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Shenzhen International Holdings Limited

深圳國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00152)

OVERSEAS REGULATORY ANNOUNCEMENT

The document attached hereto is the 2026 Interim Results Preliminary Announcement released by Shenzhen Expressway Corporation Limited, a subsidiary of Shenzhen International Holdings Limited (the “**Company**”).

25 August 2026

As at the date of this announcement, the board of directors of the Company consists of Mr. Li Haitao, Mr. Liu Zhengyu, Mr. Wang Peihang and Ms. Liu Xiuli as executive directors, Mr. Cai Xiaoping as a non-executive director and Dr. Zeng Zhi, Dr. Wang Guowen, Professor Ding Chunyan and Dr. Cheng Chuange as independent non-executive directors.

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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: 00548)

2026 Interim Results Preliminary Announcement

I. Important Notice

1.1 Important Notice

2026 Interim Results Preliminary Announcement of the Company is extracted from full Interim Report 2026 of the Company. For detailed information, investor shall read the full interim report to be published on the website of SSE at <http://www.sse.com.cn> and HKEx at <http://www.hkexnews.com.hk>.

The 2026 interim financial statements of the Company were prepared in accordance with CASBE, and also were complied with the disclosure requirements under the Hong Kong Companies Ordinance and the Listing Rules.

Unless otherwise stated, the amounts stated in this announcement are in RMB.

1.2 Basic Information of the Company

Type of shares	A Share	H Share
Abbreviation	Shenzhen Expressway	Shenzhen Expressway
Stock code	600548	00548
Listing exchanges	SSE	HKEX
Contacts and details	Secretary of the Board	Securities Officer
Name	ZHAO Gui Ping	GONG Xin, XIAO Wei
Telephone	(86) 755-8669 8069	(86) 755-8669 8065
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E-mail	secretary@sz-expressway.com	

II. Proposed Profit Distribution

The Board does not recommend any payment of 2026 interim dividend (2025 Interim: Nil), nor does it recommend any conversion of capital reserve into share capital.

III. Principal Financial Data and Information of the Shareholders

3.1 Principal Financial Data

During the Reporting Period, the Group recorded revenue of RMB3,652,853,000 (2025 Interim: RMB3,918,555,000), representing a YOY decrease of 6.78%; the cost of services amounted to RMB2,322,824,000 (2025 Interim: RMB2,470,334,000), representing a YOY decrease of 5.97%; the gross profit margin was 36.41% (2025 Interim: 36.96%), representing a YOY decrease of 0.55 percentage points.

In the first half of 2026, the Group recorded a net profit attributable to owners of the parent company (“net profit”) of RMB918,846,000 (2025 Interim: RMB959,892,000), representing a YOY decrease of 4.28%. This decrease was primarily attributable to fair value losses on equity interests in the participating companies held by the Group, arising from fluctuations in share prices and other factors (compared with gains in the corresponding period of the prior year), as well as the decrease in profits related to the expiration of Shuiguan Expressway’s toll collection. Excluding the impact of Shuiguan Expressway, the net profit attributable to the parent company remained broadly flat compared with the corresponding period last year.

Unit: Yuan Currency: RMB

Item	As at 30 Jun 2026 (unaudited)	As at 31 Dec 2025 (audited)	Change (%)
Total assets	70,448,415,658.02	71,289,150,413.25	-1.18
Owners’ equity attributable to owners of the Company	27,018,766,471.15	27,031,138,112.07	-0.05
Item	2026 Interim (unaudited)	2025 Interim (unaudited)	Change (%)
Revenue	3,652,853,398.72	3,918,555,340.74	-6.78
Total profit	1,169,036,203.59	1,255,312,119.50	-6.87
Net profit / loss attributable to owners of the Company (loss shown with “-”)	918,846,192.90	959,891,990.84	-4.28
Net profit /loss attributable to owners of the Company - excluding non-recurring items (loss shown with “-”)	1,000,962,060.95	899,651,218.85	11.26
Net cash flows from operating activities	2,039,235,416.05	1,954,978,990.73	4.31
Return on net assets - weighted average (%)	3.77	4.34	Decrease 0.57 pct.pt
Earnings / Loss per share - basic (RMB/share) (loss shown with “-”)	0.346	0.382	-9.42
Earnings / Loss per share - diluted (RMB/share) (loss shown with “-”)	0.346	0.382	-9.42

Note: The Company's RMB4 billion perpetual corporate bonds are recognised in other equity instruments and the Company excluded the impact of the perpetual corporate bonds when calculating earnings per share and weighted average return on net assets.

3.2 Information of the Total Number of Shareholders and the Top Ten 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 and the top ten shareholders of the Company were as follows:

Unit: share

Total number of shareholders as at the end of the Reporting Period		19,919 shareholders, of which 19,700 were holders of A Shares and 219 were holders of H Shares.					
Top ten shareholders as at the end of the Reporting Period (excluding shares lent out through refinancing)							
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	Pledged, marked or frozen		Nature of shareholders
					Status of shares	Number	
HKSCC NOMINEES LIMITED ⁽¹⁾	+376,494	730,923,736	28.80	-	Unknown	-	Overseas legal person
Xin Tong Chan Development (Shenzhen) Company Limited ⁽²⁾	-	730,710,144	28.79	75,930,144	None	-	State-owned 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	9.57	-	Pledged	121,000,000	State-owned legal person
China Merchants Expressway Network & Technology Holdings Company Limited ⁽⁴⁾	-	91,092,743	3.59	-	None	-	State-owned legal person
Anhui Expressway Company Limited ⁽⁵⁾	+38,793,349	76,972,545	3.03	-	None	-	State-owned legal person
Guangdong Roads and Bridges Construction Development Company Limited	-	37,942,762	1.50	-	None	-	State-owned legal person
ZHANG PING YING	+608,800	11,420,965	0.45	-	Unknown	-	Domestic natural person
AU SIU KWOK	-	11,000,000	0.43	-	Unknown	-	Overseas natural person
Guotai Haitong Securities Co., Ltd.	+22,000	9,932,968	0.39	-	Unknown	-	Domestic non-state-owned legal person
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 shareholders. In addition to the above connected relationships, the Company is not aware of any connected relationships between the aforesaid shareholders and other shareholders, or among other shareholders.						
Notes:							
(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 Issuance of the Company: 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 breached and a reduction in shareholding occurs, all proceeds from such reduction shall be turned over to the Company, and the relevant shareholder 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 2026, Yunshan Capital held 242,976,461 A Shares of the Company and held 98,846,000 H Shares of the Company through HKSCC NOMINEES LIMITED, resulting in an aggregate holding of 341,822,461 shares, representing 13.47% of the Company’s total issued share capital							
(4) According to the written notice from CMET to the Company, as of 30 June 2026, CMET held 91,092,743 A Shares of the Company. CMET and its wholly-owned subsidiary collectively held 157,018,000 H Shares through HKSCC NOMINEES LIMITED, resulting in an aggregate holding of 248,110,743 shares, representing 9.78% of the Company’s total issued share capital.							
(5) According to the written notice from Anhui Expressway to the Company, as of 30 June 2026, Anhui Expressway held 76,972,545 A Shares of the Company and held 44,842,000 H Shares of the Company through HKSCC NOMINEES LIMITED, resulting in an aggregate holding of 121,814,545 shares, representing 4.80% of the Company’s total issued share capital.							

IV. Management Discussion and Analysis

4.1 Overview of Principal Business

The Group principally engages in toll roads, clean energy power generation and solid waste recycling treatment. As of the date of this announcement, the Group has invested in or operated 14 toll road projects in total, with approximately 590.5 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 and maintenance services for multiple expressways in Shenzhen. The Group possesses an attributable clean energy installed capacity of approximately 686 MW and holds an equity interest in Nanjing AVIS, a company primarily focused on post-operation maintenance services for wind power projects. Furthermore, the Group holds a financial leasing business license, endowing it with synergistic capabilities that span the investment and operation of wind and solar power projects, the provision of post-warranty operation maintenance services, and project-specific financing support. In addition, the Group has a designed organic waste treatment capacity of over 6,300 tons per day, placing it among the leading domestic industry players.

4.2 Discussion and Analysis of the Operations

In the first half of 2026, the Chinese economy has maintained steady growth. China's gross domestic product (GDP) reached RMB69.57 trillion in the first half of 2026, representing a YOY increase of 4.7%, while total value of foreign trade imports and exports stood at RMB25.47 trillion, representing a YOY increase of 16.9%. The stable and positive growth of the Chinese economy provided solid support for road transportation and logistics demand, which boosted the demand for environmental protection-related businesses such as clean energy power generation and solid waste recycling treatment to some extent. Source: government statistics information website

During the Reporting Period, the Group recorded revenue of RMB3.653 billion, representing a YOY decrease of 6.78%. Among them, toll revenue was approximately RMB2.233 billion, revenue from environmental protection businesses such as clean energy and solid waste recycling treatment was approximately RMB0.730 billion, and other revenue was approximately RMB0.690 billion, which accounted for 61.13%, 19.98% and 18.89% of the total revenue of the Group, respectively.

(I) Toll Road Business

1. Business Performance and Analysis

The average daily traffic volume and toll revenue of all toll roads operated and invested by the Group in the first half of 2026 are as follows:

Toll road	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	148	-8.4%	358	-13.4%
Jihe East	304	-3.2%	1,832	-0.8%
Jihe West	226	-1.1%	1,513	-0.2%
Coastal Project ⁽²⁾	234	9.5%	2,221	8.3%
Outer Ring Project	337	7.1%	3,299	5.4%
Longda Expressway	160	-1.4%	401	-2.5%
Shuiguan Extension ⁽³⁾	54	0.85%	175	1.3%

Toll road	Average daily mixed traffic volume (number of vehicles in thousand) ⁽¹⁾	YOY	Average daily toll revenue (RMB'000)	YOY
Guangdong Province – Other Regions:				
Qinglian Expressway	50	-2.1%	1,977	9.0%
GS Expressway	587	-5.7%	6,835	-8.8%
GZ West Expressway	253	-2.7%	3,057	1.6%
Yangmao Expressway	54	-3.26%	2,036	-3.6%
GZ W2 Expressway	88	-1.9%	1,248	-5.3%
Other Provinces in the PRC:				
Changsha Ring Road	84	-7.0%	646	-4.4%
Nanjing Third Bridge	38	-0.9%	1,538	3.3%
Yichang Project	46	-0.2%	977	1.9%

Notes:

- (1) The average daily mixed traffic volume data excludes toll-free traffic during holiday periods. The toll revenue listed in the above table is tax exclusive.
- (2) 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.
- (3) Toll collection on Shuiguan Extension ceased from 24:00 on 6 July 2026. Besides, toll collection on Shuiguan Expressway ceased from 24:00 on 25 April 2026. For details, please refer to the Announcement of the Company dated 23 April 2026.

During the Reporting Period, the improved connectivity of the surrounding road network has effectively boosted the traffic growth on some road sections of the Group. However, due to the combined effects of an increase in the number of toll-free days for small passenger vehicles during holidays compared with the same period last year, the expiry of the toll period for Shuiguan Expressway and other factors, the Group's toll revenue decreased by 8.8% YOY. Excluding the impact of Shuiguan Expressway, the Group's toll revenue increased by 3.3% YOY on a like-for-like basis.

(1) Guangdong Province – Shenzhen Region

During the Reporting Period, the interconnection of highways generated positive synergies for the Group's higher traffic volumes in Shenzhen.

The opening of the Shenzhen-Zhongshan Link and Coastal Phase II in late June 2024 has continued to drive the traffic growth on the Coastal Expressway and Jihe Expressway. The openings of the Kengzi East Interchange crossing section and the Xinwei Toll Station of the Outer Ring Expressway in the first half of 2025 have promoted the interconnection between the Outer Ring Expressway and Shenzhen's eastern and northern regions. The synergistic effects of the road network have gradually become evident, leading to a steady increase in the traffic volume on the Outer Ring Expressway. In late June 2026, the handover and acceptance of the Jinsha Interchange of the Outer Ring Phase II was completed, which will further improve the regional road network and have a positive impact on the future operational performance of the Outer Ring Expressway. In addition, the completion and opening of the Hehui section reconstruction and expansion project of the Changshen Expressway, as well as the reconstruction and expansion of expressways such as Changhu Expressway, have had a positive impact on the Coastal Project and the Outer Ring Expressway. The construction of the Dachan Bay area in Shenzhen and the opening of "Penguin Island", Tencent's headquarters campus, in October 2025 have been conducive to the traffic growth on the Coastal Project and the Outer Ring Expressway.

In order to improve the connectivity of the road network after the expiry of the toll period for Shuiguan Expressway, the Company carried out renovation works at the exit plaza of He'ao Toll Station from 26 April to 30 June 2026. The renovated He'ao Toll Station was officially put into operation at 22:00 on 30 June 2026. Eastbound vehicles on the Jihe Expressway can now directly access Longgang Avenue

via He'ao Toll Station, which will effectively remove the blockages on Jihe Expressway, Shuiguan Expressway and Longgang Avenue, improve the traffic efficiency of the regional road network, and have a positive impact on the operational performance of Jihe Expressway.

(2) Guangdong Province - Other Regions

Qinglian Expressway successfully completed its road upgrade project in late June 2025, which contributed positively to its operational performance. The opening of the South Section of Guangzhou Baiyun International Airport Second Expressway in November 2025 has diverted certain traffic from Qinglian Expressway. Additionally, the opening or maintenance of connecting or adjacent road networks generally had a positive impact on the operational performance of Qinglian Expressway. Due to the combined effects of the above factors, Qinglian Expressway recorded a YOY increase in the average daily toll revenue but a marginal YOY decrease in the average daily traffic volume during the Reporting Period.

The reconstruction and expansion project for the SG section of the GS Expressway has entered the full-scale construction phase, with one slow lane closed and speed limits imposed on certain sections, which has had a negative impact on its operational performance. Huanggang Checkpoint stopped providing cross-border freight vehicle clearance services from 00:00 on 21 December 2025, and cross-border freight vehicles were redirected to other checkpoints for clearance, which has adversely affected freight vehicle traffic volumes on the GS Expressway. Besides, 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. Due to the combined effects of the above factors, GS Expressway recorded a YOY decrease in both average daily toll revenue and average daily traffic volume during the Reporting Period.

GZ West Expressway is a component of the Pearl River Delta ring expressway network. The stable economic development of the cities along the expressway has provided solid support for its sustained and stable operational performance. However, the successive openings of Shenzhen-Zhongshan Link, Zhongkai Expressway, Yongning Interchange of Zhongshan West Ring Expressway and others have diverted certain traffic volume from GZ West Expressway. Due to the combined impact of these factors, GZ West Expressway recorded a marginal YOY increase in the average daily toll revenue but a slight YOY decrease in the average daily traffic volume during the Reporting Period.

The Guangzhou-Zhanjiang High-Speed Railway, which runs largely in parallel to Yangmao Expressway, was opened to traffic at the end of 2025. Moreover, as Yangxin Expressway implemented a toll-free policy for six months following its opening at the end of 2025, some vehicles have made a detour to Yangxin Expressway, resulting in diversion of traffic from Yangmao Expressway. Furthermore, the adjacent Maozhan Expressway raised its toll rates starting in 2025, causing some large trucks to switch to alternative routes and leading to a decline in traffic on Yangmao Expressway. Due to the combined impact of the above factors, Yangmao Expressway recorded a marginal YOY decrease in both average daily toll revenue and average daily traffic volume during the Reporting Period.

Toll collection on Guanghe Bridge ceased from 00:00 on 8 April 2025. Additionally, a 15% discount policy for all ETC trucks was implemented on certain surrounding road sections starting from 30 May 2025. These factors caused diversion from GZ W2 Expressway. Consequently, both average daily toll revenue and traffic volume for GZ W2 Expressway decreased YOY during the Reporting Period.

(3) Other Provinces

The successive opening of the surrounding road networks such as Xinglian Road Bridge in Changsha has diverted traffic from Changsha Ring Road. During the Reporting Period, Changsha Ring Road recorded a YOY decrease in both average daily traffic volume and toll revenue. The commencement of Yichang North Expressway (Yiyang-Changde) operations in late December 2024 diverted traffic from Yichang Expressway. During the Reporting Period, the impact of such diversion was generally stable, and the average daily traffic volume and toll revenue of Yichang Expressway remained largely flat YOY.

During the Reporting Period, Nanjing Third Bridge's freight traffic increased, which had a positive impact on its toll revenue. However, the opening of the Nanjing Xinchengwei Yangtze River Bridge in November 2025 has diverted some traffic from the Nanjing Third Bridge. Due to the combined impact of the above factors, Nanjing Third Bridge recorded a YOY increase in the average daily toll revenue but a marginal YOY decrease in the average daily traffic volume during the Reporting Period.

2. Construction of Major Projects

During the Reporting Period, significant progress has been made in the construction of Outer Ring Phase III. The B ramp of the Tiantou Mountain Tunnel has been successfully connected to the mainline right bore, which represents the most difficult part of the project due to the complex geological conditions and creates favourable conditions for the subsequent construction of the large-arch section of the mainline. As at the end of the Reporting Period, the Outer Ring Phase III has seen approximately 40% progress in physical shape.

The construction of the main part of the Jihe Expressway R&E project is underway. As at the end of the Reporting Period, approximately 27% of the main part of the Jihe Expressway R&E project had been completed in terms of progress in physical shape.

The Company indirectly holds 45% equity interests in Guangzhou-Shenzhen section of the Beijing-Hong Kong-Macao Expressway through Bay Area Development. The reconstruction and expansion project of SG section has commenced full-scale construction. The reconstruction and expansion project of Shenzhen section commenced construction for its pilot section at the end of 2025.

(II) General-Environmental Protection Business

1. Clean energy power generation

In the first half of 2026, 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	Share-holding ratio of the Group	Revenue Consolidation ratio	January to June 2026	YOY(%)	January to June 2026	YOY(%)
I. Wind power project						
Baotou Nanfeng	100%	100%	313,332.96	-11.8	83,838.51	-18.6
Xinjiang Mulei	100%	100%	310,740.94	-12.7	148,149.14	-6.1
Yongcheng Zhuneng	100%	100%	39,033.60	6.7	11,517.03	36.9
Zhongwei Gantang	100%	100%	64,389.60	33.3	11,588.43	17.1
Zhangshu Gaochuan	100%	100%	22,329.69	-8.9	8,081.02	-9.3
Huai'an Zhongheng	20%	—	101,076.10	-18.9	48,698.26	-19.0
II. PV power generation						
Shengneng Technology	100%	100%	1,766.41	-8.6	852.56	-1.8
Shanghai Guangming	50%	—	8,472.87	N/A	3,892.65	N/A

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.

During the Reporting Period, Baotou Nanfeng saw a decrease in wind resources and market trading electricity prices compared to the same period last year, resulting in a decline of approximately 11.8% in on-grid power supply and 18.6% in revenue from electricity sales compared to the same period last year. Overall wind resources in Xinjiang Mulei remained flat from the same period last year but wind curtailment rate went up, leading to a YOY decline of 12.7% and 6.1% in on-grid power supply and revenue from wind power generation. In addition, during the Reporting Period, several wind turbines at

Yongcheng Zhuneng restored operation, resulting in a YOY increase in on-grid power supply. At Zhongwei Gantang, wind resources were better than that in the same period last year, but the market trading electricity prices declined. On-grid power supply grew over 30% YOY, with revenue from electricity sales increasing by 17.1%.

2. Solid Waste Recycling Treatment

(1) Organic waste treatment

In the first half of 2026, the key operating data of the Group's organic waste treatment projects are as follows:

Organic waste			Organic waste disposal volume (thousand tons)		Operating income (RMB'000) ⁽¹⁾	
Project	Share-holding ratio of the Group	Revenue consolidation ratio	January to June 2026	YOY(%)	January to June 2026	YOY(%)
I. Bioland	96.60%	100%	524.45	3.9	264,568.51	6.9
II. Guangming Environmental Park	100%	100%	66.88	-9.9	42,864.71	-3.8
III. Lisai Environmental	70%	100%	94.31	17.6	62,139.96	9.5
IV. Shaoyang Project	100%	100%	21.05	4.8	14,434.65	-20.9
Total			706.69	4.1	384,008.83	4.6

Note: (1) The operating revenue in the above table includes estimated subsidy income calculated based on the waste treatment volume.

As at the end of the Reporting Period, the Group's designed organic waste treatment capacity is over 6,300 tons per day. Among them, projects with a total designed capacity of 5,126.5 tons per day have commenced commercial operation, while the rest are in the trial operation phase.

During the Reporting Period, the Group, with "quality improvement and efficiency enhancement" as its core objectives, has systematically advanced optimisation across waste collection & transportation and production processes, as well as remediation of key projects. The food waste collection and transportation volume and the recovered grease volume increased compared with the same period last year. The operating status of the major organic waste treatment projects during the reporting period are set out below:

Bioland improved its operational performance through end-to-end optimisation of waste collection and production processing, concurrent implementation of technical retrofits, and enhanced cost and expense controls during the Reporting Period, with YOY increases in the food waste treatment volume and grease sales volume. However, due to a combination of factors, including relatively high initial investment and construction costs for certain projects and prolonged receivable collection cycles amid overall external conditions, Bioland faced some operational challenges during the Reporting Period.

The Guangming Environmental Park Project officially commenced commercial operations in February 2025. It has secured the official permit for food waste collection and treatment in Guangming District, Shenzhen and also assists in collecting and treating food waste from parts of Bao'an District, Shenzhen. Due to insufficient volume of food waste collection and treatment, the project did not achieve profitability during the Reporting Period.

Lisai Environmental has a concession service area that 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. Its operations remained largely stable during the Reporting Period.

Shaoyang Project is located in Daxiang District, Shaoyang, Hunan province, with a designed kitchen waste treatment capacity of 200 tons/day, and operates under the “TOT” (Transfer-Operate-Transfer) model. The Shaoyang Project started trial operation in February 2023 and officially transitioned to commercial operation in September 2024.

(2) Battery Recycling and Energy Storage Business

Affected by industry factors in recent years, such as the decline in the market price of scrap metals, the limited scale of end-of-life vehicle (ELV) recycling, and the continuous pressure on the prices of lithium-ion battery materials, the ELV dismantling and battery recycling business of Shenshan Qiantai has fallen short of expectations. Consequently, Shenshan Qiantai has proactively scaled back these operations and refocused its business on battery-swapping energy storage products for two-wheeler, as well as commercial and industrial energy storage products. As at the end of the Reporting Period, a cumulative total of over 970 battery-swapping cabinets had been put into operation, equipped with more than 15,500 battery packs, with a battery utilisation rate exceeding 70%. In addition, it has launched small-scale pilot programs for the sales of commercial and industrial energy storage products and the deployment of application-side energy storage.

3. Water Environmental Governance and Others

The Group holds 20% equity interests in Derun Environment. Derun Environment is a comprehensive environmental protection 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 2026 interim reports.

The Group holds 11.25% equity interests in Shenzhen Water Planning (stock code: 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 2026 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 to the Financial Statements notes V\46 and V\49 in this announcement.

(III) Entrusted Management and the Development of Other Infrastructure

1. Entrusted construction business and entrusted management business

During the Reporting Period, approximately 71.5% of the site levelling work at the public facilities of the Shenshan Environmental Park, the Group’s entrusted construction project, had been completed in terms of physical progress. The main works of Lvbao Road (from Tonggang Avenue to Chemical Park section) had been completed. About 48.7% of the waste transfer station project had been completed in terms of physical progress.

The Group implemented the comprehensive management and maintenance projects for the Four Expressways and the Southern Section of Qingping Expressway Phase II in an orderly manner. During the Reporting Period, the Group was awarded 3 service projects.

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

2. Development and management of land projects

(1) Guilong regional development project

The project developed by holding subsidiary Guishen Company in Longli County, Guizhou Province is

named as “Youshan Villa”, with some completed commercial housing units still available for sale. The “Youxiang Apartment”, a summer vacation and wellness project developed by Guishen Company at the Youshan Villa Project site, commenced trial operation in April 2025. By implementing a marketing strategy that “integrates real estate with wellness”, the Company aims to enhance the added value of the Project and boost sales.

(2) Meilin Checkpoint Renewal Project

The Meilin Checkpoint Renewal Project developed by United Land, in which the Group holds 34.3% equity interests, still has remaining offices, commercial properties, and business apartments available for sale. 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 sale. As at the end of the Reporting Period, a portion of the commercial properties and business apartments had been sold.

(3) Xintang Project

The Xintang Project (Park Uptown Project), in which the Group indirectly holds a 15% equity interest through Bay Area Development, involves the comprehensive development of approximately 196,000 square metres of former transportation land of GS Expressway in Xintang Town, Zengcheng District, Guangzhou. For details of the Xintang Project, please refer to Bay Area Development’s 2026 interim report.

(IV) Industrial-financial Integration

The Group 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 2026 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. The overall operating performance remained stable during the Reporting Period.

The Group holds a 45% 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. Since its establishment, the fund has made investments in two environmental protection projects, and is currently advancing the withdrawal of the projects.

The Group holds a 7.48% interest 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. To date, RMB41 million of the invested principal has been recovered. The fund mainly invested in strategic emerging industries, environmental protection, infrastructure, etc.

(V) Other Businesses

The Group 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, and operates elderly care and integrated community services business in Guangming District, Shenzhen. 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 V\12, V\13, V\46, V\49 and V\50 to the Financial Statements in this announcement.

4.3 Financial Analysis

(I) Analysis of Main Business

1. Analysis of Changes in Related Items in the Income Statement and Cash Flow Statement

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the corresponding period of last year	Change (%)
Revenue	3,652,853	3,918,555	-6.78
Cost of services	2,322,824	2,470,334	-5.97
Sales expenses	2,119	4,818	-56.02
General administrative expenses	148,286	168,509	-12.00
Financial expenses	266,732	389,906	-31.59
Research and development expenses	16,714	14,842	12.62
Investment income	453,056	411,862	10.00
Impairment losses on assets and credit	54,411	92,158	-40.96
Gains from changes in fair value	-107,864	76,421	-241.14
Income tax expenses	187,805	224,653	-16.40
Net cash flows from operating activities	2,039,235	1,954,979	4.31
Net cash flows from investing activities	-1,928,040	-4,600,360	N/A
Net cash flows from financing activities	-858,900	4,391,205	-119.56

Reasons for changes in revenue: mainly due to the expiration of Shuiguan Expressway's toll collection for the current period, resulting in a decrease in the toll revenue. Excluding the impact of Shuiguan Expressway, the revenue remained broadly flat compared with the corresponding period last year.

Reasons for changes in cost of services: mainly due to the expiration of Shuiguan Expressway's toll collection for the current period, resulting in a decrease in the relevant cost. Excluding the impact of Shuiguan Expressway, the cost of services increased by 1.92% YOY.

Reasons for changes in sales expenses: mainly due to the adjustment of selling expenses in light of actual business conditions.

Reasons for changes in general administrative expenses: mainly due to the transfer of a portion of performance bonuses accrued in general administrative expenses at the end of the prior year to cost of services in accordance with actual distribution circumstances.

Reasons for changes in financial expenses: mainly due to the decrease in the financing interest rate and the appreciation of RMB for the current period, resulting in a YOY decrease in the interest expense and a YOY increase in exchange gains.

Reasons for changes in R&D expenses: mainly due to the increase in research and development investment for the current period.

Reasons for changes in investment income: mainly due to the increase in the investment income attributable to United Land and Xintang JV for the current period.

Reasons for changes in impairment losses on assets and credit: mainly due to a YOY decrease in impairment provisions recognised for receivables, inventories, and fixed assets, based on the asset review and valuation conducted in the current period.

Reasons for gains from changes in fair value: mainly due to fair value losses on equity interests in the participating companies held by the Group, arising from fluctuations in share prices and other factors (compared with gains in the corresponding period of the prior year)

Reasons for changes in income tax expenses: mainly due to the decrease in gains from changes in fair value of the equity interests held in the participating companies for the current period, resulting in a decrease in the corresponding deferred income tax expenses.

Reasons for changes in net cash flows from operating activities: mainly due to the receipt of the freight subsidy of the prior year for Coastal Expressway and an increase in electricity tariff subsidy for new energy business for the current period.

Reasons for changes in net cash flows from investing activities: mainly due to a YOY decrease in the net increase of structured deposits (purchase less redemption) for the current period, as well as a YOY decrease in the payments for the Jihe Expressway R&E Project and Outer Ring Phase III Project for the current period.

Reasons for changes in net cash flows from financing activities: mainly due to the funds raised from the issuance of ordinary A-shares to specific targets for the corresponding period last year and the acquisition of minority interests in Bay Area Development in the current period.

2. Analysis of Revenue, Cost, and Gross Profit Margin

(1) Explanation of changes in revenue, cost and gross profit margin

During the Reporting Period, the Group recorded revenue of RMB3,652,853,000 (2025 Interim: RMB3,918,555,000), representing a YOY decrease of 6.78%; the cost of services amounted to RMB2,322,824,000 (2025 Interim: RMB2,470,334,000), representing a YOY decrease of 5.97%; the gross profit margin was 36.41% (2025 Interim: 36.96%), representing a YOY decrease of 0.55 percentage points. The detailed analysis is as follows:

Unit: '000 Currency: RMB

Segment	Revenue	Cost of services	Gross profit margin (%)	YOY change in revenue (%)	YOY change in cost of services (%)	YOY change in gross profit margin (%)	Description
Main business – toll roads	2,233,027	1,173,373	47.45	-8.83	-5.49	Decrease of 1.86 pp	(1)
Main business – clean energy power generation	264,027	133,664	49.37	-8.62	-7.43	Decrease of 0.65 pp	(2)
Main business – solid waste recycling treatment – kitchen waste treatment	393,399	348,044	11.53	0.80	1.89	Decrease of 0.95 pp	(3)
Main business – solid waste recycling treatment – ELV dismantling and battery recycling	71,793	74,683	-4.03	5.26	-12.99	Increase of 21.82 pp	(4)
Main business -- other environmental protection businesses	1,048	7,510	-616.77	-58.38	23.58	Decrease of 475.35 pp	
Other business – entrusted construction and management	103,630	93,353	9.92	-23.58	-24.09	Increase of 0.61 pp	
Other business – real estate development	38,182	30,141	21.06	349.95	320.79	Increase of 5.47 pp	(5)
Other businesses –construction services under concession arrangements	411,844	385,790	6.33	-10.59	-12.84	Increase of 2.42 pp	
Other businesses – other	135,904	76,265	43.88	18.72	-2.36	Increase of 12.12 pp	(6)
Total	3,652,853	2,322,824	36.41	-6.78	-5.97	Decrease of 0.55 pp	

Description:

- (1) Mainly affected by factors including the increase in the amortisation amount per vehicle traffic of Coastal Expressway effective from July 2025, as well as employee compensation for loss of office and road handover maintenance expenses arising from the expiration of Shuiguan Expressway's toll collection, the gross profit margin of the toll road business recorded a YOY decrease.
- (2) Mainly affected by factors including the reduced wind resources of some projects, the increase in power rationing rates, and the decline in the settlement unit prices of electricity fees, the gross profit margin of the clean energy power generation business recorded a YOY decrease.
- (3) Mainly affected by changes in the settlement terms of certain projects, the gross profit margin of the kitchen waste treatment business recorded a YOY decrease.
- (4) Mainly affected by factors including the rise in battery prices and the settlement of vehicle dismantling business, the gross profit margin of the vehicle dismantling and battery recycling business recorded a YOY increase.
- (5) Mainly affected by the provision for inventory impairment recognised for the Guilong Development Project in the prior year, the cost of sales carried forward with property sales decreased this year, resulting in a YOY increase in the gross profit margin of the real estate development business.
- (6) Mainly due to the improvement in the occupancy rate of elderly care business, as well as the expiration of depreciation on existing operating leased equipment, the revenue from the elderly care business increased, while the costs of the operating leasing business decreased, resulting in an overall YOY increase in the gross profit margin of other businesses.

(2) Analysis of cost of services

Unit: '000 Currency: RMB

Segment	Cost item	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 (%)	Description
Cost of main business – toll roads	<i>Employee expenses</i>	278,157	11.97	219,569	8.89	26.68	(1)
	<i>Road maintenance expenses</i>	110,036	4.74	111,047	4.50	-0.91	
	<i>Depreciation and amortisation</i>	710,285	30.61	831,628	33.66	-14.59	(2)
	<i>Other business costs</i>	74,895	3.19	79,308	3.21	-5.56	
	Subtotal	1,173,373	50.51	1,241,552	50.26	-5.49	
Cost of main business – clean energy power generation		133,664	5.75	144,393	5.85	-7.43	
Cost of main business – solid waste recycling treatment – kitchen waste treatment	<i>Employee expenses</i>	45,666	1.97	49,780	2.02	-8.26	
	<i>Waste treatment expenses</i>	144,855	6.23	144,401	5.85	0.31	
	<i>Depreciation and amortisation</i>	130,406	5.61	128,630	5.21	1.38	
	<i>Other business costs</i>	27,117	1.18	18,780	0.76	44.40	(3)
	Subtotal	348,044	14.98	341,591	13.83	1.89	
Cost of main business – solid waste recycling treatment – ELV dismantling and battery recycling		74,683	3.22	85,830	3.47	-12.99	(4)
Cost of main business – other environmental protection businesses		7,510	0.32	6,077	0.25	23.58	
Other business cost – entrusted construction and management		93,353	4.02	122,980	4.98	-24.09	(5)
Other business cost – real estate development		30,141	1.30	7,163	0.29	320.79	(6)
Other business cost – construction services under concession arrangements		385,790	16.61	442,637	17.92	-12.84	(7)
Other business cost – other		76,265	3.28	78,111	3.16	-2.36	
Total cost of services		2,322,824	100.00	2,470,334	100.00	-5.97	

Description:

- (1) Mainly due to the provision for employee severance compensation arising from the expiration of the toll collection period of Shuiguan Expressway.
- (2) Mainly due to the decrease in the depreciation and amortisation in the current period arising from the expiration of the toll collection period of Shuiguan Expressway.
- (3) Mainly due to the increase in vehicles fees for waste collection and disposal.
- (4) Mainly due to the decrease in the battery lease business volume of Shenshan Qiantai, resulting in a decrease in corresponding costs.
- (5) Mainly due to the decrease in the construction volume of road management and maintenance projects, incurring a YOY decrease in corresponding business costs.
- (6) Mainly due to the YOY increase in the number of flats handed over to buyers in the Guilong Development Project in the current period, resulting in a corresponding increase in the carried-forward real estate development costs.
- (7) Mainly due to the YOY decrease in the construction service cost recognised based on progress during the current period under concession arrangements of projects such as Jihe Expressway R&E Project and Outer Ring Phase III.

3. Explanation of changes in financial expenses

During the Reporting Period, the Group's financial expenses amounted to RMB266,732,000 (2025 Interim: RMB389,906,000), representing a YOY decrease of 31.59%, mainly due to the decrease in the Group's average financing interest rate by 0.2 percentage points and average borrowing size by approximately RMB2 billion, resulting in a decrease in the interest expense, and the appreciation of the RMB, resulting in an increase in the foreign exchange gains.

Unit: '000 Currency: RMB

Financial expenses item	Amount for the current period	Amount for the corresponding period of last year	Change (%)
Interest expenses	375,681	441,661	-14.94
Less: Interest capitalised	300	-	N/A
Interest income	25,394	41,895	-39.39
Add: Exchange gains or losses	-86,924	-16,281	433.90
Other	3,669	6,420	-42.86
Total financial expenses	266,732	389,906	-31.59

4. Explanation of changes in asset and credit impairment losses

During the Reporting Period, the Group's asset and credit impairment losses amounted to RMB54,411,000 (2025 Interim: RMB92,158,000), representing a YOY decrease of 40.96%. This was primarily due to the decrease in impairment provisions recognised for receivables, inventories and fixed assets during the current period, based on the results of asset review and assessment.

5. Explanation of changes in investment income

During the Reporting Period, the Group's investment income amounted to RMB453,056,000 (2025 Interim: 411,862,000), representing a YOY increase of 10%, mainly attributable to the inventory impairment provisions recorded by the participating companies, United Land and Xintang JV, in the same period of the previous year. 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 (%)
1. Investment income attributable to associates/joint ventures:			
Total of toll road associates/joint ventures	255,291	281,372	-9.27
United Land	9,919	-18,121	N/A
Derun Environment	89,079	87,693	1.58
Others ^{Note}	75,606	42,237	79.01
Subtotal	429,895	393,180	9.34
2. Investment income from other non-current financial assets	11,646	13,032	-10.64
3. Income from investment in wealth management products	11,515	5,650	103.82
Total	453,056	411,862	10.00

Note: Other represents investment income attributable to Yunji Intelligent, Bank of Guizhou, Shengchuang Fund, Guizhou Hengtongli, Huaian Zhongheng, Xintang JV, Fenghe Energy, etc.

(II) Explanation of Significant Profit Changes Attributable to Non-core Businesses

During the Reporting Period, the Group's fair value change gains decreased by RMB184,285,000 YOY. For details, please refer to Note V\50 to the financial statements in this announcement.

(III) Analysis of Assets and Liabilities

1. Assets and Liabilities

As at 30 June 2026, the Group's total assets amounted to RMB70,448,416,000 (31 December 2025: RMB71,289,150,000), representing a decrease of 1.18% compared to the end of last year; the Group's interest-bearing liabilities amounted to RMB31,213,220,000 (31 December 2025: RMB31,425,091,000), representing a decrease of 0.67% compared to the end of last year.

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
Transactional financial assets	4,136,048	5.87	2,557,452	3.59	61.73	(1)
Other current assets	427,651	0.61	654,021	0.92	-34.61	(2)
Long-term prepaid expenses	22,363	0.03	15,945	0.02	40.25	(3)
Other non-current assets	1,279,590	1.81	925,556	1.30	38.25	(4)
Transactional financial liabilities	-	-	270,588	0.38	-100.00	(5)
Bills payable	453,897	0.64	334,726	0.47	35.60	(6)
Accounts payable	1,976,076	2.80	2,869,402	4.03	-31.13	(7)
Other payables	2,068,738	2.93	1,258,603	1.77	64.37	(8)
Other current liabilities	31,714	0.04	1,552,695	2.18	-97.96	(9)
Lease liabilities	9,165	0.01	14,520	0.02	-36.88	(10)

Explanation of assets and liabilities:

- (1) Utilisation of temporarily idle proceeds from issuance and self-owned funds for structured deposits.
- (2) Maturity of large-denomination certificates of deposit.
- (3) Carry-forward of related expenditures upon the completion of the service area reconstruction project of Outer Ring Expressway.
- (4) Pursuant to the resolution of the general meeting of Guangshenzhu Company, Bay Area Development proposes to convert part of dividends receivable into capital and classify them as "Other non-current assets".
- (5) The difference make-up has been completed and the related difference make-up amount has been determined and has been classified from "Transactional financial liabilities" into "Other payables".
- (6) Payment for the Jihe Expressway R&E Project and Outer Ring Phase III by commercial bills.
- (7) Payment of payables for construction projects.
- (8) Provision for dividends in 2025 and classification of the obligation to pay the difference payable from "Transactional financial liabilities" into "Other payables".
- (9) Issuance of medium- to long-term bonds to repay ultra-short-term financing notes.
- (10) The amount of lease liabilities due within one year has been reclassified from the "lease liabilities" caption to "non-current liabilities due within one year".

2. Capital Structure and Debt Repayment Capability

The Group is always committed to maintaining a rational capital structure and enhancing its profitability to maintain its good credit ratings and solid financial position. Given the Group's stable and robust operating cash flows, and strong capabilities in financing and capital management, the Group's financial structure was 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)	54.62%	55.04%
Net borrowings-to-equity ratio ((total borrowings - cash and cash equivalents)/Total equity)	85.15%	83.24%
	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)	10.71	9.94
Interest coverage multiple ((profit before tax + interest expenses)/Interest expenses)	4.23	3.95
EBITDA interest multiple (earnings before interests, tax, depreciation and amortisation/Interest expenses)	7.03	6.60

Note: At the end of the Reporting Period, the Group's debt-to-asset ratio was slightly lower than that at the end of last year, mainly due to the utilisation of its self-owned funds for project payments. Meanwhile, as the Group increased its investment in structured deposit wealth management products, the cash at banks and on hand decreased during the current period, resulting in a rise in net borrowings-to-equity ratio and net borrowing/EBITDA. The interest coverage multiple and the EBITDA interest multiple went up, driven by a reduction in interest expenses and other factors.

3. Liquidity and Cash Management

During the Reporting Period, the Group's net current assets increased as compared with the beginning of the year due to the issuance of medium-to-long-term bonds to repay its ultra-short-term commercial paper. The Group will strive to 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	-2,992	-4,211	1,219
Cash and cash equivalents	3,995	4,745	-750
Unutilised bank credit facilities	77,258	71,487	5,771
Unutilised bond registration quota	9,000	9,700	-700

4. Capital Expenditure Plan

As of the date of approval of this announcement, 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. It is estimated that by the end of 2028, the total capital expenditure of the Group approved by the Board will be approximately RMB14.976 billion. The Group plans to use its own funds, net proceeds from the private placement of A-shares 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 from the second half of 2026 to 2028 are as follows:

Unit: '000 Currency: RMB

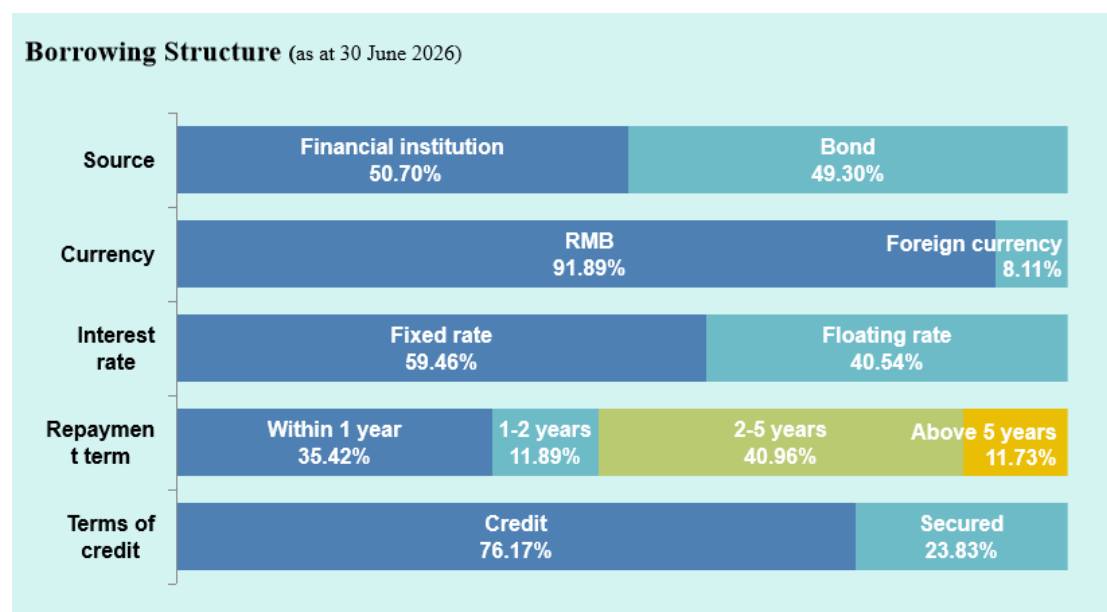
Name of Item	Second half of 2026	2027	2028	Total
I. Investment in Intangible Assets and Fixed Assets				
Jihe Expressway R&E Project	741,760	3,281,872	3,587,096	7,610,728
Outer Ring Project (Phases I, II and III)	754,121	1,894,866	1,800,885	4,449,872
Qinglian Upgrading Project	110,551	22,650	-	133,201
Kitchen waste projects of Bioland	84,995	60,208	41,395	186,599
Guangming Environmental Park Project	5,471	11,194		16,665
Lisai Environmental Technology Renovation Project	126	11,545		11,670
II. Equity Investment				
Capital increase of Guangshenzhu Company	798,699	914,491	853,698	2,566,888
Total	2,495,723	6,196,826	6,283,074	14,975,623

5. Financial Strategies and Financing Arrangements

The Group used its self-owned funds, bank loans, bond funds and equity financing 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 medium-term notes, 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 through communication. In view of internal and external liquidity conditions, its operation, financial position and capital expenditure plan, the Group will adjust its financial strategies in a timely manner to optimise debt structure.

As at the end of the Reporting Period, the Group did not have any overdue principal and interests for bank loans and bonds.

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



During the Reporting Period, the Group continued to maintain the highest credit rating and bond rating of AAA for domestic entities, and the existing investment grade ratings granted by international entities such as Moody and S&P.

As of 30 June 2026, the Group had obtained banking facilities totalling approximately RMB95.248 billion. As at the end of the Reporting Period, unused banking facilities amounted to approximately RMB77.258 billion, and the Group's bond limit was RMB14 billion, in which RMB9 billion was unused as at the end of the Reporting Period.

6. Contingent liabilities

Details of the Group's contingent liabilities during the Reporting Period are set out in note XII\2 of the Financial Statements in this announcement.

7. Foreign Exchange Risk

The Group's current principal operations are all conducted within China. Except for H-share dividend payments, the Group's operating income and capital expenses are settled in RMB. As of the end of the Reporting Period, the Group had issued USD300 million in bonds and had outstanding HKD560 million in bank borrowings. The Group has not made any foreign exchange hedging arrangements for the above foreign currency borrowings denominated in currencies other than its functional currency, and fluctuations in exchange rates had minimal impact on the Group. For details, please refer to Note IX\1.1.1 to the Financial Statements in this report.

(IV) Analysis of the Investment

1. Overall analysis of external equity investments

During the Reporting Period, the total equity investment of the Group amounted to approximately RMB0.992 billion, primarily attributable to SIHICH's increased equity interests in Bay Area Development and Bay Area Development's capital increase in Guangshenzhu Company.

(1) Material equity investments

Unit: '000 Currency: RMB

Name of investee	Principal business	Whether the target is principally engaged in the investment business	Investment method	Investment amount	Share-holding proportion	Whether consolidated	Statement item (if applicable)	Sources of funds	Partner (if applicable)	Investment term (if any)	Status as at the balance sheet date	Estimated earnings (if any)	Impact on profit or loss for the period	Whether involved in any legal actions	Disclosure date (if any)	Disclosure index (if any)
Bay Area Development	Mainly hold equity interests in GZ West Expressway, GS Expressway and Xintang JV and hold a controlling interest in Coastal Expressway	Yes	Acquisition	642,762	73.98%	Yes	Not applicable	Self-financed	Not applicable	No	Completed	Not applicable	-	No	No	No
Guangshenzhu Company	Encompass the investment, construction, operation and management of Guangzhou-Shenzhen Expressway	Yes	Capital increase	349,057	45%	No	Long-term equity investments	Self-financed	Guangdong Provincial Highway Construction Company Limited (廣東省公路建設有限公司)	No	Completed	Not applicable	-	No	No	No
Total	/	/	/	991,819	/	/	/	/	/	/	/	/	/	/	/	/

(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 and Coastal Phase II, as well as the settlement expenses of the kitchen waste treatment projects, totalling approximately RMB0.8 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)	73.97%	438,113	8,917,508	The Outer Ring Projects (Phases I and II) have been completed and opened to traffic. Coastal Phase II was opened to traffic at the end of June 2024, Guangming Environmental Park officially launched operation in February 2025, several kitchen waste projects of Bioland have been completed. For the relevant operating conditions, please refer to the section headed "Discussion and Analysis of the Operations" above. The Outer Ring Phase III and the Jihe Expressway R&E Project are still under construction.
Coastal Phase II	100%	35	999,361	
Jihe Expressway R&E Project	27%	301,708	3,789,624	
Multiple kitchen waste projects of Bioland	100%	39,459	1,722,294	
Guangming Environmental Park Project	100%	20,489	755,034	
Total	/	799,804	16,183,821	/

Note: Project progress refers to progress in physical shape.

(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	Description
Private equity fund	334,046	-3,337	-	-	-	-17,952	-	312,757	
Other	752,917	-148,761	-	-	-	-	-	604,156	(1)
Other	2,439,548	33,503	-	-	6,520,000	-4,940,000	-34,908	4,018,144	(2)
Other	117,904	-	-	-	-	-		117,904	(3)
Total	3,644,416	-118,595	-	-	6,520,000	-4,957,952	-34,908	5,052,961	

Description:

- (1) Mainly due to the holding of shares in Shenzhen Water Planning (including shares acquired prior to its listing and shares acquired through equity distribution after listing) and holding of equity interests in United Electronic.
- (2) Mainly being structured deposits purchased.
- (3) Mainly being the VAM compensation receivable for performance commitment.
- (4) For details of financial assets/liabilities at fair value, please refer to note X\1 to the Financial Statements in this announcement.

Investments in private equity fund:

During the Reporting Period, the Group held State-owned Assets Collaborative Development Fund subscribed in 2020, with the initial investment costs of RMB300,000,000, the net value at the beginning of the Reporting Period of approximately RMB334,046,000, recovery of investments during the Reporting Period of approximately RMB17,952,000, a decrease in changes in fair value of approximately RMB3,337,000, investment income achieved of approximately RMB3,563,000, and the net value at the end of the Reporting Period of approximately RMB312,757,000.

2. Acquisition and Disposal of Subsidiaries during the Reporting Period

Details of the scope of consolidation are set out in note VI to the financial statement of this announcement.

(V) Significant Changes in Accounting Policies

On 5 December 2025, the Ministry of Finance issued the Interpretation of the Accounting Standards for Business Enterprises No. 19 (hereinafter “Interpretation No. 19”), which clarified the accounting treatment of indemnification assets in business combinations not under common control, the accounting treatment of related capital reserves when disposing of subsidiaries previously acquired through business combinations under common control, the derecognition of financial liabilities settled through electronic payment systems, the assessment of contractual cash flow characteristics of financial assets and related disclosures, and the disclosure of equity instruments designated as at fair value through other comprehensive income, effective from 1 January 2026. The Group adopted the relevant provisions of Interpretation No. 19 effective from 1 January 2026. Upon assessment, the Group concluded that the adoption of these provisions has no material impact on the financial statements.

On 4 June 2026, the Ministry of Finance issued the Interpretation of the Accounting Standards for Business Enterprises No. 20 (hereinafter “Interpretation No. 20”), which clarified the assessment of contractual cash flow characteristics of financial assets, the accounting treatment and related disclosures in cases where a currency lacks exchangeability, effective from the date of promulgation. The Group adopted the relevant provisions of Interpretation No. 20 effective from 4 June 2026. Upon assessment, the Group concluded that the adoption of these provisions has no material impact on the financial statements.

4.4 Outlook for the Second Half of the Year

In line with the annual work plan, the Group will focus on its core businesses and key sectors in the second half of 2026, advancing operational and management initiatives at a steady pace:

Toll Road Business: Regarding project construction, the Group will accelerate major projects, including the Jihe Expressway R&E Project and Phase III of the Outer Ring Project. Safety and quality standards will be strictly enforced to ensure investment progress stays on track as scheduled. In toll road operations, we will deepen the “One Route, One Policy” tiered traffic assurance approach and the “One Route, Three Parties” coordination mechanism. Within Shenzhen, we will advance unmanned tolling and frictionless passage. Furthermore, we will refine closed-loop management across the entire maintenance chain, promote centralised maintenance and integrated tunnel monitoring. Efforts will also be made to optimise tolling and incident response procedures to enhance service quality. To advance digitalisation, we will continue to upgrade our BIM-based smart construction management platform and accelerate the commercialisation of BIM applications. Additionally, we will establish an integrated smart control hub to improve the digital supervision efficiency of our road network.

General-Environmental Protection Business: In clean energy generation, the Group will optimise the operation of existing wind farms and refine our power trading strategies to enhance profitability. We will also steadily advance the rollout of distributed PV demonstration projects along our expressways to explore a “Transportation + Energy” integration model. We also aim to strengthen collaborative business development to develop new project resources. To promote solid waste recycling, the Group

will continue to optimise the operations of our kitchen waste treatment projects, focusing on expanding collection and transportation networks, reducing costs, and improving efficiency. Additionally, we will actively expand waste oil and grease procurement and processing operations outside the region to diversify our revenue streams.

Financial Management: The Group will capitalise on favourable market windows to secure low-cost funding through a flexible mix of debt financing instruments. We will also dynamically optimise our capital structure to ensure funding for key projects and effectively reduce financial costs. Furthermore, we will strengthen budgetary control, forecasting, and analysis to improve budget precision and resource allocation efficiency. Finally, we will further digitalise our finance functions to elevate the overall quality of our financial operations.

V. Matters Related to Financial Statements

5.1 Financial Statements

The consolidated 2026 Interim financial statements and notes of the Company are set out in the appendix to this results preliminary announcement.

5.2 Changes in the Scope of Consolidated Financial Statements during the Reporting Period

For details on changes in the scope of consolidation during the Reporting Period, please refer to notes VI to the Financial Statements in this announcement.

5.3 Results Review

The audit committee of the Company has reviewed and endorsed the 2026 Interim financial statements and the interim report of the Company.

VI. Other Matters

6.1 Purchase, Sale or Redemption of the Company's Securities

During the Reporting Period, the Company did not hold any treasury shares. Neither the Company nor its subsidiaries or joint ventures purchased, sold or redeemed any of the Company's listed securities.

6.2 Compliance with the Corporate Governance Code

During the Reporting Period, the Company fully adopted all the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules of the HKEx without any material deviation or breach of the code provisions. For details, please refer to the Company's 2026 interim report

6.3 Compliance with the Model Code

After making specific enquiry to all the Directors and senior management, the Company confirms that all the Directors and senior management had complied with the standards for securities transactions during the Reporting Period. For details, please refer to the Company's 2026 interim report.

By Order of the Board
Liao Xiang Wen
Executive Director

Shenzhen, PRC, 25 August 2026

As at the date of this announcement, the board of directors of the Company consists of Mr. LIAO Xiang Wen, Mr. YAO Hai and Ms. Jin Zhen Yuan as executive directors, Mr. HOU Sheng Hai, Mr. CHEN Yun Jiang, Ms. WU Yan Ling and Ms. ZHANG Jian as non-executive directors and Mr. LI Fei Long, Mr. MIAO Jun, Mr. XU Hua Xiang and Mr. YAN Yan as independent non-executive directors.

This announcement is prepared in Chinese and English. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

If there is a discrepancy between the sum of the sub-items and the total number in this announcement, it is due to rounding.

This results preliminary announcement, which has been published on the website of HKEx at <http://www.hkexnews.hk>, only gives a summary of the information and particulars contained in the full “Interim Report 2026” of the Company. The “Interim Report 2026” of the Company containing all the information to accompany interim report required under Appendix D2 to the Listing Rules will be subsequently published on the website of HKEx in due course.

Appendix:

SHENZHEN EXPRESSWAY CORPORATION LIMITED

Consolidated Financial Statements (including notes)

For the period from 1 January 2026 to 30 June 2026

FINANCIAL STATEMENTS AND REPORT ON REVIEW OF INTERIM FINANCIAL
INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE
2026

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SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Financial Position
As at 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Current assets:			
Cash at banks and on hand	V, 1	4,439,674,611.32	5,152,923,237.15
Transactional financial assets	V, 2	4,136,047,816.87	2,557,452,332.60
Bills receivable		-	3,244,984.06
Accounts receivable	V, 3	895,786,998.29	1,024,835,422.75
Prepayments	V, 4	106,380,226.05	119,598,712.32
Other receivables	V, 5	737,393,203.92	678,305,946.54
Including: Interest receivable		-	-
Dividends receivable		149,372,133.59	-
Inventories	V, 6	909,625,566.15	923,161,768.35
Contract assets	V, 7	671,208,824.66	533,485,773.31
Non-current assets due within one year	V, 8	1,217,251,493.59	941,440,005.71
Other current assets	V, 9	427,650,928.16	654,020,505.76
Total current assets		13,541,019,669.01	12,588,468,688.55

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Financial Position (continued)
As at 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Non-current assets:			
Long-term prepayments	V, 10	1,689,168,657.75	1,787,717,710.25
Long-term receivables	V, 11	2,815,343,483.35	3,076,966,653.03
Long-term equity investments	V, 12	18,703,976,089.86	19,655,223,202.88
Other non-current financial assets	V, 13	916,913,103.18	1,086,963,286.26
Investment properties	V, 14	19,549,220.17	20,217,859.38
Fixed assets	V, 15	6,709,699,597.26	6,955,618,506.25
Construction in progress	V, 16	138,430,586.17	119,008,367.94
Right-of-use assets	V, 17	25,311,808.50	28,805,012.04
Intangible assets	V, 18	24,491,707,122.22	24,921,365,882.90
Development expenditures		832,264.27	829,064.27
Goodwill	V, 19	-	-
Long-term prepaid expenses		22,362,951.00	15,944,500.66
Deferred tax assets	V, 20	94,511,591.33	106,465,345.47
Other non-current assets	V, 21	1,279,589,513.95	925,556,333.37
Total non-current assets		56,907,395,989.01	58,700,681,724.70
Total assets		70,448,415,658.02	71,289,150,413.25

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Financial Position (continued)
As at 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Current liabilities:			
Short-term borrowings	V, 23	3,852,645,672.32	3,356,091,388.07
Transactional financial liabilities	V, 24	-	270,588,092.75
Bills payable	V, 25	453,896,729.29	334,725,708.50
Accounts payable	V, 26	1,976,075,774.07	2,869,401,694.00
Advances from customers		23,614.68	463,090.70
Contract liabilities	V, 27	59,020,348.40	54,544,169.64
Employee benefits payable	V, 28	299,961,973.47	367,072,530.88
Taxes payable	V, 29	333,565,460.15	352,076,398.65
Other payables	V, 30	2,068,738,002.88	1,258,603,170.27
Including: Interest payable		-	-
Dividends payable		717,916,277.64	62,493,194.42
Non-current liabilities due within one year	V, 31	7,456,979,263.05	6,383,064,479.84
Other current liabilities	V, 32	31,714,267.22	1,552,694,910.69
Total current liabilities		16,532,621,105.53	16,799,325,633.99

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Financial Position (continued)
As at 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Non-current liabilities:			
Long-term borrowings	V, 33	10,382,068,363.87	11,127,215,070.78
Bonds payable	V, 34	9,744,763,064.70	9,293,546,076.09
Including: Preferred stock		-	-
Perpetual bonds		-	-
Lease liabilities	V, 35	9,165,078.68	14,519,888.88
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	306,477,143.59	332,809,324.28
Deferred revenue	V, 39	162,999,578.55	230,906,185.46
Deferred tax liabilities	V, 20	714,583,694.62	809,284,736.75
Other non-current liabilities		125,790,129.43	125,824,859.55
Total non-current liabilities		21,949,083,680.74	22,437,342,769.09
Total liabilities		38,481,704,786.27	39,236,668,403.08

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Financial Position (continued)
As at 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Shareholders' equity:			
Equity	V, 40	2,537,856,127.00	2,537,856,127.00
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	8,439,113,536.64	8,682,999,006.34
Other comprehensive income	V, 43	(742,629,561.50)	(715,756,314.51)
Surplus reserve	V, 44	4,206,521,195.85	3,897,801,487.94
Undistributed profits	V, 45	8,577,905,173.16	8,628,237,805.30
Total equity attributable to shareholders of the Company		27,018,766,471.15	27,031,138,112.07
Minority interests		4,947,944,400.60	5,021,343,898.10
Total shareholders' equity		31,966,710,871.75	32,052,482,010.17
Total liabilities and shareholders' equity		70,448,415,658.02	71,289,150,413.25

The attached notes form part of the interim financial statements.

The interim financial statements are signed by the following persons:

_____	_____	_____	(Company stamp)
Head of the Company (Signature and stamp)	Chief financial officer (Signature and stamp)	Head of accounting department (Signature and stamp)	

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Financial Position
As at 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Current assets:			
Cash at banks and on hand		985,321,961.79	2,302,810,399.04
Transactional financial assets		3,015,162,582.94	2,019,338,520.57
Accounts receivable	XV, 1	113,784,799.91	107,815,459.54
Prepayments		4,134,604.18	3,875,406.75
Other receivables	XV, 2	803,874,609.64	1,719,794,681.33
Including: Interest receivable		-	-
Dividends receivable		27,643,009.50	-
Inventories		542,302.72	656,495.51
Contract assets		505,735,949.57	103,623,565.17
Other current assets		-	-
Total current assets		5,428,556,810.75	6,257,914,527.91

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Financial Position (continued)
As at 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Non-current assets:			
Long-term prepayments		1,240,144,677.70	1,265,661,693.78
Long-term receivables		609,481,006.00	668,535,000.00
Long-term equity investments	XV, 3	37,625,646,394.69	37,274,699,622.46
Other non-current financial assets		858,250,186.24	1,026,942,682.59
Investment properties		8,056,406.40	8,344,268.52
Fixed assets		1,924,289,055.23	1,971,665,364.46
Construction in progress		19,616,029.98	19,335,241.47
Right-of-use assets		4,503,375.81	7,405,747.41
Intangible assets		3,455,940,472.96	3,324,120,397.79
Development expenditures		-	-
Long-term prepaid expenses		1,641,927.84	1,775,109.33
Deferred tax assets		7,620,175.00	-
Other non-current assets		-	400,822,261.55
Total non-current assets		45,755,189,707.85	45,969,307,389.36
Total assets		51,183,746,518.60	52,227,221,917.27

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Financial Position (continued)
As at 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Current liabilities:			
Short-term borrowings		-	-
Bills payable		268,132,949.79	129,432,256.00
Accounts payable		141,628,809.06	452,562,670.06
Advances from customers		1,601,448.22	2,201,991.31
Contract liabilities		61,530,097.24	61,530,097.24
Employee benefits payable		100,196,378.00	141,169,658.63
Taxes payable		72,338,620.51	50,142,548.21
Other payables		4,461,316,210.95	4,671,367,391.38
Including: Interest payable		-	-
Dividends payable		619,120,689.24	58,071,944.42
Non-current liabilities due within one year		6,275,429,781.35	5,215,193,271.86
Other current liabilities		14,045,775.38	1,530,432,861.07
Total current liabilities		11,396,220,070.50	12,254,032,745.76

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Financial Position (continued)
As at 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Non-current liabilities:			
Long-term borrowings		3,974,312,600.00	4,233,402,880.00
Bonds payable		9,744,763,064.70	9,293,546,076.09
Including: Preferred stock		-	-
Perpetual bonds		-	-
Lease liabilities		169,801.54	1,941,674.82
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		60,792,798.18	59,747,221.80
Deferred revenue		77,458,707.71	101,468,909.05
Deferred tax liabilities		88,546,309.55	118,469,348.09
Total non-current liabilities		14,403,549,948.93	14,266,082,777.10
Total liabilities		25,799,770,019.43	26,520,115,522.86

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Financial Position (continued)
As at 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Shareholders' equity:			
Equity		2,537,856,127.00	2,537,856,127.00
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		6,130,995,623.72	6,198,372,579.72
Other comprehensive income		881,126,633.41	905,437,354.21
Surplus reserve		4,206,521,195.85	3,897,801,487.94
Undistributed profits		7,627,476,919.19	8,167,638,845.54
Total shareholders' equity		25,383,976,499.17	25,707,106,394.41
Total liabilities and shareholders' equity		51,183,746,518.60	52,227,221,917.27

The attached notes form part of the interim financial statements.

The interim financial statements are signed by the following persons:

_____	_____	_____	(Company stamp)
Head of the Company (Signature and stamp)	Chief financial officer (Signature and stamp)	Head of accounting department (Signature and stamp)	

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
I. Operating income	V, 46	3,652,853,398.72	3,918,555,340.74
Less: Cost of services	V, 46	2,322,823,924.76	2,470,334,125.34
Taxes and surcharges		29,385,202.56	26,096,900.87
Selling expenses		2,118,993.68	4,817,879.86
General and administrative expenses	V, 47	148,286,301.32	168,509,154.09
Research and development expenses		16,714,244.53	14,841,823.89
Financial expenses	V, 48	266,732,406.29	389,905,591.92
Including: Interest expenses		375,284,549.66	441,660,805.41
Interest income		25,296,555.76	41,894,579.99
Add: Other income		27,552,810.70	12,432,026.20
Investment income	V, 49	453,055,536.32	411,862,144.79
Including: Income from investment in associates and joint ventures	V, 49	429,895,111.31	393,180,168.95
(Losses)/gains from changes in fair value	V, 50	(107,863,751.45)	76,421,030.52
Credit impairment losses	V, 51	(54,433,290.43)	(74,645,559.96)
Reversal/(losses) on impairment of assets	V, 52	21,908.61	(17,511,953.61)
Losses from disposal of assets		(89,730.70)	(54,929.89)
II. Operating profit		1,185,035,808.63	1,252,552,622.82
Add: Non-operating income		2,307,570.03	5,044,917.82
Less: Non-operating expenses		18,307,175.07	2,285,421.14
III. Total profit		1,169,036,203.59	1,255,312,119.50
Less: Income tax expenses	V, 53	187,805,386.29	224,652,990.20

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Profit or Loss and Other Comprehensive Income
(continued)
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
IV. Net profit		981,230,817.30	1,030,659,129.30
(I) Classified by business continuity			
1. Net profit from continuing operations		981,230,817.30	1,030,659,129.30
2. Net profit from discontinued operations		-	-
(II) Classified by ownership			
1. Net profit attributable to shareholders of the Company		918,846,192.90	959,891,990.84
2. Profit or loss attributable to minority shareholders		62,384,624.40	70,767,138.46
V. Other comprehensive income, net of tax		(19,552,696.51)	75,725,357.25
(I) Other comprehensive income attributable to shareholders of the Company, net of tax		(26,873,246.99)	57,850,789.59
1. Other comprehensive income that cannot be reclassified to profit or loss		-	-
2. Other comprehensive income that will be reclassified to profit or loss		(26,873,246.99)	57,850,789.59
(1) Other comprehensive income that will be transferred to profit or loss under the equity method	V, 43	(24,921,009.10)	17,499,568.54
(2) Translation differences of financial statements denominated in foreign currencies	V, 43	(1,952,237.89)	40,351,221.05
(II) Other comprehensive income attributable to minority shareholders, net of tax		7,320,550.48	17,874,567.66

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Profit or Loss and Other Comprehensive Income
(continued)
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
VI. Total comprehensive income		961,678,120.79	1,106,384,486.55
Total comprehensive income attributable to shareholders of the Company		891,972,945.91	1,017,742,780.43
Total comprehensive income attributable to minority shareholders		69,705,174.88	88,641,706.12
VII. Earnings per share			
(I) Basic earnings per share (Yuan/share)	XVI, 2	0.346	0.382
(II) Diluted earnings per share (Yuan/share)	XVI, 2	0.346	0.382

The attached notes form part of the interim financial statements.

The interim financial statements are signed by the following persons:

_____	_____	_____	(Company stamp)
Head of the Company <i>(Signature and stamp)</i>	Chief financial officer <i>(Signature and stamp)</i>	Head of accounting department <i>(Signature and stamp)</i>	

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Profit or Loss and Other Comprehensive Income
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
I. Operating income	XV, 4	853,776,933.16	717,669,954.77
Less: Cost of services	XV, 4	386,290,543.25	248,126,962.32
Taxes and surcharges		10,212,802.84	9,327,366.82
General and administrative expenses		84,834,550.55	103,550,821.39
Financial expenses		191,942,470.97	249,892,635.86
Including: Interest expenses		281,603,135.41	308,568,638.11
Interest income		27,203,337.57	53,591,518.78
Add: Other income		1,216,596.80	1,285,908.28
Investment income	XV, 5	369,653,395.84	420,355,202.19
Including: Income from investment in associates and joint ventures		145,296,878.47	126,921,467.17
(Losses)/gains from changes in fair value		(120,218,789.57)	71,327,028.49
Losses from disposal of assets		-	(45,645.19)
II. Operating profit		431,147,768.62	599,694,662.15
Add: Non-operating income		713,823.07	30,768.42
Less: Non-operating expenses		2,805,756.92	399,594.70
III. Total profit		429,055,834.77	599,325,835.87
Less: Income tax expenses		38,936.08	17,537,521.19

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Profit or Loss and Other Comprehensive Income
(continued)
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
IV. Net profit		429,016,898.69	581,788,314.68
(I) Net profit from continuing operations		429,016,898.69	581,788,314.68
(II) Net profit from discontinued operations		-	-
V. Other comprehensive income, net of tax		(24,310,720.80)	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		(24,310,720.80)	15,683,923.20
1. Other comprehensive income that will be transferred to profit or loss under the equity method		(24,310,720.80)	15,683,923.20
VI. Total comprehensive income		404,706,177.89	597,472,237.88

The attached notes form part of the interim financial statements.

The interim financial statements are signed by the following persons:

_____	_____	_____	(Company stamp)
Head of the Company <i>(Signature and stamp)</i>	Chief financial officer <i>(Signature and stamp)</i>	Head of accounting department <i>(Signature and stamp)</i>	

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Cash Flows
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
I. Cash flows from operating activities:			
Cash received from rendering services and selling goods		3,646,500,038.70	3,349,724,187.39
Refund of taxes		4,710,257.18	37,306,905.85
Other cash received relating to operating activities	V, 54(1)	238,708,989.65	213,490,900.38
Sub-total of cash inflows		3,889,919,285.53	3,600,521,993.62
Cash payments for goods and services		657,787,290.40	573,714,346.88
Cash payments to and on behalf of employees		561,919,495.10	556,081,053.33
Payment of various taxes		446,422,119.55	351,596,195.02
Other cash payments relating to operating activities	V, 54(1)	184,554,964.43	164,151,407.66
Sub-total of cash outflows		1,850,683,869.48	1,645,543,002.89
Net cash flows from operating activities	V, 55(1)	2,039,235,416.05	1,954,978,990.73
II. Cash flows from investing activities:			
Cash received from recovery of investments		5,261,202,478.62	321,402,591.68
Cash received from returns on investments		320,192,646.00	231,105,617.62
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		17,749.49	50,370.99
Other cash received relating to investing activities	V, 54(2)	5,870,307.34	9,912,961.04
Sub-total of cash inflows		5,587,283,181.45	562,471,541.33
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		927,048,130.42	2,101,440,316.20
Cash payments for investing activities		6,584,500,000.00	3,051,105,046.00
Net cash payments for acquisitions of subsidiaries and other business units		3,775,000.00	-
Other cash payments relating to investing activities	V, 54(2)	-	10,285,883.00
Sub-total of cash outflows		7,515,323,130.42	5,162,831,245.20
Net cash flows from investing activities		(1,928,039,948.97)	(4,600,359,703.87)

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Cash Flows (continued)
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
III. Cash flows from financing activities:			
Cash received from capital contributions		398,808,635.13	8,702,919,999.17
Including: Cash received by subsidiaries from capital contributions by minority shareholders		398,808,635.13	100,000.00
Cash received from borrowings		4,053,849,672.96	11,918,849,695.58
Sub-total of cash inflows		4,452,658,308.09	20,621,769,694.75
Cash repayments of borrowings		4,165,338,182.04	11,570,754,009.91
Cash payments for distribution of dividends or profits or settlement of interest expenses		488,495,796.08	617,815,073.58
Including: Payments for distribution of dividends or profits to minority shareholders by subsidiaries		-	155,627,214.99
Other cash payments relating to financing activities	V, 54(3)	657,724,212.50	4,041,995,985.15
Sub-total of cash outflows		5,311,558,190.62	16,230,565,068.64
Net cash flows from financing activities		(858,899,882.53)	4,391,204,626.11
IV. Effect of exchange rate changes on cash and cash equivalents		(2,286,839.85)	(1,230,054.53)
V. Net (decrease)/increase in cash and cash equivalents	V, 55(1)2	(749,991,255.30)	1,744,593,858.44
Add: Cash and cash equivalents at the beginning of the period		4,745,083,905.55	2,670,493,652.96
VI. Cash and cash equivalents at the end of the period	V, 55(1)2	3,995,092,650.25	4,415,087,511.40

The attached notes form part of the interim financial statements.

The interim financial statements are signed by the following persons:

_____	_____	_____	(Company stamp)
Head of the Company (Signature and stamp)	Chief financial officer (Signature and stamp)	Head of accounting department (Signature and stamp)	

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Cash Flows
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
I. Cash flows from operating activities:			
Cash received from rendering services and selling goods		638,685,547.53	631,741,646.43
Refund of taxes		-	-
Other cash received relating to operating activities		30,556,498.88	13,447,109.88
Sub-total of cash inflows		669,242,046.41	645,188,756.31
Cash payments for goods and services		116,837,587.58	111,755,125.76
Cash payments to and on behalf of employees		136,005,270.05	153,625,814.54
Payment of various taxes		44,485,795.74	16,150,143.63
Other cash payments relating to operating activities		47,770,305.41	78,641,716.52
Sub-total of cash outflows		345,098,958.78	360,172,800.45
Net cash flows from operating activities		324,143,087.63	285,015,955.86
II. Cash flows from investing activities:			
Cash received from recovery of investments		3,517,951,630.67	94,962,454.75
Cash received from returns on investments		325,031,868.52	869,322,417.31
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		-	-
Other cash received relating to investing activities		112,569,290.52	43,782,809.95
Sub-total of cash inflows		3,955,552,789.71	1,008,108,139.43
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		343,230,891.10	1,044,333,379.34
Cash payments for investing activities		4,900,000,000.00	3,900,000,000.00
Other cash payments relating to investing activities		-	81,487.50
Sub-total of cash outflows		5,243,230,891.10	4,944,414,866.84
Net cash flows from investing activities		(1,287,678,101.39)	(3,936,306,727.41)

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Cash Flows (continued)
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

<i>Item</i>	<i>Note</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
III. Cash flows from financing activities:			
Cash received from capital contributions		-	8,702,819,999.17
Cash received from borrowings		2,522,000,000.00	9,626,434,463.69
Other cash received relating to financing activities		168,642,906.95	211,534,230.93
Sub-total of cash inflows		2,690,642,906.95	18,540,788,693.79
Cash repayments of borrowings		2,669,210,000.00	8,990,599,829.54
Cash payments for distribution of dividends or profits or settlement of interest expenses		369,829,885.81	285,758,140.40
Other cash payments relating to financing activities		5,091,596.59	4,034,002,926.04
Sub-total of cash outflows		3,044,131,482.40	13,310,360,895.98
Net cash flows from financing activities		(353,488,575.45)	5,230,427,797.81
IV. Effect of exchange rate changes on cash and cash equivalents		(8,641.81)	(1,798.15)
V. Net (decrease)/increase in cash and cash equivalents		(1,317,032,231.02)	1,579,135,228.11
Add: Cash and cash equivalents at the beginning of the period		2,301,557,865.67	792,672,285.68
VI. Cash and cash equivalents at the end of the period		984,525,634.65	2,371,807,513.79

The attached notes form part of the interim financial statements.

The interim financial statements are signed by the following persons:

_____	_____	_____	(Company stamp)
Head of the Company (Signature and stamp)	Chief financial officer (Signature and stamp)	Head of accounting department (Signature and stamp)	

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Changes in Equity
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

Item	For the six months ended 30 June 2026 (Unaudited)								
	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)	2,537,856,127.00	4,000,000,000.00	8,682,999,006.34	(715,756,314.51)	3,897,801,487.94	8,628,237,805.30	27,031,138,112.07	5,021,343,898.10	32,052,482,010.17
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-
II. Opening balance of the current period	2,537,856,127.00	4,000,000,000.00	8,682,999,006.34	(715,756,314.51)	3,897,801,487.94	8,628,237,805.30	27,031,138,112.07	5,021,343,898.10	32,052,482,010.17
III. Changes for the period	-	-	(243,885,469.70)	(26,873,246.99)	308,719,707.91	(50,332,632.14)	(12,371,640.92)	(73,399,497.50)	(85,771,138.42)
(I) Total comprehensive income	-	-	-	(26,873,246.99)	-	918,846,192.90	891,972,945.91	69,705,174.88	961,678,120.79
(II) Shareholders' contributions and reduction in capital	-	-	(243,885,469.70)	-	-	-	(243,885,469.70)	(62,155,104.54)	(306,040,574.24)
1. Ordinary shares contributed by shareholders	-	-	-	-	-	-	-	398,808,635.13	398,808,635.13
2. Shareholders' reduction in capital	-	-	34,181,148.39	-	-	-	34,181,148.39	(667,878,217.92)	(633,697,069.53)
3. Capital contribution from holders of other equity instruments	-	-	-	-	-	-	-	-	-
4. Capital reduced by holders of other equity instruments	-	-	-	-	-	-	-	-	-
5. Others	-	-	(278,066,618.09)	-	-	-	(278,066,618.09)	206,914,478.25	(71,152,139.84)
(III) Profit distribution	-	-	-	-	308,719,707.91	(969,178,825.04)	(660,459,117.13)	(80,949,567.84)	(741,408,684.97)
1. Transfer to surplus reserve	-	-	-	-	308,719,707.91	(308,719,707.91)	-	-	-
2. Profit distribution to shareholders	-	-	-	-	-	(660,459,117.13)	(660,459,117.13)	(80,949,567.84)	(741,408,684.97)
(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	8,439,113,536.64	(742,629,561.50)	4,206,521,195.85	8,577,905,173.16	27,018,766,471.15	4,947,944,400.60	31,966,710,871.75

The attached notes form part of the interim financial statements.

The interim financial statements are signed by the following persons:

		(Company stamp)
Head of the Company (Signature and stamp)	Chief financial officer (Signature and stamp)	Head of accounting department (Signature and stamp)

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Consolidated Statement of Changes in Equity (continued)
For the six months ended 30 June 2025
(Expressed in Renminbi Yuan)

Item	For the six months ended 30 June 2025 (Unaudited)								
	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	4,392,194,420.15	(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

The attached notes form part of the interim financial statements.

The interim financial statements are signed by the following persons:

		(Company stamp)
Head of the Company (Signature and stamp)	Chief financial officer (Signature and stamp)	Head of accounting department (Signature and stamp)

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Changes in Equity
For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

Item	For the six months ended 30 June 2026 (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)	2,537,856,127.00	4,000,000,000.00	6,198,372,579.72	905,437,354.21	3,897,801,487.94	8,167,638,845.54	25,707,106,394.41
Add: Changes in accounting policies	-	-	-	-	-	-	-
II. Opening balance of the current period	2,537,856,127.00	4,000,000,000.00	6,198,372,579.72	905,437,354.21	3,897,801,487.94	8,167,638,845.54	25,707,106,394.41
III. Changes for the period	-	-	(67,376,956.00)	(24,310,720.80)	308,719,707.91	(540,161,926.35)	(323,129,895.24)
(I) Total comprehensive income	-	-	-	(24,310,720.80)	-	429,016,898.69	404,706,177.89
(II) Shareholders' contributions and reduction in capital	-	-	(67,376,956.00)	-	-	-	(67,376,956.00)
1. Ordinary shares contributed by shareholders	-	-	-	-	-	-	-
2. Capital contribution from holders of other equity instruments	-	-	-	-	-	-	-
3. Capital reduced by holders of other equity instruments	-	-	-	-	-	-	-
4. Others	-	-	(67,376,956.00)	-	-	-	(67,376,956.00)
(III) Profit distribution	-	-	-	-	308,719,707.91	(969,178,825.04)	(660,459,117.13)
1. Transfer to surplus reserve	-	-	-	-	308,719,707.91	(308,719,707.91)	-
2. Profit distribution to shareholders	-	-	-	-	-	(660,459,117.13)	(660,459,117.13)
(IV) Others	-	-	-	-	-	-	-
IV. Closing balance of the current period (Unaudited)	2,537,856,127.00	4,000,000,000.00	6,130,995,623.72	881,126,633.41	4,206,521,195.85	7,627,476,919.19	25,383,976,499.17

The attached notes form part of the interim financial statements.

The interim financial statements are signed by the following persons:

_____	_____	_____	(Company stamp)
Head of the Company (Signature and stamp)	Chief financial officer (Signature and stamp)	Head of accounting department (Signature and stamp)	

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Company's Statement of Changes in Equity (continued)
For the six months ended 30 June 2025
(Expressed in Renminbi Yuan)

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

The attached notes form part of the interim financial statements.

The interim financial statements are signed by the following persons:

_____	_____	_____	(Company stamp)
Head of the Company (Signature and stamp)	Chief financial officer (Signature and stamp)	Head of accounting department (Signature and stamp)	

SHENZHEN EXPRESSWAY CORPORATION LIMITED

Notes to the financial statements

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 25 August 2026.

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 2026, the Group and the Company had total current liabilities in excess of total current assets by RMB2,991,601,436.52 and RMB5,967,663,259.75, respectively, and the amount of capital commitments expected to be paid by the Group in the coming year totaled RMB5,564,928,576.12. As at 30 June 2026, the Group and the Company had unused bank credit lines totaling RMB77,257,697,396.28 and RMB55,406,913,066.28, 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.

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 utilize such assets to generate economic benefits, or the ability to sell such assets to other market participants who are able to best utilize 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 2026, 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. The operating cycle of the Group is 12 months.

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

<i>Item</i>	<i>Materiality criteria</i>
Significant bad debt provisions recovered or reversed	The amount is greater than or equal to RMB30 million
Significant contract assets Projects	The amount is greater than or equal to RMB30 million
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

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.

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.

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, and goodwill shall be offset. 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".

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".

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 or 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).

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.

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.

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.

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.

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.

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.

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.

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.

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.

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:

<i>Category of portfolio</i>	<i>Basis for determination</i>
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.

<i>Category of portfolio</i>	<i>Basis for determination</i>
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.

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.

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.

<i>Category of portfolio</i>	<i>Basis for determination</i>
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

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.

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.

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.

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 Company, 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.

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.

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.

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:

<i>Category</i>	<i>Depreciation method</i>	<i>Depreciation life (year)</i>	<i>Estimated residual value rate (%)</i>	<i>Annual depreciation rate (%)</i>
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.

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:

<i>Category</i>	<i>Criteria for carrying forward to fixed assets</i>	<i>Point in time for carrying forward to fixed assets</i>
Highway electromechanical engineering	When it is ready for intended use	When it is handed over and accepted as qualified
Highway civil construction engineering	When it is ready for intended use	When it is handed over and accepted as qualified
Highway subgrade, pavement, and bridge-culvert engineering	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.

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.

On January 1, 1997, the franchise rights for toll roads contributed as capital investment by state-owned shareholders to the Company were recorded at the appraised value assessed by asset appraisal institutions and confirmed by the State Administration of State-owned Assets under State-Owned Assets Appraisal Document No. 911 (1996). The land use rights for the West Section of Airport-Heao Expressway were contributed by the Company's promoters as their investment during corporate restructuring, based on the reassessed value as of June 30, 1996, confirmed by the State Administration of State-owned Assets. The land use rights for the East Section of Airport-Heao Expressway and Meiguan Expressway were originally contributed by one of the Company's promoters, Xintongchan Industrial Development (Shenzhen) Co., Ltd. ("Xintongchan Company"), as its investment in the Company's subsidiaries— Shenzhen Airport-Heao Expressway (Eastern Section) Company Limited ("Airport-Heao Eastern Company") and Shenzhen Meiguan Expressway Company Limited ("Meiguan Company")—and were valued at the contractually agreed price determined by both 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.

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

<i>Item</i>	<i>Unit amortization amount (RMB)</i>
Meiguan Expressway	0.53
Shenzhen Airport-Heao Expressway (Western Section)	0.35
Shenzhen Airport-Heao Expressway (Eastern Section)	1.73
Qinglian Expressway	49.38
Shuiguan Expressway	5.66
Changsha Ring Road (North-western Section) ("Changsha Ring Road")	2.91
Coastal Expressway (Shenzhen Section)	9.32
Outer Ring Expressway Phase I	4.20
Outer Ring Expressway Phase II	1.11
Longda Expressway	0.25

(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.

(2) Other intangible assets

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

<i>Category</i>	<i>Amortization method</i>	<i>Useful life (year)</i>	<i>Basis to determine the useful life</i>	<i>Residual value rate</i>
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	20 - 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.

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.

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.

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:

<i>Item</i>	<i>Method for measurement</i>
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.

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 utilization, 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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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 utilized. 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 utilized.

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 utilized 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 utilized. Such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

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:

(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.

37. Changes in Major accounting policies

37.1 Content and reasons for changes in accounting policies

On December 5, 2025, the Ministry of Finance issued Interpretation No. 19 to the Enterprise Accounting Standards (Cai Hui [2025] No. 32, hereinafter referred to as "Interpretation 19"), which provides specifications and clarifications regarding the following: the accounting treatment for compensatory assets in business combinations not under common control; the accounting treatment for relevant capital reserves when disposing of subsidiaries previously acquired through business combinations under common control; the derecognition of financial liabilities settled via electronic payment systems; the assessment of contractual cash flow characteristics of financial assets and related disclosures; and the disclosure requirements for equity instruments designated at fair value with changes recognized in other comprehensive income. This interpretation is effective from January 1, 2026.

On June 4, 2026, the Ministry of Finance issued Interpretation No. 20 to the Enterprise Accounting Standards (Cai Hui [2026] No. 7, hereinafter referred to as "Interpretation 20"), which provides specifications and clarifications regarding the following: the assessment of contractual cash flow characteristics of financial assets; and the accounting treatment and related disclosures when a currency lacks convertibility. This interpretation is effective from the date of issuance.

The adoption of the above-mentioned provisions has not had any impact on the Group's financial position and operating results.

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%

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.

The entities with different EIT rates are disclosed as follows:

<i>Name of taxpayer</i>	<i>Income tax rate</i>
Shenzhen Investment Holdings Bay Area Development Co., Ltd. ("Bay Area Development") (Note 2)	16.50%
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 Guangzhou Expressway Development Co., Ltd. ("Hopewell Guangzhou Expressway")	
Guanjia (British Virgin Islands) Co., Ltd. ("Guanjia") (Note 2)	
Hopewell China Development (Superhighway) Limited ("Hopewell China Development")	

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%.

2. Tax preference

- (a) VAT refund upon payment for products and labor services involving the comprehensive utilization of resources

According to the notice issued by the Ministry of Finance and the State Taxation Administration titled "Announcement of the Ministry of Finance and the State Administration of Taxation on Improving the Value-Added Tax Policy for Resource Comprehensive Utilization" (Ministry of Finance and State Taxation Administration Announcement No. 40, 2021), general taxpayers who sell self-produced resource comprehensive utilization products and provide resource comprehensive utilization services may enjoy the policy of immediate collection and immediate refund of value-added tax. The specific names of the resources for comprehensive utilization, the names of the products and services, technical standards and related conditions, and the refund ratio shall be implemented in accordance with the relevant provisions of the "Catalogue of Value-Added Tax Preferential Policies for Resource Comprehensive Utilization Products and Services (2022 Edition)" (the "Catalogue"). Shenzhen Lisai Environmental Protection Technology Co., Ltd. ("Lisai Environmental Protection"), Shaoyang Shengao Environment Technology Co., Ltd. ("Shaoyang Shengao Environmental"), Inner Mongolia Chenghuan Bioland Renewable Resource Co., Ltd. ("Inner Mongolia Chenghuan Bioland"), and Guiyang Beier Bioland Environmental Technologies Co., Ltd. ("Guiyang Beier Bioland") meet the categories 4.1 and 5.1 in the Catalogue. Among them, Lise Environmental enjoys the aforementioned tax benefits from the sales revenue of bio-oil generated from kitchen waste processing, sales revenue of biomass crushed materials, revenue from biogas power generation, garbage processing subsidy income, and sludge disposal service income. Shaoyang Shengao Environment enjoys the aforementioned tax benefits from the sales revenue of bio-oil generated from kitchen waste processing, sales revenue of biomass crushed materials, revenue from biogas power generation, and garbage processing subsidy income. Inner Mongolia Chenghuan Bioland enjoys the aforementioned tax benefits from the sales revenue of bio-oil generated from kitchen waste processing and garbage processing subsidy income. Guiyang Beier Bioland enjoys the aforementioned tax benefits from the sales revenue of bio-oil generated from kitchen waste processing, revenue from biogas power generation, and garbage processing subsidy income.

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

According to the announcement issued by 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 titled “Announcement on Continuing the Implementation of Tax and Fee Preferential Policies for Community-based Elderly Care, Childcare, and Home Service Industries” ; Ministry of Finance, State Taxation Administration, National Development and Reform Commission, Ministry of Civil Affairs, Ministry of Commerce, and National Health Commission Announcement No. 7, 2026), income derived from providing community-based elderly care, childcare, and home service shall be exempt from value-added tax. 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.

- (c) 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. Shenzhen Expressway Shengneng Technology Co., Ltd. (“Shengneng Technology”) engage in operation projects that meet the tax preferences policies for public infrastructure projects supported by the state.

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 Environmental Protection Technology Co., Ltd. (“Fuzhou Bioland”) and Sichuan Lansheng Environmental Protection Technology Co., Ltd. (“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 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.

Shenzhen Guangming Shenzhen Expressway Environmental Technology Co., Ltd. Company Limited (“Guangming Environment Technology”) is engaged in business projects that qualify for the enterprise income tax preferential policies for projects related to domestic waste classification and harmless treatment. The company is exempt from paying enterprise income tax from 2024 to 2026, and is entitled to a 50% reduction in enterprise income tax from 2027 to 2029.

- (d) 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. Mulei County 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”), 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%.

- (e) 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 Announcement on the Continued Implementation of Tax and Fee Preferential Policies for Community-based Elderly Care, Childcare, and Home Service Industries (Announcement No. 7, 2026, issued by the Ministry of Finance, State Taxation Administration, National Development and Reform Commission, Ministry of Civil Affairs, Ministry of Commerce, and National Health Commission), income obtained from providing community-based elderly care, childcare, and home service shall be counted at 90% of the total income when calculating the taxable income. Shengao LeKang provides community-based elderly care services and enjoys the aforementioned tax preference. Guangming Fengrunjiu provides community-based elderly care and childcare services and also enjoys the aforementioned tax preference.

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

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.

Lisai Environmental Protection obtained the High-tech Enterprise Certificate on December 25, 2025 (Certificate No.: GR202544206341), with a validity period of three years. In accordance with the Enterprise Income Tax Law of the People’s Republic of China and relevant regulations, Lisai Environmental Protection is subject to an enterprise income tax rate of 15% for the years 2025, 2026, and 2027.

(g) 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%. This preferential policy will be implemented from January 1, 2022 and will continue until December 31, 2027.

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"), Ya'an Shenlan Environmental Protection Technology Co., Ltd. ("Ya'an Lande"), Dezhou Zhonghe Environmental Protection Equipment Manufacturing Co., Ltd. ("Dezhou Zhonghe"), Longyou Bioland Environmental Technology Co., Ltd. ("Longyou Bioland"), Shenzhen Expressway Bioland Environmental Protection Technology Research, Design Institute Co., Ltd. ("Bioland Environmental Protection Technology"), Shenzhen Expressway Property Management Company Limited ("Property Management Company"), Guizhou Yefengrui Property Development Co., Ltd., Shengao Lekang, Guangming Fengrunjiu, Shenzhen Expressway Gao Le Yi Healthy Aging Co., Ltd., Shenzhen Expressway Private Equity Industrial Investment Fund Management Co., Ltd., and Shenzhen Expressway Business Co., Ltd. are also small and micro-profit enterprises and enjoy the above preferential policies.

(h) 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, Ya'an Lande, Dezhou Zhonghe, Bioland Environmental Protection Technology, Property Management Company, Guizhou Yefengrui Property Development Co., Ltd., Shengao Lekang, Guangming Fengrunjiu, Shenzhen Expressway Gao Le Yi Healthy Aging Co., Ltd., Shenzhen Expressway Private Equity Industrial Investment Fund Management Co., Ltd., and Shenzhen Expressway Business Co., Ltd. are small and micro-profit enterprises and thus enjoy the above preferential policies.

(i) 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, Shenzhen Guangshen Coastal Expressway Investment Company Limited ("Coastal Expressway"), Shenzhen Outer Ring Expressway Investment Company Limited ("Outer Ring Company") and Meiguan Company enjoy the above preferential policies.

According to the Announcement on the Continued Implementation of Tax and Fee Preferential Policies for the Community-based Elderly Care, Childcare, and Home Services Industries (Announcement No. 7 of 2026 by the Ministry of Finance, State Taxation Administration, National Development and Reform Commission, Ministry of Civil Affairs, Ministry of Commerce, and National Health Commission), properties and lands owned by institutions providing community-based elderly care, childcare, and home services, or obtained through leasing, free use, or other means and used for such services, are exempt from property tax and urban land use tax. Shengao Lekang provides community-based elderly care services and enjoys the preferential policies. Guangming Fengrunjiu provides community-based elderly care and childcare services and also enjoys the preferential policies.

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 ("Fameluxe Investment") 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.

According to the Announcement No. 2 of 2025 issued by the Ministry of Finance, State Taxation Administration, and Ministry of Commerce on the Tax Credit Policy for Foreign Investors Reinvesting Distributed Profits in China, foreign investors who reinvest profits distributed by domestic enterprises in China and commit not to withdraw such investments within five years are eligible for tax credits. For the six months ended 30 June 2026, the Group has benefited from the aforementioned tax credit policy, with an amount of RMB9,097,000 credited against taxes.

V. Notes to key items in the consolidated financial statements

1. Cash at banks and on hand

	RMB	
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Cash on hand:	5,493,465.60	5,755,304.72
RMB	5,476,330.98	5,737,831.62
HKD	16,906.02	17,232.81
Others	228.60	240.29
Cash at banks:	4,287,738,865.21	5,065,221,750.19
RMB	3,777,411,328.27	4,603,687,681.45
HKD	509,416,357.25	460,593,774.36
USD	911,179.69	940,294.38
Others:	146,442,280.51	81,179,226.56
RMB	146,392,370.36	81,156,608.25
HKD	49,910.15	22,618.31
Interest receivable:	-	766,955.68
Total	4,439,674,611.32	5,152,923,237.15
Including: Total amount deposited abroad	1,220,880,387.58	650,572,051.74

Note: It primarily consists of the performance bonds, mortgage deposits, and investment funds deposited in securities accounts.

As at 30 June 2026, the Group's restricted funds are listed as follows:

	RMB	
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Funds in jointly-managed account (Note V, 30.3(1) - Note)	250,456,345.28	250,393,047.48
Special account for project management	112,979,612.55	35,810,574.12
Frozen funds due to litigation	56,678,394.87	93,544,075.39
Security deposits	24,467,608.37	27,324,678.93
Total	444,581,961.07	407,072,375.92

2. Transactional financial assets

RMB

Category	Closing balance (Unaudited)	Opening balance (Audited)
Financial assets at FVTPL	4,136,047,816.87	2,557,452,332.60
Including:		
Structured deposits	4,018,143,602.10	2,439,548,117.83
Compensation for valuation adjustment mechanism receivable	117,904,214.77	117,904,214.77
Total	4,136,047,816.87	2,557,452,332.60

3. Accounts receivable

(1) Accounts receivable disclosed by aging

RMB

Aging	Closing balance (Unaudited)	Opening balance (Audited)
Within 1 year	464,823,027.70	486,601,226.91
1 to 2 years	170,259,939.64	300,456,282.13
2 to 3 years	86,245,444.75	46,645,334.92
Over 3 years	501,152,185.57	500,625,956.34
Total	1,222,480,597.66	1,334,328,800.30

(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	392,732,568.40	32.13	211,677,789.92	53.90	181,054,778.48	390,292,988.83	29.25	207,708,699.64	53.22	182,584,289.19
Bad debt provision assessed on a portfolio basis										
Portfolio I	517,672,328.84	42.34	56,445,381.68	10.90	461,226,947.16	626,191,621.43	46.93	51,198,924.75	8.18	574,992,696.68
Portfolio II	18,580,797.82	1.52	13,704,134.49	73.75	4,876,663.33	18,671,191.68	1.40	13,704,134.49	73.40	4,967,057.19
Portfolio III	44,492,081.88	3.64	24,884,535.61	55.93	19,607,546.27	41,825,726.58	3.13	24,034,747.14	57.46	17,790,979.44
Portfolio IV	249,002,820.72	20.37	19,981,757.67	8.02	229,021,063.05	257,347,271.78	19.29	12,846,871.53	4.99	244,500,400.25
Total	1,222,480,597.66	100.00	326,693,599.37		895,786,998.29	1,334,328,800.30	100.00	309,493,377.55		1,024,835,422.75

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 (%)	
SEPCO Electric Power Construction Corporation	141,998,000.00	17,646,400.00	12.43	Based on a comprehensive assessment of counterparty's financial condition and the payment arrangements agreed upon with relevant suppliers, it is expected that a portion of the receivables is hard to be recovered
China Sinogy Electric Engineering Co., Ltd.	126,049,250.00	69,546,071.52	55.17	Based on a comprehensive assessment of the counterparty's financial condition and the value of its wind turbine equipment retained by the Group, it is expected that a portion of the receivables is hard to be recovered
Shenzhen Zhongzhuang New Energy Technology Co., Ltd.	35,492,465.65	35,492,465.65	100.00	Based on a comprehensive assessment of counterparty's financial condition, it is expected that the receivables are hard to be recovered
Sihong Gaochuan Wind Power Generation Co., Ltd.	28,364,000.00	28,364,000.00	100.00	The counterparty is undergoing bankruptcy reorganization, and it is expected that the receivables are hard to be recovered
Juye Changguang Wind Energy Co., Ltd.	26,250,000.00	26,250,000.00	100.00	Based on a comprehensive assessment of counterparty's financial condition, it is expected that the receivables are hard to be recovered
Taizhou Keyuan Oil Industry Co., Ltd.	9,852,968.49	9,852,968.49	100.00	Given the outcome of the current litigation proceedings with the counterparty, it is expected that the receivables are hard to be recovered
Guizhou Hongchangheng Environmental Protection Technology Co., Ltd.	8,840,500.00	8,840,500.00	100.00	It is expected that the receivables are hard to be recovered
Shenzhen SuTung New Energy Technology Co., Ltd.	6,611,795.32	6,611,795.32	100.00	It is expected that the receivables are hard to be recovered
Hunan Kaixuan Changtan West Line Expressway Co., Ltd.	3,459,021.43	3,459,021.43	100.00	It is expected that the receivables are hard to be recovered
Changsha Ruqin E-commerce Co., Ltd.	2,940,000.00	2,940,000.00	100.00	It is expected that the receivables are hard to be recovered
Shenzhen Wutong United Shenzhen Co., Ltd.	2,381,579.57	2,181,579.57	91.60	It is expected that a portion of the receivables is hard to be recovered
Tianjin Chuanzai Jingtong Financial Leasing Co., Ltd.	434,987.94	434,987.94	100.00	It is expected that the receivables are hard to be recovered
Shenzhen Shengxuan Cultural Communication Co., Ltd.	58,000.00	58,000.00	100.00	It is expected that the receivables are hard to be recovered
Total	392,732,568.40	211,677,789.92		

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

RMB

Portfolio I	Closing balance (Unaudited)			
	Expected average loss rate (%)	Gross carrying amount	Bad debt provision	Carrying amount
Receivables from government and related parties	10.90	517,672,328.84	56,445,381.68	461,226,947.16
Total		517,672,328.84	56,445,381.68	461,226,947.16

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

RMB

Portfolio II	Closing balance (Unaudited)		
	Accounts receivable	Bad debt provision	Proportion (%)
Over 3 years	18,580,797.82	13,704,134.49	73.75
Total	18,580,797.82	13,704,134.49	

RMB

Portfolio III	Closing balance (Unaudited)		
	Accounts receivable	Bad debt provision	Proportion (%)
Within 1 year	10,200,124.36	154,867.00	1.52
1 to 2 years	1,905,331.95	149,311.59	7.84
2 to 3 years	357,032.46	189,605.92	53.11
Over 3 years	32,029,593.11	24,390,751.10	76.15
Total	44,492,081.88	24,884,535.61	

RMB

Portfolio IV	Closing balance (Unaudited)		
	Accounts receivable	Bad debt provision	Proportion (%)
Within 1 year	117,574,448.06	261,768.01	0.22
1 to 2 years	60,502,471.00	984,387.04	1.63
2 to 3 years	61,151,757.70	18,103,527.72	29.60
Over 3 years	9,774,143.96	632,074.90	6.47
Total	249,002,820.72	19,981,757.67	

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)	101,784,677.91	207,708,699.64	309,493,377.55
- Transfer into those credit-impaired	-	-	-
Provision	13,231,131.54	3,969,090.28	17,200,221.82
Reversal	-	-	-
Other changes	-	-	-
Closing balance (Unaudited)	115,015,809.45	211,677,789.92	326,693,599.37

(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	207,708,699.64	3,969,090.28	-	-	-	211,677,789.92
Accounts receivable for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics	101,784,677.91	13,231,131.54	-	-	-	115,015,809.45
Total	309,493,377.55	17,200,221.82	-	-	-	326,693,599.37

For the six months ended 30 June 2026, the Group had no recovery or reversal of bad debt provision which was individually significant.

(4) For the six months ended 30 June 2026, 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 (Unaudited)	Closing balance of contract assets (Unaudited)	Closing balance of accounts receivable and contract assets (Unaudited)	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 (Unaudited)
Total of top five accounts receivable and contracts assets at the end of period	376,508,424.86	55,568,530.13	432,076,954.99	18.33	142,675,170.56

4. Prepayments

(1) Prepayments presented by aging

RMB

Aging	Closing balance (Unaudited)		Opening balance (Audited)	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	52,379,978.87	49.24	84,534,311.46	70.68
1 to 2 years	20,571,537.18	19.34	10,575,785.37	8.84
2 to 3 years	24,565,681.70	23.09	19,434,382.97	16.25
Over 3 years	8,863,028.30	8.33	5,054,232.52	4.23
Total	106,380,226.05	100.00	119,598,712.32	100.00

(2) Prepayments presented by nature

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Prepayments for materials	52,419,460.04	79,721,258.74
Others	53,960,766.01	39,877,453.58
Total	106,380,226.05	119,598,712.32

As at 30 June 2026, the prepayments aged over one year mainly represent the prepayments for materials. Since the relevant materials have not yet been delivered or received, the prepayments remain outstanding.

(3) Top five prepayments categorized by payee

RMB

<i>Name of entity</i>	<i>Relationship with the Group</i>	<i>Gross carrying amount</i>	<i>Aging</i>	<i>Proportion to total prepayments (%)</i>
Total of top five prepayments at the End of the period	Non-related party	48,971,915.71	With in 1 year, 1 to 2 years, 2 to 3 years	46.03

5. Other receivables

5.1 Presentation of other receivables

RMB

<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Dividends receivable	149,372,133.59	-
Other receivables	588,021,070.33	678,305,946.54
Total	737,393,203.92	678,305,946.54

5.2 Dividends receivable

RMB

<i>Investee</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Guangdong Guangzhou-Zhuhai West Expressway Co., Ltd. ("Guangzhou-Zhuhai West Expressway")	103,619,429.21	-
Bank of Guizhou Co., Ltd.	30,132,419.88	-
Guangzhou-Shenzhen-Zhuhai Expressway Co., Ltd. ("Guangzhou-Shenzhen-Zhuhai Expressway")	13,537,275.00	-
Shenzhen Water Planning & Design Institute Co., Ltd. ("Water Planning & Design Institute")	2,083,009.50	-
Total	149,372,133.59	-

5.3 Other receivables

(1) Other receivables disclosed by aging

RMB

<i>Aging</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Within 1 year	108,736,569.58	183,994,134.25
1 to 2 years	232,509,639.51	278,440,352.56
2 to 3 years	163,347,315.93	108,423,241.25
Over 3 years	222,010,957.85	225,483,968.55
Sub-total	726,604,482.87	796,341,696.61
Less: Bad debt provision for other receivables	138,583,412.54	118,035,750.07
Total	588,021,070.33	678,305,946.54

(2) Categories of other receivables by nature

RMB

<i>Nature</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Receivables from third parties	314,657,527.27	390,785,846.63
Advance distribution of profits to minority shareholders	173,500,000.00	163,500,000.00
Receivables from related parties (Note XI, 6(1))	89,874,679.82	90,274,305.49
Deposits and security deposits	55,832,573.43	55,046,647.49
Advances receivable	6,106,040.41	16,869,799.67
Employee advances	5,860,569.46	4,443,131.49
Administrative reserve	1,148,151.00	1,163,013.00
Others	79,624,941.48	74,258,952.84
Total	726,604,482.87	796,341,696.61

(3) Provision for bad debts

RMB

<i>Bad debt provision</i>	<i>Stage I</i>	<i>Stage II</i>	<i>Stage III</i>	<i>Total</i>
	<i>12-month ECL</i>	<i>Lifetime ECL (not credit- impaired)</i>	<i>Lifetime ECL (credit-impaired)</i>	
Opening balance (Audited)	118,035,750.07	-	-	118,035,750.07
- Transfer into Stage II	-	-	-	-
- Transfer into Stage III	-	-	-	-
- Reverse to Stage II	-	-	-	-
- Reverse to Stage I	-	-	-	-
Provision	21,388,821.51	-	-	21,388,821.51
Reversal	(841,159.04)	-	-	(841,159.04)
Transfer out due to derecognition of financial assets (including direct write-down)	-	-	-	-
Other changes	-	-	-	-
Closing balance (Unaudited)	138,583,412.54	-	-	138,583,412.54

(4) Details of bad debt provision

RMB

<i>Category</i>	<i>Opening balance (Audited)</i>	<i>Changes for the period</i>			<i>Closing balance (Unaudited)</i>
		<i>Provision</i>	<i>Recovery or reversal</i>	<i>Charge-off or write-off</i>	
Other receivables for which bad debt provision is assessed on a portfolio basis	118,035,750.07	21,388,821.51	(841,159.04)	-	138,583,412.54

(5) Top five other receivables categorized by debtor

RMB					
Name of entity	Closing Balance (Unaudited)	Proportion to total closing balance of other receivables (%)	Nature	Aging	Closing balance of provision for bad debts (Unaudited)
Shenzhen SEZ Construction and Development Group Co., Ltd. ("Const. & Dvpt Company")	245,030,763.43	33.72	Amounts due from third parties	1 to 2 years, 2 to 3 years	-
Shenzhen Huayu Investment Development (Group) Co., Ltd.	173,692,594.64	23.90	Advance distribution of profits to minority shareholders by subsidiaries	Within 1 year, 1 to 2 years	-
Huai'an Zhongheng New Energy Co., Ltd. ("Huai'an Zhongheng")	88,331,191.80	12.16	Amounts due from related parties	Over 3 years	88,331,191.80
PowerChina Jiangxi Electric Power Construction Co., Ltd.	41,200,000.00	5.67	Deposits and security deposits	Over 3 years	-
Mulei County Xinhua Energy No.1 Wind Power Generation Co., Ltd.	27,429,043.00	3.78	Others	Over 3 years	-
Total	575,683,592.87	79.23			88,331,191.80

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)	259,556,916.93	-	259,556,916.93	258,790,747.84	-	258,790,747.84
Properties under development (Note 2)	102,623,899.71	-	102,623,899.71	102,290,084.59	-	102,290,084.59
Properties held for sale (Note 3)	544,366,914.62	123,801,915.32	420,564,999.30	578,943,985.29	133,549,155.79	445,394,829.50
Raw materials	200,536,012.17	131,176,667.53	69,359,344.64	192,788,887.50	131,292,811.04	61,496,076.46
Work in progress	172,933,371.18	132,537,671.53	40,395,699.65	171,544,646.78	132,537,671.53	39,006,975.25
Goods on hand	72,646,101.57	57,407,548.00	15,238,553.57	71,653,378.81	58,034,459.58	13,618,919.23
Low-value consumables and others	1,886,152.35	-	1,886,152.35	2,564,135.48	-	2,564,135.48
Total	1,354,549,368.53	444,923,802.38	909,625,566.15	1,378,575,866.29	455,414,097.94	923,161,768.35

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	102,623,899.71	102,290,084.59
Total	102,623,899.71	102,290,084.59

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	517,527,681.67	6,019,810.94	40,596,881.61	482,950,611.00	123,801,915.32
Total		578,943,985.29	6,019,810.94	40,596,881.61	544,366,914.62	123,801,915.32

(2) Provision for decline in value of inventories

RMB

Item	Opening balance (Audited)	Provision	Reversal	Write-off	Closing balance (Unaudited)
Raw materials	131,292,811.04	-	-	(116,143.51)	131,176,667.53
Work in progress	132,537,671.53	-	-	-	132,537,671.53
Goods on hand	58,034,459.58	-	-	(626,911.58)	57,407,548.00
Properties held for sale	133,549,155.79	-	-	(9,747,240.47)	123,801,915.32
Total	455,414,097.94	-	-	(10,490,295.56)	444,923,802.38

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

For the six months ended 30 June 2026, the amount of capitalized interest included in inventories was nil (for the six months ended 30 June 2025: nil), and the capitalization rate used to recognize the capitalization amount was nil (for the six months ended 30 June 2025: nil). As at 30 June 2026, the amount of capitalized interest included in the closing balance of inventories was RMB2,553,612.30 (31 December 2025: RMB2,752,439.71).

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 1)	382,599,993.62	-	382,599,993.62	814,056,412.18	-	814,056,412.18
Receivables from agent-construction services	169,817,818.24	3,304,869.42	166,512,948.82	282,562,045.34	3,304,869.42	279,257,175.92
Warranty deposits receivable	69,156,423.88	46,884,343.88	22,272,080.00	69,156,423.88	46,884,343.88	22,272,080.00
Receivables from construction services for kitchen waste projects	47,718,409.41	30,850,601.30	16,867,808.11	42,458,336.42	30,872,509.91	11,585,826.51
Receivables from other business activities (Note 2)	465,720,097.73	164,110.00	465,555,987.73	220,534,800.88	164,110.00	220,370,690.88
Sub-total	1,135,012,742.88	81,203,924.60	1,053,808,818.28	1,428,768,018.70	81,225,833.21	1,347,542,185.49
Less: Contract assets over one year	382,599,993.62	-	382,599,993.62	814,056,412.18	-	814,056,412.18
Total	752,412,749.26	81,203,924.60	671,208,824.66	614,711,606.52	81,225,833.21	533,485,773.31

Note 1: Refer to Note V, 21.

Note 2: This is primarily attributable to contract assets of RMB445,702,405.76 recognized by the Group in accordance with relevant documents issued by the transportation authorities of Guangdong Province, which relate to toll revenue and are due within one year.

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

RMB

<i>Item</i>	<i>Amount of changes</i>	<i>Reason for changes</i>
Receivables from other business activities	266,025,141.64	The increase in contract assets corresponding to toll revenue, recognized in the current period and maturing within one year, pursuant to relevant documents issued by the Guangdong Provincial Transport Authorities
Receivables from agent-construction services	(112,744,227.10)	Carried forward to accounts receivable based on project settlement this period

(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	77,640,273.02	6.84	73,380,873.42	94.51	4,259,399.60	77,640,273.02	5.43	66,339,557.53	85.44	11,300,715.49
Bad debt provision assessed on a portfolio basis	1,057,372,469.86	93.16	7,823,051.18	0.74	1,049,549,418.68	1,351,127,745.68	94.57	14,886,275.68	1.10	1,336,241,470.00
Including:										
Portfolio I	1,007,202,003.70	88.74	-	-	1,007,202,003.70	1,272,990,852.22	89.10	-	-	1,272,990,852.22
Portfolio II	22,381,223.88	1.97	109,143.88	0.49	22,272,080.00	22,381,223.88	1.57	109,143.88	0.49	22,272,080.00
Portfolio III	7,771,550.31	0.68	7,549,797.30	97.15	221,753.01	14,898,132.82	1.04	14,613,021.80	98.09	285,111.02
Portfolio IV	20,017,691.97	1.77	164,110.00	0.82	19,853,581.97	40,857,536.76	2.86	164,110.00	0.40	40,693,426.76
Total	1,135,012,742.88	100.00	81,203,924.60		1,053,808,818.28	1,428,768,018.70	100.00	81,225,833.21		1,347,542,185.49

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 (%)	
Warranty deposits for sale of wind turbines	46,775,200.00	46,775,200.00	100.00	It is expected that the warranty deposits are hard to be recovered
Construction payments for Kitchen Waste Treatment Plant Project	27,560,203.60	23,300,804.00	84.55	It is expected that part of the construction payments for the kitchen waste treatment projects will be difficult to recover
Shenshan Houmen Project	3,304,869.42	3,304,869.42	100.00	It is expected that the agent-construction payments are hard to be recovered
Total	77,640,273.02	73,380,873.42		

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	1,007,202,003.70	-	-
Total	1,007,202,003.70	-	-

RMB

Portfolio II	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Over 3 years	22,381,223.88	109,143.88	0.49
Total	22,381,223.88	109,143.88	

Note: Portfolio II is the sales of accounts receivable fans industry customer warranty deposit.

RMB

Portfolio III	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
2 to 3 years	316,790.02	95,037.01	30.00
Over 5 years	7,454,760.29	7,454,760.29	100.00
Total	7,771,550.31	7,549,797.30	

RMB

Portfolio IV	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Within 1 year	20,017,691.97	164,110.00	0.82
Total	20,017,691.97	164,110.00	

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

RMB

<i>Bad debt provision</i>	<i>Lifetime ECL (not credit-impaired)</i>	<i>Lifetime ECL (credit-impaired)</i>	<i>Total</i>
Opening balance (Audited)	14,886,275.68	66,339,557.53	81,225,833.21
Opening balance in the current period			
- Transferred to those credit-impaired	-	-	-
Provision	63,358.00	7,041,315.89	7,104,673.89
Reversal	(7,126,582.50)	-	(7,126,582.50)
Other changes	-	-	-
Closing balance (Unaudited)	7,823,051.18	73,380,873.42	81,203,924.60

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

RMB

<i>Category</i>	<i>Opening balance (Audited)</i>	<i>Provision</i>	<i>Reversal</i>	<i>Closing balance (Unaudited)</i>
Warranty deposits receivable	46,884,343.88	-	-	46,884,343.88
Receivables from construction services for kitchen waste projects	30,872,509.91	7,104,673.89	(7,126,582.50)	30,850,601.30
Receivables from agent-construction services	3,304,869.42	-	-	3,304,869.42
Receivables from other business activities	164,110.00	-	-	164,110.00
Total	81,225,833.21	7,104,673.89	(7,126,582.50)	81,203,924.60

8. Non-current assets due within one year

RMB

<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Receivables for construction of Longli River Bridge project (Note)	548,197,857.03	406,198,392.78
Receivables for construction of Bimeng project (Note)	495,771,594.21	319,298,053.84
Financial leasing receivables (Note)	176,002,865.80	218,840,331.79
Sub-total	1,219,972,317.04	944,336,778.41
Less: Provision for bad debts	2,720,823.45	2,896,772.70
Total	1,217,251,493.59	941,440,005.71

Note: Please refer to Note V, 11.

9. Other current assets

	RMB	
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Large-denomination deposit certificate	248,522,054.80	462,711,808.20
Pending deduction of input VAT	155,733,968.70	176,262,263.74
Prepaid taxes	23,394,904.66	15,046,433.82
Total	427,650,928.16	654,020,505.76

10. Long-term prepayments

	RMB	
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Prepayments for reconstruction and expansion of Airport-Heao Expressway	1,186,204,411.84	1,215,067,781.24
Prepaid project fund of Outer Ring Company	399,910,281.60	473,178,759.60
Prepaid project fund of Shenzhen-Shanwei Expressway project	88,275,312.92	88,275,312.92
Prepayments for acquisition and construction of long-term assets	14,778,651.39	11,195,856.49
Total	1,689,168,657.75	1,787,717,710.25

11. Long-term receivables

(1) Details of long-term receivables

RMB

Item	Closing balance (Unaudited)			Opening balance (Audited)		
	Gross carrying amount	Bad debt provision	Carrying amount	Gross carrying amount	Bad debt provision	Carrying amount
Financial leasing receivables (Note 1)	1,175,678,955.01	18,714,580.78	1,156,964,374.23	1,183,002,270.62	19,233,242.23	1,163,769,028.39
Electricity subsidy income (Note 2)	1,140,908,389.51	98,896,850.99	1,042,011,538.52	1,102,947,819.21	81,692,783.40	1,021,255,035.81
Receivables for construction of Longli River Bridge project	974,196,249.77	-	974,196,249.77	974,196,249.77	-	974,196,249.77
Receivables for construction of Bimeng project	798,245,134.61	-	798,245,134.61	798,245,134.61	-	798,245,134.61
Receivables from Shenzhen-Shanwei Special Cooperation Zone Development and Construction Co., Ltd.	61,177,679.81	-	61,177,679.81	60,941,210.16	-	60,941,210.16
Sub-total	4,150,206,408.71	117,611,431.77	4,032,594,976.94	4,119,332,684.37	100,926,025.63	4,018,406,658.74
Less: Long-term receivables due within one year (Note V, 8)	1,219,972,317.04	2,720,823.45	1,217,251,493.59	944,336,778.41	2,896,772.70	941,440,005.71
Including: Receivables for construction of Longli River Bridge project	548,197,857.03	-	548,197,857.03	406,198,392.78	-	406,198,392.78
Receivables for construction of Bimeng project	495,771,594.21	-	495,771,594.21	319,298,053.84	-	319,298,053.84
Financial leasing receivables (Note 1)	176,002,865.80	2,720,823.45	173,282,042.35	218,840,331.79	2,896,772.70	215,943,559.09
Total	2,930,234,091.67	114,890,608.32	2,815,343,483.35	3,174,995,905.96	98,029,252.93	3,076,966,653.03

Note 1: It represents the rents and interest of equipment under financial leasing receivables by Shenzhen Expressway Financial Leasing Company Limited ("Financial Leasing Company"), a subsidiary of the Company. As at 30 June 2026, the financial leasing receivables amounted to RMB1,175,678,955.01 (31 December 2025: RMB1,183,002,270.62).

Note 2: It represents the electricity subsidy which has not been received by subsidiaries of the Group engaged in new energy business. For the six months ended 30 June 2026, the subsidy income (tax inclusive) recognized by the aforesaid companies based on relevant documents amounted to RMB154,248,894.86, and the subsidy received amounted to RMB116,288,324.56.

(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	1,833,619,064.19	44.18	-	-	1,833,619,064.19	1,833,382,594.54	44.51	-	-	1,833,382,594.54
Portfolio II (Financial leasing receivables)	1,175,678,955.01	28.33	18,714,580.78	1.59	1,156,964,374.23	1,183,002,270.62	28.72	19,233,242.23	1.63	1,163,769,028.39
Portfolio III (Electricity subsidy income)	1,140,908,389.51	27.49	98,896,850.99	8.67	1,042,011,538.52	1,102,947,819.21	26.77	81,692,783.40	7.41	1,021,255,035.81
Total	4,150,206,408.71	100.00	117,611,431.77		4,032,594,976.94	4,119,332,684.37	100.00	100,926,025.63		4,018,406,658.74

Bad debt provision assessed on a portfolio basis

RMB

Portfolio I	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Receivables for construction of Longli River Bridge project	974,196,249.77	-	-
Receivables for construction of Bimeng project	798,245,134.61	-	-
Advances due from Shenzhen-Shanwei Special Cooperation Zone Development and Construction Co., Ltd.	61,177,679.81	-	-
Total	1,833,619,064.19	-	-

RMB

Portfolio II (Financial leasing receivables)	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Normal	893,152,453.50	9,416,584.56	1.05
Attention	282,526,501.51	9,297,996.22	3.29
Total	1,175,678,955.01	18,714,580.78	

RMB

Portfolio III (Electricity subsidy income)	Closing balance (Unaudited)		
	Gross carrying amount	Bad debt provision	Proportion (%)
Electricity subsidy approved	991,124,435.60	9,911,244.35	1.00
Electricity subsidy under approval	149,783,953.91	88,985,606.64	59.41
Total	1,140,908,389.51	98,896,850.99	

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)	100,926,025.63	-	-	100,926,025.63
Provision	17,204,067.59	-	-	17,204,067.59
Reversal	(518,661.45)	-	-	(518,661.45)
Closing balance (Unaudited)	117,611,431.77	-	-	117,611,431.77

(3) Details of bad debt provision

RMB

Category	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
Electricity subsidy income	81,692,783.40	17,204,067.59	-	98,896,850.99
Financial leasing receivables	19,233,242.23	-	518,661.45	18,714,580.78
Total	100,926,025.63	17,204,067.59	518,661.45	117,611,431.77

12. Long-term equity investments

RMB

Investee	Opening balance (Audited)	Changes for the period							Closing balance (Unaudited)	Shareholding proportion (%)	Closing balance of provision for impairment
		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			
Chongqing Derun Environment Co., Ltd. ("Derun Environment")	5,151,293,516.00	-	-	89,079,133.02	-	-	-	-	5,240,372,649.02	20.00	-
Guangzhou-Shenzhen-Zhuhai Expressway	5,498,775,375.98	349,057,275.00	-	135,504,909.24	-	(1,352,236,500.00)	-	-	4,631,101,060.22	45.00	-
Guangdong Guangzhou-Zhuhai West Line Expressway Co., Ltd. ("Guangzhou-Zhuhai West Line Expressway")	3,188,719,386.67	-	-	38,350,630.25	-	(103,619,429.21)	-	-	3,123,450,587.71	50.00	171,000,000.00
Guangdong Yangmao Expressway Co., Ltd. ("Yangmao Company")	812,462,842.81	-	-	25,301,557.16	-	(32,073,259.13)	-	-	805,691,140.84	25.00	-
Shenzhen International United Land Co., Ltd. ("United Land Company")	729,865,465.28	-	-	9,918,569.14	-	-	-	(493,176.83)	739,290,857.59	34.30	-
E Fund - Shenzhen Expressway REITs (code: 508033)	682,236,131.70	-	-	8,930,888.26	-	(18,096,000.00)	-	-	673,071,019.96	40.00	-
Nanjing Yangtze River Third Bridge Co., Ltd. ("Nanjing Third Bridge Company")	454,411,172.51	-	-	29,377,790.62	-	(41,448,487.78)	-	-	442,340,475.35	35.00	-
Guangzhou Zhentong Industrial Development Co., Ltd. ("Xintang Joint Venture") (Note 1)	393,359,248.65	-	-	2,134,779.72	-	-	-	-	395,494,028.37	15.00	-
Guangzhou Western Second Ring Expressway Co., Ltd. ("GZ W2 Company")	373,373,322.57	-	-	25,886,513.39	-	(47,729,600.00)	-	-	351,530,235.96	25.00	-
Shenzhen Fenghe Energy Investment Co., Ltd. ("Fenghe Energy")	240,161,757.25	-	-	6,174,293.81	(610,288.30)	-	-	-	245,725,762.76	50.00	-
Foshan Shunde Shengchuang Shenzhen Expressway Environmental Technology Industry M&A Investment Partnership (Limited Partnership) ("Shengchuang Fund")	10,897,202.21	-	-	(886,892.73)	-	-	-	-	10,010,309.48	45.00	-
Others (Note 2)	2,119,667,781.25	-	-	60,122,939.43	(24,310,720.80)	(30,206,445.28)	-	(79,375,592.00)	2,045,897,962.60		-
Total	19,655,223,202.88	349,057,275.00	-	429,895,111.31	(24,921,009.10)	(1,625,409,721.40)	-	(79,868,768.83)	18,703,976,089.86		171,000,000.00

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., Bank of Guizhou Co., Ltd. and Huai'an Zhongheng.

13. Other non-current financial assets

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Water Planning & Design Institute	333,763,000.00	468,952,200.00
Shenzhen State Owned Cooperative Development Private Equity Fund Partnership (Limited Partnership) ("Cooperative Development Fund")	312,757,389.60	334,046,390.66
Guangdong United Electronic Service Co., Ltd. ("United Electronic")	235,264,743.58	248,836,725.60
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 Utilization Co., Ltd.	3,443,730.00	3,443,730.00
Total	916,913,103.18	1,086,963,286.26

For the six months ended 30 June 2026, these investments in equity instruments decreased by RMB170,050,183.08, of which RMB17,951,630.67 represented a decrease in principal due to the exit of investment projects related to the Collaborative Development Fund. The loss from changes in fair value amounted to RMB152,098,552.41 (for the six months ended 30 June 2025: gains on changes in fair value of RMB69,109,749.24). Please refer to Note V, 50.

14. Investment properties

(1) Investment properties measured at cost

RMB			
<i>Item</i>	<i>Parking space (Note)</i>	<i>Buildings</i>	<i>Total</i>
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)	9,835,731.48	4,159,178.07	13,994,909.55
2. Additions	287,862.12	380,777.09	668,639.21
(1) Provision	287,862.12	380,777.09	668,639.21
3. Reductions	-	-	-
4. Closing balance (Unaudited)	10,123,593.60	4,539,955.16	14,663,548.76
III. Carrying amount			
1. Closing balance (Unaudited)	8,056,406.40	11,492,813.77	19,549,220.17
2. Opening balance (Audited)	8,344,268.52	11,873,590.86	20,217,859.38

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.

- (2) As at 30 June 2026, the investment properties without certificates of ownership are listed as follows

RMB		
<i>Item</i>	<i>Carrying amount (Unaudited)</i>	<i>Reason for not yet obtaining the certificate of ownership</i>
The parking space beneath Jiangsu Building	8,056,406.40	No certificate of ownership will be issued for parking space in Shenzhen
Total	8,056,406.40	

15. Fixed assets

- (1) Details of fixed assets

RMB						
<i>Item</i>	<i>Buildings</i>	<i>Traffic equipment</i>	<i>Motor vehicles</i>	<i>Office and other equipment</i>	<i>Machinery and equipment</i>	<i>Total</i>
I. Cost						
1. Opening balance (Audited)	3,782,878,357.24	1,729,802,277.57	102,118,867.66	143,647,777.87	4,735,713,096.87	10,494,160,377.21
2. Additions	1,374,405.60	6,078,126.75	4,092,588.56	2,599,970.86	3,450,929.15	17,596,020.92
(1) Purchase	1,374,405.60	57,491.79	4,092,588.56	2,595,363.09	1,195,172.03	9,315,021.07
(2) Transfer from construction in progress	-	6,020,634.96	-	4,607.77	2,255,757.12	8,280,999.85
3. Reductions	19,809.41	1,751,814.64	1,262,274.79	2,648,626.86	-	5,682,525.70
(1) Disposals or retirement	-	1,751,814.64	1,262,274.79	2,648,626.86	-	5,662,716.29
(2) Others	19,809.41	-	-	-	-	19,809.41
4. Closing balance (Unaudited)	3,784,232,953.43	1,734,128,589.68	104,949,181.43	143,599,121.87	4,739,164,026.02	10,506,073,872.43
II. Accumulated depreciation						
1. Opening balance (Audited)	800,784,544.30	1,212,677,187.52	39,493,724.39	130,604,275.27	1,305,867,813.93	3,489,427,545.41
2. Additions	69,261,560.71	55,095,094.10	7,480,462.93	12,189,065.72	118,926,925.35	262,953,108.81
(1) Provision	69,261,560.71	55,095,094.10	7,480,462.93	12,189,065.72	118,926,925.35	262,953,108.81
3. Reductions	-	1,356,896.16	1,174,533.00	2,589,275.44	-	5,120,704.60
(1) Disposals or retirement	-	1,356,896.16	1,174,533.00	2,589,275.44	-	5,120,704.60
4. Closing balance (Unaudited)	870,046,105.01	1,266,415,385.46	45,799,654.32	140,204,065.55	1,424,794,739.28	3,747,259,949.62
III. Provision for impairment						
1. Opening balance (Audited)	34,392,136.68	-	-	2,594,438.42	12,127,750.45	49,114,325.55
2. Closing balance (Unaudited)	34,392,136.68	-	-	2,594,438.42	12,127,750.45	49,114,325.55
IV. Carrying amount						
1. Closing balance (Unaudited)	2,879,794,711.74	467,713,204.22	59,149,527.11	800,617.90	3,302,241,536.29	6,709,699,597.26
2. Opening balance (Audited)	2,947,701,676.26	517,125,090.05	62,625,143.27	10,449,064.18	3,417,717,532.49	6,955,618,506.25

- (2) Fixed assets without certificates of ownership

RMB		
<i>Item</i>	<i>Carrying amount (Unaudited)</i>	<i>Reason for not yet obtaining the certificate of ownership</i>
Buildings	442,756,336.61	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.

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
Wind farm renovation project	36,598,466.77	-	36,598,466.77	36,620,035.29	-	36,620,035.29
Expressway electromechanical engineering	20,396,065.48	-	20,396,065.48	26,603,148.18	-	26,603,148.18
Expressway photovoltaic project	17,512,425.62	-	17,512,425.62	2,024,081.62	-	2,024,081.62
Expressway subgrade, pavement, bridge and culvert engineering	15,580,308.34	-	15,580,308.34	15,580,308.34	-	15,580,308.34
Expressway building construction engineering	12,901,233.21	-	12,901,233.21	17,912,681.58	-	17,912,681.58
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	3,706,132.10	-	3,706,132.10	1,647,169.84	-	1,647,169.84
Others	33,931,924.45	2,195,969.80	31,735,954.65	20,816,912.89	2,195,969.80	18,620,943.09
Total	152,592,624.97	14,162,038.80	138,430,586.17	133,170,406.74	14,162,038.80	119,008,367.94

(2) Changes in significant construction in progress during the period

There is no significant construction in progress during the period.

17. Right-of-use assets

RMB

Item	Buildings	Mechanical equipment	Total
I. Cost			
1. Opening balance (Audited)	117,362,299.68	3,353,974.09	120,716,273.77
2. Additions	5,142,211.14	-	5,142,211.14
(1) Acquisitions	5,142,211.14	-	5,142,211.14
3. Reductions	2,969,554.05	-	2,969,554.05
(1) Disposals	2,969,554.05	-	2,969,554.05
4. Closing balance (Unaudited)	119,534,956.77	3,353,974.09	122,888,930.86
II. Accumulated depreciation			
1. Opening balance (Audited)	91,724,929.85	186,331.88	91,911,261.73
2. Additions	8,227,264.11	279,497.82	8,506,761.93
(1) Provision	8,227,264.11	279,497.82	8,506,761.93
3. Reductions	2,840,901.30	-	2,840,901.30
(1) Disposals	2,840,901.30	-	2,840,901.30
4. Closing balance (Unaudited)	97,111,292.66	465,829.70	97,577,122.36
III. Carrying amount			
1. Closing balance (Unaudited)	22,423,664.11	2,888,144.39	25,311,808.50
2. Opening balance (Audited)	25,637,369.83	3,167,642.21	28,805,012.04

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)	45,481,012,741.26	112,616,271.35	1,647,622.58	215,879,018.54	68,866,700.00	165,693,403.17	46,045,715,756.90
2. Additions	413,960,220.31	4,823,611.97	-	-	-	-	418,783,832.28
(1) Purchases	-	4,823,611.97	-	-	-	-	4,823,611.97
(2) Constructions	413,960,220.31	-	-	-	-	-	413,960,220.31
3. Reductions	4,534,076,558.04	14,867.26	1,647,622.58	-	-	-	4,535,739,047.88
(1) Disposals (Note 1)	4,448,811,774.57	14,867.26	1,647,622.58	-	-	-	4,450,474,264.41
(2) Other reductions	85,264,783.47	-	-	-	-	-	85,264,783.47
4. Closing balance (Unaudited)	41,360,896,403.53	117,425,016.06	-	215,879,018.54	68,866,700.00	165,693,403.17	41,928,760,541.30
II. Accumulated amortization							
1. Opening balance (Audited)	16,752,331,933.06	64,685,275.53	1,647,622.58	32,606,379.70	30,340,214.57	125,381,889.76	17,006,993,315.20
2. Additions	753,267,975.38	7,218,689.65	-	2,691,144.46	-	-	763,177,809.49
(1) Provision	753,267,975.38	7,218,689.65	-	2,691,144.46	-	-	763,177,809.49
3. Reductions	3,896,811,774.57	14,867.26	1,647,622.58	-	-	-	3,898,474,264.41
(1) Disposals (Note 1)	3,896,811,774.57	14,867.26	1,647,622.58	-	-	-	3,898,474,264.41
4. Closing balance (Unaudited)	13,608,788,133.87	71,889,097.92	-	35,297,524.16	30,340,214.57	125,381,889.76	13,871,696,860.28
III. Provision for impairment							
1. Opening balance (Audited)	4,034,599,325.54	3,919,234.42	-	-	38,526,485.43	40,311,513.41	4,117,356,558.80
2. Reductions (Note 1)	552,000,000.00	-	-	-	-	-	552,000,000.00
3. Closing balance (Unaudited)	3,482,599,325.54	3,919,234.42	-	-	38,526,485.43	40,311,513.41	3,565,356,558.80
IV. Carrying amount							
1. Closing balance (Unaudited)	24,269,508,944.12	41,616,683.72	-	180,581,494.38	-	-	24,491,707,122.22
2. Opening balance (Audited)	24,694,081,482.66	44,011,761.40	-	183,272,638.84	-	-	24,921,365,882.90

Note 1: The decrease in disposal and impairment provisions during the current period is mainly attributable to the expiration of the Shui Guan Expressway operation term. The Group completed the handover in accordance with the regulations and requirements of the transportation authorities.

Note 2: For the six months ended 30 June 2026, both the amount of intangible assets amortization and the amount included in profit or loss was RMB763,177,809.49 (for the six months ended 30 June 2025: RMB875,034,362.38).

Note 3: For the six months ended 30 June 2026, the Group capitalized borrowing costs on intangible assets amounting to RMB299,565.11 (for the six months ended 30 June 2025: nil).

(2) As at 30 June 2026, 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									
Outer Ring Expressway	8,203,515,917.73	6,966,193,643.13	220,646,089.82	-	96,062,588.82	-	7,090,777,144.13	1,112,738,773.60	-
Coastal Expressway Shenzhen Section	10,086,278,346.00	5,390,751,650.58	-	-	170,912,521.33	-	5,219,839,129.25	2,228,203,922.14	2,638,235,294.61
Qinglian Expressway	9,435,035,683.60	4,567,458,465.06	-	-	239,776,229.65	-	4,327,682,235.41	4,487,353,448.19	620,000,000.00
Airport-Heao Expressway	7,110,836,738.23	3,300,404,645.57	190,036,808.08	-	54,862,567.64	-	3,435,578,886.01	3,675,257,852.22	-
Changsha Ring Road	617,443,737.67	267,492,707.30	3,069,378.86	-	23,146,876.23	-	247,415,209.93	370,028,527.74	-
Meiguan Expressway	604,588,701.64	46,006,486.76	-	-	18,402,594.72	-	27,603,892.04	576,984,809.60	-
Longda Expressway	251,559,214.13	21,617,344.27	-	-	5,895,639.36	-	15,721,704.91	235,837,509.22	-
Shuiguan Expressway	-	15,460,821.42	-	-	15,460,821.42	-	-	-	-
Sub-total	36,309,258,339.00	20,575,385,764.09	413,752,276.76	-	624,519,839.17	-	20,364,618,201.68	12,686,404,842.71	3,258,235,294.61
II. Franchise rights associated with kitchen waste disposal									
Kitchen waste disposal of Shenzhen Expressway Bioland Environmental Protection Technologies Corp., Ltd. ("Bioland Company")	3,548,996,012.92	2,794,108,676.56	201,724.30	72,881,386.72	74,992,291.00	-	2,646,436,723.14	678,195,258.85	224,364,030.93
Kitchen waste disposal of Guangming	850,904,990.05	811,284,477.48	-	12,383,396.75	28,365,768.72	-	770,535,312.01	80,369,678.04	-
Kitchen waste disposal of Shaoyang	320,120,861.20	303,200,405.68	-	-	5,353,903.68	-	297,846,502.00	22,274,359.20	-
Kitchen waste disposal of Lisai Environmental Protection	279,561,465.13	165,468,011.31	-	-	18,637,410.12	-	146,830,601.19	132,730,863.94	-
Sub-total	4,999,583,329.30	4,074,061,571.03	201,724.30	85,264,783.47	127,349,373.52	-	3,861,649,138.34	913,570,160.03	224,364,030.93
III. Other franchise rights									
Shenzhen Guangming welfare institute project	44,788,019.98	37,790,736.13	6,219.25	-	1,187,110.77	-	36,609,844.61	8,178,175.37	-
Shenzhen Guangming Community Integrated Service Center Project	7,266,715.25	6,843,411.41	-	-	211,651.92	-	6,631,759.49	634,955.76	-
Sub-total	52,054,735.23	44,634,147.54	6,219.25	-	1,398,762.69	-	43,241,604.10	8,813,131.13	-
Total	41,360,896,403.53	24,694,081,482.66	413,960,220.31	85,264,783.47	753,267,975.38	-	24,269,508,944.12	13,608,788,133.87	3,482,599,325.54

19. Goodwill

(1) Cost of goodwill

RMB

<i>Name of investee</i>	<i>Opening balance (Audited)</i>	<i>Additions</i>	<i>Reductions</i>	<i>Closing balance (Unaudited)</i>
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

<i>Name of investee</i>	<i>Opening balance (Audited)</i>	<i>Additions</i>	<i>Reductions</i>	<i>Closing balance (Unaudited)</i>
SIHICH	202,893,131.20	-	-	202,893,131.20
Nanjing Wind Power	156,039,775.24	-	-	156,039,775.24
Total	358,932,906.44	-	-	358,932,906.44

(3) Information about the asset group or a set of asset groups to which the goodwill is allocated

<i>Name</i>	<i>Composition of the asset group or a set of asset groups to which it is allocated and its basis</i>	<i>Operating segment to which it is allocated and its basis</i>	<i>Is it consistent with that of the prior year</i>
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

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
Provisions (Note 1)	179,788,442.05	39,665,523.65	200,445,347.12	47,156,254.63
Expenses accrued but not paid	145,703,104.40	36,425,776.10	121,726,565.84	30,431,641.46
Employee benefits accrued but not paid	133,379,613.36	33,344,903.34	120,178,557.12	30,044,639.28
Compensation for operating expenses of newly-built toll stations on and toll adjustments regarding Nanguang Expressway, Yanba Expressway and Yanpai Expressway ("Three Expressways") (Note 2)	75,204,931.35	18,801,232.84	98,544,931.35	24,636,232.84
Adjustments to fair values of net assets of merged enterprises such as Changsha Shenchang High Speed Trunk Road Co., Ltd. in Changsha, Hunan ("Shenchang Company"), etc.	70,922,492.72	17,730,623.18	78,846,596.67	19,711,649.17
Impairment losses of assets	61,643,455.44	9,577,005.26	61,643,455.44	9,577,005.26
Impairment and amortization of franchise rights of Coastal Expressway	54,156,644.36	13,539,161.09	95,872,026.20	23,968,006.55
Bad debt provision	50,636,678.37	10,832,235.89	48,636,723.97	9,718,525.78
Amortization of other franchise rights	43,941,794.68	10,985,448.67	79,347,711.04	19,836,927.76
Compensation for operating expenses of newly-built toll stations on and toll adjustments regarding Longda Expressway (Note 2)	38,857,279.51	9,714,319.88	56,929,914.97	14,232,478.71
Meiguan Company - property relocation compensation (Note 3)	34,047,240.56	8,511,810.14	35,343,842.88	8,835,960.72
Lease liabilities	26,862,780.92	6,302,539.12	29,564,087.22	6,153,081.95
Compensation for operating expenses of newly-built road ramp on Meiguan Expressway (Note 4)	9,810,294.99	2,452,573.75	16,350,491.32	4,087,622.83
Compensation for demolition costs of old toll stations on Three Expressways and Longda Expressway	7,167,433.92	1,791,858.48	7,176,461.64	1,794,115.41
Interest on capital reduction receivable from United Land Company (Note 5)	6,904,230.76	1,726,057.69	7,167,160.80	1,791,790.20
Deductible losses	4,483,639.56	1,120,909.89	4,483,639.56	1,120,909.89
Others	32,477,631.72	8,119,407.93	52,392,554.80	8,254,834.51
Total	975,987,688.67	230,641,386.90	1,114,650,067.94	261,351,676.95

Note 1: 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 2: 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 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				
- Guangdong Qinglian Highway Development Co., Ltd. ("Qinglian Company")	389,854,294.00	94,158,766.59	411,424,712.44	99,551,371.20
- Bioland Company	315,053,960.47	76,942,239.75	423,535,075.95	104,062,518.62
- Shenzhen Expressway Co., Ltd. Airport-Heao Branch	146,206,589.72	36,551,647.43	178,875,091.80	44,718,774.94
- Lisai Environmental Protection	108,181,001.73	16,227,150.26	116,006,740.81	17,401,011.12
- Shenzhen-Shanwei Special Cooperation Zone Qiantai Technology Co., Ltd. ("Qiantai Company")	70,036,979.13	10,505,546.87	71,253,879.00	10,688,081.85
- Baotou Nanfeng Wind Power Technology Co., Ltd. ("Baotou Nanfeng")	24,413,106.40	6,103,276.60	25,290,734.08	6,322,683.52
- Shenzhen Expressway New Energy Holding Co., LTD. ("New Energy Company")	11,051,409.32	2,762,852.33	11,531,280.92	2,882,820.23
- Shenzhen Qinglong Expressway Co., Ltd. ("Qinglong Company")	-	-	9,494,315.69	2,373,578.93
Taxes on dividends and bonuses of foreign subsidiary	2,275,892,378.60	113,794,618.93	2,534,116,100.60	126,705,805.03
Appreciation in the valuation of non-current financial assets	515,767,105.66	125,513,675.86	667,865,658.01	163,334,660.96
Amortization of franchise rights (Note)	148,428,817.88	37,107,204.47	124,379,026.28	31,094,756.57
Compensation for valuation adjustment mechanism	117,904,214.77	25,413,968.06	117,904,214.77	25,413,968.06
Right-of-use assets	25,311,808.50	6,065,656.20	28,805,012.04	7,136,773.94
Others	2,521,093,435.84	299,566,886.84	2,333,517,121.52	322,484,263.26
Total	6,669,195,102.02	850,713,490.19	7,053,998,963.91	964,171,068.23

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.

(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	(136,129,795.57)	94,511,591.33	(154,886,331.48)	106,465,345.47
Deferred tax liabilities	(136,129,795.57)	714,583,694.62	(154,886,331.48)	809,284,736.75

(4) Details of unrecognized deferred tax assets

RMB		
Item	Closing balance (Unaudited)	Opening balance (Audited)
Deductible losses	2,256,444,905.78	2,282,682,386.75
Deductible temporary differences	1,822,671,771.27	2,000,126,623.51
Total	4,079,116,677.05	4,282,809,010.26

(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)
2026	-	255,684,084.71
2027	453,029,634.37	444,378,588.81
2028	582,580,912.10	582,940,747.08
2029	564,508,994.96	564,508,994.96
2030	388,762,160.45	435,169,971.19
2031	267,563,203.90	-
Total	2,256,444,905.78	2,282,682,386.75

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
Dividends receivable pending capital transfer (Note1)	798,699,225.00	-	798,699,225.00	-	-	-
Contract assets over one year (Note2)	382,599,993.62	-	382,599,993.62	814,056,412.18	-	814,056,412.18
Input tax to be deducted over one year	95,510,614.93	-	95,510,614.93	107,210,989.73	-	107,210,989.73
Others	2,779,680.40	-	2,779,680.40	4,288,931.46	-	4,288,931.46
Total	1,279,589,513.95	-	1,279,589,513.95	925,556,333.37	-	925,556,333.37

Note 1: In accordance with the shareholders' resolution of GuangshenZhu Highway Co., Ltd. dated June 2026, the company intends to distribute profits to the Company's subsidiary, Hopewell China Development in the form of capital contribution. As of the end of the reporting period, the aforementioned capitalization has not yet been completed; therefore, the corresponding amount of dividend receivable has been reclassified to other non-current assets.

Note 2: 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	444,581,961.07	444,581,961.07	Note 1	Note 1	407,072,375.92	407,072,375.92	Note 1	Note 1
Intangible assets - franchise rights	23,766,754,496.90	12,896,025,930.99	Pledge	Pledge for borrowings	28,341,913,538.05	13,490,028,806.35	Pledge	Pledge for borrowings
Total	24,211,336,457.97	13,340,607,892.06			28,748,985,913.97	13,897,101,182.27		

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 all subsidiary 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 RMB5,453,785,560.95.

23. Short-term borrowings

(1) Categories of short-term borrowings

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Credit borrowings	3,366,771,911.11	2,358,185,631.31
Guaranteed borrowings	485,873,761.21	997,905,756.76
Total	3,852,645,672.32	3,356,091,388.07

(2) Details of guaranteed borrowings

RMB

Name of entity	Closing balance (Unaudited)	Guaranteed by
CMB Wing Lung Bank Hong Kong Branch	225,523,042.37	Bay Area Development
Bank of China (Hong Kong) Limited	173,567,163.21	Bay Area Development
HSBC Hong Kong	86,783,555.63	Bay Area Development
Total	485,873,761.21	

24. Transactional financial liabilities

RMB

Item	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)	Reason and basis for designation
Obligation to pay the difference	270,588,092.75	-	270,588,092.75	-	N/A
Total	270,588,092.75	-	270,588,092.75	-	

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. On 10 June 2026, the Group and Mei Hua Company notified CMF Global that the renewal period had been accelerated and would terminate earlier than originally scheduled. CMF Global confirmed in its reply that 10 June 2026 was the date of early termination. Subsequently, on 25 and 26 June 2026, CMF Global completed the transfer of equity interests with SIHICH and Shandong High-speed (Hong Kong) Investment Co., Ltd., with the settlement date being the exit date. As of 30 June 2026, the Group recognized a liability for the shortfall guarantee obligation amounting to RMB249,640,866.43 based on the above circumstances. Since this shortfall guarantee obligation has now expired and the related amounts have been finalized, the original financial liability has been derecognized. The related obligation has been reclassified as a financial liability measured at amortized cost and presented under "Other Payables" in accordance with its nature.

25. Bills payable

Presentation of bills payable

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Commercial acceptance bills	453,896,729.29	334,725,708.50
Total	453,896,729.29	334,725,708.50

As at 30 June 2026, the Group had no overdue bills payable.

26. Accounts payable

(1) Presentation of accounts payable

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Payables for construction projects, quality assurance deposits and margins	1,460,939,872.30	2,355,522,142.44
Payables for goods	360,807,548.76	366,226,825.97
Others	154,328,353.01	147,652,725.59
Total	1,976,075,774.07	2,869,401,694.00

(2) Significant accounts payable aged over one year

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Reason for failure in repayment or carry-forward</i>
Payables for construction projects	394,554,449.23	The project funds remain unsettled
Payables for goods	182,050,800.00	The payments for goods remain unsettled
Total	576,605,249.23	

27. Contract liabilities

(1) Details of contract liabilities

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Advances from sales of goods	29,645,544.94	31,360,431.45
Advances from sales of real estate	15,344,547.66	12,512,694.97
Advances from sales of wind turbine	5,410,833.00	5,410,833.00
Advances from operating and management fees	1,620,868.99	868,152.79
Others	6,998,553.81	4,392,057.43
Total	59,020,348.40	54,544,169.64

(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

<i>Item</i>	<i>Opening balance (Audited)</i>	<i>Additions</i>	<i>Reductions</i>	<i>Closing balance (Unaudited)</i>
I. Short-term wages	357,542,637.60	485,013,619.67	548,531,230.76	294,025,026.51
II. Post-employment benefits - defined contribution plans	9,529,893.28	60,824,192.38	64,417,138.70	5,936,946.96
Total	367,072,530.88	545,837,812.05	612,948,369.46	299,961,973.47

(2) Presentation of short-term benefits

RMB

<i>Item</i>	<i>Opening balance (Audited)</i>	<i>Additions</i>	<i>Reductions</i>	<i>Closing balance (Unaudited)</i>
I. Wages and salaries, bonuses, allowances and subsidies	328,477,821.18	334,365,823.59	389,638,150.45	273,205,494.32
II. Staff welfare	7,371,571.91	43,033,114.50	47,510,682.83	2,894,003.58
III. Social security contributions	740,006.86	17,235,818.56	17,684,822.06	291,003.36
Including: Medical insurance	593,300.70	14,062,494.42	14,408,749.72	247,045.40
Work injury insurance	96,413.58	1,980,201.93	2,048,869.07	27,746.44
Maternity insurance	50,292.58	1,193,122.21	1,227,203.27	16,211.52
IV. Housing funds	1,950,944.24	33,844,455.65	34,708,234.23	1,087,165.66
V. Labor union funds and employee education funds	10,744,112.05	9,503,046.48	10,792,634.23	9,454,524.30
VI. Others	8,258,181.36	47,031,360.89	48,196,706.96	7,092,835.29
Total	357,542,637.60	485,013,619.67	548,531,230.76	294,025,026.51

(3) Presentation of defined contribution plans

RMB

<i>Item</i>	<i>Opening balance (Audited)</i>	<i>Additions</i>	<i>Reductions</i>	<i>Closing balance (Unaudited)</i>
1. Basic pensions	3,005,984.95	46,127,812.04	46,772,457.04	2,361,339.95
2. Unemployment insurance	68,352.30	1,959,482.32	2,016,125.57	11,709.05
3. Enterprise annuities	6,455,556.03	12,736,898.02	15,628,556.09	3,563,897.96
Total	9,529,893.28	60,824,192.38	64,417,138.70	5,936,946.96

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.

29. Taxes payable

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Enterprise income tax	189,537,686.23	195,725,030.87
VAT	100,788,654.22	117,710,310.03
Land appreciation tax	22,616,525.20	23,060,616.41
Property tax	14,668,221.09	5,978,807.06
City maintenance and construction tax	3,011,127.18	3,102,200.84
Educational surcharge	2,380,689.98	2,417,337.05
Others	562,556.25	4,082,096.39
Total	333,565,460.15	352,076,398.65

30. Other payables

30.1 Presentation of other payables

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Dividends payable	717,916,277.64	62,493,194.42
Other payables	1,350,821,725.24	1,196,109,975.85
Total	2,068,738,002.88	1,258,603,170.27

30.2 Dividends payable

Presentation by category

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Ordinary share dividends	703,422,111.08	4,421,250.00
Perpetual bond dividends classified as equity instruments	14,494,166.56	58,071,944.42
Total	717,916,277.64	62,493,194.42

30.3 Other payables

(1) Presentation of other payables by nature

	RMB	
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Payables for Longli River Bridge project (Note)	250,456,345.28	250,393,047.48
Obligation to pay the difference (Note V, 24)	249,640,866.43	-
Payables for road maintenance	146,774,903.24	153,865,077.76
Payables for tender and performance deposits and warranty deposits	142,080,187.58	133,389,341.00
Project funds retained for construction management contracts	110,152,442.52	33,728,057.51
Accrued project expenditure and special administrative expenses	91,939,505.76	141,968,929.69
Payables to related parties (Note XI, 6(2))	55,019,016.52	137,110,662.77
Payables for provincial toll station cancellation project	29,182,658.08	29,182,658.08
Receipts of liquidated damages for equity transfer of Guizhou Xinhe Lifu Real Estate Development Co., Ltd.	20,412,000.00	20,412,000.00
Payables for agent-construction of Coastal Expressway Phase II Project	19,378,599.38	19,378,599.38
Payables for mechanical and electrical costs	14,197,293.09	35,911,510.08
Payables for independent costs of agent-construction projects	10,915,545.35	10,915,545.35
Payables for country road construction and management services in Hunan Province	3,041,574.14	3,041,574.14
Payables for equity acquisition	2,700,000.00	6,475,000.00
Payables for subscription funds and down deposits for development property sales	2,098,000.00	2,043,000.00
Payables for demolition of old stations	2,215.32	6,273,174.30
Others	202,830,572.55	212,021,798.31
Total	1,350,821,725.24	1,196,109,975.85

Note: Guizhou Guishen Investment Development Company Limited (“Guishen Company”), a subsidiary of the Company, has received the receivables for construction of Longli River Bridge project, and the payment was deposited into a jointly-managed account established in the name of Guishen Company. Pursuant to the account supervision agreement, the funds may only be freely disposed of by Guishen Company upon fulfillment of the stipulated conditions.

(2) Significant other payables aged over one year

As at 30 June 2026, the Group had no significant other payables aged over one year.

31. Non-current liabilities due within one year

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Long-term borrowings due within one year (Note V, 33)	1,622,347,398.75	1,501,604,093.38
Including: Credit borrowings	883,754,311.97	758,505,055.54
Pledged borrowings	469,980,189.71	476,509,265.89
Guaranteed borrowings	268,612,897.07	266,589,771.95
Bonds payable due within one year (Note V, 34)	5,816,934,162.06	4,866,416,188.12
Lease liabilities due within one year (Note V, 35)	17,697,702.24	15,044,198.34
Total	7,456,979,263.05	6,383,064,479.84

32. Other current liabilities

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Output tax to be transferred	31,714,267.22	35,552,458.99
Ultra-short-term financing bonds	-	1,517,142,451.70
Total	31,714,267.22	1,552,694,910.69

33. Long-term borrowings

Categories of long-term borrowings

RMB			
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>	<i>Range of interest rate</i>
Credit borrowings	5,215,444,231.03	5,366,647,595.05	2.19% - 2.79%
Pledged borrowings	4,590,949,974.17	4,924,000,519.29	2.15% - 2.65%
Guaranteed borrowings	1,327,755,000.00	1,428,670,000.00	2.20% - 2.40%
Guaranteed and pledged borrowings	543,363,364.58	566,944,591.18	2.55% - 3.25%
Guaranteed, mortgage and pledged borrowings	319,472,222.20	333,922,222.20	2.70% - 3.10%
Accrued interest	7,430,970.64	8,634,236.44	
Total	12,004,415,762.62	12,628,819,164.16	
Less: Long-term borrowings due within one year (Note V, 31)	1,622,347,398.75	1,501,604,093.38	
Long-term borrowings due after one year	10,382,068,363.87	11,127,215,070.78	

34. Bonds payable

(1) Categories of bonds payable

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Long-term corporate bonds	11,516,707,412.99	10,107,248,624.37
Medium-term notes	4,044,989,813.77	4,052,713,639.84
Total	15,561,697,226.76	14,159,962,264.21
Less: Bonds payable due within one year (Note V, 31)	5,816,934,162.06	4,866,416,188.12
Bonds payable due after one year	9,744,763,064.70	9,293,546,076.09

(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	2,125,367,576.52	-	18,187,912.71	1,875,208.04	(65,370,000.00)	18,714,745.25	17,206,243.59	2,061,345,952.02	No
Long-term corporate bonds	1,000,000,000.00	3.35	23 July 2021	5 years	1,000,000,000.00	1,014,087,340.80	-	16,750,000.02	295,261.80	-	-	31,173,611.27	1,031,132,602.42	No
Long-term corporate bonds	1,500,000,000.00	3.18	20 January 2022	7 years	1,500,000,000.00	1,543,373,333.57	-	23,851,125.00	296,874.02	-	47,702,250.00	21,333,506.25	1,519,819,082.59	No
Long-term corporate bonds	550,000,000.00	2.88	17 October 2023	3 years	550,000,000.00	552,940,476.08	-	7,933,345.26	197,823.90	-	-	11,151,504.58	561,071,645.24	No
Long-term corporate bonds	550,000,000.00	2.25	27 May 2024	3 years	550,000,000.00	557,155,596.56	-	6,190,314.12	89,535.99	-	12,375,583.73	1,205,703.93	551,059,862.94	No
Long-term corporate bonds	950,000,000.00	2.70	27 May 2024	10 years	950,000,000.00	964,526,717.99	-	12,825,604.98	44,580.39	-	25,651,209.91	2,493,867.73	951,745,693.45	No
Long-term corporate bonds	1,000,000,000.00	2.20	2 December 2024	5 years	1,000,000,000.00	1,001,230,241.39	-	11,000,518.86	80,256.30	-	-	12,833,938.67	1,012,311,016.55	No
Long-term corporate bonds	2,300,000,000.00	2.29	12 March 2025	5 years	2,300,000,000.00	2,348,567,341.66	-	18,739,495.03	181,565.99	-	52,672,484.43	16,094,370.24	2,314,815,918.25	No
Long-term corporate bonds (Note 1)	1,500,000,000.00	1.98	6 January 2026	5 years	1,500,000,000.00	-	1,500,000,000.00	14,438,181.04	(1,032,541.51)	-	-	14,438,181.04	1,513,405,639.53	No
Medium-term notes	1,000,000,000.00	2.89	22 May 2023	3 years	1,000,000,000.00	1,017,387,106.83	-	11,406,144.81	123,734.95	-	1,028,916,986.59	-	-	No
Medium-term notes	1,000,000,000.00	3.05	4 September 2023	5 years	1,000,000,000.00	1,009,303,032.65	-	15,250,251.78	82,330.44	-	-	24,993,468.23	1,024,635,614.87	No
Medium-term notes	500,000,000.00	2.16	21 October 2024	3 years	500,000,000.00	501,913,179.37	-	5,400,089.16	59,424.72	-	-	7,530,124.35	507,372,693.25	No
Medium-term notes	1,000,000,000.00	1.70	8 January 2025	3 years	1,000,000,000.00	1,016,062,873.72	-	8,500,140.36	152,949.63	-	17,000,280.66	8,169,579.40	1,007,715,683.05	No
Medium-term notes	500,000,000.00	1.70	8 January 2025	3 years	500,000,000.00	508,047,447.27	-	4,250,070.18	72,547.07	-	8,500,140.33	4,084,789.70	503,869,924.19	No
Medium-term notes (Note 2)	1,000,000,000.00	1.60	19 May 2026	3 years	1,000,000,000.00	-	1,000,000,000.00	1,866,697.49	(470,799.08)	-	-	1,866,697.49	1,001,395,898.41	No
Total						14,159,962,264.21	2,500,000,000.00	176,589,890.80	2,048,752.65	(65,370,000.00)	1,211,533,680.90	174,575,586.47	15,561,697,226.76	

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 6 January 2026, the Company completed the issuance of “26 Shen Gao 01”, and the actual issuance scale was RMB1,500,000,000.00. The bond was issued at the rate of 1.98%. The term of the bond is 5 years, and the interest-bearing term is from 6 January 2026 to 6 January 2031. 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 19 May 2026, the Company issued the first phase of 2026 medium-term notes of RMB1,000,000,000.00, which bear a term of 3 years and interest at a rate of 1.60%. The value date is May 20, 2026, and the maturity date is May 20, 2029. The raised funds are intended to be used to repay the company’s maturing debt financing instruments and supplement operating funds.

35. Lease liabilities

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Lease liabilities	26,862,780.92	29,564,087.22
Less: Lease liabilities included in non-current liabilities due within one year (Note V, 31)	17,697,702.24	15,044,198.34
Net amount	9,165,078.68	14,519,888.88

The analysis of the Group's lease liabilities based on the maturity period of the undiscounted remaining contractual obligations is as follows:

RMB					
	<i>Within 1 year</i>	<i>1 to 2 years</i>	<i>2 to 5 years</i>	<i>More than 5 years</i>	<i>Total</i>
Closing balance (Unaudited)	18,228,033.16	6,242,472.80	3,178,572.65	135,227.06	27,784,305.67
Opening balance (Audited)	15,760,238.64	9,834,571.02	4,393,885.94	538,721.94	30,527,417.54

36. Long-term payables

(1) Presentation of long-term payables by nature

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Borrowings from associates and joint ventures (Note XI, 6(2))	387,586,715.85	387,586,715.85
Total	387,586,715.85	387,586,715.85
Less: Long-term payables due within one year	-	-
Long-term payables due after one year	387,586,715.85	387,586,715.85

37. Long-term employee benefits payable

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
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.

38. Provisions

RMB		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Cost of services in the future (Note 1)	130,639,832.31	163,481,827.30
Subsequent expenditure on kitchen waste disposal project (Note 2)	103,296,940.60	90,067,583.23
Pending litigation or arbitration	71,250,910.73	77,618,869.83
Product quality assurance deposits	1,289,459.95	1,641,043.92
Total	306,477,143.59	332,809,324.28

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					
<i>Item</i>	<i>Opening balance (Audited)</i>	<i>Additions</i>	<i>Reductions</i>	<i>Closing balance (Unaudited)</i>	<i>Reason</i>
Government Grants	199,292,516.44	199,500.00	64,722,305.92	134,769,710.52	Receiving government grants related to income
Government Grants	31,613,669.02	450,000.00	3,833,800.99	28,229,868.03	Receiving government grants related to assets
Total	230,906,185.46	649,500.00	68,556,106.91	162,999,578.55	

40. Equity

RMB

Item	Opening balance (Audited)	Changes for the period				Closing balance (Unaudited)
		New shares issued	Bonus issue	Transfer from reserve	Others	
Equity	2,537,856,127.00	-	-	-	-	2,537,856,127.00

41. Other equity instruments

- (1) As at 30 June 2026, 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

42. Capital reserve

RMB

Item	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
Share premium	8,420,731,560.40	34,181,148.39	198,691,026.09	8,256,221,682.70
Including: Contributions from investors	5,762,803,184.38	-	-	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 (Note 1)	(100,947,225.16)	34,181,148.39	-	(66,766,076.77)
Capital injection in the investee (Note 2)	(1,011,521.33)	-	198,691,026.09	(199,702,547.42)
Other capital reserve (Note 3)	262,267,445.94	-	79,375,592.00	182,891,853.94
Total	8,682,999,006.34	34,181,148.39	278,066,618.09	8,439,113,536.64

Note 1: The increase in the share premium within the capital reserve of the Group during the current period is due to the acquisition of minority equity interests in Bay Area Development by the Group's subsidiary, Shenzhen Investment and Control Infrastructure.

Note 2: The decrease in share premium within the capital reserve of the Group during the current period is attributable to the passive dilution effect resulting from the additional issuance of shares by the Group's subsidiary, Bay Area Development.

Note 3: The Group decreased the capital reserve by RMB79,375,592.00 in proportion to its shareholdings based on the change in capital reserve of joint ventures and associates held.

43. Other comprehensive income

RMB

Item	Opening balance (Audited)	Amount incurred in the current period					Closing balance (Unaudited)
		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	(715,756,314.51)	(19,552,696.51)	-	-	(26,873,246.99)	7,320,550.48	(742,629,561.50)
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)	19,539,042.84	(24,921,009.10)	-	-	(24,921,009.10)	-	(5,381,966.26)
Translation differences of financial statements denominated in foreign currencies	(1,628,833,756.09)	5,368,312.59	-	-	(1,952,237.89)	7,320,550.48	(1,630,785,993.98)
Others	406,180.00	-	-	-	-	-	406,180.00
Total other comprehensive income	(715,756,314.51)	(19,552,696.51)	-	-	(26,873,246.99)	7,320,550.48	(742,629,561.50)

44. Surplus reserve

RMB

Item	Opening balance (Audited)	Additions	Reductions	Closing balance (Unaudited)
Statutory surplus reserve	3,183,826,472.02	-	-	3,183,826,472.02
Discretionary surplus reserve	713,975,015.92	308,719,707.91	-	1,022,694,723.83
Total	3,897,801,487.94	308,719,707.91	-	4,206,521,195.85

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 2026, the Company has not appropriated statutory surplus reserve (for the six months ended 30 June 2025: RMB130,291,842.90).

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 2026, the Company has appropriated discretionary surplus reserve of RMB308,719,707.91 (for the six months ended 30 June 2025: RMB260,583,685.86).

45. Undistributed profits

Item	RMB	
	For the six months ended 30 June 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
Balance of undistributed profits at the end of the prior period before adjustment	8,628,237,805.30	8,586,181,562.92
Opening balance of undistributed profits after adjustment	8,628,237,805.30	8,586,181,562.92
Add: Net profit attributable to shareholders of the Company in the current period	918,846,192.90	1,149,351,721.66
Less: Appropriation of statutory surplus reserve	-	130,291,842.90
Appropriation of discretionary surplus reserve	308,719,707.91	260,583,685.86
Ordinary share dividends payable (Note)	619,236,894.99	619,236,894.99
Dividends paid to other equity instruments	41,222,222.14	97,183,055.53
Closing balance of undistributed profits	8,577,905,173.16	8,628,237,805.30

Note: According to the resolution of the General Meeting of Shareholders on 26 June 2026, the Company distributed 2025 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. As of 30 June 2026, the above dividends have not yet been paid.

46. Operating income and cost of services

(1) Details of operating income and cost of services

Item	RMB			
	For the six months ended 30 June 2026 (Unaudited)		For the six months ended 30 June 2025 (Unaudited)	
	Income	Cost	Income	Cost
Main business - Toll road	2,233,026,602.47	1,173,373,007.52	2,449,431,323.46	1,241,552,298.96
Main business - Environmental protection	730,266,607.42	563,900,865.37	749,928,961.95	577,890,278.40
- Operation of kitchen waste disposal projects	383,034,803.54	332,563,872.99	365,542,540.70	320,162,365.09
- Wind power	264,026,687.45	133,663,591.29	288,932,488.11	144,392,922.71
- Sales of kitchen waste disposal equipment	9,047,725.77	8,198,676.06	937,929.20	1,344,644.32
- Construction of kitchen waste disposal projects	1,316,832.95	7,280,967.35	23,795,923.49	20,083,928.30
- Others	72,840,557.71	82,193,757.68	70,720,080.45	91,906,417.98
Other services	689,560,188.83	585,550,051.87	719,195,055.33	650,891,547.98
- Construction service under franchise arrangements	411,843,660.13	385,790,409.72	460,632,138.04	442,636,631.92
- Entrusted construction and management services	103,629,954.32	93,353,498.17	135,601,842.17	122,980,053.89
- Real estate development	38,182,419.32	30,140,909.48	8,486,280.37	7,162,520.67
- Financial leasing	24,596,709.56	19,553,804.32	27,479,368.94	24,862,077.09
- Advertising	-	1,342,283.72	260,139.59	1,910,020.95
- Others	111,307,445.50	55,369,146.46	86,735,286.22	51,340,243.46
Total	3,652,853,398.72	2,322,823,924.76	3,918,555,340.74	2,470,334,125.34

(2) Breakdown of operating income

For the six months ended 30 June 2026

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	2,116,117,310.29	189,808,719.07	87,061,958.35	24,596,709.56	411,843,660.13	105,356,123.35	2,934,784,480.75
Hunan Province	116,909,292.18	14,434,645.94	16,567,995.97	-	-	5,951,322.15	153,863,256.24
Guizhou Province	-	46,743,950.50	-	-	-	38,182,419.32	84,926,369.82
Hubei Province	-	7,007,163.28	-	-	-	-	7,007,163.28
Jiangsu Province	-	24,931,759.06	-	-	-	-	24,931,759.06
Inner Mongolia Autonomous Region	-	107,330,421.87	-	-	-	-	107,330,421.87
Guangxi Zhuang Autonomous Region	-	61,872,790.44	-	-	-	-	61,872,790.44
Shandong Province	-	16,153,694.41	-	-	-	-	16,153,694.41
Zhejiang Province	-	14,971,016.04	-	-	-	-	14,971,016.04
Sichuan Province	-	25,656,787.13	-	-	-	-	25,656,787.13
Jiangxi Province	-	34,219,394.44	-	-	-	-	34,219,394.44
Hebei Province	-	9,812,690.18	-	-	-	-	9,812,690.18
Xinjiang Uygur Autonomous Region	-	148,149,136.55	-	-	-	-	148,149,136.55
Henan Province	-	11,517,032.29	-	-	-	-	11,517,032.29
Ningxia Hui Autonomous Region	-	11,588,430.45	-	-	-	-	11,588,430.45
Anhui Province	-	6,068,975.77	-	-	-	-	6,068,975.77
Total	2,233,026,602.47	730,266,607.42	103,629,954.32	24,596,709.56	411,843,660.13	149,489,864.82	3,652,853,398.72
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	2,233,026,602.47	728,949,774.47	-		-	55,993,768.75	3,017,970,145.69
Revenue recognized over time	-	1,316,832.95	103,629,954.32		411,843,660.13	93,496,096.07	610,286,543.47
Total	2,233,026,602.47	730,266,607.42	103,629,954.32		411,843,660.13	149,489,864.82	3,628,256,689.16

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

(3) Breakdown of cost of services

For the six months ended 30 June 2026

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	1,130,066,401.04	178,796,710.54	74,877,817.12	19,553,804.32	385,790,409.72	56,711,430.18	1,845,796,572.92
Hunan Province	43,306,606.48	13,426,006.49	15,514,285.83	-	-	-	72,246,898.80
Guizhou Province	-	41,945,933.00	2,961,395.22	-	-	30,140,909.48	75,048,237.70
Hubei Province	-	5,547,837.53	-	-	-	-	5,547,837.53
Jiangsu Province	-	20,545,700.17	-	-	-	-	20,545,700.17
Inner Mongolia Autonomous Region	-	62,038,913.94	-	-	-	-	62,038,913.94
Guangxi Zhuang Autonomous Region	-	59,279,964.04	-	-	-	-	59,279,964.04
Shandong Province	-	19,247,886.56	-	-	-	-	19,247,886.56
Zhejiang Province	-	16,016,103.72	-	-	-	-	16,016,103.72
Sichuan Province	-	13,601,074.85	-	-	-	-	13,601,074.85
Jiangxi Province	-	27,852,152.59	-	-	-	-	27,852,152.59
Hebei Province	-	9,390,262.15	-	-	-	-	9,390,262.15
Xinjiang Uygur Autonomous Region	-	69,838,568.94	-	-	-	-	69,838,568.94
Henan Province	-	7,552,135.46	-	-	-	-	7,552,135.46
Ningxia Hui Autonomous Region	-	12,606,731.15	-	-	-	-	12,606,731.15
Anhui Province	-	6,214,884.24	-	-	-	-	6,214,884.24
Total	1,173,373,007.52	563,900,865.37	93,353,498.17	19,553,804.32	385,790,409.72	86,852,339.66	2,322,823,924.76
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	1,173,373,007.52	556,619,898.02	-		-	47,954,849.87	1,777,947,755.41
Cost recognized over time	-	7,280,967.35	93,353,498.17		385,790,409.72	38,897,489.79	525,322,365.03
Total	1,173,373,007.52	563,900,865.37	93,353,498.17		385,790,409.72	86,852,339.66	2,303,270,120.44

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

(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 RMB59,020,348.40, and the revenue will be recognized when the customer obtains control of the product.

47. General and administrative expenses

	RMB	
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Salaries and wages	79,427,049.09	100,838,725.74
Depreciation and amortization	41,853,772.84	41,065,903.42
Legal and advisory fees	5,961,616.16	5,531,658.90
Office building management fees	6,452,668.24	6,402,443.44
Office and communication charges	4,627,489.90	3,783,022.46
Audit fees	3,005,020.49	2,570,201.11
Stock exchange fees	1,620,230.59	2,649,942.47
Travel fees	1,025,154.27	638,471.16
Vehicle fees	697,850.96	618,201.28
Business entertainment fees	130,815.73	746,294.74
Others	3,484,633.05	3,664,289.37
Total	148,286,301.32	168,509,154.09

48. Financial expenses

	RMB	
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Interest expenses	375,681,438.55	441,660,805.41
Including: Interest expenses on borrowings	180,012,048.71	243,667,367.51
Interest expenses on bonds payable	181,351,628.59	182,232,334.70
Unrecognized financing expenses of compensation for newly-built toll stations on Longda Expressway and Three Expressways	5,786,810.04	8,569,709.64
Interest expenses on lease liabilities	447,399.45	679,904.18
Interest expenses on provisions	8,083,551.76	6,511,489.38
Less: Interest income	25,393,879.54	41,894,579.99
Less: Interest capitalized	299,565.11	-
Including: Interest expenses capitalized	396,888.89	-
Interest income capitalized	97,323.78	-
Exchange gains	(86,924,155.22)	(16,280,941.04)
Others	3,668,567.61	6,420,307.54
Total	266,732,406.29	389,905,591.92

For the six months ended 30 June 2026, the Group had capitalized borrowing costs.

Details of interest income are listed as follows:

	RMB	
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Interest on deposits	11,742,965.92	25,875,665.85
Interest income recognized for compensation related to toll exemptions	13,650,913.62	16,018,914.14
Less: Interest income capitalized	97,323.78	-
Total	25,296,555.76	41,894,579.99

49. Investment income

RMB		
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Income from long-term equity investments under the equity method (Note V, 12)	429,895,111.31	393,180,168.95
Investment income from other non-current financial assets during the holding period	11,645,842.89	13,031,972.03
Investment income from financial products	11,514,582.12	5,650,003.81
Total	453,055,536.32	411,862,144.79

50. (Losses)/gains from changes in fair value

RMB		
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Financial assets (liabilities) at FVTPL		
Including: Other non-current financial assets (Note V, 13)	(152,098,552.41)	69,109,749.24
Structured deposits	33,503,095.27	4,269,698.64
Obligation to pay the difference	10,731,705.69	3,041,582.64
Total	(107,863,751.45)	76,421,030.52

51. Credit impairment losses

RMB		
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Impairment losses of accounts receivable (Note V, 3(2))	(17,200,221.82)	(16,524,333.33)
Impairment losses of other receivables (Note V, 5.3(3))	(20,547,662.47)	(44,068,756.90)
Impairment losses of long-term receivables (Note V, 11(2))	(16,685,406.14)	(14,052,469.73)
Total	(54,433,290.43)	(74,645,559.96)

52. Gains (losses) on impairment of assets

<i>Item</i>	RMB	
	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Losses on decline in value of inventories (Note V, 6(2))	-	(8,839,387.24)
Impairment losses of fixed assets (Note V, 15(1))	-	(8,672,566.37)
Gain on impairment of contract assets (Note V, 7(3))	21,908.61	-
Total	21,908.61	(17,511,953.61)

53. Income tax expenses

(1) Classification of income tax expenses

<i>Item</i>	RMB	
	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Current tax expenses	270,552,674.28	256,765,551.52
Deferred tax expenses	(82,747,287.99)	(32,112,561.32)
Total	187,805,386.29	224,652,990.20

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

<i>Item</i>	RMB	
	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Total profit	1,169,036,203.59	1,255,312,119.50
Income tax expenses calculated at the statutory/applicable tax rate	292,259,050.90	313,828,029.88
Effect of different tax rates applicable to certain subsidiaries	(3,419,568.30)	(44,004,639.66)
Effect of income not subject to tax	(98,674,261.86)	(90,407,378.37)
Effect of deductible temporary differences or deductible losses for which deferred tax assets are not recognized for the period	20,503,734.98	22,901,533.91
Effect of adjusting income tax of the previous year	9,008,952.98	21,791,444.61
Effect of costs, expenses and losses not deductible	1,908,908.91	543,999.83
Effect of using previously unrecognized deductible temporary differences	(9,942,607.22)	-
Effect of recognition of previously unrecognized deductible temporary differences	(23,838,824.10)	-
Income tax expenses	187,805,386.29	224,652,990.20

54. Items in the statement of cash flows

(1) Cash relating to operating activities

Other cash received relating to operating activities

RMB		
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Funds received for collection and payment on behalf of construction projects	110,100,000.00	10,666.52
Funds temporarily received	35,978,356.77	14,397,419.29
Margins received and recovered	32,751,466.00	36,448,128.82
Interest income	9,112,390.21	24,153,624.51
Government grants received	1,595,658.85	2,013,214.37
Refund of advance payment for purchases received	-	127,489,049.80
Others	49,171,117.82	8,978,797.07
Total	238,708,989.65	213,490,900.38

Other cash payments relating to operating activities

RMB		
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Payment for agent-construction projects paid	53,501,784.10	12,201,966.55
Margins paid and refunded	37,293,197.55	35,562,743.19
Expenditures	40,839,970.06	38,255,742.00
Intermediary service fee	5,317,569.01	8,013,027.35
Withholding payments paid	8,656,280.33	12,066,262.34
Others	38,946,163.38	58,051,666.23
Total	184,554,964.43	164,151,407.66

(2) Cash relating to investing activities

Cash received relating to significant investing activities

RMB		
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Structured deposits and certificates of time deposits recovered for the period	5,140,000,000.00	100,000,000.00
Dividend distributions from the investee received	259,605,905.30	231,105,617.62
Rents for equipment under finance lease received by Financial Leasing Company for the period	100,360,842.95	126,440,136.93
Total	5,499,966,748.25	457,545,754.55

Cash payments relating to significant investing activities

RMB		
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Increase in structured deposits and certificates of time deposits for the period	6,520,000,000.00	2,980,000,000.00
Capital expenditures on Airport-Heao Expressway reconstruction and expansion project	301,293,517.91	1,026,818,542.19
Capital expenditures on Outer Ring projects	443,695,662.57	831,178,683.86
Payments made by Financial Leasing Company for the period for purchase of equipment under finance lease	64,500,000.00	68,729,046.00
Total	7,329,489,180.48	4,906,726,272.05

Other cash received relating to investing activities

RMB		
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Interest income	3,870,307.34	6,912,863.29
Others	2,000,000.00	3,000,097.75
Total	5,870,307.34	9,912,961.04

Other cash payments relating to investing activities

RMB		
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
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 payments relating to financing activities

<i>Item</i>	RMB	
	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Acquisition of minority interests in subsidiaries	642,762,023.52	-
Repayment of principal and interest on lease liabilities	8,852,636.26	7,696,487.98
Payment of interest on USD bonds and withholding taxes on annual trust fees	3,277,400.00	3,354,353.33
Brokerage fees for issuing bonds	1,734,600.00	7,615,600.58
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
Others	1,097,552.72	1,145,341.61
Total	657,724,212.50	4,041,995,985.15

Changes in liabilities arising from financing activities

<i>Item</i>	RMB				
	<i>Opening balance (Audited)</i>	<i>Additions in cash changes</i>	<i>Reductions in cash changes</i>	<i>Non-cash changes, net</i>	<i>Ending balance (Unaudited)</i>
Short-term borrowings	3,356,091,388.07	1,303,434,759.46	809,897,748.96	3,017,273.75	3,852,645,672.32
Other current liabilities - Ultra-short-term financing bonds	1,517,142,451.70	-	1,518,223,828.72	1,081,377.02	-
Long-term borrowings (including long-term borrowings due within one year)	12,628,819,164.16	250,414,913.50	1,029,739,922.14	154,921,607.10	12,004,415,762.62
Bonds payable (including bonds payable due within one year)	14,159,962,264.21	2,500,000,000.00	1,211,199,046.75	112,934,009.30	15,561,697,226.76
Lease liabilities (including lease liabilities due within one year)	29,564,087.22	-	8,852,636.26	6,151,329.96	26,862,780.92
Long-term payables (including long-term payables due within one year)	387,586,715.85	-	-	-	387,586,715.85
Dividends payable	62,493,194.42	-	84,800,000.00	740,223,083.22	717,916,277.64

55. Supplementary information to the statement of cash flows

(1) Supplementary information to the statement of cash flows

	RMB	
<i>Supplementary information</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
1. Reconciliation from net profit to cash flows from operating activities:		
Net profit	981,230,817.30	1,030,659,129.30
Add: Credit impairment losses	54,433,290.43	74,645,559.96
(Gains)/losses on impairment of assets	(21,908.61)	17,511,953.61
Depreciation of fixed assets	262,953,108.81	272,430,240.92
Depreciation of right-of-use assets	8,506,761.93	8,431,975.21
Depreciation of investment properties	668,639.21	668,639.20
Amortization of intangible assets	763,177,809.49	875,034,362.38
Amortization of long-term prepaid expenses	4,151,655.18	3,843,461.88
Losses on disposal of fixed assets, intangible assets and other long-term assets	89,730.70	54,929.89
Losses on damage and retirement of non-current assets	259,367.65	73,576.99
Losses/(gains) on changes in fair value	107,863,751.45	(76,421,030.52)
Financial expenses	349,987,993.90	441,660,805.41
Investment income	(453,055,536.32)	(411,862,144.79)
Decrease/(increase) in deferred tax assets	11,953,754.14	(13,728,947.96)
Decrease in deferred tax liabilities	(94,701,042.13)	(18,383,613.36)
Decrease in inventories	13,536,202.20	3,950,370.38
Decrease/(increase) in operating receivables	53,590,688.28	(125,218,524.93)
Decrease in operating payables	(25,389,667.56)	(128,371,752.84)
Net cash flows from operating activities	2,039,235,416.05	1,954,978,990.73
2. Net changes in cash and cash equivalents:		
Cash and cash equivalents at the end of the period	3,995,092,650.25	4,415,087,511.40
Less: Cash and cash equivalents at the beginning of the period	4,745,083,905.55	2,670,493,652.96
Net (decrease)/increase in cash and cash equivalents	(749,991,255.30)	1,744,593,858.44

(2) Composition of cash and cash equivalents

	RMB	
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
I. Cash	3,995,092,650.25	4,745,083,905.55
Including: Cash on hand	5,493,465.60	5,755,304.72
Cash at banks that can be withdrawn on demand	3,989,599,184.65	4,739,328,600.83
II. Cash and cash equivalents at the end of the period	3,995,092,650.25	4,745,083,905.55
Add: Restricted cash and cash equivalents held by the Company and subsidiaries of the Group (Note V, 1)	444,581,961.07	407,072,375.92
Add: Interest on deposits	-	766,955.68
III. Cash at banks and on hand	4,439,674,611.32	5,152,923,237.15

56. Monetary items denominated in foreign currencies

(1) Monetary items denominated in foreign currencies

<i>Item</i>	<i>Closing balance</i>	<i>Exchange rate</i>	<i>Equivalent to RMB</i>
Cash at banks and on hand			
HKD	586,590,493.83	0.87	509,483,173.42
USD	133,782.57	6.81	911,179.69
EUR	12.00	7.77	93.21
FRF	11.70	8.42	98.55
ESP	446.00	0.05	20.88
JPY	379.59	0.04	15.96
Other receivables			
HKD	1,207,787.46	0.87	1,049,023.80
Short-term borrowings			
HKD	559,478,909.15	0.87	485,935,406.55
Employee benefits payable			
HKD	1,038,730.20	0.87	902,189.12
Other payables			
HKD	290,054,890.84	0.87	251,927,175.44
USD	14,050.00	6.81	95,693.15
Dividends payable			
HKD	368,687,177.70	0.87	320,223,248.19
Non-current liabilities due within one year			
HKD	9,789,378.26	0.87	8,502,564.49
USD	302,526,280.46	6.81	2,060,476,243.59
Lease liabilities			
HKD	9,079,577.44	0.87	7,886,066.99

(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 RMB15,872,733.26 (for the six months ended 30 June 2025: RMB22,519,527.12) and RMB0.00 (for the six months ended 30 June 2025: RMB0.00), respectively.

Total cash outflows relating to leases for the period amounted to RMB24,725,369.52 (for the six months ended 30 June 2025: RMB30,216,015.10).

(2) As a lessor

Operating leases

		RMB
<i>Item</i>	<i>Lease income</i>	<i>Including: Income related to variable lease payments that are not included in lease receipts</i>
Parking spaces, workshops, staff dormitory buildings and others	10,610,837.03	-

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.

Income related to operating leases for the period amounted to RMB 10,610,837.03 (for the six months ended 30 June 2025: RMB 11,339,255.65), of which income related to variable lease payments that are not included in lease receipts was nil (for the six months ended 30 June 2025: nil).

	RMB	
	<i>Amount at the end of the period (Unaudited)</i>	<i>Amount at the end of the prior year (Audited)</i>
1 st year subsequent to the date of financial position statements	20,517,207.83	17,821,787.69
2 nd year subsequent to the date of financial position statements	17,406,349.17	15,214,984.04
3 rd year subsequent to the date of financial position statements	12,976,408.34	13,818,860.14
4 th year subsequent to the date of financial position statements	4,152,195.17	6,508,606.14
5 th year subsequent to the date of financial position statements	3,167,894.10	3,320,154.30
Subsequent years	10,697,093.40	9,435,794.34
Total undiscounted lease receipts	68,917,148.01	66,120,186.65

Finance lease

	RMB		
<i>Item</i>	<i>Gains/losses on sales</i>	<i>Financing income</i>	<i>Income related to variable lease payments that are not included in net lease investment</i>
Direct leases	-	24,596,709.56	-

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.

Reconciliation of undiscounted lease receipts to net lease investment

	RMB	
	<i>Undiscounted lease receipts</i>	
	<i>Amount at the end of the period (Unaudited)</i>	<i>Amount at the end of the prior year (Audited)</i>
Total undiscounted lease receipts	1,448,735,042.55	1,472,213,365.22
Unguaranteed residual value	-	-
Total lease investment	1,448,735,042.55	1,472,213,365.22
Less: Unrealized financing income	273,056,087.54	289,211,094.60
Net lease investment	1,175,678,955.01	1,183,002,270.62
Including: Finance lease receivables due within one year	176,002,865.80	218,840,331.79
Finance lease receivables due after one year	999,676,089.21	964,161,938.83

Undiscounted lease receipts for the next five years

RMB

<i>Item</i>	<i>Undiscounted lease receipts per year</i>	
	<i>Amount at the end of the period (Unaudited)</i>	<i>Amount at the end of the prior year (Audited)</i>
The first year	219,301,671.64	266,726,840.14
The second year	163,641,798.82	223,267,184.91
The third year	133,461,772.21	188,068,915.55
The fourth year	122,684,301.13	168,321,806.33
The fifth year	136,235,520.88	156,655,413.92
Total undiscounted lease receipts after five years	673,409,977.87	469,173,204.37

Gains relating to finance lease are as follows:

RMB

	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Financing income from net lease investment	24,596,709.56	27,479,368.94
Total	24,596,709.56	27,479,368.94

VI. Changes in scope of consolidation

1. Changes in scope of consolidation due to other reasons

Kunshan Lande Environmental Protection Technology Co., Ltd., the subsidiary of the Group, have been deregistered, the taxation and business deregistration procedures of which was completed on 11 February 2026.

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	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
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	98.00	2.00	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

Name of subsidiary	Place of major business	Place of registration	Nature of business	Registered capital (RMB, unless otherwise specified)	Shareholding proportion (%)		Acquired through
					Direct	Indirect	
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	-	92.73	Business combinations not under common control
Guangxi Bioland	Nanning, Guangxi Zhuang Autonomous Region, PRC	Nanning, Guangxi Zhuang Autonomous Region, PRC	Kitchen waste disposal	225,966,600.00	-	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

SHENZHEN EXPRESSWAY CORPORATION LIMITED
Financial statements for the six months ended 30 June 2026

Name of subsidiary	Place of major business	Place of registration	Nature of business	Registered capital (RMB, unless otherwise specified)	Shareholding proportion (%)		Acquired through
					Direct	Indirect	
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	HKD 1.00	-	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
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 utilization 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
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
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	-	100.00	Business combinations under common control

Name of subsidiary	Place of major business	Place of registration	Nature of business	Registered capital (RMB, unless otherwise specified)	Shareholding proportion (%)		Acquired through
					Direct	Indirect	
Bay Area Development	Hong Kong, PRC	Cayman Islands	Investment holding	HKD1000000000	-	73.98	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
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: According to the articles of association of Qinglong Company, the shareholders' meeting of Qinglong Company is composed of the Company, its subsidiary Fameluxe Investment and Shenzhen Huayu Investment Development (Group) Co., Ltd. The shareholders' meeting shall be attended by one shareholder representative appointed by each shareholder, and shall exercise voting rights in accordance with the principle of "one person, one vote" by the shareholder representative. In terms of business matters, more than two-thirds (including two-thirds) of the shareholders shall be required Shareholders or shareholder representatives vote for approval, so the Group essentially controls Qinglong Company.

(2) Significant non-wholly-owned subsidiaries

30 June 2026 (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%	8,993,410.39	-	744,176,416.44
Shenchang Company	49.00%	28,449,922.49	-	169,294,962.58
Bioland Company	7.27%	8,243,540.48	-	145,516,704.51
Longda Company	10.07%	5,253,150.37	-	23,218,748.45
Bay Area Development	26.02%	50,588,521.85	(80,949,567.84)	3,077,049,314.71
Total		101,528,545.58	(80,949,567.84)	4,159,256,146.69

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

(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	187,113,106.60	4,752,244,743.04	4,939,357,849.64	314,905,261.49	1,545,308,195.29	1,860,213,456.78
Shenchang Company	113,535,403.27	286,509,893.52	400,045,296.79	54,672,993.01	49,318.98	54,722,311.99
Bioland Company	646,955,115.39	2,830,963,135.75	3,477,918,251.14	501,522,754.58	1,114,063,487.13	1,615,586,241.71
Longda Company	257,306,088.29	91,437,465.44	348,743,553.73	48,267,065.03	69,903,018.56	118,170,083.59
Bay Area Development	3,182,536,381.42	14,611,954,558.05	17,794,490,939.47	4,603,923,227.95	1,450,197,506.47	6,054,120,734.42

RMB

Name of subsidiary	Opening balance (Audited)					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Qinglian Company	219,357,248.98	4,974,906,118.13	5,194,263,367.11	340,486,861.11	1,812,691,403.83	2,153,178,264.94
Shenchang Company	48,999,909.18	316,778,947.60	365,778,856.78	78,467,619.30	49,318.98	78,516,938.28
Qinglong Company	631,183,747.11	38,084,950.36	669,268,697.47	160,287,977.25	80,611,818.15	240,899,795.40
Bay Area Development	1,933,214,764.16	14,939,579,047.11	16,872,793,811.27	3,953,950,748.70	1,501,986,285.16	5,455,937,033.86
Bioland Company	669,437,620.16	2,979,407,974.31	3,648,845,594.47	541,753,810.64	1,276,202,807.32	1,817,956,617.96
Qiantai Company	217,767,292.97	298,491,772.11	516,259,065.08	121,066,945.21	234,830,931.14	355,897,876.35
Longda Company	208,636,869.06	106,211,259.60	314,848,128.66	48,891,196.98	87,549,800.89	136,440,997.87
Guishen Company	1,527,886,704.13	623,621,148.11	2,151,507,852.24	720,656,838.31	60,350,832.79	781,007,671.10

RMB

Name of subsidiary	For the six months ended 30 June 2026 (Unaudited)			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Qinglian Company	361,215,657.35	38,059,290.69	38,059,290.69	262,210,649.48
Shenchang Company	122,308,958.48	58,061,066.30	58,061,066.30	72,280,656.10
Bioland Company	276,815,190.41	30,443,032.92	30,443,032.92	94,397,676.36
Longda Company	107,298,645.30	52,166,339.34	52,166,339.34	32,749,517.64
Bay Area Development	402,404,829.72	235,525,494.30	260,290,620.91	393,915,868.32

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

Substantial restriction to the usage of the Group's assets or the settlement of the Group's liabilities

As at 30 June 2026, 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

(2) Major financial information of significant associates and joint ventures

RMB

Item	Closing balance/For the six months ended 30 June 2026 (Unaudited)		Opening balance/For the six months ended 30 June 2025 (Unaudited)	
	Derun Environment (Note)	Guangzhou-Shenzhen-Zhuhai Expressway	Derun Environment (Note)	Guangzhou-Shenzhen- Zhuhai Expressway
Current assets	15,747,457,014.80	4,179,104,361.93	14,548,067,141.76	6,221,326,371.40
Including: Cash and cash equivalents	6,842,258,112.46	3,933,857,491.97	5,837,334,375.38	5,977,751,884.31
Non-current assets	50,918,693,279.92	16,778,834,610.92	51,520,413,201.62	15,723,721,002.91
Total assets	66,666,150,294.72	20,957,938,972.85	66,068,480,343.38	21,945,047,374.31
Current liabilities	9,539,640,279.92	2,857,508,005.43	10,670,154,155.98	816,589,381.29
Non-current liabilities	21,954,893,375.09	7,680,248,997.16	20,869,162,230.88	8,776,574,508.89
Total liabilities	31,494,533,655.01	10,537,757,002.59	31,539,316,386.86	9,593,163,890.18
Minority interests	16,284,523,390.73	-	16,087,466,372.60	-
Equity attributable to shareholders of the Company	18,887,093,248.98	10,420,181,970.26	18,441,697,583.92	12,351,883,484.13
Share of net assets calculated according to shareholding ratio	3,777,418,649.80	4,689,081,886.62	3,688,339,516.78	5,558,347,567.86
Adjustments	1,462,953,999.22	(57,980,826.40)	1,462,953,999.22	(59,572,191.88)
- Goodwill	1,462,953,999.22	-	1,462,953,999.22	-
- Unrealized profits from internal transactions	-	(58,968,326.38)	-	(60,559,691.86)
- Others	-	987,499.98	-	987,499.98
Carrying amount of equity investment in associates and joint ventures	5,240,372,649.02	4,631,101,060.22	5,151,293,516.00	5,498,775,375.98
Fair value of equity investment in associates and joint ventures with publicly quoted prices	N/A	N/A	N/A	N/A
Operating income	6,647,695,158.22	1,237,141,141.09	6,440,039,678.80	2,221,192,063.76
Income tax expenses	362,074,550.41	194,476,617.43	261,390,727.99	214,168,578.22
Net profit	542,670,000.00	301,122,020.54	438,464,090.45	295,752,903.93
Net profit from discontinued operations	-	-	-	-
Other comprehensive income	-	-	3,142,407.65	-
Total comprehensive income	542,670,000.00	301,122,020.54	441,606,498.10	295,752,903.93
Dividends received from associates and joint ventures in the current period	-	540,000,000.00	-	135,000,000.00

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 RMB19,454,866.98, the Group recognized the income from investment in Derun Environment of RMB89,079,133.02. Please refer to Note V, 12.

(3) Major financial information of insignificant associates and joint ventures

RMB		
<i>Item</i>	<i>Closing balance /For the six months ended 30 June 2026 (Unaudited)</i>	<i>Opening balance /For the six months ended 30 June 2025 (Unaudited)</i>
Associates and joint ventures:		
Total carrying amount of investments	8,832,502,380.62	9,304,537,816.52
Total of the following items calculated according to the shareholding ratio		
- Net profit	205,311,069.05	220,688,250.41
- Other comprehensive income	(24,921,009.10)	16,871,087.01
- Total comprehensive income	180,390,059.95	237,559,337.42

As at 30 June 2026, 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	
Closing balance of receivables	-

2. Liabilities involving government grants

RMB					
<i>Item</i>	<i>Opening balance (Audited)</i>	<i>Amount of new government grants</i>	<i>Amount included in other income</i>	<i>Closing balance (Unaudited)</i>	<i>Related to assets/income</i>
Deferred revenue	26,916,679.57	-	16,769,474.13	10,147,205.44	Related to income
Deferred revenue	31,571,930.92	-	3,811,105.18	27,760,825.74	Related to assets
Total	58,488,610.49	-	20,580,579.31	37,908,031.18	

3. Government grants included in profit or loss

	RMB	
<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Related to income	21,117,294.44	5,871,814.06
Related to assets	3,811,105.18	4,559,331.29
Total	24,928,399.62	10,431,145.35

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. As of June 30, 2026, except for asset or liability mentioned in the table below which are foreign currency balances, the assets and liability of the Group are both RMB balances.

Item	RMB	
	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Cash at banks and on hand	422,412,128.14	37,032,342.66
Other receivables	723,245.84	-
Other payables	2,354,816.54	21,315.99
Dividends payable	320,223,248.19	-
Non-current liabilities due within one year	2,068,978,808.08	2,128,582,084.56
Lease liabilities	7,886,066.99	4,017,235.96

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 2026, 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 2026, the Group has unused bank credit lines totaling RMB77,257,697,396.28, 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.

The following is the maturity analysis for financial liabilities held by the Group which is based on undiscounted remaining contractual obligations:

	RMB				
	<i>Within 1 year</i>	<i>1 to 2 years</i>	<i>2 to 5 years</i>	<i>More than 5 years</i>	<i>Total</i>
Short-term borrowings	3,878,250,492.89	-	-	-	3,878,250,492.89
Bills payable	453,896,729.29	-	-	-	453,896,729.29
Accounts payable	1,976,075,774.07	-	-	-	1,976,075,774.07
Other payables	2,068,738,002.88	-	-	-	2,068,738,002.88
Non-current liabilities due within one year	7,464,940,564.61	-	-	-	7,464,940,564.61
Long-term borrowings	274,028,496.13	1,936,560,055.78	6,325,988,908.50	2,844,606,190.82	11,381,183,651.23
Bonds payable	270,652,001.44	2,185,847,945.21	12,915,594,482.19	1,011,630,273.97	16,383,724,702.81
Lease liabilities	-	6,242,472.80	3,178,572.65	135,227.06	9,556,272.51
Long-term payables	-	-	387,586,715.85	-	387,586,715.85
Mortgage guarantee	246,581,058.63	-	-	-	246,581,058.63
Total	16,633,163,119.94	4,128,650,473.79	19,632,348,679.19	3,856,371,691.85	44,250,533,964.77

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.

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 2026 and 2025.

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		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Total assets	70,448,415,658.02	71,289,150,413.25
Total liabilities	38,481,704,786.27	39,236,668,403.08
Debt-to-asset ratio	54.62%	55.04%

X. Disclosure of fair value

1. Closing balance of fair value of assets and liabilities measured at fair value

30 June 2026

RMB				
	<i>Closing balance of fair value</i>			
	<i>Level 1 fair value measurement</i>	<i>Level 2 fair value measurement</i>	<i>Level 3 fair value measurement</i>	<i>Total</i>
Fair value measurement on a recurring basis:				
Transactional financial assets	-	4,018,143,602.10	117,904,214.77	4,136,047,816.87
Other non-current financial assets	333,763,000.00	-	583,150,103.18	916,913,103.18
Total	333,763,000.00	4,018,143,602.10	701,054,317.95	5,052,960,920.05

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 2026.

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 2026, 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

<i>Name of parent company</i>	<i>Place of registration</i>	<i>Nature of business</i>	<i>Registered capital</i>	<i>Equity interest held</i>	<i>Voting rights</i>
Shenzhen International	Bermuda	Investment holding	HKD3,000,000,000.00	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:

<i>Name</i>	<i>Relationship with the Company</i>
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
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
Fenghe Energy	Associate and joint venture
Nanning Sanfeng Energy Co., Ltd. ("Nanning Sanfeng")	Subsidiary of the associate and joint venture
Nanjing Anvis Transmission Technology Co., Ltd. ("Nanjing Anvis")	Subsidiary of the associate and joint venture

4. Information about other related parties

<i>Name</i>	<i>Relationship with the Company</i>
Shenzhen International Modern Logistics Petty Loan Co. Ltd.	Wholly-owned subsidiary of the controlling shareholder
Henan Yudong Shenan Port Co., Ltd.	Holding subsidiary of the controlling shareholder
Xin Tong Chan Company	Wholly-owned subsidiary of the controlling shareholder
Hunan Guangyuan Culture Media Co., Ltd. ("Hunan Guangyuan")	Holding company of minority shareholders in a subsidiary
United Electronic	Participating company
Water Planning & Design Institute	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	
<i>Name of related party</i>	<i>Content of transaction</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
United Electronic (Note 1)	Receipt of network tolling settlement services and others	13,926,191.73	14,536,612.22
Yunji Smart (Note 2)	Receipt of engineering survey, design and consulting services , along with other related services.	4,660,877.59	6,970,271.00
Water Planning & Design Institute	Receipt of engineering consulting services	825,000.00	-
Nanning Sanfeng	Receipt of sewage, sludge, and waste disposal services	304,720.35	255,402.12
Nanjing Anvis	Receipt of wind turbine repair service	-	1,265,450.00
Total		19,716,789.67	23,027,735.34

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.

Sale of goods/rendering of labor services:

		RMB	
<i>Name of related party</i>	<i>Content of transaction</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Guangzhou-Shenzhen-Zhuhai Expressway (Note 1)	Personnel dispatch services	2,101,821.52	1,599,570.51
Guangzhou-Zhuhai West Line Expressway (Note 1)	Personnel dispatch services	789,215.24	735,082.03
Xintang Joint Venture (Note 1)	Personnel dispatch services	400,943.40	400,943.40
Yangmao Company	Personnel dispatch services	284,556.90	236,661.60
Nanjing Third Bridge Company	Personnel dispatch services	260,550.71	289,097.63
GZ W2 Company	Personnel dispatch services	205,020.75	205,020.75
Huai'an Zhongheng (Note 2)	Operation and maintenance services	-	734,011.85
Yunji Smart (Note 3)	Commission sale of water and electricity services	-	1,415.92
Others (Note 4)	Commission sale of water and electricity services and others	109,730.32	121,286.36
Total		4,151,838.84	4,323,090.05

Note 1: The Company dispatches management personnel to assume roles at Guangzhou West Second Ring Company, Nanjing Third Bridge Company and Yangmao Company. Bay Area Development, a subsidiary of the Company, dispatches management personnel to assume roles at 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.

(2) Related leases

(a) The Group as a lessor

RMB

<i>Lessee</i>	<i>Type of assets leased</i>	<i>Lease income recognized for the six months ended 30 June 2026</i>	<i>Lease income recognized for the six months ended 30 June 2025</i>
Hunan Guangyuan	Billboard	180,637.17	194,400.00
Total		180,637.17	194,400.00

(3) Remuneration of key management personnel

RMB

<i>Item</i>	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Basic salary, housing allowance, other allowances and non-cash benefits	4,135,762.30	4,579,757.68

The Company had a total of 19 directors and senior management personnel during the current reporting period (21 directors, supervisors and senior management personnel in the same period of 2025).

(4) Borrowings from/to related parties

Borrowings from related parties:

RMB

<i>Related party</i>	<i>Amount of borrowings</i>	<i>Closing balance (Unaudited)</i>	<i>Interest rate</i>	<i>Inception date</i>	<i>Due date</i>
United Land Company (Note)	-	387,586,715.85	-	29 December 2021	-

Note: As at 30 June 2026, the balance of the Company's interest-free borrowing from United Land Company was RMB387,586,715.85.

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	GZ W2 Company	85,356.00	-	85,356.00	-
Accounts receivable	Huayu Company	65,630.56	-	65,630.56	-
Prepayments	Yunji Smart	6,563,588.54	-	6,575,698.54	-
Prepayments	United Electronic	47,570.58	-	39,764.96	-
Dividends receivables	Guangzhou-Zhuhai West Line Expressway	103,619,429.21	-	-	-
Dividends receivables	Bank of Guizhou Co., Ltd.	30,132,419.88	-	-	-
Dividends receivables	Guangzhou-Shenzhen-Zhuhai Expressway	13,537,275.00	-	-	-
Dividends receivables	Water Planning and Design Institute	2,083,009.50	-	-	-
Other receivables (Note V, 5.3)	Huai'an Zhongheng	88,331,191.80	88,331,191.80	88,331,191.80	70,664,953.44
Other receivables (Note V, 5.3)	Huayu Company	741,435.49	-	-	-
Other receivables (Note V, 5.3)	Xintang Joint Venture	425,000.00	-	425,000.00	-
Other receivables (Note V, 5.3)	United Electronic	166,608.78	-	109,966.67	-
Other receivables (Note V, 5.3)	United Land Company	126,393.75	-	126,393.75	-
Other receivables (Note V, 5.3)	Yunji Smart	84,050.00	-	84,050.00	-
Other receivables (Note V, 5.3)	Guangzhou-Shenzhen-Zhuhai Expressway	-	-	832,204.42	-
Other receivables (Note V, 5.3)	Guangzhou-Zhuhai West Line Expressway	-	-	365,498.85	-
Other non-current assets (Note V, 21)	Guangzhou-Shenzhen-Zhuhai Expressway	798,699,225.00	-	-	-

(2) Payable items

			RMB
<i>Item</i>	<i>Related parties</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Accounts payable	Yunji Smart	17,643,626.02	18,061,019.02
Accounts payable	Nanjing Anvis	1,105,575.00	1,105,575.00
Accounts payable	Nanning Sanfeng	89,065.35	38,689.20
Accounts payable	United Electronic	-	317,918.76
Contract liabilities	Huai'an Zhongheng	848,743.00	848,743.00
Dividends payables	Xintongchan Company	178,293,275.14	-
Dividends payables	Shenguanghui Company	100,396,212.43	-
Dividends payables	Yunshan Capital	59,286,256.48	-
Dividends payables	China Merchants Highway	22,226,629.29	-
Dividends payables	Golden Baycrest (BVI) Limited	21,446,724.60	-
Dividends payables	Shandong High-speed (Hong Kong) Investment Co., Ltd.	20,386,130.00	-
Dividends payables	Guangdong Road and Bridge	9,258,033.93	-
Other payables (Note V, 30.3(1))	Huayu Company	30,429,891.00	30,400,000.00
Other payables (Note V, 30.3(1))	Yunji Smart	9,031,562.39	11,922,943.73
Other payables (Note V, 30.3(1))	Nanjing Third Bridge Company	8,865,500.00	23,152,500.00
Other payables (Note V, 30.3(1))	Guangzhou-Shenzhen-Zhuhai Expressway	4,315,575.00	4,315,575.00
Other payables (Note V, 30.3(1))	United Electronic	2,101,341.45	2,044,497.36
Other payables (Note V, 30.3(1))	Nanjing Anvis	250,146.68	250,146.68
Other payables (Note V, 30.3(1))	Hunan Guangyuan	20,000.00	20,000.00
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	-	25,000,000.00
Other payables (Note V, 30.3(1))	GZ W2 Company	-	40,000,000.00
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.

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	
<i>Related party</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Yunji Smart	143,489,879.07	148,150,756.66
Nanjing Anvis	2,117,875.22	2,117,875.22
Nanning Sanfeng	364,748.99	364,748.99
Total	145,972,503.28	150,633,380.87

(2) Investment commitments

In order to satisfy the capital requirements for the renovation and expansion projects regarding the Jinggangao Expressway Guangzhou–Shenzhen section 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. As of June 30, 2026, Hopewell China Development has completed an additional capital contribution of RMB644 million to Guangzhou–Shenzhen–Zhuhai Expressway.

(3) Equity acquisition commitments

As at 30 June 2026, 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		
<i>Item</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Capital commitments that have been entered into but have not been recognized in the financial statements:		
- Expressway construction	12,862,151,127.64	9,348,911,016.00
- Kitchen waste disposal projects	184,973,539.63	187,434,983.39
Total	13,047,124,667.27	9,536,345,999.39

2. Contingencies

Significant contingencies at the date of financial position statements

- (a) As at 30 June 2026, the Group's guarantees for the performance of certain projects are in effect, with a total guarantee amount of approximately RMB683 million.
- (b) As at 30 June 2026, the Group provided a periodic joint and several liability guarantee amounting to RMB247 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.

- (c) 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. A dispute arose between the two parties regarding payment for construction work and construction quality issues. On 16 August 2024, Nanjing Wind Power filed a lawsuit with the Intermediate People's Court of Huai'an District, alleging that Huai'an Zhongheng had failed to pay the overdue construction costs despite repeated demands. On 10 April 2025, Huai'an Zhongheng filed another lawsuit with the People's Court of Huai'an District for the repair and replacement costs as well as the power generation losses incurred due to the blade quality issues, requesting (1) Nanjing Wind Power to compensate for repair and replacement costs related to wind turbine equipment and blades amounting to RMB 91.4958 million ; (2) Nanjing Wind Power to compensate for costs related to quality inspection, verification, patrols, and repairs amounting to RMB 4.3663 million ; (3) Nanjing Wind Power to compensate for power generation losses amounting to RMB 28.3827 million; 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.
- (d) In January 2022, through its subsidiary (the "Fund Company"), the Company entered into a partnership agreement with China Communications Construction Second Highway Engineering Bureau Co., Ltd. ("China Communications Second Highway", hereinafter referred to as "CCC Second Highway") and other investors to jointly establish the Shenzhen ShenGao Infrastructure Private Equity Investment Fund Partnership Enterprise (Limited Partnership) ("Infrastructure Fund"). The fund primarily focuses on investments in the transportation infrastructure sector. The Fund Company serves as the general partner with a contribution ratio of 0.02%, while CCC Second Highway acts as a limited partner with a contribution ratio of 23.53%. The initial paid-in capital of the Infrastructure Fund amounted to RMB 595 million, of which CCC Second Highway contributed RMB 140 million. On January 24, 2025, CCC Second Highway submitted an arbitration application to the Shenzhen International Arbitration Center, asserting claims against the Fund Company and the Infrastructure Fund as follows: (1) Requesting the arbitration tribunal to terminate the Partnership Agreement between CCC Second Highway and the Fund Company; (2) Requesting the return of the investment principal and interest amounting to RMB 144 million; (3) Requesting the Fund Company and the Infrastructure Fund to bear all arbitration costs and preservation fees associated with this case. On July 10, 2025, the Fund Company received notice from CCC Second Highway regarding its withdrawal from the Infrastructure Fund and the refund of its investment. As of the date of approval of these financial statements, the arbitration proceedings are ongoing. The Group believes that the outcome of the arbitration and any potential liability (if any) cannot be reliably estimated at this time.

- (e) On November 9, 2018, Guishen Company and Guizhou Zhide listed the transfer of 100% equity and related claims in four companies holding the Guilong Project Block II at the Shenzhen United Property Rights Exchange. Specifically, Guishen Company transferred 100% equity and corresponding claims in its subsidiary, Guizhou Shengbo Zhidi Co., Ltd., while Guizhou Zhide transferred 100% equity and corresponding claims in three of its subsidiaries: Guizhou Hengfengxin Zhidi Co., Ltd., Guizhou Henghongda Zhiye Co., Ltd., and Guizhou Yehongda Zhiye Co., Ltd. On January 23, 2019, Guizhou Xinhe Lifu Real Estate Development Co., Ltd. ("Xinhe Lifu") entered into an Equity and Claims Transfer Agreement with Guishen Company and Guizhou Zhide, acquiring 100% equity and corresponding claims in the aforementioned four companies. On June 30, 2025, Xinhe Lifu filed an arbitration application with the Shenzhen International Arbitration Center, alleging that the public information disclosed in the Listing Announcement and the Appraisal Report was not accurate. The Shenzhen International Arbitration Center accepted the case on August 13, 2025, and held a hearing on March 8, 2026. Xinhe Lifu made the following main claims: To reduce the contract price by RMB 50.9135 million and to refund such amount; To pay interest loss of RMB 49.6528 million for the use of the aforementioned funds; To compensate Xinhe Lifu for actual losses incurred in connection with the signing and performance of the contract, amounting to RMB 23.5393 million; To refund RMB 20.4120 million paid by Xinhe Lifu on May 13, 2019, along with interest loss of RMB 18.3691 million. The total amount claimed by Xinhe Lifu amounts to RMB 162.8867 million. As of June 30, 2026, the arbitration is still pending. The Group believes that the outcome of the arbitration and any potential liabilities (if any) cannot be reliably estimated at this time.

In addition to the matters mentioned above, as of June 30, 2026, the Group is unable to reliably estimate the contingent liabilities related to unresolved lawsuits and arbitration cases, the aggregate amount involved is approximately RMB193.6833 million.

XIII. Events subsequent to the date of financial position statements

1. On July 20, 2026, the Company successfully issued the second tranche of medium-term notes for the year 2026 under Shenzhen Expressway Group Co., Ltd. The actual issuance amount was RMB1,000.00 million, with a coupon rate of 1.55% and a term of 3 years. The proceeds raised in the current period will be utilised to repay mature outstanding debts of the Group
2. On July 24, 2026, the Company successfully issued the first tranche of super short-term commercial paper for the year 2026 under Shenzhen Expressway Group Co., Ltd. The actual issuance amount was RMB1,000.00 million, with a coupon rate of 1.41% and a term of 0.75 years. The proceeds raised in the current period will be utilised to repay mature outstanding debts of the Group
3. On August 7, 2026, the Company successfully issued the third tranche of medium-term notes for the year 2026 under Shenzhen Expressway Group Co., Ltd. The actual issuance amount was RMB1,000.00 million, with a coupon rate of 1.58% and a term of 3 years. The proceeds raised in the current period will be utilised to repay mature outstanding debts of the Group
4. On July 31, 2026, the Shenzhen International Arbitration Center rendered an arbitral award in the case involving Xinhe Lifu, Guishen Company, and Guizhou Zhide. The award dismissed all of Xinhe Lifu's arbitration claims in full, and the arbitration costs were borne by Xinhe Lifu.

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.

(2) Financial information of reporting segment

For the six months ended 30 June 2026 / As at 30 June 2026 (Unaudited)

RMB

Item	Toll road	Environmental protection	Others	Unallocated	Total
Revenue from external customers	2,233,026,602.47	730,266,607.42	689,560,188.83	-	3,652,853,398.72
Cost of services	1,173,373,007.52	563,900,865.37	585,550,051.87	-	2,322,823,924.76
Interest income	17,869,055.41	670,317.11	6,757,183.24	-	25,296,555.76
Interest expenses	79,439,354.00	56,410,963.89	239,434,231.77	-	375,284,549.66
Income from investment in associates and joint ventures	246,360,233.72	98,462,654.89	85,072,222.70	-	429,895,111.31
Credit impairment gains (losses)	(1,729,510.71)	(51,459,236.49)	(1,244,543.23)	-	(54,433,290.43)
Gains (losses) on impairment of assets	-	21,908.61	-	-	21,908.61
Gains (losses) on disposal of assets	-	-	(89,730.70)	-	(89,730.70)
Depreciation and amortization expenses	712,786,022.82	251,768,996.16	39,539,029.39	35,363,926.25	1,039,457,974.62
Total profit (total loss)	1,250,252,028.63	(31,306,733.16)	116,684,384.51	(166,593,476.39)	1,169,036,203.59
Income tax expenses	246,176,216.32	20,193,956.14	(78,564,786.17)	-	187,805,386.29
Net profit (net loss)	1,004,075,812.31	(51,500,689.30)	195,249,170.68	(166,593,476.39)	981,230,817.30
Total assets	43,461,905,016.20	17,113,415,008.05	7,948,806,578.54	1,924,289,055.23	70,448,415,658.02
Total liabilities	25,627,483,035.23	6,607,486,128.22	2,796,905,952.11	3,449,829,670.71	38,481,704,786.27
Long-term equity investments in associates and joint ventures	9,796,125,786.94	5,250,382,958.50	3,657,467,344.42	-	18,703,976,089.86
Amount of non-current assets (exclusive of financial assets, long-term equity investments, and deferred tax assets)	24,073,134,249.22	8,171,228,257.41	235,168,217.96	1,897,120,996.70	34,376,651,721.29

For the six months ended 30 June 2025 (Unaudited) / As at 31 December 2025 (Audited)

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	42,115,751,413.82	17,602,193,862.00	9,661,956,886.18	1,909,248,251.25	71,289,150,413.25
Total liabilities	26,716,023,167.67	6,907,278,007.18	2,565,519,683.94	3,047,847,544.29	39,236,668,403.08
Long-term equity investments in associates and joint ventures	10,775,680,774.77	5,162,190,718.21	3,717,351,709.90	-	19,655,223,202.88
Amount of non-current assets (exclusive of financial assets, long-term equity investments, and deferred tax assets)	24,525,580,628.54	8,203,084,425.71	146,052,902.62	1,900,345,280.19	34,775,063,237.06

(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	55,179,259.70	52,987,970.15
1 to 2 years	14,099,871.30	20,291,455.21
2 to 3 years	19,403,306.88	29,697,167.74
Over 3 years	25,102,362.03	4,838,866.44
Total	113,784,799.91	107,815,459.54

(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	96,235,928.41	84.58	-	-	96,235,928.41	89,947,124.34	83.43	-	-	89,947,124.34
Portfolio IV	17,548,871.50	15.42	-	-	17,548,871.50	17,868,335.20	16.57	-	-	17,868,335.20
Total	113,784,799.91	100.00	-	-	113,784,799.91	107,815,459.54	100.00	-	-	107,815,459.54

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

RMB

Name of entity	Closing balance of accounts receivable (Unaudited)	Closing balance of contract assets (Unaudited)	Closing balance of accounts receivable and contract assets (Unaudited)	Proportion to total closing balance of accounts receivable and contract assets (%)	Closing balance of provision for bad debts (Unaudited)
Coastal Company	59,199,528.26	-	59,199,528.26	25.89	-
Const. & Dvpt Company	-	55,565,163.59	55,565,163.59	24.30	-
Shenzhen Ecology and Environment Bureau	-	25,142,255.48	25,142,255.48	11.00	-
Outer Ring Company	19,243,795.46	-	19,243,795.46	8.42	-
Shenzhen Transport Public Facilities Construction Center	-	14,614,939.05	14,614,939.05	6.39	-
Total	78,443,323.72	95,322,358.12	173,765,681.84	76.00	-

2. Other receivables

2.1 Presentation of other receivables

RMB

Item	Closing balance (Unaudited)	Opening balance (Audited)
Dividends receivable	27,643,009.50	-
Other receivables	776,231,600.14	1,719,794,681.33
Total	803,874,609.64	1,719,794,681.33

2.2 Dividends receivable

(1) Dividends receivable

RMB

Investee	Closing balance (Unaudited)	Opening balance (Audited)
Bank of Guizhou Co., Ltd.	25,560,000.00	-
Water Planning and Design Institute	2,083,009.50	-
Total	27,643,009.50	-

(2) There was no significant dividends receivable aged over one year

2.3 Other receivables

(1) Other receivables disclosed by aging

RMB

<i>Aging</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Within 1 year	306,609,478.18	1,249,161,776.76
1 to 2 years	12,696,153.93	20,250,556.85
2 to 3 years	14,511,342.69	101,477,375.67
Over 3 years	442,414,625.34	348,904,972.05
Sub-total	776,231,600.14	1,719,794,681.33
Less: Bad debt provision for other receivables	-	-
Total	776,231,600.14	1,719,794,681.33

(2) Other receivables analyzed by nature

RMB

<i>Nature</i>	<i>Closing balance (Unaudited)</i>	<i>Opening balance (Audited)</i>
Receivables from subsidiaries for financial assistance	590,599,476.97	1,516,803,303.78
Advances receivable	174,342,286.79	189,654,435.80
Others	11,289,836.38	13,336,941.75
Total	776,231,600.14	1,719,794,681.33

(3) Top five other receivables categorized by debtor

RMB

<i>Name of entity</i>	<i>Closing balance (Unaudited)</i>	<i>Proportion to total closing balance of other receivables (%)</i>	<i>Nature</i>	<i>Aging</i>	<i>Closing balance of provision for bad debts (Unaudited)</i>
Nanjing Wind Power	332,667,799.89	42.86	Borrowings receivable	Over 3 years	-
Guangming Environment Technology	133,702,724.29	17.22	Borrowings receivable, advances receivable	Within 1 year, 1 to 2 years, 2 to 3 years, over 3 years	-
Highway Investment	75,057,156.35	9.67	Borrowings receivable, advances receivable	Within 1 year, 2 to 3 years	-
Environment Company	51,094,434.95	6.58	Borrowings receivable	Within 1 year	-
Operation Development Company	49,957,393.76	6.44	advances receivable	Within 1 year, 1 to 2 years, 2 to 3 years, over 3 years	-
Total	642,479,509.24	82.77			

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	812,462,842.81	-	-	25,301,557.16	-	-	(32,073,259.13)	-	-	805,691,140.84	-
United Land Company	702,247,562.62	-	-	9,918,569.14	-	-	-	-	-	712,166,131.76	-
E Fund - Shenzhen Expressway REITs (code: 508033)	682,236,131.70	-	-	8,930,888.26	-	-	(18,096,000.00)	-	-	673,071,019.96	-
Nanjing Third Bridge Company	454,411,172.51	-	-	29,377,790.62	-	-	(41,448,487.78)	-	-	442,340,475.35	-
GZ W2 Company	373,373,322.57	-	-	25,886,513.39	-	-	(47,729,600.00)	-	-	351,530,235.96	-
Shengchuang Fund	10,897,202.21	-	-	(886,892.73)	-	-	-	-	-	10,010,309.48	-
Others	1,754,512,617.28	-	-	46,768,452.63	(24,310,720.80)	-	(25,560,000.00)	-	(67,376,956.00)	1,684,033,393.11	-
Sub-total	4,790,140,851.70	-	-	145,296,878.47	(24,310,720.80)	-	(164,907,346.91)	-	(67,376,956.00)	4,678,842,706.46	-
Investment in subsidiaries:											
Mei Wah Company	9,886,452,404.02	-	-	-	-	-	-	-	-	9,886,452,404.02	373,893,131.20
Outer Ring Company	8,080,000,000.00	400,000,000.00	-	-	-	-	-	-	-	8,480,000,000.00	-
Environment Company	6,550,000,000.00	-	-	-	-	-	-	-	-	6,550,000,000.00	-
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	224,764,077.66	62,244,917.47	-	-	-	-	-	-	-	287,008,995.13	108,429,424.09
Guangming Environment 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	-

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		
Investment in subsidiaries: - continued											
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	32,484,558,770.76	462,244,917.47	-	-	-	-	-	-	-	32,946,803,688.23	1,161,087,704.50
Total	37,274,699,622.46	462,244,917.47	-	145,296,878.47	(24,310,720.80)	-	(164,907,346.91)	-	(67,376,956.00)	37,625,646,394.69	1,161,087,704.50

Note: The detailed information about investment in associates and joint ventures is set out in Note V, 12.

4. Operating income and cost of services

RMB

Item	For the six months ended 30 June 2026 (Unaudited)		For the six months ended 30 June 2025 (Unaudited)	
	Income	Cost	Income	Cost
Main businesses	605,433,898.31	168,158,583.65	608,718,637.40	157,672,598.21
Other businesses	248,343,034.85	218,131,959.60	108,951,317.37	90,454,364.11
Total	853,776,933.16	386,290,543.25	717,669,954.77	248,126,962.32

5. Investment income

RMB

Item	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Income from long-term equity investments under the cost method	212,000,000.00	281,043,170.78
Income from long-term equity investments under the equity method	145,296,878.47	126,921,467.17
Investment income from other non-current financial assets	11,045,842.89	12,390,564.24
Investment income from financial products	1,310,674.48	-
Total	369,653,395.84	420,355,202.19

XVI. Supplementary Information

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	169,636.95
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)	18,589,491.06
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	(107,863,751.45)
Other non-operating income and expenses other than the above	(16,259,972.69)
Less: Tax effects	(26,143,163.32)
Effects attributable to minority interests	2,894,435.24
Total	(82,115,868.05)

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.

Profit for the reporting period	Weighted average return on net assets (%)	RMB Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	3.77	0.346	0.346
Net profit after deducting non-recurring profit or loss attributable to ordinary shareholders of the Company	4.13	0.378	0.378

2.1 Calculation of earnings per share

(1) Basic earnings per share

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Net profit attributable to shareholders and other equity holders of the Company	918,846,192.90	959,891,990.84
Less: Interest on perpetual bonds	41,222,222.14	53,840,833.33
Consolidated net profit attributable to ordinary shareholders of the Company	877,623,970.76	906,051,157.51
Weighted average number of ordinary shares outstanding	2,537,856,127.00	2,370,163,900.01
Basic earnings per share (RMB/share)	0.346	0.382

Weighted average number of ordinary shares is calculated as follows:

	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Issued ordinary shares at the beginning of the period	2,537,856,127.00	2,180,770,326.00
Effect of new shares issued	-	189,393,574.01
Weighted average number of ordinary shares at the end of the period	2,537,856,127.00	2,370,163,900.01

(2) Basic earnings per share excluding extraordinary gains and losses

Basic earnings per share excluding extraordinary gains and losses is calculated by dividing consolidated net profit excluding extraordinary gains and losses attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding:

	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Net profit attributable to shareholders and other equity holders of the Company	918,846,192.90	959,891,990.84
Less: Extraordinary gains and losses attributable to ordinary shareholders of the Company	(82,115,868.05)	60,240,771.99
Less: Interest on perpetual bonds	41,222,222.14	53,840,833.33
Consolidated net profit excluding extraordinary gains and losses and interest on perpetual bonds attributable to the Company's ordinary equity shareholders	959,739,838.81	845,810,385.52
Weighted average number of ordinary shares outstanding	2,537,856,127.00	2,370,163,900.01
Basic earnings per share excluding extraordinary gains and losses (RMB/share)	0.378	0.357

(3) Diluted earnings per share

In the first half of 2026 and the first half of 2025, there were no potential diluted ordinary shares of the Group, therefore diluted earnings per share is equal to basic earnings per share.

2.2 Calculation of weighted average return on net assets

(1) Weighted average return on net assets

Weighted average return on net assets is calculated by dividing consolidated net profit attributable to ordinary shareholders of the Company by the weighted average amount of consolidated net assets:

	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Net profit attributable to shareholders and other equity holders of the Company	918,846,192.90	959,891,990.84
Less: Interest on perpetual bonds	41,222,222.14	53,840,833.33
Consolidated net profit attributable to ordinary shareholders of the Company	877,623,970.76	906,051,157.51
Weighted average amount of consolidated net assets attributable to the Company's ordinary equity shareholders	23,251,975,701.01	20,858,242,368.75
Weighted average return on net assets	3.77%	4.34%

(2) Weighted average return on net assets excluding extraordinary gains and losses

Weighted average return on net assets excluding extraordinary gains and losses is calculated by dividing consolidated net profit excluding extraordinary gains and losses attributable to ordinary shareholders of the Company by the weighted average amount of consolidated net assets:

	<i>For the six months ended 30 June 2026 (Unaudited)</i>	<i>For the six months ended 30 June 2025 (Unaudited)</i>
Consolidated net profit excluding extraordinary gains and losses and interest on perpetual bonds attributable to the Company's ordinary equity shareholders	959,739,838.81	845,810,385.52
Weighted average amount of consolidated net assets attributable to the Company's ordinary equity shareholders	23,251,975,701.01	20,858,242,368.75
Weighted average return on net assets excluding extraordinary gains and losses	4.13%	4.06%