

2023 Interim Result

CREATING

EXCELLENT VALUES





Result highlights

Operation Highlights

Main operating indicators fully rebounded, financial situation continued to be optimized

Recorded a high double-digit growth in revenue, profit attributable to shareholders and dividends increased by about 50%.

Financing costs continued to be optimized to reduce debt ratios.

New projects bring new impetus to the company's development

Lanwei Expressway, which was successfully acquired at the end of 2022. In the first half of the year, the toll revenue was about RMB 153M, and the profit attributable to shareholders was about RMB 31M, which continued to bring new momentum to the company's development.

The GNSR R&E Project is progressing steadily

While focusing on key hurdles, steady progress was achieved through cost controls and rolling with punches.

1H 2023 Performance highlights

Revenue

RMB
1.935B
+19.8%

Total assets

RMB
35.60B
-2.0%

Profit attributable to
shareholders

RMB
427M
+44.6%

Total liabilities/
Total assets ratio

59.0%
-1.8ppt

Payout Ratio

Dividend
per share:
HKD 0.15
Payout ratio:
53.8%

Extract of consolidated statement of profit or loss

RMB million	2023 1H	2022 1H
Revenue	1,935	1,616
EBITDA	1,767	1,513
Gross profit	1,095	898
Attributable profit to shareholders	427	295
Earnings per share (RMB)	0.2553	0.1765
Dividend per share(HKD)	15	10
Payout ratio	53.8%	48.8%

Revenue

- 2023 1H increased RMB 320M or 19.8%
- Lanwei Expressway was consolidated in the second half of 2022, toll revenue increased RMB 153M.
- GNSR Expressway increased RMB 53M
- SYN Expressway increased RMB 42M

EBITDA

- 2023 1H increased RMB 254M
- Increased 16.8%

Attributable profit

- RMB 427M, increased 44.6%

Dividend per share

Dividend for 1H 2023 is HKD 0.15 per share, payout ratio of 53.8%

2023 1H Operating analysis of controlled toll projects

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 2023 1H were calculated based on the calendar days in 2023 (181 days)

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	535	11.0%	2,955	11.0%	287,018	17.7%	186	8.7%
Cangyu Expressway	49	13.1%	272	13.1%	19,851	25.9%	23	23.6%
Jinxiong Expressway	41	24.3%	227	24.3%	35,334	31.9%	6	163.4%
Changzhu Expressway	122	5.7%	674	5.7%	70,130	7.6%	23	-29.5%
Weixu Expressway	187	-4.8%	1,032	-4.8%	26,944	25.0%	83	-7.2%
Lanwei Expressway	153	N/A	843	N/A	32,994	N/A	31	N/A
Suiyuenan Expressway	351	13.5%	1,941	13.5%	34,581	17.3%	115	22.3%
Hancai Expressway	137	20.0%	759	20.0%	60,279	36.4%	16	4983.6%
Han'e Expressway	75	-6.3%	415	-6.3%	34,273	9.9%	-16	Loss decreased
Daguangnan Expressway	233	19.5%	1,288	19.5%	30,549	23.5%	20	Turned profit

2023 1H Operating analysis of non-controlled toll projects

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 2023 1H were calculated based on the calendar days in 2023 (181 days)

3 : The trial operation of Pazhou Port commenced on 14 April 2023, and formal operation commenced on 4 May 2023.

4 : Average daily toll revenue and average daily passenger traffic volume from April 14th to June 30th

Toll projects	Toll revenue		Average toll revenue		Average traffic volume		Attributable profit ⁽¹⁾	
	RMB million	Change %	2023 1H RMB '000/day ⁽²⁾	Change %	2023 1H vehicle/day ⁽²⁾	Change %	RMB million	Change %
Northern Ring Road	351	10.6%	1,941	10.6%	381,738	11.5%	28	24.9%
Humen Bridge	486	45.7%	2,686	45.7%	99,203	44.1%	43	28.6%
GWSR Expressway	232	17.4%	1,279	17.4%	87,888	25.9%	36	35.1%
Qinglian Expressway	345	11.2%	1,905	11.2%	52,105	14.3%	15	Turned profit
Shantou Bay Bridge	52	-31.6%	285	-31.6%	17,672	-31.2%	5	-49.6%
Huaxia Yuexiu Expressway REIT ⁽¹⁾	119	16.2%	656	16.2%	33,261	16.4%	9	2.3%
Pazhou Port ⁽³⁾	4	N/A	44 ⁽⁴⁾	N/A	172 ⁽⁴⁾	N/A	-6	8.8%



Financial analysis

Extract of consolidated statement of financial position

<i>RMB million</i>	As at 30 Jun 2023	As at 31 Dec 2022
Total assets	35,600	36,337
Total liabilities	21,015	22,102
Total equity	14,585	14,235

Mainly including:

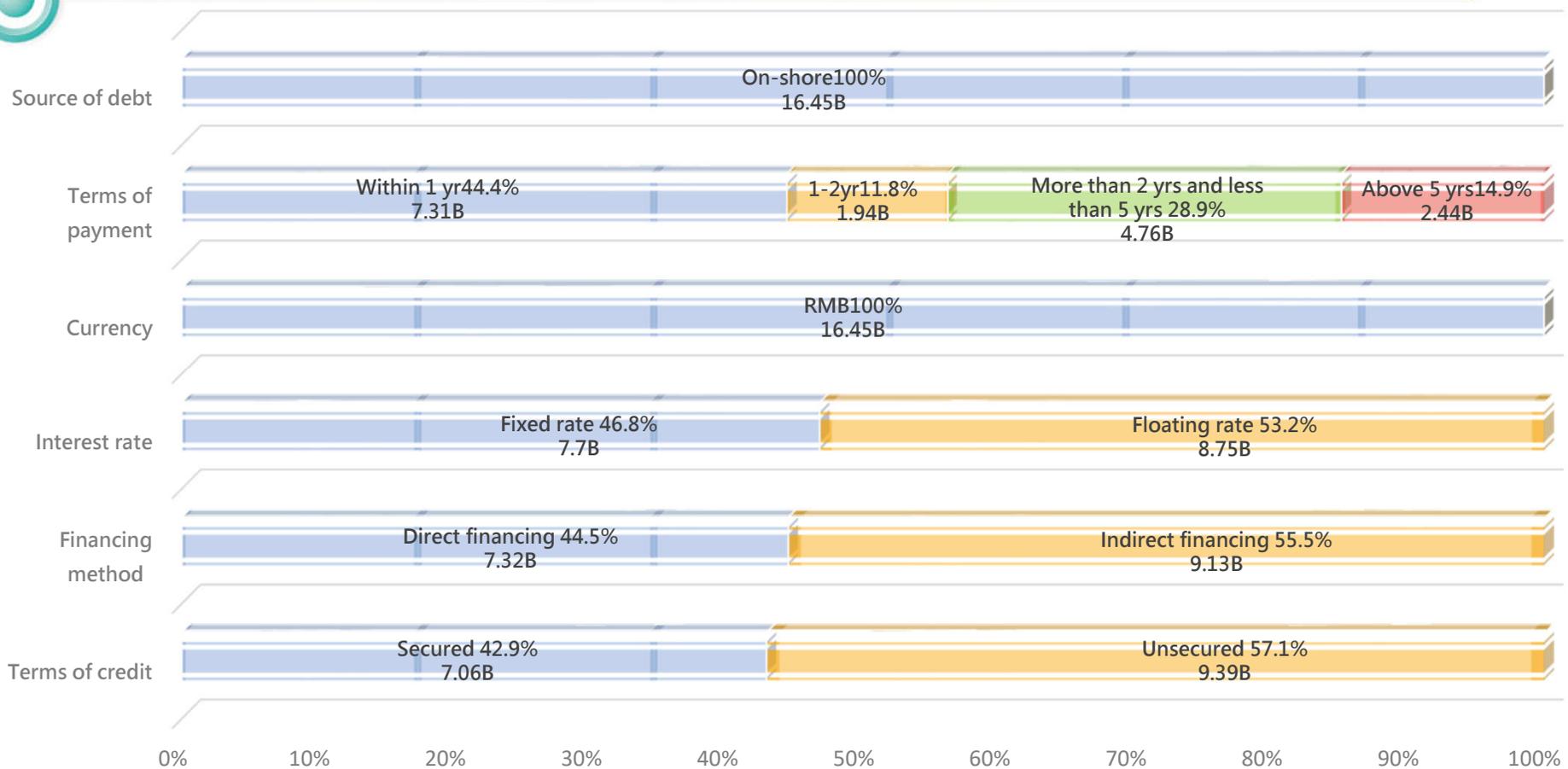
- **84.4% intangible operation rights**
Net book value of intangible operating rights as at 30 Jun 2023 amounted to RMB 30.05B, decreased by RMB 0.6B or 1.9%, mainly due to the amortization
- **6.3% Investment in a joint venture/ associates**
As at 30 Jun 2023, investment in a joint venture/ associates amounted to RMB 2.26B, decreased by RMB 32M or 1.4%. Mainly due to the dividend from a joint venture/ associates
- **5.0% Cash and cash equivalent**
The closing balance of cash and cash equivalent was RMB 1.77B

	As at 30 Jun 2023	As at 31 Dec 2022
Gearing ratio (=net debt/(total equity + net debt))	50.4%	51.4%
Total liabilities/total assets ratio	59.0%	60.8%
Debt to equity ratio (=net debt/total equity)	101.7%	105.9%

Mainly including:

- Principle of external debt of RMB 16.55B
- Deferred income tax liabilities of RMB 3.06B

External debts structure



Note: The above amount does not include interest payable

Cash flow

Operating activities

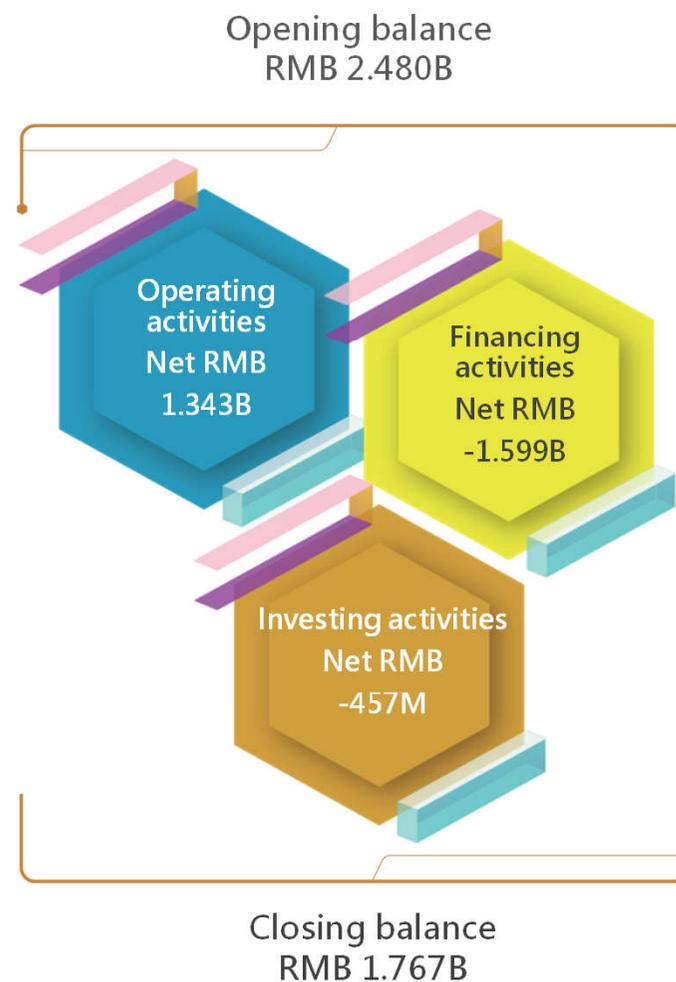
- Increased RMB 274M
- Increased 25.7%

Financing activities

- Drawdown of bank borrowings and other borrowings of RMB 2.843B
- Repayable of bank borrowings and other borrowings of RMB 3.8B
- Payment of interest of RMB 372M
- Dividends paid to the shareholders of the Company of RMB 154M
- Dividends paid to non-controlling interests of RMB 108M

Investing activities

- Dividend from associates and joint venture amounted to RMB 174M
- Capital expenditure in construction and prepayment of RMB 637M





Future Prospect

Future prospects—Business environment analysis

Global growth continues to be uncertain, and China's economy on track to steady rebound

- In the face of a complex and challenging international environment and difficult and arduous tasks in promoting reform and development at home, the PRC stayed true to the general principle of pursuing progress while ensuring stability, and strived to promote high-quality development, hereby promoting a full economic recovery. According to the information released by the National Bureau of Statistics, the gross domestic product (GDP) for the first half of 2023 amounted to RMB59,303.4 billion, representing a year-on-year increase of 5.5%; and by quarter, the GDP for the first quarter and the second quarter recorded a year-on-year increase of 4.5% and 6.3% respectively.

Marco economy

Recovery of social travel accelerated, which was already above the pre-pandemic level

- The Spring Festival travel rush surged because of the 'revenge travel, railways, highways, waterways, and civil aviation transported 348M, 1.169B, 22.452M, and 55.23M passengers, respectively, an increase of 37.4%, 55.8%, 37.1%, and 39% over the same period in 2022. Passenger vehicle traffic on expressways across the country has reached a record high of 1.184 billion vehicles, carrying approximately 3.138 billion passengers, an increase of 18.6% over the same period in 2022 and an increase of 17.2% over the same period in 2019, reflecting a significant increase in the public's willingness to choose self-driving travel.
- In May 2023, China's expressway network recorded a year-on-year growth of approximately 19% in traffic volume. The traffic volume remained at a high level during the "May Day" holiday and reached a new high for the same period in the past five years. 106 million domestic trips were recorded during the "Dragon Boat Festival" holiday, representing a year-on-year growth of 32.3% and have recovered to 112.8% of the level in the same period in 2019 on a comparable basis
- In June 2023, motor vehicle traffic volume on expressways increased by about 13% YOY (passenger cars increased by 20%, and trucks increased by 2%).

Sector environment

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 have been included in Category One of the 2023 Legislative Plan for the Ministry of Transport for "the legislative projects for which the internal work will be completed and which will be published within the year".

Overall judgment: In 1H 2023, the China economy has demonstrated strong resilience under the complex and severe international and domestic situation, it is expected that the government will promote a series of policy measures to promote the continuous recovery of the economy. Expressway investment and travel demand are expected to grow steadily, and the operating performance of expressways is expected to remain stable.

Future prospects—Development strategies

Deepen the interaction of the three platforms Transform into a transportation infrastructure asset management company

- **Continue to deepen the interaction of the three platforms:** Continue to deepen the role of the 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. Through the interaction of the three platforms, asset recycling drive capital recycling and enlarge the scale of asset management.
- **Seize 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 GNSR Expressway to extend the concession period. Actively explore high-quality assets investment opportunities; 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



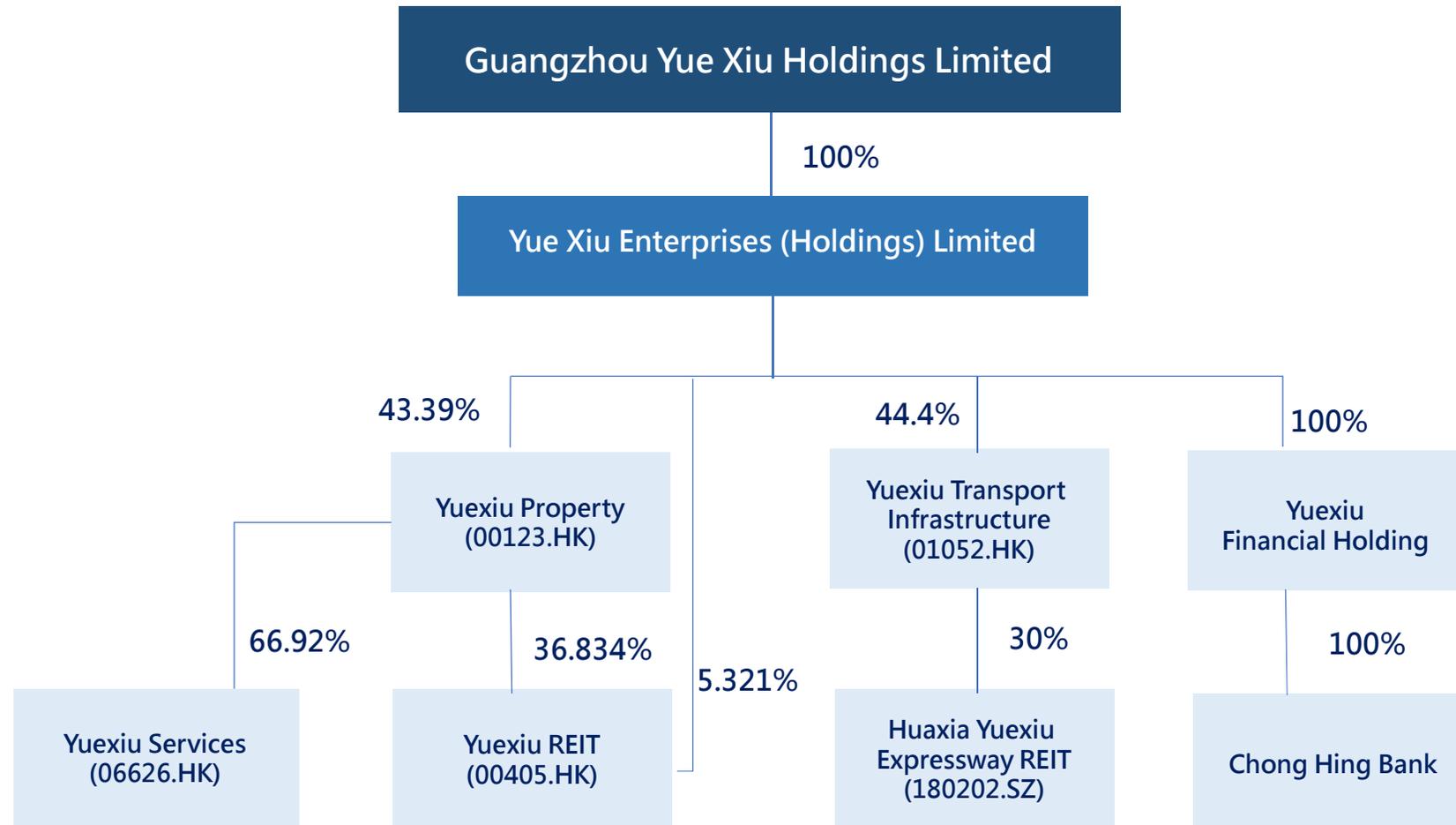


Appendix

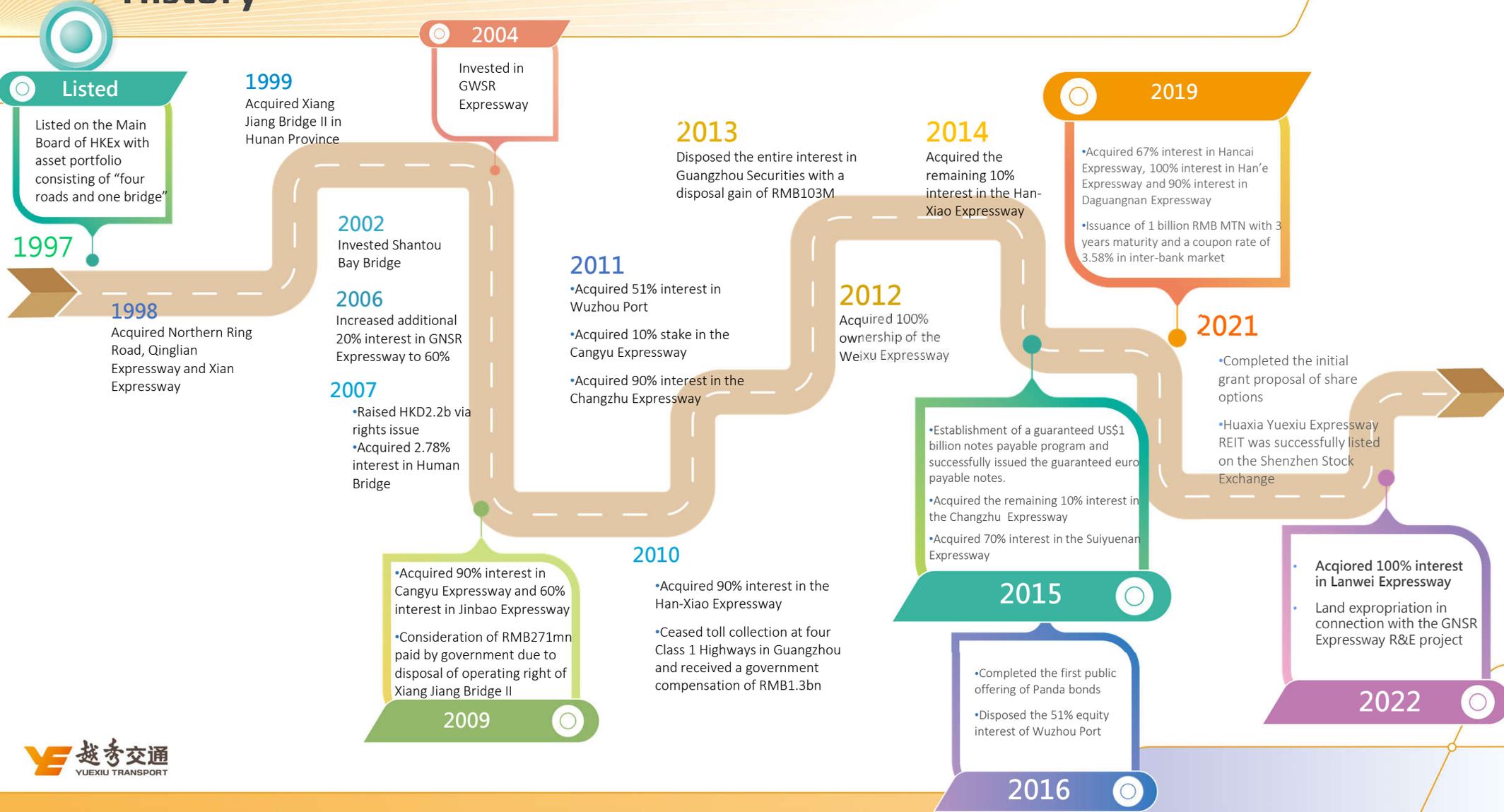
Extract of consolidated statement of profit or loss

RMB '000	For the period ended 30 Jun 2023	For the period ended 30 Jun 2022	Increase/ (decrease)	Change %
Revenue	1,935,448	1,615,538	319,910	19.8%
Cost of services	840,864	717,944	122,920	17.1%
Gross profit	1,094,584	897,594	196,990	21.9%
Other income, gains and losses-net	10,586	37,914	(27,328)	-72.1%
General and administrative expenses	133,903	102,138	31,765	31.1%
Net finance costs	270,292	305,191	(34,899)	-11.4%
Share of results of a joint venture/ associates	130,384	90,893	39,491	43.4%
Profit before tax	831,359	619,072	212,287	34.3%
Income tax	218,792	173,137	45,655	26.4%
Profit after tax	612,567	445,935	166,632	37.4%
Profit attributable to shareholders	427,106	295,318	131,788	44.6%
Basic earnings per share (RMB)	0.2553	0.1765	0.0788	44.6%
Diluted earnings per share (RMB)	0.2553	0.1764	0.0789	44.7%
Dividend per share (HKD)	0.15	0.10		
Payout ratio	53.8%	48.8%		

Shareholders structure



History



Listed
Listed on the Main Board of HKEx with asset portfolio consisting of "four roads and one bridge"

1997

1998
Acquired Northern Ring Road, Qinglian Expressway and Xian Expressway

1999
Acquired Xiang Jiang Bridge II in Hunan Province

2002
Invested Shantou Bay Bridge

2006
Increased additional 20% interest in GNSR Expressway to 60%

2007
•Raised HKD2.2b via rights issue
•Acquired 2.78% interest in Human Bridge

•Acquired 90% interest in Cangyu Expressway and 60% interest in Jinbao Expressway
•Consideration of RMB271mn paid by government due to disposal of operating right of Xiang Jiang Bridge II

2009

2004
Invested in GWSR Expressway

2011
•Acquired 51% interest in Wuzhou Port
•Acquired 10% stake in the Cangyu Expressway
•Acquired 90% interest in the Changzhu Expressway

2010
•Acquired 90% interest in the Han-Xiao Expressway
•Ceased toll collection at four Class 1 Highways in Guangzhou and received a government compensation of RMB1.3bn

2013
Disposed the entire interest in Guangzhou Securities with a disposal gain of RMB103M

2012
Acquired 100% ownership of the Weixu Expressway

•Establishment of a guaranteed US\$1 billion notes payable program and successfully issued the guaranteed euro payable notes.
•Acquired the remaining 10% interest in the Changzhu Expressway
•Acquired 70% interest in the Suiyuan Expressway

2015

•Completed the first public offering of Panda bonds
•Disposed the 51% equity interest of Wuzhou Port

2016

2014
Acquired the remaining 10% interest in the Han-Xiao Expressway

2019
•Acquired 67% interest in Hancal Expressway, 100% interest in Han'e Expressway and 90% interest in Daguangnan Expressway
•Issuance of 1 billion RMB MTN with 3 years maturity and a coupon rate of 3.58% in inter-bank market

2021
•Completed the initial grant proposal of share options
•Huaxia Yuexiu Expressway REIT was successfully listed on the Shenzhen Stock Exchange

• Acquired 100% interest in Lanwei Expressway
• Land expropriation in connection with the GNSR Expressway R&E project

2022

Company 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: 2034/07/01
- 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



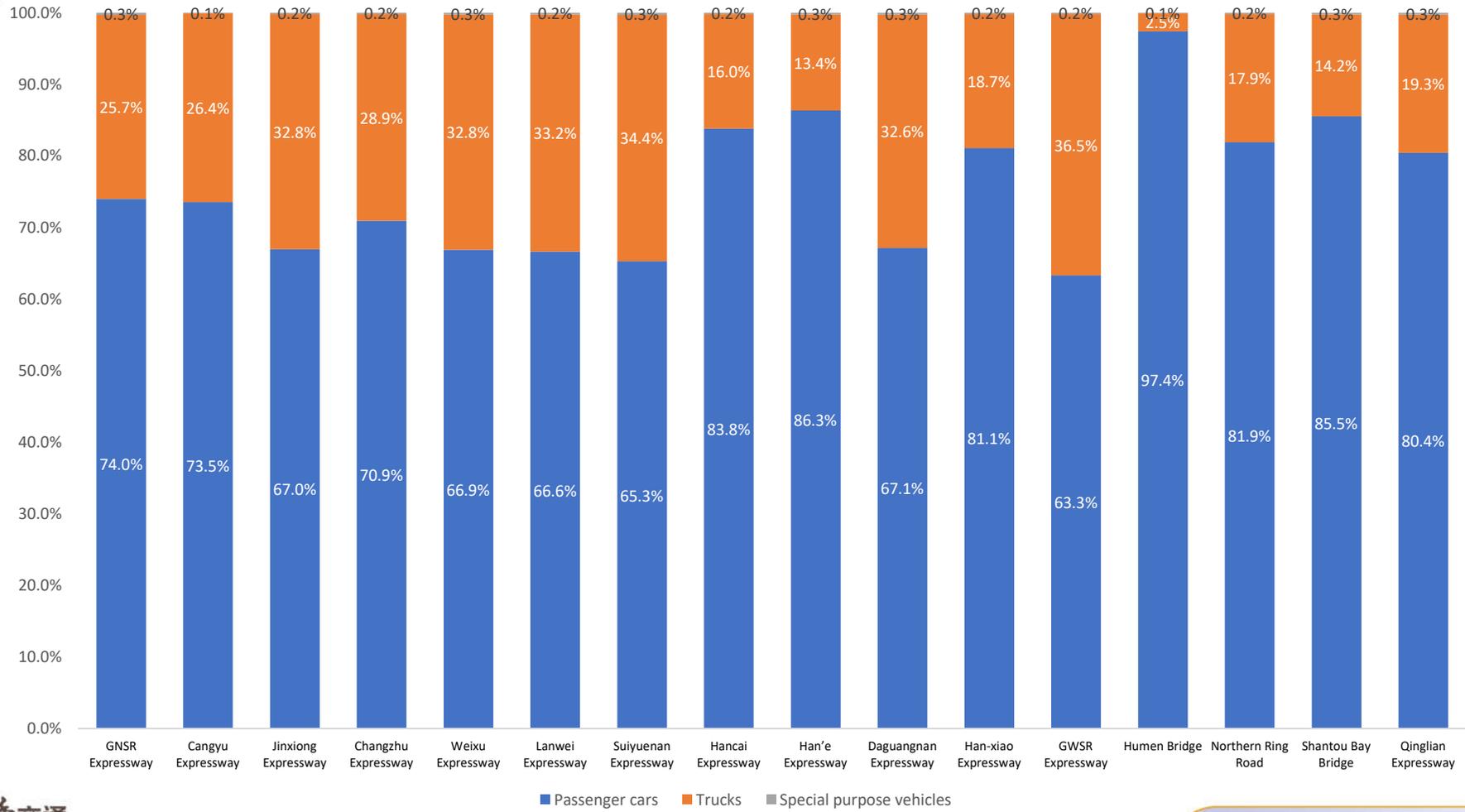
Non-controlled Projects

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

Note :

1. The profit-sharing ratio of Humen Bridge has been adjusted to 18.446% since 2010.
- 2: The above-terminating dates of toll collection do not consolidate the extensions by compensations due to COVID-19

Traffic mix



Disclaimer

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