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越秀交通基建有限公司

Yuexiu Transport Infrastructure Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 01052)

2024 ANNUAL RESULTS ANNOUNCEMENT

CHAIRMAN'S STATEMENT

OPERATING RESULTS AND DIVIDEND

During the year ended 31 December 2024 (the "Reporting Year"), the Group recorded revenue of RMB3,867 million, representing a year-on-year decrease of 2.5%; and profit attributable to shareholders of RMB657 million, representing a year-on-year decrease of 14.2% (2023: RMB3,967 million and RMB765 million). The decrease in revenue was mainly attributable to: ① the impact of the widespread rain, snow, cold and freezing weather in China's central and eastern regions (such as Hubei Province, Henan Province and Hunan Province) around the Chinese New Year; ② the fact that there were 3 more days of toll-free holidays for passenger vehicles with 7 seats or less (including 7 seats) in 2024 compared to last year; and ③ the traffic diversion some of the projects encountered. The decrease in profit was mainly due to drop in revenue during the Reporting Year and the toll collection right of Northern Ring Road expired on 22 March 2024.

The Board has recommended the payment of a final dividend for 2024 of HK\$0.13 per share. Together with the interim dividend of HK\$0.12 per share paid, the total dividend for the Reporting Year is HK\$0.25 per share, which is equivalent to RMB0.2297 per share, and the annual dividend payout ratio of the year is 58.5%.

ANNUAL REVIEW

Macro-Economy and Regulatory Environment of the Sector

In 2024, the global economy grew in general against the shocks of geopolitical tensions and extreme weather events to energy resources and grains, with inflation falling steadily towards the central banks' target levels. The International Monetary Fund (IMF) projected that the global economic growth rate in 2024 would be 3.2%. Facing the complex and ever-changing environment and challenges, China's economy rebounded steadily throughout the year, with gross domestic product (GDP) increasing by 5.0% year-on-year in 2024.

Over the past year, in the face of a complex and challenging international environment, China's economy sustained growth while maintaining stability, and witnessed increasingly stronger positive momentum. In terms of investment in transportation infrastructure construction, according to the Ministry of Transport, it is expected that fixed asset investment in transportation in 2024 will be more than RMB3.8 trillion. From January to November 2024, highway passenger traffic was 10,790 million, representing a year-on-year increase of 7.4%, and highway cargo turnover was 38,110 million tonnes, representing a year-on-year increase of 3.3%.

Business Development

During the Reporting Year, Guangzhou North Second Ring Transport Technology Company Limited (“GNSR Company”) received the land occupation approval from the Ministry of Natural Resources and the construction permit from the Department of Transport of Guangdong Province for the whole project of the GNSR Expressway R&E Project, and advanced the GNSR Expressway R&E Project to the new stage of comprehensive construction. GNSR Expressway, as the artery for transportation in the north of Guangzhou City, is a part of the expressway network that connects Guangzhou City and Shenzhen City, the two core first-tier cities in the Guangdong-Hong Kong-Macau Greater Bay Area, as well as other important cities such as Foshan City and Dongguan City, and an important component of the transportation network in the Greater Bay Area, and plays a major role in the Group. The R&E Project is expected to significantly improve the current traffic conditions, service quality and traffic capacity of the GNSR Expressway, while reducing traffic accidents to secure travel safety. Meanwhile, it is expected that the R&E Project will help extend the toll operating period of the GNSR Expressway by up to 25 years from the completion date of the GNSR Expressway R&E Project, which in turn allows the Group to continue to benefit from the development of the Greater Bay Area, helps the Group to enhance the development capacity of its principal toll road business and improve its core advantages in investment, construction and operation, thereby scaling up its core business on an ongoing basis.

In the Reporting Year, the Group entered into an agreement with Guangzhou Yue Xiu Holdings Limited, the ultimate controlling shareholder of the Company, for the purpose of acquiring the 55% equity interest held in Henan Yuexiu Pinglin Expressway Company Limited at a consideration of RMB758.45 million. The transaction was approved by the independent shareholders at the special general meeting convened on 22 November 2024, and the completion was materialised on 26 November 2024. Henan Yuexiu Pinglin Expressway Company Limited owns the toll collection right over the Pingdingshan to Linru section of the Henan Pinglin Expressway (河南平臨高速公路平頂山至臨汝段)(the “Henan Pinglin Expressway”). Henan Pinglin Expressway is located in the core development region of Zhongyuan (中原) city cluster and is an important component of the G36 Nanjing-Luoyang Expressway (寧洛高速公路G36) , one of the 18 east-west trunk lines in the national “71118” expressway network. The acquisition represents another practical case of interaction between the incubation platform and the listed platform, aligns with the Group’s regional expansion strategy, and promotes further business development in Central China, thus sharing the benefits of economic development.

Jinxiong Expressway under the management of the Group reported a limited remaining toll collection period in the Reporting Year. Considering that the extension is subject to regulatory approval and would incur extra capital expenditure, the Group seized the opportunity to withdraw from Jinxiong Expressway through transferring the 60% equity interest held in Tianjin Jinfu Expressway Co., Ltd. to Tianjin Expressway Group Co., Ltd. at the consideration of RMB190.8 million by way of public tender on 18 December 2024. Upon completion of the disposal, the Group ceased to have any interest in Tianjin Jinfu Expressway Co., Ltd.

The Group will continue to improve the integrated business strategy of “investment, financing, management and divestment”, under which it may acquire quality assets by establishing incubation platforms at the front end and take advantage of the positive effects of publicly traded domestic infrastructure REITs at the back end. It will also leverage the positive interaction between the incubation platforms, publicly traded domestic infrastructure REITs and listed companies to realise asset inflow and outflow, and thereby further optimise the Group’s asset portfolio and create greater value for shareholders.

The Group has always maintained sound operation and a healthy financial condition. During the Reporting Year, the Group maintained investment-grade ratings from international rating agencies Moody’s and Fitch. In particular, Moody’s and Fitch maintained the Group’s investment grade rating of Baa2 and BBB, respectively.

FUTURE PROSPECT AND OUTLOOK

Outlook of Macro-Economy and Industry Development Prospect

During the Reporting Year, despite the intensified geopolitical tension and the persistent inflation pressure in some countries, inflation has eased to a large extent globally. According to the “World Economic Situation and Prospects 2025” released by the United Nations in January 2025, the global economy is expected to see a growth rate of 2.8%, remaining at a similar level compared to 2024. The report clarifies that although the global economy remains in growth and withstands a series of intertwined shocks, the economic growth still lingers below the average level of 3.2% prior to 2019 due to weak investment sentiment and sluggish productivity growth. In January 2025, the International Monetary Fund (IMF) raised the Chinese economic growth forecast and the global economic growth forecast for 2025 by 0.1 percentage point, compared to its forecasts in October 2024, to 4.6% and 3.3% respectively. In March 2025, the Chinese government stated in its work report that the target for gross domestic product growth in 2025 would be around 5%.

During the Reporting Year, against the complex situation of intensifying external pressures and increasing internal difficulties, China’s economy recorded steady advancement amid sustained stability. In 2024, its gross domestic product achieved a year-on-year growth rate of 5.0%. According to the statistics of the Ministry of Public Security, domestic motor vehicle ownership reached 453 million vehicles, of which car ownership was 353 million vehicles with new energy vehicle ownership reaching 31.40 million vehicles. Motor vehicle ownership recorded a year-on-year increase of 4.14%. Toll roads are an important part of the modern comprehensive transportation system, and are of great significance to the long-term development of the domestic economy. In June 2024, the Ministry of Transport issued the “Statistical Bulletin on the Development of the Transportation Industry in 2023” (《二〇二三年交通運輸行業發展統計公報》) (hereinafter referred to as the “Bulletin”). According to the Bulletin, China’s arterial traffic network has been developing. With the rising income levels and the increasing travel demand, room for growth in car ownership, steady growth in freight transport along with social economy development, the operating performance of expressway assets remains promising. Taking into account the above factors, the Group remains optimistic about the development prospects of the industry.

During the 40 days of 2025 Spring Festival travel rush (14 January to 22 February), nationwide passenger turnover was 9,025 million, representing an increase of 7.1% compared to the same period of 2024, marking a record high. Among the nationwide passenger turnover during 2025 Spring Festival travel rush, highway passenger turnover was 8,390 million, and self-driving trips were 7,170 million, representing approximately 79.4% of the nationwide passenger turnover, serving as a stable and sustainable source for revenue generated from passenger vehicles to promote future growth of the toll road industry and generating new impetus for the development of the industry.

Development Strategies and Investment Opportunities

Yuexiu Transport is committed to becoming a leading transport infrastructure asset management company in China under the guidance of the “3331” development strategy, which includes improving the three platforms (listed platform, REITs platform and incubation platform), enhancing the three core abilities (investment ability, operation and maintenance and construction management ability and capital operation ability) and focusing on three directions (expressway main business, key areas and expansion of related auxiliary businesses). The Group will continue to grasp the strategic opportunity period for expressway investment and mergers and acquisitions. Gaining its foothold in Guangdong-Hong Kong-Macau Greater Bay Area and Central and Eastern China, expanding its presence in other developing areas benefiting from continued urbanisation and industrialisation going forward, making full use of the incubation platform model and exploring opportunities of investing in reconstruction and expansion of quality assets, the Group insists on strengthening and expanding its infrastructure business mainly based on toll roads.

APPRECIATION

During the Reporting Year, our directors, senior management and all our staff continued to adhere to their pragmatic, diligent and resolute working attitude, in pursuit of excellent performance and quality work. On behalf of all members of our Group, I would like to express my gratitude and appreciation to all our shareholders, banks, business community and partners for their dedicated support over the years.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
YEAR ENDED 31 DECEMBER 2024

	Notes	2024 RMB'000	2023 RMB'000
Revenue	2	3,867,119	3,966,726
Cost of services	4,5	(2,024,237)	(1,819,383)
Construction income from construction and upgrade services		1,062,101	713,062
Construction costs of construction and upgrade services		(1,062,101)	(713,062)
Other income, gains and losses – net	3	97,085	(75,163)
General and administrative expenses	4,5	(298,229)	(267,776)
Operating profit		1,641,738	1,804,404
Finance income	6	29,782	30,191
Finance costs	6	(481,226)	(562,395)
Share of result of a joint venture, net of tax		72,302	75,708
Share of results of associates, net of tax		35,009	200,998
Profit before income tax		1,297,605	1,548,906
Income tax expense	7	(333,245)	(427,263)
Profit for the year		964,360	1,121,643
Attributable to:			
Shareholders of the Company		656,781	765,309
Non-controlling interests		307,579	356,334
		964,360	1,121,643
Earnings per share for profit attributable to the shareholders of the Company	8	RMB	RMB
Basic earnings per share		0.3925	0.4574
Diluted earnings per share		0.3925	0.4574

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2024

	2024	2023
	RMB'000	RMB'000
Profit for the year	<u>964,360</u>	<u>1,121,643</u>
Other comprehensive income		
<i>Items that may be reclassified to profit or loss in subsequent period:</i>		
Currency translation differences	<u>265</u>	<u>361</u>
Other comprehensive income for the year	<u>265</u>	<u>361</u>
Total comprehensive income for the year	<u>964,625</u>	<u>1,122,004</u>
Total comprehensive income attributable to:		
Shareholders of the Company	<u>657,046</u>	765,670
Non-controlling interests	<u>307,579</u>	<u>356,334</u>
	<u>964,625</u>	<u>1,122,004</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	2024 RMB'000	2023 RMB'000
ASSETS			
Non-current assets			
Intangible operating rights		31,626,346	30,247,734
Goodwill		514,577	514,577
Property, plant and equipment		53,392	41,609
Other intangible assets		18,792	19,078
Investment properties		34,205	38,039
Right-of-use assets		22,686	4,737
Investment in a joint venture		485,281	478,813
Investments in associates		1,526,599	1,599,983
Prepayments	10	967,494	916,926
Loan to an associate		6,406	6,406
		<u>35,255,778</u>	<u>33,867,902</u>
Current assets			
Trade receivables	10	187,508	112,389
Other receivables, deposits and prepayments	10	84,244	102,789
Amounts due from associates		829	38,593
Cash and cash equivalents		1,978,432	2,380,785
		<u>2,251,013</u>	<u>2,634,556</u>
Total assets		<u>37,506,791</u>	<u>36,502,458</u>
EQUITY			
Equity attributable to the shareholders of the Company			
Share capital		147,322	147,322
Reserves		11,700,984	11,466,015
		<u>11,848,306</u>	<u>11,613,337</u>
Non-controlling interests		<u>3,557,831</u>	<u>3,236,600</u>
Total equity		<u>15,406,137</u>	<u>14,849,937</u>

	Notes	2024 RMB'000	2023 RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings		9,247,828	8,457,900
Notes payable		3,815,984	1,498,746
Corporate bonds		499,667	499,667
Contract liabilities and deferred revenue		272,975	286,264
Deferred income tax liabilities		2,988,563	3,072,085
Lease liabilities		12,670	3,310
		<u>16,837,687</u>	<u>13,817,972</u>
Current liabilities			
Borrowings		2,015,121	1,178,089
Notes payable		1,872,993	3,373,285
Corporate bonds		12,268	2,067,750
Amounts due to non-controlling interests of a subsidiary		50,772	1,611
Trade and other payables and accrued charges	11	1,184,286	1,117,332
Contract liabilities and deferred revenue		24,714	15,792
Lease liabilities		10,429	1,763
Current income tax liabilities		92,384	78,927
		<u>5,262,967</u>	<u>7,834,549</u>
Total liabilities		<u>22,100,654</u>	<u>21,652,521</u>
Total equity and liabilities		<u>37,506,791</u>	<u>36,502,458</u>

1 BASIS OF PREPARATION

(i) Compliance with HKFRSs and HKCO

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”).

(ii) Going concern consideration

As at 31 December 2024, the Group’s current liabilities exceeded its current assets by RMB3,011,954,000. The Group’s current liabilities primarily comprise the current portion of borrowings, notes payable and trade and other payables and accrued charges of RMB2,015,121,000, RMB1,872,994,000 and RMB1,184,286,000, respectively. Notwithstanding the above, the directors of the Company are confident that the Group will be able to meet its liabilities as they fall due in the next twelve months, taking into account the forecast cash flows including the banking facilities, unutilised quota for the issuance of multiple types of debt financing instruments available to the Group and the internally generated funds from operations. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

(iii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities and investment properties which are measured at fair value.

(iv) Amendments to standards

The Group has adopted the following revised HKFRSs for the first time for the current year’s financial statements.

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

The above revised HKFRSs effective for the financial year beginning on 1 January 2024 did not have a material impact on the Group.

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised HKFRSs, if applicable, when they become effective.

Amendments to standards		Effective for accounting periods beginning on or after
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Not determined yet*
HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to HKAS 21	<i>Lack of Exchangeability</i>	1 January 2025
Annual Improvements to HKFRS Accounting Standards – Volume 11	<i>Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7</i>	1 January 2026

* No mandatory effective date yet determined but available for adoption

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

Except for the impact of HKFRS 18, management considers that the adoption of the above mentioned amendments is not expected to have a material impact on the Group in future reporting periods when they become effective.

2 REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the investment, construction and development, operation and management of expressways and bridges in the PRC.

The chief operating decision-maker (the “CODM”) has been identified as the Executive Directors. The Executive Directors review the Group’s internal reporting in order to assess performance of the Group’s main reporting segment – Toll highways and bridges projects in the PRC. The Executive Directors assess the performance of this main reporting segment based on measurement of profit after income tax for the year. Other operations mainly comprise investment and others. None of these operations constitutes a separate segment. There have been no sales carried out between segments. The financial information provided to the CODM is measured in a manner consistent with that of the consolidated financial statements.

During the year ended 31 December 2024, the construction service income was reclassified from “Revenue” to “Construction income from construction and upgrade services” as the CODM believes the revised classification could provide better presentation to the users of the financial information to evaluate the Group’s operating performance from toll roads operations. The comparative figures were not restated.

	Toll roads operations RMB’000	All other segments RMB’000	Total RMB’000
Year ended 31 December 2024			
Revenue (from external customers)			
– Toll revenue	3,786,234	—	3,786,234
– Income from service area and gas station	38,171	—	38,171
– Entrusted road management service income	34,932	—	34,932
– Other toll operating income	7,782	—	7,782
	<u>3,867,119</u>	<u>—</u>	<u>3,867,119</u>
Amortisation of			
– Intangible operating rights	(1,514,463)	—	(1,514,463)
– Other intangible assets	(6,260)	—	(6,260)
Depreciation of			
– Property, plant and equipment	(13,877)	(66)	(13,943)
– Right-of-use assets	(11,283)	—	(11,283)
Government subsidy	3,797	—	3,797
Gain on disposal of a subsidiary	65,840	—	65,840
	<u>1,644,423</u>	<u>(2,685)</u>	<u>1,641,738</u>
Operating profit/(loss)			
Finance income	29,782	—	29,782
Finance costs	(481,226)	—	(481,226)
Share of result of a joint venture, net of tax	72,302	—	72,302
Share of results of associates, net of tax	53,076	(18,067)	35,009
	<u>1,318,357</u>	<u>(20,752)</u>	<u>1,297,605</u>
Profit/(loss) before income tax			
Income tax expense	(333,245)	—	(333,245)
	<u>985,112</u>	<u>(20,752)</u>	<u>964,360</u>
Profit/(loss) for the year			

	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
Year ended 31 December 2023			
Revenue (from external customers)			
– Toll revenue	3,841,319	—	3,841,319
– Income from service area and gas station	35,462	—	35,462
– Entrusted road management service income	35,907	—	35,907
– Construction service income	47,092	—	47,092
– Other toll operating income	6,946	—	6,946
	<u>3,966,726</u>	<u>—</u>	<u>3,966,726</u>
Amortisation of			
– Intangible operating rights	(1,277,869)	—	(1,277,869)
– Other intangible assets	(6,398)	—	(6,398)
Depreciation of			
– Property, plant and equipment	(12,091)	(205)	(12,296)
– Right-of-use assets	(11,446)	—	(11,446)
Other compensation income	1,079	—	1,079
Government subsidy	6,209	—	6,209
	<u>1,804,745</u>	<u>(341)</u>	<u>1,804,404</u>
Operating profit/(loss)			
Finance income	30,191	—	30,191
Finance costs	(562,395)	—	(562,395)
Share of result of a joint venture, net of tax	75,708	—	75,708
Share of results of associates, net of tax	220,075	(19,077)	200,998
	<u>1,568,324</u>	<u>(19,418)</u>	<u>1,548,906</u>
Profit/(loss) before income tax			
Income tax expense	(427,263)	—	(427,263)
	<u>1,141,061</u>	<u>(19,418)</u>	<u>1,121,643</u>
Profit/(loss) for the year			

	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
Assets and liabilities			
As at 31 December 2024			
Total segment assets	37,457,455	49,336	37,506,791
Addition to non-current assets	1,108,220	—	1,108,220
Acquisition of a subsidiary	2,151,388	—	2,151,388
Total segment assets include:			
Investment in a joint venture	485,281	—	485,281
Investments in associates	1,507,385	19,214	1,526,599
Total segment liabilities	<u>(21,980,373)</u>	<u>(120,281)</u>	<u>(22,100,654)</u>
As at 31 December 2023			
Total segment assets	36,432,839	69,619	36,502,458
Addition to non-current assets	1,651,852	5	1,651,857
Total segment assets include:			
Investment in a joint venture	478,813	—	478,813
Investments in associates	1,562,703	37,280	1,599,983
Total segment liabilities	<u>(21,645,902)</u>	<u>(6,619)</u>	<u>(21,652,521)</u>

All major operating entities are domiciled in the PRC. All revenues of the Group from external customers are generated in the PRC. Besides, most of the assets of the Group are located in the PRC. Thus, no geographic information is presented.

Information about the Group's performance obligations is summarised below:

Toll revenue and other toll operating income

The performance obligation is satisfied when the relevant services have been provided upon the completion of passing through the road and bridge. Payment is due immediately when the service is provided.

Income from service area and gas station

The performance obligation is satisfied over time on a straight-line basis over the service period. Payment in advance is normally required for income from service area and gas station.

Entrusted road management service income

The performance obligation is satisfied over time as services are rendered and short-term advances are normally required before rendering the services. Management service contracts are billed based on the time incurred.

Construction service income

The performance obligation is satisfied over time as services are rendered and payment in advance is normally required.

3 OTHER INCOME, GAINS AND LOSSES – NET

	2024 RMB'000	2023 RMB'000
Gain on disposal of a subsidiary	65,840	—
Fair value loss on investment properties	(4,290)	(882)
Gain on disposal of property, plant and equipment	18	317
Compensation for expressways and bridges damages	9,146	9,933
Other compensation income (note a)	7,136	1,079
Management service income	5,184	7,524
Government subsidy	3,797	6,209
Gain on write off of other payables	6,475	—
Others	3,779	825
Impairment loss on investment in an associate (note b)	—	(100,168)
	<u>97,085</u>	<u>(75,163)</u>

Note:

- (a) The amount mainly represented compensation from third parties and the government on requisition of land and demolition of plants and other greening facilities.
- (b) An impairment loss of RMB100,168,000 was recognized against the investment in Shantou Bay Bridge during the year ended 31 December 2023.

4 EXPENSES BY NATURE

Expenses included in cost of services and general and administrative expenses primarily comprise the following items:

	2024 RMB'000	2023 RMB'000
Taxes and surcharges	22,785	23,511
Amortisation of		
– Intangible operating rights	1,514,463	1,277,869
– Other intangible assets	6,260	6,398
Depreciation of		
– Property, plant and equipment	13,943	12,296
– Right-of-use assets	11,283	11,446
Employee benefit expense (note 5)	389,090	384,970
Toll highways and bridges maintenance expenses	176,884	145,647
Toll highways and bridges operating expenses	112,611	169,072
Auditor's remuneration		
– Audit services	2,980	2,980
– Non-audit services	5,177	1,070
Legal and professional fees	<u>29,503</u>	<u>19,386</u>

5 EMPLOYEE BENEFIT EXPENSE

	2024 RMB'000	2023 RMB'000
Staff costs (including directors' emoluments)		
– Wages and salaries	270,137	266,585
– Pension costs (defined contribution plan) (note a)	41,909	41,264
– Social security costs	39,337	39,353
– Staff welfare and other benefits	38,179	37,597
– Equity-settled share option expense	(472)	171
	<u>389,090</u>	<u>384,970</u>
Total employee benefit expense	<u>389,090</u>	<u>384,970</u>

Employee benefit expenses are included in “cost of services” and “general and administrative expenses” of RMB196,110,000 (2023: RMB204,631,000) and RMB192,980,000 (2023: RMB180,339,000) respectively in the consolidated statement of profit or loss.

Notes:

- (a) Subsidiaries of the Company in the PRC are required to participate in defined contribution retirement plans organised by the respective Provincial or Municipal People's Governments.

The Group also participates in the Mandatory Provident Fund Scheme (“MPF Scheme”) for other Hong Kong employees. The Group's MPF Scheme contributions are at 5% of the employees' relevant income as defined in the Hong Kong Mandatory Provident Fund Schemes Ordinance up to a maximum of HKD1,500 (equivalent to RMB1,368) per employee per month. The employees also contribute a corresponding amount to the MPF Scheme if their relevant income is more than HKD7,100 per month (equivalent to RMB6,473). The MPF contributions are fully and immediately vested in the employees as accrued benefits once they are paid.

There was no forfeited contribution as at 31 December 2024 (2023: Nil). No forfeited contribution was utilised during the year (2023: Nil). Contributions totalling RMB41,909,000 (2023: RMB41,264,000) were payable to the fund during the year. There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

- (b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three (2023: four) directors. The emoluments payable to the remaining two (2023: one) individuals during the year amounted to RMB4,558,000 (2023: RMB2,494,000), which include(s) salaries of RMB1,092,000 (2023: RMB530,000), discretionary bonuses of RMB2,956,000 (2023: RMB1,699,000), estimated money value of other benefits of RMB253,000 (2023: RMB124,000), employer's contribution to a retirement benefit scheme of RMB268,000 (2023: RMB127,000) and equity-settled share option expense reversed upon expiry of RMB11,000 (2023: equity-settled share option expense of RMB14,000).

The number of non-director and non-chief executive highest paid employees whose emoluments fell within the following bands is as follows:

	Number of individuals	
	2024	2023
Emolument bands (in HK dollar)		
HKD2,000,001 – HKD2,500,000	1	0
HKD2,500,001 – HKD3,000,000	1	1
	<u>1</u>	<u>1</u>

6 FINANCE INCOME/(COSTS)

	2024 RMB'000	2023 RMB'000
Bank interest income	29,551	29,869
Interest income on loan to an associate	231	322
Finance income	<u>29,782</u>	<u>30,191</u>
Interest expenses:		
– Bank borrowings	(308,055)	(307,884)
– Bank facility fees	(392)	(2,309)
– Loan from the immediate holding company	(3,101)	(3,194)
– Notes payable	(138,989)	(132,156)
– Corporate bonds	(34,695)	(106,408)
– Lease liabilities	(1,010)	(489)
Net other exchange loss	256	(200)
Others	<u>(12,004)</u>	<u>(14,539)</u>
	(497,990)	(567,179)
Less: Interest capitalised in respect of intangible operating rights	<u>16,764</u>	<u>4,784</u>
Finance costs	<u>(481,226)</u>	<u>(562,395)</u>

7 INCOME TAX EXPENSE

- (a) No provision for Hong Kong profits tax has been made in the consolidated financial statements as the Group had no assessable income subject to Hong Kong profits tax during the year (2023: Nil).
- (b) During the year ended 31 December 2024, PRC enterprise income tax was provided on the profits of the Group's subsidiaries, associates and joint venture in the PRC in accordance with the Corporate Income Tax Law of China. The applicable principal income tax rate for the year ended 31 December 2024 is 25% (2023: 25%). Guangzhou North Second Ring Transport Technology Company Limited ("GNSR Company"), a subsidiary of the Group, has been recognised as an eligible entity in 2019 to enjoy three years' preferential tax treatment of income tax, at a preferential income tax rate of 15%, started from 2018. During the year ended 31 December 2021 and 2024, the preferential tax treatment of income tax has been extended to the year ended 31 December 2023 and 2026. In 2013, Guangxi Yuexiu Cangyu Expressway Company Limited, a subsidiary of the Group, was recognised as an eligible entity to enjoy eighteen years' preferential tax treatment of income tax, at a preferential income tax rate of 15%, started from 2013 and the preferential tax treatment of income tax was extended to the year ended 31 December 2030 in 2020.

In addition, dividend distribution out of profit of foreign-invested enterprises earned after 1 January 2008 is subject to withholding income tax at a rate of 5% or 10%. During the year, withholding income tax was provided for dividend distributed for reinvestment and undistributed profits of certain of the Group's subsidiaries and associates in the PRC at a rate of 5% or 10% (2023: 5% or 10%).

As at 31 December 2024, deferred tax liabilities of RMB180,278,000 (2023: RMB151,979,000) were not recognised in respect of withholding tax on the unremitted earnings of certain entities in the PRC, as these earnings are expected to be reinvested in the PRC.

- (c) The amount of income tax charged/(credited) to the consolidated statement of profit or loss represents:

	2024 RMB'000	2023 RMB'000
Current income tax		
PRC enterprise income tax	376,233	407,363
Deferred income tax	(42,988)	19,900
	<u>333,245</u>	<u>427,263</u>

The tax on the Group's profit before income tax less share of results of associates and a joint venture differs from the theoretical amount that would arise using the principal applicable tax rate as follows:

	2024 RMB'000	2023 RMB'000
Profit before income tax	1,297,605	1,548,906
Less: share of results of associates, net of tax	(35,009)	(200,998)
Less: share of result of a joint venture, net of tax	(72,302)	(75,708)
	<u>1,190,294</u>	<u>1,272,200</u>
Calculated at a tax rate of 25% (2023: 25%)	297,574	318,050
Income not subject to tax	(14,943)	(1,401)
Expenses not deductible for tax purposes	43,402	76,202
Profit of subsidiaries with preferential tax treatment	(88,839)	(92,732)
Tax losses not recognised (note (i))	73,910	83,080
Utilisation of previously unrecognised tax losses	(1,486)	(113)
Adjustments in respect of current tax of previous periods	(607)	(311)
Effect of income tax on the distributable profits of subsidiaries and associates	22,817	33,395
Withholding tax on the interest income from subsidiaries established in Mainland China	4,760	11,093
Additional tax deduction for qualified research and development expenses	(3,343)	—
Income tax expense	<u>333,245</u>	<u>427,263</u>

Note:

- (i) Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets of approximately RMB189,493,000 (2023: RMB191,148,000) in respect of unused losses amounting to approximately RMB757,971,000 (2023: RMB764,593,000). Unused tax losses of approximately RMB452,319,000 (2023: RMB296,325,000) will expire in 1 year and the remaining unused tax losses will expire prior to 2029.

8 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 1,673,162,000 (2023: 1,673,162,000) during the year.

The calculation of diluted earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company, adjusted to reflect the interest on the share options, where applicable (see below). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2024	2023
Earnings		
Profit attributable to shareholders of the Company used in the basic and diluted earnings per share calculation (RMB'000)	<u>656,781</u>	<u>765,309</u>
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation ('000)	1,673,162	1,673,162
Effect of dilution – weighted average number of ordinary shares: Share options ('000)	<u>—</u>	<u>—</u>
Weighted average number of ordinary shares outstanding and potential ordinary shares during the year used in the diluted earnings per share calculation ('000)	<u>1,673,162</u>	<u>1,673,162</u>

No adjustment has been made to the basic earnings per share amounts presented for the year ended 31 December 2024 in respect of a dilution as the impact of share options outstanding had an anti-dilutive effect on the basic earnings per share amounts presented.

9 DIVIDENDS

	2024 RMB'000	2023 RMB'000
Interim, paid, HKD0.12 equivalent to approximately RMB0.1097 (2023: HKD0.15 equivalent to approximately RMB0.1372) per ordinary share	183,534	229,610
Final, proposed, HKD0.13 equivalent to approximately RMB0.12 (2023: HKD0.15 equivalent to approximately RMB0.1362) per ordinary share	<u>200,737</u>	<u>227,837</u>
	<u>384,271</u>	<u>457,447</u>

The final dividend was proposed after the end of the reporting period and has not been recognised as a liability at the end of the reporting period.

10 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2024 RMB'000	2023 RMB'000
Trade receivables	187,508	112,389
Other receivables, deposits and prepayments	1,051,738	1,019,715
	<u>1,239,246</u>	<u>1,132,104</u>
Less: non-current portion (note)	(967,494)	(916,926)
	<u>271,752</u>	<u>215,178</u>

Note: Non-current portion refers to prepayments made by the Group for the GNSR Expressway reconstruction and expansion project.

An aging analysis of the trade receivables as at the end of the reporting period, based on the date when trade receivables are recognised (i.e. date on which services are rendered) is as follows:

	2024 RMB'000	2023 RMB'000
Within 1 month	116,999	112,389
1 to 3 months	12,315	—
3 to 6 months	20,259	—
Over 6 months	37,935	—
	<u>187,508</u>	<u>112,389</u>

The Group's revenue is generally settled in cash and it usually does not maintain any account balances owing. The trade receivables represented amounts due from local transport departments which collected the toll revenue for all operating entities due to the implementation of unified toll collection policy on expressways and highways in China. No expected credit losses were provided as the directors consider that the expected credit risks of toll road revenue receivables are minimal.

The carrying amounts of trade and other receivables and deposits approximated to their fair values and were mainly denominated in RMB. The trade and other receivables are measured at amortised cost.

11 TRADE AND OTHER PAYABLES AND ACCRUED CHARGES

	2024	2023
	RMB'000	RMB'000
Trade payables	52,091	46,542
Other payables and accrued charges	496,397	538,655
Construction related accruals and payables	635,798	532,135
	<u>1,184,286</u>	<u>1,117,332</u>

The ageing analysis of trade payables and construction related accruals and payables by invoice date is as follows:

	2024	2023
	RMB'000	RMB'000
0–30 days	260,208	273,500
31–90 days	108,052	35,656
Over 90 days	319,629	269,521
	<u>687,889</u>	<u>578,677</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Summary Information of Operating Toll Roads, Bridges and Port

	Toll Mileage (km)	Width (lanes)	Toll Station(s)	Road Type	Attributable Interests (%)	Approved Last Date for Toll Collection (Year/Month/Day) ⁽⁵⁾
SUBSIDIARIES						
GNSR Expressway	42.5	6/8 ⁽²⁾	6	Expressway	60.00	2032/01/10 ⁽⁶⁾
Cangyu Expressway	22.0	4	0	Expressway	100.00	2030/12/28
Jinxiong Expressway ⁽³⁾	23.9	4	2	Expressway	Sold ⁽³⁾	2030/03/17 ⁽³⁾
Changzhu Expressway	46.5	4	5	Expressway	100.00	2040/08/30
Weixu Expressway	64.3	4	2	Expressway	100.00	2035/11/18
Lanwei Expressway	61.0	4	3	Expressway	100.00	2034/07/01
Pinglin Expressway ⁽¹⁾	106.5	4	6	Expressway	55.00	2033/10/24
Suiyuan Expressway	98.1	4	4	Expressway	70.00	2040/03/09
Hancai Expressway	36.0	4/6 ⁽²⁾	2	Expressway	67.00	2038/08/27
Han'e Expressway	54.8	4	5	Expressway	100.00	2042/06/30
Daguangnan Expressway	107.1	4	6	Expressway	90.00	2042/04/29
ASSOCIATES AND JOINT VENTURE						
Han-Xiao Expressway	38.5	4/6 ⁽²⁾	2	Expressway	30.00	2036/12/09
GWSR Expressway	42.1	6	2	Expressway	35.00	2030/12/19
Humen Bridge	15.8	6	4	Suspension Bridge	27.78 ⁽⁴⁾	2029/05/08
Northern Ring Road ⁽⁷⁾	22.0	6/8 ⁽²⁾	8	Expressway	24.30 ⁽⁷⁾	2024/03/22 ⁽⁷⁾
Shantou Bay Bridge	6.5	6	3	Suspension Bridge	30.00	2028/12/23
Qinglian Expressway	215.2	4	15	Expressway	23.63	2034/06/30
			No. of berths	Passenger ferries in use	Attributable Interests (%)	
ASSOCIATE						
Pazhou Port			5	2 (self-owned)	45.00	

Notes:

- (1) The Group completed the acquisition of 55% of the equity interest in Pinglin Expressway on 26 November 2024.
- (2)
 - a. GNSR Expressway: 8 lanes for the section from Huocun to Luogang, and 6 lanes for other sections.
 - b. Hancui Expressway: 6 lanes for the section from Miliang Shan to Wuhan Outer Ring Road, and 4 lanes for other sections.
 - c. Han-Xiao Expressway: 6 lanes for the sections of Airport North Extension and from Taoyuanji interchange to Hengdian interchange, and 4 lanes for other sections.
 - d. Northern Ring Road: 8 lanes for the section from Shabei to Bainihe Bridge, and 6 lanes for other sections.
- (3) The Group completed the disposal of 60% of the equity interest in Jinxiong Expressway on 18 December 2024.
- (4) The profit-sharing ratio was 18.446% from 2010 onwards.
- (5)
 - a. Projects within Guangdong Province: Pursuant to the supporting and protective policies from the relevant authorities in the Guangdong Province regarding waiver of tolls on toll roads during the COVID-19 pandemic, the operators of toll roads for the Group's projects within Guangdong Province shall submit compensation applications one year before the original toll collection deadline of the project. In which: Northern Ring Road has met the above requirements and has completed the relevant application process, and the adjusted and approved toll collection deadline is 22 March 2024.
 - b. Projects within Guangxi Autonomous Region, Hunan Province, Hubei Province, Tianjin and Henan Province: Pursuant to the supporting and protective policies from the relevant authorities in the Guangxi Autonomous Region, Hunan Province, Hubei Province, Tianjin and Henan Province regarding waiver of tolls on toll roads during the COVID-19 pandemic, the original approved toll collection deadline for the Group's projects within Guangxi Autonomous Region, Hunan Province, Hubei Province, Tianjin and Henan Province were postponed for 79 days.
- (6) According to provision 14 of the Regulations on the Administration of Toll Roads (《收費公路管理條例》) promulgated by the State Council, the toll collection deadline shall be reviewed and approved by people's governments of provinces, autonomous regions and municipalities directly under the central government in accordance with the following standards: other than provinces, autonomous regions and municipalities directly under the central government in the central and western region determined by the State, the toll collection period for highways under operation shall be determined in accordance with the principle of recovery of investment with reasonable return, with a maximum of 25 years. Based on the new investment in the GNSR Expressway under the GNSR Expressway R&E Project and the information in feasibility report, the Board expected that the toll operating period of the GNSR Expressway would be extended for a period of up to 25 years from the completion date of the GNSR Expressway R&E Project. The extension of toll period (which is expected to be finalised after the completion of GNSR Expressway R&E Project and the reconstructed and expanded GNSR Expressway open to traffic) will be subject to the final approval by the People's Government of Guangdong Province after the submission of the application for assessment of the operating period of GNSR Expressway and the completion of the technical valuation by a qualified valuer appointed by the Department of Transport of Guangdong Province.
- (7) The toll collection right of Northern Ring Road expired at 24:00 on 22 March 2024. The project is currently in the process of being transferred to the government.

TOLL SUMMARY OF TOLL ROADS, BRIDGES AND PORT

For the twelve months ended 31 December 2024

	Average daily toll revenue ⁽¹⁾		Average daily toll traffic volume	
	2024 (RMB/day)	Y-O-Y Change %	2024 (Vehicle/day)	Y-O-Y Change %
SUBSIDIARIES				
GNSR Expressway	2,841,019	-6.2%	303,502	1.8%
Cangyu Expressway	268,271	-3.1%	17,723	-5.1%
Jinxiong Expressway ⁽²⁾	231,698	N/A	39,409	N/A
Changzhu Expressway	708,520	0.7%	71,769	-0.5%
Weixu Expressway	928,936	-10.1%	25,451	-4.0%
Lanwei Expressway	767,768	-9.2%	31,841	-4.1%
Pinglin Expressway ⁽³⁾	1,463,586	-5.6%	39,317	0.6%
Suiyuan Expressway	1,974,588	0.8%	31,382	-6.4%
Hancai Expressway	682,040	-8.3%	51,017	-14.0%
Han'e Expressway	706,512	58.1%	51,712	39.9%
Daguangnan Expressway	1,103,623	-11.9%	23,668	-17.0%
ASSOCIATES AND JOINT VENTURE				
Han-Xiao Expressway	603,858	-6.9%	32,397	-0.5%
GWSR Expressway	1,394,594	2.1%	96,113	3.7%
Humen Bridge	2,576,804	-8.8%	96,471	-6.9%
Northern Ring Road ⁽⁴⁾	1,931,720	N/A	359,708	N/A
Shantou Bay Bridge	280,864	-3.7%	17,882	-3.6%
Qinglian Expressway	1,728,773	-7.2%	49,314	-4.9%
	Average daily ticket business revenue		Average daily passenger volume	
	2024 (RMB/day)	Y-O-Y Change %	2024 (People/day)	Y-O-Y Change %
ASSOCIATE				
Pazhou Port ⁽⁵⁾	140,446	N/A	423	N/A

Notes:

- (1) Average daily toll revenue does not include value-added tax.
- (2) The Group completed the disposal of 60% of the equity interest in Jinxiong Expressway on 18 December 2024. The figures of average daily toll revenue and the average daily toll traffic volume were for the periods from 1 January to 18 December for the year 2024 and from 1 January to 31 December for the year 2023 respectively. Thus, the year-on-year change is not applicable.

- (3) The Group completed the acquisition of 55% of the equity interest in Pinglin Expressway on 26 November 2024. The figures of average daily toll revenue and the average daily toll traffic volume for the years 2023 and 2024 were both for the period from 1 January to 31 December. The figures for the same period in 2023 and the period prior to 27 November 2024 were recorded prior to the Group's acquisition. These figures were external in nature and not attributable to the Group, therefore were provided for information purposes only.
- (4) The toll collection right of Northern Ring Road expired at 24:00 on 22 March 2024. The figures of average daily toll revenue and the average daily toll traffic volume were for the periods from 1 January to 22 March for the year 2024 and from 1 January to 31 December for the year 2023 respectively. Thus, the year-on-year change is not applicable.
- (5) The trial operation of Pazhou Port commenced on 14 April 2023, and formal operation commenced on 4 May 2023. The figures of average daily ticket business revenue and average daily passenger volume were for the periods from 1 January to 31 December for the year 2024 and from 14 April to 31 December for the year 2023. Thus, the year-on-year change is not applicable.

TOLL ROADS AND BRIDGES

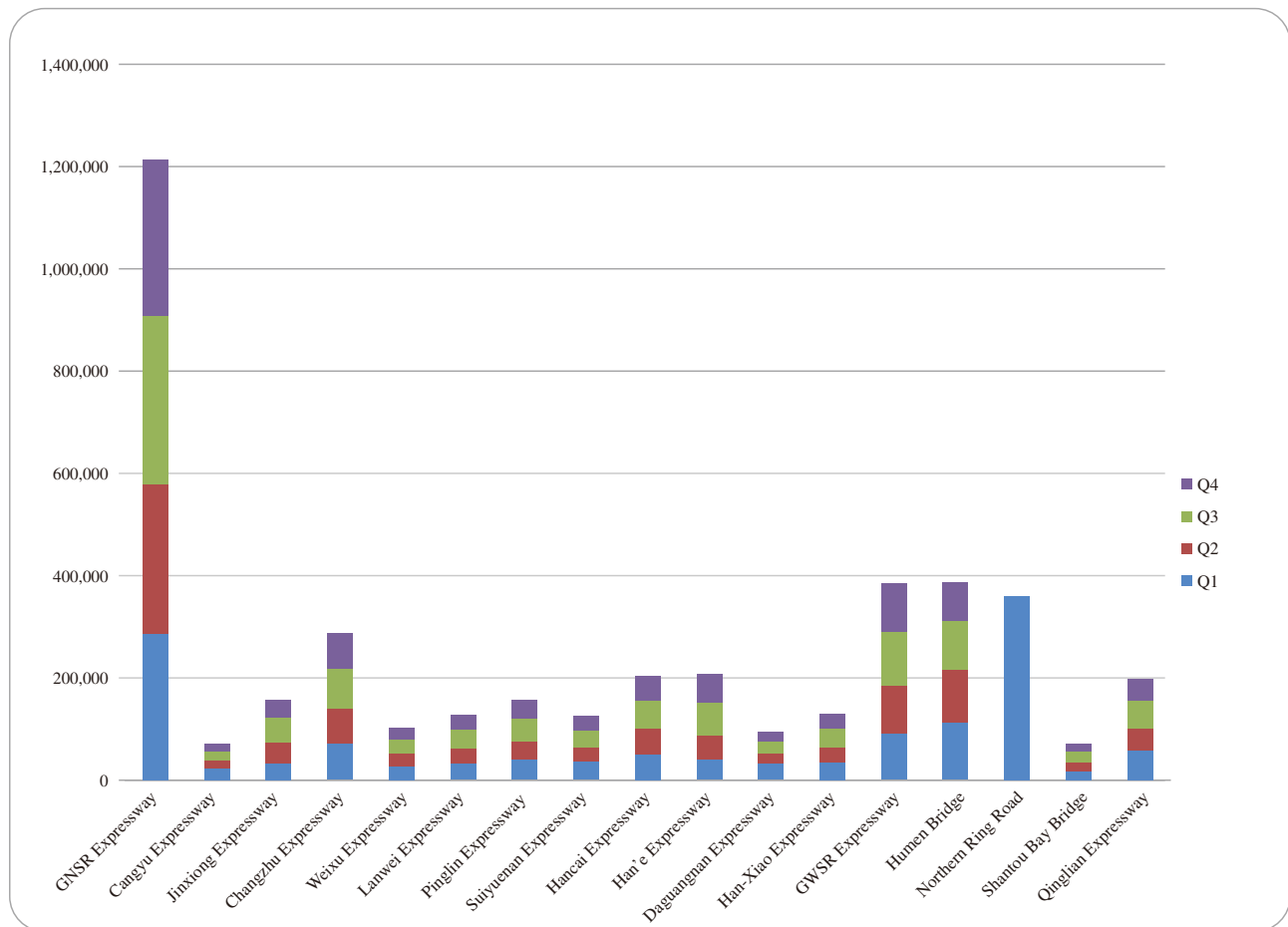
Quarterly analysis of average daily toll traffic volume for 2024

	Average daily toll traffic volume of the first quarter in 2024 (Vehicle/day)	Average daily toll traffic volume of the second quarter in 2024 (Vehicle/day)	Average daily toll traffic volume of the third quarter in 2024 (Vehicle/day)	Average daily toll traffic volume of the fourth quarter in 2024 (Vehicle/day)
SUBSIDIARIES				
GNSR Expressway	286,046	291,510	330,205	305,927
Cangyu Expressway	22,005	15,661	18,494	14,757
Jinxiong Expressway ⁽¹⁾	32,650	40,089	48,498	35,825
Changzhu Expressway	69,715	68,440	78,475	70,389
Weixu Expressway	26,553	24,007	28,257	22,981
Lanwei Expressway	31,134	30,787	35,262	30,161
Pinglin Expressway ⁽²⁾	37,495	38,110	44,726	36,903
Suiyuanan Expressway	34,196	28,583	34,542	28,206
Hancai Expressway	48,902	50,778	55,563	48,797
Han'e Expressway	38,120	49,371	63,714	55,472
Daguangan Expressway	30,025	22,139	23,196	19,363
ASSOCIATES AND JOINT VENTURE				
Han-Xiao Expressway	33,390	30,942	35,341	29,908
GWSR Expressway	88,998	94,433	106,218	94,707
Humen Bridge	110,516	103,928	96,542	75,132
Northern Ring Road ⁽³⁾	359,708	N/A	N/A	N/A
Shantou Bay Bridge	17,220	16,836	20,525	16,929
Qinglian Expressway	56,942	42,967	55,803	41,558

Notes:

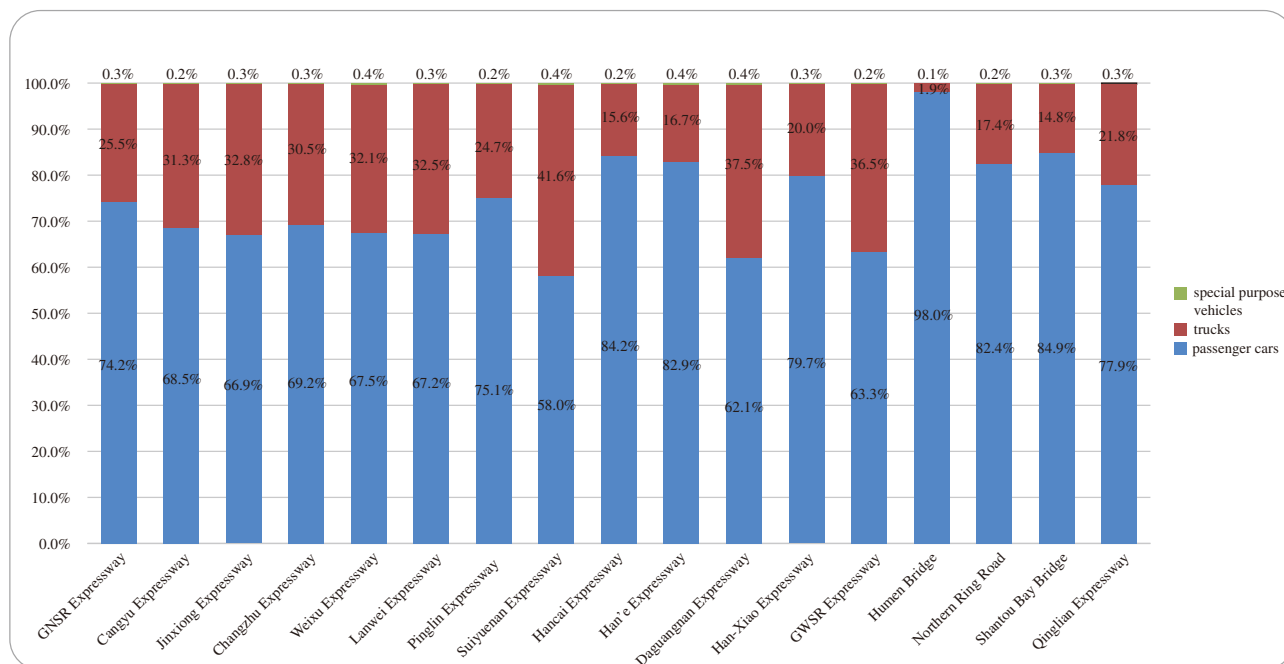
- (1) The Group completed the disposal of 60% of the equity interest in Jinxiang Expressway on 18 December 2024. The figures of average daily toll traffic volume for the fourth quarter of 2024 were for the period from 1 October to 18 December.
- (2) The Group completed the acquisition of 55% of the equity interest in Pinglin Expressway on 26 November 2024. The figures of average daily toll traffic volume for the year 2024 were for the period from 1 January to 31 December. The figures for the period prior to 27 November 2024 were recorded prior to the Group's acquisition. These figures were external in nature and not attributable to the Group, therefore were provided for information purposes only.
- (3) The toll collection right of Northern Ring Road expired at 24:00 on 22 March 2024. The figures of average daily toll traffic volume for the first quarter of 2024 were for the period from 1 January to 22 March.

Unit: Vehicle/day



Vehicle Type Analysis (by Traffic Volume)

During the Reporting Year, the Group’s operating projects were primarily located in the following six provinces/municipality/autonomous region: Guangdong, Guangxi, Hunan, Hubei, Henan and Tianjin. In accordance with the industry standard of “Vehicle Classification of the Toll Highway” implemented on 1 January 2020, in the regions where the Group’s investment and operating projects are located, all vehicles are classified into the following three categories in a standardised manner: passenger cars, trucks, and special purpose vehicles.



Note:

- (1) Special purpose vehicles refer to cars that have special equipment or apparatus installed, and used in engineering special projects, health care and other operations.
- (2) The Group completed the acquisition of 55% of the equity interest in Pinglin Expressway on 26 November 2024. The figures of vehicle type analysis (by traffic volume) for the year 2024 were for the period from 1 January to 31 December when it comes to Pinglin Expressway. The figures for the period prior to 27 November 2024 were recorded prior to the Group’s acquisition. These figures were external in nature and not attributable to the Group, therefore were provided for information purposes only.

SUMMARY OF OPERATING PERFORMANCE

Macro-economic Environment

Amidst a complex and challenging environment characterised by intensifying external pressures and mounting domestic difficulties, the PRC stayed true to the general principle of pursuing progress while ensuring stability. By fully, accurately and comprehensively implementing the new development philosophy, accelerating the establishment of a new development pattern, and vigorously advancing high-quality growth, China's national economy has sustained generally stable operations with measured progress. According to the information released by the National Bureau of Statistics, the gross domestic product (GDP) for 2024 amounted to RMB134,908.4 billion, representing a year-on-year increase of 5.0%; and by quarter, the GDP for the first quarter, the second quarter, the third quarter and the fourth quarter recorded a year-on-year increase of 5.3%, 4.7%, 4.6% and 5.4%, respectively.

According to the Ministry of Public Security, domestic car ownership maintained a steady growth momentum; as of 31 December 2024, domestic car ownership reached 353 million vehicles, representing a year-on-year increase of 5.1%; and new energy vehicle ownership reached 31.4 million, representing a year-on-year increase of 53.8% and reaching 8.9% of total number of vehicles.

During the Reporting Year, the projects invested and operated by the Group are distributed throughout Guangdong, Tianjin, Guangxi, Hunan, Hubei and Henan. According to the National Bureau of Statistics and bureaus of statistics of provinces, municipalities or autonomous region, the GDP of these regions for 2024 increased by 3.5%, 5.1%, 4.2%, 4.8%, 5.8% and 5.1% year-on-year, respectively.

(Unit: RMB100 million)

	National	Guangdong Province	Tianjin Municipality	Guangxi Autonomous Region	Hunan Province	Hubei Province	Henan Province
GDP for the year of 2024	1,349,084	141,634	18,024	28,649	53,231	60,013	63,590
GDP changes for the year of 2024	5.0%	3.5%	5.1%	4.2%	4.8%	5.8%	5.1%
GDP changes for the year of 2023	5.2%	4.8%	4.3%	4.1%	4.6%	6.0%	4.1%

Source: National Bureau of Statistics and bureaus of statistics of provinces, municipalities or autonomous region

Regulatory Environment of the Sector

On 28 March 2024, the Administrative Measures for Infrastructure and Public Utilities Concession (《基礎設施和公用事業特許經營管理辦法》) (the “Measures”) were promulgated by six ministries and commissions including the National Development and Reform Commission. The Measures which are applicable to transportation and other infrastructures in the PRC were implemented on 1 May 2024. According to relevant provisions of the Measures, among others, the maximum term of the concession granted by the government to concessionaires for investments in new construction or reconstruction and expansion and operation of infrastructures shall be adjusted from the original “not exceeding 30 years” to “in principle not exceeding 40 years”, and for franchise projects with large investment and long return period, the term can be appropriately extended based on actual circumstances.

On 9 December 2024, the Political Bureau of the Central Committee of the Communist Party of China convened a meeting to study the current economic situation. The meeting held that since the beginning of the year, China’s overall economic recovery and growth has been stable. The meeting stressed that China must adhere to the general principle of seeking progress while maintaining stability, implement the new development concept in a complete, accurate and comprehensive manner, accelerate the construction of a new development pattern, and solidly promote high-quality development. In March 2025, the Chinese government stated in its work report that the target for gross domestic product growth in 2025 would be around 5%.

Local governments across the PRC continued to promote the implementation of different highway tolls, adhering to government guidance and encouraging independent participation by operators, with the aims of improving road network efficiency, reducing logistics costs, and effectively protecting the legitimate rights of highway investors. Up to now, relevant policies have had no significant impact on the toll revenue of the Group’s projects.

Business Improvements and Innovations

During the Reporting Year, the Group focused on “improving efficiency, effectiveness and cost reduction”, proactively implemented refined management, established related working systems, and steadily enhanced the operation and management quality of the Company. The Group achieved significant improvement in maintenance and finance cost control, operational efficiency and increasing revenue of certain subsidiaries.

During the Reporting Year, the Group proactively expanded revenue sources. For toll revenue, the Group firstly continued to implement measures, including “navigating and introducing traffic, linking scenic spots, improving road signage, ensuring smooth traffic flow, promoting brands and new media promotions” to attract traffic and increase toll revenue. Secondly, the Group strived to prevent toll evasion and avoidance to ensure that all tolls were collected. In particular, an intelligent inspection system dedicated to prevent toll avoidance has been deployed across the routes of all subsidiaries, and its processing efficiency was enhanced through the advanced automation of the inspection work order system. Thirdly, a travel service online platform was rolled out by the Group to all its subsidiaries, which has accumulated a total of about 310,000 registered vehicle-owner members, laying a solid foundation for further tapping into the value of customer resources. For other revenue, the Group continued to reinforce the concept of “Expressway+” and promote the use of resources such as service areas on expressways, ancillary lands and facilities along expressways and billboards to

diversify its sources of revenue. Secondly, the Group developed and utilised auxiliary assets and resources of expressways to promote the implementation of projects such as photovoltaic power generation (with an aggregate installed capacity of approximately 6.5 MW and a power generation capacity of approximately 7.3 million kWh in 2024, which reduced carbon dioxide emissions by about 7,277 tons in 2024) along expressways. Thirdly, the transformation and upgrade of service areas was completed. In particular, the “Zero-Carbon Service Area” project of Changsha East on Changzhu Expressway has become one of the first seven “Zero-Carbon Service Area” pilot projects recognised by the Ministry of Transport. Fourthly, the Group adhered to the concept of green development and transportation, realising the full coverage of charging and switching facilities in the service areas under our management. The Group effectively responded to the requirements of low-carbon development of the industry and the demand for new energy vehicles, which could also generate economic benefits.

During the Reporting Year, the Group actively embraced China’s vision of building a strong transportation network featuring “enjoyable travel for passengers and smooth transport of goods” and advocated the concept of “creating excellent values” with its action. Firstly, through continuous investments in maintenance and careful operation and management, the Group strived to make sure the technological standards of highways were in line with the industry standards, provided the public with a “green, clean, smooth, beautiful and safe” traveling environment. Secondly, the Group enhanced service quality of its tolling business and optimised the efficiency and service level of the expressways and toll stations. Thirdly, it continued to maintain, adjust and optimise key toll collection facilities and equipment, to ensure stable ongoing operation. As a result, the annual average ETC calculation success rate and car plate automatic identification rate throughout the year were 99.43% and 98.02% respectively, which were better than the industry averages. Fourthly, the Group continued to enhance its foundational safety capabilities and improve the safety management standards and build a safety management system with the characteristics of the transportation industry. All subsidiaries have obtained certificates of Work Safety Standardisation Grade 2 or above.

During the Reporting Year, the Group continued to advance its application of innovative technology. In particular, (i) the Group implemented preventive maintenance measures by promoting new technology, materials, processes, equipment and applications to improve the quality of work effectively and save maintenance costs, (ii) the Group effectively improved the level of safety control, intelligent operation and maintenance and intelligent management of the road sections under the Group’s management, (iii) the Group continued to carry out digital transformation of business model and increased its investment in building an integrated smart traffic system platform that deploys big data technology with technical features such as “all-round monitoring, accurate detection and rapid early warning”, in order to improve the digitalization level of operation and maintenance management and promote the long-term development of enterprises with advanced technologies, (iv) the Group further promoted the intelligent toll collection technology, and deployed intelligent toll collection equipment with proprietary intellectual property rights on the road sections of all its subsidiaries to effectively enhance the efficiency of vehicular traffic.

During the Reporting Year, the Group newly obtained 5 invention patents, 13 utility patents and 16 software copyrights. GNSR Company remained the sole enterprise in the industry to be simultaneously certified as a “High-tech Enterprise”, an “Innovative Enterprise” and a “Specialised and Sophisticated Enterprise with Unique and Innovative Technologies” since 2023.

During the Reporting Year, the Group is committed to improving its management and control and level of talent development. It continued to optimise organisational management mechanisms and further enhanced management efficiency. It also expanded the vision of talents and improved their compound management capacities through solid implementation of measures on talent cultivation and development. By optimising and improving its incentive scheme, the Group guides and inspires its cadres and staff to assume responsibilities and make new achievements. Meanwhile, it disseminates the “Way of Faith” corporate culture of Yue Xiu, concentrating on promoting the operation and development of the Company.

Progress of Investment

During the Reporting Year, the Group continued to grasp the strategic opportunity period for expressway investment and mergers and acquisitions. Gaining its foothold in Guangdong-Hong Kong-Macau Greater Bay Area and Central and Eastern China, expanding its presence in other developing areas benefiting from continued urbanisation and industrialisation going forward, making full use of the incubation platform model and exploring opportunities of investing in reconstruction and expansion of quality assets, the Group insisted on strengthening and expanding its infrastructure business mainly based on toll roads.

In the Reporting Year, the Group entered into an agreement with Guangzhou Yue Xiu Holdings Limited, the ultimate controlling shareholder of the Company, for the purpose of acquiring the 55% equity interest held in Henan Yuexiu Pinglin Expressway Company Limited at a consideration of RMB758.45 million. The transaction was approved by the independent shareholders at the special general meeting convened on 22 November 2024, and the completion was materialised on 26 November 2024. Henan Yuexiu Pinglin Expressway Company Limited owns the toll collection right over the Henan Pinglin Expressway. Henan Pinglin Expressway is located in the core development region of Zhongyuan (中原) city cluster and is an important component of the G36 Nanjing-Luoyang Expressway (寧洛高速公路G36), one of the 18 east-west trunk lines in the national “71118” expressway network. The acquisition represents another practical case of interaction between the incubation platform and the listed platform, aligns with the Group’s regional expansion strategy, and promotes further business development in Central China, thus sharing the benefits of economic development.

Jinxiong Expressway under the management of the Group reported a limited remaining toll collection period in the Reporting Year. Considering that the extension is subject to regulatory approval and would incur extra capital expenditure, the Group seized the opportunity to withdraw from Jinxiong Expressway through transferring the 60% equity interest held in Tianjin Jinfu Expressway Co., Ltd. to Tianjin Expressway Group Co., Ltd. at the consideration of RMB190.8 million by way of public tender on 18 December 2024. Upon completion of the disposal, the Group ceased to have any interest in Tianjin Jinfu Expressway Co., Ltd.

GNSR Expressway R&E Project

The GNSR Expressway R&E Project is a strategic construction project of the Group with the largest investment and that is the most difficult in recent years, which will help strengthen the Group’s most important revenue generating asset, enhance premium assets in the Greater Bay Area, and ensure sustainable development. Following the approval of the Land Expropriation Works Agreements for Huangpu District and Baiyun District in connection with the GNSR Expressway R&E Project at the special general meeting on 10 January 2023, GNSR Company

has completed the signing of the Land Expropriation Works Agreements for Huangpu District and Baiyun District. During the process of the project, the Guangzhou Transportation Work Leading Group Office formally formed a special team for the construction of the GNSR Expressway R&E Project headed by the deputy mayor, and successfully established a normalised coordination mechanism at the municipal level to provide strong support for the smooth progress of the project. With the support of the government and the unremitting efforts of the Group, on 3 November 2023, GNSR Company entered into construction works agreements with relevant contractors for the main works sections. On 24 November 2023, relevant construction works agreements entered into for the main works sections under the GNSR Expressway R&E Project were approved at the special general meeting of the Company. On 29 April 2024, the land for the GNSR Expressway R&E Project has obtained the approval from the Ministry of Natural Resources of the PRC. On 20 June 2024, the construction permit has been granted by the Department of Transport of Guangdong Province, and the project commenced in full swing. As of the end of 2024, the land expropriation and engineering construction and installation both went well under way. The next step for the Group will be to fully advance the remaining land expropriation, relocation and on-site construction. For more details of the entering into of the Land Expropriation Works Agreements for Huangpu District and Baiyun District and construction works agreements for the main works sections of the GNSR Expressway R&E Project, please refer to the announcements of the Company dated 17 October 2022, 28 November 2022, 10 January 2023, 28 February 2023, 20 March 2023, 17 October 2023, 3 November 2023 and 24 November 2023 and the circulars of the Company dated 22 December 2022 and 8 November 2023, respectively.

POSSIBLE RISK EXPOSURE

During the Reporting Year, the Group further improved the comprehensive risk management system. As in previous years, the risks exposure of the Group were mainly market risk and operational risk, including changes in road network planning and impact of natural disasters, etc. The Group will closely monitor the following risks and adopt effective counter measures proactively in the future.

(I) Risk of Competition from Parallel Expressways

Risk analysis:

In 2024, the commencement of operation of the road networks (such as Congpu Expressway, Wuyang Expressway and Shenzhen-Zhongshan Link) related to the Group's subsidiary and associated expressways (GNSR Expressway, Daguangnan Expressway and Humen Bridge) impacted the traffic flow of the relevant projects, and in turn affected the Group's toll revenue.

Counter measures:

Step up efforts in marketing and promotion as well as traffic volume attraction to promote the return of vehicles and mitigate the diversion effects of parallel road sections or alternative routes. Further promote the membership points platform and travel services platform, and drive the platform layout to cover the expressway derivative business ecosystem, thereby empowering the membership points system to facilitate user value conversion.

(II) *Impact of Natural Disasters*

In 2024, a total of 33 cold air weather occurred across the country, of which four reached the level of cold snap. In February, two rounds of cold, rainy, snowy and freezing weather processes occurred in most parts of the central and eastern China, with the impact range and intensity being the strongest since 2009. The weather processes were characterised by long duration, wide impact range, heavy rain and snow intensity and complex precipitation types, which, overlapping with the Spring Festival travel rush, caused serious impacts on highway smooth traffic, power supply, people's travel and production and living. In February, the freezing weather caused the Group's revenues from Weixu Expressway, Lanwei Expressway, Suiyuanan Expressway, Hancui Expressway, Han'e Expressway, Han-Xiao Expressway and Changzhu Expressway to be affected to a greater extent. In 2024, the national average precipitation was 697.7 millimeters, 9% more than that of the previous years. Heavy rainfall in many places triggered flash floods, urban floods, landslides, mudslides and other secondary disasters. For example, on 1 May, serious casualties were caused by a highway roadway collapse occurred on the Meida Expressway in Guangdong Province, heading from Dabu towards Fujian, due to the impact of continuous heavy rainfall. In the face of the increasing impact of natural disasters, the Group will improve its mechanism and adopt new technological means to be well prepared. Details are as follows:

Possible Risk Exposure Caused by Natural Disasters

1. Heavy rain and fluvial flooding faced:

- (1) May cause natural disasters such as landslides, slope collapse and debris flows, cause damage to infrastructure, for example, flooding may destroy pavement and damage bridge support structures. Carrying out repair projects may increase the Company's operation and maintenance costs.
- (2) May lead to deterioration of road conditions, traffic and power outages, resulting in road congestion or closure, requiring additional time and resources to restore normal operations, including cleanup, repairs, safety inspections, etc., affecting traffic flow and resulting in a decline in toll revenue.

Counter measures:

- (1) Strengthen the treatment of slopes in mountainous areas along the way, such as afforestation, establishment of protective nets, slope protection reinforcement, etc., to prevent and reduce landslides, debris flows and other geological disasters. Conduct bridge and culvert assessment regularly as required, and implement maintenance and repair work to ensure that the bridge structures are in good technical condition.

- (2) Implement a regular inspection system to enhance the monitoring and patrol frequency of roads withstanding concentrated rainfall and saturated subgrades, and key flood control parts such as roadside slopes, culverts and tunnels, and sections with steep downhill, sharp bends and abrupt slopes and those adjacent to water or cliffs during the flood season each year, carry out hidden hazard investigation and remediation, and implement inspection, monitoring and maintenance of road drainage systems and bridge decks and piers, so as to mitigate the safety risks brought about by road water-logging and scouring around underwater foundations of bridges.
- (3) Pay close attention to meteorological conditions, obtain early warning of extreme precipitation, and keep up with temporary traffic control and other measures to reduce the impact of traffic disruption. Conduct risk assessments in advance for emergencies that may be caused by extreme weather such as heavy rain, floods and strong winds, which could lead to damage or even collapse of bridge structures, and issue early warnings to drivers and passengers in a timely manner.
- (4) Adopt scientific and technological innovative methods to install a life-cycle safety monitoring system for slopes along certain expressways. Based on Beidou satellite positioning monitoring, UAV tilt photography technology and electronic sensor monitoring, image recognition and data analysis, the real-time monitoring of slope displacement is achieved, and the real-time transmission of monitoring data based on 4G/5G communication technology, the visualization of data based on point cloud data technology, and the long-term monitoring of high slope safety based on Internet of Things technology are achieved to realize early warning of potential hazards.
- (5) Improve emergency response capabilities, conduct drills for mechanisms including rescue procedures, safe evacuation routes and emergency contact, to ensure that responses can be swift and effective in emergencies and that they are dealt with promptly.

2. Sleet and snowstorm faced:

- (1) The icy roads with slippery pavement in freezing rainy and snowy weather may cause vehicles to skid and may also lower visibility to make it difficult for drivers to see the roads clearly, and thus raise the risk of accidents.
- (2) Drivers may drive slowly in severe weather conditions, which may lead to traffic jams and affect the traffic efficiency. The freezing rainy and snowy weather may lead to reduced traffic capacity, therefore generating fewer revenues for expressway operators.
- (3) The equipment of highways, including guardrails and markings, may fail to work in freezing rainy and snowy weather and require timely maintenance and repair.

Counter measures:

- (1) Develop a road safety and smooth traffic plan before each winter, closely monitor meteorological information, and issue early warning and forecasts to drivers and passengers in a timely manner for potential adverse weather conditions such as freezing snow, ice, and heavy fog. We prepare in advance to actively ensure that roads remain open and traffic flows remain smooth, and make full use of the “one road, multiple parties (一路多方)” joint operation mechanism to maintain close contact with traffic police and highway authorities, with a view to minimizing losses in toll revenue.
- (2) Intensify the identification and treatment of potential hazards in key areas such as roadbeds, pavements, bridges, spaces under bridges, traffic safety facilities and markings and signs, key sections and accident black spots.
- (3) Strengthen emergency management by improving and detailing emergency response plans, conducting emergency drills and preparing in advance for emergencies. We ensure that emergency rescue teams are ready, and that snow melting agents, snowplows and other equipment and supplies are in place to carry out 24-hour uninterrupted snow removal and deicing operations, striving to achieve the goal of “removing as it falls and opening the road once the snow stops (即下即清、雪停路通)”.

(III) Possible Risk Exposure Faced by GNSR Expressway R&E Project

1. Construction risks faced:

- (1) As the GNSR Expressway R&E Project involves a wide spectrum of works and processes at different stages including expropriation, demolition and relocation of lands, buildings and structures along the expressway, as well as design, tendering, construction and completion settlements, and the GNSR Expressway R&E Project involves sophisticated construction processes. There are a number of unforeseen factors which could affect the progress and scheduled completion time of and investment amount into the GNSR Expressway R&E Project, including but not limited to disputes arising under land expropriation arrangements, technical complications arising from the construction works, risks involving compliance with environmental protection policies and impact of public health incidents.
- (2) A number of factors may lead to delay in the land expropriation progress, such as issues arising in light of the fact that the Group may not have much experience in undertaking major expressway reconstruction and expansion projects, severe scrutiny from the government authority on the expropriation of arable land or permanent basic farmland and such other unforeseen circumstances which may be out of control of the Company and the relevant government authority.

Counter measures:

- (1) GNSR Company has engaged public institutions under supervision of the respective district governments to assist with the land expropriation works to ensure that the land expropriation works are sufficiently monitored. In addition, the Guangzhou municipal government has established a task force led by the deputy mayor to help coordinate and resolve issues encountered during the construction process of the project; GNSR Company has also conducted a number of feasibility and technical studies during the implementation phase of the GNSR Expressway R&E Project with a view to minimising any unforeseen technical construction complications.
- (2) For production safety, the Group has established relevant response mechanisms, improved its organisational structure, prepared and completed safety management measures, and formed a complete safety management system.
- (3) As for compliance with environmental protection policies, the environmental impact report for the GNSR Expressway R&E Project has been approved by the competent authority, and GNSR Company has supervised and ensured that the relevant construction units would undertake environmental protection measures based on relevant laws and regulations during the construction phase and cooperate with any supervision and guidance from the respective governmental authorities during the construction phase.

2. Operational risks faced:

During the R&E construction period, the driving environment and traffic speed may be affected due to traffic control, enclosure operations, etc., thereby resulting in an impact on the toll revenue of the original road section of the GNSR Expressway. In addition, in terms of road maintenance and construction, production safety accidents may occur due to the possible failure by related parties to fulfill their responsibility for safety production or inadequate safety production measures.

Counter measures:

With regard to ensuring smooth operation, during the preliminary design stage of the project, the Group optimised the reconstruction and expansion method of the project according to the review opinions of the Ministry of Transport to mainly adopt two-side separation or one-side separation with overall widening construction as complement. The separation of the newly built section has basically no impact on the traffic of the original road section of the GNSR Expressway, and the overall widening construction is carried out on the side of the original road section of the GNSR Expressway, which has relatively limited impact on the traffic of the original road section. During the design stage of construction drawing, the Company, based on the preliminary design, kept improving traffic organisation plans by way of conducting special research on traffic organisation and engaging experts to carry out repeated internal review and optimization; at the preparation stage of construction, the Company has established an integrated coordination

mechanism for operation and expansion work to ensure the coordination of operation and construction; during the process of subsequent construction, the Company will continue to carry out dynamic adjustment and optimisation according to the on-site traffic organisation to minimise the impact of construction on the operation of original road.

3. Investment risks faced:

The total investment amount estimated by the Company may be subject to change due to the changes in external environment, such as interest rate changes, changes in project construction costs, increases in land expropriation and demolition costs, fluctuating raw materials and equipment prices and modifications of the construction plans as the project progresses.

Counter measures:

The Group will undertake risk mitigation measures, such as accelerating the implementation of land expropriation and demolition, optimising the project plan to reduce project costs, properly handling budget control, close-monitoring of on-site management of construction sites, and reasonable lowering of financing costs.

4. Integrity risks faced:

During the construction process of the project, there may be integrity risks at key links such as tendering, land expropriation, construction management, settlement, etc.

Counter measures:

Strictly strengthen integrity supervision and management and integrity education through various means such as launching whole-process tracking audit and consultation, external special audits, and disciplinary supervision, so as to prevent corruption.

Expressways, Bridges and Port

During the Reporting Year, some expressway and bridge projects under the Group recorded a year-on-year decrease in average daily toll traffic volume and average daily toll revenue, mainly due to: ① the impact of the widespread rain, snow, cold and freezing weather in China's central and eastern regions (such as Hubei Province, Henan Province and Hunan Province) around the Chinese New Year; ② the fact that there were 3 more days of toll-free holidays for passenger vehicles with 7 seats or less (including 7 seats) in 2024 compared to last year (hereinafter referred to as the "Increase in Toll-free holidays"); and ③ the traffic diversion some of the projects encountered.

Subsidiaries

GNSR Expressway

During the Reporting Year, the average daily toll revenue was RMB2,841,000, representing a year-on-year decrease of 6.2% from 2023. The average daily toll traffic volume was 303,502 vehicles, representing a year-on-year increase of 1.8% from 2023.

The year-on-year increase of average daily toll traffic volume and the year-on-year decrease of the average daily toll revenue were mainly due to the opening of the adjacent section of the project, namely Congpu Expressway, from 28 October 2023 onwards, which has a major impact on this road section in terms of shortening of some of the travel routes.

Cangyu Expressway

During the Reporting Year, the average daily toll revenue was RMB268,000, representing a year-on-year decrease of 3.1% from 2023. The average daily toll traffic volume was 17,723 vehicles, representing a year-on-year decrease of 5.1% from 2023.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the impact of the Increase in Toll-free holidays and the rainy weather in the second quarter.

Jinxiong Expressway

The Group completed the disposal of 60% of the equity interest in Jinxiong Expressway on 18 December 2024.

During the Reporting Year, the average daily toll revenue was RMB232,000 and the average daily toll traffic volume was 39,409 vehicles.

Changzhu Expressway

During the Reporting Year, the average daily toll revenue was RMB709,000, representing a year-on-year increase of 0.7% from 2023. The average daily toll traffic volume was 71,769 vehicles, representing a year-on-year decrease of 0.5% from 2023.

The slight year-on-year decrease of average daily toll traffic volume was mainly due to the impact of the widespread rain, snow, cold and freezing weather around the Chinese New Year, the Increase in Toll-free holidays and the decrease of the traffic volume of passenger cars. The slight year-on-year increase of the average daily toll revenue was mainly due to the increase of the traffic volume of trucks, which contributed higher toll charges than passenger cars.

Weixu Expressway

During the Reporting Year, the average daily toll revenue was RMB929,000, representing a year-on-year decrease of 10.1% from 2023. The average daily toll traffic volume was 25,451 vehicles, representing a year-on-year decrease of 4.0% from 2023.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the impact of the widespread rain, snow, cold and freezing weather around the Chinese New Year, the Increase in Toll-free holidays and the decrease in traffic volume of trucks.

Lanwei Expressway

During the Reporting Year, the average daily toll revenue was RMB768,000, representing a year-on-year decrease of 9.2% from 2023. The average daily toll traffic volume was 31,841 vehicles, representing a year-on-year decrease of 4.1% from 2023.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the impact of the widespread rain, snow, cold and freezing weather around the Chinese New Year, the Increase in Toll-free holidays and the decrease in traffic volume of trucks.

Pinglin Expressway

The Group completed the acquisition of 55% of the equity interest in Pinglin Expressway on 26 November 2024. The figures of average daily toll revenue and the average daily toll traffic volume for the years 2023 and 2024 were both for the period from 1 January to 31 December. The figures for the same period in 2023 and the period prior to 27 November 2024 were recorded prior to the Group's acquisition. These figures were external in nature and not attributable to the Group, therefore were provided for information purposes only.

During the Reporting Year, the average daily toll revenue was RMB1,464,000, representing a year-on-year decrease of 5.6% from 2023. The average daily toll traffic volume was 39,317 vehicles, representing a year-on-year increase of 0.6% from 2023.

The year-on-year increase of the average daily toll traffic volume and the year-on-year decrease of the average daily toll revenue were mainly due to the increase in traffic volume of short-distance vehicles and the decrease in traffic volume of long-distance vehicles.

Suiyuenan Expressway

During the Reporting Year, the average daily toll revenue was RMB1,975,000, representing a year-on-year increase of 0.8% from 2023. The average daily toll traffic volume was 31,382 vehicles, representing a year-on-year decrease of 6.4% from 2023.

The year-on-year decrease of the average daily toll traffic volume was mainly due to the impact of the widespread rain, snow, cold and freezing weather around the Chinese New Year, the Increase in Toll-free holidays and the decrease of the traffic volume of passenger cars. The slight year-on-year increase of the average daily toll revenue was mainly due to the increase of the traffic volume of trucks, which contributed higher toll charges than passenger cars.

Hancai Expressway

During the Reporting Year, the average daily toll revenue was RMB682,000, representing a year-on-year decrease of 8.3% from 2023. The average daily toll traffic volume was 51,017 vehicles, representing a year-on-year decrease of 14.0% from 2023.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the impact of the widespread rain, snow, cold and freezing weather around the Chinese New Year and the Increase in Toll-free holidays and the relatively high base number resulted from the favourable impact of Changfeng Bridge's closure for construction last year.

Han'e Expressway

During the Reporting Year, the average daily toll revenue was RMB707,000, representing a year-on-year increase of 58.1% from 2023. The average daily toll traffic volume was 51,712 vehicles, representing a year-on-year increase of 39.9% from 2023.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the closure of the competitive section of this project, the Wuhuang Expressway, for construction starting from 10 May 2024, which resulted in some vehicles being detoured to this road section. The year-on-year increase of the average daily toll revenue was higher than that of the average daily toll traffic volume, which was mainly due to the fact that vehicles being detoured from the competitive section of this project, the Wuhuang Expressway, to Han'e Expressway were mainly trucks, which contributed higher toll charges than passenger cars.

Daguangnan Expressway

During the Reporting Year, the average daily toll revenue was RMB1,104,000, representing a year-on-year decrease of 11.9% from 2023. The average daily toll traffic volume was 23,668 vehicles, representing a year-on-year decrease of 17.0% from 2023.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the diversion impact of the commencement of operation of Wuyang Expressway, the competitive section of this project, on 20 October 2023; the far-end diversion impact on this road section as a result of the closure of Wuhuang Expressway which connects to this project for construction starting from 10 May 2024; and the Increase in Toll-free holidays.

Associates and Joint Venture

Han-Xiao Expressway

During the Reporting Year, the average daily toll revenue was RMB604,000, representing a year-on-year decrease of 6.9% from 2023. The average daily toll traffic volume was 32,397 vehicles, representing a year-on-year decrease of 0.5% from 2023.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the impact of the widespread rain, snow, cold and freezing weather around the Chinese New Year, the Increase in Toll-free holidays, and the decrease in traffic volume of trucks ever diverted to the Han-Xiao Expressway with the intensified influence brought about by the reconstruction, maintenance and expansion of the north section of Beijing-Hong Kong-Macao Expressway, which is adjacent to the Han-Xiao Expressway, since July 2024, while trucks contributed higher toll charges than passenger cars.

GWSR Expressway

During the Reporting Year, the average daily toll revenue was RMB1,395,000, representing a year-on-year increase of 2.1% from 2023. The average daily toll traffic volume was 96,113 vehicles, representing a year-on-year increase of 3.7% from 2023.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the continuing recovery and growth of passenger volume.

Humen Bridge

During the Reporting Year, the average daily toll revenue was RMB2,577,000, representing a year-on-year decrease of 8.8% from 2023. The average daily toll traffic volume was 96,471 vehicles, representing a year-on-year decrease of 6.9% from 2023.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to Shenzhen-Zhongshan Link (which competes with the project) opening to traffic on 30 June 2024, causing in a diversion impact on the Humen Bridge.

Northern Ring Road

The toll collection right of Northern Ring Road expired at 24:00 on 22 March 2024.

During the Reporting Year, the average daily toll revenue was RMB1,932,000, and the average daily toll traffic volume was 359,708 vehicles.

Shantou Bay Bridge

During the Reporting Year, the average daily toll revenue was RMB281,000, representing a year-on-year decrease of 3.7% from 2023. The average daily toll traffic volume was 17,882 vehicles, representing a year-on-year decrease of 3.6% from 2023.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the Increase in Toll-free holidays.

Qinglian Expressway

During the Reporting Year, the average daily toll revenue was RMB1,729,000, representing a year-on-year decrease of 7.2% from 2023. The average daily toll traffic volume was 49,314 vehicles, representing a year-on-year decrease of 4.9% from 2023.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the impact of the Increase in Toll-free holidays and the closure of half of Qinglian Expressway for construction since 5 November 2024, leading to the decrease in toll traffic volume.

Pazhou Port Project

The trial operation of Pazhou Port commenced on 14 April 2023, and the formal operation commenced on 4 May 2023. 10.5 ferry services were operated daily at Pazhou Port on average during 2024.

During the Reporting Year, the average daily ticket business revenue was RMB140,000, and the average daily passenger volume was 423 person-time.

FINANCIAL REVIEW

Key operating results figures

	Reporting Year	2023	Change
	RMB'000	RMB'000	%
Revenue	3,867,119	3,966,726	-2.5
Gross profit	1,842,882	2,147,343	-14.2
Operating profit	1,641,738	1,804,404	-9.0
Earnings before interests, tax, depreciation and amortisation (“EBITDA”) ⁽¹⁾	3,262,980	3,519,724	-7.3
Finance costs	(481,226)	(562,395)	-14.4
Share of result of a joint venture, net of tax	72,302	75,708	-4.5
Share of results of associates, net of tax	35,009	200,998	-82.6
Profit attributable to shareholders of the Company	656,781	765,309	-14.2
Basic earnings per share	RMB0.3925	RMB0.4574	-14.2
Diluted earnings per share	RMB0.3925	RMB0.4574	-14.2
Dividend	384,271	457,447	-16.0

⁽¹⁾ EBITDA includes share of results of associates and a joint venture, net of tax, and excludes non-cash gains and losses.

I. Overview of Operating Results

In the Reporting Year and as compared with the previous reporting year, the Group's revenue decreased by 2.5 percent to RMB3.87 billion; operating profit decreased by 9.0 percent to RMB1.64 billion; and profit attributable to shareholders of the Company decreased by 14.2 percent to RMB657 million.

The decrease in the Group's revenue during the Reporting Year primarily because of severe weather conditions, including widespread rain, snow, cold and freezing temperatures, that impacted China's central and eastern regions (such as Hubei Province, Henan Province and Hunan Province) around the Chinese New Year. Additionally, the revenue decline was mainly due to the Increase in Toll-free holidays during the Reporting Year and the traffic diversion some of the projects encountered.

In the Reporting Year, the revenue decreased by 2.5% and the profit attributable to shareholders of the Company decreased by 14.2% as compared with 2023. Apart from the reason of the decrease in revenue, the decrease in profit attributable to shareholders of the Company was mainly attributable to the decrease in share of results of associates, net of tax by 82.6% or RMB166 million during the Reporting Year as a result of the expiry of toll collection right on the Northern Ring Road, project of an associate, on 22 March 2024, and the expense incurred and provision for estimated expense before its return to the government.

The Board has recommended the payment of final dividend for 2024 of HK\$0.13 which is equivalent to approximately RMB0.12 (2023: HK\$0.15 which was equivalent to approximately RMB0.1362) per share. Together with the interim dividend of HK\$0.12 which is equivalent to approximately RMB0.1097 (2023: HK\$0.15 which was equivalent to approximately RMB0.1372) per share, the total dividend for the year ended 31 December 2024 amounts to HK\$0.25 which is equivalent to approximately RMB0.2297 (2023: HK\$0.30 which was equivalent to approximately RMB0.2734), representing a dividend payout ratio of 58.5 percent (2023: 59.8 percent).

II. Analysis of Operating Results

Revenue

The Group recorded total revenue of RMB3.87 billion in the Reporting Year, which comprised total toll revenue of RMB3.79 billion and other revenue related to normal toll roads operation of RMB80.89 million.

Toll revenue

The Group recorded total toll revenue of RMB3.79 billion in the Reporting Year, representing a decrease of 1.4 percent from RMB3.84 billion as compared with 2023. The decrease was mainly because of severe weather conditions that impacted China's central and eastern regions around the Chinese New Year, the Increase in Toll-free holidays and the traffic diversion some of the projects encountered. Further details on the toll revenue of each expressway and bridge are set out in the "Business Review – Expressways, Bridges and Port" section of this announcement.

Analysis of toll revenue by each controlled project

Controlled Projects	Reporting	Percentage	2023	Percentage	Change
	Year	of total		of total	
	RMB'000	toll revenue	RMB'000	toll revenue	%
		%		%	%
GNSR Expressway	1,039,813	27.5	1,105,475	28.8	-5.9
Suiyuan Expressway	722,699	19.0	715,064	18.6	1.1
Daguangnan Expressway	403,926	10.7	457,172	11.9	-11.6
Weixu Expressway	339,990	9.0	377,060	9.8	-9.8
Lanwei Expressway	281,003	7.4	308,629	8.0	-9.0
Changzhu Expressway	259,318	6.8	256,880	6.7	0.9
Han'e Expressway	258,584	6.8	163,102	4.3	58.5
Hancai Expressway	249,627	6.6	271,598	7.1	-8.1
Cangyu Expressway	98,187	2.6	101,047	2.6	-2.8
Jinxiong Expressway	81,790 ⁽¹⁾	2.2	85,292	2.2	N/A
Pinglin Expressway	51,297 ⁽²⁾	1.4	—	—	N/A
Total toll revenue	3,786,234	100.0	3,841,319	100.0	-1.4

⁽¹⁾ The Group completed the disposal of 60% of the equity interest in Jinxiong Expressway in December 2024. This figure represented the toll revenue accounted for the period from 1 January 2024 to 18 December 2024.

⁽²⁾ The Group completed the acquisition of 55% of the equity interest in Pinglin Expressway in November 2024. This figure represented the toll revenue accounted for the period from 27 November 2024 to 31 December 2024.

Other revenue

In the Reporting Year, the Group recorded other revenue related to normal toll roads operation of RMB80.89 million (2023: RMB125 million), mainly comprising income from service area and gas station of RMB38.17 million (2023: RMB35.46 million) and entrusted road management service income of RMB34.93 million (2023: RMB35.91 million). In the Reporting Year, the decrease in other revenue was mainly due to the reclassification of construction service income from “Revenue” to “Construction income from construction and upgrade services” during the Reporting Year in order to provide better presentation.

Cost of services

In the Reporting Year, the Group’s total cost of services amounted to RMB2.02 billion, representing an increase of 11.3 percent from RMB1.82 billion as compared with 2023. In the Reporting Year, the total cost of services of the Group’s controlled projects amounted to RMB2.01 billion. Overall cost ratio (cost of services/revenue) was 52.3 percent in the Reporting Year, which was 6.4 percentage points higher than that of 2023. The increase was mainly due to the increase in the amortisation of intangible operating rights and the severe weather conditions which led to the increase in costs of services during the Reporting Year. In the Reporting Year, the decrease in toll highways and bridges operating expenses was mainly due to the reclassification of construction service cost from “Cost of Services” to “Construction costs from construction and upgrade services” during the Reporting Year in order to provide better presentation.

Analysis of cost of services by each controlled project

Controlled Projects	Reporting Year RMB'000	Percentage of total %	2023 RMB'000	Percentage of total %	Change %
GNSR Expressway	409,437	20.4	468,890	26.0	-12.7
Suiyuan Expressway	356,579	17.8	257,699	14.3	38.4
Daguangnan Expressway	273,115	13.6	249,709	13.9	9.4
Weixu Expressway	166,996	8.3	153,328	8.5	8.9
Lanwei Expressway	205,084	10.2	184,805	10.3	11.0
Changzhu Expressway	156,174	7.8	141,613	7.9	10.3
Han'e Expressway	120,697	6.0	85,331	4.7	41.4
Hancai Expressway	185,606	9.2	156,613	8.7	18.5
Cangyu Expressway	47,935	2.4	44,974	2.5	6.6
Jinxiong Expressway	57,833 ⁽¹⁾	2.9	57,767	3.2	N/A
Pinglin Expressway	28,650 ⁽²⁾	1.4	—	—	N/A
Total	2,008,106	100.0	1,800,729	100.0	11.5

⁽¹⁾ The Group completed the disposal of 60% of the equity interest in Jinxiong Expressway in December 2024. This figure represented cost of services accounted for the period from 1 January 2024 to 18 December 2024.

⁽²⁾ The Group completed the acquisition of 55% of the equity interest in Pinglin Expressway in November 2024. This figure represented the cost of services accounted for the period from 27 November 2024 to 31 December 2024.

Analysis of controlled projects' cost of services by nature

	Reporting Year RMB'000	Percentage of total %	2023 RMB'000	Percentage of total %	Change %
Amortisation of intangible operating rights	1,514,463	75.4	1,277,869	71.0	18.5
Staff costs	182,080	9.1	190,012	10.5	-4.2
Toll highways and bridges maintenance expenses	176,884	8.8	145,647	8.1	21.4
Toll highways and bridges operating expenses	110,619	5.5	165,036	9.2	-33.0
Taxes and surcharges	15,336	0.8	14,939	0.8	2.7
Depreciation of other fixed assets	8,724	0.4	7,226	0.4	20.7
Total	2,008,106	100.0	1,800,729	100.0	11.5

Gross Profit

Gross profit in the Reporting Year was RMB1.84 billion, representing a decrease of 14.2 percent from RMB2.15 billion in 2023. The total gross profit of the Group's controlled projects in the Reporting Year was RMB1.82 billion. Overall gross profit margin in the Reporting Year was 47.7 percent, which was 6.4 percentage points lower than that of 2023, mainly due to the increase in the amortisation of intangible operating rights and the severe weather conditions which led to the increase in cost of services.

Analysis of gross profit by each controlled project

Controlled Projects	Reporting Year		2023	
	Gross Profit RMB'000	Gross Margin⁽¹⁾	Gross Profit RMB'000	Gross Margin⁽¹⁾
GNSR Expressway	636,353	60.8%	688,652	59.5%
Suiyuanan Expressway	378,226	51.5%	469,739	64.6%
Daguangan Expressway	143,119	34.4%	218,746	46.7%
Weixu Expressway	174,254	51.1%	224,892	59.5%
Lanwei Expressway	75,922	27.0%	123,824	40.1%
Changzhu Expressway	103,988	40.0%	115,878	45.0%
Han'e Expressway	147,429	55.0%	86,468	50.3%
Hancai Expressway	67,167	26.6%	117,260	42.8%
Cangyu Expressway	50,332	51.2%	56,123	55.5%
Jinxiong Expressway	24,617⁽²⁾	29.9%	28,028	32.7%
Pinglin Expressway	22,647⁽³⁾	44.1%	—	—
Total	<u>1,824,054</u>	<u>47.6%</u>	<u>2,129,610</u>	<u>54.2%</u>

(1) Gross margin = Gross profit/revenue

(2) The Group completed the disposal of 60% of the equity interest in Jinxiong Expressway in December 2024. This figure represented the gross profit accounted for the period from 1 January 2024 to 18 December 2024.

(3) The Group completed the acquisition of 55% of the equity interest in Pinglin Expressway in November 2024. This figure represented the gross profit accounted for the period from 27 November 2024 to 31 December 2024.

General and administrative expenses

The Group's general and administrative expenses in the Reporting Year amounted to RMB298 million, representing an increase of 11.4 percent from RMB268 million in 2023. The increase is mainly due to the increase in staff cost of RMB12.64 million during the Reporting Year.

Other income, gains and losses – net

The Group's other income, gains and losses – net was RMB97.09 million in the Reporting Year (2023: loss of RMB75.16 million). The change was mainly due to the gain on disposal of Jinxiong Expressway amounting to RMB65.84 million recognised during the Reporting Year. In addition, there was no impairment loss on investment recognised during the Reporting Year. In 2023, an impairment loss on investment in Shantou Bay Bridge of RMB100 million was recognised.

Finance income/Finance costs

The Group's finance income in the Reporting Year amounted to RMB29.78 million (2023: RMB30.19 million), which was 1.4 percent lower than that of 2023.

The Group's finance costs in the Reporting Year decreased by 14.4 percent to RMB481 million (exclusive of amount capitalized in construction in progress of RMB16.76 million) as compared with RMB562 million in 2023, mainly due to management's continuous effort in optimising the overall debt structure and lowering debts' interest rate. The Group's overall weighted average interest rate in the Reporting Year was 2.92 percent (2023: 3.28 percent).

Share of results of associates and a joint venture, net of tax

The Group's share of results of associates and a joint venture, net of tax, decreased by 61.2 percent to RMB107 million in the Reporting Year (2023: RMB277 million). The decrease was mainly due to the expiration of toll collection right of Northern Ring Road on 22 March 2024, and the expense incurred and provision for estimated expense before its return to the government. More details of the toll revenue of each expressway and bridge and the ticket business revenue of port are stated in the "Business Review – Expressways, Bridges and Port" section of this announcement.

Share of post-tax profit of Humen Bridge in the Reporting Year decreased by 18.2 percent to RMB72.28 million mainly due to Shenzhen-Zhongshan Link (which competes with the project) opening to traffic on 30 June 2024, causing in a diversion impact on the Humen Bridge. Share of post-tax profit of Qinglian Expressway in the Reporting Year decreased by 52.3 percent to RMB9.67 million mainly due to the impact of the Increase in Toll-free holidays and the closure of half of Qinglian Expressway for construction commenced from 5 November 2024, leading to the decrease in toll traffic volume. Share of post-tax profit of Huaxia Yuexiu Expressway REIT in the Reporting Year decreased by 42.5 percent to RMB8.64 million, mainly due to the impact of the widespread rain, snow, cold and freezing weather around the Chinese New Year, the Increase in Toll-free holidays, and the decrease in traffic volume of trucks more diverted to the Huaxia Yuexiu Expressway REIT with the intensified influence brought about by the reconstruction, maintenance and expansion of the north section of Beijing-Hong Kong-Macao Expressway, which is adjacent to the Huaxia Yuexiu Expressway REIT, since July 2024. Share of post-tax profit of Shantou Bay Bridge in the Reporting Year decreased by 26.1 percent to RMB8.08 million. The decrease was mainly due to the Increase in Toll-free holidays during the Reporting Year. Share of post-tax loss of Pazhou Port in the Reporting Year amounted to RMB18.07 million (2023: RMB19.08

million). Share of post-tax loss of Northern Ring Road in the Reporting Year amounted to RMB45.60 million (2023: share of post-tax profit of RMB85.51 million), the change was mainly due to the expiration of toll collection right of Northern Ring Road on 22 March 2024, and the expense incurred and provision for estimated expense before its return to the government. Share of post-tax profit of GWSR Expressway in the Reporting Year decreased by 4.5 percent to RMB72.30 million.

Analysis of share of results of associates and a joint venture, net of tax, and the revenue of their respective entities

	Profit Sharing ratio %	Revenue Reporting Year RMB'000	Y-O-Y change %	Share of results, net of tax Reporting Year RMB'000	Y-O-Y change %
Associates					
Humen Bridge	18.446	978,575	-8.1	72,283	-18.2
Qinglian Expressway	23.63	638,162	-6.5	9,668	-52.3
Huaxia Yuexiu Expressway REIT	30.0	225,331	-7.1	8,639	-42.5
Shantou Bay Bridge	30.0	103,272	-4.1	8,082	-26.1
Pazhou Port ⁽¹⁾	45.0	51,691	N/A	(18,067)	loss decrease
Northern Ring Road ⁽²⁾	24.3	159,281	N/A	(45,596)	turned losses
Joint venture					
GWSR Expressway	35.0	515,615	2.5	72,302	-4.5

⁽¹⁾ The trial operation of Pazhou Port commenced on 14 April 2023, and the formal operation commenced on 4 May 2023. The data for 2023 only covered the period from 14 April 2023 to 31 December 2023.

⁽²⁾ Toll collection right was expired on 22 March 2024. The revenue data for the Reporting Year only covered the period from 1 January 2024 to 22 March 2024.

Income tax expense

Total income tax expense of the Group in the Reporting Year decreased by 22.0 percent to RMB333 million (2023: RMB427 million). The decrease was mainly due to the decrease in profit before tax mainly brought by the decrease in the revenue during the Reporting Year.

Profit attributable to shareholders of the Company

The Company reported a profit attributable to its shareholders of RMB657 million in the Reporting Year, representing a decrease of 14.2 percent from RMB765 million in 2023. The decrease was driven by a reduction in revenue and the cessation of toll collection right of the Northern Ring Road on 22 March 2024, and the expense incurred and provision for estimated expense before its return to the government, which led to the drop in share of results of associates, net of tax during the Reporting Year.

The management team continues to optimise the Group's overall debt structure. As part of such optimisation, inter-company loans were incurred between the holding companies level and the controlled projects level. Such interests would be ultimately eliminated at the consolidated level.

Analysis of the profit attributable to shareholders of the Company (after elimination of inter-company loan interests)

	Reporting Year RMB'000	Percentage of total %	2023 RMB'000	Percentage of total %	Change %
Net profit from controlled projects	918,862	89.5	1,104,845	86.2	-16.8
Net profit from non-controlled projects ⁽¹⁾	107,311	10.5	176,538	13.8	-39.2
Net profit from projects	1,026,173	100.0	1,281,383	100.0	-19.9
Withholding tax on PRC dividend/interest income	(27,474)		(44,488)		-38.2
Holding companies expenses	(214,439)		(187,018)		14.7
Holding companies income/gains, net	18,538		19,650		-5.7
Gain on disposal of a subsidiary	65,840		—		N/A
Holding companies finance income	21,064		19,885		5.9
Holding companies finance costs	(232,921)		(324,103)		-28.1
Profit attributable to shareholders of the Company	656,781		765,309		-14.2

⁽¹⁾ Representing share of results of associates and a joint venture, net of tax

Analysis of net profit by each controlled project (after elimination of inter-company loan interests)

Controlled Projects	Reporting Year RMB'000	Percentage of total net profit from projects %	2023 RMB'000	Percentage of total net profit from projects %	Change %
GNSR Expressway	333,258	32.5	358,467	28.0	-7.0
Suiyuanan Expressway	185,193	18.0	237,473	18.5	-22.0
Weixu Expressway	129,426	12.6	163,928	12.8	-21.0
Han'e Expressway	65,501	6.4	(6,004)	-0.5	turned profit
Changzhu Expressway	49,751	4.8	88,817	6.9	-44.0
Cangyu Expressway	39,979	3.9	44,079	3.5	-9.3
Daguangnan Expressway	39,266	3.8	89,446	7.0	-56.1
Lanwei Expressway	31,579	3.1	61,714	4.8	-48.8
Hancai Expressway	28,023	2.7	57,548	4.5	-51.3
Pinglin Expressway	8,731⁽¹⁾	0.9	—	—	N/A
Jinxiong Expressway	8,155⁽²⁾	0.8	9,377	0.7	N/A
Total	918,862	89.5	1,104,845	86.2	-16.8

⁽¹⁾ The Group completed the acquisition of 55% of the equity interest in Pinglin Expressway in November 2024. This figure represented the net profit (after elimination of inter-company loan interests) accounted for the period from 27 November 2024 to 31 December 2024.

⁽²⁾ The Group completed the disposal of 60% of the equity interest in Jinxiong Expressway in December 2024. This figure represented the net profit (after elimination of inter-company loan interests) accounted for the period from 1 January 2024 to 18 December 2024.

Analysis of net profit by each controlled project (before elimination of inter-company loan interests)

Controlled Projects	Reporting Year RMB'000	Percentage of total net profit from projects ⁽¹⁾	2023 RMB'000	Percentage of total net profit from projects ⁽¹⁾	Change %
		%		%	
GNSR Expressway	333,258	35.2	358,467	31.6	-7.0
Suiyuanan Expressway	185,193	19.6	229,576	20.2	-19.3
Weixu Expressway	132,210	14.0	166,423	14.7	-20.6
Han'e Expressway	52,126	5.5	(23,752)	-2.1	turned profit
Changzhu Expressway	49,226	5.2	50,846	4.5	-3.2
Cangyu Expressway	41,308	4.4	45,672	4.0	-9.6
Daguangnan Expressway	(15,695)	-1.7	28,725	2.5	turned losses
Lanwei Expressway	32,860	3.5	62,576	5.5	-47.5
Hancai Expressway	9,522	1.0	29,057	2.6	-67.2
Pinglin Expressway	8,732 ⁽²⁾	0.9	—	—	N/A
Jinxiong Expressway	9,111 ⁽³⁾	1.0	10,153	0.9	N/A
Total	837,851	88.6	957,743	84.4	-12.5

⁽¹⁾ Representing net profit from projects before elimination of inter-company loans interests

⁽²⁾ The Group completed the acquisition of 55% of the equity interest in Pinglin Expressway in November 2024. This figure represented the net profit (before elimination of inter-company loan interests) accounted for the period from 27 November 2024 to 31 December 2024.

⁽³⁾ The Group completed the disposal of 60% of the equity interest in Jinxiong Expressway in December 2024. This figure represented the net profit (before elimination of inter-company loan interests) accounted for the period from 1 January 2024 to 18 December 2024.

In the Reporting Year, net profit from non-controlled projects decreased by 39.2 percent to RMB107 million (2023: RMB177 million) as compared with 2023. The decrease was mainly due to the expiration of toll collection right of Northern Ring Road on 22 March 2024.

During the Reporting Year and at the holding companies level, the withholding tax on PRC dividend/interest income decreased by RMB17.01 million; holding companies expenses increased by RMB27.42 million; holding companies income/gains, net decreased by RMB1.11 million during the Reporting Year; and holding companies finance income increased by RMB1.18 million, mainly due to the increase in interest income from banks at holding companies level during the Reporting Year. In addition, holding companies finance cost decreased by RMB91.18 million, mainly due to management's optimisation of debt portfolio and lowering the interest rate on outstanding debts during the Reporting Year. There was a gain on disposal of Jinxiong Expressway amounting to RMB65.84 million recognised during the Reporting Year.

Final dividend

The Board has recommended the payment of final dividend for 2024 of HK\$0.13 which is equivalent to approximately RMB0.12 (2023: HK\$0.15 which was equivalent to approximately RMB0.1362) per share payable to shareholders whose names appear on the register of members of the Company on 20 June 2025. Subject to the approval of shareholders at the Annual General Meeting to be held on 12 June 2025, the final dividend will be paid on or about 30 June 2025. Together with the interim dividend of HK\$0.12 which is equivalent to approximately RMB0.1097 (2023: HK\$0.15 which was equivalent to approximately RMB0.1372) per share, the total dividend for the year ended 31 December 2024 amounts to HK\$0.25 which is equivalent to approximately RMB0.2297 (2023: HK\$0.30 which was equivalent to approximately RMB0.2734), representing a dividend payout ratio of 58.5 percent (2023: 59.8 percent).

Dividend payable to shareholders will be paid in Hong Kong dollars (“HK\$”). The exchange rate adopted by the Company for its dividend payable is the average middle rate of HK\$ to RMB, as announced by the People’s Bank of China, for the five business days preceding the date of declaration of dividend.

III. Analysis of Financial Position

Key financial position figures

	Reporting Year	2023	Change
	RMB’000	RMB’000	%
Total assets	37,506,791	36,502,458	2.8
Total liabilities	22,100,654	21,652,521	2.1
Cash and cash equivalents	1,978,432	2,380,785	-16.9
Total debts	17,387,700	16,923,816	2.7
of which: Bank borrowings*	11,153,548	9,496,565	17.4
Corporate bonds*	499,667	2,499,094	-80.0
Notes payable*	5,611,386	4,794,783	17.0
Current ratio	0.4 times	0.3 times	
EBITDA interest coverage	6.9 times	6.4 times	
Equity attributable to the shareholders of the Company	11,848,306	11,613,337	2.0

* *excluding interest payable*

Assets, liabilities and equity

As at 31 December 2024, the Group’s total assets amounted to RMB37.51 billion, which was 2.8 percent higher than the balance as at 31 December 2023. The Group’s total assets consisted mainly of intangible operating rights of RMB31.63 billion (31 December 2023: RMB30.25 billion); investments in a joint venture and associates of RMB2.01 billion (31 December 2023: RMB2.08 billion); and cash and cash equivalents of RMB1.98 billion (31 December 2023: RMB2.38 billion).

As at 31 December 2024, the Group's total liabilities amounted to RMB22.10 billion, which was 2.1 percent higher than the balance as at 31 December 2023. The Group's total liabilities consisted mainly of bank borrowings of RMB11.15 billion (31 December 2023: RMB9.50 billion); corporate bonds of RMB500 million (31 December 2023: RMB2.50 billion); notes payable of RMB5.61 billion (31 December 2023: RMB4.79 billion); loan from the immediate holding company of RMB100 million (31 December 2023: RMB100 million); and deferred income tax liabilities of RMB2.99 billion (31 December 2023: RMB3.07 billion). There was no loan from a non-controlling interest of a subsidiary (31 December 2023: RMB28.30 million) as at 31 December 2024.

As at 31 December 2024, the Group's total equity increased by RMB556 million to RMB15.41 billion (31 December 2023: RMB14.85 billion), of which RMB11.85 billion was equity attributable to the shareholders of the Company (31 December 2023: RMB11.61 billion).

Analysis of major assets, liabilities and equity items

Items	Reporting Year RMB'000	2023 RMB'000	Change %
Total assets	37,506,791	36,502,458	2.8
Approximately 90.0% of which:			
Intangible operating rights	31,626,346	30,247,734	4.6
Investments in a joint venture and associates	2,011,880	2,078,796	-3.2
Cash and cash equivalents	1,978,432	2,380,785	-16.9
Total liabilities	22,100,654	21,652,521	2.1
Approximately 90.0% of which:			
Bank borrowings* – due within 1 year	1,905,720	1,056,966	80.3
– long-term portion	9,247,828	8,439,599	9.6
Corporate bonds* – due within 1 year	—	1,999,427	-100.0
– long-term portion	499,667	499,667	—
Notes payable* – due within 1 year	1,795,402	3,296,037	-45.5
– long-term portion	3,815,984	1,498,746	154.6
Loan from the immediate holding company*			
– due within 1 year	100,000	100,000	—
Loan from a non-controlling interest of a subsidiary			
– due within 1 year	—	10,000	-100.0
– long-term portion	—	18,301	-100.0
Deferred income tax liabilities	2,988,563	3,072,085	-2.7
Total equity	15,406,137	14,849,937	3.7
Of which: Equity attributable to the shareholders of the Company	11,848,306	11,613,337	2.0

* *excluding interest payable*

Cash flows

The Group's primary objective is focused on preventing risks and improving liquidity. The Group has maintained an appropriate level of cash on hand so as to prevent liquidity risks. As at the end of the Reporting Year, the Group's cash and cash equivalents amounted to RMB1.98 billion (31 December 2023: RMB2.38 billion), of which 99.8 percent are RMB-denominated and the rest are denominated in HKD. The Group's cash was deposited in commercial banks, with no deposit in non-bank institutions.

Analysis of cash flow movement

	Reporting Year RMB'000	2023 RMB'000
Net cash generated from operating activities	2,658,390	2,797,682
Net cash used in investing activities	(1,301,097)	(1,162,424)
Net cash used in financing activities	(1,759,690)	(1,734,791)
Decrease in cash and cash equivalents	(402,397)	(99,533)
Cash and cash equivalents at 1 January	2,380,785	2,480,267
Effect of exchange rate changes on cash and cash equivalents	44	51
Cash and cash equivalents at 31 December	1,978,432	2,380,785

Net cash generated from operating activities during the Reporting Year amounted to RMB2.66 billion (2023: RMB2.80 billion), which was the sum of cash generated from operations of RMB3.0 billion (2023: RMB3.17 billion) less PRC enterprise income tax and withholding tax paid of RMB337 million (2023: RMB375 million).

Net cash used in investing activities during the Reporting Year amounted to RMB1.30 billion (2023: RMB1.16 billion). The outflow mainly consisted of capital expenditures of RMB1.64 billion (2023: RMB1.55 billion). The inflow mainly consisted of proceeds from disposal of a subsidiary of RMB93.98 million (2023: Nil); dividend distributions from associates and a joint venture of RMB213 million (2023: RMB358 million), interest received in aggregate of RMB30.01 million (2023: RMB30.37 million) and proceeds from disposal of property, plant and equipment of RMB248,000 (2023: RMB338,000).

Net cash used in financing activities during the Reporting Year amounted to RMB1.76 billion (2023: RMB1.73 billion). The outflow mainly included repayment of corporate bonds of RMB2.0 billion (2023: RMB617 million); repayment of notes payable of RMB3.47 billion (2023: RMB4.30 billion); repayment of bank borrowings of RMB1.13 billion (2023: RMB2.61 billion); dividend paid to the shareholders of the Company of RMB422 million (2023: RMB383 million); payment of interests and related financing fees of RMB538 million (2023: RMB581 million); dividend paid to non-controlling interests of RMB389 million (2023: RMB284 million); repayment of loan from the immediate holding company of RMB100 million (2023: RMB100 million), repayment of loan from a non-controlling interest of a subsidiary of RMB10.0 million (2023: RMB22.0 million) and payment for lease liabilities (including interest) of RMB12.22 million (2023: RMB12.32 million). The inflow mainly included the net proceeds from notes payable of RMB4.28 billion (2023: RMB4.09 billion), drawdown of bank borrowings of RMB1.93 billion (2023: RMB2.82 billion) and drawdown of loan from the immediate holding company of RMB100 million (2023: RMB100 million). There was no capital contribution from non-controlling interests during the Reporting Year (2023: RMB160 million).

Current ratio

The current ratio (current assets over current liabilities) as at 31 December 2024 was 0.4 times (31 December 2023: 0.3 times). As at 31 December 2024, current assets balance was RMB2.25 billion (31 December 2023: RMB2.63 billion) and current liabilities balance was RMB5.26 billion (31 December 2023: RMB7.83 billion). Cash and cash equivalents were the major components of the Group's current assets and the balance amounted to RMB1.98 billion as at 31 December 2024 (31 December 2023: RMB2.38 billion). As at 31 December 2024, the Group's current liabilities mainly included external debts with maturities within one year (excluding interest payable) of RMB3.70 billion (31 December 2023: RMB6.35 billion), which consisted of bank borrowings of RMB1.91 billion and notes payable of RMB1.80 billion (31 December 2023: bank borrowings of RMB1.05 billion, notes payable of RMB3.30 billion and corporate bonds of RMB2.0 billion). The management will continue to take a prudent approach to effectively match capital and debt commitments with existing cash, future operating cash flow and cash return from investments, in order to manage liquidity risks. Taking into account the additional financing facilities available to the Group and the internally generated funds from operations, the management is confident that the Group will be able to meet its liabilities as they fall due in the next twelve months.

EBITDA interest coverage and other financial ratios

EBITDA interest coverage for the year ended 31 December 2024 was 6.9 times (31 December 2023: 6.4 times), which was measured as the ratio of earnings before interests, tax, depreciation and amortisation ("EBITDA") to interest expenses (profit and loss impact).

EBITDA to total external debt ratio for the year ended 31 December 2024 was 18.9 percent (31 December 2023: 21.0 percent), which was measured as the ratio of EBITDA to the aggregate balance of bank borrowings, corporate bonds and notes payable (“total external debts”).

Profit before interest and income tax interest coverage for the year ended 31 December 2024 was 3.7 times (31 December 2023: 4.0 times), which was measured as the ratio of profit before interest and income tax to interest expenses (profit and loss impact).

Cash interest coverage for the year ended 31 December 2024 was 6.6 times (31 December 2023: 6.5 times), which was measured as the ratio of cash generated from operating activities and interest expenses (cashflow impact) to interest expenses (cashflow impact).

Capital expenditures and investments

During the Reporting Year, total capital expenditures amounted to RMB1.64 billion (2023: RMB1.55 billion). Capital expenditures related to investment in subsidiary include payment of considerations to the acquisition of Henan Pinglin Expressway (net of cash acquired) of approximately RMB614 million (2023: Nil). Capital expenditures related to intangible operating rights and fixed assets included: (1) payments of construction costs of toll highways and bridges upgrade services of RMB946 million (2023: RMB606 million); (2) payments of prepayment related to GNSR Expressway R&E Project of RMB50.57 million (2023: RMB917 million); and (3) purchase of property, plant and equipment of RMB27.7 million (2023: RMB27.63 million). Apart from the aforementioned, no material capital expenditure was incurred during the Reporting Year. Going forward, the management believes that the Group’s operating cash flow and appropriate financing arrangements can satisfy its future capital expenditures and investment needs.

Capital structures

It is one of the Group’s financing policies to maintain a balanced capital structure, which aims to strike a balance between enhancing profitability and ensuring financial leverage ratios to remain at safe levels.

Analysis of capital structures

	Reporting Year RMB'000	2023 RMB'000
External debts*		
Bank borrowings	11,153,548	9,496,565
Corporate bonds ⁽¹⁾	499,667	2,499,094
Notes payable ⁽²⁾	5,611,386	4,794,783
Loan from the immediate holding company*	100,000	100,000
Loan from a non-controlling interest of a subsidiary	—	28,301
Lease liabilities	23,099	5,073
	<hr/>	<hr/>
Total debts	17,387,700	16,923,816
Less: cash and cash equivalents	(1,978,432)	(2,380,785)
	<hr/>	<hr/>
Net debt	15,409,268	14,543,031
Total equity	15,406,137	14,849,937
	<hr/>	<hr/>
Total capitalisation (net debt + total equity)	30,815,405	29,392,968
	<hr/>	<hr/>

* *excluding interest payable*

Financial ratios

Gearing ratio (net debt/total capitalisation)	50.0%	49.5%
Debt to equity ratio (net debt/total equity)	100.0%	97.9%
Total liabilities/total assets ratio	58.9%	59.3%

(1) As at 31 December 2024, the details of the corporate bonds issued in the Shanghai Stock Exchange:

	Drawdown date:	Principal:	Principal repayment date:	Coupon rate (per annum):	Next interest payment date:
RMB500 million seven-year corporate bonds (2021 Phase 2)	13 May 2021	RMB500 million	13 May 2028	3.84%	13 May 2025

(2) As at 31 December 2024, the details of the notes payable issued in the Beijing Financial Assets Exchange:

	Drawdown date:	Principal:	Principal repayment date:	Coupon rate (per annum):	Next interest payment date:
RMB1,000 million five-year medium term notes (2021 Phase 1)	28 January 2021	RMB30 million	28 January 2026	2.70%	28 January 2025
RMB1,000 million five-year medium term notes (2022 Phase 1)	18 March 2022	RMB1,000 million	18 March 2027	3.28%	18 March 2025
RMB500 million three-year medium term notes (2023 Phase 1)	7 August 2023	RMB500 million	7 August 2026	2.87%	7 August 2025
RMB1,000 million ten-year medium term notes (2024 Phase 1)	17 April 2024	RMB1,000 million	17 April 2034	2.84%	17 April 2025
RMB500 million three-year medium term notes (2024 Phase 2)	27 June 2024	RMB500 million	27 June 2027	2.16%	27 June 2025
RMB500 million five-year medium term notes (2024 Phase 3)	5 July 2024	RMB500 million	5 July 2029	2.27%	5 July 2025
RMB700 million three-year medium term notes (2024 Phase 4)	26 August 2024	RMB700 million	26 August 2027	2.14%	26 August 2025
RMB600 million two-year medium term notes (2024 Phase 5)	10 December 2024	RMB600 million	10 December 2026	1.93%	10 December 2025
RMB800 million 270 days super short-term commercial paper (2024 Phase 2)	26 June 2024	RMB800 million	23 March 2025	1.86%	23 March 2025

Financing structures

In a way to ensure that the Group is carrying out its financing activities at a safe leverage level, the Company is keeping a close watch on the Group's overall borrowing structure from time to time, so as to further optimise its debt portfolio. In order to effectively maintain cost-efficient funding, the Group will: (1) continue to maintain a close banking relationship with financial institutions both in Hong Kong and China, to capitalise on the different levels of liquidity offered by, and to take advantage of the cost differentials, in these two markets and in international markets; and (2) strike a balance between lowering interest rate and mitigating exchange risk exposure. During the Reporting Year, the Company redeemed notes payable and corporate bonds issued by the Company on the Beijing Financial Assets Exchange and the Shanghai Stock Exchange, in an aggregate principal amount of RMB970 million and RMB2.0 billion, respectively (2023: nil), at 100% of their aggregate nominal value. As at the end of the Reporting Year, the Group's total debts comprised bank borrowings, corporate bonds, notes payable, loan from the immediate holding company and lease liabilities. There was no debt with material foreign exchange risk exposure as at 31 December 2024 (31 December 2023: Nil).

As at 31 December 2024, the Group's total external debts (excluding interest payable) in aggregate were RMB17.26 billion (31 December 2023: RMB16.79 billion), which consisted of bank borrowings of RMB11.15 billion (31 December 2023: RMB9.50 billion), corporate bonds of RMB500 million (31 December 2023: RMB2.50 billion) and notes payable of RMB5.61 billion (31 December 2023: RMB4.79 billion). Onshore and offshore debts ratio was 99.7 percent and 0.3 percent (31 December 2023: 99.7 percent and 0.3 percent). Secured external debt ratio was 50.9 percent (31 December 2023: 44.7 percent). The effective interest rate of total external debts at 31 December 2024 was 2.72 percent (31 December 2023: 3.24 percent). Of the bank borrowings, RMB10.88 billion was at floating rates and RMB277 million was at fixed rates with the overall effective interest rate of 2.70 percent as at 31 December 2024 (31 December 2023: 3.13 percent). Corporate bonds (in one type) were at fixed rate with coupon rate of 3.84 percent with the overall effective interest rate at 3.97 percent as at 31 December 2024 (31 December 2023: 3.75 percent). Notes payable included medium term notes (in eight tranches) were at fixed rates with coupon rates ranged from 1.93 percent to 3.28 percent, respectively, and super short-term commercial paper (in one tranche) was at fixed rate with coupon rate of 1.86 percent with overall effective interest rate of 2.64 percent as at 31 December 2024 (31 December 2023: 3.19 percent).

Analysis of total external debts* (bank borrowings, corporate bonds and notes payable)

	Reporting Year Percentage of total	2023 Percentage of total
Source		
Onshore	99.7%	99.7%
Offshore	0.3%	0.3%
	100.0%	100.0%
Repayment term		
Within 1 year	21.4%	37.8%
Over 1 year but within 2 years	20.7%	15.6%
Over 2 years but within 5 years	30.6%	27.5%
Over 5 years	27.3%	19.1%
	100.0%	100.0%
Currency		
RMB	100.0%	100.0%
Interest rate		
Fixed	37.0%	45.2%
Floating	63.0%	54.8%
	100.0%	100.0%
Terms of credit		
Secured	50.9%	44.7%
Unsecured	49.1%	55.3%
	100.0%	100.0%
Financing method		
Direct financing	35.4%	43.4%
Indirect financing	64.6%	56.6%
	100.0%	100.0%

* *excluding interest payable*

As at 31 December 2024, loan from the immediate holding company was unsecured, interest-bearing at an annual rate of 3.05 percent (31 December 2023: 3.15 percent), denominated in RMB and repayable in 2025.

As at 31 December 2024, there was no loan from a non-controlling interest of a subsidiary. As at 31 December 2023, there was loan from a non-controlling interest of a subsidiary that was unsecured, interest-free, denominated in RMB and its carrying amount approximated its fair value, calculated based on cash flows discounted at a rate of 4.35 percent per annum.

Foreign-currency-denominated assets and liabilities

The Group's businesses are principally conducted in the PRC and its functional currency is RMB. All of its major revenue, operating expenses, capital expenditures and its external debts (31 December 2023: 100.0 percent) are denominated in RMB. As at the end of the Reporting Year, the Group has no material foreign-currency-denominated assets and liabilities. As the foreign exchange market is still volatile, the Group will continue to keep track of developments in the foreign exchange market, strike a balance between interest rate cost and foreign exchange risk, optimise its debt structure and control its foreign currency exposure.

IV. Contractual Commitments and Contingent Liabilities

As at 31 December 2024, the Group had contractual commitments of approximately RMB8.75 billion, which related to intangible operating rights and property, plant and equipment.

Except for the aforementioned, the Group had no material contractual commitments as at 31 December 2024. There were no significant contingent liabilities as at 31 December 2024.

V. Employees

As at 31 December 2024, the Group had approximately 2,317 employees, of whom about 2,089 were directly engaged in the daily operation, management and supervision of toll, bridges and port projects. The Group remunerates its employees largely based on industry practice, including social insurance, contributory provident funds, share options and other staff benefits.

INVESTOR RELATIONS REPORT

Investor Relations and Communications

The Group is committed to maintaining a high level of corporate governance as well as good and effective communication mechanism with capital markets. In this regard, the Group has been maintaining open dialogues with investors and industry researchers and, subject to compliance with disclosure requirements, will proactively provide timely and accurate information, including monthly operational data for each project and strategic business developments.

On the basis of strict compliance requirements on information disclosure of the regulatory authorities, the Group, including executive directors and senior management, initiated proactive communication continuously by meeting and communicating with shareholders, industry researchers, domestic and foreign investors who are concerned about the Group regularly through various platforms and channels, including conducting conferences for results announcement, participating in roadshows for results announcement and various industry seminars, to disseminate positive information and stabilise market confidence. Furthermore, in the process of communicating with investors and other groups, the Group extensively collected feedback from the market and used it as a reference for improving its governance and management standards.

During the Reporting Year, investment banks such as HTSC, DBS Bank, HSBC, CICC, Dongxing Securities, Haitong Securities, Guolian Securities, CMB International, GF Securities, Western Securities released research coverage reports on the Group successively. Institutions such as Huatai Securities, DBS Bank and HSBC also organised market briefings on the Group successively and arranged meetings with international and domestic institutional investors, which was a sufficient reflection of the Group's popularity and impact in the capital market.

During the Reporting Year, major investor relations activities of the Group included the following:

- Provided feedback of investors' enquiries in a timely manner through e-mail, telephone and other forms, and released monthly operational data to investors on regular basis.
- Initiated in-depth communication with investors and industry researchers in the form of online and offline meetings.

- Communicated with domestic and worldwide investors through launching activities such as press conferences for results announcement, participating in results roadshows, which included:

Month	Venue and Form	Event	Organiser
March	Hong Kong Physical Meeting	2023 Annual Results Roadshow	HSBC
March	Guangzhou On-line Meeting	2023 Annual Results Roadshow	CMB International
March	Beijing and Shanghai Physical Meetings	2023 Annual Results Roadshow	HTSC
March	Shenzhen Physical Meeting	2023 Annual Results Roadshow	Company
April	Hong Kong Physical Meeting	2023 Annual Results Roadshow	Company
June	Shenzhen Physical Meeting	Strategy Meeting	Haitong Securities
June	Henan Physical	Reverse Roadshow	Company
August	Hong Kong Physical Meeting	2024 Interim Results Roadshow	DBS Bank
August	Hong Kong Physical Meeting	2024 Interim Results Roadshow	HSBC
August	Shanghai Physical Meeting	2024 Interim Results Roadshow	Zheshang Securities
August	Shanghai Physical Meeting	2024 Interim Results Roadshow	Western Securities
August	Shanghai Physical Meeting, Guangzhou On-line Meeting	2024 Interim Results Roadshow	HTSC
August	Shanghai Physical Meeting	2024 Interim Results Roadshow	Changjiang Securities
August	Shanghai Physical Meeting	2024 Interim Results Roadshow	Sinolink Securities
August	Guangzhou On-line Meeting	2024 Interim Results Roadshow	GF Securities
August	Guangzhou On-line Meeting	2024 Interim Results Roadshow	Gransing Securities
September	Shenzhen Physical Meeting	Communication Meeting	Changjiang Securities
September	Beijing Physical Meeting	2024 Interim Results Roadshow	CICC
September	Beijing Physical Meeting	2024 Interim Results Roadshow	China Merchants Securities
October	Guangzhou On-line Meeting	Strategy Meeting	Gransing Securities
October	Guangzhou On-line Meeting	Project Roadshow	Company
November	Beijing, Shanghai and Hong Kong Physical Meetings	Project Roadshow	Company

During the year, while fully communicating with domestic and international institutional investors, the Group also won awards issued by well-known financial media as the recognition of our performance, corporate governance standards and investor relations efforts. The Group received the following awards during the Reporting Year:

Capital Magazine:	Listed Enterprises Excellence Awards 2023
LACP Annual Report Design Awards:	2023 Vision Awards: Gold Top50 Chinese Annual Reports Technology Achievement Award

CONSISTENT RETURN TO SHAREHOLDERS

While leveraging on the capital market for rapid development, the Group also understands that a positive return to shareholders should be regarded as an important mission and the operation philosophy for an enterprise. Since listing, the Group has distributed cash dividends for over 20 consecutive years, which served as stable return to our shareholders while we recorded consistent growth of our operating results.

	2018	2019	2020	2021	2022	2023	2024
Earnings per share (RMB)	0.6300	0.6799	0.0959	0.8756	0.2708	0.4574	0.3925
Dividend per share (HKD)	0.39	0.39	0.07	0.61	0.20	0.30	0.25
Dividend payout ratio	53.6%	51.5%	60.9%	56.9%	64.4%	59.8%	58.5%

CORPORATE GOVERNANCE

Throughout the year ended 31 December 2024, the Company has complied with the code provisions as set out in the Corporate Governance Code.

REVIEW OF ANNUAL RESULTS

The annual results announcement has been reviewed by the audit committee of the Company.

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2024. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Save as disclosed herein, during the Reporting Year, the Company has not redeemed any of its listed securities. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the Reporting Year.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 9 June 2025 to Thursday, 12 June 2025, both days inclusive, during which period no transfer of shares will be registered. For the purpose of ascertaining the shareholders' eligibility to participate in the forthcoming annual general meeting of the Company to be held on 12 June 2025, all transfers of shares accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Friday, 6 June 2025.

In addition, the register of members of the Company will be closed from Thursday, 19 June 2025 to Friday, 20 June 2025, both days inclusive, for the purpose of ascertaining the shareholders' entitlement to the final dividend. In order to qualify for the final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, no later than 4:30 p.m. on Wednesday, 18 June 2025.

By order of the Board
Yuexiu Transport Infrastructure Limited
LIU YAN
Chairman

Hong Kong, 13 March 2025

As at the date of this announcement, the Board comprises:

Executive Directors : *LIU Yan (Chairman), CHEN Jing, CAI Minghua and PAN Yongqiang*

Independent Non-executive Directors : *FUNG Ka Pun, LAU Hon Chuen Ambrose, CHEUNG Doi Shu and PENG Vincent Shen*