic volume (number of vehicles in thousand) ⁽¹⁾	YOY	Average daily toll revenue (RMB'000)	YOY
Guangdong Province – Shenzhen Region:				
Meiguan Expressway	161	2.2%	414	0.9%
Jihe East	314	5.8%	1,847	5.6%
Jihe West	229	9.3%	1,516	6.8%
Coastal Project ⁽²⁾⁽³⁾	213	18.5%	2,050	22.5%
Outer Ring Project	315	6.0%	3,129	1.9%
Longda Expressway	162	-1.7%	412	-3.3%
Shuiguan Expressway	256	1.3%	1,675	1.3%
Shuiguan Extension	53	-8.8%	173	-8.1%
Guangdong Province – Other Regions:				
Qinglian Expressway	51	4.4%	1,814	0.9%
GS Expressway ⁽⁴⁾	623	3.2%	7,499	-2.7%
GZ West Expressway ⁽⁴⁾	260	2.9%	3,008	-12.2%
Yangmao Expressway	56	1.7%	2,112	0.4%
GZ W2 Expressway	90	-1.2%	1,318	-0.3%
Other Provinces in the PRC:				
Changsha Ring Road	90	-3.1%	676	-3.5%
Nanjing Third Bridge	38	-0.6%	1,489	0.6%
Yichang Project ⁽⁵⁾	46	-14.9%	956	-9.4%

Notes:

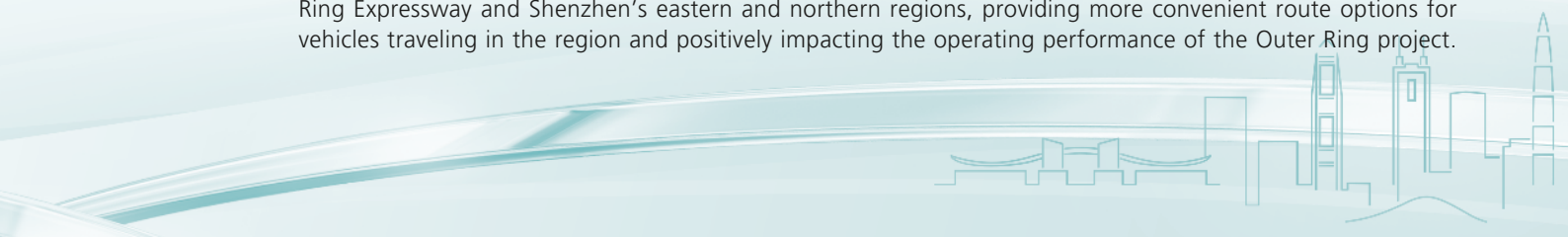
- (1) Traffic volume which is toll free during holidays is not included in the data of average daily mixed traffic volume. The toll revenue listed in the above table is tax exclusive.
- (2) According to the freight compensation agreement entered into by the Shenzhen Transport Bureau, the Company and Coastal Company, during the period from 1 January 2021 to 31 December 2024, the freight vehicles passing through Coastal Expressway were charged at 50% of the standard toll rate, and such toll waived by Coastal Company should be compensated for by the government in a one-off manner in March of the following year. This agreement was completed at 24:00 on 31 December 2024 without further extension. Since 0:00 on 1 January 2025, freight vehicles transportation on the Coastal Project will be charged at the normal toll rate. For details, please refer to the Company's announcement dated 30 December 2024.
- (3) Coastal Phase II commenced operations on 30 June 2024. Currently, it is not possible to separate the traffic volume data of Coastal Phase II for consolidated statistics. Therefore, the traffic volume data of the Coastal Project in the above table only reflects the traffic volume data of Coastal Phase I, excluding that of Coastal Phase II. The toll revenue data of the Coastal Project includes both Coastal Phase I and Phase II.
- (4) The Company indirectly holds approximately 71.83% shares in Bay Area Development, which is indirectly entitled to 50% and 45% of interests in GZ West and GS Expressway, respectively.
- (5) From 21 March 2024, the Group's equity interests in the Yichang Project decreased from 100% to 40%.

In the first half of 2025, the weather conditions in the regions where the Group's toll highway projects are located were generally favourable. During the Chinese New Year travel rush, the cold waves in the central and eastern China were less severe compared to the same period last year. Additionally, Guangdong Province experienced fewer days of typhoons and heavy rainfall in the first half of the year than the previous year. These factors, which were conducive to both public travel and logistics, coupled with factors such as the incremental revenue from the Coastal Phase II which opened in late June 2024, led to a YOY growth in the Group's toll revenue. Moreover, the operating performance of the Company's toll highway projects is also subject to positive or negative impacts due to factors such as industry policies, changes in surrounding competitive or coordinated road networks, construction or maintenance of these projects, repair of connected or parallel highways, implementation of urban traffic organisation plans, and other means of transportation. During the Reporting Period, the performance of the toll highway projects of the Group in different regions is summarised as follows:

(1) *Guangdong province – Shenzhen region*

During the Reporting Period, Shenzhen experienced reduced rainfall during its flood season compared to the same period last year, which effectively mitigated adverse weather disruptions to traffic flows; in 2025, Shenzhen continued to strengthen consumption stimulus policies, including automobile subsidies and trade-in programs, to boost vehicle sales. According to figures published on the Shenzhen Municipal Government website, the city's registered motor vehicles had a YOY increase of 290,100 units as of the end of June 2025. This rapid growth accelerated the rise in traffic volumes of the regional expressways.

During the Reporting Period, the interconnection of highways generated positive synergies for the Group's highway network in Shenzhen. The simultaneous opening of the Shenzhen-Zhongshan Link and Coastal Phase II realised direct interconnection between Shenzhen-Zhongshan Link, Coastal Expressway, GS Expressway, Shenzhen Bao'an Airport, and Jihe Expressway, and further promoted the deep integration between Shenzhen and both sides of the Pearl River estuary. The core transport hub effect has been continuously amplified, effectively driving significant traffic growth on the Coastal Expressway and Jihe Expressway while making diversion effects on the Outer Ring project and Longda Expressway. In general, these developments had a positive impact on the Group's toll revenue. The left half of the ground-level reconstruction and expansion project of Huiyan Expressway (Shenzhen section) was fully connected and opened to traffic in January 2025, and some vehicles that detoured due to construction resumed their original routes, driving increased traffic volumes on the interconnected Jihe Expressway. The Kengzi East Interchange crossing section of the Outer Ring Phase II was officially opened in mid-March 2025, addressing the traffic conversion needs between the Outer Ring project and the Shenzhen-Shantou West Expressway (i.e., Shenhai Expressway), thereby achieving rapid connection between local roads and the expressway. In April 2025, the Xinwei Toll Station on the Outer Ring Expressway was put into operation, interconnecting the expressway and Longlan Avenue, a major urban arterial road. The opening of these two key conversion hubs has promoted the interconnection between the Outer Ring Expressway and Shenzhen's eastern and northern regions, providing more convenient route options for vehicles traveling in the region and positively impacting the operating performance of the Outer Ring project.



Management Discussion and Analysis

Benefiting from the combined effects of the above factors, the overall average daily toll revenue of the Group's toll highway projects in Shenzhen achieved a YOY growth during the Reporting Period. Among them, the average daily toll revenue of the Coastal Expressway increased by over 20% YOY.

(2) Guangdong province – Other regions

During the Reporting Period, Guangdong Province experienced reduced rainfall during the flood season compared to the previous year, leading to increased public travel and logistics demands. This had a positive impact on the operating performance of the Group's toll highway projects in Guangdong Province.

During the Reporting Period, the road improvement project implemented on certain sections of Qinglian Expressway negatively impacted traffic volume. Qinglian Company made concerted efforts to minimise this disruption on road capacity by optimising construction plans and improving traffic flow management. During the Reporting Period, the operating performance of Qinglian Expressway remained generally stable.

The GS Expressway, serving as a critical transport artery connecting the two key cities Guangzhou and Shenzhen, benefits from the vibrant regional economy along its route which sustains consistent traffic volumes. Following the opening of the Shenzhen-Zhongshan Link, some vehicles that previously used the Humen Bridge or Nansha Bridge for travel between eastern and western Guangdong have now shifted to the new route, leading to shortened travel distances on the GS Expressway, which increased the short-haul traffic volume, but had certain impacts on the toll revenue. Additionally, construction on certain sections of the expressway have exerted moderate negative impacts on its traffic flow. Due to the combined effects of the above factors, the GS Expressway recorded a YOY increase in the average daily traffic volume but a marginal YOY decrease in the average daily toll revenue during the Reporting Period.

As a component of the Pearl River Delta Ring Expressway, GZ West Expressway recorded a growth in the short-haul traffic volume following the synchronous opening of the Shenzhen-Zhongshan Link and the Zhongshan section of Zhongkai Expressway (Zhongshan-Kaipeng) on 30 June 2024, supported by further improvements to the connected road network. This development, however, diverted certain long-distance traffic for travel between eastern and western Guangdong. During the Reporting Period, GZ West Expressway recorded a marginal YOY increase in average daily traffic volume but a YOY decrease in average daily toll revenue.

Yangmao Expressway benefited from the interconnection of neighbouring highways that commenced operation, and the promotion of traffic volume by the favourable traffic environment after the completion of construction and expansion, and its operating performance remained stable during the Reporting Period. During the Reporting Period, the GZ W2 Expressway recorded a slight YOY decrease in both average daily traffic volume and toll revenue, primarily due to traffic diversion resulting from the opening of the Fozingcong Expressway and the cessation of tolls on the Guanghe Bridge at midnight on 8 April 2025.

(3) Other provinces

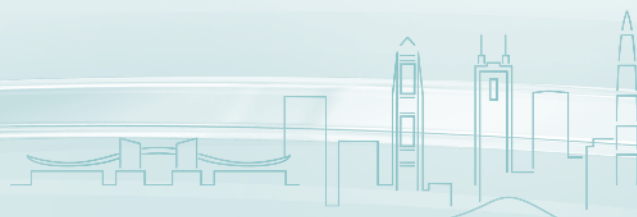
The opening of Xiangluzhou Bridge in Changsha in July 2024 has consistently diverted traffic from Changsha Ring Road. This was further exacerbated by the opening of Guanyinyan Toll Station on Changyi North Line in January 2025 and the trunk roads of Xinglian Road Bridge (connecting to the Guanyinyan Toll Station) in April 2025. Consequently, Changsha Ring Road recorded YOY declines in both average daily traffic volume and toll revenue during the Reporting Period. The differential toll policy adjustments implemented in Anhui Province in April 2025 and Jiangsu Province in May 2025 are expected to generate modest positive impact on Nanjing Third Bridge's traffic volume. From 21 March 2024, the Group's equity interest in Yichang Project was reduced from 100% to 40%, resulting in deconsolidation of the Yichang Company from the Company's financial statements. The commencement of Yichang North Expressway (Yiyang-Changde) operations in late December 2024 diverted a portion of traffic volume from Yichang Expressway.

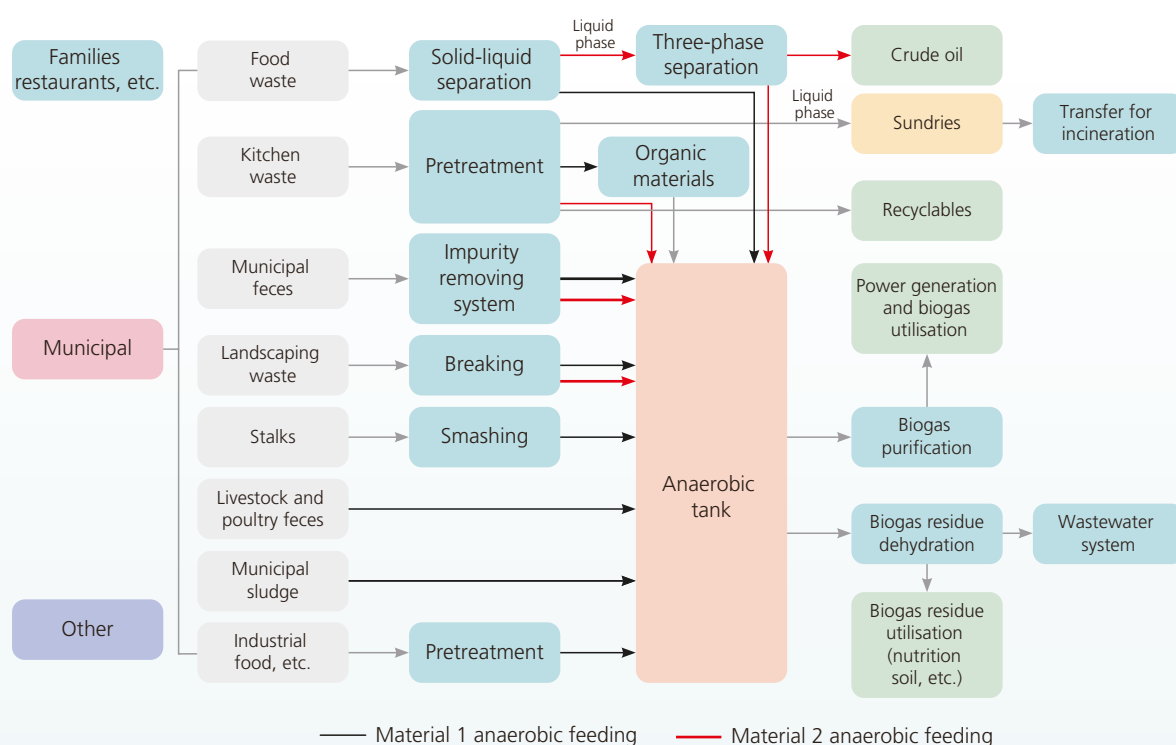
2. **Business development**

The Shenzhen Outer Ring Expressway runs east-west, with the majority of its route located in northern Shenzhen and sections extending into Dongguan City, spanning approximately 93 km in total. Within this network, the Shenzhen section of Outer Ring Expressway (the Outer Ring Project) funded and constructed by the Company has a total length of approximately 77 km. The Outer Ring Project is implemented in three phases, in which the Shajing-Guanlan and Longcheng-Pingdi subsections of Outer Ring Phase I totalling approximately 51 km were completed and opened to traffic on 29 December 2020; the Pingdi-Kengzi subsection of Outer Ring Phase II with a total length of approximately 9.35 km was completed and opened to traffic on 1 January 2022. On 14 July 2023, the Board approved a further investment of the Company of approximately RMB8.447 billion in Outer Ring Phase III. Outer Ring Phase III broke ground on a full scale, and as of the end of the Reporting Period, approximately 20.2% progress in physical shape had been completed. During the Reporting Period, the Company successfully issued ordinary A-shares to specific targets, raising net proceeds of approximately RMB4.679 billion, which supplemented construction funds for the Outer Ring Phase III. The Outer Ring Project is important transportation infrastructure in the Guangdong-Hong Kong-Macao Greater Bay Area. After full-line opening, it will be connected to 10 expressways and 8 Class 1 highways in the Shenzhen region. It is an important backbone line for west-to-east traffic connection in northern Shenzhen. After the completion of Outer Ring Phase III, it will enrich the Company's core highway assets, and achieve the best overall economic and social benefits of the Outer Ring Project, on the other hand, it will also bring traffic to other toll highways of the Group by improving the road network layout. For details of the Outer Ring Project, please refer to the relevant contents in the Company's announcements dated 14 July and 17 November 2023, and 25 January 2024.

With the approval of the Board and the general meeting, the Company planned to invest approximately RMB19.23 billion in the Jihe Expressway R&E project. The Jihe Expressway R&E project, as a major transportation infrastructure initiative under the *Development Plan Outline for the Guangdong-Hong Kong-Macao Greater Bay Area*, adopts a three-dimensional composite channel model, and consists of a ground layer and a three-dimensional layer, both of which are constructed as per the standard for two-way eight-lane expressways. After completion, it will enhance the traffic capacity of the existing traffic lines of Jihe Expressway effectively, meet the integrated transportation demand of the Guangdong-Hong Kong-Macao Greater Bay Area and the Pearl River Delta, and further consolidate the Group's core advantages in the investment, construction and operation of toll highways. As of the end of the Reporting Period, approximately 12.1% of the main part of the Jihe Expressway R&E project had been completed in terms of progress in physical shape. For details, please refer to the Company's announcements dated 22 May and 11 June 2024, as well as the Company's circular dated 27 May 2024.

The Company holds 71.83% shares in Bay Area Development, which indirectly holds 45% equity interests in Guangzhou to Shenzhen section of the Beijing-Hong Kong-Macao Expressway. Since the traffic volume of Guangzhou to Shenzhen section of the Beijing-Hong Kong-Macao Expressway is close to saturation, the reconstruction and expansion project has been launched to accommodate growing transportation demand, which covers the reconstruction and expansion projects of the Huocun, Guangzhou to Chang'an, Dongguan section of Beijing-Hong Kong-Macao Expressway and the Huangcun-Huocun section in Guangzhou of Guangfo Expressway ("SG section"), as well as the Shenzhen section of the Beijing-Hong Kong-Macao Expressway ("Shenzhen section"); among them, the reconstruction and expansion project of SG section, totalling approximately 71.13 km, received government approval in 2023 and commenced construction at the end of 2023. As of the end of the Reporting Period, construction tenders for several sections had been completed, entering the full implementation stage. The reconstruction and expansion project of SG section totalling approximately 47.07 km was approved for construction by Guangdong PDRC in June 2025. For details, please refer to the announcements of the Company and Bay Area Development dated 30 October 2023 and 24 January 2025. For the details of operation of Bay Area Development during the Reporting Period, please refer to its 2025 interim report.





Bioland, a 92.29% indirectly-owned subsidiary of the Company, mainly relies on technologies such as efficient anaerobic reaction treatment, MBR membrane bioreactors and their derivative technologies to provide customers with systematic and comprehensive solutions for organic waste treatment. During the Reporting Period, the Inner Mongolia Project under Bioland was approved for conversion into a commercial operation project from 29 May 2025. As of the date of this report, Bioland has 19 organic waste treatment projects in total, with a total design kitchen waste treatment capacity of over 4,600 tons/day, among which 15 projects (with a total designed capacity of 3,426.5 tons/day) have entered commercial operation, while 4 projects are in the trial operation stage. Since 2023, the Group has adjusted the business structure of Bioland, and gradually scaled back and terminated severely loss-making EPC engineering and equipment manufacturing businesses. During the Reporting Period, Bioland strengthened the overall supervision over the collection and transfer areas by optimising the collection and transfer management system, and promoted the outsourcing of collection and transfer business. As a result, both the average daily waste treatment and the output of oil grew YOY in the first half of the year, and the collection and transfer cost per ton was reduced greatly. Bioland also enhanced the sales of waste residue resources, which not only reduced the waste incineration costs but also generated additional sales revenue from recycled products. In addition, it promoted the technological and process renovations. In the first half of the year, it completed the technological innovation of the oil grease production lines in two projects, which could increase the oil grease output capacity. Moreover, during the Reporting Period, Bioland also improved the quality and efficiency of its operation projects through measures such as strengthening internal management and controlling costs and expenses, with certain results achieved. Moving forward, Bioland will increase communication with relevant government departments to implement the price adjustment mechanism for eligible projects in 2025. It will also further expand the sales market for oil grease, reinforce the standardised management, and strive to enhance profitability.

The Company holds 100% equity interests in Guangming Environmental Park Project, which is located in Guangming District, Shenzhen, and is the project with the largest kitchen waste treatment capacity in Shenzhen. The project can treat 1,000 tons/day of organic waste, 100 tons/day of bulk waste (used furniture) and 100 tons/day of landscaping waste, and can realise the harmless treatment and recycling of food and kitchen waste concurrently. The initial concession period of the project is 10 years, and may be extended for 5 years after passing evaluation and being approved by the district government. The Guangming Environmental Park Project applies the treatment process of “pre-treatment + anaerobic fermentation + biogas power generation”, which can solve the problem of secondary pollution to the environment by by-products arising from kitchen waste treatment, and realise the recycling and harmless treatment of organic waste. The Guangming Environmental Park Project entered the trial operation stage in May 2024, and officially commences commercial operations from 6 February 2025. During the Reporting Period, the Guangming Environmental Park Project was on track to carry out all production and business activities.

The Company indirectly holds 70% equity interests in Lisai Environmental, which has the concession of the Urban Biogenic Waste Treatment Construction BOT Project in Shenzhen (“Biogenic Project”) and the concession service area covers Longhua District, Shenzhen, and assists in the treatment of certain kitchen waste in Futian District. Lisai Environmental officially commenced commercial operation in December 2017, with a kitchen waste treatment capacity of 500 tons/day.

The Company indirectly holds 100% equity interests in Shaoyang Project, which is located in Daxiang District, Shaoyang, Hunan, with a design treatment capacity of 200 tons/day of kitchen waste, and operates in the “TOT” (Transfer-Operate-Transfer) model. The Shaoyang Project started trial operation on 28 February 2023, and was approved for commercial operation from September 2024, with a concession period of 30 years from 1 September 2024.



Management Discussion and Analysis

From January to June 2025, the key operating data of the Group's organic waste treatment projects put into commercial operation is as follows:

Organic waste			Organic waste disposal volume (thousand tons)	Operating income (RMB'000) ⁽¹⁾
Project	Shareholding ratio of the Group	Revenue consolidation ratio	January to June 2025	January to June 2025
I. Bioland				
Guiyang Project (including Phase I and the reconstruction and expansion project)	100%	100%	80.52	47,363.28
Nanning Project (including Phases I, II, and III reconstruction and expansion project)	100%	100%	76.34	42,215.45
Dezhou Project	100%	100%	49.15	16,077.48
Taizhou Project	100%	100%	37.14	20,501.98
Zigong Project	84.57%	100%	26.30	22,596.52
Zhuji Project	90%	100%	36.90	14,219.43
Longyou Project	100%	100%	26.83	1,642.27
Handan Project	90%	100%	26.28	9,461.78
Huangshi Project	70%	100%	15.40	6,456.04
Shangrao Project	100%	100%	15.83	7,784.83
Xinyu Project	100%	100%	17.56	10,335.44
Fuzhou Project	100%	100%	15.37	8,105.77
Guilin Project	100%	100%	13.81	11,752.42
Beihai Project	90%	100%	7.60	3,085.28
Inner Mongolia Project ⁽²⁾	51%	100%	45.78	22,771.31
Chuzhou Project ⁽³⁾	89.1%	100%	13.26	3,081.09
Subtotal of Bioland projects			504.08	247,450.37
II. Lisai Environmental	70%	100%	80.22	56,727.88
III. Shaoyang Project	100%	100%	20.09	18,247.07
IV. Guangming Environmental Park	100%	100%	74.22	44,539.08
Total			678.61	366,964.39

Notes:

- (1) The operating income in the above table includes estimated subsidy income calculated based on the waste treatment volume. Such data is compiled based on the Group's internal information and has not been audited, so it may differ from the actual data and is for reference only. Investors are advised to use such data prudently.
- (2) The Inner Mongolia Project was approved to be put into commercial operation on 29 May 2025.
- (3) The Chuzhou Project entered the trial operation stage on 27 June 2024.

Shenshan Qiantai, in which the Company indirectly holds 63.33% equity interests, is a national high-tech enterprise and a specialised and sophisticated small- and medium-sized enterprise in Shenzhen. During the Reporting Period, it was rated as a national-level “Green Factory”. It has the qualification for dismantling scrapped motor vehicles, as well as the qualification for inclusion in the whitelist of cascade utilisation of batteries issued by the Ministry of Industry and Information Technology. It can provide scrapping, recycling and disposal services for gasoline-powered vehicles, and integrated recycling services for new energy vehicles and retired power batteries. In terms of dismantling of scrapped motor vehicles and comprehensive utilisation of batteries, the performances of the two business segments did not meet expectations, due to the decline in the market price of scrap metals, the restriction on the scale of scrapped motor vehicle recycling, and the impacts of industry factors such as continuous pressure on the prices of lithium ion battery materials. During the Reporting Period, Shenshan Qiantai scaled back the dismantling of scrapped motor vehicles and comprehensive utilisation of batteries, and repositioned its strategy to concentrate on two-wheeler battery swapping and energy storage products as well as industrial and commercial battery storage products, which allowed it to gradually expand its market presence. As of the end of the Reporting Period, it has operated over 800 battery swapping cabinets, equipped with more than 12,000 battery packs, with a battery utilisation rate of over 70%. This provides both safety and convenience for citizens’ green travel.

2. Clean energy

As at the end of the Reporting Period, the cumulative installed capacity of the wind power projects funded and operated by the Group that have been connected to the power grid amounted to approximately 668MW, along with an additional 3.40MW from a self-developed distributed photovoltaic pilot project. In addition, the Group’s participating enterprise, Nanjing Avis, holds a 40% interest in a photovoltaic project. During the Reporting Period, Baotou Nanfeng saw an increase in wind resources and a decrease in wind curtailment rate compared to the same period last year, resulting in approximately 17% growth in on-grid power supply. Xinjiang Mulei experienced lower overall wind resources and higher wind curtailment rate compared to the same period last year, leading to a year-on-year decline in both on-grid power supply and revenue from wind power generation. From January to June 2025, the main operating data of new energy power generation projects of the Group are as follows:

Clean energy power generation			On-grid power supply (MWh) ⁽¹⁾	Power generation revenue (RMB'000) ⁽¹⁾
Project	Shareholding ratio of the Group	Revenue consolidation ratio	January-June 2025	January-June 2025
I. Wind power project				
Baotou Nanfeng Project	100%	100%	355,270.90	103,045.31
Xinjiang Mulei Project	100%	100%	355,749.54	157,800.94
Yongcheng Zhuneng Project	100%	100%	36,589.34	8,411.11
Zhongwei Gantang Project	100%	100%	48,293.70	9,900.80
Zhangshu Gaochuan Project	100%	100%	24,519.72	8,906.05
Huaian Zhongheng Project	20%	–	123,544.64	60,115.09
II. Photovoltaic power generation				
Shengneng Qiantai	100%	100%	1,933.39	868.28

Note:

- (1) On-grid power supply is calculated based on the settlement cycle of the power grid, and the operating revenue of some projects includes the electricity price subsidy income calculated based on on-grid power supply. Such data is compiled based on the Group’s internal information and has not been audited, so it may differ from the actual data and is for reference only. Investors are advised to use such data prudently.

Management Discussion and Analysis

3. *Water environment governance and others*

The Environmental Company, a wholly-owned subsidiary of the Group, holds 20% equity interests in Derun Environment. Derun Environment is a comprehensive environmental investment enterprise, with holding subsidiaries such as Chongqing Water (stock code: 601158) and Sanfeng Environment (stock code: 601827) which are listed on the domestic main board. The major business segments include water supply and sewage treatment, waste incineration power generation, environmental restoration, etc. For the main businesses and operation of Chongqing Water and Sanfeng Environment, please refer to their 2025 interim reports.

The Group holds 11.25% equity interests in Shenzhen Water Planning (stock code of 301038), a company listed on the ChiNext Market of the Shenzhen Stock Exchange. For information of the business development of Shenzhen Water Planning, please refer to its 2025 interim report.

For the profitability of the general-environmental protection projects during the Reporting Period, please refer to the relevant contents in “Financial Analysis” below and notes V\46 and V\49 to the Financial Statements in this report.

(III) **Entrusted Management and the Development of Other Infrastructure**

The Group has continually launched or participated in the construction, operation and maintenance management business (also known as the entrusted construction and management business) with the expertise and experience gained in the field of highway construction and operation over these years. In addition, the Group has also participated in the construction and development of local infrastructure and land along highways prudently, so as to obtain reasonable return.

1. *Entrusted construction business*

During the Reporting Period, the Group’s main entrusted construction project was the Shenshan Environmental Park Project in Shenzhen. During the Reporting Period, the site leveling work under the pilot public facilities projects in the park was largely completed. The construction of Lvba Road (from Tonggang Avenue to the Chemical Park section) is currently underway, including subgrade works, while the road network project is still in the preliminary review stage. Various tendering procedures for the waste transfer station are actively progressing.

2. *Entrusted management business*

The Operation Development Company, a wholly-owned subsidiary of the Group, mainly engages in such operations as highway operation, maintenance and management. The Engineering Development Company under the Operation Development Company mainly engages in businesses related to upstream and downstream industry chains, such as highway and municipal road maintenance and construction. It has the Class I general contracting qualification for highway project construction, and is the implementing entity that provides professional and market-oriented maintenance technologies and services for the Group.

During the Reporting Period, the Engineering Development Company and its subsidiary Guangdong Qizhen undertook a total of five projects involving road maintenance and infrastructure engineering services, with a total contract amount of RMB15.371 million.

For details of the profits as well as incomes and expenses of various entrusted management businesses during the Reporting Period, please refer to the contents in “Financial Analysis” below and the relevant contents in note V\46 to the Financial Statements in this report.

3. **Development and management of land projects**

Since 2012, the Group has explored business types such as comprehensive land development related to the core business of highways and the urban renewal business arising from land use planning adjustment along expressways to revitalise land assets, and improve the comprehensive utilisation value of assets.

(1) *Guilong regional development project*

The project being developed independently by Guishen Company in two phases in Longli County, Guizhou Province is named as “Youshan Villa”. During the Reporting Period, Guishen Company collaborated with a wellness institution under the Group to develop the “Youxiang Apartment”, a summer vacation and wellness project at the Youshan Villa Project site, which entered trial operation in April 2025, with operational results largely meeting expectations. By implementing a marketing strategy that “integrates real estate with wellness”, Guishen Company aims to enhance the added value of the Youshan Villa Project and boost villa sales.

(2) *Meilin Checkpoint Renewal Project*

United Land in which the Company holds 34.3% equity interests principally engages in the investment, development and operation of the Meilin Checkpoint Renewal Project. The Meilin Checkpoint Renewal Project is developed in three phases. The residential units in Phase I Hefengxuan, Phase II Heyaxuan and Phase III Hesongxuan have been sold out. The project also includes a complex building of office and commercial properties, and business apartments with an area of approximately 190,000 square meters, all completed as at the end of the Reporting Period. Except for the parts that have been delivered to the resettled property owners, the remaining parts of the office properties have been put up for external sale. The commercial properties were mostly held for self-operation, with a small part offered for external sale. The sell-through rate of the business apartments was approximately 41%.

(3) *Xintang Project*

The Xintang Project is the first land development project along GS Expressway in which Bay Area Development participated before it was acquired by the Group. Bay Area Development holds 15% equity interests in the project indirectly. The project involves the comprehensive development of approximately 196,000 square metres of traffic land of GS Expressway in Xintang Town, Zengcheng District, Guangzhou. Its residential construction is planned to be implemented in two phases. As at the end of the Reporting Period, Xintang Project Phase I had been completed, with inspection and delivery work largely finalized; residential units of a part of Phase II had been delivered, while the remaining part was under construction. For details of the Xintang Project, please refer to Bay Area Development’s 2025 interim report.

4. **Development and management of other infrastructures**

The Guangming Wellness Project under the Investment Company comprises the Guangming Xincun Community Integrated Service Centre Pilot Project and the Fenghuang Jiulongtai Community Integrated Service Centre Pilot Project (collectively referred to as the “Two Guangming Community Projects”), as well as the Guangming District Social Welfare Home Project. During the Reporting Period, the Guangming District Social Welfare Home project passed the review by the Hong Kong Social Welfare Department and became a recognised service provider under its “Residential Care Services Scheme in Guangdong”. This marks a significant breakthrough for the Guangming District Social Welfare Home in cross-regional elderly care collaboration, enabling it to provide professional care services for seniors from Guangdong and Hong Kong, further promoting the integration of wellness resources and synergy of livelihoods between the two regions.



Management Discussion and Analysis

(IV) Industrial-financial Integration

The Company holds approximately 3.44% equity interests in Bank of Guizhou (stock code: 06199.HK). For the business development of Bank of Guizhou, please refer to its 2025 interim report.

The Group's wholly-owned subsidiary Financial Leasing Company primarily provides financial leasing services focusing on the main businesses, and upstream and downstream businesses of the Group. During the Reporting Period, the Financial Leasing Company signed new contracts for financial leasing projects amounting to RMB24.5668 million. As at the end of the Reporting Period, approximately RMB2.442 billion had been disbursed by the Financial Leasing Company.

The Company holds 45% equity interest of Foshan Shunde Shengchuang Shenzhen Expressway Environmental Technology Industry M&A Investment Partnership (Limited Partnership) ("Shengchuang Fund"). As at the end of the Reporting Period, the total paid-in size of the fund was RMB300 million, of which the Company's paid-in capital was RMB135 million. The fund has completed investment in two environmental projects. During the Reporting Period, since both projects triggered the withdrawal conditions, Shengchuang Fund decided to withdraw, and the withdrawal plan was under implementation.

The Company holds approximately 7.48% equity interests in Shenzhen State-owned Assets Collaborative Development Private Fund Partnership (Limited Partnership) ("State-owned Assets Collaborative Development Fund"). The overall size of the fund is RMB4.01 billion, in which the Company's contribution is RMB0.3 billion. The fund is managed by Shenzhen Kunpeng Zhanyi Equity Investment Management Co., Ltd., and invested mainly in utilities including environmental protection, new energy and infrastructure, as well as financial and strategic emerging industries.

(V) Other Businesses

The Company holds 22% equity interests in Yunji Intelligent (formerly known as "Consulting Company"), 51% equity interests in Digital Technology Company, and 10.2% equity interests in Unitoll Services, respectively. Due to limitations in scale or investment model, the revenue and profit contribution of these businesses currently account for a small proportion in the Group. For details of other businesses during the Reporting Period, please refer to the relevant contents of notes V12, V13, V46, V49 and V50 to the Financial Statements in this report.

III. Analysis of Core Competitiveness

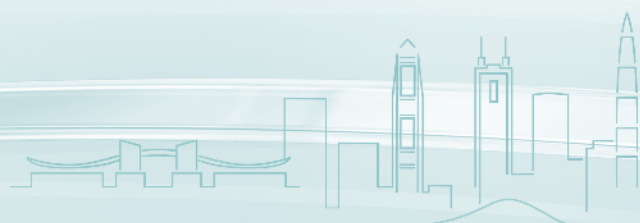
The major toll highway projects operated and funded by the Group possess outstanding location advantages and maintain a good condition of assets. Over the years, the Group has been dedicated to the sector of transportation infrastructure, built a good reputation in the industry, and gained extensive experience in the investment, construction, operation and management of large-scale infrastructure. By giving full play to its professional management experience and innovation capability, and leveraging its good financing capability, the Group will gradually realise industry upgrading and transformation, thus keeping improving its competitive advantages.

State-owned infrastructure platform advantage in the Greater Bay Area: Located in Shenzhen, the Company is a platform for the investment, construction, management and maintenance of highway and general-environmental infrastructure under the Shenzhen SASAC. The majority of the highway projects and certain environmental infrastructure projects funded and operated by the Company are located in the Guangdong-Hong Kong-Macao Greater Bay Area, providing the Company with a geographic advantage. The Company actively seized the major strategic opportunities arising from the development of the “two regions”, namely the Guangdong-Hong Kong-Macao Greater Bay Area and Shenzhen, as the Pioneering Demonstration Zone of Socialism with Chinese Characteristics. By focusing on the new planning of innovative urban construction and integrated infrastructure services in the region, leveraging the advantages as a state-owned platform to accommodate government needs and thus actively acquiring the opportunities for participating in quality highway and environmental infrastructure projects in the region, the Company has greater room for operation development. The development of the “two regions” not only creates new project opportunities, but also continues to boost the demand for transportation and solid waste treatment, which invigorates the operating performance of the Group’s dual core businesses. In addition, the Company will actively explore the land development business along the highway projects in the Greater Bay Area, and give play to its synergistic role to unleash the development value of land along these projects and increase the overall profitability based on the development plan of the urban agglomeration in the region.

Comprehensive integrated management capability: Since its establishment, the Company has been dedicated to the transportation infrastructure industry. Through the investment, construction, operation and management of large-scale infrastructure projects over these years, the Company has gained extensive experience in the investment, construction, operation and management of the heavy assets and franchise businesses, established a sophisticated investment decision-making system, and a construction and operation management system, and developed comprehensive integrated management capabilities from investment and construction to operation and maintenance. During the Reporting Period, based on this core competency, the Company, on the one hand, carried out the construction, operation, maintenance and management of a number of public projects actively through participation in government bidding. On the other hand, upon entering the solid waste recycling treatment and clean energy power generation business sectors with business models similar to those of toll highways, the Company continued to leverage its comprehensive integrated management capabilities in the heavy assets business, and preliminarily established its presence in related industries. In the future, the Company will further ramp up its professional and comprehensive integrated management capabilities in the business sector of general environmental protection to enhance its market competitiveness.

Innovation capability: The Company has always focused on innovative development, including business models, cooperation models, professional fields, professional technologies, and other aspects. In recent years, the Company has studied and applied new technologies, new materials, new processes and new models, overcome numerous technical difficulties, and achieved multiple scientific research achievements in the industry through innovative design and management concepts together with partner suppliers in key construction projects. Currently, in response to the current trend of rapid development in digital information technology, the Group actively promotes the research and application of intelligent transportation/environmental protection technologies. Actively utilising its innovation capability in various sectors, the Company strives for innovation and transformation to continually improve its operation and development performance.

Good financing platform: Listed in both Shanghai and Hong Kong, the Company has a good financing platform for the capital markets in both places. In the meanwhile, the Company has been maintaining high domestic and overseas credit ratings, and good long-term cooperative relationships with banks and other financial institutions, and establishing smooth financing channels, enabling it to raise funds for corporate development and control financial costs effectively. For details of the results of the Company’s financial strategies as well as capital management and financing arrangements, please refer to “Financial Analysis” below.



Management Discussion and Analysis

IV. Mid-Year Assessment Report on the 2025 Action Plan for “Corporate Value and Return Enhancement”

To thoroughly implement the spirit of the 20th National Congress of the Communist Party of China and the Central Financial Work Conference, and to fulfill the requirements of the Opinions on Further Improving the Quality of Listed Companies issued by the State Council. The Group actively responded to the SSE's Special Action Initiative of “Improving Quality, Increasing Efficiency and Emphasising Returns” for Shanghai-listed companies and issued its 2025 Action Plan for “Improving Quality, Increasing Efficiency and Emphasising Returns”. Guided by this plan, the Group has actively moved forward with its work. We hereby report on the primary results for the first half of 2025 as follows:

(I) Committing to Quality and Efficiency Improvements in Principal Business to Further Consolidate the Foundation for Sustainable Growth

In the first half of 2025, the Group has consistently adhered to its core development strategy of strengthening its main business, closely aligned with the annual work objectives, earnestly implemented the requirements of the deepening and upgrading initiative for state-owned enterprise reform, steadily advanced the construction of major engineering projects, strengthened lean operation management, and promoted the fulfillment of production and operation tasks. In the first half of 2025, the Company recorded a revenue of RMB3,919 million, representing a YOY increase of 4.30%; and a net profit attributable to owners of the parent company of RMB960 million, representing a YOY increase of 24.04%.

In terms of the toll highway business segment, during the Reporting Period, the Group has vigorously advanced major projects, including the Jihe Expressway R&E Project, the Outer Ring Phase III, and the reconstruction and expansion of the Guangzhou-Shenzhen section of G4. These projects are strategically vital as the cornerstone of the Company's development for the next two decades. Upon completion, they will not only expand the scale of the Group's core highway assets and solidify its leading position in the toll highway industry, but also unlock significant network synergies through the enhanced traffic capacity of existing routes and the optimised overall network layout, leading to greater economic and social benefits for the Group.

All highway construction projects proceeded smoothly in the first half of 2025. The Group systematically reviewed key worklists for each project, crafted detailed work plans, established a tiered dispatch and coordination mechanism, and implemented a grid-based responsibility system. By leveraging state-of-the-art technologies like the BIM construction management platform, we achieved real-time tracking and early warnings for construction progress. Adhering to a “zero-accident, zero-hazard” objective and enforcing stringent quality management standards with enhanced supervision, we have ensured all projects advance orderly and on schedule. In terms of highway operations, the Group further refined its lean operational management, continuously optimised standardized operational and management procedures. We effectively managed peak traffic flow and emergency response while increasingly leveraging state-of-the-art technologies to empower operational management to improve our capabilities of road traffic control and smart maintenance, and enhance overall traffic conditions and efficiency. Meanwhile, for reconstruction and expansion projects, we meticulously organised traffic flow and construction schedules to minimize disruptions to road capacity. We also continued to elevate road asset maintenance standards, enhance the service advantages and brand influence of integrated maintenance projects to deliver high-quality services to the public.

In terms of the general-environmental protection business segment, during the Reporting Period, the Group focused on quality and efficiency improvement of existing projects and on business integration. For the solid waste treatment segment, we continued to implement structural adjustments by divesting from loss-making EPC and equipment manufacturing businesses to concentrate on core operations. We also optimised internal operational and management systems. Leveraging technological and process upgrades, proactive exploration of new opportunities in grease extraction and waste residue recycling, and tightened internal management and cost controls, we have successfully improved the quality and efficiency of our operational projects. As a result, the profitability of Bioland was improved during the Reporting Period. Concurrently, we bolstered the R&D capabilities and product development efforts of Shenshan Qiantai, and cautiously explored new business opportunities. For the clean energy segment, we focused on refining the operations and reducing the costs and enhancing efficiency of existing projects. We actively sought investment opportunities in high-quality wind and photovoltaic farms and continued to explore the development of clean energy projects integrated with our expressway toll plazas and industrial parks.

Thanks to these measures in the first half of 2025, the Group has consistently elevated the quality of its principal business, laying a solid foundation for long-term growth. For further details on the development of the principal business during the Reporting Period, please refer to the “Discussion and Analysis of the Operations” above in this section hereof.

(II) Harnessing Technologies to Accelerate Development of New Quality Productive Forces

In the first half of 2025, guided by our top-level “14th Five-Year Plan” for digital transformation and aligned with our corporate strategic goals, the Group has made solid progress in orchestrating the intelligent transformation and innovative applications in highway construction and operations, kitchen waste treatment, and clean energy segments in consideration of their unique development needs and characteristics. This was driven by technological innovation and centered on infusing business operations with intelligence. In terms of engineering construction, we continued to leverage the BIM construction management platform in the Jihe Expressway R&E Project, significantly improving the quality and efficiency of construction management. In terms of highway operations, we utilised the road network information system to monitor the road network across Shenzhen, providing vital data support for tolling and operational management. We also advanced a project to upgrade our entire network monitoring and command platform, centered on the application of AI large models. During the Reporting Period, the user base of our proprietary Shenzhen e-Transportation platform continued to grow, exceeding 2.46 million registered users. The pilot of the near-free-flow tolling system has operated successfully, enhancing traffic efficiency for registered vehicles. In terms of smart management and maintenance, following the Outer Ring Expressway, we have scaled up the application of the BIM-based integrated management and maintenance system on other routes like the Coastal Expressway and Jihe Expressway. This system facilitates data-driven decision-making, enables online operation and closed-loop management of maintenance tasks and comprehensive data analysis, thereby elevating our maintenance management to a new level of digitalisation, professionalism, and intelligence. Furthermore, during the Reporting Period, the Group initiated the construction of a transportation infrastructure health monitoring and management platform, continuously developed and optimised the smart operational management platform for our environmental protection business, and developed and applied digital systems for functional departments such as finance, human resources, audit, and administration.

In the first half of 2025, both the Group and the Environmental Company were approved as “Shenzhen Postdoctoral Innovation Practice Bases”. The Group has secured one national key R&D project (Self-organising Operation Technology for Autonomous Road Transportation System), one provincial-level innovation platform (Guangdong Provincial Engineering Technology Research Center for Lithium Battery Recycling), and one municipal-level key R&D project (R&D on Key Technologies for the Biological Conversion of Urban Organic Waste into Fuel). Additionally, two of our innovative operational models were selected as representative cases for 2024 by the China Highway and Transportation Society. By actively promoting intelligent transformation and the R&D and application of innovative technologies, the Group achieved production and operational refinement, management efficiency enhancement, thereby empowering business growth.



Management Discussion and Analysis

(III) Institutionalising Delivery of Shareholder Returns and Protection of Shareholders' Rights and Interests

Since its listing, the Company has consistently attached great importance to delivering returns to investors, and adhered to the stable dividend distribution policy. The Company's *2024-2026 Shareholder Returns Plan* clearly stipulates that, subject to meeting the requirements for cash dividend distribution and ensuring sufficient capital for the Company's normal operation and development, the annual cash dividend ratio of the Company will not be less than 55% from 2024 to 2026.

Upon review and approval at the 2024 Annual General Meeting of Shareholders, the Company will distribute the cash dividend of RMB0.244 per share (tax inclusive) to all shareholders based on the total share capital of 2,537,856,127 shares after the implementation of the A-share issuance,, totalling approximately RMB619 million. The equity distribution for 2024 will be completed by 25 August 2025.

Since its listing, the Company has distributed cash dividend for 28 consecutive years, with a cumulative cash dividend of approximately RMB15.056 billion. Over the past decade, the proportion of annual cash dividends to the net profit attributable to shareholders of the parent company in the consolidated statements after deducting the distribution to holders of perpetual bonds and other equity instruments (if any) has ranged from 40% to 65%, with an average of 58.5% over the past three years. The Company has continuously practising the development concept of "institutionalising delivery of shareholder returns and protection of shareholders' rights and interests" with practical actions, creating long-term, stable and sustainable value returns for shareholders.

(IV) Upholding the Significance of Investor Relations Management

The Company strictly observes the securities regulatory requirements to fulfil the information disclosure obligations, constantly promotes its information disclosure quality, and effectively safeguards investors' right to information. In the first half of 2025, the Company released 2 regular reports and more than 60 interim announcements.

The Company continuously cultivates constructive communication with investors by organising regular performance briefings, actively participating in analyst meetings, on-site roadshows, conference calls and interactions via Shanghai Stock Exchange E-interaction Platform, thereby fostering effective communication and engagement between investors and the Company. In the first half of 2025, the Company held on-site 2024 annual results briefings in Shenzhen and Hong Kong respectively, and simultaneously provided live streaming, remote access, and telephone dial-in options to facilitate participation by a broader base of investors. The Company's chairman, president, independent directors and relevant management personnel all attended the meetings. After the release of the 2025 first-quarter results, the Company also held online performance exchange meetings to communicate and exchange directly with investors. In the first half of the year, the Company responded to approximately over 40 investor enquires via the website, telephone and email. It received 11 batches of investor visits, involving more than 20 person-times, and conducted face-to-face communication and exchanges with investors, securities analysts and media reporters, totalling approximately over 400 person-times, continuously conveying the Company's value. In addition, the Company also collects opinions and suggestions from investors through such methods as questionnaires and follow-up phone calls by investor relation advisors, and provides feedback reports to the Board of Directors and the management, to convey the market voice to the Company in a timely manner.

(V) Standardising Operations and Enhancing Corporate Governance

In accordance with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange* and other laws and regulations, departmental rules, normative documents and the Articles of Association, the Company has established and improved the internal management and control systems, continuously refined the corporate governance structure to promote standardised operations. The Company has revised the *Work Rules for Independent Directors* according to the new regulations and strictly implemented them to provide institutional assurance for independent directors to perform their duties. All four independent directors of the Company can thereby participate in major decision-making processes to fully play critical supervisory and balancing role in safeguarding the overall interests of the Company and its shareholders.

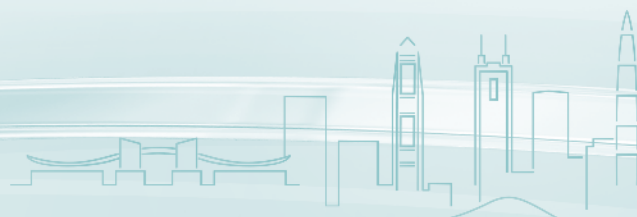
In the first half of 2025, in light of the newly issued *Company Law of the People's Republic of China*, *Guidelines on the Bylaws of Listed Companies*, *Rules for the Shareholders' Meetings of Listed Companies*, *Guidelines for the Articles of Association of Municipal State-owned Enterprises in Shenzhen* and other laws, regulations and normative documents, the Company undertook revisions of supporting governance documents such as the *Articles of Association*, *Rules of Procedure for Shareholders' Meetings*, and *Rules of Procedures for the Board of Directors*, and will go through the relevant decision-making and approval procedures subsequently. The Company will strictly abide by laws, regulations and regulatory requirements, continuously enhance standardised governance systems and mechanisms, and internal control system to improve its operational management and risk prevention capabilities, sharpen its competitive edge, and promote sustained, healthy and stable development.

(VI) Ensuring Proper Fulfilment of Duties and Strengthening Accountability of the “Key Minority”

The Company continuously monitors regulatory changes, promptly communicates rules, guidelines, letters, and notices of domestic and international securities regulators to the “key minority” to keep them fully informed of the latest regulatory requirements, thereby raising their compliance awareness and ensuring the proper execution of their duties.

The Company places a high value on the standardised functioning of the Board of Directors. We support the controlling shareholders, de facto controllers, directors, supervisors, and senior management—collectively our “key minority”—in fulfilling their duties in a compliant manner by providing them with essential information, organising specialised training sessions, and facilitating direct communication. In the first half of 2025, the Company distributed two quarterly *Business Operations Analysis Reports* and monthly *Business Information Reports* to all directors and supervisors. We also held one online preliminary communication meeting for external directors to ensure they remained well-informed about the Company's operational performance, regulatory updates, and relevant policies and laws. Furthermore, we arranged for 11 directors, supervisors, and senior management to participate in compliance training sessions for listed company hosted by the Shanghai Stock Exchange, and arranged for 6 directors and senior management to participate in professional qualification training programs organised by the Shanghai Stock Exchange. In addition, we organised 4 attendances at business training sessions and special lectures held by regulatory authorities for directors, supervisors and senior management. These efforts have provided professional support for the fulfilment of their duties and have effectively promoted the Company's standardized and compliant operations.

In the second half of 2025, the Company will further strengthen the accountability mechanism of the “key minority”, and refine the compensation and performance evaluation system by directly linking the management's remuneration to key indicators such as the Company's market capitalisation and operating performance, thereby unleashing creativity and dynamism of the management, and ensuring the Company's healthy and sustainable development.



Management Discussion and Analysis

V. Financial Analysis

In the first half of 2025, the Group recorded a net profit attributable to owners of the parent company ("net profit") of RMB959,892,000 (2024 Interim: RMB773,857,000), representing a YOY increase of 24.04%, mainly due to the increase in fair value change gains from the equity interests held in the participating companies and the decrease in interest expenses, etc.

(I) Analysis of Main Businesses

1 Analysis of changes in the items related to the financial statements

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the corresponding period of last year	Change (%)
Revenue	3,918,555	3,756,892	4.30
Cost of services	2,470,334	2,315,667	6.68
Sales expenses	4,818	6,695	-28.03
General administrative expenses	168,509	170,719	-1.29
Financial expenses	389,906	559,049	-30.26
Research and development expenses	14,842	13,799	7.56
Investment income	411,862	579,660	-28.95
Income tax expenses	224,653	248,547	-9.61
Net cash flows from operating activities	1,954,979	1,760,822	11.03
Net cash flows from investing activities	-4,600,360	365,153	N/A
Net cash flows from financing activities	4,391,205	-1,878,358	N/A

Reasons for change in revenue: mainly due to a YOY increase of revenue from construction services under concession arrangements.

Reasons for change in cost of services: mainly due to a YOY increase of cost of construction services under concession arrangements.

Reasons for change in sales expenses: mainly due to the reduction of personnel and expenses in the environmental protection sector, resulting in a YOY decrease in the relevant expense.

Reasons for change in general administrative expenses: remain broadly flat.

Reasons for change in financial expenses: mainly due to the decrease in the financing interest rate for the current period, resulting in a YOY decrease in the interest expense.

Reasons for change in R&D expenses: mainly due to the increase in R&D projects for the current period.

Reasons for change in investment income: mainly due to the recognition of gains from the disposal of the equity interests in Yichang Company in the same period of the previous year.

Reasons for change in income tax expenses: mainly due to an increase in the reversal of deferred income tax..

Reasons for change in net cash flows from operating activities: mainly due to the YOY decrease in the cash payments for goods and services for the current period, and the refund of advance payments for the material purchase.

Reasons for change in net cash flows from investing activities: mainly due to the increase in the net amount of structured deposits for the current period, increase in the payments for the Outer Ring Phase III Project and Jihe Expressway R&E Project, as well as the receipt of disposal proceeds from the equity interests in Yichang Company in the same period of the previous year.

Reasons for change in net cash flows from financing activities: mainly due to the fund raised from the issuance of ordinary A-shares to specific targets for the current period.

For detailed reasons for the change in the items above, please refer to the analysis below.



Management Discussion and Analysis

2 Analysis of revenue and cost

(1) Explanation of the reasons for change in revenue:

During the Reporting Period, the Group recorded revenue of RMB3,918,555,000 (2024 Interim: RMB3,756,892,000), representing a YOY increase of 4.30%, mainly due to a YOY increase of revenue from construction services under concession arrangements. The detailed analysis is as follows:

Unit: '000 Currency: RMB

Revenue item	Amount for the current period	Proportion (%)	Amount for the corresponding period of last year	Proportion (%)	YOY change (%)	Description
Revenue from main business – toll roads	2,449,431	62.51	2,433,893	64.78	0.64	(1)
Revenue from main business – clean energy power generation	288,932	7.37	301,576	8.03	-4.19	(2)
Revenue from main business – solid waste recycling treatment – kitchen waste treatment	390,276	9.96	309,164	8.23	26.24	(3)
Revenue from main business – solid waste recycling treatment – end-of-life vehicle and battery recycling	68,203	1.74	119,513	3.18	-42.93	(4)
Revenue from main business – other environmental protection businesses	2,517	0.06	4,446	0.12	-43.38	
Revenue from other business – entrusted construction and management	135,602	3.46	116,716	3.11	16.18	(5)
Revenue from other business – real estate development	8,486	0.22	7,807	0.21	8.70	
Revenue from other businesses – revenue from construction services under concession arrangements	460,632	11.76	287,491	7.65	60.22	(6)
Revenue from other businesses – other businesses	114,476	2.92	176,286	4.69	-35.06	(7)
Total revenue	3,918,555	100.00	3,756,892	100.00	4.30	

Description:

- (1) The Group recorded a YOY increase of 0.64% in toll revenue, excluding the impact of the deconsolidation of Yichang Company from the financial statements of the Group since 21 March 2024. On a like-for-like basis, the toll revenue of the Group increased by 4.31% YOY, mainly due to the opening of Shenzhen-Zhongshan Link and Coastal Phase II at the end of June last year, driving the increase in toll revenue of Coastal Expressway and Jihe Expressway.

Detailed analysis of the operational performance of various projects during the Reporting Period is set out in the "Discussion and Analysis of Business Operations" above. A breakdown of revenue by specific items is set out in "Breakdown of Main Business by Industry, Product and Region" below.

- (2) The revenue from clean energy power generation recorded a YOY decrease of 4.19%, mainly due to the decrease in wind power generation revenue arising from increased wind curtailment rates and reduced wind resources of some wind power generation projects.
- (3) The revenue from kitchen waste treatment, which includes the revenue from project construction, operation and equipment sales, increased by 26.24% in the current period, mainly due to the facts that Guangming Environmental Park Project started trial operation in May 2024 and officially started operation in February this year, contributing incremental revenue in the current period, and Bioland adjusted the recognition of construction service revenue based on settlement conditions of construction projects.
- (4) The revenue from end-of-life vehicle and battery recycling decreased by 42.93% YOY, mainly due to the decrease in the related business volume of Qiantai Company, resulting in a YOY decrease in revenue.
- (5) The revenue from entrusted construction and management increased by 16.18% YOY, mainly due to the increase of the business volume of Engineering Development Company in the current period.
- (6) According to "Interpretation of Accounting Standards for Business Enterprises (No.14)", the Group recognised the construction service revenue under concession arrangements of projects such as Outer Ring Phase III, Jihe Expressway R&E Project, and Guangming Environmental Park Project. Construction service revenue recognised based on progress during the current period increased compared to the same period last year.
- (7) The revenue from other businesses decreased by 35.06%, mainly due to the decrease in business volume of Asphalt Technology Company.



Management Discussion and Analysis

(2) Breakdown of main business by industry, product and region

Unit: '000 Currency: RMB

Main business by industry						
Industry	Revenue	Cost of services	Gross profit rate (%)	YOY change in revenue (%)	YOY change in cost of services (%)	YOY change in gross profit rate (%)
Toll roads	2,449,431	1,241,552	49.31	0.64	2.97	Decrease of 1.15 pct.pt
Clean energy business	288,932	144,393	50.03	-4.19	7.29	Decrease of 5.35 pct.pt
Breakdown of main business by product						
Product	Revenue	Cost of services	Gross profit rate (%)	YOY change in revenue (%)	YOY change in cost of services (%)	YOY change in gross profit rate (%)
Outer Ring Expressway	566,425	186,496	67.07	1.32	0.48	Increase of 0.27 pct.pt
Jihe East	334,370	107,777	67.77	5.01	-19.67	Increase of 9.90 pct.pt
Jihe West	274,349	52,994	80.68	6.20	12.03	Decrease of 1.00 pct.pt
Coastal Expressway	371,093	211,764	42.94	21.80	30.31	Decrease of 3.73 pct.pt
Breakdown of main business by region						
Region	Revenue	Cost of services	Gross profit rate (%)	YOY change in revenue (%)	YOY change in cost of services (%)	YOY change in gross profit rate (%)
Guangdong Province	2,497,496	1,386,848	44.47	3.55	6.90	Decrease of 1.74 pct.pt

Note: The breakdown of main business by industry, product and region only lists the projects that account for 10% or more of the Company's revenue or profits.

Description:

During the Reporting Period, the overall gross profit rate of the Group's subsidiary toll roads was 49.31%, representing a YOY decrease of 1.15 percentage points, mainly due to the change in the unit amortisation amount of Qinglian Expressway starting from 1 July 2024, as well as the increase in the maintenance costs and the depreciation and amortisation expenses after the completion and opening of Coastal Phase II at the end of June 2024. The gross profit rate of Jihe East increased in the current period, mainly due to the change in the unit amortisation amount of Jihe East from 1 July 2024, resulting in a decrease in the amortisation amount of intangible assets from franchise operations.

(3) *Explanation of the reasons for change in cost of services:*

During the Reporting Period, the cost of services of the Group amounted to RMB2,470,334,000 (2024 Interim: RMB2,315,667,000), representing a YOY increase of 6.68%, mainly due to a YOY increase of cost of construction services under concession arrangements. The detailed analysis of the cost of services is as follows:

Unit: '000 Currency: RMB

Industry	Cost item	Breakdown by industry					Description
		Amount for the current period	Amount for the current period as a percentage of total costs (%)	Amount for the corresponding period of last year	Amount for the corresponding period of last year as a percentage of total costs (%)	YOY change (%)	
Cost of main business – toll roads	Employee expenses	219,569	8.89	215,605	9.31	1.84	
	Road maintenance expenses	111,047	4.50	109,573	4.73	1.35	
	Depreciation and amortisation	831,628	33.66	822,290	35.51	1.14	
	Other business costs	79,308	3.21	58,231	2.51	36.20	(1)
	Subtotal	1,241,552	50.26	1,205,699	52.07	2.97	
Cost of main business – clean energy power generation		144,393	5.85	134,585	5.81	7.29	
Cost of main business – solid waste recycling treatment – kitchen waste treatment		341,591	13.83	320,010	13.82	6.74	
Cost of main business – solid waste recycling treatment – end-of-life vehicle and battery recycling		85,830	3.47	129,278	5.58	-33.61	(2)
Cost of main business – other environmental protection businesses		6,077	0.25	7,182	0.31	-15.39	
Other business cost – entrusted construction and management		122,980	4.98	104,846	4.53	17.30	(3)
Other business cost – real estate development		7,163	0.29	7,005	0.30	2.26	
Other business cost – cost of construction services under concession arrangements		442,637	17.92	287,491	12.42	53.97	(4)
Other business cost – other businesses		78,111	3.16	119,571	5.16	-34.67	(5)
Total cost of services		2,470,334	100.00	2,315,667	100.00	6.68	

Description:

- (1) Mainly due to the increase in special expenses for some subsidiary toll roads.
- (2) Mainly due to the decrease in the business volume of Qiantai Company.
- (3) Mainly due to the increase in the entrusted construction and management projects by the Engineering Development Company in the current period, resulting in the increase in the cost from such entrusted construction and management.
- (4) According to “Interpretation of Accounting Standards for Business Enterprises (No.14)”, the Group recognised the construction service revenue under concession arrangements of projects such as Outer Ring Phase III, Jihe Expressway R&E Project, and Guangming Environmental Park Project. Construction service cost recognised based on progress during the current period increased compared to the same period last year.
- (5) Mainly due to the decrease in business volume of Asphalt Technology Company in the current period.

Management Discussion and Analysis

(4) Major sales customers and major suppliers

A. Major sales customers of the Company

In view of the business nature of the Group, sales customers of toll roads are non-specific targets. Except toll revenue, the total revenue from the top 5 customers of the Group was RMB415,230,000, accounting for 10.60% of the Group's total revenue, excluding related party sales.

B. Major suppliers of the Company

The Group's total amount of purchase from the top 5 suppliers was RMB771,470,000, accounting for 47.88% of the Group's total purchase amount, excluding related party purchase.

Expenses

Explanation of the reasons for change in sales expenses:

During the Reporting Period, the Group's sales expenses amounted to RMB4,818,000 (2024 Interim: RMB6,695,000), representing a YOY decrease of 28.03%, mainly due to the reduction of personnel and expenses in the environmental protection sector, resulting in a YOY decrease in the relevant expense.

Explanation of the reasons for change in general administrative expenses:

During the Reporting Period, the Group's general and administrative expenses amounted to RMB168,509,000 (2024 Interim: RMB170,719,000), representing a YOY decrease of 1.29%, which remains broadly flat.

Explanation of the reasons for change in financial expenses:

During the Reporting Period, the Group's financial expenses amounted to RMB389,906,000 (2024 Interim: RMB559,049,000), representing a YOY decrease of 30.26%, mainly due to the decrease in the Group's financing interest rate, resulting in a decrease in the interest expense, and the slight appreciation of the RMB, resulting in an increase in the foreign exchange gains and losses.

The detailed analysis of financial expenses is as follows:

Unit: '000 Currency: RMB

Financial expenses item	Amount for the current period	Amount for the corresponding period of last year	Change (%)
Interest expenses	441,661	581,844	-24.09
Less: Interest capitalised	–	9,487	-100.00
Interest income	41,895	43,167	-2.95
Add: Exchange loss	-16,281	24,825	N/A
Other	6,420	5,035	27.52
Total financial expenses	389,906	559,049	-30.26

Explanation of the reasons for change in research and development expenses:

During the Reporting Period, the Group's research and development expenses amounted to RMB14,842,000 (2024 Interim: RMB13,799,000), representing a YOY increase of 7.56%, mainly due to the increase in R&D projects.

Explanation of the reasons for change in income tax expenses:

During the Reporting Period, the Group's income tax expenses amounted to RMB224,653,000 (2024 Interim: RMB248,547,000), representing a YOY decrease of 9.61%, mainly due to an increase in the reversal of deferred income tax in the current period.

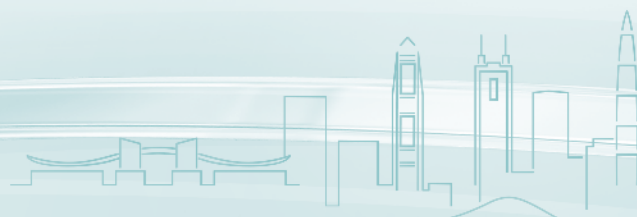
3 Investment income

During the Reporting Period, the Group's investment income amounted to RMB411,862,000 (2024 Interim: 579,660,000), representing a YOY decrease of 28.95%, mainly attributable to the recognition of gains from the disposal of the equity interests in Yichang Company in the same period of the previous year and the inventory impairment provisions recorded by United Land in the current period. A detailed analysis is as follows:

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the corresponding period of last year	Change in amount
1. Investment income attributable to associates/joint ventures:			
Toll road associates/joint ventures	281,372	273,785	7,587
United Land	-18,121	-302	-17,819
Derun Environment	87,693	81,834	5,859
Others ^{Note}	42,237	64,830	-22,594
Subtotal	393,180	420,147	-26,967
2. Investment income from disposal of equity interests in subsidiaries/associates	-	149,336	-149,336
3. Investment income from other non-current financial assets	13,032	5,347	7,685
4. Income from investment in wealth management products	5,650	-	5,650
5. Investment income from financial assets at fair value through profit or loss	-	4,337	-4,337
6. Other	-	493	-493
Total	411,862	579,660	-167,798

Note: Others are investment income attributable to Yunji Intelligent, Bank of Guizhou, Shengchuang Fund, Guizhou Hengtongli, Huaian Zhongheng, Fengrunjiu, Fenghe Energy, etc.



Management Discussion and Analysis

4 Cash Flow

Explanation of changes in net cash flow from operating activities: During the Reporting Period, the Group's net cash inflow from operating activities amounted to RMB1,954,979,000 (2024 Interim: 1,760,822,000), representing a YOY increase of RMB194,157,000. This was mainly attributable to refunds of advance payments for materials procurement received by subsidiaries and a YOY decrease in cash payments for goods and services. In addition, the recurring cash return^{Note} on investments from toll road associates/joint ventures invested by the Company during the Reporting Period amounted to RMB215,005,000 (2024 Interim: RMB107,154,000), representing a YOY increase of RMB107,851,000, mainly due to earlier dividend distributions from joint ventures invested by Bay Area Development compared to the corresponding period of the previous year.

Note: The recurring cash return on investments refers to the cash flow distribution (including profit distribution) from the toll road associates/joint ventures invested by the Company. According to the articles of association of certain toll road associates/joint ventures, those companies will distribute cash to their shareholders if the conditions for cash flow distribution are satisfied. According to the characteristics of the toll road industry, such cash return on investments will provide continuous and stable cash flow. The Company provided the aggregated figures of net cash inflows from operating activities and recurring cash return on investments to help the users of the financial statements understand the performance of recurring cash flows from the Group's operating and investing activities.

Explanation of changes in net cash flow from investing activities: During the Reporting Period, the Group's net cash outflow from investing activities was RMB4,600,360,000 (2024 Interim: -RMB365,153,000), representing a YOY increase of RMB4,965,512,000, mainly due to a net increase in structured deposits in the current period, the receipt of disposal proceeds from the equity interests in Yichang Company in the same period last year, and increased payments for the Outer Ring Phase III and Jihe Expressway R&E projects in the current period.

Explanation of changes in net cash flow from financing activities: During the Reporting Period, the Group's net cash inflow from financing activities was RMB4,391,205,000 (2024 Interim: -RMB1,878,358,000), representing a YOY increase of RMB6,269,563,000, mainly due to the fund raised from the issuance of ordinary A-shares to specific targets and net cash inflow from borrowing in the current period, compared to net cash outflow from borrowing in the same period last year.

5 *Amortisation policy for toll road concession intangible assets and differences under different amortisation methods*

The Group amortised the concession intangible assets of toll road using the traffic volume method. The approach calculates amortisation based on a unit-of-usage basis, determined by the proportion of actual traffic volume during each period relative to the estimated total traffic volume over the concession period. The Group conducts periodic reviews and adjustments of these traffic volume estimates to ensure the reasonableness of the amortisation amounts.

Generally, during the early operational stage of toll roads, the amortisation amount calculated using the traffic volume method is lower than that determined by the straight-line method. During the Reporting Period, the amortisation difference between these two methods calculated based on the Company's equity ratio was RMB195 million (2024 Interim: RMB120 million). The adoption of different amortisation methods does not affect the cash flows of toll road projects, and consequently has no impact on the valuation levels of individual project.

(II) Analysis of Assets and Liabilities

1 Assets and liabilities

As at 30 June 2025, the Group's total assets amounted to RMB72,038,806,000 (31 December 2024: 67,558,031,000), representing an increase of 6.63% compared to the end of 2024, mainly attributable to the fund raised from the issuance of ordinary A-shares to specific targets during the period. As at 30 June 2025, the Group's total interest-bearing liabilities amounted to RMB32,344,279,000 (31 December 2024: RMB32,057,208,000), representing a YOY increase of approximately 0.90%.

The detailed analysis of assets and liabilities is as follows:

Unit: '000 Currency: RMB

Name of item	Amount as at the end of the current period	Amount as at the end of the current period as a percentage of total assets (%)	Amount as at the end of last year	Amount as at the end of last year as a percentage of total assets (%)	Change in amount as at the end of the current period as compared to the end of last year (%)	Description
Cash and cash equivalents	4,617,162	6.41%	2,908,582	4.31%	58.74%	(1)
Trading financial assets	2,934,093	4.07%	129,823	0.19%	2,160.07%	(2)
Notes receivable	6,359	0.01%	1,390	0.00%	357.36%	(3)
Prepayments	146,314	0.20%	245,482	0.36%	-40.40%	(4)
Non-current assets due within one year	934,582	1.30%	435,993	0.65%	114.36%	(5)
Long-term prepayments	1,823,291	2.53%	1,312,579	1.94%	38.91%	(6)
Other non-current assets	1,128,279	1.57%	1,936,717	2.87%	-41.74%	(5)
Contract liabilities	83,998	0.12%	61,713	0.09%	36.11%	(7)
Other current liabilities	1,543,792	2.14%	3,053,377	4.52%	-49.44%	(8)
Lease liabilities	11,096	0.02%	15,896	0.02%	-30.19%	(9)



Management Discussion and Analysis

Explanation of assets and liabilities:

- (1) The fund raised from the issuance of ordinary A-shares to specific targets.
- (2) Utilisation of temporarily idle proceeds from issuance and self-owned funds for structured deposits.
- (3) Increase in notes receivable.
- (4) Refund of advance payments for material procurement.
- (5) The Longli River Bridge Project constructed by Guishen Company as entrusted was completed, accepted and opened to traffic in the current period; according to the investment cooperation agreement, the relevant receivables of this project are transferred from "Other non-current assets" to "Non-current assets due within one year" and "Long-term receivables" in the current period.
- (6) Increase in prepayments for the Jihe Expressway R&E Project.
- (7) Increase in advance receipts from customers and property sales.
- (8) Issuance of medium-term notes and corporate bonds to replace ultra-short-term financing notes and medium- to long-term borrowings.
- (9) Payment of lease liabilities.

2 Overseas assets

(1) Size of assets

The Group's overseas assets were RMB416,348,000, accounting for 0.58% of the total assets. Overseas assets mainly consist of part of the H shares of Bank of Guizhou held by Mei Wah Company, a wholly-owned overseas subsidiary of the Company, and the overseas bank deposits of Mei Wah Company and its subsidiaries, which account for a small proportion of the Company's total assets.

3 Restrictions on main assets as at the end of the Reporting Period

- (1) As at the end of the Reporting Period, details of the mortgaged or pledged assets of the Company and its subsidiaries are as follows:

Restriction on the assets involved with the balance of secured loans as at the end of the Reporting Period					
Assets	Category	Beneficiary of security	Scope of security	Balance of secured loans as at the end of the Reporting Period (RMB100 million)	Term
Toll collection rights of Qinglian Expressway	Pledge	Industrial and Commercial Bank of China Limited Qingyuan Branch	Principal and interests of fixed asset loans in an aggregate amount of RMB2.839 billion	20.63	Until repayment of all liabilities under the loan agreement
Toll collection rights of Coastal Expressway	Pledge	China Development Bank Shenzhen Branch	Principal and interests of fixed asset loans in an aggregate amount of RMB1 billion	0.29	Until repayment of all liabilities under the loan agreement
Toll collection rights of Shuiguan Expressway	Pledge	Guangdong Huaxing Bank Co., Ltd. Shenzhen Branch	Principal and interests of fixed asset loans in an aggregate amount of RMB0.6 billion	1.15	Until repayment of all liabilities under the loan agreement
Equity interests, franchise rights, accounts receivable and production equipment, among other assets, of various subsidiaries of Bioland	Pledges and mortgages	Various banks and finance leasing companies	The scope of security covers principal and interests of bank loans for various projects in an aggregate amount of RMB1.393 billion	8.25	Certain periods after the repayment of liabilities
100% equity interests in Qianzhi, Qianhui and Qianxin Companies	Pledge	ICBC Shenzhen Futian Sub-branch	Principal and interests of loans for acquisition in an aggregate amount of not more than RMB0.609 billion	1.91	Until repayment of all liabilities under the loan agreement
Accounts receivable accruing under franchise rights of Guangming Environment, Lisai Environmental and Shaoyang Company	Pledge	Bank of China Limited Shenzhen Central District and Shaoyang Branches	Principal and interests of fixed asset loans in an aggregate amount of RMB1.051 billion	6.25	Until repayment of all liabilities under the loan agreement
Tariff collection rights of the Yongcheng Zhuneng Project	Pledge	Agricultural Bank of China Shenzhen Branch	Principal and interests of fixed asset loans in an aggregate amount of RMB0.185 billion	1.48	Until repayment of all liabilities under the loan agreement
Pledge on tariff collection rights of the Mulei Project	Pledge	China Construction Bank Urumqi Sub-branch	Principal and interests of project loan in an amount of RMB1.843 billion	12.69	Until repayment of all liabilities under the loan agreement
Pledge on tariff collection rights of the Lingxiang Company, Baotou Ningyuan, Baotou Ningxiang, Baotou Ningfeng, and Baotou Nanchuan Projects	Pledge	Agricultural Bank of China Shenzhen Branch, China Merchants Bank Baotou Branch	Principal and interests of project loan in an amount of RMB1.181 billion	8.84	Until repayment of all liabilities under the loan agreement

Management Discussion and Analysis

- (2) As of the end of the Reporting Period, details of the restrictions on the capital of the Company and its subsidiaries are as follows:

Type of restricted capital	Amount subject to restrictions (RMB100 million)
Funds in special deposit accounts for entrusted construction and management projects	0.75
Security deposit	0.23
Fund frozen due to litigations	1.04
Total	2.02

Details of restriction of assets:

- (1) Details of the restrictions on the Group's major assets as at the end of the Reporting Period are set out in Note V22 to the Financial Statements in this report.

4 Capital structure and debt repayment capability

The Company is always committed to maintaining a rational capital structure and enhancing its profitability to maintain its good credit ratings and solid financial position. During the Reporting Period, the Group's key debt repayment indicators were better than those as at the end of last year or for the corresponding period of last year, mainly due to the issuance of A-shares to specific targets, a reduction in interest expenses and an increase in net cash flows from operating activities in the current period, among other factors. Given the Group's stable and robust operating cash flows, and strong capabilities in financing and capital management, the Board is of the view that the financial leverage ratios were at a safe level at the end of the Reporting Period.

Key indicators	Amount as at the end of the current period	Amount as at the end of last year
Debt-to-asset ratio (total liabilities/total assets)	55.27%	59.74%
Net borrowings-to-equity ratio ((total borrowings – cash and cash equivalents)/total equity)	86.67%	108.03%

	Amount for the current period	Amount for the corresponding period of last year
Net borrowing/EBITDA ((total borrowings – cash and cash equivalents)/earnings before interests, tax, depreciation and amortisation)	9.94	10.33
Interest covered multiple ((Profit before tax + interest expenses)/Interest expenses)	3.95	2.93
EBITDA interest multiple (Earnings before interests, tax, depreciation and amortisation/Interest expenses)	6.60	4.91

5 Liquidity and cash management

During the Reporting Period, the Group's net current assets increased as compared to the end of the previous year after the completion of the fundraising by issuing A-shares to specific targets. The Group will further enhance project profitability, strengthen the overall fund arrangements for subsidiaries and key projects, continue to optimise the capital structure, and maintain appropriate cash on hand and sufficient bank facilities and debt financing lines to prevent liquidity risks.

Unit: million Currency: RMB

	Amount as at the end of the current period	Amount as at the end of last year	Change in amount
Net current assets	-157	-6,531	6,374
Cash and cash equivalents	4,415	2,670	1,745
Unutilised bank credit facilities	75,623	65,822	9,801
Unutilised bond registration quota	4,700	8,000	-3,300

6 Capital expenditure plan

As of the date of approval of this report, the capital expenditures approved by the Board of the Group mainly included the construction expenditures for Outer Ring Project, Jihe Expressway R&E Project, kitchen waste projects of Bioland, Guangming Environmental Park and other projects as well as the expenditure for the capital increase to Guangshenzhu Company. It is estimated that by the end of 2027, the total capital expenditure of the Group approved by the Board will be approximately RMB19.179 billion. The Group plans to use its self-owned funds and bank loans to meet its capital demand. The Group's financial resources and financing capacity are currently adequate to meet the various capital expenditure needs.

The Group's capital expenditure plans approved by the Board for the period from the second half of 2025 to 2027 are as follows:

Unit: '000 Currency: RMB

Name of item	Second half of 2025	2026	2027	Total
I. Investment in Intangible Assets and Fixed Assets				
Outer Ring Project (Phases I, II and III)	471,979	1,759,524	2,003,233	4,234,736
Coastal Phase II	5,342	–	–	5,342
Jihe Expressway R&E Project	2,924,364	4,500,000	5,000,000	12,424,364
Kitchen waste projects of Bioland	81,837	51,813	51,012	184,662
Guangming Environmental Park Project	90,905	93,759	10,927	195,591
Qinglian Expressway Parking Area Construction Project and Road Improvement Project	141,636	147,790	614	290,040
Lisai Environmental Technology Renovation Project	3,657	10,780	–	14,437
II. Equity Investment				
Capital increase to Guangshenzhu Company	295,000	696,000	832,000	1,823,000
Balances of investments and M&As	–	6,475	–	6,475
Total	4,014,720	7,266,141	7,897,786	19,178,647

Note 1: Final payment amounts and times of balances of investments and M&As depend on the fulfilment of prerequisites specified in agreements.

Management Discussion and Analysis

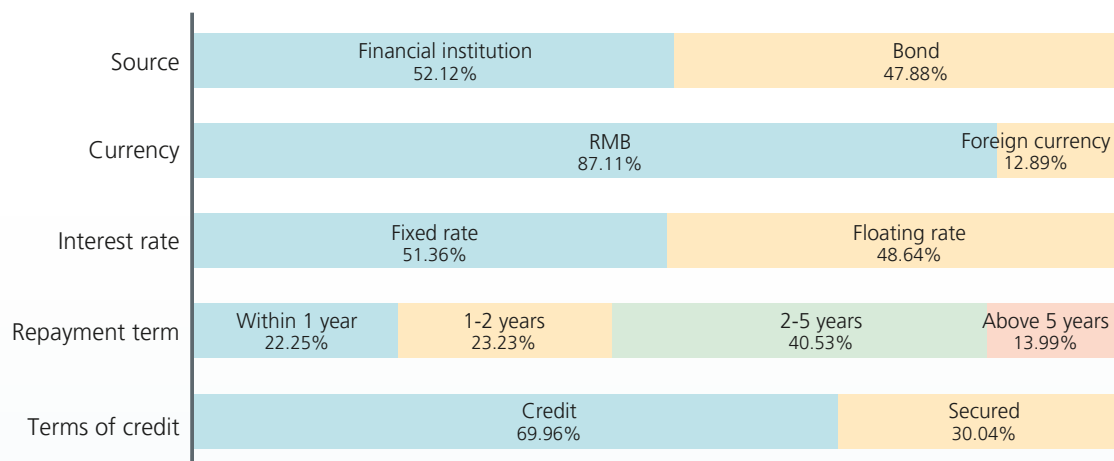
7 Financial strategies and financing arrangements

The Group used its self-owned funds, equity financing, bank loans, bond funds, etc. to meet the capital needs such as operating and investment expenditures and debt repayment during the Reporting Period. Leveraging the favourable market opportunities, the Group issued ultra-short-term financing bonds, medium-term notes, perpetual corporate bonds for debt replacement and replenishment of working capital. Leveraging the opportunity of interest rate decline, the Group also strived for bank loans with better terms for exchange, and entered into long-term loan agreements to reserve funds for project construction. In view of internal and external funding environment, the Company's operating and financial position, as well as capital expenditure plans, the Company will adjust its financial strategies in a timely manner to optimise debt structure.

The Group does not have any overdue principal and interests for bank loans and bonds.

As at the end of the Reporting Period, the specific borrowing structure was as follows:

Borrowing Structure (as at 30 Jun 2025)



During the Reporting Period, the Company continued to maintain the highest credit rating and bond rating of AAA for domestic entities, and all international ratings remained at investment grade.

As of 30 June 2025, the Group had obtained bank credit facilities totalling approximately RMB96.53 billion. As at the end of the Reporting Period, unutilised bank credit facilities amounted to approximately RMB75.623 billion, and the Group's bond issuance quota was RMB15 billion, in which RMB4.7 billion was unutilised as at the end of the Reporting Period.

8 Contingencies

Details of the Group's contingencies during the Reporting Period are set out in Note XII.2 of the Financial Statements in this report.

(III) Analysis of the Investment

1 External equity investments

(1) Material equity investments

☐ Applicable ☒ Not applicable

(2) *Material non-equity investments*

During the Reporting Period, the Group's expenditures on material non-equity investments mainly comprised the expenditures for Jihe Expressway R&E Project, Outer Ring Expressway, multiple kitchen waste projects of Bioland, Coastal Phase II, totalling approximately RMB2.10 billion. The Company meets the relevant investment expenditures with a combination of self-owned funds, equity financing and debt financing. The investments in major projects are as follows:

Unit: '000 Currency: RMB

Name of project	Project progress	Amount invested during the Reporting Period	Accumulated amount invested	Project gain
Outer Ring Project (Phases I, II and III)	71.2%	831,179	7,919,749	For the operation of Outer Ring Project (Phases I and II), please refer to the analysis of main business for the Outer Ring Project above. Coastal Phase II was opened to traffic at the end of June last year, Guangming Environmental Park officially launched operation in early February this year, kitchen waste projects of Bioland have started their official operation, and the Jihe Expressway R&E Project is still under construction.
Coastal Phase II	99.9%	5,795	991,398	
Jihe Expressway R&E Project	12.1%	1,027,754	3,052,520	
Multiple kitchen waste projects of Bioland	–	50,534	1,688,547	
Guangming Environmental Park PPP Project	99.9%	53,084	730,588	
Total	–	1,968,345	14,382,803	–

(3) *Financial assets measured at fair value*

Unit: '000 Currency: RMB

Asset category	Beginning balance	Gains and losses from changes in fair value in the current period	Changes in cumulative fair value included in equity	Provision for impairment in the current period	Purchase amount in the current period	Sales/redemption amount in the current period	Other changes	Ending balance	Remarks
Other	970,911	69,110	–	–	–	-23,268	–	1,016,753	(1)
Other	–	4,270	–	–	2,800,000	–	–	2,804,270	(2)
Other	129,823	–	–	–	–	–	–	129,823	(3)
Total	1,100,735	73,379	–	–	2,800,000	-23,268	–	3,950,845	

Notes:

- (1) Fair value changes mainly due to the holding of equity interests such as Shenzhen Water Planning, Unitoll Services, and State-owned Assets Collaborative Development Fund.
- (2) Mainly being structured deposits.
- (3) Mainly being the compensation for valuation adjustment mechanism receivable.
- (4) For details of financial assets/liabilities at fair value, please refer to Note XV1 to the Financial Statements in this Report.

Management Discussion and Analysis

(IV) Analysis of Major Controlling Companies and Participating Companies

1 Analysis of major controlling and participating companies

Unit: '000 Currency: RMB

Company name	Percentage of interests held by the Group	Registered capital	30 June 2025		2025 Interim		Main business
			Total assets	Net assets	Revenue	Net profit	
Outer Ring Company	100%	8,611,759	9,845,768	8,064,430	757,025	347,066	Investment in the construction and operation of the Shenzhen section of Outer Ring Expressway.
Qinglian Company	76.37%	3,361,000	5,363,702	2,968,693	331,927	24,562	Construction, operation and management of Qinglian Expressway and related ancillary facilities.
Qinglong Company	50%	324,000	932,885	607,432	304,521	11,180	Development, construction, toll collection and management of Shuiguan Expressway.
Shenchang Company	51%	200,000	445,620	374,304	126,489	60,066	Development, construction, toll collection and management of the northwest section of Changsha Ring Road.
Investment Company	100%	1,000,000	3,062,201	1,586,613	18,877	-17,737	Investment in industry and engineering construction.
Environmental Company	100%	6,550,000	10,521,702	5,860,480	365,278	-34,163	Investment and operation of the kitchen waste project.
New Energy Company	100%	2,619,441	5,849,777	3,154,233	279,158	74,924	Investment and operation of wind power projects.
SIICHIC	100%	USD641,076	17,038,414	4,124,263	371,759	57,177	SIICHIC directly holds 71.83% equity interests in Bay Area Development, and Bay Area Development mainly holds equity interests in GZ West Expressway, GS Expressway and Xintang JV.
Derun Environment	20%	1,000,000	66,613,282	18,674,620	6,440,040	438,464	Derun Environment is a comprehensive environmental enterprise with two subsidiaries listed on the main board of A shares including Chongqing Water and Sanfeng Environment. The main businesses of these companies include water supply and sewage treatment, and investment, construction, integrated equipment and operation management of waste incineration power generation projects, as well as environmental remediation.

Note 1: The net profit listed in the above table is the net profit of such companies which is attributable to owners of the parent company, and the net assets listed in the above table are the net assets of such companies which are attributable to owners of the parent company.

Note 2: For details of the operational and financial performance of the above major controlling companies and participating companies and their businesses during the Reporting Period, please refer to related contents in this section.

2 ***Acquisition and disposal of subsidiaries during the Reporting Period***

Details of the change in the scope of consolidation are set out in Note VI to the financial statement of this report.

(V) Exchange Risk

The Group's current main operations are all located within China. Except for H-share dividend payments, the Group's operating income and main expenses are settled in RMB. As of the end of the Reporting Period, the Group's foreign currency-denominated liabilities mainly consisted of USD300 million in bonds and HKD2.22 billion in borrowings. The Group has not made any foreign exchange hedging arrangements for them. During the Reporting Period, the amount recorded in financial expenses due to exchange rate fluctuations was RMB16,281,000, which had minimal impact on the Group.

(VI) Plans of Profit Distribution or Conversion of Capital Reserve

1 *2025 interim profit distribution proposal*

The Board recommends not distributing an interim dividend for the six months ended 30 June 2025 (2024 Interim: nil) and not converting capital reserve into share capital.

2 *Implementation of the 2024 annual profit distribution plan*

Approved at the 2024 Annual General Meeting, the Company distributed a final cash dividend of RMB0.244 per share (tax inclusive), totalling RMB619,236,894.99, for 2024 to all shareholders based on the total share capital of 2,537,856,127 shares after the completion of the A-share issuance. The profit distribution plan will be fully implemented by 25 August 2025.

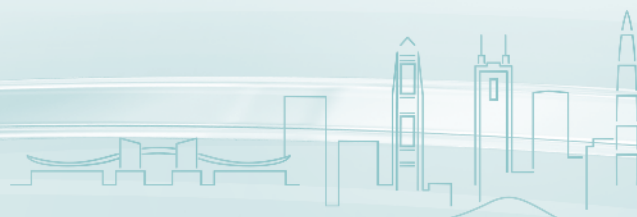
VI. Outlook and Plans

In the first half of 2025, there was no significant change in the Group's external policies and operating environment, industry competitive landscape and development trend, and major risk factors.

2025 marks the final year of the Group's 14th Five-Year Strategy and the planning year for the 15th Five-Year Development Strategy. The Company will conduct a comprehensive evaluation and review of the implementation of the 14th Five-Year Strategy, thoroughly summarise the experience and lessons from transformation and development during the 14th Five-Year Strategy period, conduct in-depth analyses of national industry policies, technological innovation trends, industry development trends, and our own resource endowment and capabilities, develop scientifically grounded and pragmatic development ideas, and formulate the Group's 15th Five-Year Development Strategy to set out the Group's development goals, directions and strategies for the next stage, thereby driving high-quality and sustainable business development of the Group.

In the second half of 2025, the key tasks of the Group include:

Toll Highway Business: Accelerate the construction of major projects, and coordinate the construction of the Jihe Expressway R&E Project, and Outer Ring Phase III; proactively expand the entrusted operation and management business, and deliver high-quality performance on projects for the operational management of toll stations and integrated road management and maintenance; advance intelligent innovation and development by strengthening the application of digital technology in core operations such as major project construction, toll management, road operation and maintenance to enhance the quality and efficiency of construction and operation management; actively pursue investment and M&A opportunities for high-quality projects, explore upstream and downstream operations in the industry chain, and consolidate and enhance the core business of toll highways; leverage highway expansion and reconstruction to promote the development and utilisation of adjacent land resources, thereby increasing the overall return on investment in toll highways.



Management Discussion and Analysis

General-environmental Protection and Other Businesses: Place emphasis on the quality and efficiency improvement, and business integration of existing projects; monitor opportunities to acquire high-quality wind and photovoltaic farm resources, and explore clean energy projects by leveraging existing resources such as expressway toll stations and industry parks; in the solid waste recycling segment, deepen restructuring efforts, spare no effort to upgrade the intelligent system, explore business opportunities for further processing of oil and grease, and commercialisation of waste recycling; Strengthen the development and application of energy storage projects, utilise resources from scrapped vehicles and retired batteries to expand the processing capacity, and continue to promote standard-setting and innovative research and development to enhance the competitiveness of our products.

Financial Management and Corporate Governance: Accelerate the financial digital transformation and build an integrated financial data platform to boost financial management efficiency and data-driven support capabilities; adapt funding strategies in a timely manner to fiscal and tax policy directions and changes in market environment, broaden financing channels, optimise financial structure, and reduce financial costs; implement amendments to the Company's articles of association, advance the reform of the Supervisory Committee, and improve the authorisation framework of the Board of Directors; maintain commitment to high-quality information disclosure, strengthen investor relations management, and effectively fulfil corporate social responsibilities.

VII. Possible Risks

As the Group's toll highways and general-environmental protection businesses are closely tied to national industrial policies and prevailing economic conditions, the Group is exposed to the following risks from any change in such policies and conditions: The pending revision of the *Regulations on Administration of Toll Roads* creates uncertainty regarding potential adjustments to concession periods and toll rate controls. The solid waste recycling treatment industry is highly dependent on the availability of local subsidies and the efficiency of government payments. The *Notice on Deepening the Market-oriented Reform of New Energy On-Grid Tariffs to Promote High-quality Development of New Energy*, jointly issued by the National Development and Reform Commission and the National Energy Administration is moving the new energy sector away from a "guaranteed price and volume" model toward full market competition. This transition introduces greater price volatility and uncertainty to the profitability of new energy projects; macroeconomic fluctuations and regional economic developments significantly affect the traffic volume on toll highways, the amount of kitchen waste collected and processed, and the on-grid electricity output from clean energy sources, thereby affecting the Group's profitability. Beyond these external factors, the Group also faces internal risks, including the underperformance of investment projects, and execution risks in the construction and management of major projects. The Group will establish a framework to identify, assess, and mitigate risks across all business operations, where risk management is an integral part of corporate strategy, decision-making, and operational and financial processes. The key risks we monitor and corresponding mitigation measures remain materially unchanged from those disclosed in the Group's 2024 Annual Report. Investors are advised to refer to the relevant sections for further details.

Report of the Directors

Information on General Meetings

In the first half of 2025, two general meetings were held by the Company at the conference room of the Company, as detailed below:

Name of the meeting	Convening date	Query index on designated websites for the resolutions	Disclosing date of resolutions
The First Extraordinary General Meeting 2025	9 January 2025	http://www.sse.com.cn http://www.hkexnews.hk	10 January 2025
2024 Annual General Meeting	30 June 2025	http://www.sse.com.cn http://www.hkexnews.hk	1 July 2025

Major Financing Matters

1. Issuance of A-shares to Specific Targets (“A Share Issuance”)

According to the CSRC’s *Approval on Shenzhen Expressway Corporation Limited’s Registration for Issuing Shares to Specific Targets* (Zheng Jian Xu Ke [2024] No. 1748), the Company has completed the issuance of A-shares to specific targets in March 2025, and the net proceeds from the issuance after deducting issuance expenses will be used for the investment and construction of the Outer Ring Project, for the repayment of interest-bearing debt and other purposes. A total of 357,085,801 A-shares, each with a nominal value of RMB1.00, were issued at a price of RMB13.17 per share, with a net amount of proceeds of RMB4,679,236,514.71 (representing a net price of approximately RMB13.10 per share). These issued shares were listed on the SSE on 27 March 2025. The closing price of the Company’s A shares on 4 March 2025 (the date of determining the offering terms) was RMB12.19 per share. The subscribers of this offering and their allotted quantities are as follows: XTC Company (75,930,144 shares); Yunshan Capital (242,976,461 shares); and Anhui Expressway (38,179,196 shares).

Upon completion of this issuance, the total share capital of the Company increased from 2,180,770,326 shares to 2,537,856,127 shares, comprising 1,790,356,127 A-shares and 747,500,000 H-shares. For details, please refer to the Company’s relevant announcements and disclosure documents dated 14 July and 20 September 2023, 25 January, 22 May, 26 July, 30 August, 20 September, 8 November and 13 December 2024, and 18 March and 28 March 2025, the circulars dated 24 August 2023 and 23 August 2024, the meeting materials of for the first extraordinary general meeting in 2023, the first A-share class meeting in 2023, the third extraordinary general meeting in 2024 and the first A-share class meeting in 2024, as well as the “Share Capital and Shareholders” section hereof.

During the Reporting Period, the net proceeds from the issuance of A-shares to specific targets have been utilised as per our publicly disclosed plan, without any material changes or delays. For details, please refer to “Progress on the Use of Proceeds” below in this section.

2. Issuance of Medium-term Notes

The Company issued the 2025 Phase I and Phase II medium-term notes on 8 January 2025, with an issuance size of RMB1 billion and RMB500 million respectively, a term of 3 years and a coupon rate of 1.7%. For details, please refer to the Company’s announcements dated 6 January and 9 January 2025.



Report of the Directors

3. Issuance of Corporate Bonds

The Company publicly issued 2025 Phase I corporate bonds for professional investors on 12 March 2025, with an issuance size of RMB2.3 billion, a term of 5 years and a coupon rate of 2.29%. It has been listed on the SSE. For details, please refer to the Company's announcements dated 10 March and 12 March 2025.

The Company publicly issued 2025 Phase I perpetual corporate bonds for professional investors on 16 April 2025 available in two types, with a total issuance size of RMB2 billion, where type I had a basic term of 3 years and an issuance size of RMB1 billion, with a coupon rate of 2.05%, and type II had a basic term of 5 years and an issuance size of RMB1 billion, with a coupon rate of 2.20%. Both have been listed and traded on the SSE. For details, please refer to the Company's announcements dated 14 April and 16 April 2025.

The Company publicly issued 2025 Phase 2 perpetual corporate bonds for professional investors on 13 May 2025 available in two types, with a total issuance size of RMB2 billion, where type I had a basic term of 3 years and an issuance size of RMB1 billion, with a coupon rate of 2.05%, and type II had a basic term of 5 years and an issuance size of RMB1 billion, with a coupon rate of 2.18%. Both have been listed on the SSE. For details, please refer to the Company's announcements dated 8 May and 13 May 2025.

4. Issuance of Ultra-short-term Financing Notes

The Company issued the 2025 Phase I ultra-short-term financing notes on 15 April 2025, with an issuance size of RMB1.5 billion, a term of 270 days and a coupon rate of 1.64%. For details, please refer to the Company's announcements dated 15 April and 16 April 2025.

Non-operating occupation of funds by the Company's controlling shareholder and other related parties (as defined in the relevant PRC regulations)

As of the Reporting Date, there was no non-operating occupation of funds by the Company's controlling shareholder or other related parties.

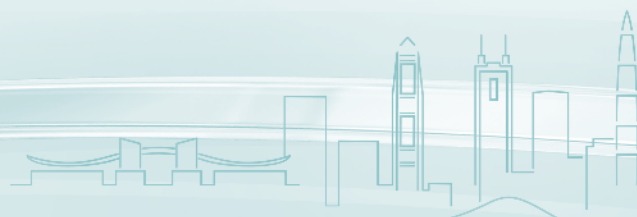
Major Investment and Transaction Matters

On 23 January 2025, with the approval of the Board, the Company considered and passed a resolution regarding a capital increase in Guangshenzhu Company. Pursuant to the resolution, Shenzhen Investment Holdings Bay Area Development Company Limited, a subsidiary of the Company, proposes to, through its controlled subsidiary Hopewell China Development (Superhighway) Limited, make a pro-rata subscription and contribution of registered capital amounting to RMB3.285 billion to Guangshenzhu Company in which Shenzhen Investment Holdings Bay Area Development Company Limited is indirectly entitled to a 45% profit-sharing interest. The contribution is designated for the reconstruction and expansion project of the Huocun, Guangzhou – Chang'an, Dongguan section of the Beijing-Hong Kong & Macao Expressway and the Huangcun – Huocun section in Guangzhou of the Guangzhou-Foshan Expressway, both of which are operated by Guangshenzhu Company. For details, please refer to the Company's announcement dated 24 January 2025.

External Guarantees

Unit: RMB million, unless otherwise specified

External guarantees of the Company (excluding guarantees for subsidiaries)										
Name of the guarantor	Name of the guaranteed	Amount of guarantee	Date of occurrence (date of the agreement)	Commencement of guarantee	Expiry of guarantee	Type of guarantee	Completed or not	Overdue or not	Counter guarantee provided or not	Guarantee for related party or not
Guizhou Property ⁽¹⁾	Customers of Shenzhen Expressway – Interlaken Town	323.86	2016-01 – 2025-06	Effective date of the mortgage loan contract	Effective date of the mortgage under the contract	Joint and several liability guarantee	No	No	No	No
Total amount of guarantees incurred during the Reporting Period										-30.80
Total balance of guarantees as at the end of the Reporting Period (A)										323.86
Guarantees for subsidiaries of the Company										
Total amount of guarantees for subsidiaries incurred during the Reporting Period ⁽²⁾										-150.88
Total balance of guarantees for subsidiaries as at the end of the Reporting Period (B)										4,356.88
Total amount of guarantees of the Company (including guarantees for subsidiaries)										
Total amount of guarantees (A + B)										4,680.74
Proportion of total amount of guarantees to the net assets of the Company (%)										17.39
Among them:										
Amount of guarantees for shareholders, de-facto controller and their related parties (C)										–
Amount of the debt guarantees directly or indirectly provided for those whose gearing ratio exceeded 70% (D)										2,443.18
Amount of the guarantees that exceed 50% of net assets in aggregate (E)										–
Total amount of the above three guarantees (C+D+E)										2,443.18
Description on unexpired guarantees that may be confronted with joint and several liability								Please refer to the description below		



Report of the Directors

Description on guarantees:

- (1) At the 4th meeting of the 7th session of the Board held on 30 June 2015, the 27th meeting of the 7th session of the Board held on 18 August 2017, and the 2017 annual general meeting held on 31 May 2018, the Company considered and approved the phased joint and several liability guarantees provided by Guizhou Property, a controlling subsidiary of the Company, for qualified mortgage customers who purchased the "Shenzhen Expressway – Interlaken Town (now renamed as Shenzhen Expressway – Youshan Villa)" project in line with industry practices in the real estate sector, with a total guarantee amount not exceeding RMB1 billion. During the Reporting Period, Guizhou Property provided phased guarantees for three customers with an aggregate of RMB3.42 million, and the phased guarantees of RMB34.21 million provided in the previous period have been released. As at the end of the Reporting Period, the balance of the guarantees actually provided by Guizhou Property was RMB323.86 million.
- (2) During the Reporting Period, the total amount of new joint and several liability guarantees of the Company actually provided by Bioland and Bay Area Development for their subsidiaries was RMB602.71 million. Guarantees of equivalent RMB745.84 million were released due to the repayment of loans by the Company's controlled subsidiaries. Additionally, guarantees of RMB7.75 million provided by Bioland before it was acquired by the Company were released during the Reporting Period. As of the end of the Reporting Period, the balance of the guarantees actually provided by the Company for its subsidiaries amounted to RMB4,356.88 million.
- (3) The Company has not provided any external guarantee in violation of the stipulated decision-making procedures.

Guarantee Authorisation and Guarantees for Subsidiaries of the Company

(1) Guarantee authorisation

The authorisation of guarantees approved by the general meeting of the Company is as follows:

At the 2024 annual general meeting held on 30 June 2025, the Company considered and passed the proposal on the authorisation of guarantees. The Board or any executive director authorised by it may provide guarantees of not more than RMB1.3 billion in aggregate for wholly-owned subsidiaries (including not more than RMB300 million for wholly-owned subsidiaries whose gearing ratio exceeds 70%), and not more than RMB3.5 billion in aggregate for non-wholly-owned subsidiaries (including not more than RMB2.65 billion for controlling subsidiaries whose gearing ratio exceeds 70%), as necessary. These guarantees include financing guarantees and guarantee letters. The guarantee authorisation will be effective from the date of approval by the general meeting to the date when the 2025 annual general meeting is held.

(2) Guarantees for subsidiaries of the Company

As at the end of the Reporting Period, the guarantees for subsidiaries of the Group were as follows:

Unit: RMB million

External guarantees of the Company (guarantees for subsidiaries)										
Name of the guarantor	Name of the guaranteed	Maximum amount of guarantees	Actual balance of principal of guaranteed debts	Date of occurrence (date of the agreement)	Commencement of guarantee	Expiry of guarantee	Type of guarantee	Completed or not	Overdue or not	Counter guarantee provided or not
Bioland ^{Note 1}	Fuzhou Bioland, Guilin Bioland, Beihai Zhonglan, Zhuji Bioland, Handan Bioland, Huangshi Bioland, Sichuan Lansheng, Taizhou Bioland and Guangxi Bioland	1,292.03	797.46	2021/9/15 – 2025/4/17	2021/9/15 – 2025/4/17	2 years after the expiry date of the debt performance period	Joint and several liability guarantee	No	No	No
Investment Company ^{Note 1}	Shengao Lekang	36.26	23.67	2023/5/11	2023/5/11	3 years after the expiry date of the debt performance period	Joint and several liability guarantee	No	No	No
Bay Area Development ^{Note 1}	Shenzhen Bay infrastructure	1,798	1,500	2022/11/8	2022/11/8	3 years after the expiry date of the debt performance period	Joint and several liability guarantee	No	No	No
Bay Area Development ^{Note 1}	SIHC Bay Area Finance Limited	1,094.34	446.86	2024/6/24	2024/6/24	Upon expiration of the debt performance period, as required in the agreement	Joint and several liability guarantee	No	No	No
Bay Area Development ^{Note 1}	SIHC Bay Area Finance Limited	2,000	565.41	2025/6/19	2025/6/19	Upon expiration of the debt performance period, as required in the agreement	Joint and several liability guarantee	No	No	No
Bioland	Various project subsidiaries in which the Company invested prior to its acquisition of Bioland ^{Note 2}	11.25	11.25	2015/11/30 – 2017/3/9	2015/11/30	2 years after the expiry date of the debt performance period	Joint and several liability guarantee	No	No	No
Bay Area Development	SIHC Bay Area Finance Limited ^{Note 3}	1,941.76	1,012.26	2020/3/2 – 2020/7/14	2020/3/2	Upon expiration of the debt performance period, as required in the agreement	Joint and several liability guarantee	No	No	No
Total		/	4,356.88	/	/	/	/	/	/	/

Note 1: Pursuant to the guarantee authorisation approved by the shareholders' general meeting and/or the Board of Directors' approval, the guarantees actually provided by the Company to its subsidiaries as at the end of the Reporting Period. For details about the guarantees, please refer to the Company's announcements dated 15 September, 22 December, 24 December and 30 December 2021, 8 November 2022, 6 January, 11 May, 12 May, 29 June, 31 July, and 25 August 2023, 7 June, 28 June, 30 August, and 22 November 2024, 17 April and 19 June 2025.

Note 2: The external guarantees provided by Bioland before it was acquired by the Company are all guarantees provided by Bioland for its subsidiaries. As at the end of the Reporting Period, the outstanding principal balance of guaranteed debts amounted to RMB11.25 million.

Note 3: Guarantees provided by Bay Area Development for its subsidiaries before it was acquired by the Company. As at the end of the Reporting Period, the outstanding principal balance of guaranteed debts totalled RMB1,012.2645 million.

Report of the Directors

Mortgage and Pledge of Assets

For details of the Company's and its subsidiaries' assets mortgaged or pledged as at the end of the Reporting Period, please refer to the relevant contents of "3. Restrictions on main assets as at the end of the Reporting Period" in "III. Financial Analysis" in the "Management Discussion and Analysis" section in this report.

Entrusted Wealth Management

As approved by the Board of the Company, subject to the condition that both safety and liquidity of capital can be assured, the Group invested part of the funds in wealth management products issued by banks. During the Reporting Period, the Group conducted seven new transactions relating to principal-guaranteed floating income wealth management products and 1 transaction relating to large-denomination certificate of deposit, with an entrusted wealth management amount of RMB2.98 billion. This included RMB2.0 billion from 4 principal-guaranteed floating income wealth management products subscribed by the Company with temporarily idle proceeds for cash management purposes. For details, please refer to the Company's announcements dated 16 May 2025 and 23 June 2025. As at the end of the Reporting Period, the capital balance of the Group's wealth management products amounted to RMB3.24 billion. No income on entrusted wealth management was received during the Reporting Period, with no outstanding principal or income.

Progress on the Use of Proceeds

(I) Overall Utilisation of Proceeds

Unit: RMB10,000 Currency: RMB

Sources of proceeds	Time of receiving proceeds	Total amount of proceeds	Net amount of proceeds (1)	Total investment amount committed from proceeds in the prospectus or offering memorandum (2)	Total amount of funds over-raised (3) = (1) - (2)	Total cumulative investment of proceeds as at the Reporting Date (4)	Including: Total cumulative investment of funds over-raised as at the Reporting Date (5)	Cumulative progress of proceeds as at the Reporting Date (%) (6) = (4)/(1)	Cumulative progress of funds over-raised as at the Reporting Date (%) (7) = (5)/(3)	Amount invested this year (8)	Proportion of the investment amount this year (%) (9) = (8)/(1)	Total amount of proceeds with purposes changed
Issuance of shares to specific targets	12 March 2025	470,282.00	467,923.65	470,282.00	/	119,147.86	/	25.46	/	119,147.86	25.46	/
Total	/	470,282.00	467,923.65	470,282.00	/	119,147.86	/	/	/	119,147.86	/	/

(II) Details of Fundraising Projects

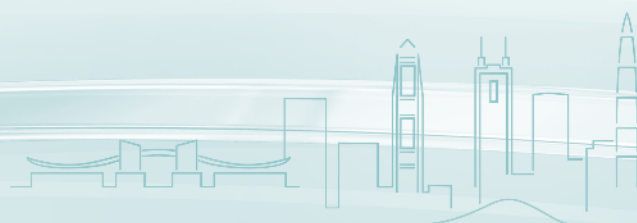
1. Detailed Utilisation of Proceeds

Detailed utilisation of proceeds sources of proceeds	Project name	Project nature	Whether it is a committed investment project in the prospectus or the offering memorandum?	Whether it involves the change in the investment	Total planned investment amount of the proceeds (1)	Amount invested this year	Total cumulative investment of proceeds as at the Reporting Date (2)	Cumulative investment progress as at the Reporting Date (%) (3)=(2)/(1)	Timeline for the proposed use of proceeds	Project completion status	Whether the investment progress is in line with the planned schedule	Specific reasons for failure to meet the planned investment progress	Benefits achieved this year	Benefits or R&D Outcomes achieved by the Project	Are there any material changes to the project feasibility? If so, please provide specific details	Surplus amount
Issuance of shares to specific targets	Shenzhen Outer Ring Expressway Project (Shenzhen Section)	Investment and construction	Yes	No	457,693.21	108,917.43	108,917.43	23.80	Until 2027	No	Yes	N/A	N/A	N/A	N/A	N/A
Issuance of shares to specific targets	Repayment of interest-bearing liabilities	Loan repayment	Yes	No	10,230.44	10,230.44	10,230.44	100.00	Utilised as of 30 June 2025	Yes	Yes	N/A	N/A	N/A	N/A	N/A
Total	/	/	/	/	467,923.65	119,147.86	119,147.86	/	/	/	/	/	/	/	/	/

(III) Other Use of Proceeds During the Reporting Period

1. Initial -Investment and Replacement of Proceeds for Investment Projects

On 29 April 2025, the Company convened the 54th meeting of the Ninth Board of Directors and the 32nd meeting of the Ninth Board of Supervisors, during which the *Proposal on the Use of a Portion of Proceeds to Replace Self-raised Funds Previously Deployed for the Fundraising Projects and Paid Issuance Costs* was considered and approved. The proposal authorised the use of proceeds to replace the Group's self -proceeds previously deployed for investment projects and paid issuance costs, totalling RMB1,263,576,794.87. For details, please refer to the *Announcement on Shenzhen Expressway Corporation Limited Regarding the Use of a Portion of Proceeds to Replace the Self-Raised Funds Previously Deployed for the Investment Projects and Paid Issuance Costs* disclosed by the Company on 29 April 2025. Deloitte & Hua Yong LLP (Special General Partnership) has reviewed the aforementioned self-proceeds previously deployed for investment projects and the payment of issuance costs, and issued the *Audit Report on the Self-raised Funds Previously Deployed for Investment Projects and Payment of Issuance Costs*. The sponsor, CITIC Securities Company Limited, issued a verification opinion with no objections. As at the end of the Reporting Period, the Group had replaced self-proceeds previously deployed for investment projects and paid issuance costs with the proceeds, totalling RMB1,020,548,856.87.



Report of the Directors

2. Cash Management of Idle Proceeds and Investment in Related Products

Unit: RMB10,000 Currency: RMB

Date of review by the Board	Effective limit reviewed for the use of proceeds for cash management	Effective date	Expiration date	Cash management balance as at the Reporting Date	Whether the maximum balance exceeds the authorised limit during the period
21 March 2025	300,000	28 March 2025	31 July 2025	18,000	No
		16 May 2025	10 February 2026	40,000	No
		19 May 2025	13 February 2026	40,000	No
		26 June 2025	24 September 2025	20,000	No
		25 June 2025	20 March 2026	100,000	No

Note:

Approved by the Company at the Fifty-third Meeting of the Ninth Board of Directors held on 21 March 2025, and in order to further improve funds utilisation efficiency, the Board of Directors has agreed that the Company may use a portion of the temporarily idle proceeds to purchase high-security and high-liquidity cash management products and deposit the remaining proceeds in the form of agreement deposits, provided that such utilisation shall in no event impede the construction of projects financed by proceeds, and the utilisation plan of proceeds, and ensure the security of proceeds. The balance of cash management products shall not exceed RMB3 billion, and may be used on a rolling basis within 12 months from the date of approval by the Board of Directors. The term of each cash management product shall not exceed 12 months from the date of approval by the Board of Directors, and the term of agreement deposits shall not exceed 12 months from the approval date. During the Reporting Period, the Group conducted four principal-guaranteed fixed-income 7-day call deposit transactions and four principal-guaranteed floating-income structured deposit transaction, with a total cash management amount of RMB5 billion. The 7-day call deposit of RMB2.82 billion was redeemed during the Reporting Period. As at the end of the Reporting Period, the Group held 5 outstanding cash management products totalling RMB2.18 billion, and there was no outstanding principal or income.

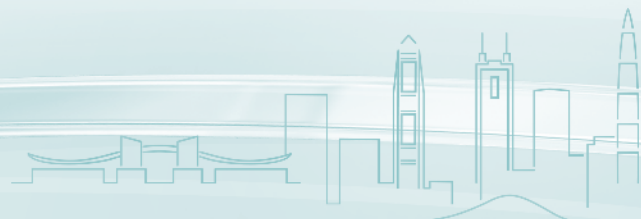
Other Agreements and Matters

Except as disclosed in this Report, the Company did not enter into any contract in respect of the management or administration of its overall business or any material business or had any such contract subsisting, nor did it enter into any other material contract in relation to entrustment, subcontracting, leasing or guarantee during the Reporting Period. Furthermore, there was no such prior material contract subsisting during the Reporting Period.

During the Reporting Period, there was no material litigation or arbitration, matter widely questioned by the media, or bankruptcy and reorganisation in connection with the Company, nor was any share option incentive scheme implemented. In addition, there was no relevant matters carried forward from prior periods into the Reporting Period. As at the end of the Reporting Period, the Group was involved in several lawsuits and arbitrations, which would not significantly affect the Group's daily operations. As at the end of the Reporting Period, the major lawsuits and arbitrations that remained pending or had subsequent developments during the Reporting Period were as follows:

Unit: '000 Currency: RMB

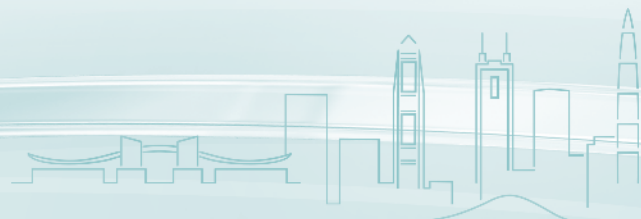
Plaintiff (applicant)	Defendant (respondent)	Party with joint and several liability	Type of litigation (arbitration)	Basic information of the litigation (arbitration)	Amount involved in litigation (arbitration)	Does the litigation (arbitration) forms any predicted liability and its amounts	Progress of litigation (arbitration)	Result and influence of litigation (arbitration)	Execution of litigation (arbitration) judgment
Xinqing Environmental Technology (Lianyungang) Co., Ltd. ("Xinqing Environmental")	Nanjing Wind Power	—	Litigation	Contract dispute	150,743.2 (Counterclaim for 52,426.93)	Yes	Second instance judgment was given and execution was underway	The judgment of the first instance was given on 31 August 2023: (1) The remaining part of the contract between both parties shall be terminated; (2) After offsetting the payable amounts of both parties, Nanjing Wind Power shall pay RMB3,917,840 to Xinqing Environmental, Xinqing Environmental shall issue a bank quality guarantee, etc. On 5 November 2024, the second instance judgment was received, affirming the original judgment: Nanjing Wind Power has made the payment, and other matters are still in progress.	Under execution
Environmental Company	Shi Junying, Shi Junhua, Zhengzhou Cida Environmental Technology Co., Ltd., Beijing Shuiqi Lande Technology Co., Ltd.	—	Arbitration	The promised performance was not achieved and the respondent was required to pay the performance compensation.	344,334.1	No	In arbitration	In July 2023, Environmental Company requested the judgment that the respondents including Shi Junying transfer 19,534,720 shares in Bioland to Environmental Company free of charge according to the agreement (calculated at RMB5.06 per share), and pay the compensation for losses of RMB71.15642 million. In November 2024, Environmental Company applied for changing its original arbitration request, requesting that the respondents transfer 19,534,720 shares in Bioland Company to Environmental Company free of charge and pay a loss compensation amount of RMB244,638,390 and the attorney fee.	In arbitration
POWERCHINA Jiangxi Electric Power Construction Co., Ltd. ("Jiangxi Electric Power Construction")	Nanjing Wind Power	—	Litigation	Contract dispute	163,974.9 (counterclaim for 91.3)	Yes	Under second-instance appeal	The judgment of the first instance was given by the court in July 2025: Nanjing Wind Power shall pay a total of approximately RMB61.80201 million to Jiangxi Electric Power Construction for the loss compensation and cost of repairing the blades; Jiangxi Electric Power Construction shall pay the liquidated damage totalling approximately RMB91,320 to Nanjing Wind Power. Nanjing Wind Power filed an appeal with the Jiangxi Provincial High People's Court on 19 July 2025.	Under second-instance appeal



Report of the Directors

Plaintiff (applicant)	Defendant (respondent)	Party with joint and several liability	Type of litigation (arbitration)	Basic information of the litigation (arbitration)	Amount involved in litigation (arbitration)	Does the litigation (arbitration) forms any predicted liability and its amounts	Progress of litigation (arbitration)	Result and influence of litigation (arbitration)	Execution of litigation (arbitration) judgment
Beijing Shuiqi Lande Technology Co., Ltd., Shi Junying, Shi Junhua, Zhengzhou Cida Environmental Technology Co., Ltd.	Environmental Company	—	Arbitration	Disputes over equity transfer	129,727.2	No	In arbitration	In October 2023, applicants including Shuiqi Lande requested the following judgment: (1) The proportion of its performance compensation liability should be 1%; (2) Environmental Company should return the 22.64 million shares already compensated for (with a value of RMB5.73 per share) or equivalent cash.	In arbitration
Financial Leasing Company	Xuchang Xurui Wind Power Generation Co., Ltd., Shenzhen Zhongzhuang New Energy Technology Co., Ltd., Henan Xuxin Wind Power Co., Ltd., Shenzhen Zhongzhuang Construction Group Co., Ltd., Shenzhen Zhongzhuang Municipal Landscape Engineering Co., Ltd.	—	Arbitration	Contract dispute	129,931.9	No	The arbitration was concluded and execution was underway	On 24 January 2025, Financial Leasing Company received the arbitration award, requiring the respondent to pay the applicant the total amount of RMB121.5202 million for principal rent, overdue interest, attorney fees, and preservation guarantee fees.	In execution
Nanjing Wind Power	Lianyungang Zhongfu Lianzhong Composites Group Co., Ltd.	—	Litigation	Contract dispute	124,923.5	No	In first instance	On 16 August 2024, Nanjing Wind Power requested the judgment that Lianyungang Zhongfu should bear the liability for breach of the sales contract, and pay liquidated damages and all losses totalling approximately RMB124,923,500.	In first instance
Nanjing Wind Power	Huai'an Zhongheng New Energy Co., Ltd.	—	Litigation	Debt dispute	106,000.2	No	In first instance	On 16 August 2024, Nanjing Wind Power requested the judgment that Huai'an Zhongheng should pay arrears, interests, etc. totalling approximately RMB106,000,200.	In first instance
Nanjing Wind Power	Shenzhen Zhongzhuang New Energy Technology Co., Ltd.	—	Litigation	Contract dispute	62,521.5	No	The first instance judgment has taken effect	On 1 July 2025, the first instance judgment was as follows: (1) Zhongzhuang New Energy shall pay RMB59,200,400 for goods and the liquidated damage to Nanjing Wind Power; (2) Other appeal requests of the plaintiff Nanjing Wind Power were rejected.	Pending enforcement
Infrastructure and Environmental Protection Company	Shenzhen Qiantai Energy Renewable Technology Co., Ltd.	—	Litigation	Disputes over equity transfer	—	No	In first instance	On 26 September 2024, Infrastructure and Environmental Protection Company requested the judgment that Shenzhen Qiantai Energy Renewable Technology Co., Ltd. transfer 8.02% equity interests held by it in Shenzhen Shenshan Special Cooperation Zone Qiantai Technology Co., Ltd. without compensation, and handle the business registration change procedure for the above equity.	In first instance

Plaintiff (applicant)	Defendant (respondent)	Party with joint and several liability	Type of litigation (arbitration)	Basic information of the litigation (arbitration)	Amount involved in litigation (arbitration)	Does the litigation (arbitration) forms any predicted liability and its amounts	Progress of litigation (arbitration)	Result and influence of litigation (arbitration)	Execution of litigation (arbitration) judgment
CRCC China Southern Railway Construction Investment Co., Ltd.	Fund Company	—	Arbitration	Partnership agreement dispute	152,590.3	No	In arbitration	On 9 October 2024, Fund Company received an arbitration notice from CRCC China Southern Railway Construction Investment Co., Ltd. regarding the withdrawal from the infrastructure fund and the refund of its investment amount.	In arbitration
Juye Changguang Wind Energy Co., Ltd.	Nanjing Wind Power and Environmental Company	—	Litigation	Contract dispute	96,140	No	In first instance	On 15 January 2025, Nanjing Wind Power received a civil complaint from Juye Changguang Wind Energy Co., Ltd. regarding losses suffered due to delayed delivery, demanding compensation for losses of RMB96,140,000, and requesting Environmental Company to bear joint liability.	In first instance
PowerChina Jiangxi Electric Power Engineering Co., Ltd.	Zhangshu Gaochuan and Nanjing Wind Power	—	Litigation	Contract dispute	16,098.6 (counterclaim for 59,892.4)	Yes	In the appeal to the second instance	On 11 June 2025, the first instance judgment was as follows: Zhangshu Gaochuan shall pay a total of RMB13,421,600 to PowerChina Jiangxi Electric Power Engineering Co., Ltd. including the project fund, and appraisal fee, as well as the corresponding interest, and Nanjing Wind Power shall bear the joint and several liability for the above debts. On 24 June 2025, Nanjing Wind Power filed an appeal with the People's Court of Zhangshu City, Jiangxi Province.	In the appeal to the second instance
Huai'an Zhongheng New Energy Company Limited	Nanjing Wind Power	—	Litigation	Contract dispute	124,244.8	No	In first instance	On 15 May 2025, Huai'an Zhongheng requested a judgment ordering Nanjing Wind Power to compensate for expense of repairing and replacing the wind turbine equipment and blades, inspection and maintenance costs and loss of power generation involved in the project, totalling RMB124,244,800.	In first instance
Nanjing Wind Power	POWERCHINA Jiangxi Electric Power Construction Co., Ltd. ("Jiangxi Electric Power Construction")	—	Arbitration	Contract dispute	43,094	No	In first instance	On 3 December 2024, Nanjing Wind Power had fulfilled all the obligations stipulated in the agreement involved in the project, and requested a judgment ordering Jiangxi Electric Power Construction to return the performance bond.	In first instance

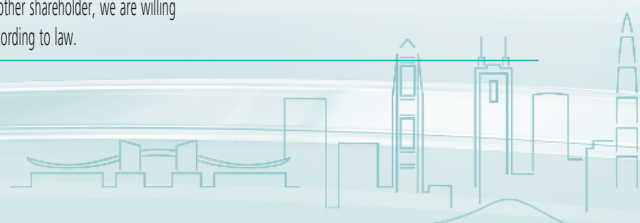


Report of the Directors

Commitments

Background of undertaking	Type of undertaking	Undertaking party	Undertaking details	Time and duration of undertaking	Term of fulfilment or not	Whether fulfilled timely and strictly or not
Undertakings made in Acquisition Report or Report on the Changes in Equity Interests	Other	Shenzhen International/ Shenzhen International (Shenzhen)	For details of the undertakings to avoid peer competition and regulate connected transactions, please refer to Detailed Report on the Changes in Equity Interests (《詳式權益變動報告書》) published on 18 October 2007 in the securities market of the PRC by undertaking parties or relevant contents in the Annual Report 2007 of the Company	October 2007	No	Yes
	Other	Shenzhen International	1. It will continue to fulfil the above undertaking made in October 2007 to avoid peer competition and regulate connected transactions. 2. Except with the approval of the Board of the Company and the written consent of the independent directors of the Company, Shenzhen International will not directly or indirectly engage in businesses that compete with the main businesses of the Company alone or together with any other person or company, except as agreed upon by both parties. For details, please refer to the Acquisition Report published by SIHCL dated 4 January 2011 on the securities market of the PRC and the Company's announcement dated 1 June 2011.	December 2010	No	Yes
	Other	SIHCL	To avoid peer competition, SIHCL has made the following undertakings: 1. It undertakes that it does not engage directly or indirectly in any business that constitutes or is likely to constitute substantial competition with the businesses operated by the Group, and is not involved in investment in any other enterprise that constitutes or is likely to constitute substantial competition with the products of or businesses operated by the Group. 2. Unless with the approval the Board of the Company and the written consent of the Independent Directors of the Company, SIHCL will not engage directly or indirectly in any business constituting peer competition with the Company's main businesses solely or together with any other person or company, unless otherwise agreed upon between both parties. For details, please refer to the Acquisition Report published by SIHCL dated 4 January 2011 on the securities market of the PRC and the Company's announcement dated 1 June 2011.	December 2010	No	Yes
Letter of undertaking	Other	Shenzhen International	1. It will take the Company as the only platform for the final integration of the expressway business of Shenzhen International; 2. It will fulfil all undertakings to support the development of the Company.	June 2011	No	Yes
			3. For the expressway business assets owned by Shenzhen International, Shenzhen International undertakes to inject such assets into the Company in approximately 5-8 years when the relevant conditions are met, so as to promote the sustainable and stable development of the Company.		Yes	

Background of undertaking	Type of undertaking	Undertaking party	Undertaking details	Time and duration of undertaking	Term of fulfilment or not	Whether fulfilled timely and strictly or not
Letter of undertaking	Other	SIHCL	1. It will take the Company the only platform for the final integration of the expressway business of SIHCL; 2. SIHCL will fulfil all undertakings to support the development of the Company.	May 2011	No	Yes
			3. For the expressway business assets owned by SIHCL, SIHCL undertakes to inject such assets into the Company in approximately 5-8 years when the profitability of such assets is improved and the relevant conditions are met, so as to eliminate peer competition between SIHCL and the Company, and promote the sustainable and stable development of the Company.		Yes	
Undertakings related to IPO	Avoidance of peer competition	XTC Company/SGH Company	The undertaking parties will not engage in any industry or business in any way which, directly or indirectly, competes with the Company in Shenzhen.	January 1997	No	Yes
Undertakings related to refinancing Note	Other	Directors and senior management of Shenzhen International/ the Company	The Special Self-inspection Report on the Real Estate Business of Shenzhen Expressway Corporation Limited in the Offering of A-shares to Specific Targets has truthfully disclosed the self-inspection on the Group's real estate development projects during the period from 1 January 2020 to 30 June 2024. Shenzhen International, the controlling shareholder of the Company, and the Directors and senior management of the Company have made the following undertaking: Shenzhen Expressway and the subsidiaries included in its consolidated financial statements are not subject to any administrative penalty or (with a case filed) investigation for any illegal or nonconforming act, such as land idling, land speculation, property hoarding and property price manipulation. If Shenzhen Expressway has any illegal or nonconforming act under Special Self-inspection Report on the Real Estate Business of Shenzhen Expressway Corporation Limited in the Offering of A-shares to Specific Targets (Third Amendment), such as land idling, land speculation, property hoarding or property price manipulation, causing any loss to Shenzhen Expressway or any investor, the undertakers will assume the corresponding liability for compensation in accordance with laws, regulations and the securities regulator's requirements.	July 2023, January 2024 and August 2024	No	Yes
Undertakings related to refinancing Note	Other	Shenzhen International	The following commitments are made to ensure that the Company's immediate return make-up measures are implemented practically in this offering of A-shares to specific targets ("this issuance"): 1. We promise not to interfere with Shenzhen Expressway's business management activities beyond our authorities; 2. We promise not to encroach on the interests of Shenzhen Expressway; 3. Before the completion of this offering, if the CSRC or the SSE promulgates other new regulatory provisions on return make-up measures, and related commitments, and the above commitments do not meet these provisions, we will make supplementary commitments in accordance with the prevailing provisions of the CSRC or the SSE. 4. We promise to implement the make-up measures for the diluted immediate return formulated by the Company and any commitment on the return make-up measures for the diluted immediate return practically. If we break or refuse to fulfil the above commitments, and cause losses to the Company or any other shareholder, we are willing to bear the corresponding liability according to law.	July 2023, January 2024 and August 2024	No	Yes

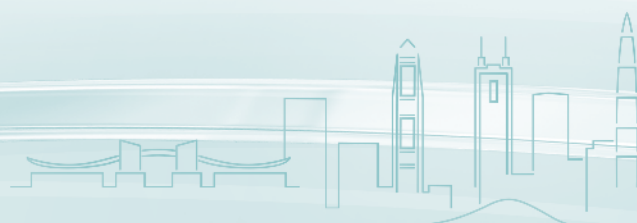


Report of the Directors

Background of undertaking	Type of undertaking	Undertaking party	Undertaking details	Time and duration of undertaking	Term of fulfilment or not	Whether fulfilled timely and strictly or not
Undertakings related to refinancing	Other	XTC Company	The share subscription agreement with conditions precedent entered into between XTC Company and the Company specifies that: The target shares acquired by XTC Company and offered this time shall not be transferred within 18 months from the end of this offering, and the regulations of the CSRC and the SSE shall apply thereafter. If there are other provisions in the relevant regulations and normative documents regarding the trading restriction period of offering shares to specific targets, such provisions will apply. From the date of completion of this issuance to the date of the lifting of restrictions on such shares, the newly added shares in the Company under the target stock subscribed for by XTC Company in this issuance arising from the Company's bonus shares, capital reserve conversion into the share capital, etc. should also comply with the above lock-up arrangements. XTC Company promises as follows: It confirms that it had not reduced its shareholding in Shenzhen Expressway either directly or indirectly in the six months prior to the pricing base date of this issuance, and promises not to reduce its shareholding in Shenzhen Expressway either directly or indirectly in any way from the pricing base date of this issuance to 18 months after the completion of this issuance. If a reduction in shareholding occurs in violation of the above commitment, all proceeds arising from such reduction will be vested in Shenzhen Expressway, and it will also bear the legal liability arising therefrom according to law.	July 2023	Yes	Yes
			XTC Company will subscribe for not less than 10% of the shares actually issued by Shenzhen Expressway under this issuance for an amount of not more than RMB1.51 billion. After this issuance, Shenzhen International will hold not less than 45.00% of the shares of Shenzhen Expressway indirectly in aggregate, and the subscription price will be paid by XTC Company in cash.	July 2024	Yes	Yes
Undertakings related to refinancing Note	Other	SGH Company/Jintai Company	SGH Company and Jintai Company make a further share lock-up commitment regarding this issuance: It confirms that it had not reduced its shareholding in Shenzhen Expressway either directly or indirectly in the six months prior to the pricing base date of this issuance, and promises not to reduce its shareholding in Shenzhen Expressway either directly or indirectly in any way from the pricing base date of this issuance to 18 months after the completion of this issuance. If a reduction in shareholding occurs in violation of the above commitment, all proceeds arising from such reduction will be vested in Shenzhen Expressway, and it will also bear the legal liability arising therefrom according to law.	July 2024	Yes	Yes

Background of undertaking	Type of undertaking	Undertaking party	Undertaking details	Time and duration of undertaking	Term of fulfilment or not	Whether fulfilled timely and strictly or not
Undertakings related to refinancing Note	Other	Directors and senior management of the Company	The following commitments are made to ensure the effective implementation of the make-up measures to mitigate the dilution of immediate returns resulting from this issuance: 1. We promise not to transfer interests to any other organisation or individual without compensation or under unfair conditions, and not to harm the Company's interests in any other way; 2. We promise to restrain our own position-related consumption behaviour; 3. We promise not to use the Company's assets to engage in any investment or consumption activity unrelated to the performance of our duties; 4. We promise to support the linkup of the remuneration system formulated by the Board or the Remuneration Committee with the implementation of the Company's make-up measures for the diluted immediate return; 5. If the Company implements an equity incentive plan in the future, we promise to support the linkup of the exercise conditions of the proposed corporate equity incentive plan with the implementation of the Company's make-up measures for the diluted immediate return; 6. Before the completion of this offering, if the CSRC or the SSE promulgates other new regulatory provisions on return make-up measures and related commitments, and the above commitments do not meet these provisions, we will make supplementary commitments in accordance with the prevailing provisions of the CSRC or the SSE; 7. We promise to implement the make-up measures for the diluted immediate return formulated by the Company and any commitment on the return make-up measures for the diluted immediate return practically. If we break or refuse to fulfil the above commitments, and cause losses to the Company or the shareholders, we are willing to bear the corresponding liability according to law.	July 2023, January 2024 and August 2024	No	Yes

Note: On 14 July 2023, with the approval of the 32nd meeting of the 9th session of the Board, the Company planned to issue A-shares to eligible specific targets. Shenzhen International, the controlling shareholder of the Company, and the Directors and senior management of the Company made written commitments on the relevant matters according to the requirements of the General Office of the State Council and the CSRC. On 25 January and 30 August 2024, as approved by the Board respectively, the Company adjusted the total amount and use of the proceeds from this issuance, and revised the plan and the related documents accordingly. Shenzhen International, the controlling shareholder of the Company, and the Directors and senior management of the Company made written commitments on the relevant matters.



Report of the Directors

Corporate Governance

Listed on both the SSE and HKEx, the Company has to comply with the applicable laws and regulatory requirements for securities regarding corporate governance practices in Mainland China and Hong Kong. During the Reporting Period, the Company complied with the Company Law and the relevant CSRC requirements. The Company has also fully adopted all the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules of the HKEx. There has been no material deviation or non-compliance. The Company strives to implement better corporate governance practice. For details, please refer to the Company's Annual Report 2024.

Investor Relations Management

The Company's management attaches importance to investor communication and engagement. During the first half of 2025, the Chairman, President, Independent Directors, Vice Presidents, Chief Financial Officer and Secretary of the Board, Board Secretariat and investor relations team of the Company actively participated in various communication activities to engage in direct communication with investors. The Company primarily conducts investor relations activities in the following forms:

- Disclosing the investor hotline and investor relations e-mailbox, setting up an investor online comments column, and promptly responding to investor enquiries. In the first half of 2025, the Company replied to over 40 investor inquiries via website, telephone and email.
- Properly accommodating investors' visits and research requests. In the first half of 2025, the Company received a total of 20 investors in 11 visits, with an open mind to communicate with investors under a mechanism of direct dialogue between investors and the Company.
- The Company conducted various forms of presentation activities, including performance briefings, online investor meetings, roadshows, and participated in different investor conferences/forums. In the first half of 2025, the Company engaged with approximately 400 participants, including investors, broker analysts, and media representatives.
- Providing periodic updates on the Group's operations and development. In the first half of 2025, the Company prepared and disseminated over 10 issues of E-Newsletter along with performance presentation materials, introducing investors to the Company's operating environment, operational performance, and development plans, and responding to issues of concern to investors.
- The Company also timely handled and replied to investors' messages through the "e-interaction" platform developed by the SSE for listed companies and investors, and published investor interaction records on a monthly basis.

Employees, Remuneration and Training

As of 30 June 2025, the Group (including the Company and subsidiaries in the consolidated financial statements) has a total workforce of 7,080, while 1,882 were management and professional staff, and 5,198 were toll collection and frontline staff.

The remuneration and benefits of the staff comprise position-based salary, performance-based remuneration and the statutory and corporate benefits. These are determined with reference to the market value of each position, the Company's overall performance and the individual comprehensive performance of employees, etc. Following the statutory requirements, the Group has participated in the employee retirement benefit program (social pension insurance) and the housing provident fund plan coordinated or organised by the local government authorities. The Group also provides employees with various social insurance programs such as medical insurance, work-related injury insurance, unemployment insurance and maternity insurance. According to the relevant regulations, the Group is required to contribute to social security funds for pension and medical care based on a certain percentage of the total employee payroll, subject to a prescribed ceiling, and pay these contributions to the labour and social security authorities. In addition, the Company also makes regular contributions to enterprise annuity (supplementary pension insurance) for its management and professional staff. For details of employee remuneration and benefits, please refer to Notes V/28 and V/37 to the Financial Statements in this annual report.

The Company values employee training and has established a competency-specific training system. During the Reporting Period, the Company organised a number of training sessions, covering all areas like general management, operational management and professional skills across each business segment. In addition, to meet the growing demand of the Company for cross-regional training and ensure the full coverage for all employees, the Company leveraged mobile learning platforms to deliver training programs. During the Reporting Period, the Group implemented a total of 281 training programs, both online and offline, with approximately 10,174 participants. The training content covered a wide range of topics, including laws and regulations, risk management, engineering safety management, and comprehensive professional skills.

Review of Interim Results

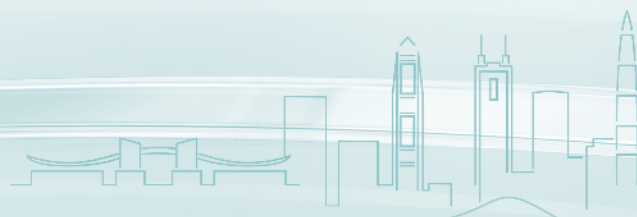
The interim financial information for 2025 and the comparative figures with 2024 are prepared in accordance with Chinese Accounting Standards for Business Enterprises (CAS), while also complying with the disclosure requirements of the Hong Kong Stock Exchange Listing Rules. The Company's Audit Committee has reviewed and confirmed the Group's financial statements and interim report for the six months ended 30 June 2025, with such financial information being unaudited.

Names of Directors

As at the date of this report, the members of the Board included: Mr. Xu En Li (Executive Director and Chairman), Mr. Liao Xiang Wen (Executive Director and President), Mr. Yao Hai (Executive Director), Mr. Wen Liang (Executive Director), Mr. Chen Yunjiang (Non-executive Director), Ms. Wu Yan Ling (Non-executive Director), Ms. Zhang Jian (Non-executive Director), Mr. Li Fei Long (Independent Director), Mr. Miao Jun (Independent Director), Mr. Xu Hua Xiang (Independent Director), and Mr. Yan Yan (Independent Director).

By Order of the Board
Xu En Li
Chairman

Shenzhen, the PRC, 22 August 2025



Share Capital and Shareholders

I. Profile of Movements of Share Capital

(I) Profile of Movements of Shares

1. Table on changes in shares

Unit: Share(s)

	Before the change		The increase or decrease on the change (+, -)					After the change	
	Number of shares	Proportion (%)	Issue of new shares	Bonus shares	Share conversion from reserve	Others	Sub-total	Number of shares	Proportion (%)
I. Restricted shares	0	0.00	357,085,801	0	0	0	357,085,801	357,085,801	14.07
1. State-owned shares	0	0.00	0	0	0	0	0	0	0.00
2. State-owned legal person shares	0	0.00	357,085,801	0	0	0	357,085,801	357,085,801	14.07
3. Other domestic shares	0	0.00	0	0	0	0	0	0	0.00
Of which: domestic non-state-owned legal persons shares	0	0.00	0	0	0	0	0	0	0.00
domestic natural persons shares	0	0.00	0	0	0	0	0	0	0.00
II. Non-restricted circulating shares	2,180,770,326	100.00	0	0	0	0	0	2,180,770,326	85.93
1. RMB ordinary shares	1,433,270,326	65.72	0	0	0	0	0	1,433,270,326	56.48
2. Foreign shares listed in the PRC	0	0.00	0	0	0	0	0	0	0.00
3. Overseas-listed foreign shares	747,500,000	34.28	0	0	0	0	0	747,500,000	29.45
4. Others	0	0.00	0	0	0	0	0	0	0.00
III. Total number of shares	2,180,770,326	100	357,085,801	0	0	0	357,085,801	2,537,856,127	100

2. Explanations on changes in shares

Pursuant to the “Approval regarding the Registration of Issuance of Shares to Specific Targets by Shenzhen Expressway Corporation Limited” (《關於同意深圳高速公路集團股份有限公司向特定對象發行股票註冊的批復》) (CSRC License [2024] No. 1748), the Company has completed the issuance of A-shares to specific targets (the “Issuance”) in March 2025. A total of 357,085,801 A shares were additionally issued, and these new shares were listed on the SSE on 27 March 2025.

After the completion of the Issuance, the Company’s total share capital increases from 2,180,770,326 shares to 2,537,856,127 shares, of which 1,790,356,127 A shares account for approximately 70.55% of the Company’s total share capital; and 747,500,000 H shares account for approximately 29.45% of the Company’s total share capital.

3. Impact of share changes occurring between the end of the Reporting Period and the disclosure date of the semi-annual report on financial indicators such as earnings per share and net assets per share

☐ Applicable ☒ Not applicable

(II) Changes in Restricted Shares

Name of shareholder	Number of restricted shares at the beginning of the period	Number of restricted shares released during the Reporting Period	Number of restricted shares increased during the Reporting Period	Number of restricted shares as at the end of the Reporting Period	Reason for selling restriction	Lock-up expiry date
Xin Tong Chan Development (Shenzhen) Company Limited ⁽¹⁾	0	0	75,930,144	75,930,144	A-shares issued to specific targets with restricted shares	27 September 2026
Jiangsu Yunshan Capital Management Co., Ltd. ⁽¹⁾	0	0	242,976,461	242,976,461	A-shares issued to specific targets with restricted shares	27 September 2025
Anhui Expressway Company Limited ⁽¹⁾	0	0	38,179,196	38,179,196	A-shares issued to specific targets with restricted shares	27 September 2025
Total	0	0	357,085,801	357,085,801	/	/

Note:

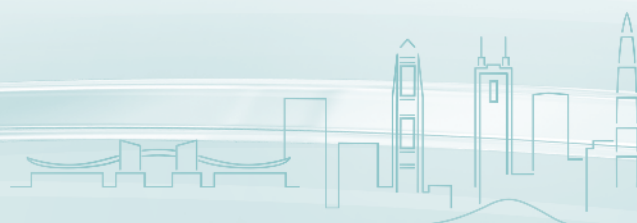
- (1) The Company completed the Issuance of A-shares to specific targets in March 2025. A total of 357,085,801 A-shares were issued in this Issuance, of which XTC Company, Yunshan Capital, and Anhui Expressway subscribed for 75,930,144 shares, 242,976,461 shares, and 38,179,196 shares, respectively. These newly issued shares are restricted circulating shares. The shares subscribed by XTC Company in this Issuance shall not be transferred within 18 months from the completion date of the Issuance, and the shares subscribed by other investors in this Issuance shall not be transferred within 6 months from the completion date of the Issuance. If laws and regulations provide otherwise for the lock-up period, such provisions shall apply.

II. Information of Shareholders

As at the end of the Reporting Period, based on the shareholders' registers provided by the share registrars and the transfer offices of the Company in the PRC and Hong Kong, the information of the total number of shareholders, the top ten shareholders and the top ten holders of non-restricted circulating shares of the Company were as follows:

1. Total number of shareholders:

The total number of shareholders of the Company was 19,826, of which 19,591 were holders of A Shares and 235 were holders of H Shares.



Share Capital and Shareholders

2. Information of the top ten shareholders and the top ten holders of non-restricted circulating shares of the Company

Unit: Share(s)

The Top Ten Shareholders						
Name of shareholder	Changes during the Reporting Period	Number of shares held at the end of the Reporting Period	Percentage (%)	Number of restricted circulating shares held	Number of shares pledged or frozen	Nature of shareholders
Xin Tong Chan Development (Shenzhen) Company Limited ⁽²⁾	+75,930,144	730,710,144	28.79	75,930,144	None	State-owned legal person
HKSCC NOMINEES LIMITED ⁽¹⁾	+298,000	730,277,242	28.78	–	Unknown	Overseas legal person
Shenzhen Shen Guang Hui Highway Development Company Limited ⁽²⁾	–	411,459,887	16.21	–	None	State-owned legal person
Jiangsu Yunshan Capital Management Co., Ltd. ⁽³⁾	+242,976,461	242,976,461	9.57	242,976,461	None	State-owned legal person
China Merchants Expressway Network & Technology Holdings Company Limited ⁽⁴⁾	–	91,092,743	3.59	–	None	State-owned legal person
Guangdong Roads and Bridges Construction Development Company Limited	–18,481,928	43,466,862	1.71	–	None	State-owned legal person
Anhui Expressway Company Limited	+38,179,196	38,179,196	1.50	38,179,196	None	State-owned legal person
China Merchants Bank – SSE Dividend Trading Open Index Securities Investment Fund	+1,423,977	32,694,935	1.29	–	Unknown	Domestic non-state-owned legal person
AU SIU KWOK	–	11,000,000	0.43	–	Unknown	Overseas natural person
Bank of China Limited – E Fund CSI Dividend Trading Open-ended Index Securities Investment Fund	+1,196,332	8,052,232	0.32	–	Unknown	Domestic non-state-owned legal person

The Top Ten Holders of Non-restricted Circulating Shares		
Name of shareholder	Number of non-restricted circulating shares held	Type of shares
HKSCC NOMINEES LIMITED ⁽⁴⁾	730,277,242	H Share
Xin Tong Chan Development (Shenzhen) Company Limited ⁽²⁾	654,780,000	A Share
Shenzhen Shen Guang Hui Highway Development Company Limited ⁽²⁾	411,459,887	A Share
China Merchants Expressway Network & Technology Holdings Company Limited	91,092,743	A Share
Guangdong Roads and Bridges Construction Development Company Limited	43,466,862	A Share
China Merchants Bank – SSE Dividend Trading Open Index Securities Investment Fund	32,694,935	A Share
AU SIU KWOK	11,000,000	H Share
Bank of China Limited – E Fund CSI Dividend Trading Open-ended Index Securities Investment Fund	8,052,232	A Share
ZHANG PING YING	7,738,565	A Share
Shanghai Pudong Development Bank Co., Ltd. – China Merchants CSI Dividend Exchange Traded Index Securities Investment Fund	6,627,260	A Share
Connected relationship or concerted action relationship among the abovementioned shareholders	XTC Company and SGH Company are connected persons under the same control of Shenzhen International. According to public information, CMET holds more than 20% of the shares in Anhui Expressway, and one of its incumbent directors also serves as a director of Anhui Expressway, indicating a connected relationship between these two state-owned shareholders. In addition to the above associations, the Company is not aware of any connected relationship among the other abovementioned shareholders or any connected relationship among the abovementioned state-owned shareholders and other shareholders.	

Note:

- (1) The H shares held by HKSCC NOMINEES LIMITED were held on behalf of various clients.
- (2) In July 2024, XTC Company, SGH Company, and Advance Great Limited, a wholly-owned subsidiary of Shenzhen International, made a share lock-up undertaking regarding the Company's current Issuance: they will not directly or indirectly reduce their shareholding in the Company in any way from the pricing benchmark date of the Company's Issuance until 18 months after the completion of the Issuance. If the above commitment is violated and a reduction in shareholding occurs, all proceeds from such reduction shall belong to the Company, and the Company shall bear the legal liabilities arising therefrom in accordance with the law.
- (3) According to the written notice from Yunshan Capital to the Company, as of 30 June 2025, Yunshan Capital held 242,976,461 A-shares of the Company and held 23,016,000 H-shares of the Company through HKSCC NOMINEES LIMITED, resulting in an aggregate holding of 265,992,461 shares, representing 10.48% of the Company's total issued share capital.
- (4) According to the written notice from CMET to the Company, as of 30 June 2025, CMET held 91,092,743 A-shares of the Company. CMET and its wholly-owned subsidiary collectively held 114,852,000 H-shares through HKSCC NOMINEES LIMITED, resulting in an aggregate holding of 205,944,743 shares, representing 8.11% of the Company's total issued share capital.

Share Capital and Shareholders

3. Number of shares held by the top ten restricted shareholders and the lock-up conditions

No.	Name of restricted shareholder	Number of restricted shares held	Tradable status of restricted shares		Lock-up conditions
			Tradable date	Additional number of approved tradable shares	
1	Jiangsu Yunshan Capital Management Co., Ltd.	242,976,461	27 September 2025	0	Subscribe for additional A shares, with a lock-up period of 6 months.
2	Xin Tong Chan Development (Shenzhen) Company Limited	75,930,144	27 September 2026	0	Subscribe for additional A shares, with a lock-up period of 18 months.
3	Anhui Expressway Company Limited	38,179,196	27 September 2025	0	Subscribe for additional A shares, with a lock-up period of 6 months.
Connected relationship or concerted action relationship among the abovementioned shareholders		None.			

4. Strategic investors or corporate entities becoming top ten shareholders of the Company via new shares placement

Name of strategic investors or corporate entities	Agreed commencement date of shareholding	Agreed termination date of shareholding
Jiangsu Yunshan Capital Management Co., Ltd.	27 March 2025	–
Anhui Expressway Company Limited	27 March 2025	–
Explanation on agreed shareholding period of strategic investors or corporate entities participating in placing of new shares	In March 2025, Yunshan Capital and Anhui Expressway became top ten shareholders due to their participation in the subscription of the Company's A-shares issued to specific targets, with a lock-up period from 27 March 2025 to 27 September 2025 for both.	

5. Disclosure of interests of shareholders pursuant to the listing rules of HKEx

As at 30 June 2025, as recorded in the register required to be maintained by the Company under Section 336 of Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the interests or short positions of all persons (including but not limited to those holding or deemed to hold 5% or more of any class of shares of the Company, excluding the Company's directors, supervisors or chief executives), in the shares and underlying shares of the Company were as follows:

A Shares:

Name of shareholder	Capacity	Number of A Shares of the Company held	Percentage of total issued A Share capital
Shenzhen International ⁽²⁾	Interest of corporation controlled ⁽³⁾	1,142,170,031(L)	63.79%(L)
Ultrarich International Limited	Interest of corporation controlled ⁽⁴⁾	1,142,170,031(L)	63.79%(L)
SIHC	Interest of corporation controlled ⁽⁴⁾	1,142,170,031(L)	63.79%(L)
Jiangsu Communications Holding Co., Ltd. ⁽⁷⁾	Interest of corporation controlled	242,976,461(L)	13.57%(L)
Jiangsu Yunshan Capital Management Co., Ltd. ⁽⁶⁾	Beneficial owner	242,976,461(L)	13.57%(L)

H Shares:

Name of shareholder	Capacity	Number of H Shares of the Company held	Percentage of total issued H Share capital
China Merchants Expressway Network & Technology Holdings Company Limited	Beneficial owner ⁽⁵⁾	57,918,000 (L)	15.05%(L)
	Interest of corporation controlled ⁽⁵⁾	54,556,000 (L)	
Shenzhen International ⁽²⁾	Interest of corporation controlled ⁽³⁾	52,612,000(L)	7.03%(L)
SIHC	Interest of corporation controlled ⁽⁴⁾	52,612,000(L)	7.03%(L)

Note: (L) – long positions, (S) – short positions, (P) – lending pool. Please refer to Securities and Futures Ordinance for relevant definitions.

Notes:

- (1) All the A Shares of the Company are listed on main board of SSE, and all the H Shares of the Company are listed on the main board of HKEx.
- (2) Shenzhen International is a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of HKEx.
- (3) According to a written notice provided by Shenzhen International to the Company, as at 30 June 2025, Shenzhen International's wholly-owned subsidiary XTC Company directly held long position of 730,710,144 A shares of the Company as beneficial owner; and its wholly-owned subsidiary SGH Company directly held long position of 411,459,887 A shares of the Company as beneficial owner; its wholly-owned subsidiary Advance Great Limited actually held 58,194,000 H shares of the Company, representing 7.785% of the Company's issued H share capital.
- (4) SIHC holds approximately 0.015% and 43.323% of Shenzhen International's shares, respectively, as beneficial owner and through its wholly-owned subsidiary Ultrarich International Limited, totalling approximately 43.338%. Therefore, pursuant to Securities and Futures Ordinance, SIHC was deemed to be interested in shares of the Company owned by Shenzhen International.
- (5) According to a written notice provided by CMET to the Company, as at 30 June 2025, CMET directly held 91,092,743 A Shares of the Company as beneficial owner; through Stock Connect, CMET held 60,296,000 H Shares of the Company as beneficial owner, and through its wholly-owned subsidiary, Cornerstone Holdings Limited, it held 54,556,000 H Shares of the Company, representing 15.36% of the Company's issued H share capital.
- (6) According to the written notice provided by Yunshan Capital to the Company, as at 30 June 2025, Yunshan Capital directly held 242,976,461 A Shares of the Company as beneficial owner; Yunshan Capital held 23,016,000 H Shares of the Company as beneficial owner, representing 3.08% of the Company's issued H Share capital.
- (7) Yunshan Capital is a wholly-owned subsidiary of Jiangsu Communications Holding Co., Ltd. ("JCHC"). Pursuant to the Securities and Futures Ordinance, JCHC was deemed to be interested in shares of the Company owned by Yunshan Capital.

Save as disclosed above, to the knowledge of the Company, as at 30 June 2025, there were no other persons required to be disclosed under Section 336 of Part XV of Securities and Futures Ordinance of Hong Kong.

6. The controlling shareholders and the de-facto controller

During the Reporting Period, there was no change in the controlling shareholder or the de-facto controller of the Company.

III. Others

Purchase, Sale or Redemption of Securities

During the Reporting Period, no listed securities of the Company were purchased, sold or redeemed by the Company, any of its subsidiaries or any of its joint ventures.



Directors, Supervisors and Senior Management

I. Changes of the Directors, Supervisors and Senior Management

1. Personnel changes during the Reporting Period

Name	Position	Change
Li Xiao Yan	Director	Resign. Due to job transfer, Ms Li Xiao Yan submitted a written resignation report to the Board of the Company on 9 January 2025, resigning from the position of Non-executive Director and member of Audit Committee and member of Remuneration Committee of the Board, and her resignation took effect immediately.
Dai Jing Ming	Director	Resign. Due to retirement, Mr. Dai Jing Ming submitted a written resignation report to the Board of the Company on 23 January 2025, resigning from the position of Non-executive Director and member of Strategy Committee of the Board, and his resignation took effect immediately.
Xu En Li	Director	Newly appointed. Mr. Xu En Li was appointed as a Director of the ninth session of the Board of the Company in the First Extraordinary General Meeting 2025 held on 9 January 2025.
Wu Yan Ling	Director	Newly appointed. Ms Wu Yan Ling was appointed as a Director of the ninth session of the Board of the Company in the First Extraordinary General Meeting 2025 held on 9 January 2025.
Zhang Jian	Director	Newly appointed. Ms Zhang Jian was appointed as a Director of the ninth session of the Board of the Company in the First Extraordinary General Meeting 2025 held on 9 January 2025.
Chen Yun Jiang	Director	Newly appointed. Mr. Chen Yun Jiang was appointed as a Director of the ninth session of the Board of the Company in the Annual General Meeting 2024 held on 30 June 2025.

2. Pursuant to Rule 13.51B(1) of the Listing Rules of HKEx, the change in the information of the Directors and Supervisors of the Company is as follows:

Mr. Chen Yun Jiang has been approved by the shareholders' general meeting of Bank of Nanjing Co., Ltd (SSE-listed), to serve as a director of the Group. His qualification for the position is still subject to approval by the regulatory authorities.

II. Information on the Interests of Directors, Supervisors and Senior Management in Securities

1. Changes in shareholding

During the Reporting Period, none of the Directors, the Supervisors and the Senior Management have bought or sold the Company's shares or be granted equity incentive by the Company.

As at the end of the Reporting Period, none of the Directors, the Supervisors and the Senior Management has held any shares of the Company.

2. Disclosure of interests of the Management pursuant to the listing rules of HKEx

As at 30 June 2025, the interests or short positions of the Directors, the Supervisors or the Chief Executive in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance Chapter 571 of the Laws of Hong Kong) which were required to be entered into the register maintained by the Company under Section 352 of Securities and Futures Ordinance (including deemed interests and short positions under such provisions of Securities and Futures Ordinance) or which were required to be notified to the Company and HKEx pursuant to the “Model Code for Securities Transactions by Directors of Listed Issuers” (collectively, “interests or short positions”) were as follows:

Long positions in ordinary shares of Shenzhen International:

Name	Number of ordinary shares held as at 30 June 2025	Changes during the Reporting Period	Approximate percentage of ordinary shares in issued share capital of Shenzhen International	Nature of interests	Capacity
Liao Xiang Wen ⁽⁴⁾	23,332	+1,812	0.001%	Family interests	Beneficial owner

Interests in share option of Shenzhen International:

Name	Options	Share options unexercised as at 30 June 2025 ⁽¹⁾⁽²⁾⁽³⁾	Change during the Reporting Period				Nature of interests	Capacity
			Adjustment during the Reporting Period	Granted during the Reporting Period	Exercised	Lapsed		
Liao Xiang Wen ⁽⁴⁾	Share option scheme 1 ⁽¹⁾	332,000	-	-	-	-	Family interests	Beneficial owner
	Share option scheme 2 ⁽²⁾	249,000	-	-	-	-		
	Share option scheme 3 ⁽³⁾	249,000	-	-	-	-		

Note:

- (1) The options under share option scheme 1 were granted on 1 November 2023 and could be exercised during the period from 1 November 2025 to 31 October 2028 pursuant to the grant conditions.
- (2) The options under share option scheme 2 were granted on 1 November 2023 and could be exercised during the period from 1 November 2026 to 31 October 2028 pursuant to the grant conditions.
- (3) The options under share option scheme 3 were granted on 1 November 2023 and could be exercised during the period from 1 November 2027 to 31 October 2028 pursuant to the grant conditions.
- (4) The interests are owned by the spouse of director Liao Xiang Wen.

Saved as disclosed above, as at 30 June 2025, none of the Directors, the Supervisors or the Chief Executive had interests or short positions defined above.

3. Model code for securities transactions by Directors, Supervisors and Senior Management

The “Securities Transaction Code” of the Company has been adopted by the Board in accordance with Appendix C3 to the Listing Rules of HKEx entitled “Model Code for Securities Transactions by Directors of Listed Issuers” and the relevant regulations of the A-share market, as a written guide to regulate dealings in the Company’s securities by Directors, Supervisors and relevant staff. The “Securities Transaction Code” of the Company has included and is higher than the standards set by Appendix C3 to the Listing Rules of HKEx to a certain extent.

After making specific enquiry of all the Directors, Supervisors and Senior Management, the Company confirms that all of the Directors, Supervisors and Senior Management have complied with the standards on securities transactions by directors as stipulated by the aforementioned code during the Reporting Period.



2025 Interim Financial Statements

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Consolidated Statement of Financial Position

As at 30 June 2025

RMB

Item	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current assets:			
Cash at banks and on hand	V, 1	4,617,162,150.64	2,908,582,010.43
Transactional financial assets	V, 2	2,934,092,636.28	129,822,937.64
Bills receivable		6,359,105.38	1,390,389.45
Accounts receivable	V, 3	985,588,761.79	957,468,799.75
Prepayments	V, 4	146,314,030.15	245,482,362.49
Other receivables	V, 5	772,097,629.34	834,685,738.81
Including: Interest receivable		–	–
Dividends receivable		25,108,051.92	135,000,000.00
Inventories	V, 6	1,082,583,810.05	1,095,373,567.67
Contract assets	V, 7	337,716,688.17	370,627,842.43
Non-current assets due within one year	V, 8	934,581,996.30	435,993,394.13
Other current assets	V, 9	670,230,434.46	664,411,813.94
Total current assets		12,486,727,242.56	7,643,838,856.74
Non-current assets:			
Long-term prepayments	V, 10	1,823,291,200.43	1,312,579,150.71
Long-term receivables	V, 11	3,584,699,962.19	3,200,026,120.96
Long-term equity investments	V, 12	19,876,275,719.05	19,755,383,217.22
Other non-current financial assets	V, 13	1,016,752,677.93	970,911,383.44
Investment properties	V, 14	20,886,498.58	21,555,137.78
Fixed assets	V, 15	7,164,995,501.93	7,400,304,937.58
Construction in progress	V, 16	92,293,682.49	84,895,316.16
Right-of-use assets	V, 17	26,717,053.07	32,059,636.65
Intangible assets	V, 18	24,450,284,434.97	24,843,637,234.03
Development expenditures		7,249,786.18	6,261,136.18
Goodwill	V, 19	202,893,131.20	202,893,131.20
Long-term prepaid expenses		13,354,476.43	16,591,623.55
Deferred tax assets	V, 20	144,105,632.24	130,376,684.28
Other non-current assets	V, 21	1,128,278,667.58	1,936,717,382.10
Total non-current assets		59,552,078,424.27	59,914,192,091.84
Total assets		72,038,805,666.83	67,558,030,948.58

Item	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current liabilities:			
Short-term borrowings	V, 23	2,672,929,873.16	2,573,849,184.49
Transactional financial liabilities	V, 24	191,646,201.31	197,664,719.66
Bills payable	V, 25	614,462,888.44	870,678,402.08
Accounts payable	V, 26	2,199,553,664.17	2,987,806,080.65
Advances from customers		526,999.22	787,138.81
Contract liabilities	V, 27	83,998,384.61	61,712,837.98
Employee benefits payable	V, 28	273,655,361.88	358,646,437.71
Taxes payable	V, 29	343,827,287.19	357,520,856.69
Other payables	V, 30	1,511,229,815.17	1,169,000,291.23
Including: Interest payable		—	—
Dividends payable		695,583,275.81	85,013,326.10
Non-current liabilities due within one year	V, 31	3,208,457,206.04	2,544,252,549.95
Other current liabilities	V, 32	1,543,792,329.60	3,053,377,031.15
Total current liabilities		12,644,080,010.79	14,175,295,530.40
Non-current liabilities:			
Long-term borrowings	V, 33	12,164,204,003.49	13,912,273,334.21
Bonds payable	V, 34	12,985,936,898.94	10,194,223,064.28
Including: Preferred stock		—	—
Perpetual bonds		—	—
Lease liabilities	V, 35	11,096,437.86	15,896,203.85
Long-term payables	V, 36	387,586,715.85	387,586,715.85
Long-term employee benefits payable	V, 37	115,649,911.45	115,649,911.45
Provisions	V, 38	254,076,238.25	242,043,881.88
Deferred revenue	V, 39	253,065,469.95	297,036,753.87
Deferred tax liabilities	V, 20	840,798,237.80	859,181,851.16
Other non-current liabilities		157,272,392.24	157,272,992.24
Total non-current liabilities		27,169,686,305.83	26,181,164,708.79
Total liabilities		39,813,766,316.62	40,356,460,239.19



Consolidated Statement of Financial Position

As at 30 June 2025

RMB

Item	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Shareholders' equity:			
Equity	V, 40	2,537,856,127.00	2,180,770,326.00
Other equity instruments	V, 41	4,000,000,000.00	4,000,000,000.00
Including: Preferred stock		—	—
Perpetual bonds		4,000,000,000.00	4,000,000,000.00
Capital reserve	V, 42	8,703,760,155.75	4,392,194,420.15
Other comprehensive income	V, 43	(704,699,755.39)	(762,550,544.98)
Surplus reserve	V, 44	3,897,801,487.94	3,506,925,959.18
Undistributed profits	V, 45	8,482,120,296.68	8,586,181,562.92
Total equity attributable to shareholders of the Company		26,916,838,311.98	21,903,521,723.27
Minority interests		5,308,201,038.23	5,298,048,986.12
Total shareholders' equity		32,225,039,350.21	27,201,570,709.39
Total liabilities and shareholders' equity		72,038,805,666.83	67,558,030,948.58

The attached notes form part of the financial statements

The financial statements are signed by the following persons:

Xu Enli
Head of the Company

Zhao Guiping
Chief financial officer

Jiang Weiqi
Head of accounting department

Company's Statement of Financial Position

As at 30 June 2025

RMB

Item	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current assets:			
Cash at banks and on hand		2,373,511,048.13	794,946,519.13
Transactional financial assets		2,804,269,698.64	–
Accounts receivable	XV, 1	110,057,559.50	75,279,449.66
Prepayments		3,311,637.18	5,680,684.69
Other receivables	XV, 2	3,042,577,905.73	3,793,798,079.56
Including: Interest receivable		–	–
Dividends receivable		21,300,000.00	431,020,860.00
Inventories		583,166.36	593,459.50
Contract assets		103,257,828.17	113,565,166.03
Other current assets		–	24,174,784.27
Total current assets		8,437,568,843.71	4,808,038,142.84
Non-current assets:			
Long-term prepayments		1,288,343,075.54	779,727,076.20
Long-term receivables		304,175,000.00	304,175,000.00
Long-term equity investments	XV, 3	36,287,608,107.63	35,323,723,539.55
Other non-current financial assets		958,486,641.60	914,697,766.50
Investment properties		8,632,130.64	8,919,992.76
Fixed assets		2,017,681,684.15	2,066,123,244.83
Construction in progress		9,105,425.24	9,381,711.70
Right-of-use assets		10,308,119.01	13,210,490.61
Intangible assets		2,689,058,171.33	2,706,621,666.63
Development expenditures		7,249,786.18	6,261,136.18
Long-term prepaid expenses		2,377,272.02	3,037,238.72
Deferred tax assets		24,057,356.02	24,057,356.02
Other non-current assets		393,973,362.47	387,124,463.42
Total non-current assets		44,001,056,131.83	42,547,060,683.12
Total assets		52,438,624,975.54	47,355,098,825.96



Company's Statement of Financial Position

As at 30 June 2025

RMB

Item	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current liabilities:			
Short-term borrowings		93,992,946.25	134,640,937.92
Bills payable		299,809,874.44	423,600,694.25
Accounts payable		113,102,110.30	493,126,985.19
Contract liabilities		61,577,525.54	60,739,625.54
Employee benefits payable		101,257,804.04	136,991,167.02
Taxes payable		34,805,153.56	23,242,869.14
Other payables		4,803,458,609.23	4,404,954,338.28
Including: Interest payable		—	—
Dividends payable		619,125,147.12	3,911,111.11
Non-current liabilities due within one year		1,824,869,675.67	905,242,173.46
Other current liabilities		1,518,567,584.19	3,029,402,207.33
Total current liabilities		8,851,441,283.22	9,611,940,998.13
Non-current liabilities:			
Long-term borrowings		4,508,443,160.00	6,023,653,160.00
Bonds payable		12,985,936,898.94	10,194,223,064.28
Including: Preferred stock		—	—
Perpetual bonds		—	—
Lease liabilities		5,473,355.84	8,823,827.27
Long-term payables		387,586,715.85	387,586,715.85
Long-term employee benefits payable		69,919,951.40	69,919,951.40
Provisions		58,634,463.48	57,613,555.38
Deferred revenue		122,788,111.17	144,657,812.51
Deferred tax liabilities		223,042,733.06	231,093,972.26
Total non-current liabilities		18,361,825,389.74	17,117,572,058.95
Total liabilities		27,213,266,672.96	26,729,513,057.08
Shareholders' equity:			
Equity		2,537,856,127.00	2,180,770,326.00
Other equity instruments		4,000,000,000.00	4,000,000,000.00
Including: Preferred stock		—	—
Perpetual bonds		4,000,000,000.00	4,000,000,000.00
Capital reserve		6,196,583,293.97	1,878,291,070.83
Other comprehensive income		926,596,759.81	910,912,836.61
Surplus reserve		3,897,801,487.94	3,506,925,959.18
Undistributed profits		7,666,520,633.86	8,148,685,576.26
Total shareholders' equity		25,225,358,302.58	20,625,585,768.88
Total liabilities and shareholders' equity		52,438,624,975.54	47,355,098,825.96

The attached notes form part of the financial statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

RMB

Item	Note	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
I. Operating income	V, 46	3,918,555,340.74	3,756,892,301.30
Less: Cost of services	V, 46	2,470,334,125.34	2,315,667,184.54
Taxes and surcharges		26,096,900.87	20,488,569.53
Selling expenses		4,817,879.86	6,694,678.30
General and administrative expenses	V, 47	168,509,154.09	170,719,020.68
Research and development expenses		14,841,823.89	13,799,253.10
Financial expenses	V, 48	389,905,591.92	559,049,217.95
Including: Interest expenses		441,660,805.41	572,283,598.21
Interest income		41,894,579.99	43,094,156.29
Add: Other income		12,432,026.20	7,178,791.38
Investment income	V, 49	411,862,144.79	579,660,369.26
Including: Income from investment in associates and joint ventures	V, 49	393,180,168.95	420,147,326.09
Gains (losses) from changes in fair value	V, 50	76,421,030.52	(29,341,842.39)
Credit impairment gains (losses)	V, 51	(74,645,559.96)	(88,799,659.86)
Gains (losses) on impairment of assets	V, 52	(17,511,953.61)	(44,317,275.45)
Gains (losses) from disposal of assets		(54,929.89)	(95,131.08)
II. Operating profit		1,252,552,622.82	1,094,759,629.06
Add: Non-operating income		5,044,917.82	6,710,540.42
Less: Non-operating expenses		2,285,421.14	1,745,199.49
III. Total profit		1,255,312,119.50	1,099,724,969.99
Less: Income tax expenses	V, 53	224,652,990.20	248,547,036.01
IV. Net profit		1,030,659,129.30	851,177,933.98
(I) Classified by business continuity			
1. Net profit from continuing operations		1,030,659,129.30	851,177,933.98
2. Net profit from discontinued operations		—	—
(II) Classified by ownership			
1. Net profit attributable to shareholders of the Company		959,891,990.84	773,857,169.47
2. Profit or loss attributable to minority shareholders		70,767,138.46	77,320,764.51
V. Other comprehensive income, net of tax		75,725,357.25	(176,002,069.49)
(I) Other comprehensive income attributable to shareholders of the Company, net of tax		57,850,789.59	(161,659,791.94)
1. Other comprehensive income that cannot be reclassified to profit or loss		—	—
2. Other comprehensive income that will be reclassified to profit or loss		57,850,789.59	(161,659,791.94)
(1) Other comprehensive income that will be transferred to profit or loss under the equity method	V, 43	17,499,568.54	(840,357.03)
(2) Translation differences of financial statements denominated in foreign currencies	V, 43	40,351,221.05	(160,819,434.91)
(II) Other comprehensive income attributable to minority shareholders, net of tax		17,874,567.66	(14,342,277.55)
VI. Total comprehensive income		1,106,384,486.55	675,175,864.49
Total comprehensive income attributable to shareholders of the Company		1,017,742,780.43	612,197,377.53
Total comprehensive income attributable to minority shareholders		88,641,706.12	62,978,486.96
VII. Earnings per share			
(I) Basic earnings per share (Yuan/share)		0.382	0.312
(II) Diluted earnings per share (Yuan/share)		0.382	0.312

The attached notes form part of the financial statements

Company's Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

RMB

Item	Note	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
I. Operating income	XV, 4	717,669,954.77	724,296,653.94
Less: Cost of services	XV, 4	248,126,962.32	324,417,491.18
Taxes and surcharges		9,327,366.82	3,235,772.90
General and administrative expenses		103,550,821.39	92,337,365.79
Financial expenses		249,892,635.86	196,448,054.01
Including: Interest expenses		308,568,638.11	217,894,038.63
Interest income		53,591,518.78	38,803,727.39
Add: Other income		1,285,908.28	1,178,506.63
Investment income	XV, 5	420,355,202.19	659,665,198.94
Including: Income from investment in associates and joint ventures		126,921,467.17	131,922,640.72
Gains (losses) from changes in fair value		71,327,028.49	(54,290,769.84)
Gains (losses) from disposal of assets		(45,645.19)	21,125.53
II. Operating profit		599,694,662.15	714,432,031.32
Add: Non-operating income		30,768.42	680,000.01
Less: Non-operating expenses		399,594.70	1,661.17
III. Total profit		599,325,835.87	715,110,370.16
Less: Income tax expenses		17,537,521.19	37,468,453.62
IV. Net profit		581,788,314.68	677,641,916.54
(I) Net profit from continuing operations		581,788,314.68	677,641,916.54
(II) Net profit from discontinued operations		–	–
V. Other comprehensive income, net of tax		15,683,923.20	–
(I) Other comprehensive income that cannot be reclassified to profit or loss		–	–
(II) Other comprehensive income that will be reclassified to profit or loss		15,683,923.20	–
1. Other comprehensive income that will be transferred to profit or loss under the equity method		15,683,923.20	–
VI. Total comprehensive income		597,472,237.88	677,641,916.54

The attached notes form part of the financial statements

Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

RMB

Item	Note	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
I. Cash flows from operating activities:			
Cash received from rendering services and selling goods		3,349,724,187.39	3,537,686,188.79
Refund of taxes		37,306,905.85	5,684,938.63
Other cash received relating to operating activities	V, 54(1)	213,490,900.38	79,317,306.03
Sub-total of cash inflows		3,600,521,993.62	3,622,688,433.45
Cash payments for goods and services		573,714,346.88	658,655,513.61
Cash payments to and on behalf of employees		556,081,053.33	577,662,656.34
Payments of taxes and surcharges		351,596,195.02	405,503,860.64
Other cash payments relating to operating activities	V, 54(1)	164,151,407.66	220,044,318.44
Sub-total of cash outflows		1,645,543,002.89	1,861,866,349.03
Net cash flows from operating activities	V, 55(1)1	1,954,978,990.73	1,760,822,084.42
II. Cash flows from investing activities:			
Cash received from recovery of investments		321,402,591.68	1,855,876,793.09
Cash received from returns on investments		231,105,617.62	116,232,115.85
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		50,370.99	64,735.89
Net cash received from disposals of subsidiaries and other business units		–	1,274,641,161.02
Other cash received relating to investing activities	V, 54(2)	9,912,961.04	454,240,774.16
Sub-total of cash inflows		562,471,541.33	3,701,055,580.01
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		2,101,440,316.20	990,700,787.89
Cash payments for investing activities		3,051,105,046.00	2,345,202,270.00
Other cash payments relating to investing activities	V, 54(2)	10,285,883.00	–
Sub-total of cash outflows		5,162,831,245.20	3,335,903,057.89
Net cash flows from investing activities		(4,600,359,703.87)	365,152,522.12



Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

RMB

Item	Note	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
III. Cash flows from financing activities:			
Cash received from capital contributions		8,702,919,999.17	—
Including: Cash received by subsidiaries from capital contributions by minority shareholders		100,000.00	—
Cash received from borrowings		11,918,849,695.58	10,211,106,941.76
Other cash received relating to financing activities	V, 54(3)	—	19,671,833.33
Sub-total of cash inflows		20,621,769,694.75	10,230,778,775.09
Cash repayments of borrowings		11,570,754,009.91	11,161,423,131.38
Cash payments for distribution of dividends or profits or settlement of interest expenses		617,815,073.58	769,412,594.75
Including: Payments for distribution of dividends or profits to minority shareholders by subsidiaries		155,627,214.99	1,265,260.00
Other cash payments relating to financing activities	V, 54(3)	4,041,995,985.15	178,301,130.13
Sub-total of cash outflows		16,230,565,068.64	12,109,136,856.26
Net cash flows from financing activities		4,391,204,626.11	(1,878,358,081.17)
IV. Effect of exchange rate changes on cash and cash equivalents		(1,230,054.53)	(79,195,315.03)
V. Net increase in cash and cash equivalents	V, 55(1)2	1,744,593,858.44	168,421,210.34
Add: Cash and cash equivalents at the beginning of the period		2,670,493,652.96	1,955,220,227.32
VI. Cash and cash equivalents at the end of the period	V, 55(1)2	4,415,087,511.40	2,123,641,437.66

The attached notes form part of the financial statements

Company's Statement of Cash Flows

For the six months ended 30 June 2025

RMB

Item	Note	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
I. Cash flows from operating activities:			
Cash received from rendering services and selling goods		631,741,646.43	590,095,022.65
Refund of taxes		–	876,399.21
Other cash received relating to operating activities		13,447,109.88	13,912,799.92
Sub-total of cash inflows		645,188,756.31	604,884,221.78
Cash payments for goods and services		111,755,125.76	45,356,571.76
Cash payments to and on behalf of employees		153,625,814.54	146,871,213.07
Payments of taxes and surcharges		16,150,143.63	70,324,629.54
Other cash payments relating to operating activities		78,641,716.52	47,754,603.68
Sub-total of cash outflows		360,172,800.45	310,307,018.05
Net cash flows from operating activities		285,015,955.86	294,577,203.73
II. Cash flows from investing activities:			
Cash received from recovery of investments		94,962,454.75	1,195,600,879.16
Cash received from returns on investments		869,322,417.31	420,265,785.98
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		40,457.42	–
Net cash received from disposals of subsidiaries and other business units		–	1,397,449,491.52
Other cash received relating to investing activities		43,782,809.95	1,268,512,947.17
Sub-total of cash inflows		1,008,108,139.43	4,281,829,103.83
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		1,044,333,379.34	119,755,577.76
Cash payments for investing activities		3,900,000,000.00	6,642,593,200.00
Other cash payments relating to investing activities		81,487.50	–
Sub-total of cash outflows		4,944,414,866.84	6,762,348,777.76
Net cash flows from investing activities		(3,936,306,727.41)	(2,480,519,673.93)
III. Cash flows from financing activities:			
Cash received from capital contributions		8,702,819,999.17	–
Cash received from borrowings		9,626,434,463.69	8,124,342,000.00
Other cash received relating to financing activities		211,534,230.93	527,968,599.58
Sub-total of cash inflows		18,540,788,693.79	8,652,310,599.58
Cash repayments of borrowings		8,990,599,829.54	5,175,410,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses		285,758,140.40	307,566,116.14
Other cash payments relating to financing activities		4,034,002,926.04	878,468,907.01
Sub-total of cash outflows		13,310,360,895.98	6,361,445,023.15
Net cash flows from financing activities		5,230,427,797.81	2,290,865,576.43
IV. Effect of exchange rate changes on cash and cash equivalents		(1,798.15)	1,743.75
V. Net increase in cash and cash equivalents		1,579,135,228.11	104,924,849.98
Add: Cash and cash equivalents at the beginning of the period		792,672,285.68	525,515,187.29
VI. Cash and cash equivalents at the end of the period		2,371,807,513.79	630,440,037.27

The attached notes form part of the financial statements

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

RMB

Item	For the six months ended 30 June 2025 (Unaudited)								
	Attributable to shareholders of the Company								Total shareholders' equity
	Equity	Other equity instruments Perpetual bonds	Capital reserve	Other comprehensive income	Surplus reserve	Undistributed profits	Sub-total	Minority interests	
I. Closing balance of the prior year (Audited)	2,180,770,326.00	4,000,000,000.00	4,392,194,420.15	(762,550,544.98)	3,506,925,959.18	8,586,181,562.92	21,903,521,723.27	5,298,048,986.12	27,201,570,709.39
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-
II. Opening balance of the current period	2,180,770,326.00	4,000,000,000.00	4,392,194,420.15	(762,550,544.98)	3,506,925,959.18	8,586,181,562.92	21,903,521,723.27	5,298,048,986.12	27,201,570,709.39
III. Changes for the period	357,085,801.00	-	4,311,565,735.60	57,850,789.59	390,875,528.76	(104,061,266.24)	5,013,316,588.71	10,152,052.11	5,023,468,640.82
(I) Total comprehensive income	-	-	-	57,850,789.59	-	959,891,990.84	1,017,742,780.43	88,641,706.12	1,106,384,486.55
(II) Shareholders' contributions and reduction in capital	357,085,801.00	-	4,311,565,735.60	-	-	-	4,668,651,536.60	(5,319,746.53)	4,663,331,790.07
1. Ordinary shares contributed by shareholders	357,085,801.00	-	4,322,150,713.71	-	-	-	4,679,236,514.71	100,000.00	4,679,336,514.71
2. Shareholders' reduction in capital	-	-	-	-	-	-	-	(5,419,746.53)	(5,419,746.53)
3. Capital contribution from holders of other equity instruments	-	4,000,000,000.00	(3,858,490.57)	-	-	-	3,996,141,509.43	-	3,996,141,509.43
4. Capital reduced by holders of other equity instruments	-	(4,000,000,000.00)	-	-	-	-	(4,000,000,000.00)	-	(4,000,000,000.00)
5. Others	-	-	(6,726,487.54)	-	-	-	(6,726,487.54)	-	(6,726,487.54)
(III) Profit distribution	-	-	-	-	390,875,528.76	(1,063,953,257.08)	(673,077,728.32)	(73,169,907.48)	(746,247,635.80)
1. Transfer to surplus reserve	-	-	-	-	390,875,528.76	(390,875,528.76)	-	-	-
2. Profit distribution to shareholders	-	-	-	-	-	(673,077,728.32)	(673,077,728.32)	(73,169,907.48)	(746,247,635.80)
(IV) Transfers within shareholders' equity	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to equity	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserve to equity	-	-	-	-	-	-	-	-	-
3. Loss offset by surplus reserve	-	-	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-	-	-
(V) Others	-	-	-	-	-	-	-	-	-
IV. Closing balance of the current period (Unaudited)	2,537,856,127.00	4,000,000,000.00	8,703,760,155.75	(704,699,755.39)	3,897,801,487.94	8,482,120,296.68	26,916,838,311.98	5,308,201,038.23	32,225,039,350.21

For the six months ended 30 June 2024 (Unaudited)									
Item	Attributable to shareholders of the Company							Minority interests	Total shareholders' equity
	Equity	Other equity instruments Perpetual bonds	Capital reserve	Other comprehensive income	Surplus reserve	Undistributed profits	Sub-total		
I. Closing balance of the prior year (Audited)	2,180,770,326.00	4,000,000,000.00	4,389,338,761.93	(542,304,991.67)	3,218,191,232.88	9,112,002,127.97	22,357,997,457.11	5,640,684,528.01	27,998,681,985.12
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-
II. Opening balance of the current period	2,180,770,326.00	4,000,000,000.00	4,389,338,761.93	(542,304,991.67)	3,218,191,232.88	9,112,002,127.97	22,357,997,457.11	5,640,684,528.01	27,998,681,985.12
III. Changes for the period	-	-	(320,755.56)	(161,659,791.94)	288,734,726.30	(807,323,458.38)	(680,569,279.58)	(68,962,836.27)	(749,532,115.85)
(I) Total comprehensive income	-	-	-	(161,659,791.94)	-	773,857,169.47	612,197,377.53	62,978,486.96	675,175,864.49
(II) Shareholders' contributions and reduction in capital	-	-	(320,755.56)	-	-	-	(320,755.56)	(30,409,109.58)	(30,729,865.14)
1. Ordinary shares contributed by shareholders	-	-	-	-	-	-	-	-	-
2. Ordinary shares reduced by shareholders	-	-	-	-	-	-	-	(30,409,109.58)	(30,409,109.58)
3. Others	-	-	(320,755.56)	-	-	-	(320,755.56)	-	(320,755.56)
(III) Profit distribution	-	-	-	-	288,734,726.30	(1,581,180,627.85)	(1,292,445,901.55)	(101,532,213.65)	(1,393,978,115.20)
1. Transfer to surplus reserve	-	-	-	-	288,734,726.30	(288,734,726.30)	-	-	-
2. Profit distribution to shareholders	-	-	-	-	-	(1,292,445,901.55)	(1,292,445,901.55)	(101,532,213.65)	(1,393,978,115.20)
(IV) Transfers within shareholders' equity	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to equity	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserve to equity	-	-	-	-	-	-	-	-	-
3. Loss offset by surplus reserve	-	-	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-	-	-
(V) Others	-	-	-	-	-	-	-	-	-
IV. Closing balance of the current period (Unaudited)	2,180,770,326.00	4,000,000,000.00	4,389,018,006.37	(703,964,783.61)	3,506,925,959.18	8,304,678,669.59	21,677,428,177.53	5,571,721,691.74	27,249,149,869.27

The attached notes form part of the financial statements



Company's Statement of Changes in Equity

For the six months ended 30 June 2025

RMB

Item	For the six months ended 30 June 2025 (Unaudited)						
	Equity	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	Undistributed profits	Total shareholders' equity
I. Closing balance of the prior year (Audited)	2,180,770,326.00	4,000,000,000.00	1,878,291,070.83	910,912,836.61	3,506,925,959.18	8,148,685,576.26	20,625,585,768.88
Add: Changes in accounting policies	-	-	-	-	-	-	-
II. Opening balance of the current period	2,180,770,326.00	4,000,000,000.00	1,878,291,070.83	910,912,836.61	3,506,925,959.18	8,148,685,576.26	20,625,585,768.88
III. Changes for the period	357,085,801.00	-	4,318,292,223.14	15,683,923.20	390,875,528.76	(482,164,942.40)	4,599,772,533.70
(I) Total comprehensive income	-	-	-	15,683,923.20	-	581,788,314.68	597,472,237.88
(II) Shareholders' contributions and reduction in capital	357,085,801.00	-	4,318,292,223.14	-	-	-	4,675,378,024.14
1. Ordinary shares contributed by shareholders	357,085,801.00	-	4,322,150,713.71	-	-	-	4,679,236,514.71
2. Capital contribution from holders of other equity instruments	-	4,000,000,000.00	(3,858,490.57)	-	-	-	3,996,141,509.43
3. Capital reduced by holders of other equity instruments	-	(4,000,000,000.00)	-	-	-	-	(4,000,000,000.00)
4. Others	-	-	-	-	-	-	-
(III) Profit distribution	-	-	-	-	390,875,528.76	(1,063,953,257.08)	(673,077,728.32)
1. Transfer to surplus reserve	-	-	-	-	390,875,528.76	(390,875,528.76)	-
2. Profit distribution to shareholders	-	-	-	-	-	(673,077,728.32)	(673,077,728.32)
(IV) Others	-	-	-	-	-	-	-
IV. Closing balance of the current period (Unaudited)	2,537,856,127.00	4,000,000,000.00	6,196,583,293.97	926,596,759.81	3,897,801,487.94	7,666,520,633.86	25,225,358,302.58

Item	For the six months ended 30 June 2024 (Unaudited)						
	Equity	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	Undistributed profits	Total shareholders' equity
I. Closing balance of the prior year (Audited)	2,180,770,326.00	4,000,000,000.00	1,873,257,038.28	892,136,387.81	3,218,191,232.88	8,333,925,552.55	20,498,280,537.52
Add: Changes in accounting policies	-	-	-	-	-	-	-
II. Opening balance of the current period	2,180,770,326.00	4,000,000,000.00	1,873,257,038.28	892,136,387.81	3,218,191,232.88	8,333,925,552.55	20,498,280,537.52
III. Changes for the period	-	-	-	-	288,734,726.30	(903,538,711.31)	(614,803,985.01)
(I) Total comprehensive income	-	-	-	-	-	677,641,916.54	677,641,916.54
(II) Shareholders' contributions and reduction in capital	-	-	-	-	-	-	-
1. Ordinary shares contributed by shareholders	-	-	-	-	-	-	-
2. Others	-	-	-	-	-	-	-
(III) Profit distribution	-	-	-	-	288,734,726.30	(1,581,180,627.85)	(1,292,445,901.55)
1. Transfer to surplus reserve	-	-	-	-	288,734,726.30	(288,734,726.30)	-
2. Profit distribution to shareholders	-	-	-	-	-	(1,292,445,901.55)	(1,292,445,901.55)
(IV) Others	-	-	-	-	-	-	-
IV. Closing balance of the current period (Unaudited)	2,180,770,326.00	4,000,000,000.00	1,873,257,038.28	892,136,387.81	3,506,925,959.18	7,430,386,841.24	19,883,476,552.51

The attached notes form part of the financial statements

Notes to the Financial Statements

For the six months ended 30 June 2025

I. GENERAL INFORMATION OF THE COMPANY

1. Company profile

Shenzhen Expressway Corporation Limited (the “Company”) is a joint stock limited company established in Guangdong Province, the People’s Republic of China (the “PRC”) on 30 December 1996. The Company has its H shares and A shares listed on the Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange of the PRC, respectively. The address of its registered office is Fumin Toll Station, Fucheng Street, Longhua District, Shenzhen, the PRC. The head office of the Company is located at Hanking Center Tower, No. 9968, Shennan Avenue, Yuehai Street, Nanshan District, Shenzhen, the PRC.

The principal activities of the Company and its subsidiaries (the “Group”) are the investment, construction, operation and management of toll highways and environmental protection in China. The environmental protection business mainly includes the recycling and treatment of solid waste and clean energy power generation.

The parent company and actual controlling party of the Company are Shenzhen International Holdings Limited (“Shenzhen International”) and the State-owned Assets Supervision and Administration Commission of the People’s Government of Shenzhen Municipality (“Shenzhen SASAC”) respectively.

2. Date of approval for issue of the financial statements

These financial statements were approved for issue by the Company’s Board of Directors on 22 August 2025.

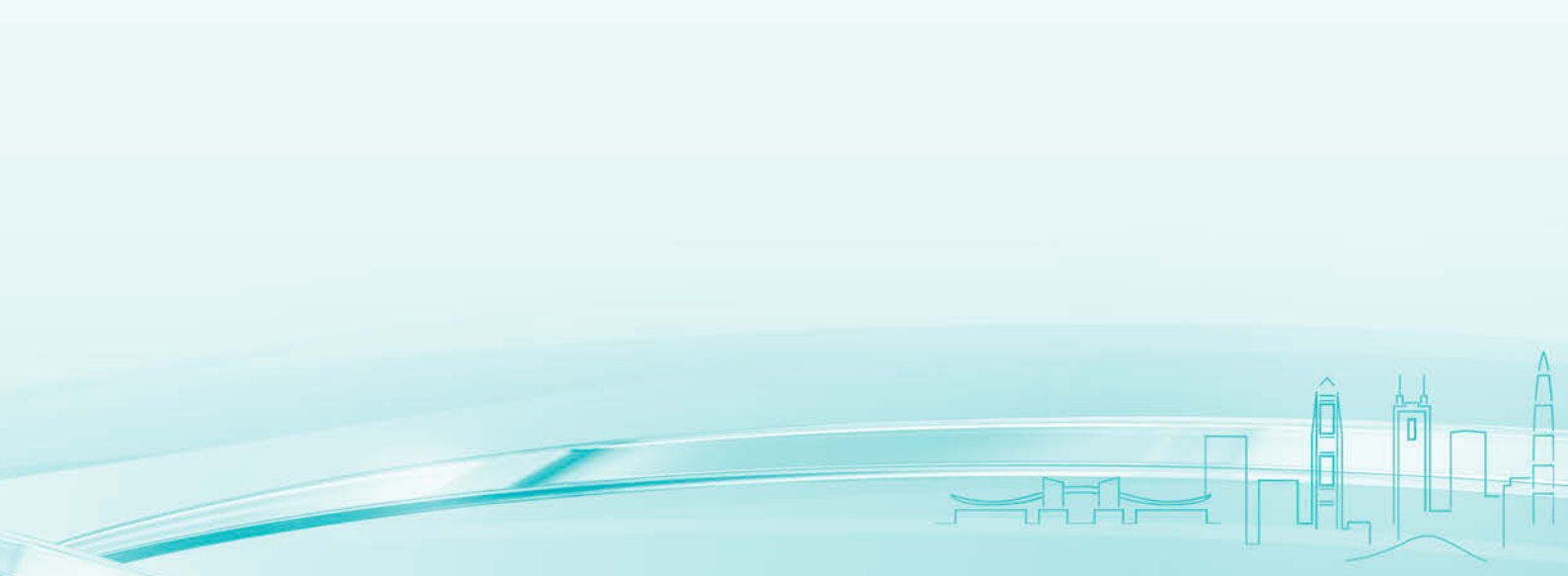
II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

Basis of preparation

The Group implements the Accounting Standards for Business Enterprises and related regulations issued by the Ministry of Finance. In addition, the related financial information is disclosed in accordance with the requirements of the *Rules Governing the Preparation of Information Disclosure by Companies Offering Securities to the Public No. 15 – General Requirements for Financial Reporting (Revised in 2023)*, *Hong Kong Companies Ordinance* and the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*.

Going concern

As of 30 June 2025, the Group and the Company had total current liabilities in excess of total current assets by RMB157,352,768.23 and RMB413,872,439.51, respectively, and the amount of capital commitments expected to be paid by the Group in the coming year totaled RMB3,843,436,793.89. As at 30 June 2025, the Group and the Company had unused bank credit lines totaling RMB75,623,213,588.02 and RMB54,318,462,280.00, respectively, which can satisfy the Group’s debt and capital commitments. As the Group can solve the lack of working capital through reasonable financing arrangements, the financial statements have been prepared on a going concern basis.



Notes to the Financial Statements

For the six months ended 30 June 2025

II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

Basis of accounting and principle of measurement

The Group has adopted the accrual basis of accounting. Except for certain financial instruments which are measured at fair value, the Group adopts the historical cost as the principle of measurement in the financial statements. Where assets are impaired, provisions for asset impairment are made in accordance with relevant requirements.

Where the historical cost is adopted as the measurement basis, assets are recorded at the amount of cash and cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds or assets received or the contractual amounts for assuming the present obligation, or, at the amounts of cash and cash equivalents expected to be paid to settle the liabilities in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurements date, regardless of whether that price is directly observable or estimated using valuation technique. Fair value measurement and disclosure in the financial statements are determined according to the above basis.

In the measurement of non-financial assets at fair value, market participants' ability to best utilise such assets to generate economic benefits, or the ability to sell such assets to other market participants who are able to best utilise the assets to generate economic benefits is taken into account.

For financial assets of which transaction prices are the fair value on initial recognition, and of which valuation technique involving unobservable input is used in subsequent measurement, the valuation technique in the course of valuation is adjusted to enable the result of initial recognition based on the valuation technique equal to the transaction price.

Fair value measurements are categorized into Level 1, 2 or 3 based on degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than inputs within Level 1, that are observable for the asset or liability;
- Level 3 inputs are unobservable inputs for the asset or liability.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises, and present truly and completely the consolidated and Company's financial position as at 30 June 2025, and the consolidated and Company's operating results, the consolidated and Company's changes in equity and the consolidated and Company's cash flows for the six months then ended.

2. Accounting period

The Group has adopted the calendar year as its accounting year, i.e., from 1 January to 31 December.

3. Operating cycle

An operating cycle refers to the period when an enterprise purchases assets for processing purpose till the realization of those assets in cash or cash equivalents. Except for real estate business, construction and agent-construction business in relation to Public-Private-Partnership ("PPP")/Engineering, Procurement, Construction ("EPC"), the operating cycle of the Group's business is relatively short, and therefore a period of 12 months is adopted as the criterion for classifying the liquidity of assets and liabilities. The operating cycle of the real estate business is generally longer than 12 months, starting from the commencement of property development to the collection of sales proceeds. The length of specific cycle is determined based on the circumstances of the development project, and the operating cycle is used as the criterion for classifying the liquidity of assets and liabilities. The operating cycle of PPP/EPC constructions and agent-construction business are generally longer than 12 months, starting from the commencement of the construction project to its completion settlement. The length of specific cycle is determined based on the circumstances of the development project, and the operating cycle is used as the criterion for classifying the liquidity of assets and liabilities.

4. Functional currency

Renminbi ("RMB") is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. Therefore, the Company and its domestic subsidiaries choose RMB as their functional currency. The Company's foreign subsidiary chooses its functional currency on the basis of the primary economic environment in which it operates. The Company adopts RMB to prepare its financial statements.

5. Method for determination of materiality criteria and basis for selection

Item	Materiality criteria
Significant construction in progress	The amount is greater than or equal to RMB30 million
Significant accounts payable aged over one year	The amount is greater than or equal to RMB30 million
Significant other payables aged over one year	The amount is greater than or equal to RMB30 million
Cash receipts relating to significant investing activities	The amount is greater than 10% of the subtotal of cash inflows from investing activities and is greater than or equal to RMB100 million
Cash payments relating to significant investing activities	The amount is greater than 10% of the subtotal of cash outflows from investing activities and is greater than or equal to RMB100 million
Significant non-wholly owned subsidiaries	The amount of revenue or net profit (in absolute value in case of loss) realized by a non-wholly owned subsidiary in the current period or the amount of any item included in total assets at the end of the period of a non-wholly owned subsidiary is greater than 5% of the amount of corresponding item in the Group's consolidated financial statements
Significant joint ventures or associates	The closing balance of long-term equity investment in the enterprise accounts for more than 5% of the Group's total consolidated assets or the investment income (in absolute value in case of loss) recognized under the equity method for the period accounts for more than 5% of the Group's total consolidated profit
Significant contingencies	The amount is greater than or equal to RMB50 million

Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Accounting treatment of business combinations involving entities under common control and business combinations not involving entities under common control

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

6.1 Business combinations involving entities under common control

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

Assets and liabilities obtained shall be measured at their respective carrying amounts as recorded by the combining entities at the date of the combination. The difference between the carrying amount of the net assets obtained and the carrying amount (or the total face value of issued shares) of the consideration paid for the combination is adjusted to the share premium in capital reserve. If the share premium is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Costs that are directly attributable to the combination are charged to profit or loss for the period in which they are incurred.

6.2 Business combinations not involving entities under common control and goodwill

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

The cost of combination is the aggregate of the fair values, at the acquisition date, of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer in exchange for control of the acquiree. Where a business combination not involving entities under common control is achieved in stages that involve multiple transactions, the cost of combination is the sum of the consideration paid at the acquisition date and the fair value at the acquisition date of the acquirer's previously held interest in the acquiree. The intermediary expenses incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services, etc. and other associated administrative expenses attributable to the business combination are recognized in profit or loss when they are incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities, acquired by the acquirer in a business combination, that meet the recognition criteria shall be measured at fair value at the acquisition date.

Where the cost of combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is treated as an asset and recognized as goodwill, which is measured at cost on initial recognition. Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer first reassesses the measurement of the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities and measurement of the cost of combination. If after that reassessment, the cost of combination is still less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer recognizes the remaining difference immediately in profit or loss for the period.

Goodwill arising from a business combination is measured at cost less accumulated impairment losses, and is presented separately in the consolidated financial statements.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Determination criteria of control and preparation of consolidated financial statements

7.1 Determination criteria of control

Control is the power over the investee, exposures or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns. If changes in related facts and situations lead to changes in related elements of control, the Group will conduct reassessment.

7.2 Preparation of consolidated financial statements

The scope of consolidation in the consolidated financial statements is determined on the basis of control.

The combination of subsidiaries begins when the Group obtains control over the subsidiary, and ceases when the Group loses control over the subsidiary.

For a subsidiary disposed of by the Group, the operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows, as appropriate.

For a subsidiary acquired through a business combination not involving entities under common control, the operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows, as appropriate.

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving entities under common control or the party being absorbed under merger by absorption are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period or from the date when they first came under the common control of the ultimate controlling party are included in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the uniform accounting policies and accounting periods set out by the Company.

The effects over the consolidated financial statements arising from intra-group transactions are eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the Company is treated as minority interests and presented as "minority interests" in the consolidated statement of financial position within shareholders' equity. The portion of net profits or losses of subsidiaries for the period attributable to minority interests is presented as "profit or loss attributable to minority shareholders" in the consolidated statement of profit or loss and other comprehensive income below the "net profit" line item.

When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess amount is still allocated against minority interests.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Determination criteria of control and preparation of consolidated financial statements (Continued)

7.2 Preparation of consolidated financial statements (Continued)

Acquisition of minority interests or disposal of interest in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as equity transactions. The carrying amounts of the shareholders' interests and minority interests of the Company are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the minority interests are adjusted and the fair value of the consideration paid or received is adjusted to capital reserve under owners' equity. If the capital reserve is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

For the stepwise acquisition of equity interest till acquiring control after a few transactions and leading to business combination not involving entities under common control, this should be dealt with based on whether this belongs to a 'package deal': if it belongs to a 'package deal', transactions will be dealt as transactions to acquire control. If it does not belong to a 'package deal', transactions to acquire control on the acquisition date will be under accounting treatment, the fair value of acquirees' shares held before the acquisition date will be revalued, and the difference between fair value and carrying amount will be recognized in profit or loss for the period; if acquirees' shares held before the acquisition date involve changes in other comprehensive income and other equity of owners under equity method, this will be transferred to income of the acquisition date.

When the Group loses control over a subsidiary due to disposal of certain equity interest or other reasons, any retained interest is re-measured at its fair value at the date when control is lost. The difference between (1) the aggregate of the consideration received on disposal and the fair value of any retained interest and (2) the share of the former subsidiary's net assets cumulatively calculated from the acquisition date according to the original proportion of ownership interest is recognized as investment income in the period in which control is lost. Other comprehensive income associated with investment in the former subsidiary is reclassified to investment income in the period in which control is lost.

When the Group loses control over a subsidiary in two or more transactions, terms and conditions of the transactions and their economic effects are considered. One or more of the following indicate that the Group shall account for the multiple transactions as a 'package deal': (1) they are entered into at the same time or in contemplation of each other; (2) they form a complete transaction designed to achieve an overall commercial effect; (3) the occurrence of one transaction is dependent on the occurrence of at least one other transaction; (4) one transaction alone is not economically justified, but it is economically justified when considered together with other transactions. Where the transactions of disposal of equity investments in a subsidiary until the loss of control are assessed as a package deal, these transactions are accounted for as one transaction of disposal of a subsidiary with loss of control. Before losing control, the difference of consideration received on disposal and the share of net assets of the subsidiary continuously calculated from the acquisition date is recognized as other comprehensive income. When losing control, the cumulated other comprehensive income is transferred to profit or loss for the period in which the control is lost. If the transactions of disposal of equity investments in a subsidiary are not assessed as a package deal, these transactions are accounted for as unrelated transactions.

8. Classification of joint arrangements

A joint arrangement is classified into joint operation and joint venture, depending on the rights and obligations of the parties to the arrangement, which is assessed by considering the structure and the legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

The Group's joint arrangement is joint venture, which is accounted for using the equity method. Refer to Note III, 18.3.2 "Long-term equity investments accounted for using the equity method".

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Determination criteria of cash and cash equivalents

Cash comprises cash on hand and deposits that can be withdrawn on demand at any time; cash equivalents are the Group's short-term (generally due within three months from the date of purchase), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

10. Translation of transactions and financial statements denominated in foreign currencies

10.1 Transactions denominated in foreign currencies

A foreign currency transaction is recorded, on initial recognition, by applying the spot exchange rate on the date of transaction.

At the date of financial position statements, foreign currency monetary items are translated into functional currency using the spot exchange rates at the date of financial position statements. Exchange differences arising from the differences between the spot exchange rates prevailing at the date of financial position statements and those on initial recognition or at the previous date of financial position statements are recognized in profit or loss for the period, except that (1) exchange differences related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalization are capitalized as part of the cost of the qualifying asset during the capitalization period; (2) exchange differences related to hedging instruments for the purpose of hedging against foreign currency risks are accounted for using hedge accounting; (3) exchange differences arising from changes in the gross carrying amount (other than the amortized cost) of monetary items at fair value through other comprehensive income are recognized in other comprehensive income.

When the consolidated financial statements include foreign operation(s), if there is foreign currency monetary item constituting a net investment in a foreign operation, exchange difference arising from changes in exchange rates are recognized as "translation differences of financial statements denominated in foreign currencies" in other comprehensive income, and in profit or loss for the period upon disposal of the foreign operation.

Foreign currency non-monetary items measured at historical cost are translated to the amounts in functional currency at the spot exchange rates on the dates of the transactions and the amounts in functional currency remain unchanged. Foreign currency non-monetary items measured at fair value are re-translated at the spot exchange rate on the date the fair value is determined. Difference between the re-translated functional currency amount and the original functional currency amount is treated as changes in fair value (including changes in exchange rate) and is recognized in profit or loss or as other comprehensive income.

10.2 Translation of financial statements denominated in foreign currencies

For the purpose of preparing the consolidated financial statements, financial statements of a foreign operation are translated from the foreign currency into RMB using the following method: assets and liabilities on the financial position statements are translated at the spot exchange rate prevailing at the date of financial position statements; shareholders' equity items except for "undistributed profits" are translated at the spot exchange rates on the dates of the transactions; income and expense items in the statement of profit or loss and other comprehensive income are translated at the average rates on the dates of the transactions; the difference between the translated assets and the aggregate of liabilities and shareholders' equity items is recognized as other comprehensive income and included in shareholders' equity.

Cash flows arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are translated at average exchange rate for the period in which cash flows occur. The effect of exchange rate changes on cash and cash equivalents is regarded as a reconciling item and presented separately in the statement of cash flows as "effect of exchange rate changes on cash and cash equivalents".



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Translation of transactions and financial statements denominated in foreign currencies (Continued)

10.2 Translation of financial statements denominated in foreign currencies (Continued)

The closing balances and the comparative figures of previous year are presented at the translated amounts in the previous year's financial statements.

On disposal of the Group's entire interest in a foreign operation, or upon a loss of control over a foreign operation due to disposal of certain interest in it or other reasons, the Group transfers the accumulated translation differences of financial statements denominated in foreign currencies attributable to the shareholders' equity of the Company and presented under other comprehensive income, to profit or loss for the period in which the disposal occurs.

In case of a disposal of part of equity investments or other reason leading to lower interest percentage in foreign operations but does not result in the Group losing control over a foreign operation, the proportionate share of accumulated exchange differences arising from translation of financial statements are re-attributed to minority interests and are not recognized in profit or loss. For partial disposals of equity interests in foreign operations which are associates or joint ventures, the proportionate share of the accumulated exchange differences arising from translation of financial statements of foreign operations is reclassified to profit or loss.

11. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

For financial assets purchased or sold in a regular way, the Group recognizes assets acquired and liabilities assumed on a trade date basis, or derecognizes the assets sold on a trade date basis.

Financial assets and financial liabilities are initially measured at fair value (the method for determining the fair values of the financial assets and financial liabilities is set out in related disclosures under "basis of accounting and principle of measurement" in Note II). For financial assets and financial liabilities at fair value through profit or loss, transaction costs are immediately recognized in profit or loss. For other financial assets and financial liabilities, transaction costs are included in their initial recognized amounts. Upon initial recognition of accounts receivable that do not contain significant financing component or without considering the financing component included in the contract with a term not exceeding one year under the *Accounting Standards for Business Enterprises No. 14 – Revenue* ("Revenue Standards"), the Group adopts the transaction price as defined in the Revenue Standards for initial measurement.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant accounting periods.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortized cost of the financial liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial asset or financial liability (such as repayment in advance, extension, call option or other similar options etc.) (without considering the expected credit losses).

The amortized cost of a financial asset or financial liability is the initially recognized amount net of principal repaid, plus or less the cumulative amortized amount arising from amortization of difference between the amount initially recognized and the amount at the maturity date using effective interest method, and then net of cumulative provision for credit loss (only applicable to financial assets).

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.1 Classification, recognition and measurement of financial assets

After initial recognition, the Group's financial assets of various types are subsequently measured at amortized cost, at fair value through other comprehensive income ("FVTOCI") or at fair value through profit or loss ("FVTPL"), respectively.

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows, the Group classifies such financial asset as financial assets at amortized cost, which include cash at banks and on hand, bills receivable, accounts receivable, other receivables and long-term receivables, etc.

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset, the Group classifies such financial asset as financial assets at FVTOCI. The accounts receivable and bills receivable classified as at FVTOCI upon acquisition are presented under financing with receivables, while the remaining items due within one year (inclusive) upon acquisition are presented under other current assets. Other financial assets of such type are presented as other debt investments if they are due after one year since the acquisition, or presented under non-current assets due within one year if they are due within one year (inclusive) since the date of financial position statements.

Upon initial recognition, the Group may irrevocably designate the non-transactional equity instrument investments other than contingent considerations recognized in business combination not involving enterprises under common control as financial assets at FVTOCI on an individual basis. Such type of financial assets is presented as investments in other equity instruments.

A financial asset is classified as transactional if any of the following criteria is satisfied:

- It has been acquired principally for the purpose of selling it in near term.
- On initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and there is objective evidence that the Group has a recent actual pattern of short-term profit-taking.
- It is a derivative that is neither a financial guarantee contract nor designated as an effective hedging instrument.

Financial assets at FVTPL include financial assets classified as at FVTPL and financial assets designated as at FVTPL:

- Financial assets not satisfying the criteria of classification as financial assets at amortized cost and financial assets at FVTOCI are classified as financial assets at FVTPL.
- Upon initial recognition, the Group may irrevocably designate the financial assets as at FVTPL if doing so eliminates or significantly reduces accounting mismatch.

Financial assets at FVTPL other than derivative financial assets are presented as transactional financial assets. Financial assets with a maturity over one year since the date of financial position statements (or without a fixed maturity) and expected to be held for over one year are presented under other non-current financial assets.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.1 Classification, recognition and measurement of financial assets (Continued)

11.1.1 Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. Any gains or losses arising from impairment or derecognition are included in profit or loss.

For financial assets at amortized cost, the Group recognizes interest income using effective interest rate method. The Group calculates and recognizes interest income through gross carrying amount of financial assets multiplying effective interest rate, except for the following circumstances:

- For purchased or originated credit-impaired financial assets, the Group calculates and recognizes the interest income based on the amortized cost of the financial assets and the effective interest rate through credit adjustment since initial recognition.
- For purchased or originated financial assets that were not credit-impaired but have become credit-impaired in subsequent period, the Group calculates the interest income by applying the effective interest rate to the amortized cost of the financial assets in subsequent period. If the financial instrument is no longer credit-impaired due to improvement of credit risk, and the improvement is linked with an event occurred after application of above provisions, the Group will calculate the interest income by applying effective interest rate to the gross carrying amount of the financial assets.

11.1.2 Financial assets at FVTOCI

For financial assets classified as at FVTOCI, except for the impairment losses or gains and the interest income and exchange losses or gains calculated using the effective interest method which are included in profit or loss for the period, the changes in fair value are included in other comprehensive income. The amounts included in profit or loss for each period are equivalent to that as if it has been always measured at amortized cost. Upon derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred to profit or loss for the period.

Changes in fair value of non-trading equity instrument investments designated as financial assets at FVTOCI are recognized in other comprehensive income. When the financial asset is derecognized, the cumulative gains or losses previously recognized in other comprehensive income are transferred and included in retained earnings. During the period in which the Group holds the non-trading equity instrument, revenue from dividends is recognized and included in profit or loss for the period when (1) the Group has established the right of collecting dividends; (2) it is probable that the associated economic benefits will flow to the Group; and (3) the amount of dividends can be measured reliably.

11.1.3 Financial assets at FVTPL

Financial assets at FVTPL are subsequently measured at fair value, with gains or losses on changes in fair value and related dividends and interest income included in profit or loss for the period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments

For financial assets at amortized cost, financial assets classified as at FVTOCI, lease receivables, contract assets, financial liabilities that are not at FVTPL and financial guarantee contracts that are not qualified for derecognition due to the transfer of financial assets or financial liabilities arising from continuing involvement of the transferred financial assets, the Group accounts for the impairment and recognizes the provision for losses on the basis of expected credit loss ("ECL").

For all contract assets, bills receivable and accounts receivable arising from transactions regulated by Revenue Standards, and lease receivables arising from transactions regulated by the *Accounting Standards for Business Enterprises No. 21 – Lease*, the Group recognizes the provision for losses at an amount equivalent to the lifetime ECL.

For other financial instruments, except for the purchased or originated credit-impaired financial assets, the Group assesses whether their credit risk has increased significantly since initial recognition. If the credit risk has increased significantly since initial recognition of the financial instruments, the Group recognizes the provision for losses at an amount equivalent to lifetime ECL; if the credit risk has not increased significantly since initial recognition of the financial instruments, the Group recognizes the provision for losses at an amount equivalent to 12-month ECL. The increase or reversal of credit loss provision for financial assets other than those classified as at FVTOCI is recognized as impairment loss or gain and included in profit or loss for the period. For financial assets classified as at FVTOCI, the credit loss provision is recognized in other comprehensive income and the impairment loss or gain is included in profit or loss for the period without reducing the carrying amount of the financial assets in the financial position statements.

Where the Group has measured the provision for losses at an amount equivalent to lifetime ECL of a financial instrument in prior accounting period, but the financial instrument no longer satisfies the criteria of significant increase in credit risk since initial recognition at the current date of financial position statements, the Group recognizes the provision for losses of the financial instrument at an amount equivalent to 12-month ECL at the current date of financial position statements, with any resulting reversal of provision for losses recognized as impairment gains in profit or loss for the period.

11.2.1 Significant increase in credit risk

The Group uses reasonable and supportable forward-looking information to assess whether the credit risk has increased significantly since initial recognition by comparing the risk of a default occurring on the financial instrument at the date of financial position statements with the risk of a default occurring on the financial instrument at the date of initial recognition. For financial guarantee contracts, the date on which the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition in the application of criteria related to the financial instrument for impairment.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.1 Significant increase in credit risk (Continued)

The following information is taken into account when assessing whether the credit risk has increased significantly:

- (1) Significant changes in internal price indicators resulting from changes in credit risk;
- (2) Significant changes in the rates or other terms of an existing financial instrument if the instrument was newly originated or issued at the date of financial position statements (such as more stringent covenants, increased amounts of collateral or guarantees, or higher rate of return, etc.);
- (3) Significant changes in the external market indicators of credit risk of the same financial instrument or similar financial instruments with the same expected duration. These indicators include: credit spreads, credit default swap prices against borrower, length of time and extent to which the fair value of financial assets is less than their amortized cost, and other market information related to the borrower (such as the borrower's debt instruments or changes in the price of equity instruments);
- (4) An actual or expected significant change in the financial instrument's external credit rating;
- (5) An actual or expected decrease in the internal credit rating for the debtor;
- (6) Adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- (7) An actual or expected significant change in the operating results of the debtor;
- (8) Significant increase in the credit risk of other financial instruments issued by the same debtor;
- (9) Significant adverse changes in regulatory, economic, or technological environment of the debtor;
- (10) Significant changes in the value of collaterals or the quality of guarantees or credit enhancements provided by third parties, which are expected to reduce the debtor's economic motives to repay within the time limit specified in contract or affect the probability of default;
- (11) Significant change in the debtor's economic motives to repay within the time limit specified in contract;
- (12) Expected changes to loan contract, including the exemption or revision of contractual obligations, the granting of interest-free periods, the jump in interest rates, the requirement for additional collateral or guarantees, or other changes in the contractual framework for financial instruments that may result from the breach of contract;
- (13) Significant change in expected performance and repayment of the debtor;
- (14) Significant change in the method used by the Group to manage the credit of financial instrument.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days (inclusive) past due.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.2 Credit-impaired financial asset

When an event or several events that are expected to have adverse impact on the future cash flows of the financial assets have occurred, the financial assets become credit impaired. The evidence of credit impairment of financial assets includes the following observable information:

- (1) Significant financial difficulty of the issuer or debtor;
- (2) Breach of contract by the debtor, such as a default or delinquency in interest or principal payments;
- (3) The creditor of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, has granted to the debtor a concession that the creditor would not otherwise consider;
- (4) It is probable that the debtor will enter bankruptcy or other financial reorganizations;
- (5) The disappearance of an active market for that financial asset because of financial difficulties of the issuer or debtor;
- (6) Purchase or originate a financial asset at a significant discount which reflects the fact of credit impairment.

Based on the Group's internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

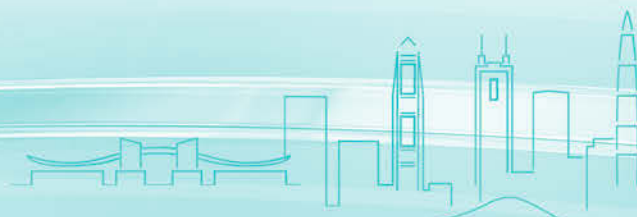
Irrespective of the outcome of the above assessment, the Group presumes that an event of default on the financial instrument has occurred if the contractual payment of the financial instrument has been more than 90 days (inclusive) past due.

11.2.3 Determination of ECL

The Group determines the ECL of relevant financial instruments using the following method:

- For financial assets, the credit loss represents the present value of the difference between the contractual cash flows receivable by the Group and the cash flows expected to be received by the Group.
- For lease receivables, the credit loss represents the present value of the difference between the contractual cash flows receivable by the Group and the cash flows expected to be received by the Group.
- For financial guarantee contracts (see Note III, 11.4.1.2.1 for specific accounting policies), the credit loss represents the present value of the difference between the expected payment to be made by the Group to the contract holder for the credit losses incurred, and the amount the Group expects to receive from the contract holder, the debtor or any other parties.

The factors reflected by the Group's measurement of ECL of financial instruments include: unbiased probability weighted average amount recognized by assessing a series of possible results; time value of money; reasonable and supportable information related to historical events, current condition and forecast of future economic position that is available without undue cost or effort at the date of financial position statements.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.4 Write-down of financial assets

When the Group no longer reasonably expects that the contractual cash flows of financial assets can be collected in aggregate or in part, the Group will directly write down the gross carrying amount of the financial asset, which constitutes derecognition of relevant financial assets.

11.3 Transfer of financial assets

The Group derecognizes a financial asset if one of the following conditions is satisfied: (1) the contractual rights to the cash flows from the financial asset expire; or (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset is transferred to the transferee; or (3) although the financial asset has been transferred, the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but has not retained control of the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, and it retains control of the financial asset, it recognizes the financial asset to the extent of its continuing involvement in the transferred financial asset and recognizes an associated liability. Relevant liabilities are measured using the following methods:

- For transferred financial assets carried at amortized cost, the carrying amount of relevant liabilities is the carrying amount of financial assets transferred with continuing involvement less amortized cost of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of amortized cost of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Relevant liabilities are not designated as financial liabilities at FVTPL.
- For transferred financial assets carried at fair value, the carrying amount of relevant financial liabilities is the carrying amount of financial assets transferred with continuing involvement less fair value of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of fair value of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Accordingly, the fair value of relevant rights and obligations shall be measured on an individual basis.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between (1) the carrying amount of the financial asset transferred; and (2) the sum of the consideration received from the transfer and any cumulative gain or loss that has been recognized in other comprehensive income, is recognized in profit or loss. Where the transferred assets are non-trading equity instrument investments designated as at FVTOCI, cumulative gains or losses previously recognized in other comprehensive income are transferred out and included in retained earnings.

If a part of the transferred financial asset qualifies for derecognition, the overall carrying amount of the financial asset prior to transfer is allocated between the part that continues to be recognized and the part that is derecognized, based on the respective fair value of those parts at the date of transfer. The difference between (1) the carrying amount allocated to the part derecognized on the date of derecognition; and (2) the sum of the consideration received for the part derecognized and any cumulative gain or loss allocated to the part derecognized which has been previously recognized in other comprehensive income, is recognized in profit or loss. Where the transferred assets are non-trading equity instrument investments designated as at FVTOCI, cumulative gains or losses previously recognized in other comprehensive income are transferred out and included in retained earnings.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group continues to recognize the transferred financial asset in its entirety. The consideration received from transfer of assets is recognized as a liability upon receipt.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.4 Classification of financial liabilities and equity instruments

Financial instruments issued by the Group or their components are classified into financial liabilities or equity instruments on the basis of not only the legal form but also the contractual arrangements and their economic substance, together with the definition of financial liability and equity instrument.

11.4.1 Classification, recognition and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

11.4.1.1 Financial liabilities at FVTPL

Financial liabilities at FVTPL include transactional financial liabilities (including derivative financial liabilities) and financial liabilities designated as at FVTPL. Except for derivative financial liabilities which are presented separately, financial liabilities at FVTPL are presented as transactional financial liabilities.

A financial liability is classified as transactional if any of the following criteria is satisfied:

- It has been incurred principally for the purpose of repurchasing it in the near term.
- On initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking.
- It is a derivative that is neither a financial guarantee contract nor designated as an effective hedging instrument.

A financial liability may be designated as at FVTPL upon initial recognition if: (1) such designation eliminates or significantly reduces accounting mismatch; (2) the Group makes management and performance evaluation on a fair value basis for a portfolio of financial liabilities or a portfolio of financial assets and financial liabilities, in accordance with the Group's formally documented risk management or investment strategy, and reports to key management personnel on that basis; (3) the qualified hybrid contract that contains embedded derivatives.

Transactional financial liabilities are subsequently measured at fair value. Any gains or losses arising from changes in the fair value and any dividend or interest expenses paid on the financial liabilities are recognized in profit or loss for the period.

For a financial liability designated as at FVTPL, the amount of changes in the fair value of the financial liability that are attributable to changes in the credit risk of that liability shall be presented in other comprehensive income, while other changes in fair value are included in profit or loss for the period. Upon the derecognition of such financial liability, the accumulated amount of changes in fair value that are attributable to changes in the credit risk of that liability, which was recognized in other comprehensive income, is transferred to retained earnings. Any dividend or interest expense on the financial liabilities is recognized in profit or loss. If the accounting treatment for the impact of the change in credit risk of such financial liability in the above ways would create or enlarge an accounting mismatch in profit or loss, the Group shall present all gains or losses on that liability (including the effects of changes in the credit risk of that liability) in profit or loss for the period.

For financial liabilities arising from contingent consideration recognized by the Group as the acquirer in the business combination not involving enterprises under common control, the Group measures such financial liabilities at fair value and includes the changes in financial liabilities in profit or loss for the period.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

11.4.1 Classification, recognition and measurement of financial liabilities (Continued)

11.4.1.2 Other financial liabilities

Except for financial liabilities and financial guarantee contracts arising from transfer of financial assets that do not meet the derecognition criteria or those arising from continuing involvement in the transferred financial assets, other financial liabilities are subsequently measured at amortized cost, with gain or loss arising from derecognition or amortization recognized in profit or loss.

If the modification or renegotiation for the contract by the Group and its counterparties does not result in derecognition of a financial liability subsequently measured at amortized cost but the changes in contractual cash flows, the Group will recalculate the carrying amount of the financial liability, with relevant gain or loss recognized in profit or loss. The Group will determine the carrying amount of the financial liability based on the present value of renegotiated or modified contractual cash flows discounted at the original effective interest rate of the financial liability. For all costs or expenses arising from modification or renegotiation of the contract, the Group will adjust the modified carrying amount of the financial liability and make amortization during the remaining term of the modified financial liability.

11.4.1.2.1 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder of the contract for a loss it incurs when a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Subsequent to initial recognition, financial liabilities that are not designated as at FVTPL or financial guarantee contracts of the financial liabilities arising from the transfer of financial assets that does not meet the derecognition criteria or those arising from continuing involvement in the transferred financial assets are measured at the higher of: (1) amount of provision for losses; and (2) the amount initially recognized less cumulative amortization amount determined according to relevant regulations in revenue standards.

11.4.2 Derecognition of financial liabilities

The Group derecognizes a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged. An agreement between the Group (an existing borrower) and an existing lender to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognizes a financial liability or a part of it, it recognizes the difference between the carrying amount of the financial liability (or part of the financial liability) derecognized and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss for the period.

11.4.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinanced), repurchased, sold and cancelled by the Group are recognized as changes in equity. Change in fair value of equity instruments is not recognized by the Group. Transaction costs related to equity transactions are deducted from equity.

The Group recognizes the distribution to holders of the equity instruments as distribution of profits, and dividends paid do not affect total amount of shareholders' equity.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.5 Derivatives and embedded derivatives

Derivatives include forward exchange contracts and foreign exchange option contracts, etc. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently measured at fair value.

Derivatives embedded in hybrid contracts with a financial asset host are not separated by the Group. The hybrid contract shall apply to the relevant accounting standards regarding the classification of financial assets as a whole.

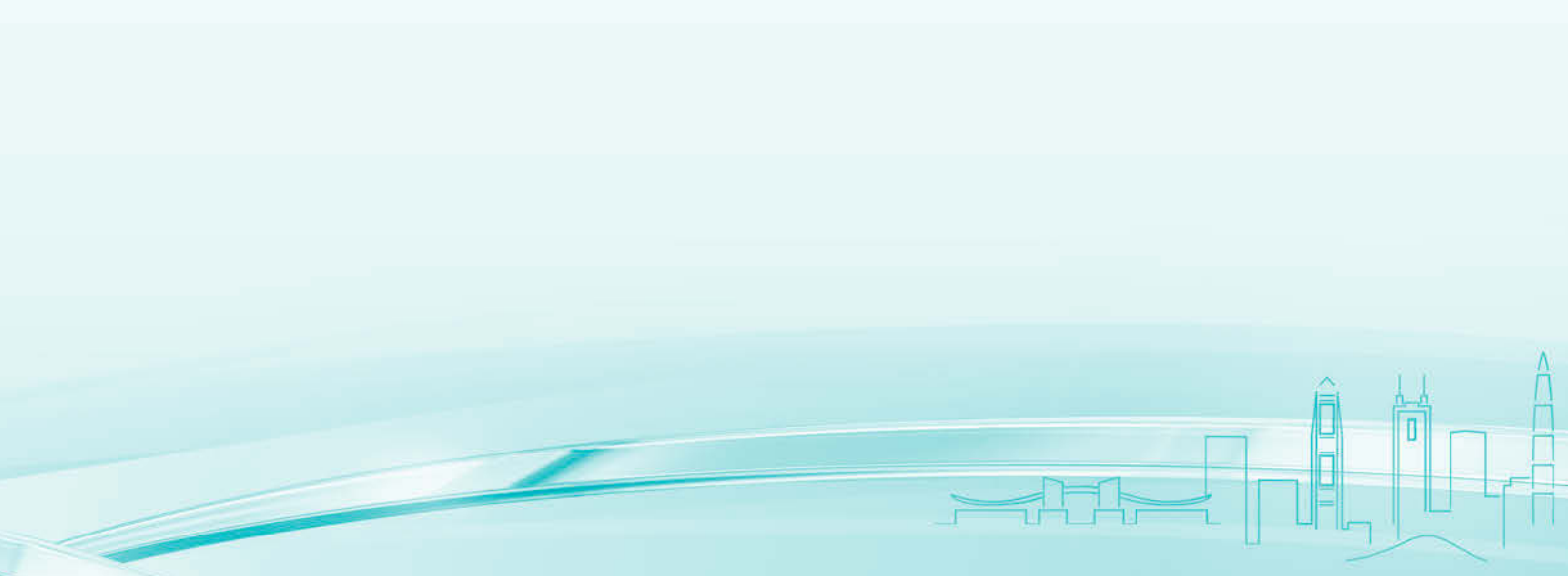
Derivatives embedded in hybrid contracts with hosts that are not financial assets are separated and treated as separate derivatives by the Group when they meet the following conditions:

- (1) The economic characteristics and risks of the embedded derivative are not closely related to those of the host contract.
- (2) A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative.
- (3) The hybrid contracts are not measured at FVTPL.

For the embedded derivative separated from the host contracts, the Group accounts for the host contracts in the hybrid contracts with applicable accounting standards. When the embedded derivatives whose fair value cannot be measured reliably by the Group according to the terms and conditions of the embedded derivatives, the fair value of such derivatives are measured at the difference between the fair value of the hybrid contracts and the fair value of the host contracts. By adopting the above method, if the embedded derivative cannot be measured on a stand-alone basis at the time when it is acquired or at subsequent date of financial position statements, the hybrid instrument is designated as financial instruments at FVTPL as a whole.

11.6 Offsetting financial assets and financial liabilities

Where the Group has a legal right that is currently enforceable to set off the recognized financial assets and financial liabilities, and intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously, a financial asset and a financial liability shall be offset and the net amount is presented in the financial position statements. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the financial position statements and shall not be offset.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Bills receivable

12.1 Categories of portfolios for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics and the basis for determination

Except for bills receivable for which the credit losses are assessed on an individual basis, the remaining bills receivable are categorized into different portfolios based on their credit risk characteristics:

Category of portfolio	Basis for determination
Portfolio I	Bills receivable accepted by banks with high credit ratings
Portfolio II	Bills receivable accepted by banks with low credit ratings
Portfolio III	Bills receivable accepted by domestic enterprises

12.2 Determination criteria of provision for bad debts on an individual basis

The Group assesses the credit risk on bills receivable from acceptors who clearly lack the ability to repay debts on an individual basis due to the fact that such bills receivable are expected to be irrecoverable.

13. Accounts receivable

13.1 Categories of portfolios for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics and the basis for determination

The accounts receivable are categorized into following portfolios based on common credit risk characteristics. The common credit risk characteristics adopted by the Group include historical credit losses, nature of the customers, etc.

Category of portfolio	Basis for determination
Portfolio I	Receivables from government and related parties
Portfolio II	Receivables from customers in wind turbine generators sales industry
Portfolio III	Receivables from customers in kitchen waste disposal industry
Portfolio IV	Receivables from other third parties other than those in Portfolio I, II and III

13.2 Aging calculation method for portfolio of credit risk characteristics recognized based on aging

For Portfolio II, III and IV, the Group adopts the aging of accounts receivable as a credit risk characteristic to determine the expected credit losses using an impairment matrix. The aging is calculated from the date of initial recognition. If the terms and conditions of accounts receivable are modified which do not result in the derecognition of accounts receivable, the aging is calculated consecutively. If the accounts receivable are converted from contract assets, the aging is calculated consecutively from the date of initial recognition of the corresponding contract assets. If the debtor settles accounts receivable with commercial acceptance bills or acceptance bills of finance company, the aging of bills receivable is added to that of the original accounts receivable for calculation.

13.3 Determination criteria of provision for bad debts on an individual basis

The Group assesses the credit risk on accounts receivable from customers who clearly lack the ability to repay debts on an individual basis due to the fact that such accounts receivable are expected to be irrecoverable.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Other receivables

14.1 Categories of portfolios for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics and the basis for determination

The Group categorizes other receivables into low-risk portfolio and normal-risk portfolio based on common credit risk characteristics. The common credit risk characteristics adopted by the Group include category of the debtors, etc.

14.2 Aging calculation method for portfolio of credit risk characteristics recognized based on aging

The aging is calculated from the date of initial recognition. If the terms and conditions of other receivables are modified which do not result in the derecognition of other receivables, the aging is calculated consecutively.

14.3 Determination criteria of provision for bad debts on an individual basis

The Group assesses the credit risk on other receivables from customers who clearly lack the ability to repay debts on an individual basis due to the fact that such other receivables are expected to be irrecoverable.

15. Inventories

15.1 Categories of inventories, valuation method of inventories upon delivery, inventory count system, and amortization method for low-value consumables and packaging materials

15.1.1 Categories of inventories

The Group's inventories mainly include real estate development properties, raw materials, work in progress, goods on hand, low-value consumables and others, etc.

Real estate properties comprise properties held for sale, properties under development and properties held for development. Properties held for sale are those completed and for sale; properties under development are those still under construction and for sale purposes; and properties held for development are lands purchased and planned to have properties developed on.

Inventories are initially measured at cost. Cost of real estate development comprises land cost, construction cost and other costs. Cost of raw materials, work in progress and goods on hand comprises cost of purchase, cost of conversion and other expenditures incurred in bringing the inventories to their present location and condition.

15.1.2 Valuation method of inventories upon delivery

The cost of completed properties is determined using the specific identification method. The actual cost of raw materials, work in progress, and goods on hand upon delivery is calculated using the FIFO method. The cost of maintenance and repair parts upon delivery is calculated using the weighted average method.

15.1.3 Inventory count system

The perpetual inventory system is maintained for stock system.

15.1.4 Amortization method for low-value consumables and packaging materials

Low-value consumables and packaging materials are amortized using the immediate write-off method.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Inventories (Continued)

15.2 Recognition criteria and provision method for decline in value of inventories

At the date of financial position statements, the inventories are measured at the lower of the cost and the net realizable value. If the net realizable value is lower than the cost, a provision for decline in value of inventories is made.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated costs necessary to make the sale and relevant taxes. Net realizable value is determined on the basis of clear evidence obtained, and takes into consideration the purposes of holding inventories and effect of post financial position statement events.

After the provision for decline in value of inventories is made, if the circumstances that previously caused inventories to be written down below cost no longer exist so that the net realizable value of inventories is higher than their cost, the original provision for decline in value is reversed and the reversal is included in profit or loss for the period.

15.3 Categories of portfolios for which provision for decline in value of inventories is made on a portfolio basis and the basis for determination, and the basis for determining the net realizable value of different categories of inventories

For large quantity and low value items of inventories, provision for decline in value is made based on categories of inventories, i.e., wind turbine equipment, kitchen waste disposal equipment, power batteries, real estate inventories and others, respectively. The net realizable value of each category of inventories is determined based on the contract prices or market prices for similar goods.

16. Contract assets

16.1 Determination method and criteria for contract assets

Contract asset refers to the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time. The Group's unconditional (i.e., depending on the passage of time only) right to receive consideration from the customer is separately presented as receivables.

16.2 Categories of portfolios for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics and the basis for determination

The contract assets are categorized into following portfolios based on common credit risk characteristics. The common credit risk characteristics adopted by the Group include historical credit losses, nature of the customers, etc.

Category of portfolio	Basis for determination
Portfolio I	Government and related parties
Portfolio II	Customers in wind turbine generators sales industry (warranty deposits receivable)
Portfolio III	Customers in kitchen waste disposal industry
Portfolio IV	Other third parties other than those in Portfolio I, II and III

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Contract assets (Continued)

16.3 Aging calculation method for portfolio of credit risk characteristics recognized based on aging

For Portfolio III and IV, the Group adopts the aging of contract assets as a credit risk characteristic to determine the credit losses using an impairment matrix. The aging is calculated from the date of initial recognition.

16.4 Determination criteria of provision for bad debts on an individual basis

The Group assesses the credit risk on contract assets for which the customers clearly lack the ability to repay debts on an individual basis due to the fact that such contract assets are expected to be irrecoverable.

17. Non-current assets or disposal groups classified as held for sale

17.1 Recognition criteria and accounting methods for non-current assets or disposal groups classified as held for sale

Non-current assets and disposal groups are classified as held for sale category when the Group recovers the carrying amount through a sale (including an exchange of non-monetary assets that has commercial substance) rather than continuing use.

Non-current assets or disposal groups classified as held for sale are required to satisfy the following conditions: (1) the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset or disposal group; (2) the sale is highly probable, i.e. the Group has made a resolution about selling plan and obtained a confirmed purchase commitment and the sale is expected to be completed within one year.

The Group measures the no-current assets or disposal groups classified as held for sale at the lower of their carrying amount and fair value less costs to sell. Where the carrying amount is higher than the net amount of fair value less costs to sell, the carrying amount should be reduced to the net amount of fair value less costs to sell, and such reduction is recognized in impairment losses of assets and included in profit or loss for the period. Meanwhile, provision for impairment of held-for-sale assets is made. When there is increase in the net amount of fair value of non-current assets held for sale less costs to sell at the date of financial position statements, the original deduction should be reversed in impairment losses of assets recognized after the classification of held-for-sale category, and the reverse amount is included in profit or loss for the period. Impairment losses of assets recognized before they are classified as held for sale will not be reversed.

Non-current assets classified as held for sale or disposal groups are not depreciated or amortized, interest and other costs of liabilities of disposal group classified as held for sale continue to be recognized.

All or part of equity investments in an associate or joint venture are classified as held for sale assets. For the part that is classified as held for sale, it is no longer accounted for using the equity method since the date of the classification.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Non-current assets or disposal groups classified as held for sale (Continued)

17.2 Recognition criteria and presentation method for discontinued operations

A discontinued operation is a component of the Group that can be clearly distinguished and satisfies one of the following conditions, and such component has been disposed of or is classified as held for sale:

- Such component represents a separate major line of business or geographical area of operations;
- Such component is part of the separate major line of business or geographical area of operations to be disposed of based on the associated plan;
- Such component is a subsidiary acquired exclusively for the purpose of resale.

Gains or losses from discontinued operations are presented separately from those from continuing operations in the statement of profit or loss and other comprehensive income. Operating gains or losses such as impairment losses from discontinued operations and the amount of reversals, and the gains or losses from disposals are presented as discontinued operations. For discontinued operations presented in the current period, the Group restates the information previously presented as gains or losses from continuing operations in the financial statements for the period as discontinued operations in the comparable accounting period.

18. Long-term equity investments

18.1 Determination criteria of joint control and significant influence

Control is achieved when the investor has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power over the investee to affect its returns. Joint control is the contractually agreed sharing of control of an arrangement, and exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. When determining whether an investing enterprise is able to exercise control or significant influence over an investee, the effects of potential voting rights of the investee (for example, warrants and convertible debts) held by the investing enterprises or other parties that are currently exercisable or convertible have been considered.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Long-term equity investments (Continued)

18.2 Determination of initial investment costs

For a long-term equity investment acquired through a business combination involving entities under common control, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of owners' equity of the acquiree at the date of combination in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost and the aggregate of cash paid, non-cash assets transferred and carrying amount of liabilities assumed, is adjusted to capital reserve. If the balance of capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained earnings. If the consideration of the combination is satisfied by the issue of equity securities, the initial investment cost of the long-term equity investment is determined in accordance with the shares of the carrying amount of the owners' equity of the acquiree in the consolidated financial statements of the ultimate controlling party at the date of combination, with the aggregate face value of the shares issued accounted for as equity, and the difference between the initial investment cost and the aggregate face value of the shares issued is adjusted to capital reserve. If the balance of capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained earnings. Where equity interests in an acquiree are acquired in stages through multiple transactions and ultimately constitute a business combination involving entities under common control, the acquirer shall determine if these transactions are considered to be a "package deal". If yes, these transactions are accounted for as a single transaction where control is obtained. If no, the initial investment cost of the long-term equity investment is the share of the carrying amount of owners' equity of the acquiree in the ultimate controlling party's consolidated financial statements at the date of combination. The difference between the initial investment cost and the sum of the carrying amount of long-term equity investments prior to the combination and the carrying amount of the additional consideration paid for shares acquired at the date of combination is adjusted to capital reserve. If the balance of capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained earnings. Other comprehensive income recognized for the equity investments prior to the combination that are accounted for using the equity method or investments in non-trading equity instruments designated as at FVTOCI is not subject to accounting treatment temporarily.

For a long-term equity investment acquired through business combination not involving entities under common control, the initial investment cost of the long-term equity investment is the cost of acquisition at the date of combination. Where equity interests in an acquiree are acquired in stages through multiple transactions ultimately constituting a business combination not involving entities under common control, the acquirer shall determine if these transactions are considered to be a "package deal". If yes, these transactions are accounted for as a single transaction where control is obtained. If no, the sum of carrying amount of equity investments previously held in the acquiree and the new investment cost is deemed as the initial investment cost of long-term equity investments that was changed to be accounted for using cost method. If the equity previously held is accounted for using the equity method, the corresponding other comprehensive income is not subject to accounting treatment temporarily. If the equity investment previously held is classified as investments in non-trading equity instruments designated as at FVTOCI, the difference between the fair value and carrying amount, together with the accumulated changes in fair value previously included in other comprehensive income are transferred to retained earnings.

The intermediary fees incurred by the absorbing party or acquirer in respect of auditing, legal services, valuation and consultancy services, etc. and other related administrative expenses attributable to the business combination are recognized in profit or loss when they are incurred.

Long-term equity investment acquired otherwise than through a business combination is initially measured at its cost. When the entity is able to exercise significant influence or joint control (but not control) over an investee due to additional investment, the cost of long-term equity investments is the sum of the fair value of previously held equity investments determined in accordance with the *Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments* and the additional investment cost.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Long-term equity investments (Continued)

18.3 Subsequent measurement and recognition of profit or loss

18.3.1 Long-term equity investment accounted for using the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method in the Company's separate financial statements. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognized in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

18.3.2 Long-term equity investments accounted for using the equity method

Investments in associates and joint ventures are accounted for using the equity method, except for investments in associates and joint ventures that are classified in whole or in part as held for sale. An associate is an entity over which the Group has significant influence; and a joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement.

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

Under the equity method, the Group recognizes its share of the net profit or loss and other comprehensive income made by the investee as investment income and other comprehensive income respectively, and adjusts the carrying amount of the long-term equity investment accordingly; the carrying amount of the investment is reduced by the portion of any profit distributions or cash dividends declared by the investee that is distributed to the Group; the share of changes in owners' equity of the investee other than those arising from net profit or loss, other comprehensive income and profit distribution are recognized in the capital reserve, and the carrying amount of the long-term equity investment is adjusted accordingly. The Group recognizes its share of the investee's net profit or loss after making appropriate adjustments based on the fair value of the investee's individual separately identifiable assets, etc. at the acquisition date. Where the accounting policies and accounting period adopted by the investee are not consistent with those of the Group, the Group shall adjust the financial statements of the investee to conform to its own accounting policies and accounting period, and recognize investment income and other comprehensive income based on the adjusted financial statements. For the Group's transactions with its associates and joint ventures where assets contributed or sold do not constitute a business, unrealized intra-group profits or losses are recognized as investment income or loss to the extent that those attributable to the Group's proportionate share of interest are eliminated. However, unrealized losses resulting from the Group's transactions with the investee which represent impairment losses on the transferred assets are not eliminated. Where the assets contributed by the Group constitute a business, and the investor receives long-term equity investment without the acquisition of controlling rights, the fair value of the investment business should be considered as the initial investment cost of the new long-term equity investment. The difference between the initial investment cost and the carrying amount of the investment business will be entirely included in profit or loss for the period. Where the assets sold by the Group constitute a business, the difference between the consideration obtained and the carrying amount of the business will be entirely included in profit or loss for the period. The assets purchased by the Group from the associates and joint ventures that constitute a business will be dealt with on the basis of *Accounting Standards for Business Enterprises No. 20 – Business Combinations* and be entirely accounted for as trading profits or losses.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Long-term equity investments (Continued)

18.3 Subsequent measurement and recognition of profit or loss (Continued)

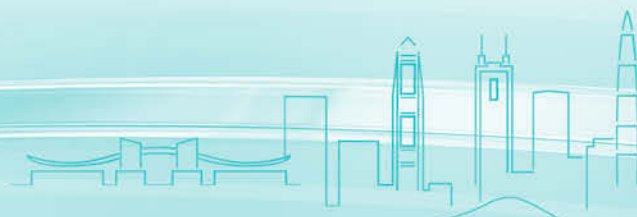
18.3.2 Long-term equity investments accounted for using the equity method (Continued)

The Group recognizes its share of net losses of the investee to the extent that the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero. In addition, if the Group has incurred obligations to assume additional losses of the investee, a provision is recognized according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Group resumes recognizing its share of those profits only after its share of the profits exceeds the share of losses previously not recognized.

18.4 Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the proceeds actually received and the carrying amount is recognized in profit or loss for the period. For long-term equity investments accounted for using the equity method, if the remaining interest after disposal is still accounted for using the equity method, other comprehensive income previously recognized using the equity method is accounted for on the same basis as if the investee had directly disposed of related assets or liabilities, and transferred to profit or loss for the period on a pro rata basis; owners' equity recognized due to changes in other owners' equity of the investee (other than net profit or loss, other comprehensive income and profit distribution) is transferred to profit or loss for the period on a pro rata basis. For long-term equity investments accounted for using the cost method, if the remaining interest after disposal is still accounted for using the cost method, other comprehensive income previously recognized using the equity method or in accordance with the standards for the recognition and measurement of financial instruments before obtaining the control over the investee, is accounted for on the same basis as if the investee had directly disposed of related assets or liabilities, and transferred to profit or loss for the period on a pro rata basis; changes in other owners' equity in the investee's net assets recognized under the equity method (other than net profit or loss, other comprehensive income and profit distribution) is transferred to profit or loss for the period on a pro rata basis.

Where the Group loses control over the investee due to disposal of part of equity investment, during preparing separate financial statement, remaining interest after disposal which can make joint control or significant influence over the investee is accounted for using the equity method, and adjusted as if it is accounted for using the equity method since the acquisition date. If remaining interest after disposal cannot make joint control or significant influence over the investee, it is accounted for in accordance with the standards for the recognition and measurement of financial instruments, and the difference between the fair value on the date of losing control and the carrying amount is recognized in profit or loss for the period. Other comprehensive income previously recognized using the equity method or in accordance with the standards for the recognition and measurement of financial instruments before obtaining the control over the investee is accounted for on the same basis as if the investee had directly disposed of related assets or liabilities; changes in other owners' equity in the investee's net assets recognized under the equity method (other than net profit or loss, other comprehensive income and profit distribution) is transferred to profit or loss for the period. If remaining interest after disposal is accounted for using the equity method, other comprehensive income and other owners' equity are transferred on a pro rata basis. If remaining interest after disposal is accounted for in accordance with the standards for the recognition and measurement of financial instruments, other comprehensive income and other owners' equity are transferred in their entirety.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Long-term equity investments (Continued)

18.4 Disposal of long-term equity investments (Continued)

Where the Group loses joint control or significant influence over the investee due to disposal of part of equity investment, remaining interest after disposal is accounted for in accordance with the standards for the recognition and measurement of financial instruments, and the difference between fair value on date of losing joint control or significant influence and carrying amount is recognized in profit or loss for the period. Other comprehensive income previously recognized using the equity method is accounted for on the same basis as if the investee had directly disposed of related assets or liabilities when stopping using the equity method, and owners' equity recognized due to changes in other owners' equity (other than net profit or loss, other comprehensive income and profit distribution) is transferred to profit or loss for the period in its entirety when stopping using the equity method.

The Group loses control over the subsidiaries through step-by-step transactions of disposal of its equity investment in the subsidiaries. Where such transactions are a "package deal", they are accounted for as a transaction of disposal of subsidiary to lose control. The difference between the proceeds from each disposal before losing control and the carrying amount of long-term equity investment corresponding to the disposed investment is first recognized as other comprehensive income and then transferred to profit or loss for the period in which the control is lost.

19. Investment properties

Investment property is property held to earn rents or for capital appreciation or both. It includes car parking spaces that are leased out and buildings.

An investment property is measured initially at cost. Subsequent expenditures incurred for such investment property are included in the cost of the investment property if it is probable that economic benefits associated with an investment property will flow to the Group and the subsequent expenditures can be measured reliably. Other subsequent expenditures are recognized in profit or loss for the period in which they are incurred.

The Group adopts the cost model for the subsequent measurement of investment properties. Investment properties are depreciated over their useful lives using the straight-line method. The depreciation method, depreciation life, estimated residual value rate and annual depreciation rate of each category of investment properties are as follows:

Category	Depreciation method	Depreciation life (year)	Estimated residual value rate (%)	Annual depreciation rate (%)
Car parking spaces	Straight-line method	30	5.00	3.17
Buildings	Straight-line method	20	5.00	4.75

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

When an investment property is sold, transferred, retired or damaged, the Group recognizes the amount of any proceeds on disposal net of the carrying amount and related taxes in profit or loss for the period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Fixed assets

20.1 Recognition criteria

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rents to others, or for administrative purposes, and have useful lives of over 1 accounting year. A fixed asset is recognized only when it is probable that economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Fixed assets are initially measured at cost and the effect of any expected costs of abandoning the asset at the end of its use is considered.

Subsequent expenditures incurred for a fixed asset are included in the cost of the fixed asset when it is probable that the associated economic benefits will flow to the Group and the related cost can be reliably measured. The carrying amount of the replaced part is derecognized. All the other subsequent expenditures are recognized in profit or loss for the period in which they are incurred.

20.2 Depreciation methods

A fixed asset is depreciated over its useful life using the straight-line method since the month subsequent to the one in which it is ready for intended use. The depreciation method, depreciation life, estimated residual value rate and annual depreciation rate of each category of fixed assets are as follows:

Category	Depreciation method	Depreciation life (year)	Estimated residual value rate (%)	Annual depreciation rate (%)
Buildings	Straight-line	20-30	5.00	3.17-4.75
Traffic equipment	Straight-line	5-11	0.00-10.00	8.18-20.00
Machinery and equipment	Straight-line	5-20	4.00-5.00	4.75-19.20
Motor vehicles	Straight-line	5-6	5.00	15.83-19.00
Office and other equipment	Straight-line	3-5	0.00-5.00	19.00-33.33

Estimated net residual value of a fixed asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

20.3 Other particulars

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognized. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognized in profit or loss for the period.

The Group reviews the depreciation life and estimated net residual value of a fixed asset and the depreciation method applied at least once at each financial year-end, and accounts for any change as a change in accounting estimates.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Construction in progress

Construction in progress is measured at its actual construction expenditures, including various construction expenditures during the construction period, borrowing costs capitalized before it is ready for intended use and other relevant costs. Construction in progress is not depreciated. Construction in progress is transferred to a fixed asset when it is ready for intended use. The criteria and point in time for carrying forward of each category of construction in progress to fixed assets are as follows:

Category	Criteria for carrying forward to fixed assets	Point in time for carrying forward to fixed assets
Construction and installation project	When it is ready for intended use	When it is handed over and accepted as qualified
Others	When it is ready for intended use	When it is handed over and accepted as qualified

22. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalized when expenditures for such asset and borrowing costs are incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. Capitalization of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Capitalization of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally and when the suspension is for a continuous period of more than three months. Capitalization is suspended until the acquisition, construction or production of the asset is resumed. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Where funds are borrowed under a specific-purpose borrowing, the amount of interest to be capitalized is the actual interest expense incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income from the temporary investment of those funds. Where funds are borrowed under general-purpose borrowings, the Group determines the amount of interest to be capitalized on such borrowings by applying a capitalization rate to the weighted average of the excess of cumulative expenditures on the asset over the amounts of specific purpose borrowings. The capitalization rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Intangible assets

23.1 Useful life and the basis for determination, estimates, amortization method or review procedures

Intangible assets include franchise rights (toll road and kitchen waste disposal project), billboard land use right, patent use right, land use right, contract rights, office software and others, etc.

An intangible asset is measured initially at cost. Subsequent expenditures incurred for the intangible asset are included in the cost of the intangible asset when it is probable that economic benefits associated with the asset will flow to the Group and the subsequent expenditures can be measured reliably. Other subsequent expenditures are recognized in profit or loss for the period in which they are incurred.

If the fees charged by the Group to those who receive public products and services during the period of operation of PPP project such as kitchen waste disposal and toll road do not constitute an unconditional right to receive cash, the consideration amount of the relevant PPP project assets or the amount of construction income recognized shall be recognized as intangible asset of franchise rights when the PPP project assets are ready for intended use.

The franchise rights of the toll roads invested by the state-owned shareholders on 1 January 1997 were stated at valuation performed by the asset valuation firms and the values were certified by the State-owned Assets Supervision and Administration Bureau ("SASAB") in accordance with Guo Zi Ping (1996) No. 911. The land use right relating to Shenzhen Airport-Heao Expressway (Western Section) invested to the Company by the promoter of the Company during the restructuring period of the Group was stated at the then revaluation amount admitted by the SASAB on 30 June 1996. The land use right relating to Meiguan Expressway and Shenzhen Airport-Heao Eastern Company Expressway (Eastern Section) owned by Shenzhen Meiguan Expressway Company Limited ("Meiguan Company") and Shenzhen Airport-Heao Expressway (Eastern Section) Company Limited (Airport-Heao Eastern Company), the subsidiary, were invested by Xin Tong Chan Development (Shenzhen) Company Limited ("Xin Tong Chan Company"), one of the promoters of the Company, at the value determined by the cooperating parties.

(1) Franchise rights

(a) Toll road

Franchise rights associated with the toll roads refer to the rights granted by the respective grantors, which entitle the Group to receive the toll fees from users and the land use right obtained in conjunction with the franchise contracts.

When toll roads are ready for their intended use, amortization of franchise rights is calculated to write off their costs on the traffic volume method. As to amortization of franchise rights, the amortization amount per standard traffic volume ("unit amortization amount") is calculated based on total standard traffic volume predicted during the operating period of each toll road and the cost/carrying amount of the franchise rights associated with toll roads, then the franchise rights are amortized based on the actual traffic volume during each accounting period and the unit amortization amount.

Each period, the Group performs internal review on the total projected traffic volume during the operating period. The Group also appoints an independent professional traffic consultant to perform independent professional traffic studies when large differences between actual traffic volume and projected traffic volume exist, or every 3 to 5 years and then adjust the unit amortization amount according to the revised total projected traffic volume, to ensure that the respective franchise rights would be fully amortized in the operating period.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Intangible assets (Continued)

23.1 Useful life and the basis for determination, estimates, amortization method or review procedures (Continued)

(1) *Franchise rights (Continued)*

(a) Toll road (Continued)

The operating periods and unit amortization amounts of toll roads are set out as follows:

Item	Operating period (Note 4)	Unit amortization amount (RMB)
Meiguan Expressway	May 1995 to March 2027	0.53
Shenzhen Airport-Heao Expressway (Western Section)	May 1999 to March 2027	0.35
Shenzhen Airport-Heao Expressway (Eastern Section)	October 1997 to March 2027	1.73
Qinglian Expressway (Note 1)	July 2009 to July 2034	48.87
Shuiguan Expressway	March 2002 to January 2026	5.66
Changsha Ring Road (North-western Section) ("Changsha Ring Road")	November 1999 to October 2029	2.91
Coastal Expressway	December 2013 to December 2038	7.09
Outer Ring Expressway Phase I (Note 2 & 3)	Commencement of operations in December 2020	4.20
Outer Ring Expressway Phase II (Note 3)	Commencement of operations in January 2022	1.11
Longda Expressway	October 2005 to October 2027	0.25

Note 1: The cost of franchise rights for Qinglian Expressway has increased in the current period, and the unit amortization amount has been adjusted from RMB47.82 to RMB48.87.

Note 2: The cost of franchise rights for Outer Ring Expressway Phase I has increased in the current period, and the unit amortization amount has been adjusted from RMB3.95 to RMB4.20.

Note 3: The operating period of Outer Ring Expressway has not yet been approved and the unit amortization amount is calculated based on the tentatively estimated operating period of 25 years.

Note 4: The operating period does not include the toll period extended for each toll road in accordance with local policies due to the 79-day toll-free period implemented nationwide in early 2020.

(b) Kitchen waste disposal project

Franchise rights related to kitchen waste disposal are amortized on a straight-line basis during the period of franchise operation.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Intangible assets (Continued)

23.1 Useful life and the basis for determination, estimates, amortization method or review procedures (Continued)

(2) Other intangible assets

The amortization method, useful life and residual value rate of other intangible assets are as follows:

Category	Amortization method	Useful life (year)	Basis to determine the useful life	Residual value rate
Billboard land use right	Straight-line	5	Year(s) as agreed in the contract	—
Patent use right	Straight-line	5-10	Year(s) as agreed in the contract/ Useful life as stipulated by law	—
Land use rights	Straight-line	50	Useful life as stipulated in the land use certificate	—
Contract rights	Straight-line	10	Year(s) as agreed in the contract	—
Software and others	Straight-line	2-10	Expected updated cycle	—

For an intangible asset with a finite useful life, the Group reviews the useful life and amortization method at the end of the period, and makes adjustments when necessary.

For details of the impairment test of intangible assets, see Note III, 24 “Impairment of long-term assets”.

23.2 Scope of R&D expenditures and accounting treatment

Expenditure during the research phase is recognized as an expense in the period in which it is incurred.

Expenditure during the development phase that meets all of the following conditions at the same time is recognized as intangible asset. Expenditure during development phase that does not meet the following conditions is recognized in profit or loss for the period:

- (1) It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (2) The Group has the intention to complete the intangible asset and use or sell it;
- (3) The Group can demonstrate the ways in which the intangible asset will generate economic benefits, including the evidence of the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- (4) The availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset;
- (5) The expenditure attributable to the intangible asset during its development phase can be reliably measured.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Intangible assets (Continued)

23.2 Scope of R&D expenditures and accounting treatment (Continued)

If the expenditures cannot be distinguished between the research phase and development phase, the Group recognizes all of them in profit or loss for the period. Costs of intangible assets generated from internal development activities only include total expenditures incurred from the point of time that qualify for capitalization till the intangible asset is ready for intended use. Expenditures which have been recognized as expenses into profit or loss before the same intangible asset that qualify for capitalization during the development course will not be adjusted any longer.

The scope of R&D expenditures includes wages, salaries, and welfare expenses of personnel directly engaged in R&D activities, materials, fuel, and power expenses directly consumed in R&D activities, depreciation expenses for instruments and equipment used in R&D activities, rental and maintenance expenses for R&D sites, travel, transportation, and communication expenses required for research and experimental development, etc. Technical feasibility and economic viability studies are adopted as specific criteria for classifying the research and development phases.

24. Impairment of long-term assets

The Group reviews the long-term equity investments, investment properties measured using cost model, fixed assets, construction in progress, right-of-use assets and intangible assets with finite useful life at each date of financial position statements to determine whether there is any indication that they have suffered an impairment loss. If an impairment indication exists, the recoverable amount is estimated. Intangible assets with indefinite useful life or not yet ready for use are tested for impairment every period no matter whether there is any indication the assets may be impaired.

Recoverable amount is estimated on individual basis. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. The recoverable amount of an asset or asset group is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset or asset group.

If such recoverable amount is less than its carrying amount, a provision for impairment losses in respect of the deficit is recognized in profit or loss for the period.

Goodwill is tested for impairment at least at the end of each year. For the purpose of impairment testing, goodwill is considered together with the related asset group(s), i.e., goodwill is reasonably allocated to the related asset group(s) or each of asset group(s) expected to benefit from the synergies of the combination. An impairment loss is recognized if the recoverable amount of the asset group or sets of asset groups (including goodwill) is less than its carrying amount. The impairment loss is first allocated to reduce the carrying amount of any goodwill allocated to such asset group or sets of asset groups, and then to the other assets of the group pro-rata on the basis of the carrying amount of each asset (other than goodwill) in the group.

Once the impairment loss of such assets is recognized, it will not be reversed in any subsequent period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Long-term prepaid expenses

Long-term prepaid expenses represent expenses incurred that should be borne and amortized over the current and subsequent periods (together of over one year). Long-term prepaid expenses are averagely amortized over the expected benefit period.

26. Contract liabilities

Contract liabilities refer to the Group's obligation to transfer goods or services to a customer for which the Group has received or is expected to receive a consideration from the customer. Contract assets and contract liabilities under the same contract are listed on a net basis.

27. Employee benefits

27.1 Accounting treatment of short-term employee benefits

Actually occurred short-term employee benefits are recognized as liabilities, with a corresponding charge to profit or loss for the period or in the costs of relevant assets in the accounting period in which employees provide services to the Group. Staff welfare expenses incurred by the Group are recognized in profit or loss for the period or the costs of relevant assets based on the actually occurred amounts when they actually occurred. Non-monetary staff welfare expenses are measured at fair value.

Payment made by the Group of social security contributions for employees such as premiums or contributions on medical insurance, work injury insurance and maternity insurance, etc. and payments of housing funds, as well as union running costs and employee education costs provided in accordance with relevant requirements, are calculated according to prescribed bases and percentages in determining the amount of employee benefits and recognized as relevant liabilities, with a corresponding charge to profit or loss for the period or the costs of relevant assets in the accounting period in which employees provide services.

27.2 Accounting treatment of post-employment benefits

Post-employment benefits are all defined contribution plans.

During the accounting period in which employees provide services to the Group, the amount which should be paid according to defined contribution plans is recognized as liabilities, and included in profit or loss or related costs of assets.

27.3 Accounting treatment of termination welfare

The Group provides termination welfare to employees, employee benefits liabilities generated from termination welfare are recognized at the earlier of the following two dates, and recognized in profit or loss for the period: When the Group cannot withdraw provided termination welfare because of severing labor relationship or reduction of suggested amount; When the Group recognizes costs or expenses related to termination welfare payment.

27.4 Accounting treatment of other long-term employee benefits

For other long-term employee benefit, where the definition of defined contribution plans is met, it is accounted for according to related requirements of defined contribution plans. Otherwise, net liabilities or net assets of such other long-term employee benefit are recognized and measured according to related requirements of defined benefit plans. At the end of the reporting period, cost of employee benefit generated from other long-term employee benefit comprises service cost, net interest of net liabilities or net assets of other long-term employee benefit and changes arising from re-measurement of net liabilities or net assets of other long-term employee benefit. Net value of these items is recognized in profit or loss or cost of related assets.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Provisions

Provisions are recognized when the Group has a present obligation related to a contingency such as product quality assurance, onerous contract or restructuring, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the date of financial position statements, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money. Where the effect of the time value of money is material, the amount of the provision is determined by discounting the related future cash outflows. Each category of provisions is measured as below:

Item	Method for measurement
Cost of services in the future	Present value of expected cost of services in the future
Subsequent expenditure for kitchen waste disposal project	Present value of expected subsequent expenditure on the project
Product quality assurance deposits	Expected subsequent expenditure calculated based on historical warranty expenditure ratio
Pending litigation or arbitration	Expected compensation expenditure

29. Preferred stock, perpetual bonds and other financial instruments

Other financial instruments including preferred stocks and perpetual bonds issued by the Group are measured as equity instruments when they satisfy all the following criteria:

- (1) The financial instruments do not include cash or other financial assets delivered to other parties, or contractual obligations to exchange financial assets or liabilities with other parties under potential disadvantages;
- (2) When the Company's own equity instrument is required to or available to be used for settlement of the financial instrument, it does not include the contractual obligations to settle the Company's own variable equity instruments if it is a non-derivative instrument; if it is a derivative instrument, the Group can only settle the instrument by exchanging certain amount of its own equity instruments with fixed amount of cash or other financial assets.

Except for other financial instruments that can be classified as equity instruments described above, other financial instruments issued by the Group are classified as financial liabilities.

For other financial instruments including preferred stocks and perpetual bonds classified as financial liabilities, interest expenses or dividend distributions are treated as borrowing costs, and the gains or losses arising from the re-purchase or redemption are recognized in profit or loss for the period. When the financial liability is measured at amortized cost, related transaction costs are included in initial measurement.

For other financial instruments including preferred stocks and perpetual bonds classified as equity instruments, interest expenses or dividend distributions are recorded as the profit distribution of the Group; the repurchase, cancellation etc. are accounted for as changes in equity, and related transaction costs are deducted from the equity.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Revenue

30.1 Disclosure of accounting policies adopted for revenue recognition and measurement by type of business

The Group's revenue is mainly derived from toll roads and environmental protection.

The Group recognizes revenue based on the transaction price allocated to the performance obligation when the Group satisfies a performance obligation in the contract, namely, when the customer obtains control over relevant goods or services. A performance obligation is a commitment that the Group transfers distinct goods or services to a customer in the contract.

The Group assesses a contract at contract inception, identifies each individual performance obligation included in the contract, and determines whether the performance obligation is satisfied during a period of time or at a point in time. It is a performance obligation satisfied during a period of time and the Group recognizes revenue during a period of time according to the progress of performance if one of the following conditions is met: (1) the customer obtains and consumes economic benefits at the same time of the Group's performance; (2) the customer is able to control goods or services in progress during the Group's performance; (3) goods or services generated during the Group's performance have irreplaceable utilisation, and the Group is entitled to collect amounts of cumulative performance part which have been done up to now. Otherwise, revenue is recognized at a point in time when the customer obtains control over the relevant goods or services.

The Group adopts input method, i.e. the input by the Group for purpose of fulfilment of performance obligation to determine the appropriate progress of performance. Where the progress cannot be determined reasonably, the revenue is recognized based on the amount of cost that is expected to be compensated based on the cost already incurred, until the progress of performance is reasonably determined.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to a customer. In determining the transaction price, the Group should consider the effects of variable consideration, significant financing components in the contract, non-cash consideration and consideration payable to customers.

If there are two or more performance obligations included in the contract, at the contract inception, the Group allocates the transaction price to each single performance obligation based on the proportion of stand-alone selling price of goods or services promised in each stand-alone performance obligation. However, if there is conclusive evidence indicating that the contract discount or variable consideration is only relative with one or more (not the whole) performance obligations in the contract, the Group will allocate the contract discount or variable consideration to relative one or more performance obligations. Stand-alone selling price refers to the price of a single sale of goods or services. If the stand-alone selling price cannot be observed directly, the Group estimates the stand-alone selling price through comprehensive consideration of all relative information that can be reasonably acquired and maximum use of observable inputs.

In case of the existence of variable consideration in the contract, the Group shall determine the best estimate of variable consideration based on the expected value or the most probably occurred amount. The transaction price including variable consideration shall not exceed the amount of the cumulatively recognized revenue which is unlikely to be significantly reversed when relevant uncertainty is eliminated. At each date of financial position statements, the Group re-estimates the amount of variable consideration which should be included in transaction price.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Revenue (Continued)

30.1 Disclosure of accounting policies adopted for revenue recognition and measurement by type of business (Continued)

If the customer pays non-cash consideration, the Group determines the transaction price based on the fair value of the non-cash consideration. If the fair value of non-cash consideration cannot be reasonably estimated, the Group shall determine the transaction price indirectly by reference to the stand-alone selling price of the goods or services promised to transfer to the customer.

For sales that are affixed with terms of sales return, as the customer obtains control of related goods, the Group recognizes revenue based on the consideration (excluding expected refund amounts due to sales returns) that the Group is expected to charge due to the transfer of goods to the customer, and recognizes liabilities based on the expected refund amounts due to sales returns. Meanwhile, the carrying amount at the time of transfer of goods expected to be returned, subsequent to deduction of expected costs from collecting the goods (including the decrease in value of the returned goods), is recognized as an asset and carried forward to cost at the carrying amount at which goods are transferred, net of the cost of asset.

For sales with quality assurance terms, if the quality assurance provides a separate service to the customer other than ensuring that the goods or services sold meet the established standards, the quality assurance constitutes a single performance obligation. Otherwise, the Group will account for the quality assurance responsibility in accordance with the *Accounting Standards for Business Enterprises No. 13 – Contingencies*.

In case of the existence of a significant financing component in the contract, the Group shall determine the transaction price on the assumption that the customer has paid the amount payable by cash when obtaining the control over the goods or services. Differences between transaction price and contract consideration are amortized using effective interest method during the contract life. At contract inception, if the period between when the Group transfers promised goods or services to a customer and when the customer pays for the goods or services will be one year or less, the Group would not consider the significant component in the contract.

The Group assesses whether it controls specified goods or services before the goods or services are transferred to the customer to determine whether the Group is a principal or an agent. If the Group controls the specified goods or services before the goods or services are transferred to a customer, the Group is a principal and recognizes revenue in the gross amount of consideration received or receivable. Otherwise, the Group is an agent and recognizes revenue in the amount of any fee or commission to which it expects to be entitled. The fee or commission is the net amount of consideration that the Group retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party, or is determined in accordance with the established commission amount or percentage, etc.

Where the Group receives receipts in advance from a customer for sales of goods or rendering of services, the amount is first recognized as a liability and then transferred to revenue when the related performance obligation has been satisfied. When the Group's receipts in advance are not required to be refunded and it is probable that the customer will waive all or part of its contractual rights, the Group recognizes the said amounts as revenue on a pro-rata basis in accordance with the pattern of exercise of the customer's contractual rights, if the Group expects to be entitled to the amounts relating to the contractual rights waived by the customer; otherwise, the Group reverses the related balance of the said liabilities to revenue only when it is highly unlikely that the customer will require performance of the remaining performance obligations.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Revenue (Continued)

30.1 Disclosure of accounting policies adopted for revenue recognition and measurement by type of business (Continued)

The specific revenue recognition criteria of the Group are as follows:

- (1) The Group's revenue from operation of toll roads is recognized when the related services have been provided and economic benefits associated with the services are likely to flow into the Group.
- (2) The Group's revenue from sales of wind turbine equipment, kitchen waste disposal equipment and other commodities are recognized when the customer obtains the control over the goods.
- (3) For engineering construction services provided, the Group determines the performance progress and recognizes revenue according to the proportion of the cost incurred to the estimated total cost.
- (4) The Group's revenue from real estate sales is recognized when (1) the real estate is completed and accepted as qualified, (2) the real estate meets the delivery conditions as agreed in the sales contract, and (3) the customer obtains the control over relevant goods or services.
- (5) The Group's revenue from entrusted highway operation and management and maintenance services is recognized on a straight-line basis over the contract period.
- (6) The Group has signed cooperation agreements with government departments to participate in the construction of toll roads and kitchen waste disposal projects. During the construction period, the construction service provided by the Group shall be regarded as the performance obligations performed within a certain period and the construction revenue shall be recognized by the completion percentage methods in accordance with the proportion of the incurred costs to estimated total costs. During the commercial operating period, the revenue from kitchen waste disposal shall be recognized according to the actual amount of waste disposal and the unit price agreed in the waste disposal agreement. Revenue from sales of electric power shall be recognized according to the on-grid electric quantity and the unit price agreed in the electricity purchase and sale contract when the electric power has been produced and connected to the grid. Revenue from sales of grease shall be recognized according to the actual grease sales volume and the unit price agreed in the agreement when the customer obtains the control over relevant goods.

30.2 Similar operations under different business models which involve different revenue recognition and measurement methods

The Group has no similar operations under different business models which involve different revenue recognition and measurement methods.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Contract costs

31.1 Costs of obtaining contracts

For the incremental cost of obtaining the contract (cost that will not occur if the contract is not obtained) that is expected to be recoverable, it is recognized as an asset, and shall be amortized on a basis that is consistent with the revenue recognition of the goods or services to which the asset relates and recognized in profit or loss for the period. If the amortization period of such asset is less than one year, it is recognized in profit or loss for the period when incurred. Other expenses incurred for obtaining the contract are included in profit or loss for the period when incurred, except for those explicitly assumed by the customer.

31.2 Costs to fulfill contracts

If the costs incurred in fulfilling a contract are not within the scope of any standards other than Revenue Standards, the Group recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria: (1) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify; (2) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and (3) the costs are expected to be recovered. The asset mentioned above shall be amortized on a basis that is consistent with the revenue recognition of the goods or services to which the asset relates and recognized in profit or loss for the period.

31.3 Impairment losses of assets related to contract costs

In determining the impairment losses of assets related to contract costs, the Group first determines the impairment losses of other assets related to contracts recognized in accordance with other ASBEs; then, for assets related to contract costs, if the carrying amount of the assets is higher than the difference between: (1) the remaining consideration that the Group expects to obtain for the transfer of the goods or services related to the asset; and (2) the estimated costs to be incurred for the transfer of the related goods or services, any excess is provided for impairment and recognized as impairment losses of assets.

After the provision for impairment of assets related to contract costs is made, if the factors of impairment in previous periods change so that the difference between the above two is higher than the carrying amount of the asset, the original provision for impairment of the asset is reversed and recognized in profit or loss for the period, provided that the carrying amount of the asset after the reversal does not exceed the carrying amount of the asset at the date of reversal assuming no provision for impairment was made.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Categories of government grants and accounting treatment methods

Government grants are transfer of monetary assets and non-monetary assets from the government to the Group at no consideration. A government grant is recognized only when the Group can comply with the conditions attaching to the grant and the Group will receive the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a non-monetary asset, it is measured at fair value. If the fair value cannot be reliably determined, it is measured at a nominal amount. A government grant measured at a nominal amount is recognized immediately in profit or loss for the period.

32.1 Determination basis and accounting treatment of government grant related to assets

Government grants of the Group mainly include equipment subsidies, which are government grants related to assets.

A government grant related to an asset is recognized as deferred revenue and will be included in profit or loss over the useful life of the related asset with the straight-line method.

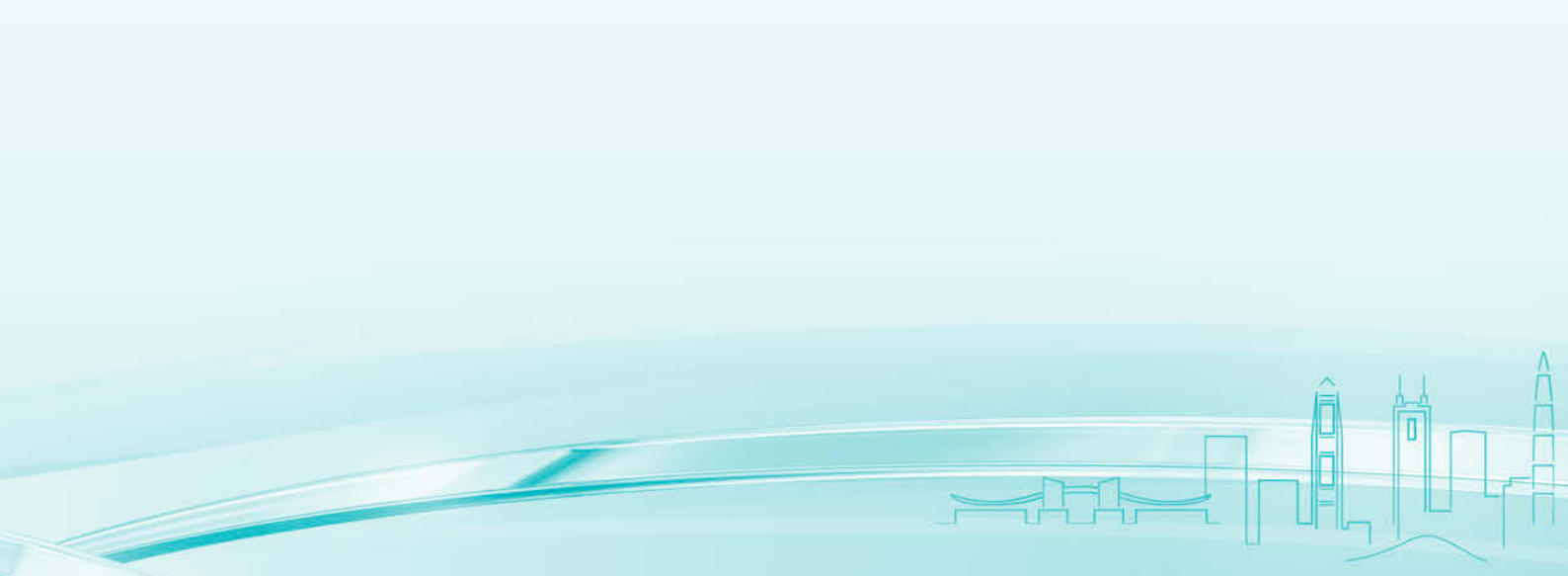
32.2 Determination basis and accounting treatment of government grant related to income

Government grants of the Group include tax refunds and government incentive funds, which are government grants related to income.

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognized as deferred revenue, and recognized in profit or loss over the periods in which the related costs are recognized; if the grant is a compensation for related expenses or losses already incurred, the grant is recognized immediately in profit or loss for the period.

A government grant related to the Group's daily activities is recognized in other income based on the nature of economic activities; a government grant not related to the Group's daily activities is recognized in non-operating income.

For repayment of a government grant already recognized, if there is related deferred revenue, the repayment is offset against the gross carrying amount of the deferred revenue, and any excess is recognized in profit or loss for the period.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Leases

A lease is a contract whereby the lessor conveys to the lessee in return for a consideration the right to use an asset for an agreed period of time.

The Group assesses whether a contract is or contains a lease at inception date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

33.1 The Group as a lessee

33.1.1 Separating components of a lease

If the contract contains one or more lease and non-lease components, the Group will separate the individual lease and non-lease components and allocate contract consideration according to the relative proportion of the sum of the stand-alone prices of the lease components and the stand-alone prices of the non-lease components.

33.1.2 Right-of-use assets

Except for short-term leases and leases of low value assets, at the commencement date of the lease, the Group recognizes a right-of-use asset. The Group's right-of-use assets mainly consist of buildings.

The commencement date of the lease is the date on which a lessor makes an underlying asset available for use by the Group. The Group measures the right-of-use assets at cost. The cost of the right-of-use assets comprises:

- the amount of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group;
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs incurred to produce inventories.

The Group depreciates right-of-use assets by reference to the relevant depreciation provisions of *Accounting Standards for Business Enterprises No. 4 – Fixed Assets*. The right-of-use assets are depreciated over the remaining useful lives of the leased assets where the Group is reasonably certain to obtain ownership of the underlying assets at the end of the lease term. Otherwise, right-of-use assets are depreciated over the shorter of the lease term and the remaining useful lives of the leased assets.

The Group applies *Accounting Standards for Business Enterprises No. 8 – Impairment of Assets*, to determine whether the right-of-use assets are impaired and to account for any impairment loss identified.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Leases (Continued)

33.1 The Group as a lessee (Continued)

33.1.3 Lease liabilities

Except for short-term leases and leases of low value assets, at the commencement date of the lease, the Group measures the lease liabilities at the present value of the lease payments that are not paid at that date. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as the discount rate. The Group uses the incremental borrowing rate if the interest rate implicit in the lease is not readily determinable.

Lease payments refer to payments relating to the right to use leased assets during the lease term which are made by the Group to the lessor, including:

- fixed payments and in-substance fixed payments, less any lease incentives receivable (if any);
- variable lease payments that depend on an index or a rate;
- the exercise price of a purchase option reasonably certain to be exercised by the Group;
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate the lease; and
- amounts expected to be paid under residual value guarantees provided by the Group.

After the commencement date of the lease, the Group calculates interest expenses of lease liabilities for each period of the lease term based on fixed periodic rate, and recognizes such expenses in profit or loss or cost of related assets.

After the commencement date of the lease, the Group re-measures the lease liabilities and adjusts the right-of-use assets accordingly in the following cases. If the carrying amount of the right-of-use asset has been reduced to zero, but the lease liability needs to be reduced further, the Group will recognize the difference in profit or loss for the period:

- there is a change in the lease term, or in the assessment of an option to purchase the underlying asset, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment;
- there is a change in the amounts expected to be payable under a residual value guarantee, or in future lease payments resulting from a change in an index or a rate used to determine those payments, in which case the related lease liability is remeasured by discounting the revised lease payments using the unchanged discount rate. If the change in lease payment comes from the change in floating interest rate, the revised discount rate shall be used to calculate the present value.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Leases (Continued)

33.1 The Group as a lessee (Continued)

33.1.4 Determination basis and accounting treatment for short-term leases and leases of low value assets under simplified approach as a lessee

The Group chooses not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. A short-term lease is a lease that at the commencement date, has a lease term of 12 months or less and does not contain a call option. A lease of low-value assets, is a lease that the single underlying asset, when is new, is no more than RMB50,000.00. The Group shall recognize the lease payments associated with short-term leases and leases of low-value assets in profit or loss or cost of related assets on a straight-line basis over the lease term.

33.1.5 Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the lease modification expanded the scope of the lease by adding the right-of-use of one or more lease assets; and
- the increased consideration is equivalent to the amount of stand-alone price of the expanded lease scope adjusted according to the contract.

If the lease modification is not accounted for as an individual lease, on the effective date of the lease modification, the Group reallocates the consideration of the contract after the change, re-determines the lease term, and re-measures lease liabilities based on the changed lease payments and the present value calculated by the revised discount rate.

If the lease modification results in a reduction in the lease scope or lease term, the carrying amount of the right-of-use assets will be reduced, and the gains or losses relevant to the lease partially or fully terminated will be included in profit or loss for the period; for other lease modifications resulting in the remeasurement of lease liabilities, the carrying amount of right-of-use assets is adjusted accordingly.

33.1.6 Sale and leaseback transactions

The Group as seller-lessee

The Group applies the requirements of the ASBE No. 14 Revenue to determine whether the transfer of an asset is accounted for as a sale of that asset. If the transfer of an asset does not constitute a sale, the Group shall continue to recognize the transferred assets and recognize a financial liability equal to the transfer proceeds in accordance with the *Accounting Standards for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement*. If the transfer of an asset is a sale, the Group shall measure the right-of-use assets arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use, and recognize only the amount of any gain or loss that relates to the rights transferred to the lessor.

33.2 The Group as a lessor

33.2.1 Separating components of a lease

For a contract that contains lease components and non-lease components, the Group allocates the contract consideration in accordance with the Revenue Standard on apportionment of transaction prices, based on the respective stand-alone prices of the lease components and the non-lease components.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Leases (Continued)

33.2 The Group as a lessor (Continued)

33.2.2 Classification criteria and accounting treatment of leases as a lessor

Leases are classified as finance leases whenever the terms of the leased assets transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

33.2.2.1 The Group as a lessor under operating leases

Receipts of lease under operating leases are recognized as rental income on a straight-line basis over the term of the relevant lease. Initial direct costs related to operating leases incurred by the Group are capitalized when incurred, and are recognized in profit or loss for the period on the same basis as recognition of rental income over the lease term.

Variable lease receipts acquired by the Group in connection with operating leases that are not included in the lease receipts are recognized in profit or loss when incurred.

33.2.2.2 The Group as a lessor under finance leases

At the commencement date, the Group recognizes a finance lease receivable at the amount equal to the net investment in the lease with finance lease assets derecognized. The net investment in the lease is the sum of any unguaranteed residual value and lease receipts from the commencement date, discounted at the interest rate implicit in the lease.

The receipts of the lease refer to the amount that the Group should collect from the lessee for the purpose of transferring the leased assets during the lease term, including:

- fixed payments (including in-substance fixed payments) paid by the lessee, less any lease incentives;
- variable lease payments that depend on an index or a rate;
- the exercise price of a purchase option, provided that it is reasonably determined that the lessee will exercise the option;
- the amount to be paid by the lessee to exercise the option to terminate the lease, provided that the lease term reflects the lessee's exercise of the option to terminate the lease;
- the residual value of the guarantee provided by the lessee, the party concerned with the lessee and the independent third party with the financial ability to perform the guarantee obligation.

The variable lease receipts that are not included in the measurement of net lease investment are recognized in profit or loss when incurred.

The Group calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Leases (Continued)

33.2 The Group as a lessor (Continued)

33.2.3 Subleases

As the lessor of a sublease, the Group accounts for the original lease contract and the sublease contract as two separate contracts. The Group classifies the subleases based on the right-of-use assets generating from the original lease rather than the underlying assets of the original lease.

33.2.4 Lease modifications

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any advances from customers or lease receivable relating to the original lease as part of the lease receivable for the new lease.

The Group will account for the lease modification to a finance lease as an individual lease, when it satisfies all the following criteria:

- The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- The increased consideration is equivalent to the amount of stand-alone price of the expanded lease scope adjusted according to the contract.

For a modification to a finance lease that is not accounted for as a separate lease, the Group shall account for the modification as follows:

- If the lease would have been classified as an operating lease had the modification been in effect at the inception date, the Group shall account for the lease modification as a new lease from the effective date of the modification, and measure the carrying amount of the underlying asset as the net investment in the lease before the effective date of the lease modification.
- If the lease would have been classified as a finance lease had the modification been in effect at the inception date, the Group shall apply the requirements of contract modification and renegotiation under the *Accounting Standards for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement*.

33.2.5 Sale and leaseback transactions

The Group as buyer-lessor

If the transfer of an asset in a sale and leaseback transaction does not constitute a sale, the Group does not recognize the transferred asset but a financial asset equal to the transfer proceeds in amount, and accounts for such financial asset under the *Accounting Standards for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement*. If the transfer of an asset constitutes a sale, the Group accounts for the purchase of the asset in accordance with other applicable Accounting Standards for Business Enterprises and accounts for the lease of the asset.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Deferred tax assets/deferred tax liabilities

The income tax expenses include current income tax and deferred income tax.

34.1 Current income tax

At the date of financial position statements, current income tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

34.2 Deferred tax assets and deferred tax liabilities

For temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those items that are not recognized as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognized using the balance sheet liability method.

Deferred tax is generally recognized for all temporary differences. Deferred tax assets for deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. However, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction (not a business combination) that affects neither the accounting profit nor taxable profits (or deductible losses) at the time of transaction, no deferred tax asset or liability is recognized.

For deductible losses and tax credits that can be carried forward, deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised and they are expected to be reversed in the foreseeable future.

At the date of financial position statements, deferred tax assets and liabilities are measured at the tax rates, according to tax laws, that are expected to apply in the period in which the asset is realized, or the liability is settled.

Current and deferred tax expenses or income are recognized in profit or loss for the period, except when they arise from transactions or events that are directly recognized in other comprehensive income or in shareholders' equity, in which case they are recognized in other comprehensive income or in shareholders' equity, and when they arise from business combinations, in which case they adjust the carrying amount of goodwill.

At the date of financial position statements, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilised. Such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.



Notes to the Financial Statements

For the six months ended 30 June 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Deferred tax assets/deferred tax liabilities (Continued)

34.3 Offsetting of income tax

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed, deferred tax assets and deferred tax liabilities are offset and presented on a net basis.

35. Other significant accounting policies and accounting estimates

Segment information

The Group identifies operating segments based on the internal organization structure, management requirements and internal reporting system, and discloses segment information of reportable segments which is determined on the basis of operating segments.

An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to earn revenue and incur expenses from its ordinary activities; (2) the component's operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance; (3) the information on the financial position, operating results and cash flows of the segment is available to the Group. If two or more operating segments have similar economic characteristics and satisfy certain conditions, they are aggregated into one single operating segment.

36. Critical judgements in applying accounting policies and key assumptions and uncertainties in accounting estimates

In the application of accounting policies as set out in Note III, the Group is required to make judgements, estimates and assumptions about the carrying amounts of items in the financial statements that cannot be measured accurately, due to the internal uncertainties of the operating activities. These judgements, estimates and assumptions are based on historical experience of the Group's management as well as other factors that are considered to be relevant. Actual results may differ from these estimates. The aforementioned judgments, estimates and assumptions are reviewed regularly on a going concern basis. The effect of a change in accounting estimate is recognized in the period of the change, if the change affects that period only; or recognized in the period of the change and future periods, if the change affects both.

Key assumptions and uncertainties in accounting estimates

The followings are the key assumptions and uncertainties in accounting estimates at the date of financial position statements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future periods:

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Critical judgements in applying accounting policies and key assumptions and uncertainties in accounting estimates (Continued)

Key assumptions and uncertainties in accounting estimates (Continued)

(1) *Amortization of franchise rights associated with toll roads*

As stated in Note III, 23.1(1)(a), amortization of franchise rights associated with toll roads is provided under the traffic volume method. Appropriate adjustments to the amortization of franchise rights associated with toll roads will be made when there is a large difference between the total projected traffic volume and the actual results.

The management of the Company performs periodic assessment of the total projected traffic volume. The Group will appoint an independent professional traffic consultant to perform independent professional traffic studies in order to make an appropriate adjustment if there is a large and continuous difference between the projected and actual traffic volume.

(2) *Impairment of franchise rights*

In performing impairment testing for franchise rights associated with kitchen waste disposal, the management of the Group calculates the present value of future cash flows to determine the recoverable amount. The assumptions of calculating the franchise rights associated with kitchen waste disposal project include the per unit waste disposal fee, production/processing capacity, operation duration, operating expenses and costs, and necessary return rate.

Under the above assumptions, the Group's management considers that the recoverable amount of the franchise rights is higher than the carrying amount, and therefore, provision for impairment of franchise rights is not necessary during the current period. The Group is going to review the relevant items closely and continually. Adjustments will be made during the corresponding period once there is any indication for adjustment of the accounting estimates.

(3) *Measurement of ECL on receivables*

The Group classifies receivables into several portfolios based on their credit risk characteristics. On the basis of these portfolios, the Group calculates the ECL and recognizes bad debt provision by considering the exposure at default and the ECL rate. The management makes comprehensive judgments and estimates primarily based on customers' credit status, contract performance capability, and their current operating conditions. The Group regularly monitors and reviews the assumptions related to the calculation of ECL. When considering forward-looking information, the indicators adopted by the Group include risks of economic downturn, external market conditions, technological environment, changes in customer circumstances, etc.

If the actual credit losses differ from the original estimates, the difference will affect the carrying amount of the Group's financial assets in future periods.



Notes to the Financial Statements

For the six months ended 30 June 2025

IV. TAXATION

1. Main categories and rates of taxes:

Category	Tax base	Tax rate
Value added tax ("VAT")	Income from sale of goods and rendering of services (Note 1)	13%
	Income from real estate development	9%
	Taxable advertisement income	6%
	Income from entrusted management service and other businesses	6%
	Income from expressway toll road business	3% (Simple Method)
	Income from leases of tangible movable property	13%
	Income from sale and lease back business of tangible movable property	6%
	Construction income	9%
	Income from sale of electricity	13%
	Operating income from waste disposal (Note 1)	6%
	Property operating lease income	5% (Simple Method)
City maintenance and construction tax	Amount of commodity turnover tax payable	7%, 5%
Educational surcharge	Amount of commodity turnover tax payable	3%
Local educational surcharge	Amount of commodity turnover tax payable	2%
Construction fee for culture undertakings	Amount of advertising turnover	3%
Enterprise income tax ("EIT")	Taxable income	Except subsidiaries in the following table, 25%
Land appreciation tax	Gain on the transfer of real estate	Four-level progressive rates, 30%-60%

The entities with different EIT rates are disclosed as follows:

Name of taxpayer	Income tax rate
Shenzhen Investment Holdings Bay Area Development Co., Ltd. ("Bay Area Development") (Note 2)	16.5%
Wilberforce International Ltd. ("Wilberforce") (Note 2)	
Jiehao (British Virgin Islands) Co., Ltd. ("Jiehao") (Note 2)	
Shenzhen Investment Holdings Bay Area Management Company Limited ("Bay Area Management")	
Shenzhen Investment Holdings Bay Area Service Company Limited ("Bay Area Service")	
Shenzhen Investment Holdings Bay Area Financing Company Limited ("Bay Area Financing")	
Hopewell Guangzhu Expressway Development Co., Ltd. ("Hopewell Guangzhu Expressway")	
Guanjia (British Virgin Islands) Co., Ltd. ("Guanjia") (Note 2)	
Hopewell China Development (Superhighway) Limited ("Hopewell China Development")	

Note 1: According to the provisions of the *Announcement of the State Taxation Administration on Clarifying Several Issues Concerning the Administration of Collection of Value-Added Tax on the Dealing of Used Vehicles and Other Items* (Announcement No. 9 [2020] of the State Taxation Administration), where no goods are generated after the professional disposal by means of landfill or incineration, among others, it shall be deemed that the entrusted party provides the "professional technical services" in the "Modern Services", and the VAT rate of 6% shall apply to the disposal expenses it collects; where goods are generated after the professional disposal and the goods belong to the entrusting party, it shall be deemed that the entrusted party provides the "processing services", and the VAT rate of 13% shall apply to the disposal expenses it collects; where goods are generated after the professional disposal and the goods belong to the entrusted party, it shall be deemed that the entrusted party provides the "professional technical services", and the VAT rate of 6% shall apply to the disposal expenses it collects; where the entrusted party sells the goods, it is subject to the VAT rate for goods.

Note 2: The company was incorporated outside Hong Kong and registered in Hong Kong as a non-Hong Kong company, subject to Hong Kong income tax at a rate of 16.5%.

IV. TAXATION (CONTINUED)

2. Tax preference

(a) Preferential policies on a 50% VAT refund upon payment

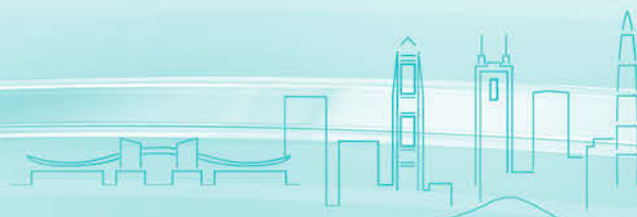
According to the provisions of the *Notice of the Ministry of Finance and the State Taxation Administration on Value-Added Tax Policies for Wind Power Generation* (Cai Shui [2015] No. 74), since 1 July 2015, taxpayers selling self-produced power products using wind power are subject to a 50% VAT refund policy. Subsidiaries of Baotou Nanfeng Wind Power Technology Co., Ltd. ("Baotou Nanfeng"), including Baotou Lingxiang New Energy Co., Ltd. ("Baotou Lingxiang"), Damaoqi Nanchuan Wind Power Co., Ltd. ("Nanchuan Wind Power"), Damaoqi Ningyuan Wind Power Co., Ltd. ("Ningyuan Wind Power"), Damaoqi Ningxiang Wind Power Co., Ltd. ("Ningxiang Wind Power") and Damaoqi Ningfeng Wind Power Co., Ltd. ("Ningfeng Wind Power") (the subsidiaries of Baotou Nanfeng mentioned above are collectively referred to as the "wind power enterprises under Baotou Nanfeng"), Mulei Qianxin Energy Development Co., Ltd. ("Qianxin Company"), Mulei Qianzhi Energy Development Co., Ltd. ("Qianzhi Company"), Mulei Qianhui Energy Development Co., Ltd. ("Qianhui Company"), Ningxia Zhongwei Xintang New Energy Co., Ltd. ("Ningxia Zhongwei") and Yongcheng Zhuneng New Energy Technology Co., Ltd. ("Yongcheng Zhuneng") are wind power enterprises and enjoy the above tax preferences.

(b) Preferential policies on immediate refund of VAT for the portion of actual VAT burden exceeding 3%

According to the provisions of the *Notice of the Ministry of Finance and the State Taxation Administration on Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax in an All-round Manner* (Cai Shui [2016] No. 36), general taxpayers providing pipeline transportation service, financing lease services for tangible movable property, and financing sale-and-leaseback services for tangible movable property will enjoy immediate refund of VAT for the portion of actual VAT burden exceeding 3%. Shenzhen Expressway Financial Leasing Co., Ltd. ("Financial Leasing Company") provides sale-and-leaseback services for tangible movable property and thus enjoys the above tax preferences.

(c) VAT refund upon payment for products and labor services involving the comprehensive utilisation of resources

According to the provisions of the *Notice of the Ministry of Finance and the State Taxation Administration on Issuing the Catalogue of Value-Added Tax Preferences for Products and Labor Services Involving the Comprehensive Utilisation of Resources* (Cai Shui [2015] No. 78), general taxpayers engaged in the sale of products made by themselves through comprehensive utilisation of resources and the provision of services involving the comprehensive utilisation of resources may enjoy the VAT policy of immediate refund upon payment. The specific names of the comprehensively-utilised resources, the names of the products and services involving comprehensive utilisation, the technical standards, related requirements, and the rate of tax refunds, etc., shall be governed by the relevant provisions of the *Catalogue of the Value-added Tax Preferences for Products and Labor Services Involving the Comprehensive Utilisation of Resources* (the "Catalogue") as annexed to the Notice. Guiyang Beier Bioland Environmental Technologies Co., Ltd. ("Guiyang Beier Bioland"), Shaoyang Shengao Environmental Technology Co., Ltd. ("Shaoyang Shengao Environmental") and Shenzhen Lisai Environmental Protection Technology Co., Ltd. ("Lisai Environmental Protection") satisfy items 4.1 and 5.1 under the *Catalogue* and are entitled to the above tax preferences for income from sale of bio-oil and biomass crushing materials, biogas power generation, waste treatment subsidy and sludge disposal services, which are generated from kitchen waste disposal. Fuzhou Bioland Environmental Protection Technology Co., Ltd. ("Fuzhou Bioland") satisfies items 2.9, 4.3 and 5.1 under the *Catalogue* and is entitled to the above tax preferences for income from biogas power generation, waste treatment and sludge disposal services, which are generated from kitchen waste disposal. Sichuan Lansheng Environmental Protection Technology Co., Ltd. ("Sichuan Lansheng") satisfies items 4.1 and 4.3 under the *Catalogue* and is entitled to the above tax preferences for income from bio-oil, biomass crushing materials and biogas power generation, which are generated from kitchen waste disposal.



Notes to the Financial Statements

For the six months ended 30 June 2025

IV. TAXATION (CONTINUED)

2. Tax preference (Continued)

(d) VAT exemption for elderly care services and child care services provided by elderly care institutions and child care institutions

According to the provisions of the *Announcement of the Ministry of Finance, the State Taxation Administration, the National Development and Reform Commission, the Ministry of Civil Affairs, the Ministry of Commerce and the National Health Commission on the Preferential Tax and Fee Policies Concerning Elderly Care, Child Care, Housekeeping and Other Community Family Services* (Announcement No. 76 [2019] of the Ministry of Finance), the income obtained from providing community elderly care, child care and housekeeping services shall be exempt from VAT. Shenzhen Expressway Shengao Lekang Health Service (Shenzhen) Co., Ltd. ("Shengao Lekang") provides community elderly care services and thus enjoys the above preferential policies. Shenzhen Guangming Fengrunjiu Health Service Co., Ltd. ("Guangming Fengrunjiu") provides community elderly care services and child care services and thus enjoys the above preferential policies.

(e) Preferential policies on three-year exemption and three-year half reduction of enterprise income tax

According to the provisions of the *Enterprise Income Tax Law of the People's Republic of China*, for income derived from the investment and operation of public infrastructure projects supported by the state, enterprises are exempt from enterprise income tax for the first three years, starting from the tax year in which the first production and business income is obtained from the project, and the enterprise income tax will be levied by half from the fourth to sixth year. Qianzhi Company, Qianhui Company, Ningxia Zhongwei, Yongcheng Zhuneng, Shenzhen Expressway Shengneng Technology Co., Ltd. ("Shengneng Technology") and Shenzhen Outer Ring Expressway Investment Company Limited ("Outer Ring Company") engage in operation projects that meet the tax preferences policies for public infrastructure projects supported by the state.

Qianzhi Company, Qianhui Company, Ningxia Zhongwei and Yongcheng Zhuneng started grid-connected power generation in 2020 and obtained income from production and operation for the first time, the enterprise income tax is exempted from 2020 to 2022 and levied by half from 2023 to 2025.

Outer Ring Company started the operation of Outer Ring Expressway on 29 December 2020 and obtained income from operation for the first time, the enterprise income tax is exempted from 2020 to 2022 and levied by half from 2023 to 2025.

Shengneng Technology started grid-connected power generation in July 2024 and obtained income from production and operation for the first time, the enterprise income tax is exempted from 2024 to 2026 and levied by half from 2027 to 2029.

Handan Bioland Renewable Resources Co., Ltd. ("Handan Bioland"), Zhuji Bioland Renewable Resources Co., Ltd. ("Zhuji Bioland"), Shangrao Bioland Environmental Protection Technology Co., Ltd. ("Shangrao Bioland"), Xinyu Bioland Environmental Protection Technology Co., Ltd. ("Xinyu Bioland"), Fuzhou Bioland and Sichuan Lansheng engage in operation projects that meet the preferential policies on enterprise income tax for environmental protection and energy-saving water conservation project, and the enterprise income tax is exempted from 2021 to 2023 and levied by half from 2024 to 2026.

Guilin Bioland Renewable Energy Co., Ltd. ("Guilin Bioland") and Inner Mongolia Chenghuan Bioland Renewable Resources Co., Ltd. ("Inner Mongolia Chenghuan Bioland") engage in operation projects that meet the preferential policies on enterprise income tax for environmental protection and energy-saving water conservation project, and the enterprise income tax is exempted from 2022 to 2024 and levied by half from 2025 to 2027.

Shaoyang Shengao Environmental, Chuzhou Bioland Environmental Protection Technology Co., Ltd. ("Chuzhou Bioland") and Beihai Zhonglan Environment Technology Co., Ltd. ("Beihai Zhonglan") engage in operation projects that meet the preferential policies on enterprise income tax for environmental protection and energy-saving water conservation project, and the enterprise income tax is exempted from 2023 to 2025 and levied by half from 2026 to 2028.

IV. TAXATION (CONTINUED)

2. Tax preference (Continued)

(f) Preferential policies on reduction and exemption of enterprise income tax for ethnic minority regions

According to the provisions of the *Notice of Joint Implementation of Preferential Enterprise Income Tax Policies for Ethnic Minority Autonomous Regions* by Guangdong Department of Finance, Guangdong Local Taxation Bureau and Guangdong State Taxation Bureau (Yue Cai Fa [2017] No. 11), enterprises in Lianshan Zhuang and Yao Autonomous Counties, Liannan Yao Autonomous County and other minority areas will be exempted from the local sharing part of enterprise income tax payable (including provincial and municipal and county levels), i.e., enterprise income tax is reduced and exempted by 40%. This policy is implemented from 1 January 2018 to 31 December 2025. Shenzhen Expressway (Guangdong) New Energy Investment Co., Ltd. ("Guangdong New Energy") is registered in Liannan Yao Autonomous County, and enjoys a 40% reduction of enterprise income tax.

(g) Preferential policies on enterprise income tax for the large-scale development of western China

According to the provisions of the *Announcement of the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission on Continuing the Enterprise Income Tax Policies for the Large-Scale Development of Western China* (Announcement No. 23 [2020] of the Ministry of Finance), the enterprise income tax is levied at a reduced rate of 15% for enterprises in encouraging industries located in Western China from 1 January 2021 to 31 December 2030. Wind power enterprises under Baotou Nanfeng, Qianxin Company, Qianzhi Company, Qianhui Company, Ningxia Zhongwei, Guangxi Bioland Renewable Energy Co., Ltd. ("Guangxi Bioland"), Guilin Bioland, Sichuan Lansheng, Beihai Zhonglan, Inner Mongolia Chenghuan Bioland and Guiyang Beier Bioland are enterprises in encouraging industries located in the western region and enjoy the tax preference of calculating and paying enterprise income tax at the reduced tax rate of 15%.

(h) Preferential policies on enterprise income tax for elderly care services and child care services provided by elderly care institutions and child care institutions

According to the provisions of the *Announcement of the Ministry of Finance, the State Taxation Administration, the National Development and Reform Commission, the Ministry of Civil Affairs, the Ministry of Commerce and the National Health Commission on the Preferential Tax and Fee Policies Concerning Elderly Care, Child Care, Housekeeping and Other Community Family Services* (Announcement No. 76 [2019] of the Ministry of Finance), the income obtained from providing community elderly care, child care and housekeeping services shall be included in the total income at a reduced rate of 90% in the calculation of taxable income. Shengao Lekang provides community elderly care services and thus enjoys the above preferential policies. Guangming Fengrunjiu provides community elderly care services and child care services and thus enjoys the above preferential policies.

(i) Preferential policies on enterprise income tax for high-tech enterprises

Shenzhen-Shanwei Special Cooperation Zone Qiantai Technology Co., Ltd. ("Qiantai Company") obtained the High-tech Enterprise Certificate (Certificate No. GR202344206897) on 12 December 2023, which is valid for three years. According to the *Enterprise Income Tax Law of the People's Republic of China* and related regulations, Qiantai Company pays enterprise income tax at a tax rate of 15% for the years 2023, 2024 and 2025.

Shenzhen Expressway Group Digital Technology Co., Ltd. ("Expressway Digital Technology") obtained the High-tech Enterprise Certificate (Certificate No. GR202444207020) on 26 December 2024, which is valid for three years. According to the *Enterprise Income Tax Law of the People's Republic of China* and related regulations, Expressway Digital Technology pays enterprise income tax at a tax rate of 15% for the years 2024, 2025 and 2026.

(j) Preferential policies on enterprise income tax for small and micro enterprises

According to the provisions of the *Announcement of the Ministry of Finance and the State Taxation Administration on Further Implementation of Income Tax Preferential Policies for Small and Micro Enterprises* (Announcement No. 13 [2022] of the Ministry of Finance and the State Taxation Administration) and the *Announcement on Relevant Tax and Fee Policies for Further Supporting the Development of Micro and Small Enterprises and Individual Industrial and Commercial Households* (Announcement No. 12 [2023] of the Ministry of Finance and the State Taxation Administration), the annual taxable income of small and micro enterprises that is more than RMB1 million but less than RMB3 million is included in taxable income at a reduced rate of 25% and is subject to the enterprise income tax rate of 20% from 1 January 2022 to 31 December 2027.

Notes to the Financial Statements

For the six months ended 30 June 2025

IV. TAXATION (CONTINUED)

2. Tax preference (Continued)

(j) Preferential policies on enterprise income tax for small and micro enterprises (Continued)

According to the provisions of the *Announcement of the Ministry of Finance and the State Taxation Administration on Income Tax Preferential Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households* (Announcement No. 6 [2023] of the Ministry of Finance and the State Taxation Administration) and the *Announcement on Relevant Tax and Fee Policies for Further Supporting the Development of Micro and Small Enterprises and Individual Industrial and Commercial Households* (Announcement No. 12 [2023] of the Ministry of Finance and the State Taxation Administration), the annual taxable income of small and micro enterprises that is less than RMB1 million is included in taxable income at a reduced rate of 25% and is subject to the enterprise income tax rate of 20% from 1 January 2023 to 31 December 2027.

Kunshan Beier Bioland Environmental Protection Technology Co., Ltd. ("Kunshan Environmental Protection"), Nanjing Shenlu Environmental Protection Technology Co., Ltd. ("Shenlu Environmental Protection"), Longyou Bioland Environmental Technology Co., Ltd. ("Longyou Bioland"), Shenzhen Expressway Bioland Environmental Protection Technology Research and Design Institute Co., Ltd. ("Bioland Environmental Protection Technology") and Shenzhen Expressway Property Management Company Limited ("Property Management Company") are small and micro enterprises and thus enjoy the above preferential policies.

(k) Preferential policies on reduction and exemption of "Six Taxes and Two Fees" for micro and small enterprises

According to the provisions of the *Announcement of the Ministry of Finance and the State Taxation Administration on Relevant Tax and Fee Policies for Further Supporting the Development of Micro and Small Enterprises and Individual Industrial and Commercial Households* (Announcement No. 12 [2023] of the Ministry of Finance and the State Taxation Administration), from 1 January 2023 to 31 December 2027, small-scale VAT taxpayers, small and micro enterprises and individual industrial and commercial households are subject to a 50% reduction in the payment of resource tax (excluding water resource tax), city maintenance and construction tax, property tax, urban land-use tax, stamp duty (excluding stamp duty on securities transactions), cultivated land occupancy tax, educational surcharges and local educational surcharges.

Shengneng Technology, Kunshan Environmental Protection, Shenlu Environmental Protection, Longyou Bioland, Bioland Environmental Protection Technology and Property Management Company are small and micro enterprises and thus enjoy the above preferential policies. Shenzhen Jinshen New Energy Co., Ltd. ("Jinshen New Energy") and Shengao Lekang are small-scale VAT taxpayers and thus enjoy the above preferential policies.

(l) Preferential policies on exemption from property tax for three years

According to Article 9 of the *Measures for the Implementation of Property Tax in Shenzhen Special Economic Zone* (Shen Fu [1987] No. 164), taxpayers are exempt from property tax on newly-built houses (excluding those built in violation of regulations) which are newly constructed or purchased by them for three years from the month following the one in which such houses are constructed or purchased.

The Company and Shenzhen Guangshen Coastal Expressway Investment Company Limited ("Coastal Expressway") enjoy the above preferential policies.

According to the provisions of the *Announcement of the Ministry of Finance, the State Taxation Administration, the National Development and Reform Commission, the Ministry of Civil Affairs, the Ministry of Commerce and the National Health Commission on the Preferential Tax and Fee Policies Concerning Elderly Care, Child Care, Housekeeping and Other Community Family Services* (Announcement No. 76 [2019] of the Ministry of Finance), institutions providing services such as elderly care, child care, and housekeeping services to the community, which own or acquire properties and lands through leasing or gratuitous use used for offering community elderly care, child care, and housekeeping services, are exempt from property tax and urban land use tax. Shengao Lekang provides community elderly care services and thus enjoys the above preferential policies. Guangming Fengrunjiu provides community elderly care services and child care services and thus enjoys the above preferential policies.

IV. TAXATION (CONTINUED)

3. Others

According to the *Reply from the State Taxation Administration Concerning the Recognition as Resident Enterprises of Related Overseas Enterprises of Shenzhen Expressway Corporation Limited* (Guo Shui Han [2010] No. 651) issued by the State Taxation Administration on 30 December 2010, Mei Wah (Hong Kong) Company ("Mei Wah Company"), Maxprofit Company and Jade Emperor Limited ("JEL Company") are recognized as resident enterprises of China and subject to the relevant taxation administration, which came into effect in 2008.

According to the *Certificate of Resident Status of Overseas Registered Chinese Holding Enterprises* issued by Shenzhen Taxation Bureau of the State Taxation Administration (Shen Shui Shui Ju Gao [2020] No. 4, Shen Shui Shui Ju Gao [2022] No. 1), Fameluxe Investment Limited and China Logistics Finance Services Co., Ltd. ("Logistics Finance Company") are recognized as a resident enterprise of China and subject to the relevant taxation administration. This came into effect for Fameluxe Investment Limited in 2020, and came into effect for Logistics Finance Company in 2022.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash at banks and on hand

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Cash on hand:	5,648,288.86	6,291,155.12
RMB	5,630,728.24	6,271,063.52
HKD	17,315.09	19,869.28
Others	245.53	222.32
Cash at banks:	4,570,158,589.11	2,843,044,967.28
RMB	4,420,053,354.90	2,637,251,943.13
HKD	149,147,623.64	204,831,032.40
USD	957,610.57	961,991.75
Others:	40,927,772.67	59,245,888.03
RMB	40,912,366.86	59,230,250.90
HKD	15,405.81	15,637.13
Interest receivable:	427,500.00	—
Total	4,617,162,150.64	2,908,582,010.43
Including: Total amount deposited abroad	212,359,982.76	229,348,598.23

As at 30 June 2025, the Group's restricted funds are listed as follows:

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Frozen funds due to litigation	103,994,303.76	132,452,631.73
Special account for project management	74,531,852.03	64,697,174.94
Margins	23,120,983.45	40,938,550.80
Total	201,647,139.24	238,088,357.47



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Transactional financial assets

RMB

Category	Closing balance (Unaudited)	Opening balance (Audited)
Financial assets at FVTPL	2,934,092,636.28	129,822,937.64
Including:		
Compensation for valuation adjustment mechanism receivable	129,822,937.64	129,822,937.64
Structured deposits	2,804,269,698.64	—
Total	2,934,092,636.28	129,822,937.64

3. Accounts receivable

(1) Accounts receivable disclosed by aging

RMB

Aging	Closing balance (Unaudited)	Opening balance (Audited)
Within 1 year	539,764,880.95	639,854,184.00
1 to 2 years	201,131,838.02	62,312,442.63
2 to 3 years	79,577,582.39	104,869,539.05
Over 3 years	447,594,433.63	416,388,273.94
Total	1,268,068,734.99	1,223,424,439.62

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable (Continued)

(2) Accounts receivable disclosed by method of bad debt provision

RMB

Category	Closing balance (Unaudited)					Opening balance (Audited)				
	Gross carrying amount		Bad debt provision		Carrying amount	Gross carrying amount		Bad debt provision		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed on an individual basis										
Provision assessed on an individual basis	380,440,020.34	30.00	192,541,411.15	50.61	187,898,609.19	380,440,020.34	31.10	192,541,411.15	50.61	187,898,609.19
Bad debt provision assessed on a portfolio basis										
Portfolio I	423,239,143.04	33.38	48,888,797.90	11.55	374,350,345.14	375,368,849.23	30.68	43,671,317.57	11.63	331,697,531.66
Portfolio II	18,580,797.82	1.47	13,768,454.49	74.10	4,812,343.33	18,620,895.01	1.52	1,768,454.49	9.50	16,852,440.52
Portfolio III	57,973,673.06	4.57	20,549,327.67	35.45	37,424,345.39	54,643,273.37	4.47	24,161,922.45	44.22	30,481,350.92
Portfolio IV	387,835,100.73	30.58	6,731,981.99	1.74	381,103,118.74	394,351,401.67	32.23	3,812,534.21	0.97	390,538,867.46
Including: Customers in the automotive dismantling and power battery industry	66,024,086.09	5.21	6,731,981.99	10.20	59,292,104.10	67,796,036.85	5.54	3,449,480.14	5.09	64,346,556.71
Total	1,268,068,734.99	100.00	282,479,973.20		985,588,761.79	1,223,424,439.62	100.00	265,955,639.87		957,468,799.75

Bad debt provision assessed on an individual basis:

RMB

Name of entity	Closing balance (Unaudited)			Reason for provision
	Gross carrying amount	Bad debt provision	Proportion (%)	
Customer I	141,998,000.00	17,582,080.00	12.38	It is expected that some of the receivables are irrecoverable
Customer II	126,049,250.00	69,546,071.52	55.17	It is expected that some of the receivables are irrecoverable
Customer III	35,492,465.65	35,492,465.65	100.00	It is expected that the receivables are irrecoverable
Customer IV	28,364,000.00	28,364,000.00	100.00	It is expected that the receivables are irrecoverable
Customer V	26,250,000.00	21,000,000.00	80.00	It is expected that some of the receivables are irrecoverable
Customer VI	8,840,500.00	8,840,500.00	100.00	It is expected that the receivables are irrecoverable
Customer VII	6,611,795.32	6,611,795.32	100.00	It is expected that the receivables are irrecoverable
Customer VIII	3,459,021.43	1,729,510.72	50.00	It is expected that some of the receivables are irrecoverable
Customer IX	2,940,000.00	2,940,000.00	100.00	It is expected that the receivables are irrecoverable
Customer X	434,987.94	434,987.94	100.00	It is expected that the receivables are irrecoverable
Total	380,440,020.34	192,541,411.15		

Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable (Continued)

(2) Accounts receivable disclosed by method of bad debt provision (Continued)

Credit risk and bad debt provision of accounts receivable in portfolio I:

RMB

	Closing balance (Unaudited)			
	Expected average loss rate (%)	Gross carrying amount	Bad debt provision	Carrying amount
Portfolio I				
Receivables from government and related parties	11.55	423,239,143.04	48,888,797.90	374,350,345.14
Total		423,239,143.04	48,888,797.90	374,350,345.14

Accounts receivable for which the bad debt provision is assessed by aging analysis method in portfolio II, portfolio III and portfolio IV:

RMB

	Closing balance (Unaudited)		
	Accounts receivable	Bad debt provision	Proportion (%)
Portfolio II			
Over 3 years	18,580,797.82	13,768,454.49	74.10
Total	18,580,797.82	13,768,454.49	

RMB

	Closing balance (Unaudited)		
	Accounts receivable	Bad debt provision	Proportion (%)
Portfolio III			
Within 1 year	22,560,731.40	113,802.53	0.50
1 to 2 years	869,147.96	4,623.83	0.53
2 to 3 years	6,929,439.41	1,435,795.04	20.72
Over 3 years	27,614,354.29	18,995,106.27	68.79
Total	57,973,673.06	20,549,327.67	

RMB

	Closing balance (Unaudited)		
	Accounts receivable	Bad debt provision	Proportion (%)
Portfolio IV			
Within 1 year	243,321,400.15	398,923.39	0.16
1 to 2 years	139,714,862.16	5,565,080.83	3.98
2 to 3 years	2,140,534.40	121,021.68	5.65
Over 3 years	2,658,304.02	646,956.09	24.34
Total	387,835,100.73	6,731,981.99	

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable (Continued)

(2) Accounts receivable disclosed by method of bad debt provision (Continued)

Measurement of expected credit losses at an amount equivalent to the lifetime ECL

RMB

Bad debt provision	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
Opening balance (Audited)	73,414,228.72	192,541,411.15	265,955,639.87
– Transfer into those credit-impaired	–	–	–
Provision	19,063,861.43	–	19,063,861.43
Reversal	(2,539,528.10)	–	(2,539,528.10)
Other changes	–	–	–
Closing balance (Unaudited)	89,938,562.05	192,541,411.15	282,479,973.20

(3) Details of bad debt provision

RMB

Category	Opening balance (Audited)	Changes for the period				Closing balance (Unaudited)
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Accounts receivable for which bad debt provision is assessed on an individual basis	192,541,411.15	–	–	–	–	192,541,411.15
Accounts receivable for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics	73,414,228.72	19,063,861.43	(2,539,528.10)	–	–	89,938,562.05
Total	265,955,639.87	19,063,861.43	(2,539,528.10)	–	–	282,479,973.20

For the six months ended 30 June 2025, the Group had no recovery or reversal of bad debt provision which was individually significant.

(4) For the six months ended 30 June 2025, no accounts receivable have been written off.

(5) Top five accounts receivable and contract assets categorized by debtor

RMB

Name of entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to total closing balance of accounts receivable and contract assets (%)	Closing balance of provision for bad debts of accounts receivable and provision for impairment of contract assets
Total of top five accounts receivable and contract assets at the end of the period	405,648,890.00	155,683,406.60	561,332,296.60	21.57	87,240,071.52

Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Prepayments

(1) Prepayments presented by aging

RMB

Aging	Closing balance (Unaudited)		Opening balance (Audited)	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	85,730,162.40	58.59	84,392,898.54	34.38
1 to 2 years	51,147,439.09	34.96	154,987,870.65	63.13
2 to 3 years	3,692,445.71	2.52	2,421,899.10	0.99
Over 3 years	5,743,982.95	3.93	3,679,694.20	1.50
Total	146,314,030.15	100.00	245,482,362.49	100.00

(2) Prepayments presented by nature

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Prepayments for materials	112,675,749.77	210,759,285.04
Others	33,638,280.38	34,723,077.45
Total	146,314,030.15	245,482,362.49

As at 30 June 2025, the prepayments aged over one year mainly represent the prepayments for materials and projects. As project or engineering work has not yet been settled, the prepayments remain outstanding.

(3) Top five prepayments categorized by payee

RMB

Name of entity	Relationship with the Group	Gross carrying amount	Aging	Proportion to total prepayments (%)
Total of top five prepayments at the end of the period	Non-related party	76,604,101.80	Within 1 year, 1 to 2 years	52.36

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables

5.1 Presentation of other receivables

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Dividends receivable	25,108,051.92	135,000,000.00
Other receivables	746,989,577.42	699,685,738.81
Total	772,097,629.34	834,685,738.81

5.2 Dividends receivable

RMB

Investee	Closing balance (Unaudited)	Opening balance (Audited)
Guangzhou-Shenzhen-Zhuhai Expressway Co., Ltd. ("Guangzhou-Shenzhen-Zhuhai Expressway")	—	135,000,000.00
Bank of Guizhou Co., Ltd.	25,108,051.92	—
Total	25,108,051.92	135,000,000.00

5.3 Other receivables

(1) Other receivables disclosed by aging

RMB

Aging	Closing balance (Unaudited)	Opening balance (Audited)
Within 1 year	450,386,555.38	392,879,473.35
1 to 2 years	207,216,057.58	155,882,846.23
2 to 3 years	5,759,584.70	7,087,778.53
Over 3 years	242,960,523.70	259,100,027.74
Sub-total	906,322,721.36	814,950,125.85
Less: Bad debt provision for other receivables	159,333,143.94	115,264,387.04
Total	746,989,577.42	699,685,738.81



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

5.3 Other receivables (Continued)

(2) Classification of other receivables by nature

RMB

Nature	Closing balance (Unaudited)	Opening balance (Audited)
Receivables from third parties	464,029,817.13	471,062,690.72
Advance distribution of profits to minority shareholders	201,000,000.00	128,500,000.00
Receivables from related parties (Note XI, 6(1))	88,937,149.70	91,465,827.87
Margins and deposits	70,251,758.20	57,695,063.33
Employee advance loan	6,449,197.60	3,696,883.46
Advances receivable	4,603,952.73	8,925,258.03
Administrative reserve	1,408,077.00	1,456,954.00
Others	69,642,769.00	52,147,448.44
Total	906,322,721.36	814,950,125.85

(3) Provision for bad debts

RMB

	Stage I 12-month ECL	Stage II Lifetime ECL (not credit- impaired)	Stage III Lifetime ECL (credit- impaired)	Total
Bad debt provision				
Opening balance (Audited)	115,264,387.04	–	–	115,264,387.04
– Transfer into Stage II	–	–	–	–
– Transfer into Stage III	–	–	–	–
– Reverse to Stage II	–	–	–	–
– Reverse to Stage I	–	–	–	–
Provision	44,515,901.25	–	–	44,515,901.25
Reversal	(447,144.35)	–	–	(447,144.35)
Transfer out due to derecognition of financial assets (including direct write-down)	–	–	–	–
Other changes	–	–	–	–
Closing balance (Unaudited)	159,333,143.94	–	–	159,333,143.94

(4) Details of bad debt provision

RMB

Category	Opening balance (Audited)	Changes for the period			Closing balance (Unaudited)
		Provision	Recovery or reversal	Charge-off or write-off	
Other receivables for which bad debt provision is assessed on a portfolio basis	115,264,387.04	44,515,901.25	(447,144.35)	–	159,333,143.94

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

5.3 Other receivables (Continued)

(5) Top five other receivables categorized by debtor

RMB

Name of entity	Closing balance	Proportion to total closing balance of other receivables (%)	Nature	Aging	Closing balance of provision for bad debts
Customer I	399,134,040.82	44.04	Outstanding capital contributions receivable from partners of Outer Ring Expressway Phase I and Phase II projects	Within 1 year, 1 to 2 years	–
Customer II	201,000,000.00	22.18	Profit pre-allocated to minority shareholders by subsidiaries	Within 1 year, 1 to 2 years	–
Customer III	88,331,191.80	9.75	Amounts due from associates	Over 3 years	70,664,953.44
Customer IV	41,200,000.00	4.55	Margins and deposits	Over 3 years	41,200,000.00
Customer V	27,429,043.00	3.03	Others	Over 3 years	–
Total	757,094,275.62	83.55			111,864,953.44

6. Inventories

(1) Categories of inventories

RMB

Item	Closing balance (Unaudited)			Opening balance (Audited)		
	Gross carrying amount	Provision for decline in value	Carrying amount	Gross carrying amount	Provision for decline in value	Carrying amount
Properties held for development (Note 1)	258,790,747.84	–	258,790,747.84	257,148,356.32	–	257,148,356.32
Properties under development (Note 2)	120,612,545.22	–	120,612,545.22	116,351,386.31	–	116,351,386.31
Properties held for sale (Note 3)	595,745,181.79	50,513,916.31	545,231,265.48	597,974,602.88	50,513,916.31	547,460,686.57
Raw materials	219,685,177.89	137,319,117.00	82,366,060.89	226,220,613.48	139,287,249.66	86,933,363.82
Work in progress	172,742,570.99	130,274,199.84	42,468,371.15	173,424,057.57	130,274,199.84	43,149,857.73
Goods on hand	114,708,294.44	83,983,223.99	30,725,070.45	126,473,192.23	84,344,861.21	42,128,331.02
Low-value consumables and others	2,389,749.02	–	2,389,749.02	2,201,585.90	–	2,201,585.90
Total	1,484,674,267.19	402,090,457.14	1,082,583,810.05	1,499,793,794.69	404,420,227.02	1,095,373,567.67



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Inventories (Continued)

(1) Categories of inventories (Continued)

Note 1: Properties held for development represent the lands to be developed under Phase II Stage III and Phase III Stage II of Youshan Villa project of Guizhou Shenzhen Expressway Land Co., Ltd. ("Guizhou Land"), and the lands to be developed by Guizhou Shenzhen Expressway Investment Land Company ("Guishen Expressway Investment") and Guizhou Yefengrui Land Limited Company ("Yefengrui Land"), all of which are subsidiaries of the Company.

Note 2: Properties under development

RMB

Name of project	Closing balance (Unaudited)	Opening balance (Audited)
Public area to be amortized	120,612,545.22	116,351,386.31
Total	120,612,545.22	116,351,386.31

Note 3: Properties held for sale

RMB

Name of project	Time of completion	Opening balance (Audited)	Addition	Reduction	Closing balance (Unaudited)	Closing balance of provision for decline in value
Phase I Stage I of Youshan Villa	December 2016	11,176,877.24	—	—	11,176,877.24	—
Phase II Stage II of Youshan Villa	April 2019	46,251,723.77	—	—	46,251,723.77	—
Phase III Stage I of Youshan Villa	November 2020	3,987,702.61	—	—	3,987,702.61	—
Phase III Stage III of Youshan Villa	September 2022	536,558,299.26	4,988,185.69	7,217,606.78	534,328,878.17	50,513,916.31
Total		597,974,602.88	4,988,185.69	7,217,606.78	595,745,181.79	50,513,916.31

(2) Provision for decline in value of inventories

RMB

Item	Opening balance (Audited)	Provision	Reversal	Write-off	Closing balance (Unaudited)
Raw materials	139,287,249.66	4,637,936.25	—	6,606,068.91	137,319,117.00
Work in progress	130,274,199.84	—	—	—	130,274,199.84
Goods on hand	84,344,861.21	4,201,450.99	—	4,563,088.21	83,983,223.99
Properties held for sale	50,513,916.31	—	—	—	50,513,916.31
Total	404,420,227.02	8,839,387.24	—	11,169,157.12	402,090,457.14

(3) Descriptions on capitalized borrowing costs included in the closing balance of inventories

For the six months ended 30 June 2025, the amount of capitalized interest included in inventories was RMB0.00 (for the six months ended 30 June 2024: RMB0.00), and the capitalization rate used to recognize the capitalization amount was 0% (for the six months ended 30 June 2024: 0%). As at 30 June 2025, the amount of capitalized interest included in the closing balance of inventories was RMB2,848,407.22 (31 December 2024: RMB2,884,598.12).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Contract assets

(1) Details of contract assets

RMB

Item	Closing balance (Unaudited)			Opening balance (Audited)		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Contract assets over one year (Note)	976,753,627.28	–	976,753,627.28	1,763,574,756.21	–	1,763,574,756.21
Agent-construction receivables	220,842,901.29	3,304,869.42	217,538,031.87	241,717,412.68	3,304,869.42	238,412,543.26
Warranty deposits receivable	69,156,423.88	343,019.88	68,813,404.00	69,156,423.88	343,019.88	68,813,404.00
Receivables from kitchen waste engineering construction business	50,250,569.39	16,471,364.68	33,779,204.71	59,741,874.06	16,471,364.68	43,270,509.38
Other operating receivables	17,586,047.59	–	17,586,047.59	20,131,385.79	–	20,131,385.79
Sub-total	1,334,589,569.43	20,119,253.98	1,314,470,315.45	2,154,321,852.62	20,119,253.98	2,134,202,598.64
Less: Contract assets over one year	976,753,627.28	–	976,753,627.28	1,763,574,756.21	–	1,763,574,756.21
Total	357,835,942.15	20,119,253.98	337,716,688.17	390,747,096.41	20,119,253.98	370,627,842.43

Note: Refer to Note V, 21.

(2) Amount and reason for the significant changes in carrying amount for the period

RMB

Item	Amount of changes	Reason for changes
Contract assets over one year	(798,245,134.61)	Carry forward to long-term receivables and non-current assets due within one year based on project settlement situation for the period
Agent-construction receivables	(20,874,511.39)	Carry forward to accounts receivable based on project settlement situation for the period
Receivables from kitchen waste engineering construction business	(9,491,304.67)	Carry forward to accounts receivable based on project settlement situation for the period



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Contract assets (Continued)

(3) Contract assets disclosed by method of bad debt provision

RMB

Category	Closing balance (Unaudited)					Opening balance (Audited)				
	Gross carrying amount		Bad debt provision		Carrying amount	Gross carrying amount		Bad debt provision		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed on an individual basis	3,304,869.42	0.25	3,304,869.42	100.00	-	3,304,869.42	0.15	3,304,869.42	100.00	-
Bad debt provision assessed on a portfolio basis	1,331,284,700.01	99.75	16,814,384.56	1.26	1,314,470,315.45	2,151,016,983.20	99.85	16,814,384.56	0.78	2,134,202,598.64
Including:										
Portfolio I	1,194,291,659.15	89.48	-	-	1,194,291,659.15	2,001,987,299.47	92.94	-	-	2,001,987,299.47
Portfolio II	69,156,423.88	5.18	343,019.88	0.50	68,813,404.00	69,156,423.88	3.21	343,019.88	0.50	68,813,404.00
Portfolio III	50,250,569.39	3.77	16,471,364.68	32.78	33,779,204.71	59,741,874.06	2.77	16,471,364.68	27.57	43,270,509.38
Portfolio IV	17,586,047.59	1.32	-	-	17,586,047.59	20,131,385.79	0.93	-	-	20,131,385.79
Total	1,334,589,569.43	100.00	20,119,253.98		1,314,470,315.45	2,154,321,852.62	100.00	20,119,253.98		2,134,202,598.64

Bad debt provision assessed on an individual basis

RMB

Bad debt provision assessed on an individual basis	Closing balance (Unaudited)			Reason for provision
	Gross carrying amount	Bad debt provision	Proportion (%)	
Shenshan Houmen Project	3,304,869.42	3,304,869.42	100.00	It is expected that the agent-construction fee is irrecoverable
Total	3,304,869.42	3,304,869.42		

Bad debt provision assessed on a portfolio basis

RMB

Portfolio I	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Government and related parties	1,194,291,659.15	-	-
Total	1,194,291,659.15	-	

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Contract assets (Continued)

(3) Contract assets disclosed by method of bad debt provision (Continued)

Bad debt provision assessed on a portfolio basis (Continued)

RMB

	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Portfolio II			
Customers in wind turbine generators sales industry (warranty deposits receivable)	69,156,423.88	343,019.88	0.50
Total	69,156,423.88	343,019.88	

RMB

	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Portfolio III			
Within 1 year	547,413.05	–	–
2 to 3 years	28,669,872.61	2,611,955.16	9.11
3 to 4 years	6,752,444.43	1,517,508.79	22.47
4 to 5 years	441,657.43	139,050.20	31.48
Over 5 years	13,839,181.87	12,202,850.53	88.18
Total	50,250,569.39	16,471,364.68	

RMB

	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Portfolio IV			
Within 1 year	17,586,047.59	–	–
Total	17,586,047.59	–	

Measurement of expected credit losses at an amount equivalent to the lifetime ECL

RMB

Bad debt provision	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
Opening balance (Audited)	16,814,384.56	3,304,869.42	20,119,253.98
Provision	–	–	–
Reversal	–	–	–
Other changes	–	–	–
Closing balance (Unaudited)	16,814,384.56	3,304,869.42	20,119,253.98

Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Contract assets (Continued)

(4) Provision for credit losses of contract assets for the period

RMB

Category	Opening balance (Audited)	Provision	Charge-off/Write-off	Closing balance (Unaudited)
Agent-construction receivables	3,304,869.42	—	—	3,304,869.42
Warranty deposits receivable	343,019.88	—	—	343,019.88
Receivables from kitchen waste engineering construction business	16,471,364.68	—	—	16,471,364.68
Total	20,119,253.98	—	—	20,119,253.98

8. Non-current assets due within one year

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Receivables from Longli County Government of Guizhou Province for engineering payment of Bimeng Project (Note)	319,298,053.84	—
Financial leasing receivables (Note)	210,543,616.30	172,950,515.75
Receivables from Longli County Government of Guizhou Province for Longli River Bridge project (Note)	406,198,392.78	264,198,928.52
Sub-total	936,040,062.92	437,149,444.27
Less: Provision for bad debts	1,458,066.62	1,156,050.14
Total	934,581,996.30	435,993,394.13

Note: Please refer to Note V, 11.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Other current assets

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Pending deduction of input VAT	201,788,415.28	244,059,035.65
Certificates of time deposits	456,798,602.74	374,275,722.22
Prepaid taxes	11,643,416.44	46,077,056.07
Total	670,230,434.46	664,411,813.94

10. Long-term prepayments

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Prepayments for acquisition and construction of long-term assets	13,592,536.20	27,117,805.58
Prepayments for reconstruction and expansion of Airport-Heao Expressway	1,230,134,542.80	721,647,859.04
Prepaid project fund of Outer Ring Company	491,550,957.80	475,651,807.18
Prepaid project fund of Shenzhen-Shanwei Expressway project	88,013,163.63	88,013,163.63
Prepaid project fund of Guangming Environment project	–	148,515.28
Total	1,823,291,200.43	1,312,579,150.71



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term receivables

(1) Details of long-term receivables

RMB

Item	Closing balance (Unaudited)			Opening balance (Audited)		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Financial leasing receivables (Note 1)	1,243,211,426.35	14,614,732.76	1,228,596,693.59	1,259,546,924.69	12,575,526.36	1,246,971,398.33
Electricity subsidy income (Note 2)	1,520,066,517.72	62,763,847.36	1,457,302,670.36	1,404,661,240.86	50,750,584.03	1,353,910,656.83
Advances due from Shenzhen-Shanwei Special Cooperation Zone Development and Construction Co., Ltd.	60,941,210.16	-	60,941,210.16	60,941,210.16	-	60,941,210.16
Receivables from Longli County Government of Guizhou Province for Longli River Bridge project	974,196,249.77	-	974,196,249.77	974,196,249.77	-	974,196,249.77
Receivables from Longli County Government of Guizhou Province for engineering payment of Bimeng Project (Note 3)	798,245,134.61	-	798,245,134.61	-	-	-
Sub-total	4,596,660,538.61	77,378,580.12	4,519,281,958.49	3,699,345,625.48	63,326,110.39	3,636,019,515.09
Less: Long-term receivables due within one year (Note V, 8)	936,040,062.92	1,458,066.62	934,581,996.30	437,149,444.27	1,156,050.14	435,993,394.13
Including: Receivables from Longli County Government of Guizhou Province for engineering payment of Bimeng Project (Note 3)	319,298,053.84	-	319,298,053.84	-	-	-
Financial leasing receivables (Note 1)	210,543,616.30	1,458,066.62	209,085,549.68	172,950,515.75	1,156,050.14	171,794,465.61
Receivables from Longli County Government of Guizhou Province for Longli River Bridge project	406,198,392.78	-	406,198,392.78	264,198,928.52	-	264,198,928.52
Total	3,660,620,475.69	75,920,513.50	3,584,699,962.19	3,262,196,181.21	62,170,060.25	3,200,026,120.96

Note 1: It represents the rents and interest of equipment under financial leasing receivables by Financial Leasing Company, a subsidiary of the Company. As at 30 June 2025, the financial leasing receivables amounted to RMB1,243,211,426.35 (31 December 2024: RMB1,259,546,924.69).

Note 2: It represents the electricity subsidy which has not been received by Baotou Nanfeng, Qianzhi Company, Qianxin Company, Qianhui Company, Yongcheng Zhuneng and Ningxia Zhongwei, subsidiaries of the Group engaged in new energy business. For the six months ended 30 June 2025, the subsidy income (tax inclusive) recognized by the aforesaid companies based on relevant documents amounted to RMB170,419,540.84, and the subsidy received for the six months ended 30 June 2025 amounted to RMB55,014,263.98.

Note 3: The Guizhou Longli Bimeng Garden Resettlement Community Project has been successfully finished and accepted as qualified in the current period. According to the Investment Cooperation Agreement entered into by and between Shenzhen Expressway Investment Co., Ltd. ("Expressway Investment", a subsidiary of the Company) and Guizhou Guilong Industrial Group Co., Ltd., the construction entity authorized by Longli County People's Government, Expressway Investment has the unconditional right to receive contractual consideration upon final acceptance of the project. Furthermore, it is agreed that the payment will be recovered in installments over a period of three years from the date of final acceptance. Consequently, the contractual assets corresponding to the project are transferred to long-term receivables.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term receivables (Continued)

(2) Long-term receivables disclosed by method of bad debt provision

RMB

Category	Closing balance (Unaudited)					Opening balance (Audited)				
	Gross carrying amount		Bad debt provision		Carrying amount	Gross carrying amount		Bad debt provision		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed on a portfolio basis:										
Portfolio I	1,833,382,594.54	39.88	–	–	1,833,382,594.54	1,035,137,459.93	27.98	–	–	1,035,137,459.93
Portfolio II (Financial leasing receivables)	1,243,211,426.35	27.05	14,614,732.76	1.18	1,228,596,693.59	1,259,546,924.69	34.05	12,575,526.36	1.00	1,246,971,398.33
Portfolio III (Electricity subsidy income)	1,520,066,517.72	33.07	62,763,847.36	4.13	1,457,302,670.36	1,404,661,240.86	37.97	50,750,584.03	3.61	1,353,910,656.83
Total	4,596,660,538.61	100.00	77,378,580.12		4,519,281,958.49	3,699,345,625.48	100.00	63,326,110.39		3,636,019,515.09

Bad debt provision assessed on a portfolio basis

RMB

Portfolio I	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Receivables from Longli County Government of Guizhou Province for Longli River Bridge project	974,196,249.77	–	–
Receivables from Longli County Government of Guizhou Province for engineering payment of Bimeng Project	798,245,134.61	–	–
Advances due from Shenzhen – Shanwei Special Cooperation Zone Development and Construction Co., Ltd	60,941,210.16	–	–
Total	1,833,382,594.54	–	

RMB

Portfolio II (Financial leasing receivables)	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Normal	1,135,914,728.09	10,865,555.79	0.96
Attention	107,296,698.26	3,749,176.97	3.49
Total	1,243,211,426.35	14,614,732.76	

Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term receivables (Continued)

(2) Long-term receivables disclosed by method of bad debt provision (Continued)

Bad debt provision assessed on a portfolio basis (Continued)

RMB

	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Portfolio III (Electricity subsidy income)			
Electricity subsidy approved	1,370,282,563.82	13,702,825.65	1.00
Electricity subsidy under approval	149,783,953.90	49,061,021.71	32.75
Total	1,520,066,517.72	62,763,847.36	

Provision for bad debts based on general model of expected credit losses

RMB

Bad debt provision	Stage I 12-month ECL	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
Opening balance (Audited)	63,326,110.39	–	–	63,326,110.39
Provision	14,052,469.73	–	–	14,052,469.73
Closing balance (Unaudited)	77,378,580.12	–	–	77,378,580.12

(3) Details of bad debt provision

RMB

Category	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
Financial leasing receivables	12,575,526.36	2,039,206.40	–	14,614,732.76
Electricity subsidy income	50,750,584.03	12,013,263.33	–	62,763,847.36
Total	63,326,110.39	14,052,469.73	–	77,378,580.12

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Long-term equity investments

RMB

Investee	Changes for the period									Closing balance of provision for impairment	
	Opening balance (Audited)	Addition	Reduction	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Cash dividend or profit declared	Provision for impairment	Others	Closing balance (Unaudited)		Shareholding proportion (%)
Guangzhou-Shenzhen-Zhuhai Expressway Chongqing Derun Environment Co., Limited ("Derun Environment")	5,240,770,998.08	-	-	133,088,806.77	-	-	-	-	5,373,859,804.85	45.00	-
Guangdong Guangzhou-Zhuhai West Line Expressway Co., Ltd. ("Guangzhou-Zhuhai West Line Expressway")	5,116,283,285.60	-	-	87,692,818.09	628,481.53	-	-	(6,726,487.54)	5,197,878,097.68	20.00	-
Guangdong Yangmao Expressway Company Limited ("Yangmao Company")	3,450,488,204.48	-	-	48,289,706.32	-	-	-	-	3,498,777,910.80	50.00	-
Shenzhen International United Land Company Limited ("United Land Company")	840,603,301.52	-	-	31,653,793.44	-	(53,878,968.20)	-	-	818,378,126.76	25.00	-
E Fund – Shenzhen Expressway REITs (code: 508033)	761,351,882.86	-	-	(18,121,244.72)	-	-	-	(493,176.83)	742,737,461.31	34.30	-
Nanjing Yangtze River Third Bridge Company Limited ("Nanjing Third Bridge Company")	750,659,862.55	-	-	14,401,740.99	-	(19,152,000.00)	-	-	745,909,603.54	40.00	-
Guangzhou Zhentong Industrial Development Co., Ltd. ("Xintang Joint Venture") (Note 1)	464,833,892.23	-	-	27,469,726.78	-	(60,810,754.09)	-	-	431,492,864.92	35.00	-
Guangzhou Western Second Ring Expressway Company Limited ("GZ W2 Company")	415,559,397.99	-	-	(23,625,235.83)	-	-	-	-	391,934,162.16	15.00	-
Shenzhen Fenghe Energy Investment Co., Ltd. ("Fenghe Energy")	371,302,955.80	-	-	27,001,729.18	-	(51,885,100.00)	-	-	346,419,584.98	25.00	-
Foshan Shunde Shengchuang Shenzhen Expressway Environmental Technology Industry M&A Investment Partnership (Limited Partnership) ("Shengchuang Fund")	227,755,453.28	-	-	6,399,888.61	1,187,163.81	-	-	-	235,342,505.70	50.00	-
Others (Note 2)	99,518,936.60	-	(71,694,000.00)	510,009.04	-	-	-	-	28,334,945.64	45.00	-
	2,016,255,046.23	-	-	58,418,430.28	15,683,923.20	(25,146,749.00)	-	-	2,065,210,650.71		-
Total	19,755,383,217.22	-	(71,694,000.00)	393,180,168.95	17,499,568.54	(210,873,571.29)	-	(7,219,664.37)	19,876,275,719.05		-

Note 1: Bay Area Development, a subsidiary of the Company, has appointed one director to the Board of Directors of Xintang Joint Venture, which has a significant impact on its operation and financial decisions.

Note 2: Others include the Group's associates and joint ventures Yunji Smart Engineering Co., Ltd. ("Yunji Smart"), Shenzhen Huayu Expressway Investment Co., Ltd. ("Huayu Company"), Guizhou Hengtongli Property Co., Ltd. ("Guizhou Hengtongli"), Bank of Guizhou Co., Ltd. and Huai'an Zhongheng New Energy Co., Ltd. ("Huai'an Zhongheng").



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Other non-current financial assets

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Shenzhen Water Planning & Design Institute Co., Ltd. ("Water Planning & Design Institute")	419,111,550.00	363,513,150.00
Shenzhen State Owned Cooperative Development Private Equity Fund Partnership (Limited Partnership) ("Cooperative Development Fund")	331,215,787.29	361,489,702.38
Guangdong United Electronic Service Co., Ltd. ("United Electronic")	231,297,370.64	210,780,561.06
Guangdong Heyuan Rural Commercial Bank Co., Ltd.	22,503,680.00	22,503,680.00
Guangdong Zijin Rural Commercial Bank Co., Ltd.	9,180,560.00	9,180,560.00
Yiwu Shenneng Renewable Resources Utilisation Co., Ltd. ("Yiwu Shenneng")	3,443,730.00	3,443,730.00
Total	1,016,752,677.93	970,911,383.44

For the six months ended 30 June 2025, the changes in investments in equity instruments amounted to RMB45,841,294.49, of which RMB23,268,454.75 represented a decrease in principal due to the exit of investment projects related to the Collaborative Development Fund. The gains from changes in fair value amounted to RMB69,109,749.24 (for the six months ended 30 June 2024: loss on changes in fair value of RMB53,328,746.37). Please refer to Note V, 50.

14. Investment properties

(1) Investment properties measured at cost

RMB

Item	Parking space (Note)	Buildings	Total
I. Cost			
1. Opening balance (Audited)	18,180,000.00	16,032,768.93	34,212,768.93
2. Additions	—	—	—
3. Reductions	—	—	—
4. Closing balance (Unaudited)	18,180,000.00	16,032,768.93	34,212,768.93
II. Accumulated amortization			
1. Opening balance (Audited)	9,260,007.24	3,397,623.91	12,657,631.15
2. Additions	287,862.12	380,777.08	668,639.20
(1) Provision	287,862.12	380,777.08	668,639.20
3. Reductions	—	—	—
4. Closing balance (Unaudited)	9,547,869.36	3,778,400.99	13,326,270.35
III. Carrying amount			
1. Closing balance (Unaudited)	8,632,130.64	12,254,367.94	20,886,498.58
2. Opening balance (Audited)	8,919,992.76	12,635,145.02	21,555,137.78

Note: The investment property represents the parking space beneath Jiangsu Building where the headquarters of the Company locates, which is entrusted to the property management company for renting to relevant car owners.

* The Group's investment properties are all located in the Chinese Mainland and held in the form of leases.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Investment properties (Continued)

(2) As at 30 June 2025, the investment properties without certificates of ownership are listed as follows

RMB

Item	Carrying amount (Unaudited)	Reason for not yet obtaining the certificate of ownership
The parking space beneath Jiangsu Building	8,632,130.64	No certificate of ownership will be issued for parking space in Shenzhen
Total	8,632,130.64	

15. Fixed assets

(1) Details of fixed assets

RMB

Item	Buildings	Traffic equipment	Motor vehicles	Office and other equipment	Machinery and equipment	Total
I. Cost						
1. Opening balance (Audited)	3,768,124,201.75	1,675,381,951.52	92,654,821.24	143,299,608.53	4,703,038,629.18	10,382,499,212.22
2. Additions	9,886,951.33	24,871,847.88	8,946,482.77	1,423,948.89	4,498,332.43	49,627,563.30
(1) Purchase	1,150,223.79	5,245,126.67	8,946,482.77	1,423,948.89	4,498,332.43	21,264,114.55
(2) Transfer from construction in progress	8,736,727.54	19,626,721.21	–	–	–	28,363,448.75
3. Reductions	53,498.54	2,137,456.79	2,538,756.56	1,947,019.94	–	6,676,731.83
(1) Disposals or retirement	53,498.54	666,717.46	623,582.56	1,930,039.74	–	3,273,838.30
(2) Others	–	1,470,739.33	1,915,174.00	16,980.20	–	3,402,893.53
4. Closing balance (Unaudited)	3,777,957,654.54	1,698,116,342.61	99,062,547.45	142,776,537.48	4,707,536,961.61	10,425,450,043.69
II. Accumulated depreciation						
1. Opening balance (Audited)	650,043,720.68	1,096,708,397.77	29,596,150.59	108,962,738.66	1,053,854,128.87	2,939,165,136.57
2. Additions	72,685,748.93	47,055,100.47	6,503,479.84	13,560,918.13	132,624,993.55	272,430,240.92
(1) Provision	72,685,748.93	47,055,100.47	6,503,479.84	13,560,918.13	132,624,993.55	272,430,240.92
3. Reductions	–	379,628.18	583,574.43	1,879,337.56	–	2,842,540.17
(1) Disposals or retirement	–	379,628.18	583,574.43	1,863,685.02	–	2,826,887.63
(2) Others	–	–	–	15,652.54	–	15,652.54
4. Closing balance (Unaudited)	722,729,469.61	1,143,383,870.06	35,516,056.00	120,644,319.23	1,186,479,122.42	3,208,752,837.32
III. Provision for impairment						
1. Opening balance (Audited)	34,392,136.68	–	–	2,594,438.42	6,042,562.97	43,029,138.07
2. Additions	–	–	–	–	8,672,566.37	8,672,566.37
(1) Provision	–	–	–	–	8,672,566.37	8,672,566.37
3. Closing balance (Unaudited)	34,392,136.68	–	–	2,594,438.42	14,715,129.34	51,701,704.44
IV. Carrying amount						
1. Closing balance (Unaudited)	3,020,836,048.25	554,732,472.55	63,546,491.45	19,537,779.83	3,506,342,709.85	7,164,995,501.93
2. Opening balance (Audited)	3,083,688,344.39	578,673,553.75	63,058,670.65	31,742,431.45	3,643,141,937.34	7,400,304,937.58



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(2) Fixed assets without certificates of ownership

RMB

Item	Carrying amount (Unaudited)	Reason for not yet obtaining the certificate of ownership
Buildings	496,457,931.52	According to the actual characteristics of the Group's toll road operation, all toll roads and the affiliated buildings would be returned to the government when the approved operating periods expire, therefore, the Group has no intention to acquire the related property ownership certificates.

(3) Impairment testing of fixed assets

The recoverable amount is determined at the fair value net of costs of disposal

RMB

Item	Carrying amount (Unaudited)	Recoverable amount (Unaudited)	Amount of impairment (Unaudited)	Method for determination of fair value and costs of disposal	Key parameters	Basis to determine the key parameters
Machinery and equipment of Yongcheng Zhuneng	8,672,566.37	–	8,672,566.37	Market approach and incremental costs directly attributable to asset disposals	Fair value of machinery and equipment	Probable transaction price at the measurement date, which is an arm's length price under ordinary commercial considerations

16. Construction in progress

(1) Details of construction in progress

RMB

Item	Closing balance (Unaudited)			Opening balance (Audited)		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Expressway subgrade, pavement, bridge and culvert engineering	12,369,195.06	–	12,369,195.06	12,369,195.06	–	12,369,195.06
Expressway electromechanical engineering	26,749,902.00	–	26,749,902.00	31,322,135.55	–	31,322,135.55
Expressway building construction engineering	11,229,060.42	–	11,229,060.42	11,174,245.22	–	11,174,245.22
Xuanwei project	11,966,069.00	11,966,069.00	–	11,966,069.00	11,966,069.00	–
R&D project on BIM modeling and digital management regarding existing expressways	4,142,969.84	–	4,142,969.84	1,647,169.84	–	1,647,169.84
Others	39,998,524.97	2,195,969.80	37,802,555.17	30,578,540.29	2,195,969.80	28,382,570.49
Total	106,455,721.29	14,162,038.80	92,293,682.49	99,057,354.96	14,162,038.80	84,895,316.16

(2) Changes in significant construction in progress during the period

There is no significant construction in progress during the period.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Right-of-use assets

RMB

Item	Buildings
I. Cost	
1. Opening balance (Audited)	116,661,124.55
2. Additions	3,089,391.63
(1) New additions	3,089,391.63
3. Closing balance (Unaudited)	119,750,516.18
II. Accumulated depreciation	
1. Opening balance (Audited)	84,601,487.90
2. Additions	8,431,975.21
(1) Provision	8,431,975.21
3. Closing balance (Unaudited)	93,033,463.11
III. Carrying amount	
1. Closing balance (Unaudited)	26,717,053.07
2. Opening balance (Audited)	32,059,636.65

18. Intangible assets

(1) Details of intangible assets

RMB

Item	Franchise rights	Office software and others	Billboard land use rights	Land use right	Contract rights	Patent use right	Total
I. Cost							
1. Opening balance (Audited)	43,407,129,379.30	105,531,641.37	1,647,622.58	215,879,018.54	68,866,700.00	165,693,403.17	43,964,747,764.96
2. Additions	499,604,765.69	3,104,331.47	-	-	-	-	502,709,097.16
(1) Purchases	1,796,178.16	3,104,331.47	-	-	-	-	4,900,509.63
(2) Constructions	497,808,587.53	-	-	-	-	-	497,808,587.53
3. Reductions	20,937,917.22	137,840.21	-	-	-	-	21,075,757.43
(1) Disposals	311,550.36	137,840.21	-	-	-	-	449,390.57
(2) Other reductions (Note 1)	20,626,366.86	-	-	-	-	-	20,626,366.86
4. Closing balance (Unaudited)	43,885,796,227.77	108,498,132.63	1,647,622.58	215,879,018.54	68,866,700.00	165,693,403.17	44,446,381,104.69
II. Accumulated amortization							
1. Opening balance (Audited)	14,889,263,190.28	52,505,763.77	1,647,622.58	27,224,090.77	30,340,214.57	125,381,889.76	15,126,362,771.73
2. Additions	864,960,211.59	7,383,006.28	-	2,691,144.51	-	-	875,034,362.38
(1) Provision	864,960,211.59	7,383,006.28	-	2,691,144.51	-	-	875,034,362.38
3. Reductions	25,250.55	22,973.04	-	-	-	-	48,223.59
(1) Disposals	25,250.55	22,973.04	-	-	-	-	48,223.59
4. Closing balance (Unaudited)	15,754,198,151.32	59,865,797.01	1,647,622.58	29,915,235.28	30,340,214.57	125,381,889.76	16,001,348,910.52
III. Provision for impairment							
1. Opening balance (Audited)	3,911,990,525.94	3,919,234.42	-	-	38,526,485.43	40,311,513.41	3,994,747,759.20
2. Closing balance (Unaudited)	3,911,990,525.94	3,919,234.42	-	-	38,526,485.43	40,311,513.41	3,994,747,759.20
IV. Carrying amount							
1. Closing balance (Unaudited)	24,219,607,550.51	44,713,101.20	-	185,963,783.26	-	-	24,450,284,434.97
2. Opening balance (Audited)	24,605,875,663.08	49,106,643.18	-	188,654,927.77	-	-	24,843,637,234.03

Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Intangible assets (Continued)

(1) Details of intangible assets (Continued)

Note 1: Other reductions were mainly attributable to the adjustment to the carrying amount that was initially estimated and recorded on a provisional basis of Kitchen Waste Treatment Franchise Construction Project of Bioland Company based on the settlement in the current period.

Note 2: For the six months ended 30 June 2025, both the amount of intangible assets amortization and the amount included in profit or loss was RMB875,034,362.38 (for the six months ended 30 June 2024: RMB869,693,713.85).

Note 3: For the six months ended 30 June 2025, the Group capitalized borrowing costs on intangible assets amounting to RMB0.00 (for the six months ended 30 June 2024: RMB4,231,493.66).

(2) As at 30 June 2025, the Group had no land use rights for which the certificate of property has not been obtained.

(3) Details of franchise rights

RMB

Item	Cost	Opening balance (Audited)	Additions	Reductions	Amortization	Impairment	Closing balance (Unaudited)	Accumulated amortization	Provision for impairment
I. Franchise rights associated with toll roads									
Qinglian Expressway	9,387,161,886.39	4,944,348,966.35	10,185,787.88	-	217,145,576.47	-	4,737,389,177.76	4,029,772,708.63	620,000,000.00
Airport-Heao Expressway	6,222,726,280.68	2,673,978,707.90	39,637,557.14	-	54,395,370.08	-	2,659,220,894.96	3,563,505,385.72	-
Meiguan Expressway	604,588,701.64	78,585,540.21	-	-	13,977,740.53	-	64,607,799.68	539,980,901.96	-
Outer Ring Expressway	7,184,896,497.51	5,988,275,507.22	366,303,498.41	-	85,239,545.03	-	6,269,339,460.60	915,557,036.91	-
Shuiguan Expressway	4,448,811,774.58	479,285,465.40	-	-	221,208,676.37	-	258,076,789.03	3,638,734,985.55	552,000,000.00
Changsha Ring Road	614,374,358.81	318,092,300.54	-	-	24,233,609.13	-	293,858,691.41	320,515,667.40	-
Coastal Expressway Shenzhen Section	10,086,278,346.00	5,694,782,268.24	-	-	127,370,087.28	-	5,567,412,180.96	1,880,630,870.43	2,638,235,294.61
Longda Expressway	251,559,214.13	35,588,622.39	-	-	8,073,839.74	-	27,514,782.65	224,044,431.48	-
Sub-total	38,800,397,059.74	20,212,937,378.25	416,126,843.43	-	751,644,444.63	-	19,877,419,777.05	15,112,741,988.08	3,810,235,294.61
II. Franchise rights associated with kitchen waste disposal									
Kitchen waste disposal of Bioland Company	3,582,933,660.40	3,031,018,339.72	31,871,413.90	20,854,403.00	65,169,120.44	-	2,976,866,230.18	504,312,198.89	101,755,231.33
Kitchen waste disposal of Guangming	850,904,990.05	800,990,874.33	49,914,115.72	-	23,638,140.60	-	827,266,849.45	23,638,140.60	-
Kitchen waste disposal of Shaoyang	320,120,861.20	313,777,280.00	120,861.20	-	5,343,831.84	-	308,554,309.36	11,566,551.84	-
Kitchen waste disposal of Lisai	-	-	-	-	-	-	-	-	-
Environmental Protection	278,696,454.89	198,795,726.49	1,571,531.44	58,263.67	17,738,679.52	-	182,570,314.74	96,126,140.15	-
Sub-total	5,032,655,966.54	4,344,582,220.54	83,477,922.26	20,912,666.67	111,889,772.40	-	4,295,257,703.73	635,643,031.48	101,755,231.33
III. Other franchise rights									
Shenzhen Guangming welfare institute project	45,476,486.24	41,089,349.04	-	-	1,214,342.64	-	39,875,006.40	5,601,479.84	-
Shenzhen Guangming Community Integrated Service Center Project	7,266,715.25	7,266,715.25	-	-	211,651.92	-	7,055,063.33	211,651.92	-
Sub-total	52,743,201.49	48,356,064.29	-	-	1,425,994.56	-	46,930,069.73	5,813,131.76	-
Total	43,885,796,227.77	24,605,875,663.08	499,604,765.69	20,912,666.67	864,960,211.59	-	24,219,607,550.51	15,754,198,151.32	3,911,990,525.94

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Goodwill

(1) Cost of goodwill

RMB

Name of investee	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
Shenzhen Investment Holdings International Capital Holding Infrastructure Company Limited ("SIHICH")	202,893,131.20	–	–	202,893,131.20
Nanjing Wind Power Technology Co., Ltd. ("Nanjing Wind Power")	156,039,775.24	–	–	156,039,775.24
Total	358,932,906.44	–	–	358,932,906.44

(2) Provision for impairment of goodwill

RMB

Name of investee	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
Nanjing Wind Power	156,039,775.24	–	–	156,039,775.24

(3) Information about the asset group or a set of asset groups to which the goodwill is allocated

Name	Composition of the asset group or a set of asset groups to which it is allocated and its basis	Operating segment to which it is allocated and its basis	Is it consistent with that of the prior year?
SIHICH	Bay Area Development asset group/Generated from acquisition of the asset group	Toll road	Yes
Nanjing Wind Power	Wind turbines manufacturing asset group/Generated from acquisition of the asset group	Environmental protection	Yes



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/deferred tax liabilities

(1) Deferred tax assets before offsetting

RMB

Item	Closing balance (Unaudited)		Opening balance (Audited)	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Impairment and amortization of franchise rights of Coastal Expressway	131,803,145.84	32,950,786.46	217,014,426.88	54,253,606.72
Compensation for operating expenses of newly-built toll stations on and toll adjustments regarding Nanguang Expressway, Yanba Expressway and Yanpai Expressway ("Three Expressways") (Note 1)	119,544,931.35	29,886,232.84	140,544,931.35	35,136,232.84
Employee benefits accrued but not paid	119,868,052.60	29,967,013.15	119,945,892.12	29,986,473.03
Deductible losses	49,722,367.84	12,430,591.96	49,722,367.84	12,430,591.96
Adjustments to fair values of net assets of merged enterprises such as Shenchang Expressway Co., Ltd in Changsha, Hunan ("Shenchang Company"), etc.	87,785,510.75	21,946,377.69	96,067,761.63	24,016,940.41
Compensation for operating expenses of newly-built toll stations on and toll adjustments regarding Longda Expressway (Note 1)	73,297,923.36	18,324,480.81	89,665,931.77	22,416,482.91
Expenses accrued but not paid	138,471,074.56	34,617,768.64	86,693,156.44	21,673,289.11
Provisions (Note 2)	177,495,255.92	41,418,731.83	67,027,751.76	13,801,855.79
Bad debt provision	51,248,215.95	8,616,297.64	60,762,146.18	14,407,273.10
Impairment losses of assets	46,965,491.79	8,157,676.46	41,948,730.67	8,153,694.16
Amortization of other franchise rights	68,144,840.00	17,036,210.00	42,814,230.16	10,703,557.54
Meiguan Company – property relocation compensation (Note 3)	36,154,374.96	9,038,593.74	36,154,374.96	9,038,593.74
Compensation for operating expenses of newly-built road ramp on Meiguan Expressway (Note 4)	22,890,687.64	5,722,671.91	29,430,883.96	7,357,720.99
Interest receivable due to capital reduction of United Land Company (Note 5)	7,331,523.64	1,832,880.91	7,331,523.64	1,832,880.91
Compensation for demolition costs of old toll stations on Three Expressways and Longda Expressway	7,176,461.64	1,794,115.41	7,176,461.64	1,794,115.41
Lease liabilities	24,966,660.81	5,691,009.62	31,703,802.65	7,124,248.44
Others	53,617,980.52	8,561,190.94	60,857,673.08	10,371,114.08
Total	1,216,484,499.17	287,992,630.01	1,184,862,046.73	284,498,671.14

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/deferred tax liabilities (Continued)

(1) Deferred tax assets before offsetting (Continued)

Note 1: The Company received compensation for operating expenses of newly-built toll stations on and toll adjustments regarding Three Expressways and Longda Expressway, and recognized the corresponding deferred tax assets for the temporary difference between the tax base and carrying amount.

Note 2: It represents the deferred tax assets recognized by highway companies in Guangdong Province based on provisions during the expected future operating periods, and the deferred tax assets accrued by Bioland Company, a subsidiary, for provisions recognized for subsequent expenditures of kitchen waste franchise project.

Note 3: Meiguan Company, a subsidiary of the Company, recognized the future relocation property compensated by United Land Company, an associate of the Group, as other non-current assets. Considering the impact of the unrealized profits of the associate, the Group recognized the corresponding deferred tax assets for the temporary difference between the tax base and carrying amount of other non-current assets recognized.

Note 4: In 2015, the Group received a compensation for operating expenses of newly-built toll station on Meiguan Expressway, and recognized the corresponding deferred tax assets for the temporary difference between the tax base and carrying amount.

Note 5: United Land Company capitalized the interest on capital reduction payable to the Company. Considering the impact of the unrealized profits of the associate, the Group recognized the corresponding deferred tax assets for the temporary difference between the tax base and carrying amount based on its shareholding ratio of 34.30%.

(2) Deferred tax liabilities before offsetting

RMB

Item	Closing balance (Unaudited)		Opening balance (Audited)	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Business combinations not involving entities under common control				
– Shenzhen Qinglong Expressway Co., Ltd. ("Qinglong Company")	158,482,044.21	39,620,511.06	294,323,796.69	73,580,949.18
– Guangdong Qinglian Highway Development Co., Ltd. ("Qinglian Company")	431,084,831.24	104,466,400.90	450,819,849.28	109,400,155.41
– Airport-Heao Eastern Company	212,918,049.84	53,229,514.45	244,939,890.60	61,234,974.64
– Bioland Company	430,695,175.91	105,852,543.61	437,855,275.91	107,642,568.61
– Lisai Environmental Protection	123,832,479.87	18,574,871.98	131,658,218.94	19,748,732.84
– Qiantai Company	72,470,778.87	10,870,616.83	73,687,678.73	11,053,151.81
– Baotou Nanfeng	26,168,361.76	6,542,090.44	27,045,989.44	6,761,497.36
– Shenzhen Expressway New Energy Holding Co., LTD. ("New Energy Company")	12,011,152.52	3,002,788.13	12,491,024.12	3,122,756.03
Amortization of franchise rights (Note)	105,319,841.48	26,329,960.37	73,286,675.00	18,321,668.75
Compensation for valuation adjustment mechanism	129,822,937.64	27,552,499.17	129,822,937.64	27,552,499.17
Right-of-use assets	26,717,053.07	5,859,157.88	32,059,636.65	7,320,603.82
Taxes on dividends and bonuses of foreign subsidiary	3,715,241,405.20	185,762,070.26	3,571,703,028.00	178,585,151.40
Appreciation in the valuation of non-current financial assets	597,655,049.68	146,353,056.90	528,545,300.44	129,075,619.59
Others	1,272,092,283.83	250,669,153.59	1,309,029,707.12	259,903,509.41
Total	7,314,511,445.12	984,685,235.57	7,317,269,008.56	1,013,303,838.02

Note: The methods for amortization of franchise rights associated with toll roads are inconsistent in accounting (traffic volume method) and taxation (straight-line method), resulting in temporary differences with deferred tax liability recognized.

Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/deferred tax liabilities (Continued)

(3) Deferred tax assets or liabilities presented on net basis after offsetting

RMB

Item	Offsetting amount of deferred tax assets and liabilities at the end of the current period	Closing balance of deferred tax assets or liabilities after offsetting (Unaudited)	Offsetting amount of deferred tax assets and liabilities at the end of the prior year	Opening balance of deferred tax assets or liabilities after offsetting (Audited)
Deferred tax assets	(143,886,997.77)	144,105,632.24	(154,121,986.86)	130,376,684.28
Deferred tax liabilities	(143,886,997.77)	840,798,237.80	(154,121,986.86)	859,181,851.16

(4) Details of unrecognized deferred tax assets

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Deductible losses	2,126,276,386.66	2,120,271,920.09
Deductible temporary differences	1,074,629,854.78	989,028,185.71
Total	3,200,906,241.44	3,109,300,105.80

(5) Deductible losses for which deferred tax assets are not recognized will expire in the following years

RMB

Year	Closing balance (Unaudited)	Opening balance (Audited)
2025	144,055,791.67	144,366,030.06
2026	216,563,027.73	229,308,074.28
2027	438,405,926.38	477,020,226.94
2028	518,916,360.57	517,949,554.64
2029	660,233,599.33	751,628,034.17
2030	148,101,680.98	—
Total	2,126,276,386.66	2,120,271,920.09

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Other non-current assets

RMB

Item	Closing balance (Unaudited)			Opening balance (Audited)		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Contract assets over one year (Note)	976,753,627.28	-	976,753,627.28	1,763,574,756.21	-	1,763,574,756.21
Input tax to be deducted over one year	151,525,040.30	-	151,525,040.30	171,993,521.78	-	171,993,521.78
Others	-	-	-	1,149,104.11	-	1,149,104.11
Total	1,128,278,667.58	-	1,128,278,667.58	1,936,717,382.10	-	1,936,717,382.10

Note: It mainly includes the contract assets corresponding to the toll fee revenue recognized by the Group based on relevant documents issued by Guangdong Provincial Transportation Management Department.

22. Assets with ownership or use right restricted

RMB

Item	Closing balance (Unaudited)				Opening balance (Audited)			
	Gross carrying amount	Carrying amount	Type of restriction	Status of restriction	Gross carrying amount	Carrying amount	Type of restriction	Status of restriction
Cash at banks and on hand	201,647,139.24	201,647,139.24	Note 1	Note 1	238,088,357.47	238,088,357.47	Note 1	Note 1
Long-term receivables	-	-			615,209,283.95	611,073,089.69	Pledge	Pledge for borrowings
Intangible assets – franchise rights	28,206,753,900.11	14,151,307,947.74	Pledge	Pledge for borrowings	28,156,966,804.10	14,776,403,557.02	Pledge	Pledge for borrowings
Total	28,408,401,039.35	14,352,955,086.98			29,010,264,445.52	15,625,565,004.18		

Note 1: Refer to Note V, 1 for details.

Note 2: In addition to those mentioned above, the Group pledged with the 100% equity and charging rights to electric charge of Qianxin Company, the 100% equity and charging rights to electric charge of Qianzhi Company, the 100% equity and charging rights to electric charge of Qianhui Company, the equity of kitchen waste disposal projects of certain subsidiaries of Bioland Company, and the charging rights to electric charge of Yongcheng Zhuneng and wind power enterprises under Baotou Nanfeng, all of which are indirect subsidiaries of the Company, as security for borrowings.

Note 3: The balance of principal of the bank borrowings obtained by the Group through mortgages and pledges of the aforesaid assets totaled RMB6,148,188,957.12.



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Short-term borrowings

(1) Categories of short-term borrowings

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Guaranteed borrowings	1,654,097,027.02	1,529,763,556.48
Credit borrowings	1,018,832,846.14	1,044,085,628.01
Total	2,672,929,873.16	2,573,849,184.49

(2) Details of guaranteed borrowings

RMB

Name of entity	Closing balance (Unaudited)	Guaranteed by
Ping An Bank Hong Kong Branch	447,733,918.10	Bay Area Development
Bank of China (Hong Kong) Limited	639,842,641.12	Bay Area Development
CMB Wing Lung Bank Hong Kong Branch	566,520,467.80	Bay Area Development
Total	1,654,097,027.02	

24. Transactional financial liabilities

RMB

Item	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)	Reason and basis for designation
Obligation to pay the difference	197,664,719.66	–	6,018,518.35	191,646,201.31	N/A
Total	197,664,719.66	–	6,018,518.35	191,646,201.31	

Note: In January 2022, the Group acquired the 100% equity interest in SIHICH held by Shenzhen Investment Holdings International Capital Holding Company Limited and assumed the obligation to make up the difference for CMF Global Quantitative Multi-Asset Segregated Portfolio Company and CMF Global Quantitative Stable Segregated Portfolio (collectively, "CMF Global"). In addition, the Group renewed such obligation to 17 August 2028 or earlier maturity date as determined by the Company and either of Mei Wah Company and CMF Global in accordance with the written notice on Agreement for Make-Up of the Earnings during the Renewal Period or other covenants of the agreement. If CMF Global disposes of its 9.45% equity interest in Bay Area Development before 17 August 2028, the difference between the transfer price and the agreed investment cost of HKD1,075,713,016.54 will be made up by the Group. Meanwhile, during the Renewal Period, the portion of the annual investment return obtained by CMF Global through Bay Area Development that does not reach the agreed level will be made up by the Group. As at 30 June 2025, the balance of the Group's liability for the difference make-up obligation recognized amounted to RMB191,646,201.31.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Bills payable

Presentation of bills payable

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Commercial acceptance bills	614,462,888.44	853,453,402.08
Bank acceptance bills	–	17,225,000.00
Total	614,462,888.44	870,678,402.08

As at 30 June 2025, the Group had no overdue bills payable.

26. Accounts payable

(1) Presentation of accounts payable

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Payables for construction projects, quality assurance deposits and margins	1,888,316,184.56	2,466,684,629.14
Payables for goods	305,206,026.60	402,901,125.35
Others	6,031,453.01	118,220,326.16
Total	2,199,553,664.17	2,987,806,080.65

(2) Significant accounts payable aged over one year

RMB

Item	Closing balance (Unaudited)	Reason for failure in repayment or carry-forward
Total of top five accounts payable aged over one year	464,159,824.19	Unsettled project funds



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Contract liabilities

(1) Details of contract liabilities

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Advances from sales of goods	37,564,381.20	24,621,412.66
Advances from sales of real estate	31,481,144.95	19,895,133.02
Advances from operating and management fees	3,536,077.88	6,839,226.27
Advances from sales of wind turbine	5,410,833.00	5,410,833.00
Others	6,005,947.58	4,946,233.03
Total	83,998,384.61	61,712,837.98

(2) There is no amount with significant change in carrying amount during the period.

28. Employee benefits payable

(1) Presentation of employee benefits payable

RMB

Item	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
I. Short-term wages	351,107,153.76	458,669,954.68	544,484,795.05	265,292,313.39
II. Post-employment benefits – defined contribution plans	7,539,283.95	62,554,628.86	61,730,864.32	8,363,048.49
Total	358,646,437.71	521,224,583.54	606,215,659.37	273,655,361.88

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Employee benefits payable (Continued)

(2) Presentation of short-term benefits

RMB

Item	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
I. Wages and salaries, bonuses, allowances and subsidies	322,424,608.27	353,663,507.17	430,639,805.87	245,448,309.57
II. Staff welfare	7,344,192.83	44,454,392.33	50,005,392.34	1,793,192.82
III. Social security contributions	853,919.57	16,434,503.91	16,800,450.58	487,972.90
Including: Medical insurance	667,124.66	13,016,308.44	13,273,979.42	409,453.68
Work injury insurance	120,082.44	2,047,170.69	2,127,177.94	40,075.19
Maternity insurance	66,712.47	1,371,024.78	1,399,293.22	38,444.03
IV. Housing funds	1,793,476.87	33,781,445.07	34,390,817.75	1,184,104.19
V. Labor union funds and employee education funds	10,976,742.38	8,743,636.75	9,937,507.62	9,782,871.51
VI. Others	7,714,213.84	1,592,469.45	2,710,820.89	6,595,862.40
Total	351,107,153.76	458,669,954.68	544,484,795.05	265,292,313.39

(3) Presentation of defined contribution plans

RMB

Item	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
1. Basic pensions	2,134,798.89	47,823,595.13	47,439,503.21	2,518,890.81
2. Unemployment insurance	106,739.95	2,019,460.83	2,085,417.99	40,782.79
3. Enterprise annuities	5,297,745.11	12,711,572.90	12,205,943.12	5,803,374.89
Total	7,539,283.95	62,554,628.86	61,730,864.32	8,363,048.49

The Group participates, as required, in the pension insurance and unemployment plan established by government institutions. According to such plans, the Group contributes monthly to such plans based on the regulations of the government institutions. Except for above monthly contributions, the Group does not assume further payment obligations. The related expenditures are either included in cost of related assets or charged to profit or loss for the period when they are incurred.

For the current period, the Group should contribute to the pension insurance and unemployment insurance plans amounting to RMB47,823,595.13 and RMB2,019,460.83 (for the six months ended 30 June 2024: RMB36,013,176.56 and RMB1,802,075.56), respectively. As at 30 June 2025, the Group has outstanding contributions to the pension insurance and unemployment insurance plans that are due as at the reporting period amounting to RMB2,518,890.81 and RMB40,782.79 (31 December 2024: RMB2,134,798.89 and RMB106,739.95).



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Taxes payable

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
VAT	140,594,293.67	165,987,502.89
Enterprise income tax	154,385,564.68	156,532,567.91
Land appreciation tax	23,315,890.80	23,611,892.32
Property tax	13,557,748.43	2,279,679.64
City maintenance and construction tax	5,391,011.83	3,126,377.08
Educational surcharge	4,071,344.49	2,416,671.42
Others	2,511,433.29	3,566,165.43
Total	343,827,287.19	357,520,856.69

30. Other payables

30.1 Presentation of other payables

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Dividends payable	695,583,275.81	85,013,326.10
Other payables	815,646,539.36	1,083,986,965.13
Total	1,511,229,815.17	1,169,000,291.23

30.2 Dividends payable

Presentation by category

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Ordinary share dividends	680,853,553.59	81,102,214.99
Perpetual bond dividends classified as equity instruments	14,729,722.22	3,911,111.11
Total	695,583,275.81	85,013,326.10

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Other payables (Continued)

30.3 Other payables

(1) Presentation of other payables by nature

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Accrued project expenditure and special administrative expenses	164,785,369.30	216,220,839.40
Payables for tender and performance deposits and quality assurance deposits	131,945,188.66	135,098,350.66
Payables to related parties (Note XI, 6(2))	78,643,134.18	182,907,034.91
Payables for road maintenance and electromechanical maintenance	114,081,797.59	194,338,272.22
Project funds retained for construction management contracts	73,821,027.67	62,586,689.26
Payables for provincial toll station cancellation project	29,182,658.08	29,182,658.08
Payables for agent-construction of Coastal Expressway Phase II Project	19,378,599.38	19,378,599.38
Payables for independent costs of agent-construction projects	10,915,545.35	10,915,545.35
Payables for equity acquisition	6,475,000.00	6,475,000.00
Payables for demolition of old stations	6,273,174.30	6,273,174.30
Payables for country road construction and management services in Hunan Province	3,041,574.14	3,041,574.14
Payables for subscription funds and down deposits for real estate sales	2,668,000.00	3,293,000.00
Others	174,435,470.71	214,276,227.43
Total	815,646,539.36	1,083,986,965.13

(2) Significant other payables aged over one year

As at 30 June 2025, the Group had no significant other payables aged over one year.

31. Non-current liabilities due within one year

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Long-term borrowings due within one year (Note V, 33)	2,029,767,458.40	2,393,570,384.34
Including: Credit borrowings	900,681,610.20	1,014,529,656.43
Guaranteed borrowings	635,854,535.96	864,681,782.81
Pledged borrowings	493,231,312.24	514,358,945.10
Bonds payable due within one year (Note V, 34)	1,164,819,524.69	134,874,566.81
Lease liabilities due within one year (Note V, 35)	13,870,222.95	15,807,598.80
Total	3,208,457,206.04	2,544,252,549.95

Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Other current liabilities

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Ultra-short-term financing bonds (Note)	1,504,769,943.54	3,016,271,998.43
Output tax to be transferred	39,022,386.06	37,105,032.72
Total	1,543,792,329.60	3,053,377,031.15

Note: RMB1.5 billion of ultra-short-term financing bonds was issued by the Company on 15 April 2025 with an annual interest rate of 1.64% and a term of 270 days.

33. Long-term borrowings

Categories of long-term borrowings

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)	Range of interest rate
Credit borrowings	6,133,956,983.05	7,561,118,531.05	2.10%-3.30%
Pledged borrowings	5,323,117,263.89	5,679,260,372.98	2.25%-3.62%
Guaranteed borrowings	1,904,219,502.90	2,233,619,257.84	0.76%-3.10%
Guaranteed and pledged borrowings	533,905,026.56	528,469,240.00	2.55%-3.45%
Guaranteed, mortgage and pledged borrowings	291,166,666.67	291,566,666.66	2.70%-3.55%
Accrued interest	7,606,018.82	11,809,650.02	
Total	14,193,971,461.89	16,305,843,718.55	
Less: Long-term borrowings due within one year (Note V, 31)	2,029,767,458.40	2,393,570,384.34	
Long-term borrowings due after one year	12,164,204,003.49	13,912,273,334.21	

34. Bonds payable

(1) Categories of bonds payable

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Long-term corporate bonds	10,105,162,353.82	7,801,114,988.35
Medium-term notes	4,045,594,069.81	2,527,982,642.74
Total	14,150,756,423.63	10,329,097,631.09
Less: Bonds payable due within one year (Note V, 31)	1,164,819,524.69	134,874,566.81
Bonds payable due after one year	12,985,936,898.94	10,194,223,064.28

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Bonds payable (Continued)

(2) Details of bonds payable

RMB

Name of bonds	Par value	Coupon rate (%)	Date of issuance	Maturity	Issued amount	Opening balance (Audited)	Issue amount in the current period	Accrual of interest by par value	Discount and issue fee amortization	Effects of foreign currency translation	Payment amount in the current period	Interest payable	Closing balance (Unaudited)	Is it in breach of contract
Long-term corporate bonds	USD 300,000,000.00	1.75	8 July 2021	5 years	2,156,520,000.00	2,169,808,065.60	-	18,925,547.37	1,993,099.93	(8,940,000.00)	18,976,649.69	18,084,631.44	2,162,726,063.11	No
Long-term corporate bonds	1,500,000,000.00	3.18	20 January 2022	7 years	1,500,000,000.00	1,542,808,351.77	-	23,851,125.00	367,071.85	-	47,702,250.00	21,333,506.25	1,519,324,298.62	No
Long-term corporate bonds	1,000,000,000.00	3.35	23 July 2021	5 years	1,000,000,000.00	1,013,507,909.03	-	16,750,000.02	285,524.42	-	-	31,173,611.23	1,030,543,431.47	No
Long-term corporate bonds	550,000,000.00	2.88	17 October 2023	3 years	550,000,000.00	552,527,796.93	-	7,920,373.56	204,737.58	-	-	11,132,525.01	560,652,908.07	No
Long-term corporate bonds	550,000,000.00	2.25	27 May 2024	3 years	550,000,000.00	556,967,214.63	-	6,187,791.84	84,342.83	-	12,375,583.73	1,203,181.70	550,863,765.57	No
Long-term corporate bonds	950,000,000.00	2.70	27 May 2024	10 years	950,000,000.00	964,435,815.49	-	12,825,604.98	40,750.00	-	25,651,209.91	2,493,867.68	951,650,960.56	No
Long-term corporate bonds	1,000,000,000.00	2.20	2 December 2024	5 years	1,000,000,000.00	1,001,059,834.90	-	11,000,518.86	-	-	-	12,833,938.67	1,012,060,353.76	No
Long-term corporate bonds (Note 1)	2,300,000,000.00	2.29	12 March 2025	5 years	2,300,000,000.00	-	2,300,000,000.00	18,975,895.04	(1,635,322.38)	-	-	18,975,895.04	2,317,340,572.66	No
Medium-term notes	1,000,000,000.00	2.89	22 May 2023	3 years	1,000,000,000.00	1,017,041,088.83	-	14,451,981.21	217,813.20	-	28,900,477.12	3,052,825.62	1,002,810,406.12	No
Medium-term notes	1,000,000,000.00	3.05	4 September 2023	5 years	1,000,000,000.00	1,009,141,707.42	-	15,250,251.78	79,879.74	-	-	24,993,468.21	1,024,471,838.94	No
Medium-term notes	500,000,000.00	2.16	21 October 2024	3 years	500,000,000.00	501,799,846.49	-	5,400,089.16	-	-	26,415.09	7,530,124.33	507,773,520.56	No
Medium-term notes (Note 2)	1,000,000,000.00	1.70	8 January 2025	3 years	1,000,000,000.00	-	1,000,000,000.00	8,169,579.34	(304,461.53)	-	-	8,169,579.34	1,007,865,117.81	No
Medium-term notes (Note 2)	500,000,000.00	1.70	8 January 2025	3 years	500,000,000.00	-	500,000,000.00	4,084,789.67	(811,603.29)	-	-	4,084,789.67	503,273,186.38	No
Total						10,329,097,631.09	3,880,000,000.00	163,793,547.83	437,830.25	(8,940,000.00)	133,632,585.54	165,061,944.19	14,150,756,423.63	

Note 1: Corporate bonds

The Company was permitted to publicly issue corporate bonds with a face value of not more than RMB8 billion to professional investors upon approval of Shanghai Stock Exchange and registration by China Securities Regulatory Commission (Zheng Jian Xu Ke [2024] No. 576). On 12 March 2025, the Company completed the issuance of "25 Shen Gao 01", and the actual issuance scale was RMB2,300,000,000.00. The bond was issued at the rate of 2.29%. The term of the bond is 5 years, and the interest-bearing term is from 12 March 2025 to 12 March 2030. The bonds bear interest on a fixed interest basis, and the interest is repaid annually, with a lump sum repayment of principal at maturity.

Note 2: Medium-term notes

(1) On 8 January 2025, the Company issued the first phase of 2025 medium-term notes of RMB1,000,000,000.00, which bear a term of 3 years and interest at a rate of 1.70%, with an inception date of interest on 9 January 2025 and a due date on 9 January 2028. The funds raised are intended to be used to repay the Company's maturing debt financing instruments. (2) On 8 January 2025, the Company issued the second phase of 2025 medium-term notes of RMB500,000,000.00, which bear a term of 3 years and interest at a rate of 1.70%, with an inception date of interest on 9 January 2025 and a due date on 9 January 2028. The funds raised are intended to be used to repay the Company's maturing debt financing instruments.

Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Lease liabilities

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Lease liabilities	24,966,660.81	31,703,802.65
Less: Lease liabilities included in non-current liabilities due within one year (Note V, 31)	13,870,222.95	15,807,598.80
Net amount	11,096,437.86	15,896,203.85

The analysis of the Group's lease liabilities based on the maturity period of the undiscounted remaining contractual obligations is as follows:

RMB

Item	Within 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Closing balance	14,516,464.63	9,744,458.45	1,491,223.11	47,619.05	25,799,765.24
Opening balance	16,613,623.72	12,547,223.39	3,742,849.56	47,619.05	32,951,315.72

36. Long-term payables

(1) Presentation of long-term payables by nature

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Borrowings from associates and joint ventures (Note XI, 6(2))	387,586,715.85	387,586,715.85

37. Long-term employee benefits payable

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Other long-term employee benefits (Note)	115,649,911.45	115,649,911.45

Note: Other long-term employee benefits are the Group's long-term incentive bonuses.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Provisions

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Cost of services in the future (Note 1)	146,979,410.03	144,424,808.03
Subsequent expenditure on kitchen waste disposal project (Note 2)	72,564,948.46	62,207,791.74
Pending litigation or arbitration	30,220,277.29	28,625,430.96
Product quality assurance deposits	4,311,602.47	6,785,851.15
Total	254,076,238.25	242,043,881.88

Note 1: It represents the estimated cost of services of toll roads in the future accrued by the Group according to relevant government documents.

Note 2: It represents the expenditure expected to be incurred by the Group to maintain a certain service capacity of the kitchen waste disposal assets it holds or to maintain a certain state of use of these assets before they are handed over to the contract grantor.

39. Deferred revenue

RMB

Item	Opening balance (Audited)	Additions	Reductions	Other changes	Closing balance (Unaudited)	Reason
Compensation for future operating expenses of new stations on Nanguang Expressway and Yanpai Expressway	140,544,931.35	–	21,000,000.00	–	119,544,931.35	Compensation from Shenzhen government for future operating expenses of new stations on and toll adjustments regarding Nanguang Expressway and Yanpai Expressway
Compensation for future operating expenses of new stations on the free section of Longda Expressway	89,665,931.77	–	16,368,008.40	–	73,297,923.37	Compensation from Shenzhen government for future operating expenses of new stations on and toll adjustments regarding the Shenzhen section of Longda Expressway
Compensation for operating expenses regarding the new ramp on the free section of Meiguan Expressway	29,430,883.96	–	6,540,196.32	–	22,890,687.64	Compensation from Shenzhen government for future operating expenses of new ramps on and toll adjustments regarding Meiguan Expressway
Central subsidy funds for cancellation of the provincial expressway toll station project	12,331,159.62	–	3,116,276.77	–	9,214,882.85	The Ministry of Transport's cash subsidies for cancellation of the provincial expressway toll station project regarding the toll roads of the Company
Government economic grants for Bioland Company	21,851,557.88	5,869,746.53	1,440,251.95	–	26,281,052.46	Government grants for equipment received by Bioland Company
Government compensation for demolition	2,746,988.94	–	1,373,494.44	–	1,373,494.50	Government compensation for demolition received by Qinglong Company
Government financial grants for Guizhou Land	465,300.35	–	2,802.57	–	462,497.78	Government financial grants received by Guizhou Land from Guizhou Longli County Government
Total	297,036,753.87	5,869,746.53	49,841,030.45	–	253,065,469.95	

Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Equity

RMB

Item	Opening balance (Audited)	Changes for the period					Closing balance (Unaudited)
		New shares issued	Bonus issue	Transfer from reserve	Others	Sub-total	
Equity	2,180,770,326.00	357,085,801.00	–	–	–	357,085,801.00	2,537,856,127.00

Note: The Company issued 357,085,801 A shares at an issuance price of RMB13.17 per share to specific investors, raising a total of RMB4,702,819,999.17. After deducting issuance costs (excluding VAT) of RMB23,583,484.46, the net proceeds from this issuance amounted to RMB4,679,236,514.71, of which RMB357,085,801.00 was included in equity and RMB4,322,150,713.71 was included in capital reserve – share premium. The registration procedures for the newly issued shares were completed on 27 March 2025 at China Securities Depository and Clearing Corporation Limited Shanghai Branch. As a result, the total equity issued by the Company increased from 2,180,770,326 shares to 2,537,856,127 shares.

41. Other equity instruments

(1) As at 30 June 2025, the specific information of the Group's outstanding perpetual bonds is as follows:

RMB

Item	Issue date	Accounting classification	Interest rate	Amount	Expiry day or renewal situation	Transfer conditions	General information of transfer
Perpetual corporate bonds – 25 Shen Gao Y1	16 April 2025	Other equity instruments	2.05%	1,000,000,000.00	3+N years	Nil	Nil
Perpetual corporate bonds – 25 Shen Gao Y2	16 April 2025	Other equity instruments	2.20%	1,000,000,000.00	5+N years	Nil	Nil
Perpetual corporate bonds – 25 Shen Gao Y3	13 May 2025	Other equity instruments	2.05%	1,000,000,000.00	3+N years	Nil	Nil
Perpetual corporate bonds – 25 Shen Gao Y4	13 May 2025	Other equity instruments	2.18%	1,000,000,000.00	5+N years	Nil	Nil

(2) Changes in the Group's outstanding perpetual bonds are as follows:

RMB

Item	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
Perpetual bonds	4,000,000,000.00	4,000,000,000.00	4,000,000,000.00	4,000,000,000.00

Note: The Company has early redeemed the perpetual bonds which were originally issued on 4 December 2020 amounting to RMB4,000,000,000.00, and will pay the principal and interest in full on 21 April 2025. On 16 April 2025 and 13 May 2025, the Company publicly issued perpetual corporate bonds totaling RMB4,000,000,000.00 to professional investors, which were included in other equity instruments. The issuance costs of RMB3,858,490.57 were offset against capital reserve – share premium.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Capital reserve

RMB

Item	Opening balance (Audited)	Additions	Reductions (Note 2)	Closing balance (Unaudited)
Share premium	4,108,309,089.42	4,322,150,713.71	3,858,490.57	8,426,601,312.56
Including: Contributions from investors (Note 1)	1,444,510,961.24	4,322,150,713.71	3,858,490.57	5,762,803,184.38
Business combination involving entities under common control	2,759,887,122.51	–	–	2,759,887,122.51
Acquisition of minority interests in subsidiaries	(95,077,473.00)	–	–	(95,077,473.00)
Capital injection in the investee	(1,011,521.33)	–	–	(1,011,521.33)
Other capital reserve (Note 2)	283,885,330.73	–	6,726,487.54	277,158,843.19
Total	4,392,194,420.15	4,322,150,713.71	10,584,978.11	8,703,760,155.75

Note 1: The reasons for the increase in capital reserve – share premium for the period are set out in Note V, 40, and the reasons for the decrease are set out in Note V, 41.

Note 2: The Group decreased the capital reserve by RMB6,726,487.54 in proportion to its shareholdings based on the change in capital reserve of joint ventures and associates held.

43. Other comprehensive income

RMB

Item	Amount incurred in the current period						Closing balance (Unaudited)
	Opening balance (Audited)	Pre-tax amount incurred during the period	Less: Amount included in other comprehensive income in the previous period and transferred to profit or loss in the current period	Less: Income tax expenses	Amount attributable to the Company, net of tax	Amount attributable to minority shareholders, net of tax	
I. Other comprehensive income that may not be reclassified to profit or loss	–	–	–	–	–	–	–
Including: Changes from remeasurement of defined benefit plans	–	–	–	–	–	–	–
II. Other comprehensive income that may be reclassified to profit or loss	(762,550,544.98)	75,725,357.25	–	–	57,850,789.59	17,874,567.66	(704,699,755.39)
Including: Appreciation of initial equity interest upon business combination	893,132,218.74	–	–	–	–	–	893,132,218.74
Other comprehensive income that will be reclassified to profit or loss under the equity method (Note V,12)	19,307,307.90	17,499,568.54	–	–	17,499,568.54	–	36,806,876.44
Translation differences of financial statements denominated in foreign currencies	(1,675,396,251.62)	58,225,788.71	–	–	40,351,221.05	17,874,567.66	(1,635,045,030.57)
Others	406,180.00	–	–	–	–	–	406,180.00
Total other comprehensive income	(762,550,544.98)	75,725,357.25	–	–	57,850,789.59	17,874,567.66	(704,699,755.39)

Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Surplus reserve

RMB

Item	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
Statutory surplus reserve	3,053,534,629.12	130,291,842.90	–	3,183,826,472.02
Discretionary surplus reserve	453,391,330.06	260,583,685.86	–	713,975,015.92
Total	3,506,925,959.18	390,875,528.76	–	3,897,801,487.94

In accordance with the *Company Law of the People's Republic of China*, the Company's Articles of Association and the resolution of the General Meeting of Shareholders, the Company should appropriate 10% of the net profit for the year to the statutory surplus reserve, where the appropriation can cease when the statutory surplus reserve reaches 50% of the registered capital. The statutory surplus reserve can be used to make up for the loss or increase capital after approval from the appropriate authorities. For the six months ended 30 June 2025, the Company has appropriated statutory surplus reserve of RMB130,291,842.90 (for the six months ended 30 June 2024: RMB288,734,726.30).

The amount of the Company's discretionary surplus reserve shall be proposed by the Board of Directors and subject to the approval at the General Meeting of Shareholders. The discretionary surplus reserve can be used to make up for previous years' loss or increase capital upon approval. For the six months ended 30 June 2025, the Company has appropriated discretionary surplus reserve of RMB260,583,685.86 (for the six months ended 30 June 2024: RMB0.00).

45. Undistributed profits

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the year ended 31 December 2024 (Audited)
Balance of undistributed profits at the end of the prior period before adjustment	8,586,181,562.92	9,112,002,127.97
Opening balance of undistributed profits after adjustment	8,586,181,562.92	9,112,002,127.97
Add: Net profit attributable to shareholders of the Company in the current period	959,891,990.84	1,145,048,951.69
Less: Appropriation of statutory surplus reserve	130,291,842.90	288,734,726.30
Appropriation of discretionary surplus reserve	260,583,685.86	–
Ordinary share dividends payable (Note)	619,236,894.99	1,199,423,679.30
Dividends paid to other equity instruments	53,840,833.33	182,711,111.14
Closing balance of undistributed profits	8,482,120,296.68	8,586,181,562.92

Note: According to the resolution of the General Meeting of Shareholders on 30 June 2025, the Company distributed 2024 cash dividends to all shareholders at RMB0.244 per share. Based on the 2,537,856,127 shares issued, cash dividends amounting to RMB619,236,894.99 were distributed in total, of which cash dividend of RMB436,846,894.99 was distributed for 1,790,356,127 A shares issued, and cash dividend of HKD199,797,562.42 (equivalent to RMB182,390,000.00) was distributed for 747,500,000 H shares issued. As of 30 June 2025, the above dividends have not yet been paid.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Operating income and cost of services

(1) Details of operating income and cost of services

RMB

Item	For the six months ended 30 June 2025 (Unaudited)		For the six months ended 30 June 2024 (Unaudited)	
	Income	Cost	Income	Cost
Main business – Toll road	2,449,431,323.46	1,241,552,298.96	2,433,892,615.28	1,205,699,322.00
Main business – Environmental protection	749,928,961.95	577,890,278.40	734,698,183.52	591,055,589.35
– Wind power	288,932,488.11	144,392,922.71	301,575,768.72	134,585,284.32
– Construction of kitchen waste disposal projects	23,795,923.49	20,083,928.30	(24,895,566.28)	13,434,107.84
– Operation of kitchen waste disposal projects	365,542,540.70	320,162,365.09	327,532,364.34	291,979,457.77
– Sales of kitchen waste disposal equipment	937,929.20	1,344,644.32	6,527,191.16	14,596,824.83
– Others	70,720,080.45	91,906,417.98	123,958,425.58	136,459,914.59
Other services	719,195,055.33	650,891,547.98	588,301,502.50	518,912,273.19
– Entrusted construction and management services	135,601,842.17	122,980,053.89	116,716,359.36	104,845,755.62
– Construction service under franchise arrangements	460,632,138.04	442,636,631.92	287,490,973.77	287,490,973.77
– Financial leasing	27,479,368.94	24,862,077.09	35,301,783.71	25,408,855.15
– Real estate development	8,486,280.37	7,162,520.67	7,807,079.82	7,005,345.44
– Advertising	260,139.59	1,910,020.95	2,002,066.20	1,665,667.66
– Others	86,735,286.22	51,340,243.46	138,983,239.64	92,495,675.55
Total	3,918,555,340.74	2,470,334,125.34	3,756,892,301.30	2,315,667,184.54



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Operating income and cost of services (Continued)

(2) Breakdown of operating income

For the six months ended 30 June 2025

RMB

Reporting segment	Toll road	Environmental protection	Entrusted construction and management services	Financial leasing service	Construction service under franchise arrangements	Others	Total
Main operating areas							
Guangdong Province	2,327,085,762.49	170,409,827.25	120,486,967.72	27,479,368.94	453,840,634.06	82,762,509.13	3,182,065,069.59
Hunan Province	122,345,560.97	18,247,071.90	15,114,874.45	-	-	4,143,429.13	159,850,936.45
Guizhou Province	-	47,363,282.17	-	-	1,254,909.27	8,575,767.92	57,193,959.36
Hubei Province	-	6,456,038.35	-	-	98,847.33	-	6,554,885.68
Jiangsu Province	-	21,986,136.76	-	-	-	-	21,986,136.76
Inner Mongolia Autonomous Region	-	125,816,622.72	-	-	-	-	125,816,622.72
Guangxi Zhuang Autonomous Region	-	58,052,267.12	-	-	4,889,643.33	-	62,941,910.45
Shandong Province	-	17,485,410.83	-	-	60,530.54	-	17,545,941.37
Zhejiang Province	-	21,636,708.96	-	-	-	-	21,636,708.96
Sichuan Province	-	23,162,563.39	-	-	-	-	23,162,563.39
Jiangxi Province	-	50,781,463.25	-	-	407,805.70	-	51,189,268.95
Hebei Province	-	9,602,334.21	-	-	69,000.00	-	9,671,334.21
Xinjiang Uygur Autonomous Region	-	157,800,936.98	-	-	-	-	157,800,936.98
Henan Province	-	8,146,404.99	-	-	-	-	8,146,404.99
Ningxia Hui Autonomous Region	-	9,900,803.91	-	-	-	-	9,900,803.91
Anhui Province	-	3,081,089.16	-	-	10,767.81	-	3,091,856.97
Total	2,449,431,323.46	749,928,961.95	135,601,842.17	27,479,368.94	460,632,138.04	95,481,706.18	3,918,555,340.74

Main service categories	Toll road	Environmental protection	Entrusted construction and management services	Financial leasing service	Construction service under franchise arrangements	Others	Total
Timing of revenue recognition							
Revenue recognized at a point in time	2,449,431,323.46	703,684,151.94	-	-	-	29,031,972.53	3,182,147,447.93
Revenue recognized over time	-	46,244,810.01	135,601,842.17	-	460,632,138.04	66,189,594.06	708,668,384.28
Total	2,449,431,323.46	749,928,961.95	135,601,842.17	-	460,632,138.04	95,221,566.59	3,890,815,832.21

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Operating income and cost of services (Continued)

(2) Breakdown of operating income (Continued)

For the six months ended 30 June 2024

RMB

Reporting segment	Toll road	Environmental protection	Entrusted construction and management services	Financial leasing service	Construction service under franchise arrangements	Others	Total
Main operating areas							
Guangdong Province	2,220,703,457.44	195,426,551.41	108,024,319.25	35,301,783.71	271,434,424.03	135,636,869.11	2,966,527,404.95
Hunan Province	213,189,157.84	19,273,323.07	6,589,698.09	–	–	5,030,954.32	244,083,133.32
Guizhou Province	–	45,920,301.13	2,102,342.02	–	2,288,999.39	7,807,079.82	58,118,722.36
Hubei Province	–	6,477,029.57	–	–	–	–	6,477,029.57
Jiangsu Province	–	22,476,300.41	–	–	1,143,007.29	317,482.41	23,936,790.11
Inner Mongolia Autonomous Region	–	114,968,123.96	–	–	316,938.94	–	115,285,062.90
Guangxi Zhuang Autonomous Region	–	50,843,240.32	–	–	8,428,601.32	–	59,271,841.64
Shandong Province	–	22,480,147.72	–	–	456,759.20	–	22,936,906.92
Zhejiang Province	–	14,517,139.67	–	–	–	–	14,517,139.67
Sichuan Province	–	10,451,662.39	–	–	2,188,991.26	–	12,640,653.65
Jiangxi Province	–	21,340,085.94	–	–	265,776.39	–	21,605,862.33
Hebei Province	–	8,274,761.58	–	–	134,964.12	–	8,409,725.70
Xinjiang Uygur Autonomous Region	–	171,371,795.47	–	–	–	–	171,371,795.47
Henan Province	–	13,485,060.51	–	–	–	–	13,485,060.51
Ningxia Hui Autonomous Region	–	14,626,628.02	–	–	–	–	14,626,628.02
Anhui Province	–	2,766,032.35	–	–	832,511.83	–	3,598,544.18
Total	2,433,892,615.28	734,698,183.52	116,716,359.36	35,301,783.71	287,490,973.77	148,792,385.66	3,756,892,301.30

Main service categories	Toll road	Environmental protection	Entrusted construction and management services	Financial leasing service	Construction service under franchise arrangements	Others	Total
Timing of revenue recognition							
Revenue recognized at a point in time	2,433,892,615.28	759,593,749.80	–	–	–	55,572,626.31	3,249,058,991.39
Revenue recognized over time	–	(24,895,566.28)	116,716,359.36	–	287,490,973.77	91,217,693.15	470,529,460.00
Total	2,433,892,615.28	734,698,183.52	116,716,359.36	–	287,490,973.77	146,790,319.46	3,719,588,451.39



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Operating income and cost of services (Continued)

(3) Breakdown of cost of services

For the six months ended 30 June 2025

RMB

Reporting segment	Toll road	Environmental protection	Entrusted construction and management services	Financial leasing service	Construction service under franchise arrangements	Others	Total
Main operating areas							
Guangdong Province	1,195,431,376.11	191,416,333.72	108,014,169.88	24,862,077.09	435,845,127.94	53,250,264.41	2,008,819,349.15
Hunan Province	46,120,922.85	13,122,701.22	14,965,884.01	-	-	-	74,209,508.08
Guizhou Province	-	35,728,789.76	-	-	1,254,909.27	7,162,520.67	44,146,219.70
Hubei Province	-	6,983,933.54	-	-	98,847.33	-	7,082,780.87
Jiangsu Province	-	27,089,453.32	-	-	-	-	27,089,453.32
Inner Mongolia Autonomous Region	-	62,599,276.09	-	-	-	-	62,599,276.09
Guangxi Zhuang Autonomous Region	-	57,140,536.81	-	-	4,889,643.33	-	62,030,180.14
Shandong Province	-	16,234,671.48	-	-	60,530.54	-	16,295,202.02
Zhejiang Province	-	16,530,618.97	-	-	-	-	16,530,618.97
Sichuan Province	-	14,796,631.45	-	-	-	-	14,796,631.45
Jiangxi Province	-	37,339,790.67	-	-	407,805.70	-	37,747,596.37
Hebei Province	-	10,904,453.17	-	-	69,000.00	-	10,973,453.17
Xinjiang Uygur Autonomous Region	-	65,393,753.96	-	-	-	-	65,393,753.96
Henan Province	-	5,171,651.47	-	-	-	-	5,171,651.47
Ningxia Hui Autonomous Region	-	11,260,267.79	-	-	-	-	11,260,267.79
Anhui Province	-	6,177,414.98	-	-	10,767.81	-	6,188,182.79
Total	1,241,552,298.96	577,890,278.40	122,980,053.89	24,862,077.09	442,636,631.92	60,412,785.08	2,470,334,125.34

Main service categories	Toll road	Environmental protection	Entrusted construction and management services	Financial leasing service	Construction service under franchise arrangements	Others	Total
Timing of cost recognition							
Cost recognized at a point in time	1,241,552,298.96	534,885,058.26	-	-	-	40,630,612.29	1,817,067,969.51
Cost recognized over time	-	43,005,220.14	122,980,053.89	-	442,636,631.92	17,872,151.84	626,494,057.79
Total	1,241,552,298.96	577,890,278.40	122,980,053.89	-	442,636,631.92	58,502,764.13	2,443,562,027.30

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Operating income and cost of services (Continued)

(3) Breakdown of cost of services (Continued)

For the six months ended 30 June 2024

RMB

Reporting segment	Toll road	Environmental protection	Entrusted construction and management services	Financial leasing service	Construction service under franchise arrangements	Others	Total
Main operating areas							
Guangdong Province	1,104,944,957.75	197,139,573.54	101,369,628.45	25,408,855.15	271,434,424.03	94,161,343.21	1,794,458,782.13
Hunan Province	100,632,886.81	8,448,464.58	–	–	–	–	109,081,351.39
Guizhou Province	–	51,785,347.39	3,476,127.17	–	2,288,999.39	7,005,345.44	64,555,819.39
Hubei Province	121,477.44	6,558,592.21	–	–	–	–	6,680,069.65
Jiangsu Province	–	23,009,101.67	–	–	1,143,007.29	–	24,152,108.96
Inner Mongolia Autonomous Region	–	56,829,217.10	–	–	316,938.94	–	57,146,156.04
Guangxi Zhuang Autonomous Region	–	57,651,832.69	–	–	8,428,601.32	–	66,080,434.01
Shandong Province	–	27,234,972.99	–	–	456,759.20	–	27,691,732.19
Zhejiang Province	–	17,142,481.22	–	–	–	–	17,142,481.22
Sichuan Province	–	15,151,647.90	–	–	2,188,991.26	–	17,340,639.16
Jiangxi Province	–	34,929,128.77	–	–	265,776.39	–	35,194,905.16
Hebei Province	–	11,090,280.76	–	–	134,964.12	–	11,225,244.88
Xinjiang Uygur Autonomous Region	–	64,026,282.59	–	–	–	–	64,026,282.59
Henan Province	–	6,019,905.15	–	–	–	–	6,019,905.15
Ningxia Hui Autonomous Region	–	10,899,587.78	–	–	–	–	10,899,587.78
Anhui Province	–	3,139,173.01	–	–	832,511.83	–	3,971,684.84
Total	1,205,699,322.00	591,055,589.35	104,845,755.62	25,408,855.15	287,490,973.77	101,166,688.65	2,315,667,184.54

Main service categories	Toll road	Environmental protection	Entrusted construction and management services	Financial leasing service	Construction service under franchise arrangements	Others	Total
Timing of cost recognition							
Cost recognized at a point in time	1,205,699,322.00	577,621,481.51	–	–	–	70,626,473.77	1,853,947,277.28
Cost recognized over time	–	13,434,107.84	104,845,755.62	–	287,490,973.77	28,874,547.22	434,645,384.45
Total	1,205,699,322.00	591,055,589.35	104,845,755.62	–	287,490,973.77	99,501,020.99	2,288,592,661.73



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Operating income and cost of services (Continued)

(4) Descriptions on performance obligations

The main businesses of the Group are toll highways, environmental protection, etc. Please refer to Note III, 30.

There is no major financing component in the revenue contract of the Group.

(5) Descriptions on allocation to remaining performance obligations

At the end of the period, the amount of contract liabilities corresponding to the performance obligations for which the Group has entered into a contract but which has not been fulfilled or completely fulfilled was RMB83,998,384.61, and the revenue will be recognized when the customer obtains control of the product.

47. General and administrative expenses

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Salaries and wages (Note)	100,838,725.74	80,070,426.36
Depreciation and amortization	41,065,903.42	59,524,088.35
Office building management fees	6,402,443.44	6,484,293.46
Legal and advisory fees	5,531,658.90	6,205,708.76
Office and communication charges	3,783,022.46	5,841,788.41
Stock exchange fees	2,649,942.47	1,731,883.16
Audit fees	2,570,201.11	2,305,831.17
Business entertainment fees	746,294.74	1,122,969.27
Travel fees	638,471.16	1,180,842.45
Vehicle fees	618,201.28	909,699.22
Others	3,664,289.37	5,341,490.07
Total	168,509,154.09	170,719,020.68

Note: The amount for the period increased compared to that of the previous period, mainly due to the Group's reversing the amount overprovided in previous years based on the bonus actually paid in the previous period.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Financial expenses

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Interest expenses	441,660,805.41	581,843,975.71
Including: Interest expenses on borrowings	243,667,367.51	426,411,573.31
Interest expenses on bonds payable	182,232,334.70	134,395,553.71
Interest expenses on long-term payables	–	3,414,900.37
Unrecognized financing expenses of compensation for newly-built toll stations on Longda Expressway and Three Expressways	8,569,709.64	11,114,812.74
Interest expenses on lease liabilities	679,904.18	1,539,617.19
Interest expenses on provisions	6,511,489.38	4,967,518.39
Less: Interest income	41,894,579.99	43,167,197.31
Less: Interest capitalized	–	9,487,336.48
Including: Interest expenses capitalized	–	9,560,377.50
Interest income capitalized	–	73,041.02
Exchange losses	(16,280,941.04)	24,824,915.79
Others	6,420,307.54	5,034,860.24
Total	389,905,591.92	559,049,217.95

For the six months ended 30 June 2025, the Group had no capitalized borrowing costs.

Details of interest income are listed as follows:

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Interest on deposits	25,875,665.85	16,801,127.93
Interest income from other non-current assets	16,018,914.14	26,366,069.38
Less: Interest income capitalized	–	73,041.02
Total	41,894,579.99	43,094,156.29



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Investment income

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Income from long-term equity investments under the equity method (Note V, 12)	393,180,168.95	420,147,326.09
Investment income from other non-current financial assets during the holding period	13,031,972.03	5,346,759.75
Investment income from financial products	5,650,003.81	—
Investment income from transactional financial assets	—	4,336,920.55
Investment income from disposal of long-term equity investments	—	149,336,186.05
Others	—	493,176.82
Total	411,862,144.79	579,660,369.26

50. Gains (losses) from changes in fair value

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Financial assets (liabilities) at FVTPL	76,421,030.52	(29,341,842.39)
Including: Other non-current financial assets (Note V, 13)	69,109,749.24	(53,328,746.37)
Obligation to pay the difference	3,041,582.64	23,986,903.98
Structured deposits	4,269,698.64	—
Total	76,421,030.52	(29,341,842.39)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. Credit impairment gains (losses)

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Impairment losses of accounts receivable (Note V, 3(2))	(16,524,333.33)	(47,298,268.62)
Impairment losses of other receivables (Note V, 5.3(3))	(44,068,756.90)	(36,951,629.99)
Impairment losses of long-term receivables (Note V, 11(2))	(14,052,469.73)	(4,549,761.25)
Total	(74,645,559.96)	(88,799,659.86)

52. Gains (losses) on impairment of assets

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Losses on decline in value of inventories (Note V, 6(2))	(8,839,387.24)	(26,687,104.36)
Impairment losses of fixed assets (Note V, 15(1))	(8,672,566.37)	–
Impairment losses of intangible assets	–	(5,664,061.39)
Impairment losses of construction in progress	–	(11,966,109.70)
Total	(17,511,953.61)	(44,317,275.45)



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. Income tax expenses

(1) Classification of income tax expenses

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Current tax expenses	256,765,551.52	233,465,273.48
Deferred tax expenses	(32,112,561.32)	15,081,762.53
Total	224,652,990.20	248,547,036.01

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

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Total profit	1,255,312,119.50	1,099,724,969.99
Income tax expenses calculated at the statutory/applicable tax rate	313,828,029.88	274,931,242.50
Effect of different tax rates applicable to certain subsidiaries	(44,004,639.66)	(61,366,608.90)
Effect of income not subject to tax	(90,407,378.37)	(90,109,935.85)
Effect of deductible temporary differences or deductible losses for which deferred tax assets are not recognized for the period	22,901,533.91	117,358,859.48
Effect of adjusting income tax of the previous year	21,791,444.61	7,066,304.79
Effect of costs, expenses and losses not deductible	543,999.83	667,173.99
Income tax expenses	224,652,990.20	248,547,036.01

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Items in the statement of cash flows

(1) Cash relating to operating activities

Other cash received relating to operating activities

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Refund of advance payment for purchases received	127,489,049.80	–
Margins received and recovered	36,448,128.82	16,255,201.55
Interest income	24,153,624.51	8,057,580.35
Government grants received	2,013,214.37	1,720,875.03
Funds temporarily received	14,397,419.29	9,410,038.06
Project advances received	10,666.52	–
Others	8,978,797.07	43,873,611.04
Total	213,490,900.38	79,317,306.03

Other cash payments relating to operating activities

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Payment for agent-construction projects paid	12,201,966.55	40,464,412.03
Margins paid and refunded	35,562,743.19	42,856,158.29
Expenditures	38,255,742.00	33,647,252.77
Intermediary service fee	8,013,027.35	29,426,895.09
Withholding payments paid	12,066,262.34	7,925,611.84
Others	58,051,666.23	65,723,988.42
Total	164,151,407.66	220,044,318.44



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Items in the statement of cash flows (Continued)

(2) Cash relating to investing activities

Cash received relating to significant investing activities

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Dividend distributions from the investee received	231,105,617.62	–
Rents for equipment under finance lease received by Financial Leasing Company for the period	126,440,136.93	190,275,913.93
Structured deposits and certificates of time deposits recovered for the period	100,000,000.00	1,470,000,000.00
Total	457,545,754.55	1,660,275,913.93

Cash payments relating to significant investing activities

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Increase in long-term equity investments	–	819,000,000.00
Increase in structured deposits and certificates of time deposits for the period	2,980,000,000.00	1,410,000,000.00
Capital expenditures on Airport-Heao Expressway reconstruction and expansion project	1,026,818,542.19	–
Capital expenditures on Outer Ring projects	831,178,683.86	–
Payments made by Financial Leasing Company for the period for purchase of equipment under finance lease	68,729,046.00	116,202,270.00
Total	4,906,726,272.05	2,345,202,270.00

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Items in the statement of cash flows (Continued)

(2) Cash relating to investing activities (Continued)

Other cash received relating to investing activities

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Interest income	6,912,863.29	4,240,774.16
Recovery of advances for shareholders	–	450,000,000.00
Others	3,000,097.75	–
Total	9,912,961.04	454,240,774.16

Other cash payments relating to investing activities

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Payment of performance bond for investment project	10,000,000.00	–
Others	285,883.00	–
Total	10,285,883.00	–

(3) Cash relating to financing activities

Other cash received relating to financing activities

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Funds on discounted bills received	–	19,671,833.33
Total	–	19,671,833.33



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Items in the statement of cash flows (Continued)

(3) Cash relating to financing activities (Continued)

Other cash payments relating to financing activities

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Repayment of principal of perpetual bonds	4,000,000,000.00	—
Brokerage fees and taxes on private placement of A-shares	22,184,201.65	—
Brokerage fees for issuing bonds	7,615,600.58	2,696,750.96
Repayment of principal and interest on lease liabilities	7,696,487.98	11,557,146.91
Repayment for capital contributions from minority shareholders	—	30,409,109.58
Payment of interest on USD bonds and withholding taxes on annual trust fees	3,354,353.33	3,302,600.00
Others	1,145,341.61	130,335,522.68
Total	4,041,995,985.15	178,301,130.13

Changes in liabilities arising from financing activities

RMB

Item	Opening balance (Audited)	Additions in cash changes	Reductions in cash changes	Non-cash changes, net	Closing balance (Unaudited)
Short-term borrowings	2,573,849,184.49	5,452,672,524.05	5,348,654,764.77	(4,937,070.61)	2,672,929,873.16
Other current liabilities – Ultra-short-term financing bonds	3,016,271,998.43	1,500,000,000.00	3,026,091,780.82	14,589,725.93	1,504,769,943.54
Long-term borrowings (including long-term borrowings due within one year)	16,305,843,718.55	1,166,177,171.53	3,472,173,095.11	194,123,666.92	14,193,971,461.89
Bonds payable (including bonds payable due within one year)	10,329,097,631.09	3,800,000,000.00	133,924,845.76	155,583,638.30	14,150,756,423.63
Lease liabilities (including lease liabilities due within one year)	31,703,802.65	—	7,696,487.98	959,346.14	24,966,660.81
Long-term payables (including long-term payables due within one year)	387,586,715.85	—	—	—	387,586,715.85
Dividends payable	85,013,326.10	—	135,224,597.03	745,794,546.74	695,583,275.81

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Supplementary information to the statement of cash flows

(1) Supplementary information to the statement of cash flows

RMB

Supplementary information	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
1. Reconciliation from net profit to cash flows from operating activities:		
Net profit	1,030,659,129.30	851,177,933.98
Add: Credit impairment losses	74,645,559.96	88,799,659.86
Impairment losses of assets	17,511,953.61	44,317,275.45
Depreciation of fixed assets	272,430,240.92	246,469,168.47
Depreciation of right-of-use assets	8,431,975.21	16,175,089.72
Depreciation of investment properties	668,639.20	665,250.86
Amortization of intangible assets	875,034,362.38	869,693,713.85
Amortization of long-term prepaid expenses	3,843,461.88	9,604,412.13
Losses on disposal of fixed assets, intangible assets and other long-term assets	54,929.89	95,131.08
Losses on damage and retirement of non-current assets	73,576.99	207,873.84
Losses (gains) on changes in fair value	(76,421,030.52)	29,341,842.39
Financial expenses	441,660,805.41	572,283,598.21
Investment losses (income)	(411,862,144.79)	(579,660,369.26)
Decrease (increase) in deferred tax assets	(13,728,947.96)	34,726,892.07
Increase (decrease) in deferred tax liabilities	(18,383,613.36)	(19,645,129.54)
Decrease (increase) in inventories	3,950,370.38	30,170,773.77
Decrease (increase) in operating receivables	(125,218,524.93)	(392,724,745.18)
Increase (decrease) in operating payables	(128,371,752.84)	(40,876,287.28)
Net cash flows from operating activities	1,954,978,990.73	1,760,822,084.42
2. Net changes in cash and cash equivalents:		
Cash and cash equivalents at the end of the period	4,415,087,511.40	2,123,641,437.66
Less: Cash and cash equivalents at the beginning of the period	2,670,493,652.96	1,955,220,227.32
Net increase in cash and cash equivalents	1,744,593,858.44	168,421,210.34



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Supplementary information to the statement of cash flows (Continued)

(2) Composition of cash and cash equivalents

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
I. Cash	4,415,087,511.40	2,670,493,652.96
Including: Cash on hand	5,648,288.86	6,291,155.12
Cash at banks that can be withdrawn on demand	4,409,439,222.54	2,664,202,497.84
II. Cash and cash equivalents at the end of the period	4,415,087,511.40	2,670,493,652.96
Add: Restricted cash and cash equivalents held by the Company and subsidiaries of the Group (Note V, 1)	201,647,139.24	238,088,357.47
Add: Interest on deposits	427,500.00	—
III. Cash at banks and on hand	4,617,162,150.64	2,908,582,010.43

56. Monetary items denominated in foreign currencies

(1) Monetary items denominated in foreign currencies

Item	Closing balance	Exchange rate	Equivalent to RMB
Cash at banks and on hand			
HKD	163,583,907.60	0.91	149,180,344.54
USD	133,770.65	7.16	957,610.57
EUR	12.00	8.40	100.83
FRF	11.70	8.97	104.97
ESP	424.99	0.05	20.88
JPY	380.09	0.05	18.85
Short-term borrowings			
HKD	1,810,000,000.00	0.91	1,654,097,027.02
Transactional financial liabilities			
HKD	210,149,900.00	0.91	191,646,201.31
Employee benefits payable			
HKD	1,025,935.14	0.91	935,601.55
Other payables			
HKD	74,319,304.58	0.91	67,775,489.81
Dividends payable			
HKD	188,627,612.41	0.91	172,018,951.14
Non-current liabilities due within one year			
HKD	410,008,496.21	0.91	374,642,266.25
USD	2,526,280.48	7.16	18,084,631.44
Bonds payable			
USD	300,000,000.00	7.16	2,144,641,431.67
Lease liabilities			
HKD	1,181,638.84	0.91	1,077,595.54

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Monetary items denominated in foreign currencies (Continued)

(2) Overseas operating entities

The significant overseas operating entities of the Group include Mei Wah Company, SIHICH and Bay Area Development, among which Mei Wah Company, an investment and financing company, chooses HKD as its functional currency. SIHICH is an investment company which chooses HKD as its functional currency, and its principal subsidiaries and joint ventures determine RMB as their functional currency on the basis of the primary economic environment in which they operate. Bay Area Development is an investment company whose investment entities have their principal operating activities in Chinese Mainland and choose RMB as their functional currency.

57. Leases

(1) As a lessee

The Group has lease contracts for various items of buildings, vehicles, machinery and other equipment used in the operating process. The lease term for buildings, machinery and equipment is generally 1 to 9 years, while that for vehicles and other equipment is generally 1 to 3 years. The above right-of-use assets cannot be used as mortgages and guarantees for borrowings.

Short-term lease expenses or expenses on leases of low-value assets that are accounted for using simplified approach:

Short-term lease expenses and expenses on leases of low-value assets that are accounted for using simplified approach and included in profit or loss for the period amounted to RMB22,519,527.12 (for the six months ended 30 June 2024: RMB6,267,705.00) and RMB0.00 (for the six months ended 30 June 2024: RMB0.00), respectively.

Total cash outflows relating to leases for the period amounted to RMB30,216,015.10 (for the six months ended 30 June 2024: RMB17,824,851.91).

(2) As a lessor

Operating leases

RMB

Item	Lease income	Including: Income related to variable lease payments that are not included in lease receipts
Parking spaces, workshops, staff dormitory buildings and others	11,339,255.65	—

The Group leased out some parking spaces, workshops and staff dormitory buildings for indefinite lease term and lease term of 1 to 9 years, forming operating leases.



Notes to the Financial Statements

For the six months ended 30 June 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Leases (Continued)

(2) As a lessor (Continued)

Operating leases (Continued)

Income related to operating leases for the period amounted to RMB11,339,255.65 (for the six months ended 30 June 2024: RMB21,224,082.94), of which income related to variable lease payments that are not included in lease receipts was RMB0.00 (for the six months ended 30 June 2024: RMB0.00).

RMB

	Amount at the end of the period (Unaudited)	Amount at the end of the prior year (Audited)
1 st year subsequent to the date of financial position statements	13,659,202.90	14,094,025.59
2 nd year subsequent to the date of financial position statements	10,046,967.84	9,608,820.97
3 rd year subsequent to the date of financial position statements	8,386,301.01	8,785,873.74
4 th year subsequent to the date of financial position statements	5,619,250.41	7,236,723.18
5 th year subsequent to the date of financial position statements	3,591,284.23	3,340,284.00
Subsequent years	11,008,426.73	12,581,059.12
Total undiscounted lease receipts	52,311,433.12	55,646,786.60

Finance lease

RMB

Item	Gains/losses on sales	Financing income	Income related to variable lease payments that are not included in net lease investment
Direct leases	—	27,479,368.94	—

The Group, as a lessor, entered into lease contracts on fixed assets with customers, with lease term ranging from 2 to 13 years. The contracts do not contain options for renewal and termination.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Leases (Continued)

(2) As a lessor (Continued)

Reconciliation of undiscounted lease receipts to net lease investment

RMB

	Undiscounted lease receipts	
	Amount at the end of the period (Unaudited)	Amount at the end of the prior year (Audited)
Total undiscounted lease receipts	1,567,247,029.86	1,621,885,091.11
Unguaranteed residual value	—	—
Total lease investment	1,567,247,029.86	1,621,885,091.11
Less: Unrealized financing income	324,035,603.51	362,338,166.42
Net lease investment	1,243,211,426.35	1,259,546,924.69
Including: Finance lease receivables due within one year	210,543,616.30	172,950,515.75
Finance lease receivables due after one year	1,032,667,810.05	1,086,596,408.94

Undiscounted lease receipts for the next five years

RMB

Item	Undiscounted lease receipts per year	
	Amount at the end of the period (Unaudited)	Amount at the end of the prior year (Audited)
The first year	261,517,869.22	231,655,335.50
The second year	228,731,189.35	241,195,347.92
The third year	209,015,759.29	205,023,342.61
The fourth year	175,557,213.29	176,242,669.37
The fifth year	162,384,970.03	157,638,095.67
Total undiscounted lease receipts after five years	530,040,028.68	610,130,300.04

Gains relating to finance lease are as follows:

RMB

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Financing income from net lease investment	27,479,368.94	35,301,783.71
Total	27,479,368.94	35,301,783.71



Notes to the Financial Statements

For the six months ended 30 June 2025

VI. CHANGES IN SCOPE OF CONSOLIDATION

1. Changes in scope of consolidation due to other reasons

Deregistration of subsidiaries for the period

Harbin Nengchuang Fenglian New Energy Co., Ltd. and Shangzhi Nanfeng New Energy Technology Co., Ltd., subsidiaries of the Group, have been deregistered, the taxation and business deregistration procedures of which were completed on 3 March 2025 and 27 May 2025, respectively.

VII. INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Composition of the Group

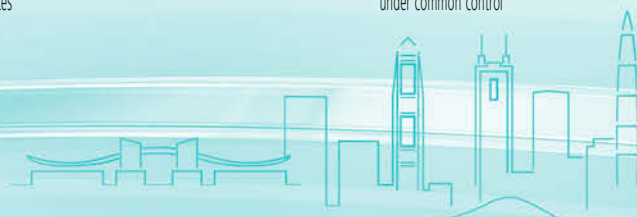
Name of subsidiary	Place of main business	Place of registration	Nature of business	Registered capital (RMB, unless otherwise specified)	Shareholding proportion (%)		Acquired through
					Direct	Indirect	
Outer Ring Company	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Toll road operation	8,611,759,125.00	100.00	–	Incorporation
Expressway Investment	Guizhou Province, PRC	Shenzhen, Guangdong Province, PRC	Investment	1,000,000,000.00	100.00	–	Incorporation
Guishen Company	Longli County, Guizhou Province, PRC	Longli County, Guizhou Province, PRC	Infrastructure construction	500,000,000.00	–	70.00	Incorporation
Guizhou Land Company	Longli County, Guizhou Province, PRC	Longli County, Guizhou Province, PRC	Comprehensive land development	158,000,000.00	–	100.00	Incorporation
Property Management Company	Longli County, Guizhou Province, PRC	Shenzhen, Guangdong Province, PRC	Property management	1,000,000.00	–	100.00	Incorporation
Environment Company	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Environmental projects and advisory	6,550,000,000.00	100.00	–	Incorporation
JEL Company	Hubei Province, PRC	Cayman Islands	Investment holding	USD30,000,000.00	–	100.00	Business combinations under common control
Hubei Magerk Expressway Management Co., Ltd.	Hubei Province, PRC	Hubei Province, PRC	Toll road operation	USD200,000.00	–	100.00	Business combinations under common control
Qinglian Company	Qingyuan, Guangdong Province, PRC	Qingyuan, Guangdong Province, PRC	Toll road operation	3,361,000,000.00	51.37	25.00	Business combinations not under common control
Meiguan Company	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Toll road operation	332,400,000.00	100.00	–	Business combinations not under common control
Mei Wah Company	Hubei Province and Guangdong Province, PRC	Hong Kong, PRC	Investment holding	HKD10,970,381,300.00	100.00	–	Business combinations not under common control
Maxprofit Company	Guangdong Province, PRC	British Virgin Islands	Investment holding	USD85,360,000.00	–	100.00	Business combinations not under common control
Fameluxe Company	Hong Kong, PRC	Hong Kong, PRC	Investment holding	HKD10,000.00	–	100.00	Business combinations not under common control
Shenzhen Expressway Operation Development Co., Ltd. ("Operation Development Company")	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Toll road operation	60,000,000.00	98.70	1.30	Incorporation
Qinglong Company (Note 1)	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Toll road operation	324,000,000.00	40.00	10.00	Business combinations not under common control
Shenchang Company	Changsha, Hunan Province, PRC	Changsha, Hunan Province, PRC	Toll road operation	200,000,000.00	51.00	–	Business combinations not under common control

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Place of main business	Place of registration	Nature of business	Registered capital (RMB, unless otherwise specified)	Shareholding proportion (%)		Acquired through
					Direct	Indirect	
Shenzhen Expressway Construction Development Company Limited ("Construction Development Company")	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Infrastructure construction	30,000,000.00	100.00	–	Incorporation
Infrastructure Environmental Protection Development Company	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Infrastructure and environmental protection business	500,000,000.00	80.00	20.00	Incorporation
Shenzhen Express Private Equity Industry Investment Fund Management Co., Ltd. ("Fund Company")	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Capital market services	19,607,800.00	51.00	–	Incorporation
Coastal Expressway	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Toll road operation	5,714,285,714.00	49.00	51.00	Business combinations under common control
Guishen Expressway Investment	Longli County, Guizhou Province, PRC	Longli County, Guizhou Province, PRC	Comprehensive land development	1,000,000.00	–	100.00	Incorporation
Shenzhen Expressway Yijia Apartment Management Limited Company	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Apartment leases and management	10,000,000.00	–	60.00	Incorporation
Yefengrui Land	Longli County, Guizhou Province, PRC	Longli County, Guizhou Province, PRC	Comprehensive land development	1,000,000.00	–	100.00	Incorporation
Nanjing Wind Power	Nanjing, Jiangsu Province, PRC	Nanjing, Jiangsu Province, PRC	Manufacturing	357,142,900.00	–	100.00	Business combinations not under common control
Baotou Jinling Wind Power Technology Co., Ltd.	Baotou, Inner Mongolia Autonomous Region, PRC	Baotou, Inner Mongolia Autonomous Region, PRC	Manufacturing	20,000,000.00	–	100.00	Business combinations not under common control
Baotou Nanfeng	Baotou, Inner Mongolia Autonomous Region, PRC	Baotou, Inner Mongolia Autonomous Region, PRC	Wind power	632,800,000.00	0.95	99.05	Business combinations not under common control
Baotou Lingxiang	Baotou, Inner Mongolia Autonomous Region, PRC	Baotou, Inner Mongolia Autonomous Region, PRC	Wind power	148,100,000.00	–	100.00	Business combinations not under common control
Nanchuan Wind Power	Baotou, Inner Mongolia Autonomous Region, PRC	Baotou, Inner Mongolia Autonomous Region, PRC	Wind power	128,200,000.00	–	100.00	Business combinations not under common control
Ningyuan Wind Power	Baotou, Inner Mongolia Autonomous Region, PRC	Baotou, Inner Mongolia Autonomous Region, PRC	Wind power	179,000,000.00	–	100.00	Business combinations not under common control
Ningxiang Wind Power	Baotou, Inner Mongolia Autonomous Region, PRC	Baotou, Inner Mongolia Autonomous Region, PRC	Wind power	129,500,000.00	–	100.00	Business combinations not under common control
Ningfeng Wind Power	Baotou, Inner Mongolia Autonomous Region, PRC	Baotou, Inner Mongolia Autonomous Region, PRC	Wind power	126,000,000.00	–	100.00	Business combinations not under common control
Bioland Company	Shenzhen, Guangdong Province, PRC	Zhengzhou, Henan Province, PRC	Environment and facility services	505,439,108.00	–	92.29	Business combinations not under common control



Notes to the Financial Statements

For the six months ended 30 June 2025

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Place of main business	Place of registration	Nature of business	Registered capital (RMB, unless otherwise specified)	Shareholding proportion (%)		Acquired through
					Direct	Indirect	
Guangxi Bioland	Nanning, Guangxi Zhuang Autonomous Region, PRC	Nanning, Guangxi Zhuang Autonomous Region, PRC	Kitchen waste disposal	123,000,000.00	–	100.00	Business combinations not under common control
Dezhou Bioland Renewable Resources Co., Ltd.	Dezhou, Shandong Province, PRC	Dezhou, Shandong Province, PRC	Kitchen waste disposal	50,000,000.00	–	100.00	Business combinations not under common control
Guiyang Beier Bioland	Guiyang, Guizhou Province, PRC	Guiyang, Guizhou Province, PRC	Kitchen waste disposal	110,923,700.00	–	100.00	Business combinations not under common control
Taizhou Bioland	Taizhou, Jiangsu Province, PRC	Taizhou, Jiangsu Province, PRC	Kitchen waste disposal	68,000,000.00	–	100.00	Business combinations not under common control
Dezhou Zhonghe	Dezhou, Shandong Province, PRC	Dezhou, Shandong Province, PRC	Equipment manufacturing	30,000,000.00	–	100.00	Business combinations not under common control
Kunshan Environmental Protection	Kunshan, Jiangsu Province, PRC	Kunshan, Jiangsu Province, PRC	Kitchen waste disposal	25,000,000.00	–	95.00	Business combinations not under common control
Longyou Bioland	Quzhou, Zhejiang Province, PRC	Quzhou, Zhejiang Province, PRC	Kitchen waste disposal	10,500,000.00	–	100.00	Business combinations not under common control
Langfang Bioland	Langfang, Hebei Province, PRC	Langfang, Hebei Province, PRC	Equipment manufacturing	30,000,000.00	–	100.00	Business combinations not under common control
Shangrao Bioland	Shangrao, Jiangxi Province, PRC	Shangrao, Jiangxi Province, PRC	Kitchen waste disposal	25,000,000.00	–	100.00	Business combinations not under common control
Huangshi Bioland	Huangshi, Hubei Province, PRC	Huangshi, Hubei Province, PRC	Kitchen waste disposal	24,274,980.00	–	70.00	Business combinations not under common control
Pingyu Beier Environmental Technology Co., Ltd.	Zhumadian, Henan Province, PRC	Zhumadian, Henan Province, PRC	Kitchen waste disposal	500,000.00	–	100.00	Business combinations not under common control
Handan Bioland	Handan, Hebei Province, PRC	Handan, Hebei Province, PRC	Kitchen waste disposal	50,000,000.00	–	90.00	Business combinations not under common control
Guilin Bioland	Guilin, Guangxi Zhuang Autonomous Region, PRC	Guilin, Guangxi Zhuang Autonomous Region, PRC	Kitchen waste disposal	54,600,000.00	–	100.00	Business combinations not under common control
Xinyu Bioland	Xinyu, Jiangxi Province, PRC	Xinyu, Jiangxi Province, PRC	Kitchen waste disposal	23,940,000.00	–	100.00	Business combinations not under common control
Zhuji Bioland	Zhuji, Zhejiang Province, PRC	Zhuji, Zhejiang Province, PRC	Kitchen waste disposal	100,000,000.00	–	90.00	Business combinations not under common control
Fuzhou Bioland	Fuzhou, Jiangxi Province, PRC	Fuzhou, Jiangxi Province, PRC	Kitchen waste disposal	24,000,000.00	–	100.00	Business combinations not under common control
Shenlu Environmental Protection	Nanjing, Jiangsu Province, PRC	Nanjing, Jiangsu Province, PRC	Environment and facility services	100,000,000.00	–	100.00	Business combinations not under common control
Sichuan Lansheng	Zigong, Sichuan Province, PRC	Zigong, Sichuan Province, PRC	Kitchen waste disposal	45,039,000.00	–	84.57	Business combinations not under common control
Logistics Finance Company	Hong Kong, PRC	Hong Kong, PRC	Investment holding	HKD1.00	–	100.00	Business combinations under common control
Financial Leasing Company	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Financial leasing and commercial factoring	902,500,000.00	72.30	27.70	Business combinations under common control
Shenzhen High Speed Engineering Development Co., Ltd.	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Toll road construction	40,500,000.00	–	60.00	Business combinations not under common control

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Place of main business	Place of registration	Nature of business	Registered capital (RMB, unless otherwise specified)	Shareholding proportion (%)		Acquired through
					Direct	Indirect	
New Energy Company	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Wind power	2,619,441,000.00	100.00	–	Incorporation
Inner Mongolia Chenghuan Bioland	Hohhot, Inner Mongolia Autonomous Region, PRC	Hohhot, Inner Mongolia Autonomous Region, PRC	Environment and facility services	43,360,000.00	–	51.00	Incorporation
Bioland Environmental Protection Technology	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Environmental and ecological monitoring, agricultural science research	10,000,000.00	–	100.00	Incorporation
Shenzhen Expressway Gao Le Yi Health Care Co., Ltd.	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Health, elderly care and nursing services	30,000,000.00	–	100.00	Incorporation
Shenzhen Expressway Construction Technology Development Co., Ltd.	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Construction and engineering	40,000,000.00	–	51.00	Incorporation
Guangdong New Energy	Liannan Yao Autonomous County, Guangdong Province, PRC	Liannan Yao Autonomous County, Guangdong Province, PRC	Investment holding	1,956,550,000.00	–	100.00	Incorporation
Qiantai Company	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Comprehensive utilisation of resources	307,692,300.00	–	63.33	Business combinations not under common control
Shenzhen Longda Expressway Co., Ltd. ("Longda Company")	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Toll road operation	50,000,000.00	89.93	–	Business combinations under common control
Qianxin Company	Mulei County, Changji Prefecture, Xinjiang, PRC	Mulei County, Changji Prefecture, Xinjiang, PRC	Wind power	181,120,000.00	–	100.00	Business combinations not under common control
Qianzhi Company	Mulei County, Changji Prefecture, Xinjiang, PRC	Mulei County, Changji Prefecture, Xinjiang, PRC	Wind power	479,183,100.00	–	100.00	Business combinations not under common control
Qianhui Company	Mulei County, Changji Prefecture, Xinjiang, PRC	Mulei County, Changji Prefecture, Xinjiang, PRC	Wind power	264,376,900.00	–	100.00	Business combinations not under common control
Shenzhen Guangming Shenzhen Expressway Environment Technology Co., Ltd. ("Guangming Environment Technology")	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Kitchen waste disposal	200,000,000.00	100.00	–	Incorporation
Shenzhen High Speed Asphalt Technology Development Co., Ltd.	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Asphalt materials	30,000,000.00	–	55.00	Incorporation
Beihai Zhonglan	Beihai, Guangxi Zhuang Autonomous Region, PRC	Beihai, Guangxi Zhuang Autonomous Region, PRC	Kitchen waste disposal	16,390,000.00	–	90.00	Incorporation
Yongcheng Zhuneng	Yongcheng, Shangqiu, Henan Province, PRC	Yongcheng, Shangqiu, Henan Province, PRC	Wind power	102,450,000.00	–	100.00	Business combinations not under common control

Notes to the Financial Statements

For the six months ended 30 June 2025

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Place of main business	Place of registration	Nature of business	Registered capital (RMB, unless otherwise specified)	Shareholding proportion (%)		Acquired through
					Direct	Indirect	
Shenzhen Zhuneng New Energy Technology Co., Ltd.	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Investment holding	100,000.00	–	100.00	Incorporation
Shanghai Zhuneng New Energy Technology Co., Ltd.	Shanghai, PRC	Shanghai, PRC	Investment holding	2,450,000.00	–	100.00	Business combinations not under common control
Ningxia Zhongwei	Zhongwei, Ningxia Hui Autonomous Region, PRC	Zhongwei, Ningxia Hui Autonomous Region, PRC	Wind power	175,920,236.88	–	100.00	Business combinations not under common control
Chuzhou Bioland	Chuzhou, Anhui Province, PRC	Chuzhou, Anhui Province, PRC	Kitchen waste disposal	25,492,400.00	–	89.10	Incorporation
Shenzhen Expressway Business Co., Ltd. ("Shenzhen Expressway Business")	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Business services	8,000,000.00	100.00	–	Incorporation
Shengao Lekang	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Health, elderly care and nursing services	15,000,000.00	–	80.00	Incorporation
SIHICH	Shenzhen, Guangdong Province, PRC	British Virgin Islands	Investment holding	USD641,075,642.00	–	100.0	Business combinations under common control
Bay Area Development	Hong Kong, PRC	Cayman Islands	Investment holding	HKD1,000,000,000.00	–	71.83	Business combinations under common control
Wilberforce	Hong Kong, PRC	British Virgin Islands	Investment holding	USD50,000.00	–	100.00	Business combinations under common control
Jiehao	Hong Kong, PRC	British Virgin Islands	Investment holding	USD50,000.00	–	100.00	Business combinations under common control
Bay Area Management	Hong Kong, PRC	Hong Kong, PRC	Investment holding	HKD1.00	–	100.00	Business combinations under common control
Bay Area Service	Hong Kong, PRC	Hong Kong, PRC	Office service	HKD2.00	–	100.00	Business combinations under common control
Bay Area Financing	Hong Kong, PRC	Hong Kong, PRC	Loan financing	HKD1.00	–	100.00	Business combinations under common control
Hopewell Guangzhou-Zhuhai Expressway	Hong Kong, PRC	Hong Kong, PRC	Investment holding	HKD2.00	–	100.00	Business combinations under common control
Guanjia	Hong Kong, PRC	British Virgin Islands	Investment holding	USD50,000.00	–	97.50	Business combinations under common control
Hopewell China Development	Hong Kong, PRC	Hong Kong, PRC	Investment holding	HKD2.00	–	100.00	Business combinations under common control
Shenzhen Bay Infrastructure (Shenzhen) Co., Ltd.	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Investment holding	4,498,000,000.00	–	100.00	Business combinations under common control
Expressway Digital Technology	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Information technology service	30,000,000.00	51.00	–	Incorporation
Lisai Environmental Protection	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Environmental technology service	17,441,900.00	–	70.00	Business combinations not under common control
Shaoyang Shengao Environmental	Shaoyang, Hunan Province, PRC	Shaoyang, Hunan Province, PRC	Kitchen waste disposal	100,000,000.00	–	100.00	Incorporation
Guangdong Qizhen Toll Road Construction Co., Ltd.	Foshan, Guangdong Province, PRC	Foshan, Guangdong Province, PRC	Toll road construction	100,000,000.00	–	100.00	Acquisition

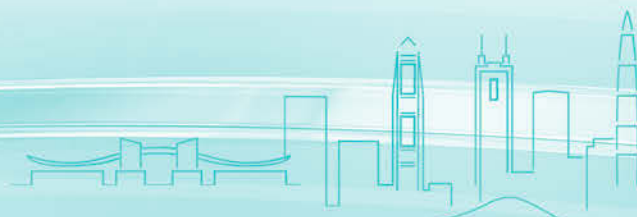
VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Place of main business	Place of registration	Nature of business	Registered capital (RMB, unless otherwise specified)	Shareholding proportion (%)		Acquired through
					Direct	Indirect	
Shenzhen Jingmao Infrastructure Operation and Maintenance Co., Ltd.	Guangzhou, Guangdong Province, PRC	Guangzhou, Guangdong Province, PRC	Construction and engineering	10,000,000.00	-	100.00	Acquisition
Guizhou Ziyun Jinshen New Energy Co., Ltd.	Anshun, Guizhou Province, PRC	Anshun, Guizhou Province, PRC	Production and supply of electricity and heat	50,000,000.00	-	100.00	Incorporation
Xingren Yuansheng New Energy Co., Ltd.	Xingren, Guizhou Province, PRC	Xingren, Guizhou Province, PRC	Production and supply of electricity and heat	2,000,000.00	-	100.00	Incorporation
Duyun Jinxin New Energy Co., Ltd.	Duyun, Guizhou Province, PRC	Duyun, Guizhou Province, PRC	Production and supply of electricity and heat	1,000,000.00	-	100.00	Incorporation
Shenzhen Bay City Investment (Shenzhen) Co., Ltd.	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Real estate	1,300,000,000.00	-	100.00	Incorporation
Jinshen New Energy	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Production and supply of electricity and heat	1,000,000,000.00	-	65.00	Incorporation
Shengneng Technology	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Manufacturing of electrical machinery and equipment	15,000,000.00	-	100.00	Incorporation
Pingshan Jishen New Energy Technology Co., Ltd.	Shijiazhuang, Hebei Province, PRC	Shijiazhuang, Hebei Province, PRC	Science and technology promotion and application services	110,000,000.00	-	100.00	Incorporation
Hunan Yichang Expressway Operation & Management Co., Ltd. ("Yichang Operation & Management")	Changde, Hunan Province, PRC	Changde, Hunan Province, PRC	Toll road operation	5,000,000.00	100.00	-	Incorporation
Ya'an Bioland	Ya'an, Sichuan Province, PRC	Ya'an, Sichuan Province, PRC	Ecological protection and environmental governance	25,000,000.00	-	100.00	Incorporation
Zhangshu Gaochuan New Energy Co., Ltd.	Zhangshu, Jiangxi Province, PRC	Zhangshu, Jiangxi Province, PRC	Wind power	1,000,000.00	-	100.00	Business combinations not under common control
Guangming Fengrunjiu	Shenzhen, Guangdong Province, PRC	Shenzhen, Guangdong Province, PRC	Health, elderly care and nursing services	13,000,000.00	-	60.00	Business combinations not under common control

Note 1: The Board of Directors of Qinglong Company is composed of 7 directors, and the Group is entitled to nominate 5 directors and the voting on business matters made by the Board of Directors is effective only after it is approved by more than half of all directors. The Group substantially controls Qinglong Company.



Notes to the Financial Statements

For the six months ended 30 June 2025

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(2) Significant non-wholly-owned subsidiaries

30 June 2025 (Unaudited)

RMB

Name of subsidiary	Equity interest held by minority shareholders	Profit or loss attributable to minority shareholders	Dividend declared and distributed to minority shareholders	Balance of minority interests at the end of the period
Qinglian Company	23.63%	5,930,028.77	–	725,548,811.23
Shenchang Company	49.00%	29,432,186.25	–	183,495,730.25
Qinglong Company	50.00%	6,061,350.14	–	331,652,836.38
Bioland Company	7.71%	4,744,362.80	–	152,930,499.47
Longda Company	10.07%	5,411,745.75	(9,074,888.58)	23,873,434.86
Bay Area Development	28.17%	53,395,172.85	(64,095,018.92)	3,254,987,359.75
Total		104,974,846.56	(73,169,907.50)	4,672,488,671.94

30 June 2024 (Unaudited)

RMB

Name of subsidiary	Equity interest held by minority shareholders	Profit or loss attributable to minority shareholders	Dividend declared and distributed to minority shareholders	Balance of minority interests at the end of the period
Qinglian Company	23.63%	10,358,726.78	–	717,340,182.90
Shenchang Company	49.00%	32,977,927.74	–	202,464,267.07
Qinglong Company	50.00%	14,476,535.84	–	445,913,698.84
Bioland Company	7.71%	(6,978,131.36)	–	170,889,616.39
Bay Area Development	28.17%	22,015,443.41	(100,266,953.64)	3,314,423,161.14
Nanjing Wind Power	1.96%	(1,965,868.27)	–	495,308.83
Total		70,884,634.14	(100,266,953.64)	4,851,526,235.17

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(3) Major financial information of significant non-wholly-owned subsidiaries

RMB

Name of subsidiary	Closing balance (Unaudited)					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Qinglian Company	218,330,717.99	5,145,371,506.98	5,363,702,224.97	305,410,672.36	2,057,977,482.20	2,363,388,154.56
Shenchang Company	101,071,677.33	344,548,662.48	445,620,339.81	71,316,196.49	–	71,316,196.49
Qinglong Company	449,520,992.95	483,363,539.95	932,884,532.90	165,428,940.76	104,149,919.38	269,578,860.14
Bay Area Development	1,662,945,370.12	15,198,616,127.03	16,861,561,497.15	3,725,428,219.27	1,571,946,238.55	5,297,374,457.82
Bioland Company	609,200,091.72	3,154,652,814.48	3,763,852,906.20	610,384,714.12	1,125,076,634.21	1,735,461,348.33
Longda Company	268,659,966.42	119,879,668.16	388,539,634.58	48,000,599.26	103,464,210.57	151,464,809.83

RMB

Name of subsidiary	Opening balance (Audited)					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Qinglian Company	158,981,331.60	5,373,976,578.41	5,532,957,910.01	397,883,535.68	2,159,855,643.61	2,557,739,179.29
Shenchang Company	109,793,890.74	376,173,439.76	485,967,330.50	171,728,873.40	–	171,728,873.40
Qinglong Company	336,964,154.91	711,656,170.39	1,048,620,325.30	194,033,119.31	203,404,233.50	397,437,352.81
Bay Area Development	1,570,161,438.49	15,152,114,086.83	16,722,275,525.32	3,558,557,704.52	1,620,400,257.34	5,178,957,961.86
Bioland Company	598,862,095.11	3,215,814,431.62	3,814,676,526.73	606,409,535.57	1,176,127,615.29	1,782,537,150.86
Nanjing Wind Power	601,711,398.32	206,792,029.08	808,503,427.40	737,329,288.74	234,691,638.67	972,020,927.41



Notes to the Financial Statements

For the six months ended 30 June 2025

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(3) Major financial information of significant non-wholly-owned subsidiaries (Continued)

RMB

Name of subsidiary	For the six months ended 30 June 2025 (Unaudited)			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Qinglian Company	331,927,272.43	25,095,339.69	25,095,339.69	248,620,733.31
Shenchang Company	126,488,990.10	60,065,686.22	60,065,686.22	76,516,434.18
Qinglong Company	304,520,857.84	12,122,700.27	12,122,700.27	180,633,529.10
Bay Area Development	371,758,936.40	177,935,659.27	243,235,331.10	265,265,162.75
Bioland Company	277,685,848.66	1,571,928.53	1,571,928.53	118,843,639.59
Longda Company	108,411,635.97	53,741,268.64	53,741,268.64	42,365,387.18

RMB

Name of subsidiary	For the six months ended 30 June 2024 (Unaudited)			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Qinglian Company	331,216,848.42	43,837,184.85	43,837,184.85	244,619,449.18
Shenchang Company	132,496,506.73	67,301,893.34	67,301,893.34	83,688,873.53
Qinglong Company	302,880,709.25	28,953,071.67	28,953,071.67	190,420,077.62
Bay Area Development	447,960,416.29	172,404,624.17	122,357,141.94	287,664,496.62
Bioland Company	236,568,788.80	(75,540,436.19)	(75,540,436.19)	62,250,545.51
Nanjing Wind Power	11,446,172.03	(100,299,401.34)	(100,299,401.34)	(7,004,786.37)

Substantial restriction to the usage of the Group's assets or the settlement of the Group's liabilities

As at 30 June 2025, there was no substantial restriction which prohibited the usage of the Group's assets or the settlement of the Group's liabilities.

2. Interests in associates and joint ventures

(1) Significant associates and joint ventures

Name	Place of main business	Place of registration	Nature of business	Shareholding proportion (%)		Method of accounting treatment
				Direct	Indirect	
Derun Environment	Chongqing, PRC	Chongqing, PRC	Environmental governance and resource recovery	–	20.00	Equity method
Guangzhou-Shenzhen-Zhuhai Expressway	Guangdong Province	Guangzhou, Guangdong Province	Toll road operation	–	45.00	Equity method
Guangzhou-Zhuhai West Line Expressway	Guangdong Province	Guangzhou, Guangdong Province	Toll road operation	–	50.00	Equity method

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in associates and joint ventures (Continued)

(2) Major financial information of significant associates and joint ventures

RMB

Item	Closing balance/For the six months ended 30 June 2025 (Unaudited)			Opening balance/For the year ended 31 December 2024 (Audited)		
	Derun Environment (Note)	Guangzhou- Shenzhen-Zhuhai Expressway	Guangzhou- Zhuhai West Line Expressway	Derun Environment (Note)	Guangzhou- Shenzhen-Zhuhai Expressway	Guangzhou- Zhuhai West Line Expressway
Current assets	14,980,380,049.85	1,728,595,901.20	355,355,643.94	11,576,206,667.47	2,167,665,777.17	466,735,527.24
Including: Cash and cash equivalents	5,281,336,275.74	1,379,737,887.97	300,266,319.69	3,965,866,783.80	1,856,103,677.30	441,838,640.63
Non-current assets	51,632,902,431.66	14,686,105,409.84	10,466,877,821.90	52,642,846,362.75	14,282,941,917.69	10,737,951,633.92
Total assets	66,613,282,481.51	16,414,701,311.04	10,822,233,465.84	64,219,053,030.22	16,450,607,694.86	11,204,687,161.16
Current liabilities	11,181,134,529.88	619,493,938.55	784,037,853.30	12,542,074,244.03	1,910,229,059.39	942,350,570.47
Non-current liabilities	20,975,868,949.72	3,720,679,431.47	3,040,639,790.94	17,593,527,623.20	2,760,186,927.90	3,361,360,181.74
Total liabilities	32,157,003,479.60	4,340,173,370.02	3,824,677,644.24	30,135,601,867.23	4,670,415,987.29	4,303,710,752.21
Minority interests	15,781,658,509.61	-	-	15,816,804,731.11	-	-
Equity attributable to shareholders of the Company	18,674,620,492.30	12,074,527,941.02	6,997,555,821.60	18,266,646,431.88	11,780,191,707.57	6,900,976,408.95
Share of net assets calculated according to shareholding ratio	3,734,924,098.46	5,433,537,573.46	3,498,777,910.80	3,653,329,286.38	5,301,086,268.41	3,450,488,204.48
Adjustments	1,462,953,999.22	(59,677,768.61)	-	1,462,953,999.22	(60,315,270.33)	-
– Goodwill	1,462,953,999.22	-	-	1,462,953,999.22	-	-
– Unrealized profits from internal transactions	-	(60,665,268.59)	-	-	(61,302,770.31)	-
– Others	-	987,499.98	-	-	987,499.98	-
Carrying amount of equity investment in associates and joint ventures	5,197,878,097.68	5,373,859,804.85	3,498,777,910.80	5,116,283,285.60	5,240,770,998.08	3,450,488,204.48
Fair value of equity investment in associates and joint ventures with publicly quoted prices	N/A	N/A	N/A	N/A	N/A	N/A
Operating income	6,440,039,678.80	2,221,192,063.76	544,464,844.51	13,220,827,963.64	2,885,189,075.29	1,268,678,563.31
Income tax expenses	261,390,727.99	214,168,578.22	47,122,156.20	364,760,022.60	406,678,997.03	95,280,458.82
Net profit	438,464,090.45	295,752,903.93	96,579,412.64	684,126,831.89	535,983,865.65	186,230,257.46
Net profit from discontinued operations	-	-	-	-	-	-
Other comprehensive income	3,142,407.65	-	-	97,300,938.39	-	-
Total comprehensive income	441,606,498.10	295,752,903.93	96,579,412.64	781,427,770.28	535,983,865.65	186,230,257.46
Dividends received from associates and joint ventures in the current period	-	135,000,000.00	-	120,000,000.00	-	166,488,798.72

Note: The Group shares the net profit of Derun Environment attributable to shareholders of the Company at a 20% shareholding ratio. After deducting the current-period premium amortization of RMB19,458,913.56, the Group recognized the income from investment in Derun Environment of RMB87,692,818.09. The Group shares, based on the 20% shareholding ratio, other comprehensive income net of tax of Derun Environment attributable to shareholders of the Company amounting to RMB628,481.53, and decreases the capital reserve of the Group by RMB6,726,487.54 as a result of a decrease in capital reserve of Derun Environment. Please refer to Note V, 12.

Notes to the Financial Statements

For the six months ended 30 June 2025

VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in associates and joint ventures (Continued)

(3) Major financial information of insignificant associates and joint ventures

RMB

Item	Closing balance/ Amount for the current period (Unaudited)	30 June 2024/ For the six months ended 30 June 2024 (Unaudited)
Associates and joint ventures:		
Total carrying amount of investments	5,805,759,905.72	5,110,284,856.88
Total of the following items calculated according to the shareholding ratio		
– Net profit	124,108,837.77	154,648,627.81
– Other comprehensive income	16,871,087.01	(1,556,763.95)
– Total comprehensive income	140,979,924.78	153,091,863.86

As at 30 June 2025, there was no substantial restriction on transferring funds between the associates and joint ventures of the Group.

VIII. GOVERNMENT GRANTS

1. Government grants recognized at the amount of receivables at the end of the reporting period

RMB

Item
Closing balance of receivables
–

2. Liabilities involving government grants

RMB

Item	Opening balance	Amount of new government grants	Amount included in non-operating income	Amount included in other income	Other changes	Closing balance	Related to assets/ income
Central subsidy funds for cancellation of the provincial expressway toll station project	12,331,159.62	–	–	3,116,276.77	–	9,214,882.85	Related to assets
Government financial grants for Guizhou Land	465,300.35	–	–	2,802.57	–	462,497.78	Related to assets
Government economic grants for Bioland Company	21,851,557.88	5,869,746.53	–	1,440,251.95	–	26,281,052.46	Related to assets
Total	34,648,017.85	5,869,746.53	–	4,559,331.29	–	35,958,433.09	

VIII. GOVERNMENT GRANTS (CONTINUED)

3. Government grants included in profit or loss

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Central government subsidy for cancellation of provincial expressway toll station project	3,116,276.77	3,116,276.77
VAT immediate refund upon payment	4,324,789.84	1,984,647.37
Government economic grants for Bioland Company	1,440,251.95	1,179,887.22
Government financial grants for Guizhou Land	2,802.57	2,741.07
Financial grants for Lisai Environmental Protection Project	—	31,570.00
Others	1,547,024.22	3,700,812.69
Total	10,431,145.35	10,015,935.12

IX. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Group's major financial instruments include cash at banks and on hand, transactional financial assets, bills receivable, accounts receivable, other receivables, non-current assets due within one year, other current assets, long-term receivables, other non-current financial assets, short-term borrowings, transactional financial liabilities, bills payable, accounts payable, other payables, non-current liabilities due within one year, other current liabilities, long-term borrowings, bonds payable, long-term payables, etc. At the end of the period, details of the financial instruments held by the Group are set out in Note V. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure that the risks are monitored at a certain level.

1. Risk management objectives, policies and procedures, and changes during the period

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimize the adverse impacts of risks on the Group's operation performance, and maximize the benefits of the shareholders and other equity investors. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyze the Group's exposure to various risks, establish an appropriate maximum tolerance to risk, implement risk management, and monitor regularly and effectively these exposures to ensure that the risks are monitored at a certain level.

1.1 Market risk

1.1.1 Currency risk

Currency risk is the risk that losses will occur because of changes in foreign exchange rates. The Group's exposure to the currency risk is primarily associated with HKD and USD. Except for the investment and financing activities of several subsidiaries of the Group in HKD and USD, other principal operating activities of the Group are denominated and settled in RMB.



Notes to the Financial Statements

For the six months ended 30 June 2025

IX. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risk management objectives, policies and procedures, and changes during the period (Continued)

1.1 Market risk (Continued)

1.1.2 Interest rate risk – risk of changes in cash flows

The Group's risk of changes in cash flow of financial instruments caused by changes in interest rates is mainly related to the Group's floating rate bank borrowings. The Group continues to pay close attention to the impact of interest rate changes on the Group's interest rate risk. The Group's policy is to maintain floating interest rates for these borrowings. Currently, there are no arrangements such as interest rate swaps.

1.2 Credit risk

As at 30 June 2025, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees issued by the Group (without considering the available collateral or other credit enhancements) is arising from cash at banks and on hand, bills receivable, accounts receivable, other receivables, long-term receivables, etc. Some of the Group's accounts receivable have relatively long aging and are significant in amount. The counterparty's ability to fulfill contractual obligations has deteriorated due to economic changes and market competition, and disputes exist regarding contract execution for certain businesses, thereby increasing the credit risks. For financial instruments measured at fair value, the carrying amount reflects their risk exposure, but it is not the maximum risk exposure. The maximum risk exposure will change with changes in fair value in the future. In addition, the Group's maximum exposure to credit risk includes the amount of mortgage guarantee contract as disclosed in Note XII, 2 "Contingencies".

In order to reduce credit risk, the Group needs to conduct credit reviews on customers engaging in transactions on credit. In addition, the Group continuously monitors the balance of accounts receivable, establishes clear collection targets for receivables within the Group, and assigns specific responsibilities to relevant entities and individuals, linking these targets to their performance assessment.

The credit risk on cash at banks and on hand is limited because they are deposited with banks with high credit ratings.

1.3 Liquidity risk

In the management of the liquidity risk, the management of the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and bonds and ensures compliance with loan covenants and prospectuses.

As at 30 June 2025, the Group has unused bank credit lines totaling RMB75,623,213,588.02, which are able to satisfy the Group's debt and capital commitments. The Group is able to solve the lack of working capital through reasonable financing arrangements.

Given that the Group has stable and abundant operating cash flow and sufficient credit lines, and has made appropriate financing arrangements to meet debt repayment and capital expenditures, the management of the Company believes that the Group does not have significant liquidity risk.

IX. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

2. Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the profit distribution to shareholders, repurchase shares or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes have been made to the objectives, policies or procedures for managing capital for the six months ended 30 June 2025 and 2024.

The Group manages and monitors capital using a debt-to-asset ratio, which is total liabilities divided by total assets. The Group's debt-to-asset ratio as at the date of financial position statements is as follows:

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Total assets	72,038,805,666.83	67,558,030,948.58
Total liabilities	39,813,766,316.62	40,356,460,239.19
Debt-to-asset ratio	55.27%	59.74%

X. DISCLOSURE OF FAIR VALUE

1. Closing balance of fair value of assets and liabilities measured at fair value

30 June 2025

RMB

	Closing balance of fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
Fair value measurement on a recurring basis:				
Transactional financial assets	–	2,804,269,698.64	129,822,937.64	2,934,092,636.28
Other non-current financial assets	419,111,550.00	–	597,641,127.93	1,016,752,677.93
Transactional financial liabilities	–	–	191,646,201.31	191,646,201.31
Total	419,111,550.00	2,804,269,698.64	535,817,864.26	3,759,199,112.90



Notes to the Financial Statements

For the six months ended 30 June 2025

X. DISCLOSURE OF FAIR VALUE (CONTINUED)

1. Closing balance of fair value of assets and liabilities measured at fair value (Continued)

The fair value of level 3 financial instrument is estimated using the market approach, discounted cash flow method, etc. Unobservable inputs mainly include discount rate, liquidity discount, etc. The Group believes that the fair value estimated based on valuation techniques and its changes are reasonable and it is the most appropriate value at 30 June 2025.

There were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

As at 30 June 2025, the management of the Company considers that the carrying amounts of financial assets and financial liabilities measure at amortized cost in the Group's financial statements approximate their fair values.

XI. RELATED PARTY RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

1. General information of the parent company

HKD

Name of parent company	Place of registration	Nature of business	Registered capital	Equity interest held	Voting rights
Shenzhen International	Bermuda	Investment holding	HKD2,000,000,000.00	47.30%	47.30%

The controlling shareholder of the Company is Shenzhen International, and the ultimate controlling party of the Company is Shenzhen SASAC.

2. Information about subsidiaries

The information about the subsidiaries is set out in Note VII, 1.

3. Information about associates and joint ventures

Information of the associates and joint ventures that have related party transactions with the Group in the current period or had related party transactions with the Group in the previous period is as follows:

Name	Relationship with the Company
Yunji Smart	Associate and joint venture
Huayu Company	Associate and joint venture
Huai'an Zhongheng	Associate and joint venture
Yangmao Company	Associate and joint venture
United Land Company	Associate and joint venture
Nanjing Anvis Transmission Technology Co., Ltd. ("Nanjing Anvis")	Subsidiary of the associate and joint venture
Guangzhou-Shenzhen-Zhuhai Expressway	Associate and joint venture
Xintang Joint Venture	Associate and joint venture
GZ W2 Company	Associate and joint venture
Nanjing Third Bridge Company	Associate and joint venture
Guangzhou-Zhuhai West Line Expressway	Associate and joint venture
Nanning Sanfeng Energy Co., Ltd. ("Nanning Sanfeng")	Subsidiary of the associate and joint venture

XI. RELATED PARTY RELATIONSHIPS AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Information about other related parties

Name	Relationship with the Company
Shenzhen International Modern Logistics Petty Loan Co. Ltd. ("Shenzhen International Modern Logistics Petty Loan")	Wholly-owned subsidiary of the controlling shareholder
Henan Yudong Shenan Port Co., Ltd. ("Henan Yudong")	Holding subsidiary of the controlling shareholder
Hunan Guangyuan Culture Media Co., Ltd. ("Hunan Guangyuan")	Holding company of minority shareholders in a subsidiary
Xin Tong Chan Company	Wholly-owned subsidiary of the controlling shareholder
United Electronic	Participating company

5. Related party transactions

(1) Related transactions for procurement and sale of goods, rendering and receipt of labor services

Procurement of goods/receipt of labor services

RMB

Name of related party	Content of transaction	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
United Electronic (Note 1)	Receipt of network tolling settlement services and others	14,536,612.22	12,360,163.49
Yunji Smart (Note 2)	Receipt of engineering survey, design, and consulting services	6,970,271.00	7,188,933.21
Nanjing Anvis	Receipt of wind turbine repair service	1,265,450.00	—
Nanning Sanfeng	Receipt of sewage, sludge, and waste disposal services	255,402.12	569,530.00
Total		23,027,735.34	20,118,626.70

Note 1: The Guangdong Provincial People's Government has designated United Electronic to take charge of the sub-account management of highway tolls across the province and unified management of non-cash settlement systems. The Company and its subsidiaries have entered into a series of agreements with United Electronic and entrusted it to provide toll settlement services for Coastal Expressway, Meiguan Expressway, Airport-Heao Expressway, Qinglian Expressway, Outer Ring Expressway, Longda Expressway and Shuiguan Expressway invested by the Group. The service periods end on the expiry dates of toll collection periods of the toll roads. The related service charges are determined by the commodity price bureau of Guangdong Province.

Note 2: The Group has entered into service contracts with Yunji Smart, under which Yunji Smart shall provide engineering survey and design, consulting, highway inspection and special maintenance services for Outer Ring Expressway and other roads of the Group.



Notes to the Financial Statements

For the six months ended 30 June 2025

XI. RELATED PARTY RELATIONSHIPS AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Related transactions for procurement and sale of goods, rendering and receipt of labor services (Continued)

Sale of goods/rendering of labor services:

RMB

Name of related party	Content of transaction	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Guangzhou-Shenzhen-Zhuhai Expressway (Note 1)	Personnel dispatch services	1,599,570.51	1,270,208.68
Guangzhou-Zhuhai West Line Expressway (Note 1)	Personnel dispatch services	735,082.03	630,663.88
Huai'an Zhongheng (Note 2)	Operation and maintenance services	734,011.85	317,482.41
Xintang Joint Venture (Note 1)	Personnel dispatch services	400,943.40	400,943.40
Nanjing Third Bridge Company	Personnel dispatch services	289,097.63	178,953.77
Yangmao Company	Personnel dispatch services	236,661.60	235,533.59
GZ W2 Company	Personnel dispatch services	205,020.75	205,020.75
Yunji Smart (Note 3)	Commission sale of water and electricity services	1,415.92	12,891.28
Others (Note 4)	Commission sale of water and electricity services and others	121,286.36	412,795.43
Total		4,323,090.05	3,664,493.19

Note 1: Bay Area Development, a subsidiary of the Company, provides personnel dispatch services to Guangzhou-Shenzhen-Zhuhai Expressway, Xintang Joint Venture and Guangzhou-Zhuhai West Line Expressway.

Note 2: Nanjing Wind Power, a subsidiary of the Company, entered into an entrusted operation contract with Huai'an Zhongheng, under which it provides entrusted management and operation services for Huai'an Zhongheng's wind power plants.

Note 3: Coastal Company, a subsidiary of the Company, provides water and electricity resources to Yunji Smart.

Note 4: The Group provides water and electricity services and other services to Xin Tong Chan Company, Huayu Company, United Electronic and Hunan Guangyuan. The water and electricity service is charged and calculated based on the price paid to the water supply agency and power supply agency. The respective transaction amounts were not presented separately as they were not material.

XI. RELATED PARTY RELATIONSHIPS AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(2) Related leases

(a) The Group as a lessor

RMB

Lessee	Type of assets leased	Lease income recognized for the six months ended 30 June 2025	Lease income recognized for the six months ended 30 June 2024
Hunan Guangyuan	Billboard	194,400.00	–
Henan Yudong	Equipment leasing	–	555,516.14
Total		194,400.00	555,516.14

*(3) Remuneration of key management personnel

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Basic salary, housing allowance, other allowances and non-cash benefits	4,579,757.68	3,725,825.82
Total contributions to the pension scheme	–	–
Total amount of bonuses paid or payable to the highly paid individuals as appropriate or based on performance	–	–

Key management personnel include directors, supervisors and senior management personnel. For the six months ended 30 June 2025, the Company has a total of 21 (for the six months ended 30 June 2024: 20) key management personnel.

(4) Borrowings from/to related parties

Borrowings from related parties:

RMB

Related party	Amount of borrowings	Closing balance (Unaudited)	Interest rate	Inception date	Due date
United Land Company (Note)	–	387,586,715.85	–	29 December 2021	–

Note: As at 30 June 2025, the balance of the Company's interest-free borrowing from United Land Company was RMB387,586,715.85.



Notes to the Financial Statements

For the six months ended 30 June 2025

XI. RELATED PARTY RELATIONSHIPS AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Receivables due from and payables due to related parties

(1) Receivable items

RMB

Item	Related parties	Closing balance (Unaudited)		Opening balance (Audited)	
		Gross carrying amount	Bad debt provision	Gross carrying amount	Bad debt provision
Accounts receivable	Huayu Company	104,469.30	—	67,036.43	—
Accounts receivable	GZ W2 Company	85,356.00	—	2,845,199.00	—
Prepayments	Yunji Smart	3,066,691.80	—	3,066,691.80	—
Prepayments	United Electronic	59,227.52	—	69,522.41	—
Other receivables (Note V, 5.3)	Huai'an Zhongheng	88,331,191.80	70,664,953.44	88,331,191.80	26,499,357.54
Other receivables (Note V, 5.3)	Xintang Joint Venture	425,000.00	—	425,000.00	—
Other receivables (Note V, 5.3)	United Electronic	96,907.90	—	92,895.74	—
Other receivables (Note V, 5.3)	Yunji Smart	84,050.00	—	84,050.00	—
Other receivables (Note V, 5.3)	Guangzhou-Shenzhen-Zhuhai Expressway	—	—	2,233,659.11	—
Other receivables (Note V, 5.3)	Guangzhou-Zhuhai West Line Expressway	—	—	279,031.22	—
Other receivables (Note V, 5.3)	Huayu Company	—	—	20,000.00	—

XI. RELATED PARTY RELATIONSHIPS AND RELATED PARTY TRANSACTIONS (CONTINUED)

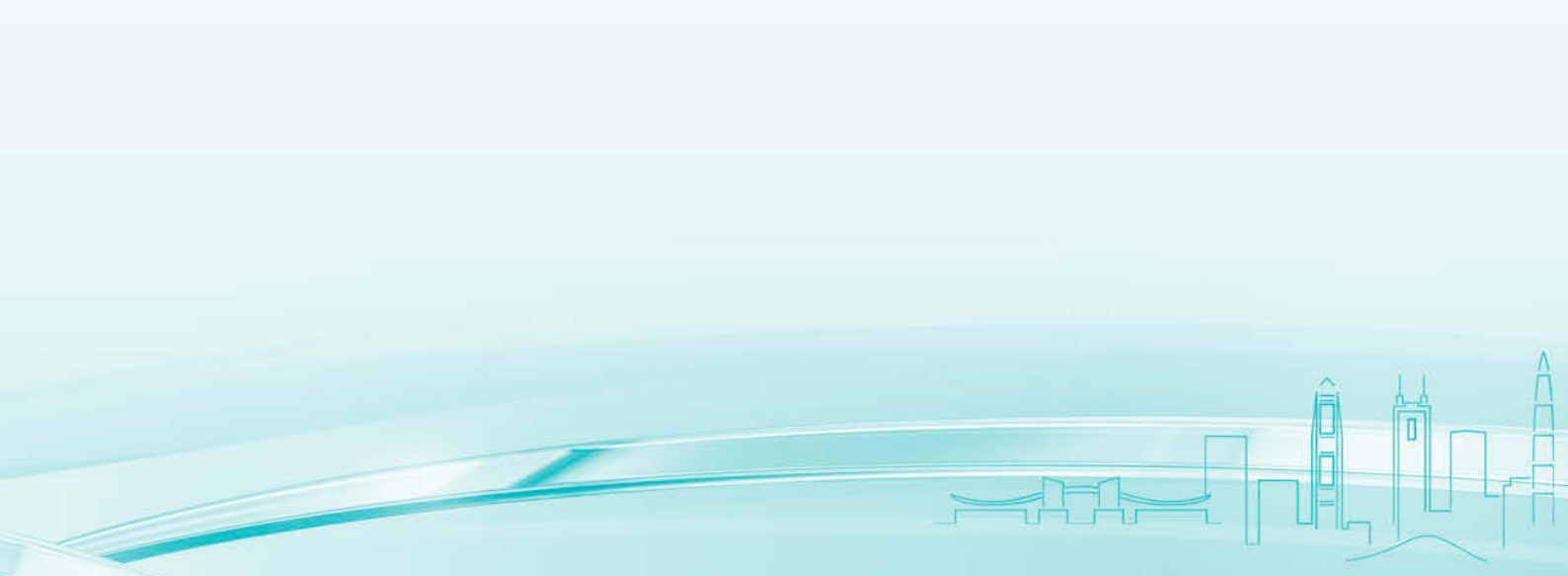
6. Receivables due from and payables due to related parties (Continued)

(2) Payable items

RMB

Item	Related parties	Closing balance (Unaudited)	Opening balance (Audited)
Accounts payable	Yunji Smart	17,146,479.02	16,973,345.72
Accounts payable	Nanjing Anvis	1,965,450.00	2,273,004.00
Accounts payable	United Electronic	341,688.13	320,113.40
Accounts payable	Nanning Sanfeng	100,126.55	50,783.03
Other payables (Note V, 30.3(1))	Yunji Smart	34,741,169.79	40,524,132.86
Other payables (Note V, 30.3(1))	Huayu Company	27,920,000.00	23,200,000.00
Other payables (Note V, 30.3(1))	Nanjing Third Bridge Company	7,717,500.00	41,296,500.00
Other payables (Note V, 30.3(1))	Guangzhou-Shenzhen-Zhuhai Expressway	6,069,685.20	6,069,685.20
Other payables (Note V, 30.3(1))	United Electronic	2,055,612.51	1,770,754.25
Other payables (Note V, 30.3(1))	Nanjing Anvis	134,166.68	38,766.48
Other payables (Note V, 30.3(1))	Xin Tong Chan Company	5,000.00	5,000.00
Other payables (Note V, 30.3(1))	Yangmao Company	—	45,000,000.00
Other payables (Note V, 30.3(1))	GZ W2 Company	—	25,000,000.00
Other payables (Note V, 30.3(1))	Shenzhen International Petty Loan	—	2,196.12
Long-term payables (Note V, 36.(1))	United Land Company	387,586,715.85	387,586,715.85

Amounts due from/to related parties above are non-interest bearing, unsecured and have no fixed repayment terms.



Notes to the Financial Statements

For the six months ended 30 June 2025

XI. RELATED PARTY RELATIONSHIPS AND RELATED PARTY TRANSACTIONS (CONTINUED)

7. Commitments with related parties

The following table presents the commitments related to related parties that have been contracted but have not been presented in the financial position statements:

(1) Receipt of services

RMB

Related party	Closing balance (Unaudited)	Opening balance (Audited)
Yunji Smart	37,390,845.95	43,442,094.30
Nanjing Anvis	3,710,710.00	–
Nanning Sanfeng	641,277.84	96,016.80
Total	41,742,833.79	43,538,111.10

(2) Rendering of labor services

RMB

Related party	Closing balance (Unaudited)	Opening balance (Audited)
GZ W2 Company	–	2,877,558.00

(3) Investment commitments

In order to satisfy the capital requirements for the renovation and expansion projects regarding the Guangzhou Huocun to Dongguan Chang'an Section of Beijing-Hong Kong-Macao Expressway and the Guangzhou Huangcun to Huocun Section of Guangzhou-Foshan Expressway held by Guangzhou-Shenzhen-Zhuhai Expressway, a joint venture and associate of the Company, the Company held its 51st meeting of the 9th session of Board of Directors on 23 January 2025, reviewed and approved the *Proposal on Capital Increase to Guangzhou-Shenzhen-Zhuhai Expressway*. On 24 January 2025, Hopewell China Development, a subsidiary of the Company, entered into an *Agreement of Capital Increase to Guangzhou-Shenzhen-Zhuhai Expressway between Guangdong Highway Construction Co., Ltd. and Hopewell China Development (Superhighway) Limited* (the "Capital Increase Agreement") with Guangdong Highway Construction Co., Ltd. ("Guangdong Highway Construction"). Pursuant to the Capital Increase Agreement, Hopewell China Development and Guangdong Highway Construction agreed to subscribe and pay for the registered capital of Guangzhou-Shenzhen-Zhuhai Expressway after the change of registration in accordance with their shareholding ratios as agreed in the Capital Increase Agreement, and after the completion of the Capital Increase, the registered capital of Guangzhou-Shenzhen-Zhuhai Expressway shall be RMB7,300 million. Specifically, Hopewell China Development will subscribe and actually pay RMB3,285 million (or equivalent amount in foreign currencies) in respect of its 45% shareholding ratio; and Guangdong Highway Construction will subscribe and actually pay RMB4,015 million in respect of its 55% shareholding ratio.

(4) Equity acquisition commitments

As at 30 June 2025, the Group had no equity acquisition commitments.

XII. COMMITMENTS AND CONTINGENCIES

1. Significant commitments

In addition to the related party commitments disclosed in Note XI, 7, other significant commitments of the Group are as follows:

(1) Capital commitments

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Capital commitments that have been entered into but have not been recognized in the financial statements:		
– Expressway construction	9,875,392,985.56	10,445,493,263.59
– Kitchen waste disposal projects	182,997,033.75	252,176,311.17
Total	10,058,390,019.31	10,697,669,574.76

2. Contingencies

Significant contingencies at the date of financial position statements

- (a) As at 30 June 2025, the Group's guarantees for the performance of certain projects are in effect, with a total guarantee amount of approximately RMB606 million.
- (b) As at 30 June 2025, the Group provided a periodic joint and several liability guarantee amounting to RMB324 million to the bank for house mortgage loans granted by the bank to the Group's property buyers. Under the terms of guarantee, the Group is responsible for paying the outstanding mortgage loans and any accrued interest and penalties owed to the bank by the buyers in arrears if the buyers default in the mortgage payments, and the Group can then receive legal ownership of the property. The Group's guarantee period commences on the date on which the relevant mortgage loan is granted by the bank and ends on the date on which the buyer obtains the title deeds of the individual properties. The management believes that if the payment is in arrears, the net realizable value of the property is sufficient to cover the outstanding mortgage loans together with any accrued interest and penalties, and therefore no provision is made for these guarantees.



Notes to the Financial Statements

For the six months ended 30 June 2025

XII. COMMITMENTS AND CONTINGENCIES (CONTINUED)

2. Contingencies (Continued)

Significant contingencies at the date of financial position statements (Continued)

- (c) On 8 January 2020, Environment Company, a subsidiary of the Company, entered into the *Capital Increase and Share Transfer Agreement Regarding the Acquisition of up to 68.10% Shares of Bioland Company between Shenzhen Expressway Environment Co., Ltd., and Zhengzhou Cida Environmental Technology Co., Ltd., Beijing Shuiqi Lande Technology Co., Ltd., Shi Junying, Shi Junhua, and Bioland Company* (the "Capital Increase and Equity Transfer Agreement") with Bioland Company and four shareholders of Bioland Company (i.e., Shi Junying, Shi Junhua, Zhengzhou Cida Environmental Technology Co., Ltd., and Beijing Shuiqi Lande Technology Co., Ltd., collectively referred to as the "Original Shareholders"), which stipulated the equity compensation for valuation adjustment mechanism and other matters. The performance of Bioland Company failed to meet the expectation from 2021 to 2023. In May 2023, the Original Shareholders submitted an application for arbitration to Shenzhen Court of International Arbitration, requesting (1) to change the formula for calculating the performance compensation under the Capital Increase and Equity Transfer Agreement, i.e., to bear the liability at a rate of 1% in respect of the performance compensation for 2021 only; (2) Environment Company to return the 22,640,000 shares that had been compensated, or to compensate RMB129,727,200.00 to the Original Shareholders if such shares are not returned due to transfer, pledge, or other reasons; (3) Environment Company to bear the Original Shareholders' attorney fees, notary fees and other expenses for defending their rights; and (4) Environment Company to bear the arbitration costs for the case. In July 2023, Environment Company filed an arbitration with Shenzhen Court of International Arbitration, applying for that the Original Shareholders shall pay compensation to Environment Company for performance commitment for the years from 2020 to 2022, and Shenzhen Court of International Arbitration has accepted the case. In December 2023, Environment Company applied to Shenzhen Court of International Arbitration for the preservation of the properties of the Original Shareholders of Bioland Company. In May 2024, Environment Company received a notice from Shenzhen Nanshan District People's Court which stated that the preservation measures had been taken on the known properties under the names of the Original Shareholders. In November 2024, Environment Company filed an arbitration regarding the compensation for valuation adjustment mechanism for the year 2023, applying for a change of the first item of the original arbitration request to that the Original Shareholders shall transfer 19,534,720 shares of Bioland Company to Environment Company free of charge and pay compensation for losses in the amount of RMB244,638,388.80, with other requests remained unchanged. At present, Shenzhen Court of International Arbitration has combined the aforementioned arbitration requests for trial, and the hearing was scheduled on 12 April 2025. As of the date of approval for issue of the financial statements, no arbitral award has been issued for the case, and the Group believes that the outcome of the arbitration and the compensation obligation (if any) cannot be reliably estimated.
- (d) In January 2022, Fund Company, a subsidiary of the Company, entered into a partnership agreement with China Railway Construction Southern Investment Co., Ltd. ("China Railway Construction Southern") and other investors to jointly initiate the establishment of Shenzhen Shengao Infrastructure Private Equity Investment Fund Partnership Enterprise (Limited Partnership) ("Infrastructure Fund"), which mainly invests in the transportation infrastructure sector. Fund Company, as general partner, holds 0.02% of the shares, and China Railway Construction Southern, as limited partner, holds 29.41% of the shares. The first installment of paid-in capital of the Infrastructure Fund amounted to RMB595 million, of which RMB140 million was paid-in by China Railway Construction Southern. On 13 August 2024, China Railway Construction Southern submitted an application for arbitration to Shenzhen Court of International Arbitration, mainly requesting that Fund Company and Infrastructure Fund shall (1) handle procedures for its withdrawal from the Fund; and (2) refund the principal and interest for its investment amounting to RMB152,590,277.78. As of the date of approval for issue of the financial statements, the case is still under arbitration, and the Group believes that the outcome of the arbitration and the compensation obligation (if any) cannot be reliably estimated.

XII. COMMITMENTS AND CONTINGENCIES (CONTINUED)

2. Contingencies (Continued)

Significant contingencies at the date of financial position statements (Continued)

- (e) In February 2020, Juye Changguang Wind Energy Co., Ltd. (“Juye Changguang”) entered into a *Contract for Procurement of Wind Turbines and Auxiliary Equipment for Heze Juye 50MW Wind Power Generation Project* with Nanjing Wind Power, and Nanjing Wind Power did not complete the goods delivery until 31 December 2020, resulting in Juye Changguang’s failure in completing the installation and grid connection for the entire project by 31 December 2020 as scheduled, which caused the 25MW project to be ineligible for national subsidies on wind power. Juye Changguang filed a lawsuit with the People’s Court of Juye County on 15 January 2025, requesting (1) Nanjing Wind Power to compensate Juye Changguang for losses amounting to RMB96,140,006.37 incurred due to Juye Changguang’s ineligibility to receive the national subsidies as a result of the delayed delivery; (2) Environmental Company, a shareholder of Nanjing Wind Power, to assume joint and several liability for the obligations under claim (1) against Nanjing Wind Power; and (3) Nanjing Wind Power and Environmental Company to bear the litigation costs of this case. As of the date of approval for issue of the financial statements, the case is in the first-instance stage, and the Group believes that the outcome of the ruling and the compensation obligation (if any) cannot be reliably estimated.
- (f) Pursuant to the *Engineering Equipment Supply and Installation Contract* and the *Wind Turbine Quality Assurance Agreement* entered into by and between Nanjing Wind Power and Huai’an Zhongheng, Nanjing Wind Power shall supply wind turbines for wind farms of Huai’an project. Following the project’s completion, a safety incident involving a blade falling occurred on 30 August 2021, with blade fracture reported on Turbine #8. A third-party inspection agency concluded after inspection that the Model 69 blades of 23 wind turbines exhibited deficiencies attributable to blade design flaws, etc. After Huai’an Zhongheng’s failure in reaching an agreement on blade repair plan with Nanjing Wind Power, Huai’an Zhongheng independently commissioned and carried out blade replacement and wind turbine modifications, incurring related expenses. Due to blade quality issues, Huai’an Zhongheng incurred repair costs and suffered power generation losses, and therefore file a lawsuit with the People’s Court of Huai’an District, requesting (1) Nanjing Wind Power to compensate for repair and replacement costs related to wind turbine equipment and blades amounting to RMB91,495,796.97; (2) Nanjing Wind Power to compensate for costs related to quality inspection, verification, patrols, and repairs amounting to RMB4,366,284.98; (3) Nanjing Wind Power to compensate for power generation losses amounting to RMB28,382,747.01; and (4) Nanjing Wind Power to bear all litigation costs of this case. As of the date of approval for issue of the financial statements, the case is in the first-instance stage, and the Group believes that the outcome of the ruling and the compensation obligation (if any) cannot be reliably estimated.

In addition to those mentioned above, as of 30 June 2025, the amount of pending litigation and arbitration cases for which the Group is unable to reliably estimate the provisions totaled approximately RMB187,744,800.00.



Notes to the Financial Statements

For the six months ended 30 June 2025

XIII. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL POSITION STATEMENTS

As of the date of approval for issue of the financial statements, there is no significant events subsequent to the date of financial position statements.

XIV. OTHER SIGNIFICANT MATTERS

1. Segment information

(1) Basis for determination and accounting policies of reporting segments

According to the Group's internal organizational structure, management requirements and internal reporting system, the Group's operating business is divided into two operating segments. The Group's management regularly evaluates the operating results of these segments to determine the allocation of resources and evaluation of their performance. On the basis of operating segments, the Group has identified two reporting segments, namely the toll road segment and the environmental protection segment. These reporting segments are determined on the basis of their main business. The main products and services provided by each reporting segment of the Group: toll road segment takes charge of operation and management of toll roads in Chinese Mainland; environmental protection segment takes charge of the operation and management of environment-related infrastructure, mainly including solid waste treatment, clean energy power generation and other related fields; and other businesses principally comprise the provision of entrusted management services, advertising services, property development, finance leases, construction services under franchise arrangement and other services. These businesses cannot be separated into reportable segments.

Segment 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.

XIV. OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment information (Continued)

(2) Financial information of reporting segment

For the six months ended 30 June 2025

RMB

Item	Toll road	Environmental protection	Others	Unallocated	Total
Revenue from external customers	2,449,431,323.46	749,928,961.95	719,195,055.33	–	3,918,555,340.74
Cost of services	1,241,552,298.96	577,890,278.40	650,891,547.98	–	2,470,334,125.34
Interest income	20,022,656.11	1,177,440.03	13,859,663.53	6,834,820.32	41,894,579.99
Interest expenses	26,325,538.25	76,748,318.79	338,586,948.37	–	441,660,805.41
Income from investment in associates and joint ventures	266,970,254.98	98,481,188.89	27,728,725.08	–	393,180,168.95
Credit impairment gains (losses)	–	(72,606,353.56)	(2,039,206.40)	–	(74,645,559.96)
Gains (losses) on impairment of assets	–	(17,511,953.61)	–	–	(17,511,953.61)
Gains (losses) on disposal of assets	(54,929.89)	–	–	–	(54,929.89)
Depreciation and amortization expenses	828,160,787.02	253,986,707.36	41,851,488.10	36,409,697.11	1,160,408,679.59
Total profit (total loss)	1,250,159,671.71	108,235,629.57	27,539,547.08	(130,622,728.86)	1,255,312,119.50
Income tax expenses	272,608,127.00	19,718,786.61	(67,673,923.41)	–	224,652,990.20
Net profit (net loss)	977,551,544.71	88,516,842.96	95,213,470.49	(130,622,728.86)	1,030,659,129.30
Total assets	42,140,920,958.59	18,180,685,885.79	9,772,423,355.55	1,944,775,466.90	72,038,805,666.83
Total liabilities	26,488,368,071.28	8,205,138,286.66	2,415,695,293.86	2,704,564,664.82	39,813,766,316.62
Long-term equity investments in associates and joint ventures	10,528,199,625.48	5,496,061,326.39	3,852,014,767.18	–	19,876,275,719.05
Amount of non-current assets (exclusive of financial assets, long-term equity investments, and deferred tax assets)	13,576,111,778.41	8,538,584,132.82	12,788,254,570.94	27,293,950.69	34,930,244,432.86



Notes to the Financial Statements

For the six months ended 30 June 2025

XIV. OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment information (Continued)

(2) Financial information of reporting segment (Continued)

For the six months ended 30 June 2024

RMB

Item	Toll road	Environmental protection	Others	Unallocated	Total
Revenue from external customers	2,433,892,615.28	734,698,183.52	588,301,502.50	–	3,756,892,301.30
Cost of services	1,205,699,322.00	591,055,589.35	518,912,273.19	–	2,315,667,184.54
Interest income	27,496,838.88	1,314,774.82	7,447,722.27	6,834,820.32	43,094,156.29
Interest expenses	46,958,377.86	87,671,552.41	437,653,667.94	–	572,283,598.21
Income from investment in associates and joint ventures	268,209,769.54	66,384,539.12	85,553,017.43	–	420,147,326.09
Credit impairment gains (losses)	–	(88,914,932.19)	115,272.33	–	(88,799,659.86)
Gains (losses) on impairment of assets	–	(44,317,275.45)	–	–	(44,317,275.45)
Gains (losses) on disposal of assets	23,678.24	13,405.51	(132,214.83)	–	(95,131.08)
Depreciation and amortization expenses	824,725,838.18	235,199,293.32	47,586,137.92	35,096,365.61	1,142,607,635.03
Total profit (loss)	1,261,773,154.08	(136,483,238.68)	88,998,831.42	(114,563,776.83)	1,099,724,969.99
Income tax expenses	277,726,977.91	8,559,271.41	(37,739,213.31)	–	248,547,036.01
Net profit (loss)	984,046,176.17	(145,042,510.09)	126,738,044.73	(114,563,776.83)	851,177,933.98
Total assets	35,401,755,218.57	18,773,012,625.84	9,564,939,841.17	2,129,559,594.89	65,869,267,280.47
Total liabilities	27,664,966,730.91	8,320,612,676.64	2,401,598,137.37	232,939,866.28	38,620,117,411.20
Long-term equity investments in associates and joint ventures	10,836,644,853.66	5,214,233,586.65	3,573,133,509.10	–	19,624,011,949.41
Amount of non-current assets (exclusive of financial assets, long-term equity investments, and deferred tax assets)	11,289,444,338.16	9,161,124,668.71	12,180,650,334.31	1,922,232,827.10	34,553,452,168.28

(3) Other descriptions

The Group's revenue from external customers and the non-current assets other than financial assets and deferred tax assets are all derived from the PRC.

XV. NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

1. Accounts receivable

(1) Accounts receivable disclosed by aging

RMB

Aging	Closing balance (Unaudited)	Opening balance (Audited)
Within 1 year	56,972,463.21	30,538,642.65
1 to 2 years	8,344,289.28	39,901,940.57
2 to 3 years	39,901,940.57	—
Over 3 years	4,838,866.44	4,838,866.44
Total	110,057,559.50	75,279,449.66

(2) Accounts receivable disclosed by method of bad debt provision

RMB

Category	Closing balance (Unaudited)					Opening balance (Audited)				
	Gross carrying amount		Bad debt provision		Carrying amount	Gross carrying amount		Bad debt provision		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision assessed on a portfolio basis according to credit risk characteristics										
Portfolio I	82,105,878.44	74.60	—	—	82,105,878.44	65,672,136.17	87.24	—	—	65,672,136.17
Portfolio IV	27,951,681.06	25.40	—	—	27,951,681.06	9,607,313.49	12.76	—	—	9,607,313.49
Total	110,057,559.50	100.00	—	—	110,057,559.50	75,279,449.66	100.00	—	—	75,279,449.66

(3) Top five accounts receivable and contract assets categorized by debtor

RMB

Name of entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to total closing balance of accounts receivable and contract assets (%)	Closing balance of provision for bad debts
Total of top five accounts receivable and contract assets at the end of the period	66,966,673.77	100,684,254.38	167,650,928.15	27.61	—



Notes to the Financial Statements

For the six months ended 30 June 2025

XV. NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables

2.1 Presentation of other receivables

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Dividends receivable	21,300,000.00	431,020,860.00
Other receivables	3,021,277,905.73	3,362,777,219.56
Total	3,042,577,905.73	3,793,798,079.56

2.2 Dividends receivable

(1) Dividends receivable

RMB

Investee	Closing balance (Unaudited)	Opening balance (Audited)
Bank of Guizhou Co., Ltd.	21,300,000.00	—
Outer Ring Company	—	265,000,000.00
Mei Wah Company	—	106,020,860.00
Meiguan Company	—	60,000,000.00
Total	21,300,000.00	431,020,860.00

(2) There was no significant dividends receivable aged over one year

2.3 Other receivables

(1) Other receivables disclosed by aging

RMB

Aging	Closing balance (Unaudited)	Opening balance (Audited)
Within 1 year	1,058,901,732.64	1,251,474,812.53
1 to 2 years	79,180,715.19	1,497,641,000.63
2 to 3 years	1,437,732,828.89	249,755,229.79
Over 3 years	445,462,629.01	363,906,176.61
Sub-total	3,021,277,905.73	3,362,777,219.56
Less: Bad debt provision for other receivables	—	—
Total	3,021,277,905.73	3,362,777,219.56

XV. NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables (Continued)

2.3 Other receivables (Continued)

(2) Other receivables analyzed by nature

RMB

Nature	Closing balance (Unaudited)	Opening balance (Audited)
Receivables from subsidiaries for financial assistance	2,880,494,542.05	3,227,067,757.29
Advances receivable	130,886,005.09	127,698,608.59
Others	9,897,358.59	8,010,853.68
Total	3,021,277,905.73	3,362,777,219.56

(3) Top five other receivables categorized by debtor

RMB

Name of entity	Closing balance	Proportion to total closing balance of other receivables (%)	Nature	Aging	Closing balance of provision for bad debts
Customer I	1,254,689,842.34	41.53	Borrowings receivable, advances receivable	Within 1 year, 1 to 2 years, 2 to 3 years	—
Customer II	998,038,247.06	33.03	Borrowings receivable, advances receivable	Within 1 year, over 3 years	—
Customer III	335,167,799.89	11.09	Borrowings receivable	2 to 3 years	—
Customer IV	245,000,000.00	8.11	Borrowings receivable	Over 3 years	—
Customer V	88,456,426.84	2.93	Advances receivable	Within 1 year, 1 to 2 years, over 3 years	—
Total	2,921,352,316.13	96.69			—



Notes to the Financial Statements

For the six months ended 30 June 2025

XV. NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments

RMB

Investee	Opening balance (Audited)	Changes for the period								Closing balance (Unaudited)	Closing balance of provision for impairment
		Addition	Reduction	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Other equity changes	Cash dividend or profit declared	Provision for impairment	Others		
Associates and joint ventures:											
Yangmao Company	840,603,301.52	-	-	31,653,793.44	-	-	(53,878,968.20)	-	-	818,378,126.76	-
E Fund – Shenzhen Expressway REITs (code: 508033)	750,659,862.55	-	-	14,401,740.99	-	-	(19,152,000.00)	-	-	745,909,603.54	-
United Land Company	732,747,626.53	-	-	(18,121,244.72)	-	-	-	-	-	714,626,381.81	-
Nanjing Third Bridge Company	464,833,892.23	-	-	27,469,726.78	-	-	(60,810,754.09)	-	-	431,492,864.92	-
GZ W2 Company	371,302,955.80	-	-	27,001,729.18	-	-	(51,885,100.00)	-	-	346,419,584.98	-
Shengchuang Fund	99,518,936.60	-	(71,694,000.00)	510,009.04	-	-	-	-	-	28,334,945.64	-
Others	1,673,405,062.36	-	-	44,005,712.46	15,683,923.20	-	(21,300,000.00)	-	-	1,711,794,698.02	-
Sub-total	4,933,071,637.59	-	(71,694,000.00)	126,921,467.17	15,683,923.20	-	(207,026,822.29)	-	-	4,796,956,205.67	-
Investment in subsidiaries:											
Mei Wah Company	10,260,345,535.22	-	-	-	-	-	-	-	-	10,260,345,535.22	-
Outer Ring Company	6,500,000,000.00	1,100,000,000.00	-	-	-	-	-	-	-	7,600,000,000.00	-
Environment Company	5,650,000,000.00	-	-	-	-	-	-	-	-	5,650,000,000.00	-
New Energy Company	2,161,250,000.00	-	-	-	-	-	-	-	-	2,161,250,000.00	-
Coastal Company	1,787,939,407.88	-	-	-	-	-	-	-	-	1,787,939,407.88	-
Qinglian Company	1,072,668,891.00	-	-	-	-	-	-	-	-	1,072,668,891.00	678,765,149.21
Expressway Investment	1,000,000,000.00	-	-	-	-	-	-	-	-	1,000,000,000.00	-
Financial Leasing Company	678,193,419.87	-	-	-	-	-	-	-	-	678,193,419.87	-
Meiguan Company	521,260,142.34	-	-	-	-	-	-	-	-	521,260,142.34	-
Infrastructure Environmental Protection Development Company	236,964,077.66	-	-	-	-	-	-	-	-	236,964,077.66	96,229,424.09
Guangming Environmental Technology	200,000,000.00	-	-	-	-	-	-	-	-	200,000,000.00	-
Longda Company	103,816,567.61	-	-	-	-	-	-	-	-	103,816,567.61	-
Qinglong Company	101,477,197.16	-	-	-	-	-	-	-	-	101,477,197.16	-
Operation Development Company	33,325,000.01	-	-	-	-	-	-	-	-	33,325,000.01	-
Shenchang Company	33,280,762.94	-	-	-	-	-	-	-	-	33,280,762.94	-
Construction Development Company	30,000,000.00	-	-	-	-	-	-	-	-	30,000,000.00	-
Fund Company	10,000,000.00	-	-	-	-	-	-	-	-	10,000,000.00	-
Shenzhen Expressway Business	4,000,000.00	-	-	-	-	-	-	-	-	4,000,000.00	-
Expressway Digital Technology	2,550,000.00	-	-	-	-	-	-	-	-	2,550,000.00	-
Yichang Operation & Management	2,300,000.00	-	-	-	-	-	-	-	-	2,300,000.00	-
Baotou Nanfeng	1,280,900.27	-	-	-	-	-	-	-	-	1,280,900.27	-
Sub-total	30,390,651,901.96	1,100,000,000.00	-	-	-	-	-	-	-	31,490,651,901.96	774,994,573.30
Total	35,323,723,539.55	1,100,000,000.00	(71,694,000.00)	126,921,467.17	15,683,923.20	-	(207,026,822.29)	-	-	36,287,608,107.63	774,994,573.30

Note: The detailed information about investment in associates and joint ventures is set out in Note V, 12.

XV. NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Operating income and cost of services

RMB

Item	For the six months ended 30 June 2025 (Unaudited)		For the six months ended 30 June 2024 (Unaudited)	
	Income	Cost	Income	Cost
Main businesses	608,718,637.40	157,672,598.21	576,751,355.08	181,718,928.91
Other businesses	108,951,317.37	90,454,364.11	147,545,298.86	142,698,562.27
Total	717,669,954.77	248,126,962.32	724,296,653.94	324,417,491.18

5. Investment income

RMB

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Income from long-term equity investments under the cost method	281,043,170.78	393,753,395.47
Income from long-term equity investments under the equity method	126,921,467.17	131,922,640.72
Investment income from other non-current financial assets	12,390,564.24	4,752,000.00
Investment income from disposal of equity	–	127,449,491.52
Investment income from transactional financial assets	–	1,787,671.23
Total	420,355,202.19	659,665,198.94



Supplementary Information

For the six months ended 30 June 2025

1. Breakdown of non-recurring profit or loss for the period

RMB

Item	Amount
Profit or loss on disposal of non-current assets, including those charged off for which provision for impairment of assets has been made	(54,929.89)
Government grants recognized in profit or loss (other than government grants which are closely related to the Company's business, in line with the national regulations, enjoyed under established standards and have a continuous impact on the Company's profit or loss)	1,547,024.22
Profit or loss on changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and profit or loss on disposal of financial assets and financial liabilities, other than those used in the effective hedging activities relating to normal operating business	76,421,030.52
Other non-operating income and expenses other than the above	2,759,496.68
Less: Tax effects	18,552,753.40
Effects attributable to minority interests	1,879,096.14
Total	60,240,771.99

Basis for preparation of the breakdown of non-recurring profit or loss

According to *Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1 – Non-Recurring Profit or Loss (Revised in 2023)* issued by China Securities Regulatory Commission, non-recurring profit or loss arises from transactions or events that are not directly related to the normal business operations, or transactions or events that are related to normal business operations but are so extraordinary that would have an impact on users of the financial statements when making proper judgments on the performance and profitability of the Company.

2. Return on net assets and earnings per share

The return on net assets and earnings per share have been prepared by Shenzhen Expressway Corporation Limited in accordance with the *Rules Governing the Preparation of Information Disclosure by Companies Offering Securities to the Public No. 9 – Calculation and Disclosure of Return on Net Assets and Earnings per Share* (revised in 2010) issued by China Securities Regulatory Commission.

RMB

Profit for the reporting period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	4.34	0.382	0.382
Net profit after deducting non-recurring profit or loss attributable to ordinary shareholders of the Company	4.06	0.357	0.357

Company Information

I. Company Profile

Registered name	深圳高速公路集团股份有限公司
Chinese abbreviation	深高速
English name	Shenzhen Expressway Corporation Limited
English abbreviation	SZEW
Legal representative	Xu En Li

II. Contact Information

	Secretary of the Board	Joint company secretary ^{Note}	Securities officer
Name	ZHAO Gui Ping	ZHAO Gui Ping, LAM Yuen Ling Eva	GONG Xin, XIAO Wei
Contact address	46/F, Hanking Centre, 9968 Shennan Avenue, Nanshan District, Shenzhen		
Telephone	(86) 755-8669 8069; (86) 755-8669 8065		
Fax	(86) 755-8669 8002		
E-mail	secretary@sz-expressway.com		

Note: As Ms. ZHAO Gui Ping has met the eligibility requirements for company secretary under the rules of the HKEx, Ms. LAM Yuen Ling Eva has resigned from the position of Joint company secretary with effect from 22 August 2025.

III. General Information

Registered address	Fumin Toll Station, Fucheng Street, Longhua District, Shenzhen (Postal Code: 518110)
Place of business	46/F, Hanking Centre, No. 9968 Shennan Avenue, Nanshan District, Shenzhen (Postal Code: 518057)
Website	http://www.sz-expressway.com H share: https://expressway.aconnect.com.hk
E-mail	ir@sz-expressway.com
Principal place of business in Hong Kong	Room 1603, 16/F, China Building, 29 Queen's Road Central, Hong Kong Tel: (852) 2543 0633 Fax: (852) 2543 9996

IV. Information Disclosure and Site for Inspection

Designated publication newspaper	Shanghai Securities News, Securities Times, China Securities Journal, Securities Daily (for A Shares only)
Interim report in electronic version is available at	http://www.sse.com.cn http://www.hkexnews.hk https://expressway.aconnect.com.hk
Interim report in printed version is available at	PRC: 46/F Hanking Centre, No. 9968 Shennan Avenue, Nanshan District, Shenzhen Hong Kong: Room 1603, 16/F, China Building, 29 Queen's Road Central, Hong Kong

Company Information

V. Security Profile

Type of securities	Listing exchange	Abbreviation	Security code
A Share	The Shanghai Stock Exchange	Shenzhen Expressway	600548
H Share	The Stock Exchange of Hong Kong Limited	Shenzhen Expressway	00548
Bond	The Stock Exchange of Hong Kong Limited	SZEXP B2607	40752
Bond	The Shanghai Stock Exchange	21 Shenzhen Expressway 01	188451
Bond	The Shanghai Stock Exchange	22 Shenzhen Expressway 01	185300
Bond	The Shanghai Stock Exchange	G23 Shenzhen Expressway 1	240067
Bond	The Shanghai Stock Exchange	24 Shenzhen Expressway 01	241018
Bond	The Shanghai Stock Exchange	24 Shenzhen Expressway 02	241019
Bond	The Shanghai Stock Exchange	24 Shenzhen Expressway 03	242050
Bond	The Shanghai Stock Exchange	25 Shenzhen Expressway 01	242539
Bond	The Shanghai Stock Exchange	25 Shenzhen Expressway Y1	242780
Bond	The Shanghai Stock Exchange	25 Shenzhen Expressway Y2	242781
Bond	The Shanghai Stock Exchange	25 Shenzhen Expressway Y3	242972
Bond	The Shanghai Stock Exchange	25 Shenzhen Expressway Y4	242973

VI. Other Information

Auditor	Deloitte & Hua Yong LLP 30/F Bund Centre, No.222 Yan An Road East, Huang Pu District, Shanghai Signatory accountants: HUANG Tianyi, LIU Chan
PRC legal adviser	AllBright Law Offices (Shenzhen) 21-23/F, Tower 1, Excellence Century Centre Fu Hua 3 Road, Futian District, Shenzhen
Hong Kong legal adviser	Loong & Yeung, Solicitors Room 1603, 16/F, China Building, 29 Queen's Road Central, Hong Kong
Domestic share registrar and transfer office	China Securities Depository and Clearing Corporation Limited, Shanghai Branch 188 South Yanggao Road, Pudong New District, Shanghai
Share registrar and transfer office in Hong Kong	Hong Kong Registrars Limited 17M/F, Hopewell Centre, 183 Queen's Road East, Hong Kong
Investor relations consultant of A Shares	Beijing JZHT Finance Securities Service Co., Ltd. Rm3601-3607, 36/F, Life Insurance Building, 1001 Fuzhong Road, Futian District, Shenzhen
Investor relations consultant of H Shares	Ever Bloom (HK) Communications Consultants Group Limited 10/F, 80 Gloucester Road, Wanchai, Hong Kong
Principal banks	Industrial and Commercial Bank of China, Bank of China, China Merchants Bank, The Export-Import Bank of China, etc.

- ◆ *Unless otherwise stated, the amounts stated in this report are in RMB.*
- ◆ *The total of breakdown and the total may not equal in mantissa due to rounding.*



深圳高速公路集团股份有限公司
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