

2022 Annual Result

CREATING

EXCELLENT VALUES



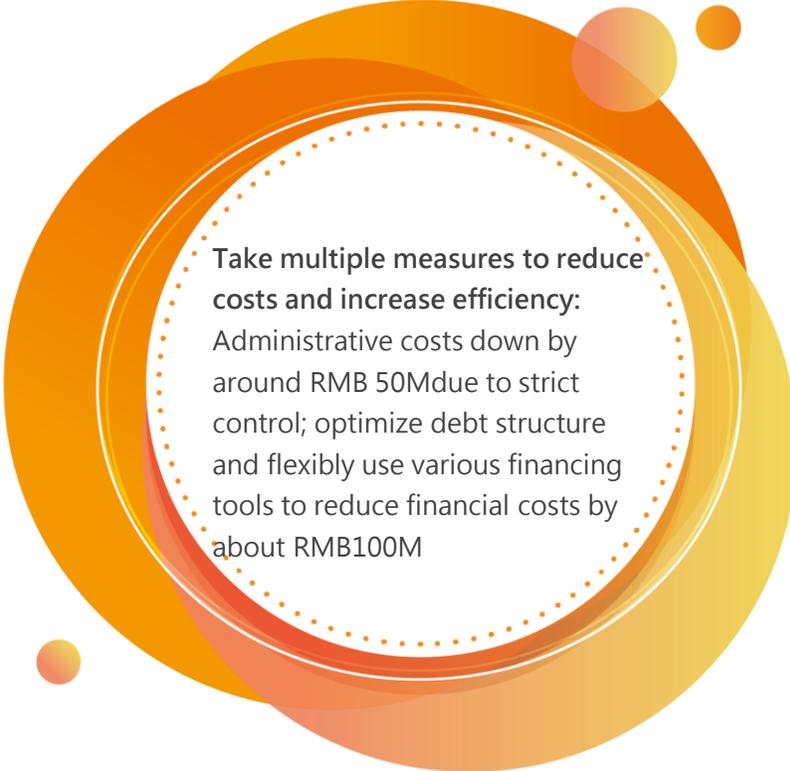


Result highlights



Fruitful results on the three platforms interacted:

A breakthrough was made in GNSR R&E project, and the successful acquisition of Lanwei Expressway enriched the company's asset portfolio



Take multiple measures to reduce costs and increase efficiency:

Administrative costs down by around RMB 50M due to strict control; optimize debt structure and flexibly use various financing tools to reduce financial costs by about RMB100M

2022 Performance highlights

Revenue

RMB
3.289B

-11.2%

Total assets

RMB
36.337B

+1.9%

Profit attributable to
shareholders

RMB
453M

-69.1%

Profit attributable to shareholders
(comparable caliber⁽¹⁾)

RMB
453M

-40.3%
-306M

Total liabilities/
Total assets ratio

60.8%

+1.4ppt

Payout ratio

Proposed final
dividend: HKD 0.10

Total: HKD 0.20

Payout ratio: 64.4%

Note 1: RMB 878M gain on disposal of Hanxiao and RMB 172M impairment loss of Jinxiang expressway and Humen Bridge were excluded in the comparative figures, which is the attributable profit for 2021.

Extract of consolidated statement of profit or loss

RMB million	2022年	2021年	
Revenue	3,289	3,702	Revenue <ul style="list-style-type: none"> • 2022 decreased RMB413M or 11.2% • The deconsolidation of Hanxiao Expressway was completed in the December of 2021, toll revenue decreased RMB209M • GNSR Expressway decreased RMB 140M • Daguangnan Expressway decreased RMB61M • Han'e Expressway decreased RMB58M
EBITDA	2,867	3,292	EBITIDA <ul style="list-style-type: none"> • 2022 decreased RMB 425M • Decreased 12.9%
Gross profit	1,719	2,223	
Attributable profit to shareholders	453	1,465	Attributable profit <ul style="list-style-type: none"> • RMB 453M
Earnings per share (RMB)	0.2708	0.8756	
Dividend per share(HKD)	0.20	0.61	Dividend per share <p>Proposed final dividend for 2022 is HKD0.10 per share ; total dividend for 2022 is HKD0.20 per share</p>
Payout ratio	64.4%	56.9%	

2022 Operating analysis of controlled toll projects

Toll projects	Toll revenue		Average toll revenue		Average traffic volume		Attributable profit ⁽¹⁾	
	RMB million	Change %	2022 RMB '000/day ⁽²⁾	Change %	2022 vehicle/day ⁽²⁾	Change %	RMB million	Change %
GNSR Expressway	981	-12.5%	2,688	-12.5%	243,180	-13.4%	319	-20.8%
Cangyu Expressway	89	-0.5%	244	-0.5%	15,445	-0.7%	33	-45.9%
Jinxiong Expressway	72	-10.1%	198	-10.1%	29,413	-14.6%	6	Turned profit
Changzhu Expressway	231	-14.0%	634	-14.0%	64,434	-12.7%	45	-25.8%
Weixu Expressway	390	11.6%	1,068	11.6%	21,491	-8.7%	175	16.0%
Lanwei Expressway	32	N/A	902	6.5%	25,802	-17.5%	8	N/A
Suiyuan Expressway	632	2.9%	1,732	2.9%	28,181	-7.5%	192	1.0%
Hancai Expressway	225	-12.7%	617	-12.7%	42,871	-15.7%	-7	Turned loss
Han'e Expressway	151	-27.7%	415	-27.7%	29,157	-29.6%	-75	Loss increased
Daguangnan Expressway	389	-13.5%	1,067	-13.5%	23,365	-20.9%	-24	Turned loss

Note:
1. Figures in the table are before elimination of inter-company interest.

2. The average daily toll revenue and average traffic volume of the Group of 2022 were calculated based on the calendar days in 2022 (365 days)

2022 Operating analysis of non-controlled toll projects

Toll projects	Toll revenue		Average toll revenue		Average traffic volume		Attributable profit ⁽¹⁾	
	RMB million	Change %	2022 1H RMB '000/day ⁽²⁾	Change %	2022 1H vehicle/day ⁽²⁾	Change %	RMB million	Change %
Northern Ring Road	642	-10.2%	1,758	-10.2%	344,067	-7.7%	52	-25.1%
Humen Bridge	696	-19.5%	1,908	-19.5%	72,149	-19.4%	62	Turned profit
GWSR Expressway	405	-19.6%	1,110	-19.6%	72,054	-22.1%	53	-30.8%
Qinglian Expressway	615	-29.7%	1,686	-29.7%	44,922	-15.3%	-15	Turned loss
Shantou Bay Bridge	142	-25.2%	388	-25.2%	24,521	-17.0%	18	-38.5%
REIT ⁽¹⁾	199	N/A	544	-12.0%	27,043	-19.3%	9	N/A
Pazhou Portt ⁽³⁾	0	N/A	0	N/A	0	N/A	-8	Loss decreased

Note:

1. The underlying asset of REIT is Hubei Hanxiao Expressway

2. The average daily toll revenue and average traffic volume of the Group of 2022 were calculated based on the calendar days in 2022 (365 days)

3 : Pazhou Port had not yet commenced operation, the loss was pre-operating expenses.



Financial analysis

Extract of consolidated statement of financial position

<i>RMB million</i>	As at 31 Dec 2022	As at 31 Dec 2021
Total assets	36,337	35,661
Total liabilities	22,102	21,188
Total equity	14,235	14,473

Mainly including:

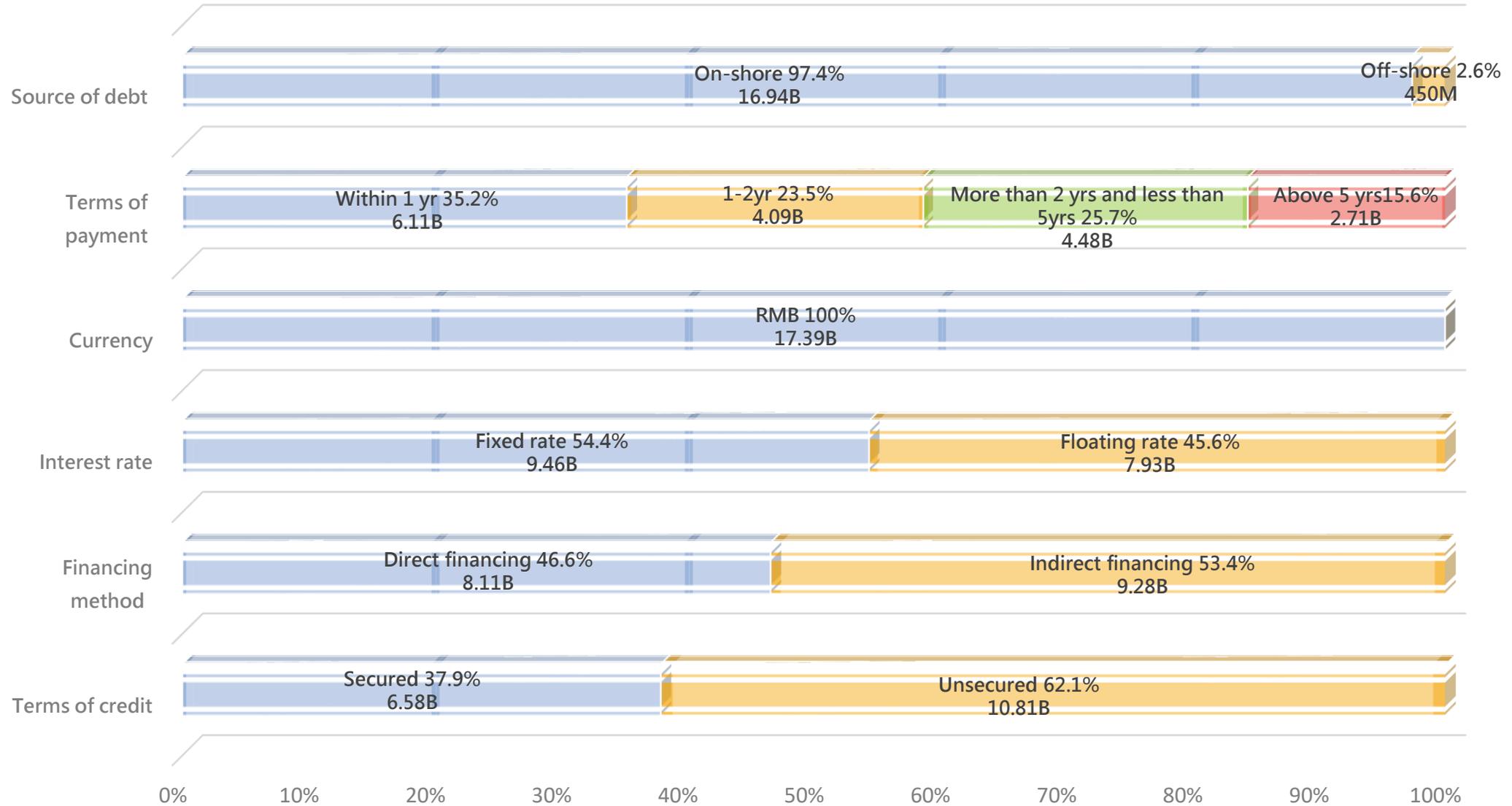
- **84.3% intangible operation rights**
Net book value of intangible operating rights as at 31 Dec 2022 amounted to RMB 30.641B, increased by RMB 1.455B or 5.0%, mainly due to the acquisition of Lanwei Expressway
- **6.3% Investment in a joint venture/ associates**
As at 31 Dec 2022, investment in a joint venture/ associates amounted to RMB 2.287B, decreased RMB 274M or 10.7%. Mainly due to the dividend from joint venture/ associates.
- **6.8% Cash and cash equivalent**
The closing balance of cash and cash equivalent was RMB 2.480B

	As at 31 Dec 2022	As at 31 Dec 2021
Gearing ratio (=net debt/(total equity + net debt))	51.4%	48.5%
Total liabilities/total assets ratio	60.8%	59.4%
Debt to equity ratio (=net debt/total equity)	105.9%	94.1%

Mainly including:

- External debt of RMB 17.39B
- Deferred income tax liabilities of RMB 3.052B

External debts structure



Operating activities

- Decreased RMB 359M
- Decreased 14.0%

Financing activities

- Drawdown of bank borrowings and other borrowings of RMB 7.455B
- Absorb non-controlling equity capital of RMB 6.7M
- Repayable of bank borrowings and other borrowings of RMB 7.871B
- Payment of interest of RMB 568M
- Dividends paid to the shareholders of the Company of RMB 740M
- Dividends paid to non-controlling interests of RMB 308M

Investing activities

- Expenditure of Lanwei Expressway acquisition of RMB 862M
- Dividend from associates and joint venture amounted to RMB 471M
- Capital expenditure in construction of RMB 311M





Future Prospect

Global growth continues to be uncertain, and China's economy expected to rebound

- In January 2023, the IMF released its updated World Economic Outlook report, which projects global economic growth of 2.9%
- After entering a new stage of epidemic prevention and control, China's macroeconomic policy adheres to seeking progress in stability. According to the government working report, China targets 2023 GDP growth of around 5%

With the optimization of epidemics controls, the Spring Festival Transport in 2023 has come to a successful conclusion and the travel demands of social residents bounced back significantly.

- The epidemics controls have a great impact on residents' travel and freight transportation, which is an external hard constraint that expressway operators can hardly control
- On 7 December 2022, the State Council's Joint Prevention and Control Mechanism Comprehensive Team issued the "Circular on Further Optimizing the Implementation of COVID-19 Prevention and Control Measures", which meant a progressive lift of the controlling measures for prevention of the pandemic.
- The 40-day Spring Festival Transport in 2023 has come to a successful conclusion, the number of passengers sent by railways, highways, waterways, and civil aviation increased significantly compared with 2022. The traffic flow of small passenger cars on expressways across the country hit a record high, grew by 18.6% and 17.2% respectively over the same of 2022 and 2019

Accelerating the construction of a strong transportation country, and the core regulations of the industry are to be revised and issued

- According to the "National Comprehensive Three-dimensional Transportation Network Planning Outline", the length of the State expressway network will reach 162,000 km by 2035.
- Amendments to the Highway Law and the Regulations on the Administration of Toll Roads have been included in the legislative plan 2022 of the Ministry of Transport.

Overall judgment: In 2022, the China economy has demonstrated strong resilience under the complex and severe international and domestic situation. In 2023, the government will actively introduce policies that are conducive to economic stability. Expressway investment and travel demand are expected to grow steadily, and the operating performance of expressways is expected to remain stable.



Marco economy

Sector environment

Seize the opportunity Focusing on main business

- **Deepen the interaction of the three platforms:** Listed companies use the front-end incubation platform to secure high-quality assets in advance, use the back-end public offering REITs to revitalize stock assets, manage asset-liability ratios, and smooth profit fluctuations. Relying on the interaction of the three platforms, asset recycling drive capital recycling and enlarge the scale of asset management.
- **Focus on two types of investment opportunities and optimize asset portfolio:** Based on the Guangdong-Hong Kong-Macao Greater Bay Area and the central region, promote the lane expansion of matured projects to extend the concession period. Actively explore investment opportunities through the judicial auction and acquire mature assets which can make an immediate positive contribution to profits; adopting a two-pronged approach to build an asset portfolio that is both offensive and defensive, portfolio with both long and short asset cycles.
- Prudent financial policy to balance business expansion, financial stability and shareholder return





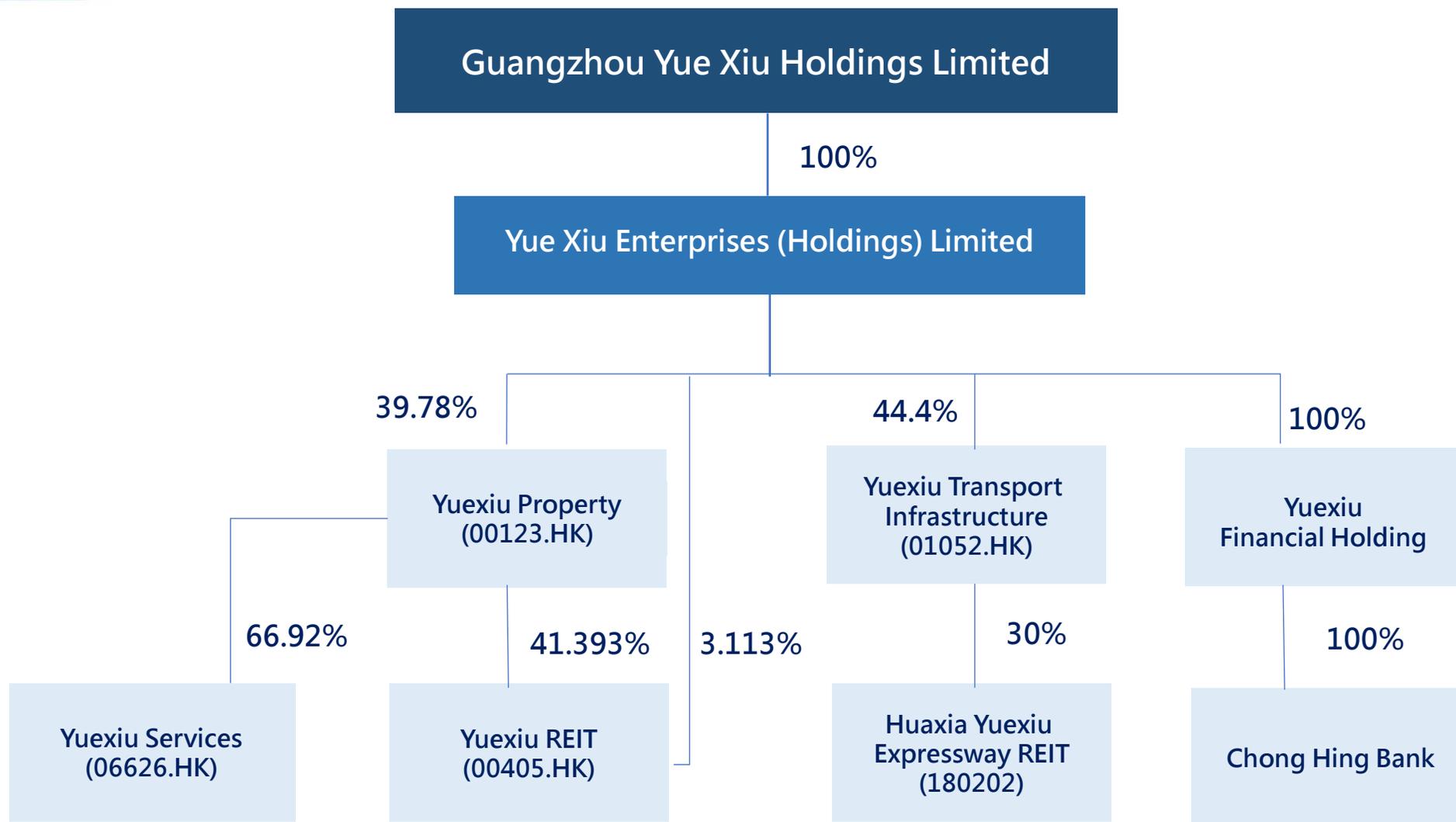
Appendix

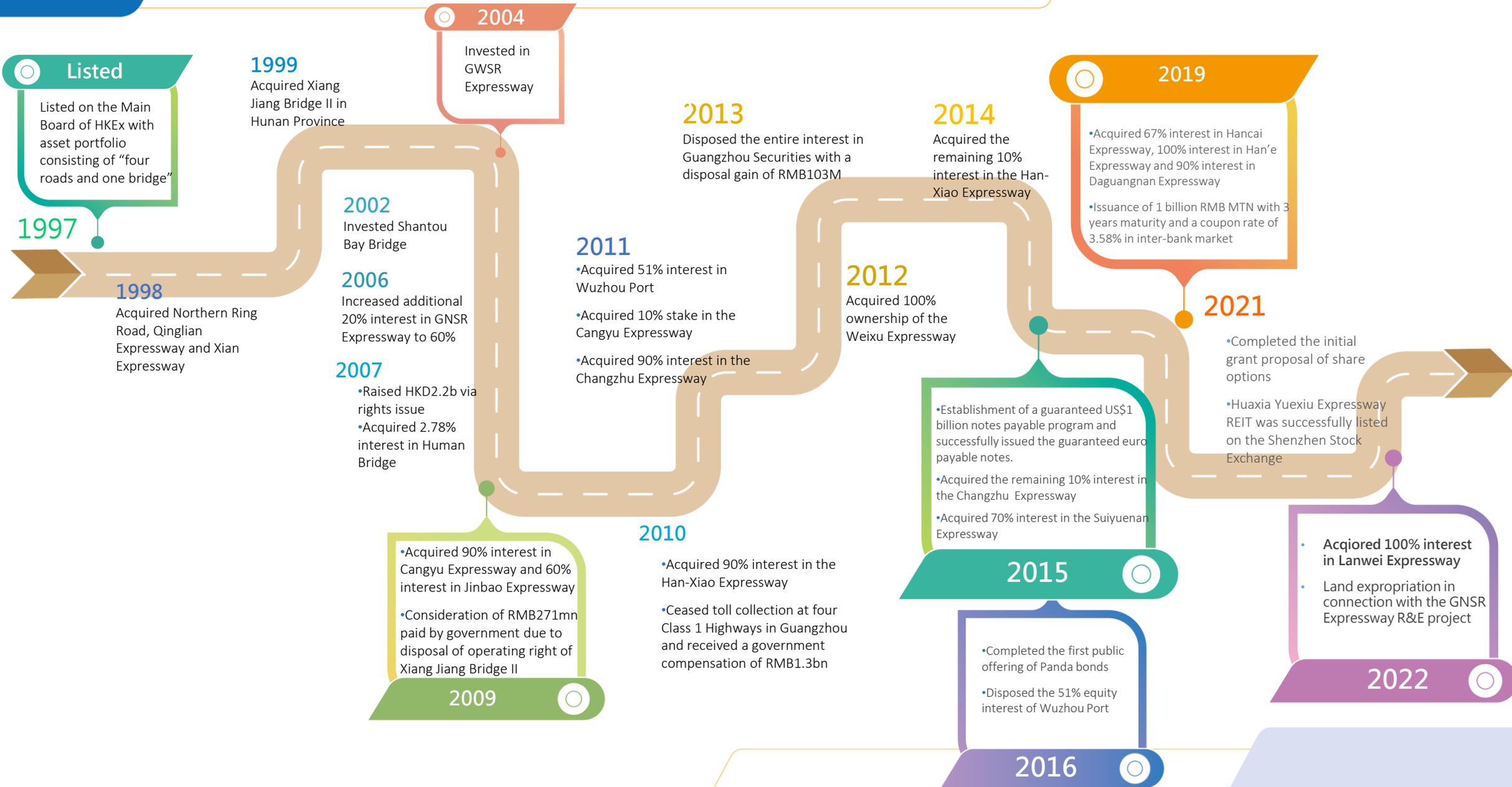
Extract of consolidated statement of profit or loss

RMB '000	2022	2021	Increase/decrease	Change%
Revenue	3,288,923	3,702,276	(413,353)	-11.2%
Cost of services	1,569,535	1,479,030	90,505	6.1%
Gross profit	1,719,388	2,223,246	(503,858)	-22.7%
Other income, gains and losses-net	45,973	64,633	(18,660)	-28.9%
General and administrative expenses	310,419	369,664	(59,245)	-16.0%
Net finance costs	561,866	699,143	(137,277)	-19.6%
Share of results of a joint venture/ associates	172,264	263,791	(91,527)	-34.7%
Impairment loss ⁽¹⁾	-	225,489	(225,489)	-100.0%
Gain on from disposal of a subsidiary ⁽²⁾	-	960,976	(960,976)	-100.0%
Profit before tax	1,065,340	2,218,350	(1,153,010)	-52.0%
Income tax	327,529	425,656	(98,127)	-23.1%
Profit after tax	737,811	1,792,694	(1,054,883)	-58.8%
Profit attributable to shareholders	453,114	1,464,984	(1,011,870)	-69.1%
Basic earnings per share (RMB)	0.2708	0.8756	(0.6048)	-69.07%
Diluted earnings per share (RMB)	0.2708	0.8752	(0.6044)	-69.06%
Dividend per share (HKD)	0.20	0.61		
Payout ratio	64.4%	56.9%		

Note 1. Impairment losses of RMB 128M and 97M were recognized against investment in Humen Bridge and intangible operating rights of Jinxiong Expressway in 2021 respectively.
 Note 2. It is the gain on disposal of Hanxiao to REIT for the public offering of REIT in 2021.

Shareholders structure





Yuexiu Transport Infrastructure Limited

Expressway/ Bridge/ Port



Controlled Projects

- GNSR Expressway /60%/ concession period until : 2032/01/10
- Cangyu Expressway /100%/ concession period until :2030/12/28
- Jinxiong Expressway /60%/ concession period until : 2030/03/17
- Changzhu Expressway /100%/ concession period until :2040/08/30
- Weixu Expressway /100%/ concession period until : 2035/11/18
- Lanwei Expressway/ 100%/ concession period until: 2023/07/01
- SYN Expressway /70%/ concession period until : 2040/03/09
- Hancai Expressway /67%/ concession period until : 2038/08/27
- Han'e Expressway /100%/ concession period until : 2042/06/30
- Daguangnan Expressway /90%/ concession period until : 2042/04/29

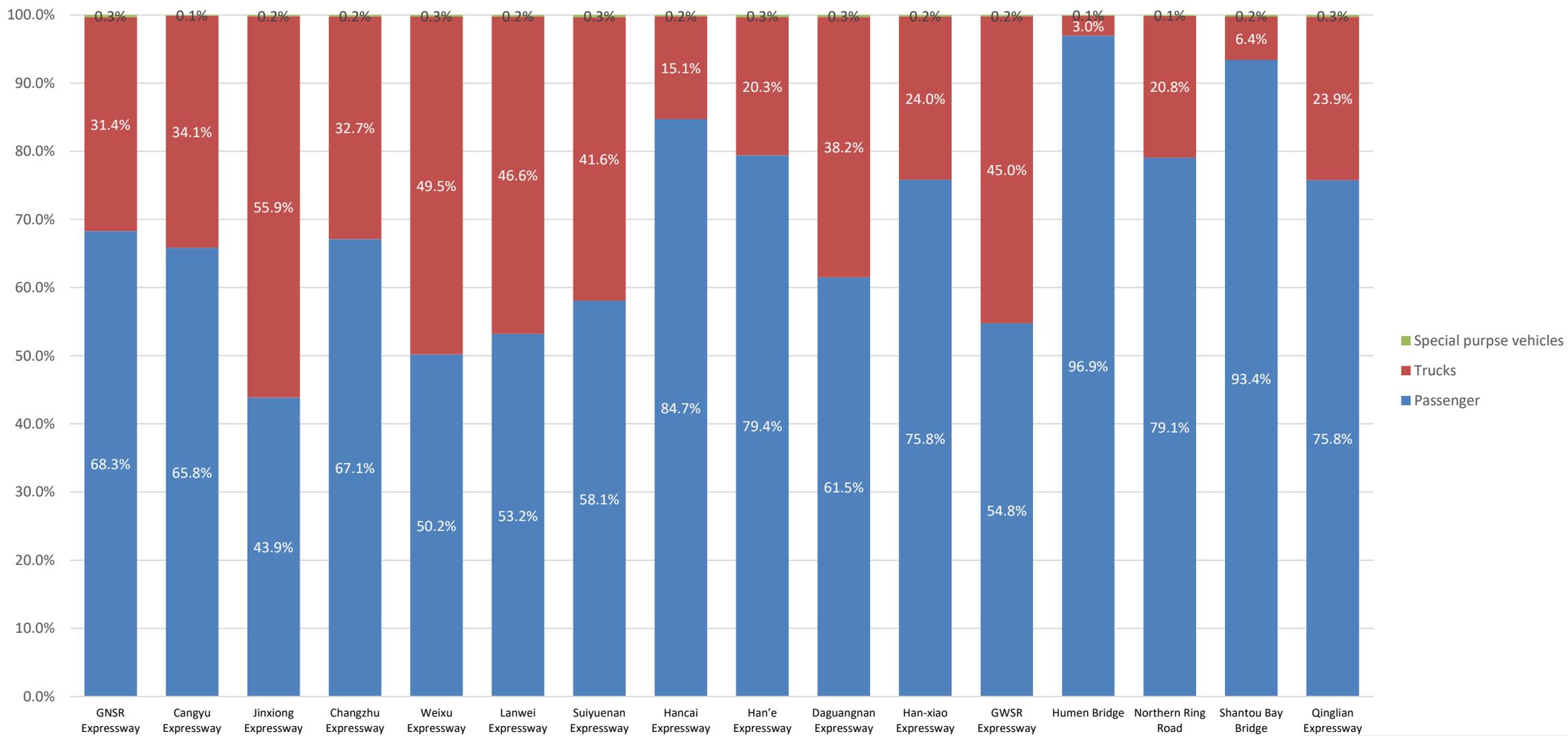


Non-controlled Projects

- Han-xiao Expressway /30%/ concession period until : 2036/12/09
- Humen Bridge /27.78%/ concession period until : 2029/05/08
- Northern Ring Road /24.3%/ concession period until : 2023/11/29
- Qinglian Expressway /23.63%/ concession period until : 2034/06/30
- GWSR Expressway /35%/ concession period until : 2030/12/19
- Shantou Bay Bridge /30%/ concession period until : 2028/12/23
- Pazhou Port /45%

Note : The profit sharing ratio of Humen Bridge has been adjusted to 18.446% since 2010

Traffic mix



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