



越秀交通基建有限公司

YUEXIU TRANSPORT INFRASTRUCTURE LIMITED

(Stock Code: 01052)

CREATING
EXCELLENT VALUES



INTERIM REPORT
2022



超行车道

CONTENTS

Financial Highlights	2
Five Years Financial Summary	3
Corporate Profile	4
Location Maps of Projects	6
Management Discussion and Analysis	14
Independent Review Report of Interim Financial Information	42
Unaudited Interim Financial Information	
Interim Condensed Consolidated Statement of Profit or Loss	43
Interim Condensed Consolidated Statement of Comprehensive Income	44
Interim Condensed Consolidated Statement of Financial Position	45
Interim Condensed Consolidated Statement of Cash Flows	47
Interim Condensed Consolidated Statement of Changes in Equity	48
Notes to the Interim Condensed Consolidated Financial Information	50
Other Information	73
Corporate and Investor Relations Information	80

FINANCIAL HIGHLIGHTS

RESULTS HIGHLIGHTS FOR THE FIRST HALF OF 2022

11.8%

Revenue
RMB1,616 million

21.9%

Gross Profit
RMB898 million

7.2
percentage point

Gross Margin*
55.6%

22.2%

Operating Profit
RMB833 million

26.9%

Profit before income tax
RMB619 million

36.9%

Profit attributable to
shareholders of the Company
RMB295 million

36.9%

Basic earnings per share
RMB0.1765

2.1%

Total Assets
RMB34.92 billion

2.5%

Net assets per share
attributable to shareholders
RMB6.71

* Gross Margin = Gross profit/Revenue

FIVE YEARS FINANCIAL SUMMARY

STATEMENTS OF PROFIT OR LOSS

for six months ended 30 June

(RMB million)	2022	2021	2020	2019	2018
Revenue	1,616	1,832	840	1,381	1,371
Profit/(loss) attributable to shareholders of the Company	295	468	(288)	635	462
Basic earnings/(loss) per share	RMB0.1765	RMB0.2795	RMB(0.1722)	RMB0.3796	RMB0.2764

STATEMENTS OF FINANCIAL POSITION

(RMB billion)	30 June 2022	31 December 2021	31 December 2020	31 December 2019	31 December 2018
Total Assets	34.92	35.66	36.37	36.80	22.74
Total Liabilities	20.68	21.19	22.71	23.17	10.33
Total Equity	14.24	14.47	13.65	13.63	12.41
Equity attributable to:					
Shareholders of the Company	11.22	11.51	10.42	10.57	10.07
Non-controlling interests	3.02	2.96	3.23	3.06	2.34
Net assets per share to shareholders of the Company	RMB6.71	RMB6.88	RMB6.23	RMB6.32	RMB6.02

FINANCIAL RATIOS

	30 June 2022	31 December 2021	31 December 2020	31 December 2019	31 December 2018
Return on equity attributable to shareholders of the Company	5.26%	12.73%	1.54%	10.76%	10.47%
EBITDA Interest coverage ¹	4.7 times	4.6 times	3.1 times	7.6 times	8.2 times
Gearing ratio ²	48.4%	48.5%	54.3%	55.4%	29.6%
Total liabilities/Total assets ratio ³	59.2%	59.4%	62.5%	63.0%	45.4%

1: EBITDA includes profit from associates and joint venture and excludes non-cash gains and losses

2: net debt ÷ total capitalization

3: total liabilities ÷ total assets

CORPORATE PROFILE

廣州越秀集團股份有限公司
Guangzhou Yue Xiu Holdings Limited

100%

Public

Yue Xiu Enterprises (Holdings) Limited

55.8%

44.2%

Yuexiu Transport Infrastructure Limited

Expressway / Bridge / Port

- GNSR Expressway/60%
- Cangyu Expressway/100%
- Jinxiang Expressway/60%
- Changzhu Expressway/100%
- Weixu Expressway/100%
- Suiyuenan Expressway/70%
- Hancai Expressway/67%
- Han'e Expressway/100%
- Daguangnan Expressway/90%

- Han-Xiao Expressway/30%
- Northern Ring Road/24.3%
- Humen Bridge/27.78%*
- Shantou Bay Bridge/30%
- GWSR Expressway/35%
- Qinglian Expressway/23.63%
- Pazhou Port/45%

* The Group's profit sharing ratio in Humen Bridge could be referred to note of 'Business Review' in page 14.

- subsidiaries
- associates and joint venture

CORPORATE PROFILE

Yuexiu Transport Infrastructure Limited (the “Company”) and its subsidiaries (collectively, the “Group”) are principally engaged in investment, operation and management of toll expressways and bridges in Guangdong Province and other high growth provinces in the People’s Republic of China (the “PRC”). The Company’s substantial shareholder, Guangzhou Yue Xiu Holdings Limited is a state-owned enterprise under the supervision of the State-owned Assets Supervision and Administration Commission of the Guangzhou Municipal People’s Government.

As at 30 June 2022, the Group had a total of 15 investments in its operating expressways and bridge projects which included Guangzhou Northern Second Ring Expressway (“GNSR Expressway”), Guangzhou Western Second Ring Expressway (“GWSR Expressway”), Guangzhou Northern Ring Road (“Northern Ring Road”), Guangdong Humen Bridge (“Humen Bridge”), Shantou Bay Bridge and Guangdong Qinglian Expressway, all of which are located within Guangdong Province; Han-Xiao Expressway, Suiyuan Expressway, Hancai Expressway, Han’e Expressway and Daguangnan Expressway in Hubei Province; Cangyu Expressway in Guangxi Zhuang Autonomous Region (“Cangyu Expressway”); Jinxiong Expressway in Tianjin Municipality; Changzhu Expressway in Hunan Province; and Weixu Expressway in Henan Province. As at 30 June 2022, the attributable toll mileage of the Group’s subsidiaries was 416.6 km (total toll mileage was approximately 495.2 km), attributable toll mileage of the Group’s associates and joint venture was approximately 88.8 km, the attributable toll mileage of expressways and bridges was approximately 505.4 km.



LOCATION MAPS OF PROJECTS





● TIANJIN

1 Tianjin City Jinxiong Expressway

● HENAN

2 Xuchang City Weixu Expressway

● HUBEI

3 Wuhan City Han-Xiao Expressway
 Hancai Expressway
 Han'e Expressway

4 Jingzhou City Suiyuan Expressway
 5 Huanggang City Daguangnan Expressway

● HUNAN

6 Changsha City Changzhu Expressway

● GUANGXI

7 Wuzhou City Cangyu Expressway

● GUANGDONG

8 Dongguan City Humen Bridge
 8 Guangzhou City GNSR Expressway
 Northern Ring Road
 GWSR Expressway
 Pazhou Port

9 Qingyuan City Qinglian Expressway
 10 Shantou City Shantou Bay Bridge

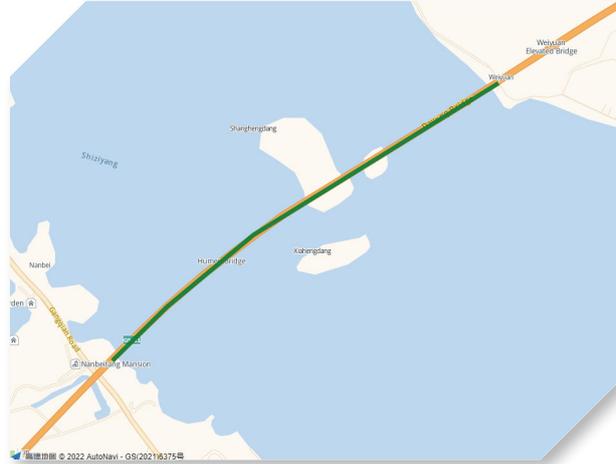
LOCATION MAPS OF PROJECTS

GUANGDONG



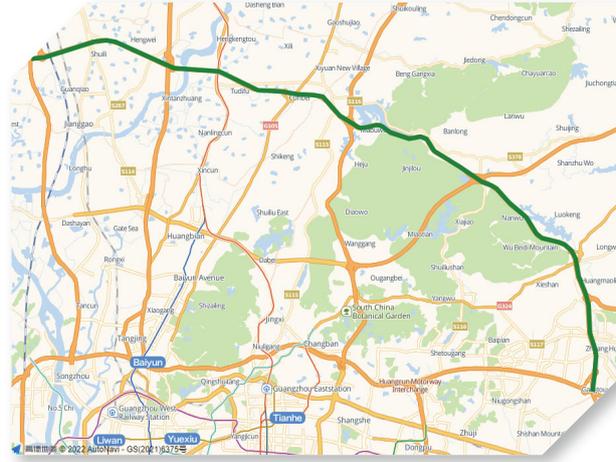
HUMEN BRIDGE

It is a six-lane suspension highway bridge with a toll length of approximately 15.8 km linking Nansha District of Guangzhou City and Humen District of Dongguan City. Its two ends are connected to the Guangzhou Macau Expressway, Guangshen Yanjiang Expressway and GS Superhighway.



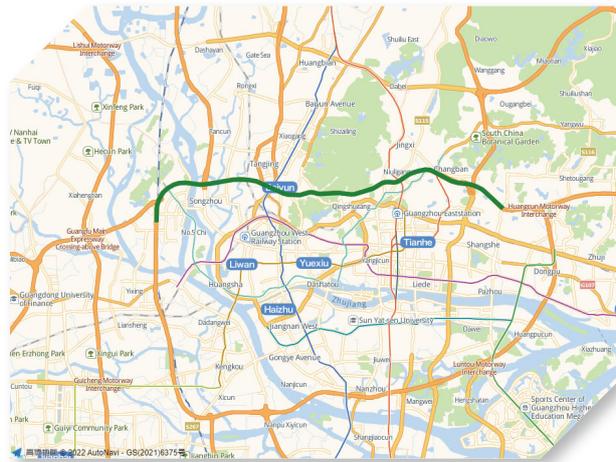
GNSR EXPRESSWAY

It is a six-lane expressway of approximately 42.5 km for toll length, with 10 flyovers in total. GNSR Expressway also connects with GWSR Expressway, Guangqing Expressway, Airport Expressway, G4 Expressway, Huanan Expressway, Guanghe Expressway, Guanghui Expressway, GS Superhighway, GESR Expressway and Fenghuangshan Tunnel, National Highway 105, 106, 324 and Provincial Highway 114 and so on.



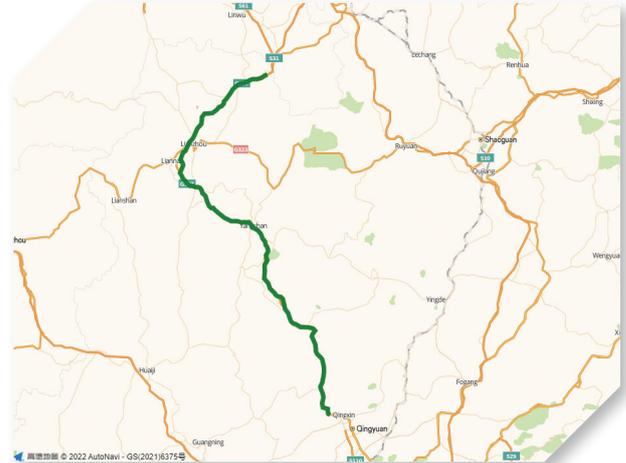
NORTHERN RING ROAD

It is located within Guangzhou City with a toll length of approximately 22.0 km with six lanes. It is a part of Guangzhou Ring Expressway, Guangzhou Section of Shenhai Expressway and Fukun Section of National Highway, linking with GS Superhighway and Guangzhou Foshan Expressway.

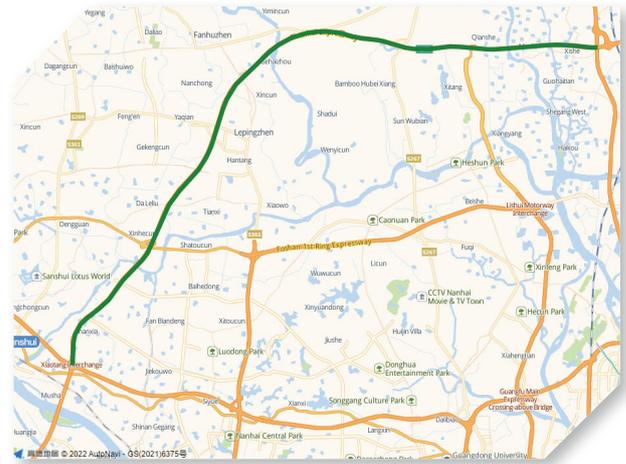


LOCATION MAPS OF PROJECTS**QINGLIAN EXPRESSWAY**

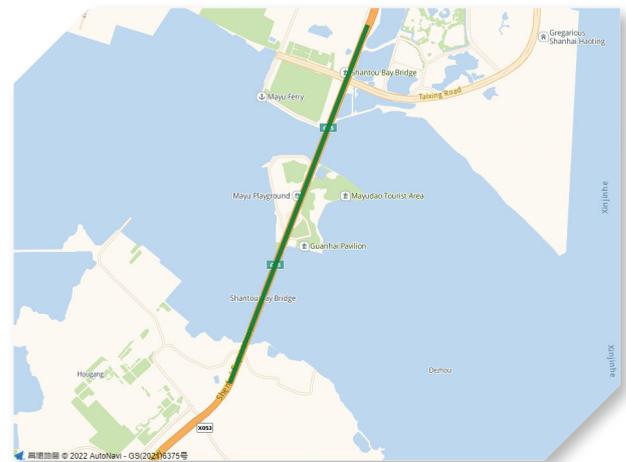
It is located in the northwestern part of Guangdong as a significant linkage between Guangdong and Hunan. The toll length is approximately 215.2 km with four lanes.

**GWSR EXPRESSWAY**

The toll length is approximately 42.1 km with six lanes which are connected to GNSR Expressway, Guangqing Expressway, southern part of GWSR Expressway and Guangsan Expressway.

**SHANTOU BAY BRIDGE**

It is located in the eastern entrance of Shantou Harbour which connects Shenshan Expressway in the south, stretches over Shantou Harbour Huangsha Bay Sea and connects with Shanfen Expressway. The project's toll length is approximately 6.5 km with six lanes.



LOCATION MAPS OF PROJECTS

GUANGXI



CANGYU EXPRESSWAY

It is located in Longxu District, which was originally in Cangwu Country, of Wuzhou City in Guangxi Zhuang Autonomous Region, linking Longxu District of Guangxi with the Yunan Country of Guangdong Province. The toll length is approximately 22 km with four lanes, forming a part of Guangkun Expressway (G80).

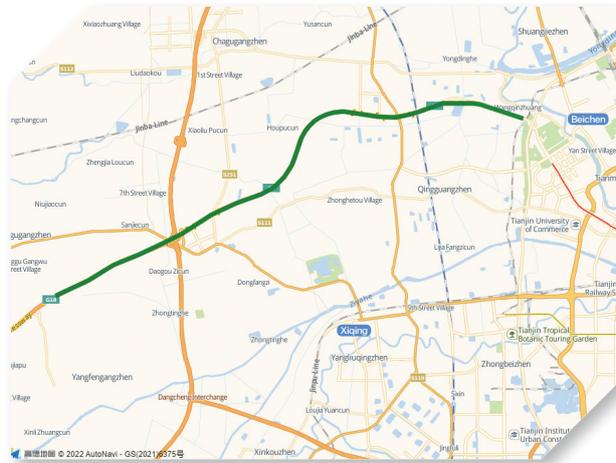


TIANJIN



JINXIONG EXPRESSWAY

It is located in the west of Tianjin Municipality, and Hebei Province at the junction, and linking the Jinxiong Expressway (Hebei section), Jinghu Expressway and Tianjin Waihuan Lane etc. with a toll length of approximately 23.9 km with four lanes.



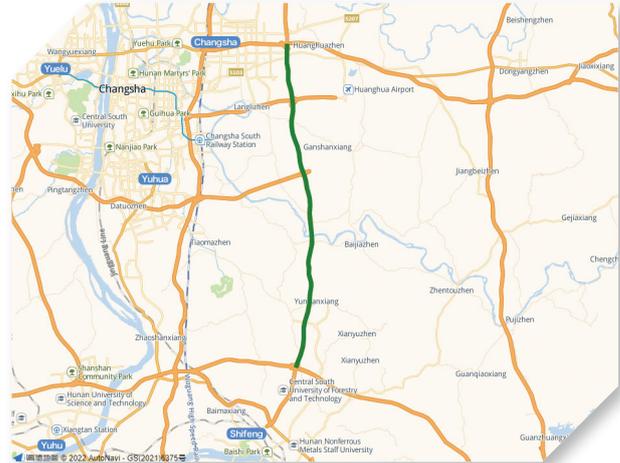
LOCATION MAPS OF PROJECTS

HUNAN



CHANGZHU EXPRESSWAY

It starts from Huanghua Town in the Changsha County, Changsha City, while ending at northwest of Zhuzhou Electric Factory. Changzhu Expressway has a toll length of approximately 46.5 km with four lanes. It connects with Changsha City Ring Road, Chang-Liu Expressway, Airport Expressway and Hukun Expressway.

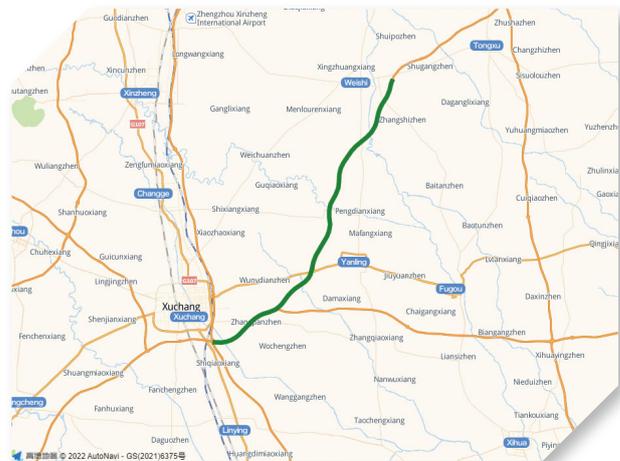


HENAN



WEIXU EXPRESSWAY

Located in Henan Province, Weixu Expressway is an important part of Lan-nan Expressway as well as the significant linkage between G4 Expressway, Daguang Expressway (G45), Xuguang Expressway (G0421), Er'guang Expressway (G55), Ningluo Expressway (G36) and Lianhuo Expressway (G30). The toll length is approximately 64.3 km with four lanes.



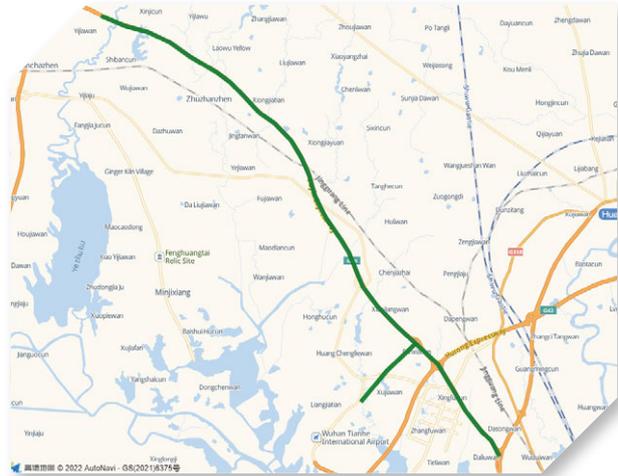
LOCATION MAPS OF PROJECTS

HUBEI



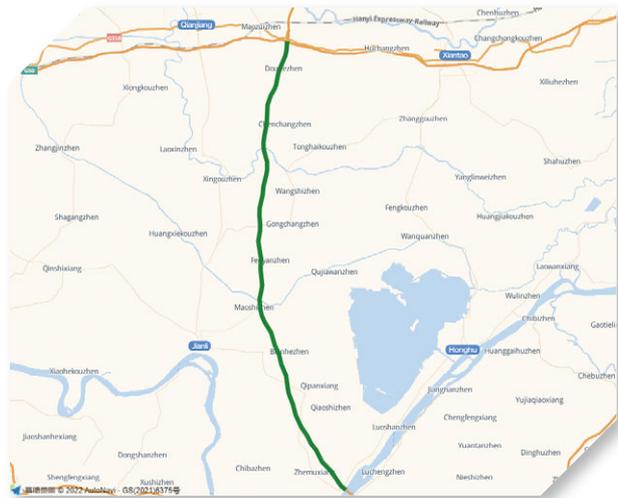
HAN-XIAO EXPRESSWAY

It starts from Huangpi District, Wuhan City and ends at Xiaonan District, Xiaogan City. The toll length is approximately 38.5 km with six lanes at the sections of Airport North Extension as well as from Taoyuanji interchange to Hengdian interchange. There are four lanes for other sections. Han-Xiao Expressway also connects with Wuhan Airport Expressway, G4 Expressway, Wuhan Ring Road, Daijiashan-Huangpi Expressway and Xiaoxiang Expressway.



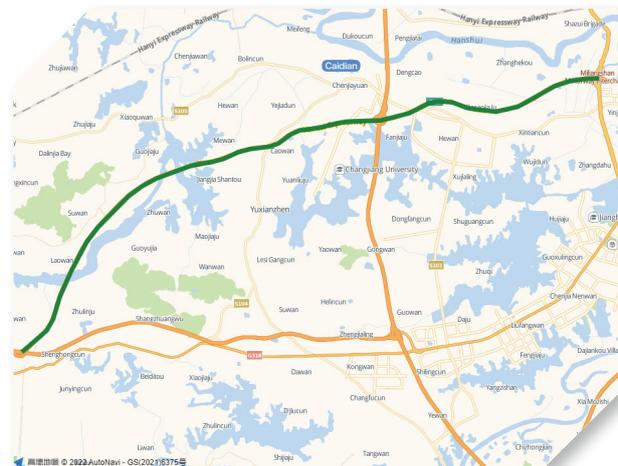
SUIYUENAN EXPRESSWAY

It starts from Hanyi Expressway Zhuji Interchange and ends at north shore of Jinyue Yangtze River Highway Bridge. It is an important expressway in the central region of Hubei for connecting passenger and freight transportation among regions such as Henan and Hunan. The toll length is approximately 98.1 km with four lanes.



HANCAI EXPRESSWAY

It has a toll length of approximately 36.0 km, 13 km of which is six-lane while 23 km is four-lane. Located in the urban area of Wuhan, it connects the Wuhan Third Ring Line and the Beijing-Hong Kong-Macau Expressway (route number G4) and extends to Huyu Expressway (route number G50), being an important west bound corridor for Wuhan.

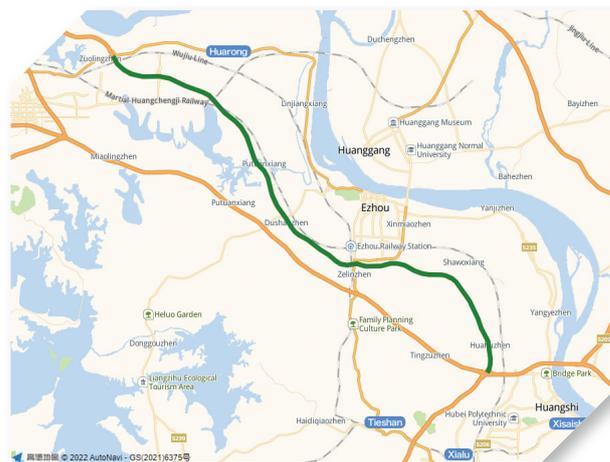


LOCATION MAPS OF PROJECTS



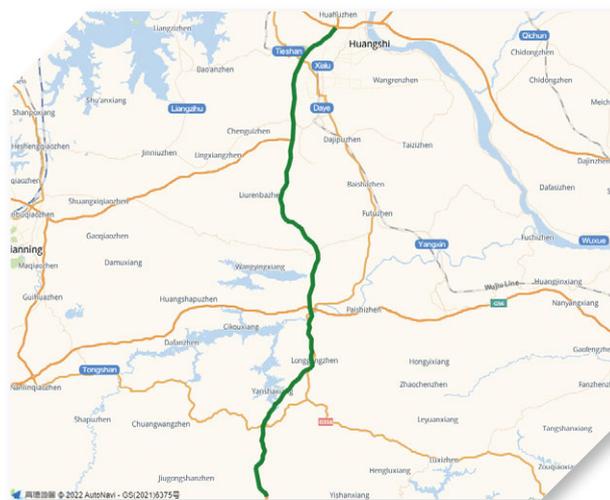
HAN'E EXPRESSWAY

It is a four-lane expressway with approximately 54.8 km of toll length, starts from Xinqiao Village of Zuoling Town in Wuhan and ends at the Huahu interchange which is the southern route of the E'Dong Changjiang Bridge of the Daguang Expressway. This expressway is one of the seven fast urban exit roads in Wuhan's town planning.



DAGUANGNAN EXPRESSWAY

It is a four-lane expressway with approximately 107.1 km of toll length. Located in the southern part of Hubei Province, it is an important passageway connecting Hubei and Jiangxi Provinces.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Summary Information of Operating Toll Roads and Bridges

	Toll Mileage (km)	Width (lanes)	Toll Station(s)	Road Type	Attributable Interests (%)	Approved Last Date for Toll Collection (Year/Month/ Day) ⁽⁴⁾
SUBSIDIARIES						
GNSR Expressway	42.5	6	6	Expressway	60.00	2032/01/10 ^a
Cangyu Expressway	22.0	4	0	Expressway	100.00	2030/12/28 ^b
Jinxiong Expressway	23.9	4	2	Expressway	60.00	2030/03/17 ^c
Changzhu Expressway	46.5	4	5	Expressway	100.00	2040/08/30 ^b
Weixu Expressway	64.3	4	2	Expressway	100.00	2035/11/18 ^c
Suiyuan Expressway	98.1	4	4	Expressway	70.00	2040/03/09 ^b
Hancai Expressway	36.0	4/6 ⁽¹⁾	2	Expressway	67.00	2038/08/27 ^b
Han'e Expressway	54.8	4	5	Expressway	100.00	2042/06/30 ^b
Daguangnan Expressway	107.1	4	6	Expressway	90.00	2042/04/29 ^b
ASSOCIATES AND JOINT VENTURE						
Han-Xiao Expressway ⁽²⁾	38.5	4/6 ⁽²⁾	2	Expressway	30.00	2036/12/09 ^b
GWSR Expressway	42.1	6	2	Expressway	35.00	2030/12/19 ^a
Humen Bridge	15.8	6	4	Suspension Bridge	27.78 ⁽³⁾	2029/05/08 ^a
Northern Ring Road	22.0	6	8	Expressway	24.30	2023/11/29 ^a
Shantou Bay Bridge	6.5	6	3	Suspension Bridge	30.00	2028/12/23 ^a
Qinglian Expressway	215.2	4	15	Expressway	23.63	2034/06/30 ^a

Notes:

- (1) There are 6 lanes for the section from Miliang Shan to Wuhan Outer Ring Road, and 4 lanes for other sections.
- (2) The Group successfully completed the spin-off of Hubei Han-Xiao Expressway as part of the REIT public offering that was listed on the Shenzhen Stock Exchange on 14 December 2021. Hubei Hanxiao is no longer a subsidiary of the Group. There are 6 lanes for the sections of Airport North Extension and from Taoyuanji interchange to Hengdian interchange, and 4 lanes for other sections.
- (3) The profit-sharing ratio was 18.446% from 2010 onwards.
- (4)
 - 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.
 - b. Projects within Guangxi Autonomous Region, Hunan Province and Hubei Province: Pursuant to the supporting and protective policies from the relevant authorities in the Guangxi Autonomous Region, Hunan Province and Hubei 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 and Hubei Province were postponed for 79 days.
 - c. Projects within Tianjin City and Henan Province: relevant supporting and protective policies were under research and formulation.

MANAGEMENT DISCUSSION AND ANALYSIS

Toll Summary of Toll Roads and Bridges
For the six months ended 30 June 2022⁽¹⁾

	Average daily toll revenue ⁽¹⁾		Average daily toll traffic volume	
	First half of 2022 (RMB/day)	Y-O-Y Change %	First half of 2022 (Vehicle/day)	Y-O-Y Change %
SUBSIDIARIES				
GNSR Expressway	2,662,076	-10.3%	243,938	-8.2%
Cangyu Expressway	240,260	-4.1%	15,770	-1.9%
Jinxiong Expressway	182,940	-14.1%	26,789	-20.7%
Changzhu Expressway	638,017	-13.5%	65,181	-11.9%
Weixu Expressway	1,084,037	16.1%	21,553	-11.1%
Suiyuan Expressway	1,709,816	-0.3%	29,470	-9.4%
Hancai Expressway	632,833	-7.2%	44,206	-10.8%
Han'e Expressway	442,463	-23.3%	31,197	-26.6%
Daguangnan Expressway	1,077,797	-16.1%	24,728	-23.9%
ASSOCIATES AND JOINT VENTURE				
Han-Xiao Expressway	564,927	-6.3%	28,585	-17.4%
GWSR Expressway	1,089,602	-18.5%	69,781	-21.0%
Humen Bridge	1,843,826	-18.0%	68,826	-18.9%
Northern Ring Road	1,755,101	-7.1%	342,448	-2.1%
Shantou Bay Bridge	416,315	-17.8%	25,675	-10.5%
Qinglian Expressway	1,712,646	-31.2%	45,586	-15.0%

Note:

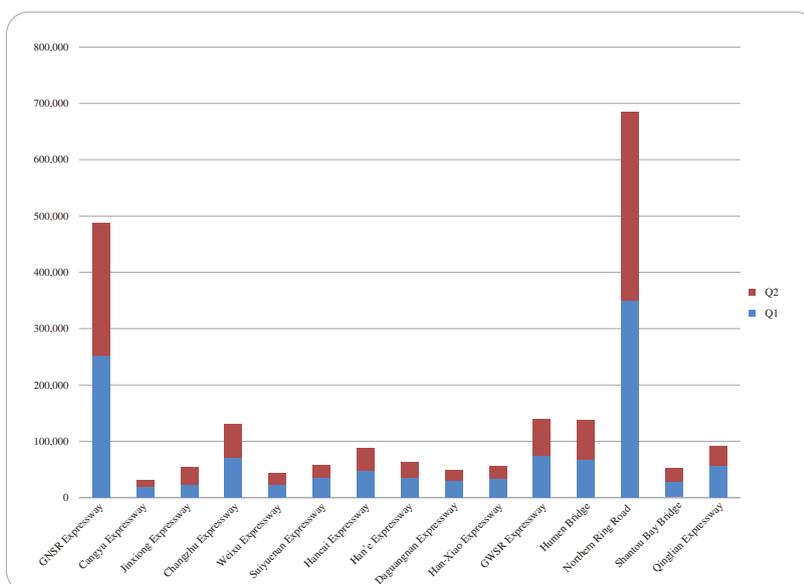
(1) Average daily toll revenue does not include value-added tax.

MANAGEMENT DISCUSSION AND ANALYSIS

Toll Roads and Bridges

Quarterly analysis of average daily toll traffic volume for 2022

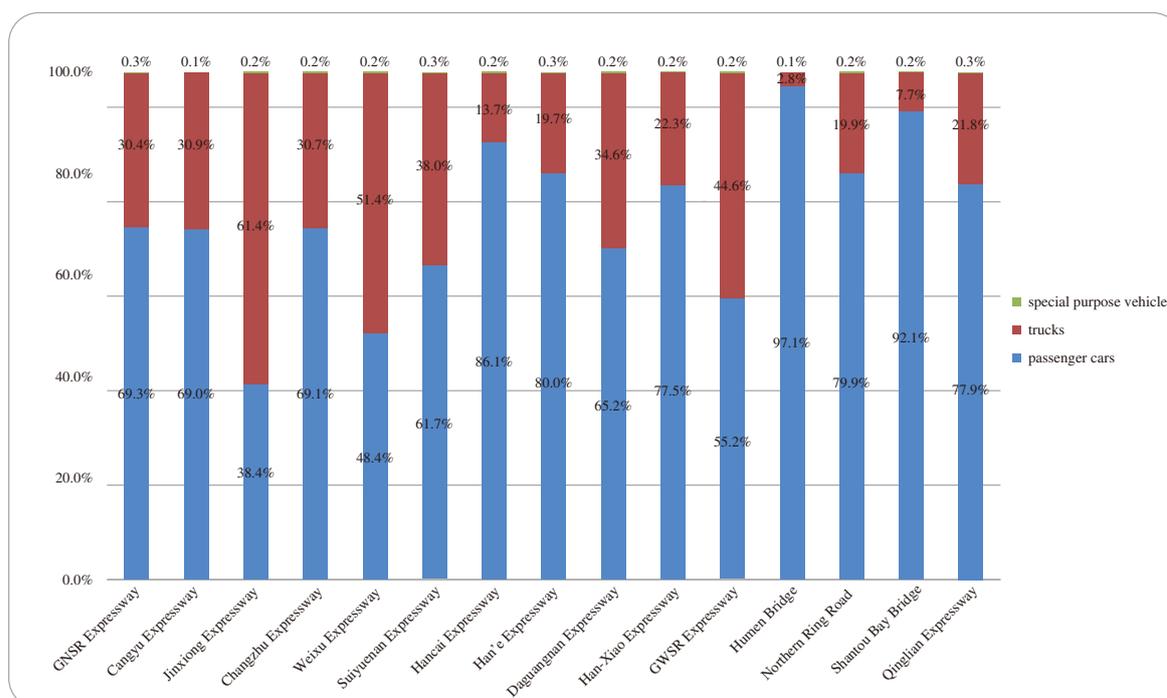
	Average daily toll traffic volume of the First quarter in 2022 (Vehicle/day)	Average daily toll traffic volume of the Second quarter in 2022 (Vehicle/day)
SUBSIDIARIES		
GNSR Expressway	251,482	236,476
Cangyu Expressway	18,830	12,744
Jinxiong Expressway	22,936	30,599
Changzhu Expressway	70,107	60,310
Weixu Expressway	22,226	20,887
Suiyuanan Expressway	34,257	24,736
Hancai Expressway	46,341	42,094
Han'e Expressway	34,734	27,699
Daguangnan Expressway	28,746	20,755
ASSOCIATES AND JOINT VENTURE		
Han-Xiao Expressway	32,410	24,802
GWSR Expressway	73,435	66,166
Humen Bridge	66,828	70,802
Northern Ring Road	348,882	336,085
Shantou Bay Bridge	26,192	25,164
Qinglian Expressway	55,180	36,097



MANAGEMENT DISCUSSION AND ANALYSIS

Vehicle Type Analysis (By Traffic Volume)

During the Reporting Period, the Group's operating projects were primarily located in the following six provinces/municipalities: 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 vehicle refers to cars that have special equipment or apparatus installed, and used in engineering special projects, health care and other operations.

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY OF OPERATING PERFORMANCE

Macroeconomic Environment

During the Reporting Period, while the COVID-19 pandemic became increasingly complex and severe in both the PRC and internationally, and with such pandemic creating significant and increasing downward pressure on the economy in the second quarter – such pandemic was largely brought under control via various effective pandemic control measures in the PRC as well as economic and social development. In turn, such measures led to a steady recovery in the PRC national economy and increased stability in the society. According to the National Bureau of Statistics, the gross domestic product (GDP) for the first half of 2022 amounted to RMB56,264.2 billion, representing a year-on-year increase of 2.5%; and by quarter, the GDP for the first quarter and second quarter recorded a year-on-year increase of 4.8% and 0.4% respectively.

According to the Ministry of Transport, from January to June 2022, investment in fixed assets in highway construction amounted to RMB1,270.4 billion, representing a year-on-year increase of 9.7%; and highway passenger and cargo turnover decreased by 38.2% and 0.3% year-on-year, respectively.

According to the Ministry of Public Security, domestic car ownership maintained a steady growth momentum; as of 30 June 2022, domestic car ownership reached 310 million vehicles, representing a year-on-year increase of 6.2%; and new energy vehicle ownership reached 10.01 million, representing a year-on-year increase of 66.0% and 3.2% of total number of vehicles.

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, the GDP of these regions for the first half of 2022 increased by 2.0%, 0.4%, 2.7%, 4.3%, 4.5% and 3.1% year-on-year, respectively.

(Unit: RMB100 million)

	National	Guangdong Province	Tianjin Municipality	Guangxi Autonomous Region	Hunan Province	Hubei Province	Henan Province
GDP for the first half of 2022	562,642	59,518	7,621	12,294	22,933	24,503	30,757
GDP changes for the first half of 2022	2.5%	2.0%	0.4%	2.7%	4.3%	4.5%	3.1%
GDP changes for the first half of 2021	12.7%	13.0%	11.4%	12.0%	11.7%	28.5%	10.2%

MANAGEMENT DISCUSSION AND ANALYSIS

Regulatory Environment of the Sector

During the Reporting Period, 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.

The National Development and Reform Commission proposed to actively expand effective investments and emphasise the key role of investment in optimizing the supply structure. Work will continue to comprehensively strengthen the infrastructure construction in accordance with or ahead of schedule, which in turn will be beneficial for leading industrial development and urbanisation construction.

The National Development and Reform Commission and the Ministry of Transport jointly promulgated the National Expressway Network Plan (《國家公路網規劃》), which targets that by 2035, a modern and high-quality national expressway network with extensive coverage, complete functions, intensive efficiency, green intelligence, safety and reliability will be built. With the National Expressway Network Plan, the length of national expressway is targeted to reach approximately 162,000 kilometers.

In order to further promote sustainable development of toll roads in accordance with applicable laws and regulations, various amendments to the Highway Law (《公路法》) and the Regulations on the Administration of Toll Roads (《收費公路管理條例》) have been included in Category Two of the 2022 Legislative Plan for the Ministry of Transport for in-depth research and timely promotion.

Business Improvements and Innovations

During the Reporting Period, the Group proactively expanded revenue sources. Firstly, the Group continued to progress combined marketing strategies including “navigating and introducing traffic, linking scenic spots, optimizing road signs, advertising and promoting and ensuring smooth traffic flow”, with the aim of attracting traffic and increasing toll revenue via such new media promotions. We have improved 131 road signs and revised map navigation 213 times. Secondly, the Group continued to reinforce the concept of “Expressway+” and promote the use of resources such as service areas in the expressway, ancillary facilities along the expressway and billboards. The Group also actively promoted the pilot application of photovoltaic new energy and facilitated the construction of charging piles in the main service areas to diversify its source of revenue. Thirdly, the Group introduced a new generation of intelligent audit system in GNSR Project to strengthen its inspection capabilities, with the aim of ensuring that all tolls are collected and preventing toll evasion and avoidance.

The Group optimised various contingency mechanisms on an ongoing basis to ensure smooth operation, promoted unmanned charging technology, optimised service quality and increased the efficiency and service level of expressway and toll stations. It also continued to maintain, adjust and optimise key toll collection facilities and equipment, to ensure stable ongoing operation. As a result, various indicators (including ETC calculation successful rate and car plate automatic identification rate) were better than the industry averages.

The Group continued to advance its application of innovative technology. The Group implemented preventive maintenance measures by promoting new technology, materials, processes, equipment and applications to increase the quality of work effectively and save maintenance costs. Meanwhile, the Group also continued to invest in building a smart traffic integration platform and applying big data technology, in order to increase the level of operation and maintenance management digitalisation. Finally, the Group established 15 maintenance scientific projects and included 2 additional special invention projects. In particular, tunnel front lighting technology in GNSR Expressway have been successfully applied.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is committed to promoting management quality and efficiency. It will continue to enhance its diversified incentive scheme with clear criteria and improved mechanisms, and increase the quality of its management and staff. The Group continues to take various measures to build its team by improving rewards for project recommendation, optimising the performance management mechanism, tenure system and contracting mechanism for managers, and comprehensively revising and improving the human resource system.

Progress of Investment

During the Reporting Period, the Group continued to attempt to acquire high-quality expressway projects of large and medium scale, in order to strengthen assets under management and scale up the core business. The Group has successfully established itself in Guangdong, Hong Kong and Macau Greater Bay Area, and will expand its presence in developing areas that would benefit from continued urbanisation and industrialisation. The Group will also seek development opportunities for other infrastructure projects with stable cash flows and projects in the upstream and downstream of expressway value chain.

Expressways, Bridges and Port

During the Reporting Period, the average daily toll revenue and daily toll traffic volume of the Group's various projects showed a year-on-year decrease trend, mainly due to the impact of COVID-19 in various cities across the PRC from March to April 2022. Strict lock down or control measures were implemented around the PRC and restrictions were imposed on the movement of personnel and logistics. The COVID-19 pandemic affected the PRC's overall economic conditions, toll revenue and traffic volume. PRC governmental responses played a significant role in dealing with such impact. The impact of pandemic control on logistics across the PRC was mitigated by measures such as releasing a circular to require work to be conducted to achieve smooth freight and logistics, resolution of road closure and blockage, and smooth operation of main traffic lines, which helped improve the adverse impact of pandemic control on truck traffic volume. The Policy Measure Package to Stabilize the Economy (扎實穩住經濟一攬子政策措施) was introduced to mitigate the impact on socio-economic development by the COVID-19 pandemic. From May to June 2022, with the COVID-19 pandemic gradually coming under control, control measures were eased accordingly, and the effect of measures of economic stabilization started to show, as the average daily toll revenue and average daily toll traffic volume of projects under the Group improved. The average daily toll traffic volume and toll revenue in May increased by 18.0% and 12.3% month-on-month respectively, and in June increased by 20.9% and 4.4% month-on-month respectively.

In response to the unfavorable factors such as the pandemic, the Group is committed to fulfilling national requirements of "preventing the COVID-19 outbreak, stabilizing the economy, and realizing development security" and formulating and actively implementing various economic stabilisation measures. It will implement pandemic control measures to fully support the normal operation of its projects, ensure the safe and smooth operation of highways, promote the stable operation of industrial chains and supply chains, and serve the overall development of the economy and the society. In addition, it aims to increase income and reduce spending, strive to explore operating potential, and minimise the adverse impact from the COVID-19 pandemic.

MANAGEMENT DISCUSSION AND ANALYSIS

Subsidiaries

GNSR Expressway

During the Reporting Period, the average daily toll revenue was RMB2,662,000, representing a year-on-year decrease of 10.3% from the first half of 2021. The average daily toll traffic volume was 243,938 vehicles, representing a year-on-year decrease of 8.2% from the first half of 2021.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to: (1) the impact of COVID-19 and the overall economic conditions in the relevant areas of Guangdong in the first half of 2022; and (2) drivers' usage of the Chaoyang Interchange on the Guangzhou-Foshan-Zhaoqing Expressway (Guangzhou Section), which officially commenced operation on 16 January 2022.

Cangyu Expressway

During the Reporting Period, the average daily toll revenue was RMB240,000, representing a year-on-year decrease of 4.1% from the first half of 2021. The average daily toll traffic volume was 15,770 vehicles, representing a year-on-year decrease of 1.9% from the first half of 2021.

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 COVID-19 and the overall economic conditions in the relevant areas of Guangxi in the first half of 2022.

Jinxiong Expressway

During the Reporting Period, the average daily toll revenue was RMB183,000, representing a year-on-year decrease of 14.1% from the first half of 2021. The average daily toll traffic volume was 26,789 vehicles, representing a year-on-year decrease of 20.7% from the first half of 2021.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to: (1) the impact of COVID-19 and the overall economic conditions in the relevant areas of Tianjin in the first half of 2022; and (2) drivers' usage of the Jinshi Expressway (West Tianjin Section), which commenced operation on 22 December 2020.

Changzhu Expressway

During the Reporting Period, the average daily toll revenue was RMB638,000, representing a year-on-year decrease of 13.5% from the first half of 2021. The average daily toll traffic volume was 65,181 vehicles, representing a year-on-year decrease of 11.9% from the first half of 2021.

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 COVID-19 and the overall economic conditions in the relevant areas of Hunan in the first half of 2022.

Weixu Expressway

During the Reporting Period, the average daily toll revenue was RMB1,084,000, representing a year-on-year increase of 16.1% from the first half of 2021. The average daily toll traffic volume was 21,553 vehicles, representing a year-on-year decrease of 11.1% from the first half of 2021.

The year-on-year decrease of the average daily toll traffic volume and the year-on-year increase of the average daily toll revenue were mainly due to the impact of COVID-19 and road traffic control measures in nearby areas in Henan in the first half of 2022, resulting in a decrease in the traffic volume of passenger vehicles, an increase in the truck traffic volume and an extension of the average travelling mileage for this expressway section.

MANAGEMENT DISCUSSION AND ANALYSIS

Suiyuanan Expressway

During the Reporting Period, the average daily toll revenue was RMB1,710,000, representing a year-on-year decrease of 0.3% from the first half of 2021. The average daily toll traffic volume was 29,470 vehicles, representing a year-on-year decrease of 9.4% from the first half of 2021.

The average daily toll traffic volume recorded a year-on-year decrease while the average daily toll revenue maintained the same year-on-year, which were mainly due to decrease in traffic volume of this expressway section caused by the impact of COVID-19 and the overall economic conditions in the relevant areas of Hubei in the first half of 2022, and the increases in traffic volume and average travelling mileage from heavy cargo trucks on this expressway section diverted from the nearby National Highway G351, which has been closed for maintenance and construction from 6 April 2022 and expected to complete on 1 October 2022.

Hancai Expressway

During the Reporting Period, the average daily toll revenue was RMB633,000, representing a year-on-year decrease of 7.2% from the first half of 2021. The average daily toll traffic volume was 44,206 vehicles, representing a year-on-year decrease of 10.8% from the first half of 2021.

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 COVID-19 and the overall economic conditions in the relevant areas of Hubei in the first half of 2022.

Han'e Expressway

During the Reporting Period, the average daily toll revenue was RMB442,000, representing a year-on-year decrease of 23.3% from the first half of 2021. The average daily toll traffic volume was 31,197 vehicles, representing a year-on-year decrease of 26.6% from the first half of 2021.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to: (1) the impact of COVID-19 and the overall economic conditions in the relevant areas of Hubei in the first half of 2022; and (2) drivers' usage of the E-Xian Expressway, which commenced operation on 28 September 2021.

Daguangnan Expressway

During the Reporting Period, the average daily toll revenue was RMB1,078,000, representing a year-on-year decrease of 16.1% from the first half of 2021. The average daily toll traffic volume was 24,728 vehicles, representing a year-on-year decrease of 23.9% from the first half of 2021.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to: (1) the impact of COVID-19 and the overall economic conditions in the relevant areas of Hubei in the first half of 2022; and (2) drivers' usage of the E-Xian Expressway which commenced operation on 28 September 2021 and Wuxue-Changjiang Bridge which commenced operation on 25 September 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

Associates and Joint Venture

Han-Xiao Expressway

During the Reporting Period, the average daily toll revenue was RMB565,000, representing a year-on-year decrease of 6.3% from the first half of 2021. The average daily toll traffic volume was 28,585 vehicles, representing a year-on-year decrease of 17.4% from the first half of 2021.

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 COVID-19 and the overall economic conditions in the relevant areas of Hubei in the first half of 2022.

GWSR Expressway

During the Reporting Period, the average daily toll revenue was RMB1,090,000, representing a year-on-year decrease of 18.5% from the first half of 2021. The average daily toll traffic volume was 69,781 vehicles, representing a year-on-year decrease of 21.0% from the first half of 2021.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to: (1) the impact of COVID-19 and the overall economic conditions in the relevant areas of Guangdong in the first half of 2022; and (2) drivers' usage of the Chaoyang Interchange on the Guangzhou-Foshan-Zhaoqing Expressway (Guangzhou Section), which officially commenced operation on 16 January 2022.

Humen Bridge

During the Reporting Period, the average daily toll revenue was RMB1,844,000, representing a year-on-year decrease of 18.0% from the first half of 2021. The average daily toll traffic volume was 68,826 vehicles, representing a year-on-year decrease of 18.9% from the first half of 2021.

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 COVID-19 and the overall economic conditions in the relevant areas of Guangdong in the first half of 2022.

Northern Ring Road

During the Reporting Period, the average daily toll revenue was RMB1,755,000, representing a year-on-year decrease of 7.1% from the first half of 2021. The average daily toll traffic volume was 342,448 vehicles, representing a year-on-year decrease of 2.1% from the first half of 2021.

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 COVID-19 and the overall economic conditions in the relevant areas of Guangdong in the first half of 2022.

Shantou Bay Bridge

During the Reporting Period, the average daily toll revenue was RMB416,000, representing a year-on-year decrease of 17.8% from the first half of 2021. The average daily toll traffic volume was 25,675 vehicles, representing a year-on-year decrease of 10.5% from the first half of 2021.

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 COVID-19 and the overall economic conditions in the relevant areas of Guangdong in the first half of 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

Qinglian Expressway

During the Reporting Period, the average daily toll revenue was RMB1,713,000, representing a year-on-year decrease of 31.2% from the first half of 2021. The average daily toll traffic volume was 45,586 vehicles, representing a year-on-year decrease of 15.0% from the first half of 2021.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to: (1) the impact of COVID-19 and the overall economic conditions in the relevant areas of Guangdong in the first half of 2022; and (2) long-distance vehicles' usage of the Guanglian Expressway, which officially commenced operation on 31 December 2021.

Pazhou Project

During the Reporting Period, the Group continued to promote the construction of the Guangzhou Pazhou Port Project and other related work. Currently, the Group has completed and inspected the land project and the port construction, and obtained the permit of port operations (《港口經營許可證》) as the port operation conditions have been met. The approval of the opening of the port is being considered, and formal operation will commence after completion.

FINANCIAL REVIEW

Key Operating Results Figures

	Six months ended 30 June		Change %
	2022 RMB'000	2021 RMB'000	
Revenue	1,615,538	1,831,743	-11.8
Gross profit	897,594	1,149,646	-21.9
Operating profit	833,370	1,071,475	-22.2
Earnings before interests, tax, depreciation and amortisation ("EBITDA") ⁽¹⁾	1,513,189	1,766,644	-14.3
Finance costs	(334,027)	(382,154)	-12.6
Share of result of a joint venture, net of tax	26,328	38,087	-30.9
Share of results of associates, net of tax	64,565	101,966	-36.7
Profit attributable to shareholders of the Company	295,318	467,699	-36.9
Basic earnings per share	RMB0.1765	RMB0.2795	-36.9
Diluted earnings per share	RMB0.1764	RMB0.2795	-36.9
Dividend	144,093	278,320	-48.2

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

MANAGEMENT DISCUSSION AND ANALYSIS

I. OVERVIEW OF OPERATING RESULTS

In the Reporting Period and as compared with the previous reporting period, the Group's revenue decreased by 11.8 percent to RMB1,615,538,000; operating profit decreased by 22.2 percent to RMB833,370,000; and profit attributable to shareholders of the Company decreased by 36.9 percent to RMB295,318,000.

The decrease in the Group's revenue and profit attributable to shareholders of the Company during the Reporting Period were mainly due to the impact of COVID-19 control and the overall economic conditions during the Reporting Period which affected the Group's overall operating performance. In addition, upon the completion of the spin-off of Han-Xiao Expressway on 14 December 2021, the Group effectively holds 30% equity interest in the Han-Xiao Expressway through the Huaxia Yuexiu Expressway REIT, and the project company is no longer a subsidiary of the Group after such time.

The Board of Directors resolved to declare an interim dividend for 2022 of HK\$0.10 which is equivalent to approximately RMB0.0861 (2021 interim dividend: HK\$0.20 which was equivalent to approximately RMB0.1663) per share, representing an interim dividend payout ratio of 48.8 percent (2021 interim dividend payout ratio: 59.5 percent).

II. ANALYSIS OF OPERATING RESULTS

Revenue

The Group recorded total revenue of RMB1,615,538,000 in the Reporting Period, which consisted of total toll revenue of RMB1,569,313,000 and other revenue related to normal toll roads operation of RMB46,225,000.

Toll revenue

The Group recorded total toll revenue of RMB1,569,313,000 in the Reporting Period, representing a decrease of 13.0 percent as compared with the same period in 2021. The decrease was mainly due to outbreaks of the pandemic in various areas of the PRC during the Reporting Period. 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 report.

MANAGEMENT DISCUSSION AND ANALYSIS

Analysis of toll revenue by each controlled project

Controlled Projects	Reporting Period RMB'000	Percentage of total toll revenue %	First half of 2021 RMB'000	Percentage of total toll revenue %	Change %
GNSR Expressway	481,835	30.7	536,960	29.8	-10.3
Suiyuanan Expressway	309,477	19.7	310,431	17.2	-0.3
Weixu Expressway	196,211	12.5	169,037	9.4	16.1
Daguangnan Expressway	195,081	12.4	232,622	12.9	-16.1
Changzhu Expressway	115,481	7.4	133,464	7.4	-13.5
Hancai Expressway	114,543	7.3	123,385	6.8	-7.2
Han'e Expressway	80,086	5.1	104,447	5.8	-23.3
Cangyu Expressway	43,487	2.8	45,332	2.5	-4.1
Jinxiong Expressway	33,112	2.1	38,569	2.1	-14.1
Han-Xiao Expressway	-	-	109,137	6.1	N/A
Total toll revenue	1,569,313	100.0	1,803,384	100.0	-13.0

Other revenue

In the Reporting Period, the Group recorded other revenue related to normal toll roads operation of RMB46,225,000 (same period in 2021: RMB28,359,000), mainly comprising the income from service area and gas station of RMB17,577,000 (same period in 2021: RMB23,159,000), construction service income of RMB14,583,000 (same period in 2021: Nil) and entrusted road management service income of RMB11,709,000 (same period in 2021: Nil).

Cost of services

In the Reporting Period, the Group's total cost of services amounted to RMB717,944,000, representing an increase of RMB35,847,000 or 5.3 percent as compared with the same period in 2021. In the Reporting Period, the total cost of services of the Group's controlled projects amounted to RMB710,255,000. Cost ratio (cost of services/revenue) was 44.4 percent in the Reporting Period, which was 7.2 percentage point higher than that of the same period in 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

Analysis of cost of services by each controlled project

Controlled Projects	Reporting Period RMB'000	Percentage of total %	First half of 2021 RMB'000	Percentage of total %	Change %
GNSR Expressway	177,747	25.1	148,388	21.8	19.8
Suiyuanan Expressway	108,612	15.3	95,745	14.0	13.4
Weixu Expressway	73,777	10.4	67,786	9.9	8.8
Daguangnan Expressway	101,680	14.3	96,533	14.2	5.3
Changzhu Expressway	62,012	8.7	58,474	8.6	6.1
Hancai Expressway	77,176	10.9	78,098	11.4	-1.2
Han'e Expressway	62,141	8.7	60,608	8.9	2.5
Cangyu Expressway	20,905	2.9	16,639	2.4	25.6
Jinxiong Expressway	26,205	3.7	25,247	3.7	3.8
Han-Xiao Expressway	-	-	34,579	5.1	N/A
Total	710,255	100.0	682,097	100.0	4.1

Analysis of controlled projects' cost of services by nature

	Reporting Period RMB'000	Percentage of total %	First half of 2021 RMB'000	Percentage of total %	Change %
Amortisation of intangible operating rights	547,183	77.0	532,121	78.0	2.8
Staff costs	74,259	10.5	68,323	10.0	8.7
Toll highways and bridges operating expenses	42,055	5.9	36,629	5.4	14.8
Toll highways and bridges maintenance expenses	38,715	5.5	33,151	4.9	16.8
Taxes and surcharges	5,851	0.8	9,213	1.3	-36.5
Depreciation of other fixed assets	2,192	0.3	2,660	0.4	-17.6
Total	710,255	100.0	682,097	100.0	4.1

MANAGEMENT DISCUSSION AND ANALYSIS

Gross profit

Gross profit in the Reporting Period was RMB897,594,000, which was RMB252,052,000 lower than that for the same period in 2021. Gross profit of the controlled projects in the Reporting Period was RMB893,574,000. Gross profit margin in the Reporting Period was 55.6 percent, which was 7.2 percentage point lower than that of same period in 2021.

Analysis of gross profit by each controlled project

Controlled Projects	Reporting Period		First half of 2021	
	Gross Profit RMB'000	Gross Margin ⁽¹⁾	Gross Profit RMB'000	Gross Margin ⁽¹⁾
GNSR Expressway	321,861	64.4%	392,962	72.6%
Suiyuanan Expressway	207,139	65.6%	221,472	69.8%
Weixu Expressway	122,702	62.5%	103,793	60.5%
Daguangnan Expressway	98,413	49.2%	142,418	59.6%
Changzhu Expressway	53,589	46.4%	75,306	56.3%
Hancai Expressway	38,341	33.2%	46,403	37.3%
Han'e Expressway	21,729	25.9%	47,458	43.9%
Cangyu Expressway	22,582	51.9%	28,693	63.3%
Jinxiong Expressway	7,218	21.6%	14,125	35.9%
Han-Xiao Expressway	–	–	77,016	69.0%
Total	893,574	55.7%	1,149,646	62.8%

⁽¹⁾ Gross margin = Gross profit/revenue

General and administrative expenses

The Group's general and administrative expenses in the Reporting Period amounted to RMB102,138,000, representing a decrease of 3.1 percent from RMB105,424,000 in the same period in 2021.

Other income, gains and losses – net

The Group's other income, gains and losses – net was RMB37,914,000 in the Reporting Period (same period in 2021: RMB27,253,000), which was 39.1 percent higher than that of the same period in 2021. The changes were mainly due to the increase in the other compensation income of RMB28,494,000, partially set off with the decrease in the compensation for expressways and bridges damages of RMB13,672,000 during the Reporting Period.

Finance income/Finance costs

The Group's finance income in the Reporting Period amounted to RMB28,836,000 (same period in 2021: RMB17,939,000), which was 60.7 percent higher than that of the same period in 2021. The increase was mainly due to the increase in interest income from banks during the Reporting Period.

The Group's finance costs in the Reporting Period decreased by 12.6 percent to RMB334,027,000 as compared with RMB382,154,000 in the same period in 2021, mainly due to management's continuous effort in optimizing its debt portfolio. The Group's overall weighted average interest rate in the Reporting Period was 3.78 percent (same period in 2021: 4.01 percent).

MANAGEMENT DISCUSSION AND ANALYSIS

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 35.1 percent to RMB90,893,000 in the Reporting Period (same period in 2021: RMB140,053,000). The decrease was mainly due to the impact of COVID-19 control and the overall economic conditions during the Reporting Period. More details of the toll revenue of each expressway and bridge are stated in the "Business Review – Expressways, Bridges and Port" section of this report.

Share of post-tax profit of Humen Bridge in the Reporting Period decreased by 14.7 percent to RMB33,830,000. Share of post-tax profit of Northern Ring Road in the Reporting Period decreased by 28.9 percent to RMB22,341,000. Share of post-tax profit of Shantou Bay Bridge in the Reporting Period decreased by 25.1 percent to RMB10,906,000. Share of post-tax loss of Qinglian Expressway in the Reporting Period amounted to RMB5,468,000 (same period in 2021: share of post-tax profit of RMB19,600,000). Share of post-tax loss of Pazhou Port in the Reporting Period was RMB5,487,000 (same period in 2021: RMB3,247,000). The Pazhou Port's share of post-tax loss mainly represented the general and administrative expense recorded during the Reporting Period. Upon the completion of the spin-off of Han-Xiao Expressway on 14 December 2021, the Group effectively holds 30% equity interest in the Han-Xiao Expressway through the Huaxia Yuexiu Expressway REIT. Share of post-tax profit of Huaxia Yuexiu Expressway REIT in the Reporting Period was RMB8,443,000. Share of post-tax profit of GWSR Expressway in the Reporting Period decreased by 30.9 percent to RMB26,328,000.

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		Share of results, net of tax	
		Reporting Period RMB'000	YoY change %	Reporting Period RMB'000	YoY change %
Associates					
Humen Bridge	18.446	362,870	-12.9	33,830	-14.7
Northern Ring Road	24.3	317,673	-8.5	22,341	-28.9
Shantou Bay Bridge	30.0	75,662	-17.8	10,906	-25.1
Huaxia Yuexiu Expressway REIT	30.0	105,305	N/A	8,443	N/A
Qinglian Expressway	23.63	312,888	-31.0	(5,468)	turned loss
Pazhou Port	45.0	–	–	(5,487)	69.0
Joint venture					
GWSR Expressway	35.0	200,161	-18.2	26,328	-30.9

MANAGEMENT DISCUSSION AND ANALYSIS

Income tax expense

Total income tax expense of the Group in the Reporting Period decreased by 19.2 percent to RMB173,137,000. The decrease was due to the decrease in profit before tax due to the outbreak of the COVID-19 pandemic during the Reporting Period.

Profit attributable to shareholders of the Company

The Company reported profit attributable to its shareholders of RMB295,318,000 in the Reporting Period, representing a decrease of 36.9 percent as compared with the same period in 2021. The decrease was mainly due to the impact of COVID-19 control and the overall economic conditions during the Reporting Period.

The management team continues to optimise the Group's overall debt structure. As part of such optimisation, inter-company loan interests were incurred at the controlled projects level and the holding companies level, and 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 Period RMB'000	Percentage of total net profit from projects %	First half of 2021 RMB'000	Percentage of total net profit from projects %	Change %
Net profit from controlled projects	485,867	84.2	631,144	81.8	-23.0
Net profit from non-controlled projects ⁽¹⁾	90,893	15.8	140,053	18.2	-35.1
Net profit from projects	576,760	100.0	771,197	100.0	-25.2
Withholding tax on PRC dividend/ income	(21,150)		(10,496)		101.5
Corporate expenses	(71,641)		(66,306)		8.0
Corporate income/gains, net	6,680		1,575		324.1
Corporate finance income	22,260		7,349		202.9
Corporate finance costs	(217,591)		(235,620)		-7.7
Profit attributable to shareholders of the Company	295,318		467,699		-36.9

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

Controlled Projects	Reporting Period RMB'000	Percentage of total net profit from projects %	First half of 2021 RMB'000	Percentage of total net profit from projects %	Change %
GNSR Expressway	171,430	29.7	176,639	22.9	-2.9
Suiyuanan Expressway	92,488	16.0	89,682	11.6	3.1
Weixu Expressway	88,131	15.3	80,339	10.4	9.7
Changzhu Expressway	59,560	10.3	60,654	7.9	-1.8
Daguangnan Expressway	51,128	8.8	86,224	11.2	-40.7
Hancai Expressway	21,286	3.7	28,512	3.7	-25.3
Cangyu Expressway	17,879	3.1	40,382	5.2	-55.7
Jinxiong Expressway	2,066	0.4	5,318	0.7	-61.2
Han-Xiao Expressway	–	–	50,190	6.5	N/A
Han'e Expressway	(18,101)	-3.1	13,204	1.7	turned loss
Total	485,867	84.2	631,144	81.8	-23.0

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

Controlled Projects	Reporting Period RMB'000	Percentage of total net profit from projects ⁽¹⁾ %	First half of 2021 RMB'000	Percentage of total net profit from projects ⁽¹⁾ %	Change %
GNSR Expressway	171,430	37.5	176,639	27.1	-2.9
Suiyuanan Expressway	94,233	20.6	97,009	14.9	-2.9
Weixu Expressway	88,900	19.4	82,133	12.6	8.2
Changzhu Expressway	32,798	7.2	35,690	5.5	-8.1
Daguangnan Expressway	(12,873)	-2.8	21,474	3.3	turned loss
Hancai Expressway	323	0.1	6,158	0.9	-94.8
Cangyu Expressway	18,372	4.0	40,834	6.2	-55.0
Jinxiong Expressway	2,221	0.5	5,473	0.8	-59.4
Han-Xiao Expressway	–	–	54,804	8.4	N/A
Han'e Expressway	(29,355)	-6.4	(7,873)	-1.2	272.9
Total	366,049	80.1	512,341	78.5	-28.6

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

In the Reporting Period, net profit from non-controlled projects decreased by 35.1 percent to RMB90,893,000 as compared with the same period in 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period and at the corporate level, the withholding tax on PRC dividend/income increased by RMB10,654,000; corporate expense increased by RMB5,335,000; corporate income/gains, net increased by RMB5,105,000; and corporate finance income increased by RMB14,911,000, mainly due to the increase in interest income from banks at corporate level during the Reporting Period. In addition, corporate finance cost decreased by RMB18,029,000 mainly due to management's optimisation of debt portfolio during the Reporting Period.

Interim dividend

The Board of Directors resolved to declare an interim dividend for 2022 of HK\$0.10 which is equivalent to approximately RMB0.0861 (2021 interim dividend: HK\$0.20 which was equivalent to approximately RMB0.1663) per share payable on or about 29 November 2022 to shareholders whose names appear on the register of members of the Company on 10 November 2022. Interim dividend payout ratio is 48.8 percent (2021 interim dividend payout ratio: 59.5 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

	(Unaudited) 30 June 2022 RMB'000	31 December 2021 RMB'000	Change %
Total assets	34,915,841	35,661,108	-2.1
Total liabilities	20,676,102	21,188,359	-2.4
Cash and cash equivalents	2,865,617	2,918,574	-1.8
Total debts	16,237,875	16,543,589	-1.8
Of which: bank borrowings*	8,051,042	9,590,774	-16.1
Other borrowing*	-	200,000	-100.0
Corporate bonds*	3,113,513	3,112,693	0.0
Notes payable*	4,992,434	3,493,891	42.9
Current ratio	0.5 times	0.7 times	
EBITDA interest coverage	4.7 times	4.6 times	
Equity attributable to the shareholders of the Company	11,223,434	11,511,515	-2.5

* excluding interest payable

Assets, Liabilities and Equity

As at 30 June 2022, the Group's total assets amounted to RMB34.916 billion, which was 2.1 percent lower than the balance as at 31 December 2021. The Group's total assets consisted mainly of intangible operating rights of RMB28.724 billion (31 December 2021: RMB29.186 billion); investments in a joint venture and associates of RMB2.314 billion (31 December 2021: RMB2.561 billion); and cash and cash equivalents of RMB2.866 billion (31 December 2021: RMB2.919 billion).

MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2022, the Group's total liabilities amounted to RMB20.676 billion, which was 2.4 percent lower than the balance as at 31 December 2021. The Group's total liabilities consisted mainly of bank borrowings of RMB8.051 billion (31 December 2021: RMB9.591 billion); corporate bonds of RMB3.114 billion (31 December 2021: RMB3.113 billion); notes payable of RMB4.992 billion (31 December 2021: RMB3.494 billion); loans from non-controlling interests of RMB62,287,000 (31 December 2021: RMB72,287,000); and deferred income tax liabilities of RMB3.032 billion (31 December 2021: RMB3.046 billion).

As at 30 June 2022, the Group's total equity decreased by RMB233,010,000 to RMB14.240 billion (31 December 2021: RMB14.473 billion), of which RMB11.223 billion was attributable to the shareholders of the Company (31 December 2021: RMB11.512 billion).

Analysis of major assets, liabilities and equity items

Items	(Unaudited)	31 December	Change %
	30 June 2022 RMB'000	2021 RMB'000	
Total assets	34,915,841	35,661,108	-2.1
Approximately 90.0% of which:			
Intangible operating rights	28,723,935	29,186,460	-1.6
Investments in a joint venture and associates	2,313,595	2,560,928	-9.7
Cash and cash equivalents	2,865,617	2,918,574	-1.8
Total liabilities	20,676,102	21,188,359	-2.4
Approximately 90.0% of which:			
Bank borrowings* – due within 1 year	3,129,257	2,039,815	53.4
– long-term portion	4,921,785	7,550,959	-34.8
Other borrowing* – due within 1 year	–	200,000	-100.0
Corporate bonds* – due within 1 year	85,300	–	N/A
– long-term portion	3,028,213	3,112,693	-2.7
Notes payable* – due within 1 year	2,495,243	995,671	150.6
– long-term portion	2,497,191	2,498,220	-0.0
Loans from non-controlling interests – due within 1 year	10,000	10,000	–
– long-term portion	52,287	62,287	-16.1
Loan from a joint venture – due within 1 year	–	52,500	-100.0
Deferred income tax liabilities	3,032,278	3,046,469	-0.5
Total equity	14,239,739	14,472,749	-1.6
Of which: Equity attributable to the shareholders of the Company	11,223,434	11,511,515	-2.5

* excluding interest payable

MANAGEMENT DISCUSSION AND ANALYSIS

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 Period, the Group's cash and cash equivalents amounted to RMB2.866 billion, which was 1.8 percent lower than the amount at 31 December 2021. The Group's cash was deposited in commercial banks, with no deposit in non-bank institutions.

Analysis of cash flow movement

	(Unaudited)	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Net cash generated from operating activities	1,072,817	1,260,578
Net cash generated from/(used in) investing activities	229,207	(34,079)
Net cash used in financing activities	(1,349,912)	(823,247)
(Decrease)/increase in cash and cash equivalents	(47,888)	403,252
Cash and cash equivalents at 1 January	2,918,574	1,516,004
Effect of exchange rate changes on cash and cash equivalents	(5,069)	(9,003)
Cash and cash equivalents at 30 June	2,865,617	1,910,253

Net cash generated from operating activities during the Reporting Period amounted to RMB1.073 billion (30 June 2021: RMB1.261 billion), which was the sum of cash generated from operations of RMB1.254 billion (30 June 2021: RMB1.457 billion) less PRC enterprise income tax and withholding tax paid of RMB0.181 billion (30 June 2021: RMB0.196 billion).

Net cash generated from investing activities during the Reporting Period amounted to RMB229,207,000 (30 June 2021: net cash used RMB34,079,000). The inflow mainly consisted of dividend distributions from associates and a joint venture of RMB314,878,000 (30 June 2021: RMB54,473,000); interest received in aggregate of RMB28,836,000 (30 June 2021: RMB17,100,000); proceeds from disposal of property, plant and equipment of RMB508,000 (30 June 2021: RMB156,000) and no proceeds from compensation arrangement (30 June 2021: RMB13,550,000). The outflow mainly consisted of capital expenditures of RMB115,015,000 (30 June 2021: RMB119,358,000).

Net cash used in financing activities during the Reporting Period amounted to RMB1.350 billion (30 June 2021: RMB0.823 billion). The outflow mainly included repayment of bank borrowings of RMB3.93 billion (30 June 2021: RMB3.798 billion); dividend paid to the shareholders of the Company of RMB586,136,000 (30 June 2021: RMB96,090,000); payment of finance costs and related fees of RMB356,075,000 (30 June 2021: RMB326,220,000); repayment of other borrowings of RMB0.2 billion (30 June 2021: Nil); dividend paid to non-controlling interests of RMB95,546,000 (30 June 2021: RMB351,873,000); repayment of loan from a joint venture of RMB52,500,000 (30 June 2021: Nil); repayments of loans from non-controlling interest of subsidiaries of RMB10,000,000 (30 June 2021: RMB6,259,000); payment for lease liabilities (including interest) of RMB5,735,000 (30 June 2021: RMB5,377,000) and no repayment of corporate bonds (30 June 2021: RMB0.903 billion). The inflow mainly included the drawdown of bank borrowings of RMB2.39 billion (30 June 2021: RMB1.172 billion); net proceed from notes payable of RMB1.496 billion (30 June 2021: RMB0.997 billion) and no net proceed from corporate bond (30 June 2021: RMB2.494 billion).

MANAGEMENT DISCUSSION AND ANALYSIS

Current ratio

The current ratio (current assets over current liabilities) as at 30 June 2022 was 0.5 times (31 December 2021: 0.7 times). As at 30 June 2022, current assets balance was RMB3.258 billion (31 December 2021: RMB3.293 billion) and current liabilities balance was RMB6.845 billion (31 December 2021: RMB4.594 billion). Cash and cash equivalents were the major components of the Group's current assets and amounted to RMB2.866 billion as at 30 June 2022 (31 December 2021: RMB2.919 billion). The Group's current liabilities as at 30 June 2022 mainly included external debts with maturities within one year (excluding interest payable) of RMB5.710 billion (31 December 2021: RMB3.235 billion), which consisted of bank borrowings of RMB3.129 billion, notes payable of RMB2.495 billion and corporate bonds of RMB85,300,000 (31 December 2021: bank borrowings of RMB2.04 billion, notes payable of RMB0.995 billion and other borrowing of RMB0.2 billion). Taking into account the additional financing facilities available to the Group and the internally generated funds from operations, management is confident that the Group will be able to meet its liabilities as they fall due in the next twelve months. 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.

EBITDA interest coverage and other financial ratios

EBITDA interest coverage for the period ended 30 June 2022 was 4.7 times (30 June 2021: 4.8 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 period ended 30 June 2022 was 9.4 percent (30 June 2021: 10.1 percent), which was measured as the ratio of EBITDA to the aggregate balance of bank borrowings, other borrowing, corporate bonds and notes payable ("total external debts").

Profit before interest and income tax interest coverage for the period ended 30 June 2022 was 3.0 times (30 June 2021: 3.3 times), which was measured as the ratio of profit before interest and tax to interest expenses (profit and loss impact).

Cash interest coverage for the period ended 30 June 2022 was 4.6 times (30 June 2021: 5.5 times), which was measured as the ratio of cash generated from operating activities and interest expense (cashflow impact) to interest expenses (cashflow impact).

Capital expenditures and investments

During the Reporting Period, total capital expenditures amounted to RMB115,015,000 (same period in 2021: RMB119,358,000). Capital expenditures related to intangible operating rights and fixed assets included: (1) payments of construction costs of toll highways and bridges upgrade services of RMB107,380,000 (same period in 2021: RMB111,427,000); and (2) purchase of property, plant and equipment of RMB7,635,000 (same period in 2021: RMB7,931,000). Apart from the aforementioned, no material capital expenditure was incurred during the Reporting Period. Going forward, the management believes that the Group's steady operating cash flow and appropriate financing arrangements can satisfy its future capital expenditures and investments needs.

Capital structures

One of the Group's financial policies is to maintain a balanced capital structure, which aims to balance the enhancing of profitability while ensuring safe levels of financial leverage ratios.

MANAGEMENT DISCUSSION AND ANALYSIS

Analysis of capital structures

	(Unaudited)	
	30 June 2022 RMB'000	31 December 2021 RMB'000
Total external debts*		
Bank borrowings	8,051,042	9,590,774
Other borrowing	–	200,000
Corporate bonds ⁽¹⁾	3,113,513	3,112,693
Notes payable ⁽²⁾	4,992,434	3,493,891
Loans from non-controlling interests	62,287	72,287
Loan from a joint venture	–	52,500
Lease liabilities	18,599	21,444
Total debts	16,237,875	16,543,589
Less: cash and cash equivalents	(2,865,617)	(2,918,574)
Net debt	13,372,258	13,625,015
Total Equity	14,239,739	14,472,749
Of which: Equity attributable to the shareholders of the Company	11,223,434	11,511,515
Total capitalisation (Net debt + Total equity)	27,611,997	28,097,764

* excluding interest payable

Financial ratios

Gearing ratio (net debt/total capitalisation)	48.4%	48.5%
Debt to Equity ratio (net debt/total equity)	93.9%	94.1%
Total liabilities/Total assets ratio	59.2%	59.4%

⁽¹⁾ As at 30 June 2022, 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:
RMB700 million seven-year corporate bonds (2016 Phase 1)	22 March 2016	RMB87 million	21 March 2023	3.60%	21 March 2023
RMB800 million seven-year corporate bonds (2016 Phase 2)	28 October 2016	RMB530 million	26 October 2023	3.18%	26 October 2022
RMB1,000 million five-year corporate bonds (2021 Phase 1)	25 January 2021	RMB1,000 million	25 January 2026	3.63%	25 January 2023
RMB1,000 million five-year corporate bonds (2021 Phase 2)	13 May 2021	RMB1,000 million	13 May 2026	3.48%	13 May 2023
RMB500 million seven-year corporate bonds (2021 Phase 2)	13 May 2021	RMB500 million	13 May 2028	3.84%	13 May 2023

MANAGEMENT DISCUSSION AND ANALYSIS

(2) As at 30 June 2022, 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 three-year medium term notes (2019 Phase 1)	2 December 2019	RMB1,000 million	2 December 2022	3.58%	2 December 2022
RMB1,000 million three-year medium term notes (2020 Phase 1)	10 January 2020	RMB1,000 million	10 January 2023	3.47%	10 January 2023
RMB500 million three-year medium term notes (2020 Phase 2)	14 August 2020	RMB500 million	14 August 2023	3.54%	14 August 2022
RMB1,000 million five-year medium term notes (2021 Phase 1)	28 January 2021	RMB1,000 million	28 January 2026	3.78%	28 January 2023
RMB1,000 million five-year medium term notes (2022 Phase 1)	18 March 2022	RMB1,000 million	18 March 2027	3.28%	18 March 2023
RMB500 million 270 days super short-term commercial paper	23 May 2022	RMB500 million	17 February 2023	2.10%	17 February 2023

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 optimise its debt portfolio further. In order to effectively maintain cost-efficient funding, the Group will: (1) continue to maintain 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. As at the end of the Reporting Period, the Group's total debts consisted bank borrowings, corporate bonds, notes payable, loans from non-controlling interests and lease liabilities. There was no debt with foreign exchange risk exposure as at 30 June 2022 (31 December 2021: approximately RMB0.245 billion).

As at 30 June 2022, the Group's total external debts (excluding interest payable) in aggregate were RMB16.157 billion (31 December 2021: RMB16.397 billion), which consisted of bank borrowings of RMB8.051 billion (31 December 2021: RMB9.591 billion), corporate bonds of RMB3.114 billion (31 December 2021: RMB3.113 billion), notes payable of RMB4.992 billion (31 December 2021: RMB3.494 billion) and no other borrowing (31 December 2021: RMB0.2 billion). Onshore and offshore debts ratio was 94.1 percent and 5.9 percent (31 December 2021: 92.6 percent and 7.4 percent). Secured external debt ratio was 30.1 percent (31 December 2021: 33.3 percent). The effective interest rate of total external debt at 30 June 2022 was 3.66 percent (31 December 2021: 3.85 percent). Of the bank borrowings, RMB6.571 billion was at floating rates and RMB1.480 billion was at fixed rates with the overall effective interest rate of 3.72 percent at 30 June 2022 (31 December 2021: 3.88 percent). There was no other borrowing as at 30 June 2022 (31 December 2021: 6.4 percent). Corporate bonds (in five types) were at fixed rates with coupon rates of 3.60 percent, 3.18 percent, 3.63 percent, 3.48 percent and 3.84 percent respectively with overall effective interest rate at 3.65 percent as at 30 June 2022 (31 December 2021: 3.65 percent). Notes payable included medium term notes (in five tranches) were at fixed rates with coupon rate of 3.58 percent, 3.47 percent, 3.54 percent, 3.78 percent and 3.28 percent respectively and super short-term commercial paper was at fixed rate with coupon rate of 2.1 percent, with overall effective interest rate at 3.58 percent as at 30 June 2022 (31 December 2021: 3.80 percent).

MANAGEMENT DISCUSSION AND ANALYSIS

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

	(Unaudited) 30 June 2022 Percentage of total	31 December 2021 Percentage of total
Source		
Onshore	94.1%	92.6%
Offshore	5.9%	7.4%
	100.0%	100.0%
Repayment term		
Within 1 year	35.3%	19.7%
1 to 2 years	32.3%	25.4%
More than 2 years and less than 5 years	22.1%	36.8%
Above 5 years	10.3%	18.1%
	100.0%	100.0%
Currency		
RMB	100.0%	98.5%
HKD	-	1.5%
	100.0%	100.0%
Interest rate		
Fixed	59.3%	47.4%
Floating	40.7%	52.6%
	100.0%	100.0%
Terms of credit		
Secured	30.1%	33.3%
Unsecured	69.9%	66.7%
	100.0%	100.0%
Financing method		
Direct financing	50.2%	40.3%
Indirect financing	49.8%	59.7%
	100.0%	100.0%

* excluding interest payable

MANAGEMENT DISCUSSION AND ANALYSIS

Loans from non-controlling interests of certain subsidiaries were unsecured, interest-free and denominated in RMB. The carrying amounts of these loans approximated their fair values, calculated based on cash flows discounted at a rate of 4.35 percent (31 December 2021: 4.35 percent) per annum.

Loans from non-controlling interests of certain subsidiaries are repayable between one to five years, except for RMB10,000,000 which is due within one year.

Loan from a joint venture was unsecured, interest bearing at an annual rate of People's Bank of China Benchmark Interest Rates minus 10%, denominated in RMB and it was fully repaid during the Reporting Period.

Foreign-currency denominated assets and liabilities

The Group's businesses are principally conducted in the PRC and its functional currency is RMB. Except for certain fund-raising exercises that were conducted in Hong Kong, all of its major revenue, operating expenses, capital expenditures and its external debts (31 December 2021: 98.5 percent) are denominated in RMB. As at the end of the Reporting Period, the Group has no material foreign-currency denominated assets and liabilities mainly. 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. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2022, the Group had capital commitments related to intangible operating rights and property, plant and equipment, of which approximately RMB125,319,000 was contracted but not provided for.

Except for the aforementioned, the Group had no material capital commitments as at 30 June 2022. There were no significant contingent liabilities as at 30 June 2022.

V. EMPLOYEES

As at 30 June 2022, the Group had approximately 2,006 employees, of whom about 1,789 were directly engaged in the daily operation, management and supervision of toll projects. The Group remunerates its employees largely based on industry practice, including social insurance, contributory provident funds, share options and other staff benefits.

VI. CONTINUING DISCLOSURE REQUIREMENTS UNDER RULE 13.21 OF THE LISTING RULES

Certain facility agreements of the Company include a condition that imposes one or more of the following specific performance obligations on Yue Xiu Enterprises (Holdings) Limited ("Yue Xiu"), the controlling shareholder of the Company:

- (i) Yue Xiu remains as the single largest shareholder of the Company;
- (ii) Yue Xiu maintains a direct or indirect shareholding interest of not less than 35% or 30% in the issued voting shares of the Company;
- (iii) Yue Xiu maintains an effective management control over the Company.

As at 30 June 2022, the loan balances subject to the above conditions were RMB950,000,000. Such facility agreements will expire on 29 March 2023 and 29 April 2023 respectively.

Breach of the above specific performance obligations will constitute an event of default. Upon the occurrence of such event of default, the relevant bank may declare the relevant facility to be terminated and all the indebtedness under the relevant facility would become due and payable.

These obligations have been duly complied with for the six months ended 30 June 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE PROSPECTS

Outlook of Macro-Economy and Future Regulatory Environment of the Sector

In 2022, the downward pressure on the macro economy has increased as a result of a number of unexpected factors, such as the recurrence of the COVID-19 pandemic and the crisis in Ukraine. In response to the increasingly complex and tough environment for development and increases in various risks and challenges, the PRC government has devised a series of policies and measures. Since late May, the economy in China has continued to stabilise and rebound.

In late March 2022, the Omicron variant wreaked havoc across many cities in the PRC. The overall domestic situation for anti-pandemic was relatively severe. Stringent lockdown or control measures were implemented in many places. In some regions, checkpoints for pandemic prevention were set up on highways, while toll stations and service areas were closed down. The movement of people and goods was thus restricted. Against this backdrop, traffic volume and toll revenue on highways across the PRC significantly declined as a whole. Since 11 April, relevant government departments have paid attention to the adverse impact arising from the COVID-19 pandemic controls on logistics across the PRC, and have implemented measures to resolve road closures and blocks in a timely manner. Since 4 May, the closed highway toll stations and service areas nationwide have achieved dynamic zero-COVID. Currently, the Group's traffic revenue is gradually recovering.

In early July 2022, the National Development and Reform Commission and the Ministry of Transport unveiled the "National Highway Network Planning" (《國家公路網規劃》), which stated that "as of the end of 2021, approximately 10,000 kilometres of national highways are under construction and approximately 28,000 kilometres are to be constructed" and "with the growth of traffic volume, it is expected that approximately 30,000 kilometres of busy roads need to be expanded and renovated in the future" and "social capital in construction of national highways is encouraged". The introduction of such policy will help the Group to actively explore opportunities in existing projects for reconstruction and expansion.

On 31 May 2022, the detailed rules for the expansion of infrastructure public offering of REITs were released by both the Shanghai Stock Exchange and the Shenzhen Stock Exchange. On 13 July, the National Development and Reform Commission issued the "Circular on Work Related to Recommending Newly Acquired Projects of Real Estate Investment Trusts (REITs) for the Infrastructure Sector" 《關於做好基礎設施領域不動產投資信託基金 (REITs) 新購入項目申報推薦有關工作的通知》, which further clarified the detailed rules for the expansion. The aforementioned "National Highway Network Planning" (《國家公路網規劃》) also stated that it will "actively revitalise stock assets and encourage steady launch of pilots in real estate investment trusts (REITs) in the field of infrastructure for the highway sector." The PRC has strongly supported infrastructure public offering of REITs, and the introduction of detailed rules for such expansion will help the Group improve the structure of its three platforms continuously, while creating a healthy cycle of stock assets and new investments.

MANAGEMENT DISCUSSION AND ANALYSIS

Development Strategies

Going forward, the Group will continue to capitalise on opportunities brought by policies of the public offering of infrastructure REITs, and adhere to improving the integrated business model of “investment, financing, management and exit” on an ongoing basis. The Group will further play a positive role in the public offering of REITs and leverage on the positive interaction between the public offering of 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.

During the 14th-Five-Year Period, the Group will firmly grasp the strategic opportunity period for expressway investment and mergers and acquisitions. Gaining a foothold in the Guangdong-Hong Kong-Macao Greater Bay Area and covering the regions benefiting from urbanisation process and rapid industrialisation development, with full utilisation of interaction model of its three platforms, the Group continues to strengthen and expand its infrastructure business, with a particular focus on toll roads. The Group disclosed the potential acquisition of Lanwei Expressway in the results announcement published on 9 March 2021, and relevant study is underway. During the year, the Group also studied other potential acquisition targets. However, no formal agreement has been entered into in respect of any potential acquisitions. The Board will make further announcements in accordance with the Listing Rules and applicable laws as and when appropriate.

In addition, the Group also actively explores investment opportunities in existing projects for reconstruction and expansion. The traffic volume of GNSR Expressway has become substantially saturated. In order to cater for more passage requirements, the Group is commencing preliminary assessment work for its reconstruction and expansion, including communication with relevant government authorities and inspection of work design. The Board will make relevant announcements in accordance with the progress of reconstruction and expansion as and when appropriate.

By Order of the Board

Yuexiu Transport Infrastructure Limited

LI Feng

Chairman

Hong Kong, 9 August 2022

INDEPENDENT REVIEW REPORT OF INTERIM FINANCIAL INFORMATION



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Independent review report

To the board of directors of Yuexiu Transport Infrastructure Limited

(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 43 to 72, which comprises the condensed consolidated statement of financial position of Yuexiu Transport Infrastructure Limited (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2022 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young

Certified Public Accountants

Hong Kong
9 August 2022

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Notes	(Unaudited)	
		Six months ended 30 June	
		2022	2021
		RMB'000	RMB'000
Revenue	6	1,615,538	1,831,743
Cost of services	7	(717,944)	(682,097)
Construction income under service concession upgrade services		90,660	16,889
Construction cost under service concession upgrade services		(90,660)	(16,889)
Other income, gains and losses – net	8	37,914	27,253
General and administrative expenses	7	(102,138)	(105,424)
Operating profit		833,370	1,071,475
Finance income	9	28,836	17,939
Finance costs	9	(334,027)	(382,154)
Share of result of a joint venture, net of tax		26,328	38,087
Share of results of associates, net of tax	14	64,565	101,966
Profit before income tax		619,072	847,313
Income tax expense	10	(173,137)	(214,385)
Profit for the period		445,935	632,928
Attributable to:			
Shareholders of the Company		295,318	467,699
Non-controlling interests		150,617	165,229
		445,935	632,928
Earnings per share for profit attributable to shareholders of the Company	11	RMB	RMB
Basic earnings per share		0.1765	0.2795
Diluted earnings per share		0.1764	0.2795

The notes on pages 50 to 72 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2022

	(Unaudited)	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Profit for the period	445,935	632,928
Other comprehensive income		
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>		
Currency translation differences	1,151	109
Cash flow hedges – movement in hedging reserve	(655)	(1,515)
Other comprehensive income/(loss) for the period	496	(1,406)
Total comprehensive income for the period	446,431	631,522
Attributable to:		
Shareholders of the Company	295,814	466,293
Non-controlling interests	150,617	165,229
	446,431	631,522

The notes on pages 50 to 72 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 JUNE 2022

	Notes	(Unaudited) 30 June 2022 RMB'000	(Audited) 31 December 2021 RMB'000
ASSETS			
Non-current assets			
Intangible operating rights	13	28,723,935	29,186,460
Goodwill		514,577	514,577
Property, plant and equipment	13	40,517	39,125
Other intangible assets	13	8,703	8,444
Investment properties	13	38,956	37,900
Right-of-use assets	13	17,507	20,722
Investment in a joint venture		471,833	481,431
Investments in associates	14	1,841,762	2,079,497
		31,657,790	32,368,156
Current assets			
Trade receivables	15	184,274	153,028
Other receivables, deposits and prepayments	15	149,104	139,963
Amounts due from associates	24	59,056	81,387
Cash and cash equivalents		2,865,617	2,918,574
		3,258,051	3,292,952
Total assets		34,915,841	35,661,108
EQUITY			
Equity attributable to the shareholders of the Company			
Share capital	16	147,322	147,322
Reserves		11,076,112	11,364,193
		11,223,434	11,511,515
Non-controlling interests		3,016,305	2,961,234
Total equity		14,239,739	14,472,749

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	(Unaudited) 30 June 2022 RMB'000	(Audited) 31 December 2021 RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings	17	4,974,072	7,613,246
Notes payable	20	2,497,191	2,498,220
Corporate bonds	21	3,028,213	3,112,693
Contract liabilities and deferred revenue	18	291,298	312,584
Deferred income tax liabilities	19	3,032,278	3,046,469
Lease liabilities		8,066	11,314
		13,831,118	16,594,526
Current liabilities			
Borrowings	17	3,151,980	2,318,081
Notes payable	20	2,574,186	1,074,013
Corporate bonds	21	120,490	73,932
Amount due to a non-controlling interest of a subsidiary	24	1,611	1,611
Amounts due to holding companies	24	–	2,613
Trade and other payables and accrued charges	22	878,074	990,929
Contract liabilities and deferred revenue	18	31,613	25,573
Lease liabilities		10,533	10,130
Derivative financial instruments		–	26,758
Current income tax liabilities		76,497	70,193
		6,844,984	4,593,833
Total liabilities		20,676,102	21,188,359
Total equity and liabilities		34,915,841	35,661,108

The notes on pages 50 to 72 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2022

	(Unaudited)	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Cash flows from operating activities		
Cash generated from operations	1,253,840	1,457,261
PRC enterprise income tax and withholding tax paid	(181,023)	(196,683)
Net cash flows from operating activities	1,072,817	1,260,578
Cash flows from investing activities		
Payments of construction costs under service concession upgrade services	(107,380)	(111,427)
Proceeds from compensation arrangements	–	13,550
Proceeds from disposal of property, plant and equipment	508	156
Purchase of property, plant and equipment and other intangible asset	(7,635)	(7,931)
Dividends received from associates	278,953	54,473
Dividends received from a joint venture	35,925	–
Interest received	28,836	17,100
Net cash flows from/(used in) investing activities	229,207	(34,079)
Cash flows from financing activities		
Proceeds from bank borrowings	2,390,000	1,172,000
Proceeds from issuance of corporate bonds	–	2,494,478
Proceeds from issuance of notes	1,495,965	996,740
Repayment of bank borrowings	(3,929,885)	(3,797,646)
Repayment of corporate bonds	–	(903,000)
Payment of bank facility fees	(3,869)	(673)
Repayment of other borrowing	(200,000)	–
Repayment of loans from non-controlling interests of subsidiaries	(10,000)	(6,259)
Repayment of a loan from a joint venture	(52,500)	–
Dividends paid to the shareholders of Company	(586,136)	(96,090)
Dividends paid to non-controlling interests	(95,546)	(351,873)
Interest paid	(352,206)	(325,547)
Payment for lease liabilities (including interest)	(5,735)	(5,377)
Net cash flows used in financing activities	(1,349,912)	(823,247)
Net (decrease)/increase in cash and cash equivalents	(47,888)	403,252
Cash and cash equivalents at 1 January	2,918,574	1,516,004
Effects of exchange rate changes on cash and cash equivalents	(5,069)	(9,003)
Cash and cash equivalents at 30 June	2,865,617	1,910,253
Analysis of cash and cash equivalents:		
Bank balances and cash	2,865,617	1,910,253

The notes on pages 50 to 72 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2022

	(Unaudited)												
	Attributable to shareholders of the Company												
	Share capital	Share premium	Capital reserve ^f	Share option reserve	Exchange fluctuation reserve	Statutory reserve	Hedging reserve	Retained earnings	Asset revaluation reserve ^g	Transaction with non-controlling interests reserve	Total	Non-controlling interests	Total equity
At 1 January 2022 (audited)	147,322	2,375,743	1,501,716	995	404,429	434,463	655	6,153,677	558,250	(65,735)	11,511,515	2,961,234	14,472,749
Comprehensive income													
Profit for the period	-	-	-	-	-	-	-	295,318	-	-	295,318	150,617	445,935
Other comprehensive income/(loss):													
Currency translation differences	-	-	-	-	1,151	-	-	-	-	-	1,151	-	1,151
Cash flow hedges – movement in hedging reserve	-	-	-	-	-	-	(655)	-	-	-	(655)	-	(655)
Total comprehensive income/(loss) for the period	-	-	-	-	1,151	-	(655)	295,318	-	-	295,814	150,617	446,431
Transactions with owners:													
Equity-settled share option arrangements	-	-	-	2,241	-	-	-	-	-	-	2,241	-	2,241
Transfers	-	-	-	-	-	108,874	-	(108,874)	-	-	-	-	-
2021 Dividends	-	-	-	-	-	-	-	(586,136)	-	-	(586,136)	(95,546)	(681,682)
	-	-	-	2,241	-	108,874	-	(695,010)	-	-	(583,895)	(95,546)	(679,441)
At 30 June 2022 (unaudited)	147,322	2,375,743*	1,501,716*	3,236*	405,580*	543,337*	-	5,753,985*	558,250*	(65,735)*	11,223,434	3,016,305	14,239,739

* These reserve accounts comprise the consolidated other reserves of RMB11,076,112,000 (31 December 2021: RMB11,364,193,000) in the consolidated statement of financial position.

Capital reserve represents the difference between the nominal value of the shares/registered capital of the subsidiaries acquired and the nominal value of the shares issued by Kiu Fung Limited, a subsidiary of the Company, as consideration of the acquisition in 1996.

g The asset revaluation reserve represents the fair value gain on revaluation of the 40% equity interest in GNSR Expressway Company Limited held by the Group as an associate in 2007 prior to the Group's further acquisition of an additional 20% equity interest to become a subsidiary.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2021

	(Unaudited)											
	Attributable to shareholders of the Company											
	Share capital	Share premium	Capital reserve	Exchange fluctuation reserve	Statutory reserves	Hedging reserve	Retained earnings	Asset revaluation reserve	Transaction with non-controlling interests reserve	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2021 (audited)	147,322	2,375,743	1,501,716	404,153	400,383	4,260	5,098,799	558,250	(65,735)	10,424,891	3,228,854	13,653,745
Comprehensive income												
Profit for the period	-	-	-	-	-	-	467,699	-	-	467,699	165,229	632,928
Other comprehensive income/(loss):												
Currency translation differences	-	-	-	109	-	-	-	-	-	109	-	109
Cash flow hedges – movement in hedging reserve	-	-	-	-	-	(1,515)	-	-	-	(1,515)	-	(1,515)
Total comprehensive income/(loss) for the period	-	-	-	109	-	(1,515)	467,699	-	-	466,293	165,229	631,522
Transactions with owners:												
Transfers	-	-	-	-	44,683	-	(44,683)	-	-	-	-	-
2020 Dividends	-	-	-	-	-	-	(96,090)	-	-	(96,090)	(351,873)	(447,963)
	-	-	-	-	44,683	-	(140,773)	-	-	(96,090)	(351,873)	(447,963)
At 30 June 2021 (unaudited)	147,322	2,375,743	1,501,716	404,262	445,066	2,745	5,425,725	558,250	(65,735)	10,795,094	3,042,210	13,837,304

The notes on pages 50 to 72 form an integral part of this interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Yuexiu Transport Infrastructure Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in investment in and development, operation and management of expressways and bridges mainly in Guangdong Province and other high-growth provinces in the People’s Republic of China (the “PRC”).

The Company is an exempted company incorporated under the laws of Bermuda. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda and its principal place of business in Hong Kong is 17A, Yue Xiu Building, 160 Lockhart Road, Wanchai, Hong Kong.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

This interim condensed consolidated financial information (“Financial Information”) is presented in Renminbi (“RMB”), unless otherwise stated. This Financial Information has been approved for issue by the Board of Directors of the Company on 9 August 2022.

2 BASIS OF PREPARATION

This Financial Information for the six months ended 30 June 2022 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim Financial Reporting*. The Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

As at 30 June 2022, the Group’s current liabilities exceeded its current assets by RMB3,586,933,000. The Group’s current liabilities primarily comprise of current portion of borrowings, notes payable, corporate bonds and trade and other payables and accrued charges of RMB3,151,980,000, RMB2,574,186,000, RMB120,490,000 and RMB878,074,000, respectively. 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 additional financing facilities available to the Group and the internally generated funds from operations. Accordingly, the Financial Information has been prepared on a going concern basis.

3 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of the following HKFRSs for the first time for the current period’s financial information.

Amendments to HKFRS 3

Reference to the Conceptual Framework

Amendments to HKAS 16

Property, Plant and Equipment: Proceeds before Intended Use

Amendments to HKAS 37

Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to HKFRSs 2018-2020

Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41

The above amendments and improvements effective for the financial year beginning 1 January 2022 do not have a material impact on the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

4 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the Financial Information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2021.

5 FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Financial Information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2021.

There have been no changes in the risk management policies since 31 December 2021.

5.2 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's financial instruments that are measured at fair value.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 30 June 2022				
Derivative financial instruments	–	–	–	–
As at 31 Dec 2021				
Derivative financial instruments	–	(26,758)	–	(26,758)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

5.2 Fair value estimation (Continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. The fair values of foreign currency forwards contracts are calculated as the present value of the estimated future cash flows based on forward exchange rate at the end of reporting period.

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2021: Nil).

5.3 Fair value of financial assets and liabilities measured at amortised cost

The fair value of non-current borrowings approximate to the present value of future cash flows discounted at the applicable interest rates and are categorised at level 2. The fair value of notes payable and corporate bonds is determined by using valuation techniques as they are not traded in an active market and is categorised at level 2.

The carrying amount and fair value of respective financial assets and liabilities measured at amortised cost are as follows:

	Carrying amount		Fair value	
	30 June 2022 RMB'000	31 December 2021 RMB'000	30 June 2022 RMB'000	31 December 2021 RMB'000
Non-current borrowings	4,974,072	7,613,246	4,677,158	7,198,945
Notes payable (due after one year)	2,497,191	2,498,220	2,572,443	2,605,080
Corporate bonds (due after one year)	3,028,213	3,112,693	3,109,808	3,238,195

The fair value of other financial assets and liabilities approximate to their carrying amount.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

6 REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the operation and management of toll highways and bridges in the PRC.

The chief operating decision-maker (the “CODM”) has been identified as 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 period. 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 Financial Information.

The following tables present revenue and profit information regarding the Group’s operating segments for the six months ended 30 June 2022 and 2021 respectively.

	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
Six months ended 30 June 2022			
Revenue (from external customers)			
– Toll Revenue	1,569,313	–	1,569,313
– Other toll operating income	2,356	–	2,356
– Entrusted road management service income	11,709	–	11,709
– Construction service income	14,583	–	14,583
– Income from service area and gas station	17,577	–	17,577
	1,615,538	–	1,615,538
Amortisation of			
– Intangible operating rights	(547,183)	–	(547,183)
– Other intangible asset	(1,941)	–	(1,941)
Depreciation of			
– Property, plant and equipment	(5,435)	(338)	(5,773)
– Right-of-use assets	(5,729)	–	(5,729)
Other compensation income	28,494	–	28,494
Government subsidy	1,781	–	1,781
Operating profit/(loss)	833,421	(51)	833,370
Finance income	28,836	–	28,836
Finance costs	(334,027)	–	(334,027)
Share of result of a joint venture, net of tax	26,328	–	26,328
Share of results of associates, net of tax	70,052	(5,487)	64,565
Profit/(loss) before income tax	624,610	(5,538)	619,072
Income tax expense	(173,137)	–	(173,137)
Profit/(loss) for the period	451,473	(5,538)	445,935

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
Six months ended 30 June 2021			
Revenue (from external customers)			
– Toll Revenue	1,803,384	–	1,803,384
– Other toll operating income	5,200	–	5,200
– Income from service area and gas station	23,159	–	23,159
	1,831,743	–	1,831,743
Amortisation of intangible operating rights	(532,121)	–	(532,121)
Depreciation of			
– Property, plant and equipment	(7,332)	(348)	(7,680)
– Right-of-use assets	(4,832)	–	(4,832)
Government subsidy	6,462	–	6,462
Operating profit/(loss)	1,072,415	(940)	1,071,475
Finance income	17,939	–	17,939
Finance costs	(382,154)	–	(382,154)
Share of result of a joint venture, net of tax	38,087	–	38,087
Share of results of associates, net of tax	105,213	(3,247)	101,966
Profit/(loss) before income tax	851,500	(4,187)	847,313
Income tax expense	(214,385)	–	(214,385)
Profit/(loss) for the period	637,115	(4,187)	632,928

The following tables present assets and liabilities information regarding the Group's operating segments as at 30 June 2022 and 31 December 2021 respectively.

Assets and liabilities	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
As at 30 June 2022 and for the six months ended 30 June 2022			
Total segment assets	34,822,347	93,494	34,915,841
Addition to non-current assets	97,505	–	97,505
Total segment assets include:			
Investment in a joint venture	471,833	–	471,833
Investments in associates	1,782,990	58,772	1,841,762
Total segment liabilities	(20,675,797)	(305)	(20,676,102)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

Assets and liabilities	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
As at 31 December 2021 and for the year ended 31 December 2021			
Total segment assets	35,563,329	97,779	35,661,108
Addition to non-current assets	193,736	1,702	195,438
Total segment assets include:			
Investment in a joint venture	481,431	–	481,431
Investments in associates	2,015,237	64,260	2,079,497
Total segment liabilities	(21,188,074)	(285)	(21,188,359)

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.

Revenue relating to toll roads operation is recognised at point in time. Income from service area and gas station, entrusted road management service income and construction service income are recognised over time.

There are no differences from the last annual financial statements on the basis of segmentation or in the basis of measurement of segment profit or loss.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

7 EXPENSES BY NATURE

Expenses included in cost of services and general and administrative expenses are analysed as follows:

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Taxes and surcharges	5,905	9,213
Amortisation of		
– Intangible operating rights (note 13)	547,183	532,121
– Other intangible asset (note 13)	1,941	–
Depreciation of		
– Property, plant and equipment (note 13)	5,773	7,680
– Right-of-use assets (note 13)	5,729	4,832
Toll highways and bridges maintenance expenses	38,715	33,151
Toll highways and bridges operating expenses	43,600	36,629
Staff costs (including directors' emoluments)		
– Wages and salaries	97,431	93,910
– Pension costs (defined contribution plan)	15,222	14,473
– Social security costs	17,674	18,769
– Staff welfare and other benefits	13,629	11,946
– Equity-settled share option expense	2,241	–
Auditor's remuneration	1,350	1,652
Legal and professional fee	5,762	9,684

8 OTHER INCOME, GAINS AND LOSSES – NET

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Compensation for expressways and bridges damages	3,564	17,236
Other compensation income (note)	28,494	–
Management service income	907	871
Government subsidy	1,781	6,462
Other rental income	328	349
Gain/(loss) on disposal of property, plant and equipment	537	(120)
Others	2,303	2,455
	37,914	27,253

Note: The amount mainly represented compensation from third parties and the government on requisition of land and demolition of plants and other greening facilities.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

9 FINANCE INCOME/COSTS

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Bank interest income	28,836	17,100
Interest income on other current receivables	–	839
Finance income	28,836	17,939
Interest expenses:		
– Bank borrowings	(178,628)	(247,532)
– Other borrowing	(3,057)	(6,435)
– Bank facility fees	(6,862)	(1,668)
– Loan from a joint venture	(1,085)	(3,160)
– Loans from non-controlling interests of certain subsidiaries	–	(56)
– Notes payable	(75,679)	(62,121)
– Corporate bonds	(55,510)	(48,553)
– Lease liabilities	(378)	(594)
Net other exchange loss	(3,146)	(1,708)
Others	(9,682)	(10,327)
Finance costs	(334,027)	(382,154)

10 INCOME TAX EXPENSE

- (a) No provision for Hong Kong profits tax has been made in the Financial Information as the Group had no assessable income subject to Hong Kong profits tax during the period (30 June 2021: Nil).
- (b) During the six months ended 30 June 2022, PRC enterprises 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 six months ended 30 June 2022 is 25% (30 June 2021: 25%). Guangzhou North Second Ring Transport Technology Company Limited ("GNSR"), 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, and during the year ended 31 December 2021, the treatment has been extended to the year ended 31 December 2023. Guangxi Yuexiu Cangyu Expressway Company Limited, a subsidiary of the Group, has been recognised as an eligible entity to enjoy preferential tax treatment of income tax, at a preferential income tax rate of 15%, started from 2013 and extended to the year ended 31 December 2030 during the year ended 31 December 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 tax rate of 5% or 10%. During the period, 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% (30 June 2021: 5% or 10%).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

10 INCOME TAX EXPENSE (CONTINUED)

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

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Current income tax		
PRC enterprise income tax	187,328	243,016
Deferred income tax	(14,191)	(28,631)
	173,137	214,385

11 EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

Basic and diluted earnings per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2022	2021
Earnings		
Profit attributable to shareholders of the Company (RMB'000)	295,318	467,699
Shares		
Weighted average number of ordinary shares in issue during the period 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)	1,036	–
Weighted average number of ordinary shares in issue and potential ordinary shares during the period used in the diluted earnings per share calculation ('000)	1,674,198	1,673,162

12 INTERIM DIVIDENDS

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Interim, proposed, HK\$0.10 equivalent to approximately RMB0.0861 (30 June 2021: HK\$0.20 equivalent to approximately RMB0.1663) per share	144,093	278,320

A dividend of RMB586,136,000 that relates to the year ended 31 December 2021 was paid on 29 June 2022 (30 June 2021: RMB96,090,000 that relates to the year ended 31 December 2020 was paid on 29 June 2021).

On 9 August 2022, the board of directors has resolved to declare an interim dividend of HK\$0.10 per share (30 June 2021: HK\$0.20 per share). This interim dividend, amounting to RMB144,093,000 (30 June 2021: RMB278,320,000), has not been recognised as a liability in this Financial Information. It will be recognised in shareholders' equity for the year ending 31 December 2022.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

13 INTANGIBLE OPERATING RIGHTS, PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, RIGHT-OF-USE ASSETS AND OTHER INTANGIBLE ASSETS

	Intangible operating rights RMB'000	Property, plant and equipment RMB'000	Investment properties RMB'000	Right-of-use assets RMB'000	Other intangible assets RMB'000
Opening net book value at 1 January 2022	29,186,460	39,125	37,900	20,722	8,444
Exchange differences	–	92	1,056	2	–
Additions	84,658	8,135	–	2,512	2,200
Disposals	–	(1,062)	–	–	–
Amortisation/depreciation charge	(547,183)	(5,773)	–	(5,729)	(1,941)
Closing net book value at 30 June 2022	28,723,935	40,517	38,956	17,507	8,703
Opening net book value at 1 January 2021	31,712,956	53,099	37,144	30,021	–
Exchange differences	–	(26)	(258)	(3)	–
Additions	13,545	4,545	–	2,108	–
Reclassification	–	(8,047)	–	–	8,047
Disposals	–	(276)	–	–	–
Amortisation/depreciation charge	(532,121)	(7,680)	–	(4,832)	–
Closing net book value at 30 June 2021	31,194,380	41,615	36,886	27,294	8,047

Amounts recognised in interim condensed consolidated statement of profit or loss for investment properties are insignificant to the Group.

For the Group's investment properties, the valuation was determined using the sale comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input to this valuation approach is price per square foot.

All investment properties are included in level 3 fair value hierarchy as at 30 June 2022.

As at 30 June 2022, toll highway operating rights with net book amount of RMB25,407,758,000 (31 December 2021: RMB25,730,337,000) were pledged to secure the Group's bank borrowings.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

14 INVESTMENTS IN ASSOCIATES

Movements in the Group's investments in associates are as below:

	30 June 2022 RMB'000	31 December 2021 RMB'000
At 1 January	2,079,497	1,536,113
Share of results for the period		
– Profit before income tax	83,132	240,898
– Income tax expense	(18,567)	(54,024)
	64,565	186,874
Subscription	–	639,000
Dividends	(302,300)	(154,304)
Impairment	–	(128,186)
At 30 June/31 December	1,841,762	2,079,497

There are no contingent liabilities relating to the Group's interests in associates.

15 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30 June 2022 RMB'000	31 December 2021 RMB'000
Trade receivables	184,274	153,028
Other receivables, deposits and prepayments	149,104	139,963
	333,378	292,991

As at 30 June 2022, trade receivables were aged below 30 days (31 December 2021: below 30 days) by the date when trade receivables are recognised.

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. The settlement period is normally within a month.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

16 SHARE CAPITAL

	30 June 2022		31 December 2021	
	Number of shares	RMB'000	Number of shares	RMB'000
Issued and fully paid:				
Ordinary shares of RMB0.08805 each	1,673,162,295	147,322	1,673,162,295	147,322

17 BORROWINGS

	30 June 2022	31 December 2021
	RMB'000	RMB'000
Bank borrowings	8,051,042	9,590,774
Other borrowing	–	200,000
Loan from a joint venture	–	52,500
Loans from non-controlling interests of certain subsidiaries	62,287	72,287
Interest payable	12,723	15,766
Total borrowings	8,126,052	9,931,327
Less: amounts due within one year shown under current liabilities	(3,151,980)	(2,318,081)
Total non-current borrowings	4,974,072	7,613,246

Notes:

- (a) Interest expenses on borrowings for the six months ended 30 June 2022 amounted to RMB182,770,000 (30 June 2021: RMB257,183,000).
- (b) The Group's borrowings were repayable as follows:

	30 June 2022	31 December 2021
	RMB'000	RMB'000
Within one year	3,151,980	2,318,081
Between one and two years	1,242,087	2,109,083
Between two and five years	2,063,385	2,533,955
Beyond five years	1,668,600	2,970,208
	8,126,052	9,931,327

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

17 BORROWINGS (CONTINUED)

Notes: (Continued)

(c) The bank borrowings of RMB4,871,245,000 (31 December 2021: RMB5,453,888,000) were secured by intangible operating rights of the Group. All bank borrowings were interest bearing at rates ranging from 3.10% to 4.90% (31 December 2021: 1.80% to 4.90%) per annum. The effective interest rate of these borrowings at 30 June 2022 was 3.72% (31 December 2021: 3.88%) per annum.

(d) Loans from non-controlling interests of certain subsidiaries were unsecured and interest-free. The carrying amounts of these interest-free loans approximated to their fair values which are calculated based on cash flows discounted at a rate of 4.35% (31 December 2021: 4.35%) per annum.

Loans from non-controlling interests of certain subsidiaries were repayable between one and five years, except for the loan of RMB10,000,000 which is due within one year as at 30 June 2022.

(e) The borrowings were denominated in RMB (31 December 2021: RMB, except for bank borrowings in the equivalent amount of RMB245,109,000 which were denominated in HKD).

18 CONTRACT LIABILITIES AND DEFERRED REVENUE

Contract liabilities and deferred revenue are mainly related to fees received in advance from contractors relating to operation of service areas and petrol stations along the toll highway for the remaining 1 to 21 years.

	Six months ended 30 June 2022 RMB'000	Year ended 31 December 2021 RMB'000
At 1 January	338,157	355,169
Addition	189	6,104
Credited to "Revenue"	(15,435)	(23,116)
At 30 June/31 December	322,911	338,157
Less: non-current portion	(291,298)	(312,584)
Current portion	31,613	25,573

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

19 DEFERRED INCOME TAX

Deferred income tax is calculated in full on temporary differences under the liability method using the applicable income tax rate.

	30 June 2022 RMB'000	31 December 2021 RMB'000
Deferred income tax assets		
– Tax losses of subsidiaries	42,406	48,729
– Deferred income	11,729	11,729
	54,135	60,458
Deferred income tax liabilities		
– Accelerated tax amortisation of intangible operating rights	754,121	715,146
– Fair value gain on investment properties	229	229
– Fair value gain on interest in toll highway arising from acquisition of subsidiaries	2,276,498	2,323,522
– Withholding tax on undistributed profits of subsidiaries and associates	20,565	33,030
– Withholding tax on dividend distributed for reinvestment	35,000	35,000
	3,086,413	3,106,927
Deferred income tax liabilities (net)	3,032,278	3,046,469

20 NOTES PAYABLE

	30 June 2022 RMB'000	31 December 2021 RMB'000
Notes payable	4,992,434	3,493,891
Notes interest payable	78,943	78,342
Total notes payable	5,071,377	3,572,233
Less: amounts due within one year shown under current liabilities	(2,574,186)	(1,074,013)
Total non-current notes payable	2,497,191	2,498,220

On 2 December 2019, the Group issued 2019 Phase I Medium Term Notes with coupon rate of 3.58% per annum due December 2022 for an aggregate principal amount of RMB1,000,000,000 (the “2019 Phase I Notes”). The 2019 Phase I Notes were issued at 100% of the aggregate nominal amount with interest payable annually.

On 13 January 2020, the Group issued 2020 Phase I Medium Term Notes with coupon rate of 3.47% per annum due January 2023 for an aggregate principal amount of RMB1,000,000,000 (the “2020 Phase I Notes”). The 2020 Phase I Notes were issued at 100% of the aggregate nominal amount with interest payable annually.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

20 NOTES PAYABLE (CONTINUED)

On 17 August 2020, the Group issued 2020 Phase II Medium Term Notes with coupon rate of 3.54% per annum due August 2023 for an aggregate principal amount of RMB500,000,000 (the “2020 Phase II Notes”). The 2020 Phase II Notes were issued at 100% of the aggregate nominal amount with interest payable annually.

On 28 January 2021, the Group issued 2021 Phase I Medium Term Notes with coupon rate of 3.78% per annum due January 2026 for an aggregate principal amount of RMB1,000,000,000 (the “2021 Phase I Notes”). The 2021 Phase I Notes were issued at 100% of the aggregate nominal amount with interest payable annually. The Company shall be entitled to adjust the coupon rate, and the holders shall be entitled to sell back the relevant notes to the Company, at the end of the third year.

On 18 March 2022, the Group issued 2022 Phase I Medium Term Notes with coupon rate of 3.28% per annum due March 2027 for an aggregate principal amount of RMB1,000,000,000 (the “2022 Phase I Notes”). The 2022 Phase I Notes were issued at 100% of the aggregate nominal amount with interest payable annually. The Company shall be entitled to adjust the coupon rate, and the holders shall be entitled to sell back the relevant notes to the Company, at the end of the third year.

On 23 May 2022, the Group issued first tranche super short-term commercial paper with coupon rate of 2.1% and a term of 270 days for an aggregate principal amount of RMB500,000,000 (the “2022 Super Short-term Commercial Paper”).

The 2019 Phase I Notes, 2020 Phase I Notes, 2020 Phase II Notes, 2021 Phase I Notes and 2022 Phase I Notes (Collectively, “MTN”) and 2022 Super Short-term Commercial Paper (“SCP”) were recognised initially at fair values. MTN and SCP issuance costs directly attributable were capitalised and amortised over the estimated term of the MTN and SCP using the effective interest method.

The effective interest rate for notes payable is 3.58% (31 December 2021: 3.80%) per annum, which includes the interest charged as well as amortisation of the capitalized cost on issuance. The Group recognised interest expense of RMB75,679,000 (period ended 30 June 2021: RMB62,121,000) on the notes for the period ended 30 June 2022.

21 CORPORATE BONDS

	30 June 2022 RMB'000	31 December 2021 RMB'000
Corporate bonds	3,113,513	3,112,693
Bonds interest payable	35,190	73,932
Total corporate bonds	3,148,703	3,186,625
Less: amounts due within one year shown under current liabilities	(120,490)	(73,932)
Total non-current corporate bonds	3,028,213	3,112,693

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

21 CORPORATE BONDS (CONTINUED)

The Company received the Approval Document Zheng Jian Xu Ke No. [2016] 522 and the Approval Document Zheng Jian Xu Ke No. [2016] 1530 from the China Securities Regulatory Commission (“CSRC”) on 16 March 2016 and 8 July 2016 respectively, approving the application of the Company for a public issue of corporate bonds in an aggregated principal amount of up to RMB1,000,000,000 and RMB2,000,000,000 respectively to the qualified investors in the PRC.

The first phase of 2016 corporate bonds (“First Phase 2016 Corporate Bonds”) to qualified investors in the PRC were drawn down on 22 March 2016. The First Phase 2016 Corporate Bonds were issued in two tranches:

- (i) five-year corporate bonds of RMB300,000,000 with a coupon rate of 2.85% per annum; the Company shall be entitled to adjust the coupon rate and has the right to redeem the relevant corporate bonds, and the investors shall be entitled to sell back the relevant corporate bonds to the Company, at the end of the third year; and
- (ii) seven-year corporate bonds of RMB700,000,000 with a coupon rate of 3.38% per annum; the Company shall be entitled to adjust the coupon rate and has the right to redeem the relevant corporate bonds, and the investors shall be entitled to sell back the relevant corporate bonds to the Company, at the end of the fifth year.

During the year ended 31 December 2021, the first tranche of the corporate bonds of a principal amount of RMB300,000,000 issued on 22 March 2016 have been fully paid off.

The Company has adjusted the coupon rate of the seven-year corporate bonds of the First Phase 2016 Corporate Bonds from 3.38% to 3.60%, and part of the investors has sold back the relevant corporate bonds of RMB613,000,000 to the Company.

The second phase of 2016 corporate bonds (“Second Phase 2016 Corporate Bonds”) to qualified investors in the PRC was drawn down on 28 October 2016. The Second Phase 2016 Corporate Bonds were issued in two tranches:

- (i) five-year corporate bonds of RMB200,000,000 with a coupon rate of 2.90% per annum; the Company shall be entitled to adjust the coupon rate and has the right to redeem the relevant corporate bonds, and the investors shall be entitled to sell back the relevant corporate bonds to the Company, at the end of the third year; and
- (ii) seven-year corporate bonds of RMB800,000,000 with a coupon rate of 3.18% per annum; the Company shall be entitled to adjust the coupon rate and has the right to redeem the relevant corporate bonds, and the investors shall be entitled to sell back the relevant corporate bonds to the Company, at the end of the fifth year.

During the year ended 31 December 2021, the first tranche of the corporate bonds of a principal amount of RMB200,000,000 issued on 28 October 2016 have been fully paid off.

Part of the investors has sold back the seven-year corporate bonds of the Second Phase 2016 Corporate Bonds of RMB270,000,000 to the Company.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

21 CORPORATE BONDS (CONTINUED)

The Company received the Approval Document Zheng Jian Xu Ke No. [2020] 1004 from the CSRC on 26 May 2020, approving the application of the Company for a public issue of corporate bonds in an aggregated principal amount of up to RMB2,500,000,000 to the qualified investors in the PRC.

The first phase of 2021 corporate bonds (“First Phase 2021 Corporate Bonds”) to qualified investors in the PRC was drawn down on 25 January 2021. The First Phase 2021 Corporate Bonds were issued with five-year corporate bonds of RMB1,000,000,000 with a coupon rate of 3.63% per annum; the Company shall be entitled to adjust the coupon rate and has the right to redeem the relevant corporate bonds, and the investors shall be entitled to sell back the relevant corporate bonds to the Company, at the end of the third year.

The second phase of 2021 corporate bonds (“Second Phase 2021 Corporate Bonds”) to qualified investors in the PRC was drawn down on 13 May 2021. The Second Phase 2021 Corporate Bonds were issued in two tranches:

- (i) five-year corporate bonds of RMB1,000,000,000 with a coupon rate of 3.48% per annum; the Company shall be entitled to adjust the coupon rate and has the right to redeem the relevant corporate bonds, and the investors shall be entitled to sell back the relevant corporate bonds to the Company, at the end of the third year; and
- (ii) seven-year corporate bonds of RMB500,000,000 with a coupon rate of 3.84% per annum; the Company shall be entitled to adjust the coupon rate and has the right to redeem the relevant corporate bonds, and the investors shall be entitled to sell back the relevant corporate bonds to the Company, at the end of the fifth year.

The First Phase 2016 Corporate Bonds, Second Phase 2016 Corporate Bonds, First Phase 2021 Corporate Bonds, and Second Phase 2021 Corporate Bonds (Collectively, “Corporate Bonds”) were recognised initially at fair values. Debt issuance costs directly attributable were capitalised and amortised over the estimated term of the facilities using the effective interest method.

The effective interest rate for the Corporate Bonds is 3.65% (31 December 2021: 3.65%) per annum, which includes the interest charged on the Corporate Bonds as well as amortisation of the debt issuance cost. The Group recognised interest expense of RMB55,510,000 (period ended 30 June 2021: RMB48,553,000) of finance cost on the Corporate Bonds for the six months ended 30 June 2022.

22 TRADE AND OTHER PAYABLES AND ACCRUED CHARGES

	30 June 2022 RMB'000	31 December 2021 RMB'000
Trade payables	59,197	60,768
Other payables and accrued charges	587,824	688,368
Construction related accruals and payables	231,053	241,793
	878,074	990,929
The aging analysis of trade payables and construction related accruals and payables by invoice date is as follows:		
0–30 days	34,975	44,580
31–90 days	16,674	23,032
Over 90 days	238,601	234,949
	290,250	302,561

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

23 CAPITAL COMMITMENT

	30 June 2022 RMB'000	31 December 2021 RMB'000
Contracted, but not provided for Upgrade and construction of toll expressways under concession arrangements and construction of port	125,319	192,311

24 SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Related parties

The Company's directors regard 廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited) ("GZYX") (incorporated in the PRC) as its ultimate holding company and the Guangzhou City Government as its ultimate controlling party.

The table set forth below summarises the names of related parties, with whom the Group has significant transactions during the period, and their relationship with the Company as at 30 June 2022:

Significant related parties	Relationship with the Company
Yue Xiu Enterprises (Holdings) Limited ("Yue Xiu")	A wholly-owned subsidiary of the ultimate holding company
Yuexiu Property Company Limited ("Yuexiu Property")	A fellow subsidiary
Artform Investment Limited ("Artform")	A fellow subsidiary
Chong Hing Bank Limited ("Chong Hing Bank")	A fellow subsidiary
Chong Hing Insurance Co., Ltd ("Chong Hing Insurance")	A fellow subsidiary
Guangzhou Yuexiu City Construction Jones Lang LaSalle Property Management Co., Ltd. ("YX Jones Lang LaSalle")	A fellow subsidiary
Guangzhou Yue Xiu Enterprises (Holding) Limited ("GZYXE")	A fellow subsidiary
Guangzhou Western Second Ring Expressway Co., Ltd. ("GWSR")	A joint venture
Guangdong Humen Bridge Co., Ltd. ("Humen Bridge")	An associate
Guangdong Qinglian Highway Development Co., Ltd. ("Qinglian Highway")	An associate
Guangdong Shantou Bay Bridge Co., Ltd. ("Shantou Bay Bridge")	An associate
Guangzhou Northring Super Highway Co., Ltd. ("Northring")	An associate
Guangzhou Pazhou Port Company Limited ("Pazhou")	An associate
Real Estate Investment Trust for Huaxia Yuexiu Expressway ("Huaxia Yuexiu Expressway REIT")	An associate
Guangzhou Yue Xiu City Construction International Finance Center Co., Ltd. ("Yue Xiu IFC")	An associate of a fellow subsidiary

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

24 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties

In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the period:

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Administrative service fees to Yuexiu Property	539	542
Addition of right-of-use assets from Artform	–	2,108
Addition of right-of-use assets from Yue Xiu IFC	2,512	–
Building management fee to YX Jones Lang LaSalle	970	932
Interest income from Chong Hing Bank	5,165	5,649
Entrusted road management service income from Huaxia Yuexiu Expressway REIT	11,709	–
Management service income received from Qinglian Highway, Humen Bridge, GWSR and Pazhou	907	871
Management service income from a fellow subsidiary	236	–
Interest expense to GWSR	1,085	3,160
Guarantee fee paid to GZYX	94	820

In June 2019, the Group entered into two foreign exchange forward contracts with Yue Xiu to purchase HKD in the amount of HK\$200 million and HK\$300 million respectively with RMB. The HK\$200 million and HK\$300 million forward were settled on 29 March 2021 and 29 March 2022 respectively.

The guarantee fee paid to GZYX was mentioned in the circular dated 16 October 2019.

(c) Balances with related parties

	30 June	31 December
	2022	2021
	RMB'000	RMB'000
Bank balance deposited in a fellow subsidiary	599,984	654,828
Amounts due to holding companies	–	(2,613)
Loan from a joint venture	–	(52,500)
Loans from non-controlling interests of certain subsidiaries	(62,287)	(72,287)
Amount due to a non-controlling interest of a subsidiary	(1,611)	(1,611)
Amounts due from associates	59,056	81,387
Lease liabilities to an associate of a fellow subsidiary	(17,050)	(18,378)
Lease liabilities to a fellow subsidiary	(1,474)	(1,829)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

24 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Key management compensation

	For the six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Salaries and other short-term benefits	4,855	4,855

25 STATEMENT OF FINANCIAL POSITION, RESERVE MOVEMENT, STATEMENT OF PROFIT OR LOSS, STATEMENT OF CASH FLOWS OF THE COMPANY

Note (i) Statement of financial position of the Company

	(Unaudited)	(Audited)
	As at 30 June 2022	As at 31 December 2021
	RMB'000	RMB'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,203	1,548
Investments in subsidiaries	5,931,391	5,929,459
Right-of-use assets	1,448	1,810
	5,934,042	5,932,817
Current assets		
Amounts due from subsidiaries	15,764,160	14,226,573
Deposits and prepayments	6,780	8,163
Cash and cash equivalents	172,596	374,988
	15,943,536	14,609,724
Total assets	21,877,578	20,542,541
EQUITY		
Equity attributable to the shareholders of the Company		
Share capital	147,322	147,322
Reserves (note ii)	4,182,407	4,361,987
Total equity	4,329,729	4,509,309

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

25 STATEMENT OF FINANCIAL POSITION, RESERVE MOVEMENT, STATEMENT OF PROFIT OR LOSS, STATEMENT OF CASH FLOWS OF THE COMPANY (CONTINUED)

Note (i) Statement of financial position of the Company (Continued)

	(Unaudited) As at 30 June 2022 RMB'000	(Audited) As at 31 December 2021 RMB'000
LIABILITIES		
Non-current liabilities		
Borrowings	–	849,326
Notes payable	2,497,191	2,498,220
Corporate bonds	3,028,213	3,112,693
Deferred income tax liabilities	35,000	35,000
Lease liabilities	750	1,121
	5,561,154	6,496,360
Current liabilities		
Borrowings	1,453,085	868,201
Notes payable	2,574,186	1,074,013
Corporate bonds	120,489	73,931
Amounts due to subsidiaries	7,811,331	7,468,423
Amounts due to holding companies	–	2,458
Other payables and accrued charges	26,880	22,380
Lease liabilities	724	708
Derivative financial instruments	–	26,758
	11,986,695	9,536,872
Total liabilities	17,547,849	16,033,232
Total equity and liabilities	21,877,578	20,542,541

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

25 STATEMENT OF FINANCIAL POSITION, RESERVE MOVEMENT, STATEMENT OF PROFIT OR LOSS, STATEMENT OF CASH FLOWS OF THE COMPANY (CONTINUED)

Note (ii) Reserve movement of the Company

	Share premium RMB'000	Share option reserve RMB'000	Contributed surplus (note) RMB'000	Hedging reserve RMB'000	Retained profits RMB'000	Total RMB'000
At 1 January 2022 (audited)	2,375,743	995	1,561,564	655	423,030	4,361,987
Profit for the period	–	–	–	–	404,970	404,970
Cash flow hedges – movement in hedging reserve	–	–	–	(655)	–	(655)
Equity-settled share option arrangements	–	2,241	–	–	–	2,241
2021 final dividend	–	–	–	–	(586,136)	(586,136)
At 30 June 2022 (unaudited)	2,375,743	3,236	1,561,564	–	241,864	4,182,407
At 1 January 2021 (audited)	2,375,743	–	1,561,564	4,260	794,286	4,735,853
Profit for the period	–	–	–	–	170,144	170,144
Cash flow hedges – movement in hedging reserve	–	–	–	(1,515)	–	(1,515)
2020 final dividend	–	–	–	–	(96,090)	(96,090)
At 30 June 2021 (unaudited)	2,375,743	–	1,561,564	2,745	868,340	4,808,392

Note:

The contributed surplus represents the difference between the nominal value of the shares issued by the Company in exchange for all the issued ordinary shares of Kiu Fung Limited and the value of net assets of the underlying subsidiaries acquired by the Company as at 30 November 1996. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to the shareholders.

Note (iii) Statement of profit or loss of the Company

	(Unaudited)	
	Six months ended 30 June 2022 RMB'000	2021 RMB'000
Other income, gains and losses – net	350,000	250,000
General and administrative expenses	(12,335)	(13,333)
Operating profit	337,665	236,667
Finance income	234,457	75,367
Finance costs	(163,926)	(141,890)
Profit before income tax	408,196	170,144
Income tax expense	(3,226)	–
Profit for the period	404,970	170,144

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

25 STATEMENT OF FINANCIAL POSITION, RESERVE MOVEMENT, STATEMENT OF PROFIT OR LOSS, STATEMENT OF CASH FLOWS OF THE COMPANY (CONTINUED)

Note (iv) Statement of cash flows of the Company

	(Unaudited)	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Cash flows from operating activities		
Net cash flows used in operating activities	(648,025)	(2,505,260)
Cash flows from investing activities		
Interest received	2,420	1,484
Net cash flows from investing activities	2,420	1,484
Cash flows from financing activities		
Proceeds from issuance of corporate bonds	–	2,494,478
Proceeds from issuance of notes	1,495,965	996,740
Proceeds from bank borrowings	100,000	599,000
Repayment of corporate bonds	–	(903,000)
Repayment of bank borrowings	(363,867)	(168,396)
Payment of bank facility fees	(3,869)	(300)
Dividend paid to the shareholders of the Company	(586,136)	(96,090)
Interest paid	(193,455)	(94,496)
Payment for lease liabilities (including interest)	(355)	–
Net cash flows from financing activities	448,283	2,827,936
Net (decrease)/increase in cash and cash equivalents	(197,322)	324,160
Cash and cash equivalents at 1 January	374,988	75,869
Effect of exchange rate changes on cash and cash equivalents	(5,070)	(9,001)
Cash and cash equivalents at 30 June	172,596	391,028
Analysis of cash and cash equivalents		
Bank balances and cash	172,596	391,028

OTHER INFORMATION

INTERESTS OF DIRECTORS

As at 30 June 2022, the interests and short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), which are required to be recorded in the register maintained by the Company under Section 352 of the SFO or notified to the Company and The Stock Exchange of Hong Kong Limited (“Stock Exchange”) were as follows:

The Company

Long positions in shares and underlying shares of the Company:

Name of Director	Nature of interest	Beneficial interest in shares	Interests in underlying shares pursuant to share options	Aggregate interests	Approximate % of interest
Mr He Baiqing	Personal	52,000	1,371,993	1,423,993	0.09
Mr Cai Minghua	Personal	—	519,131	519,131	0.03
Mr Lau Hon Chuen Ambrose	Personal	195,720	—	195,720	0.01
Mr Cheung Doi Shu	Personal	500,000	—	500,000	0.03

Yuexiu Property Company Limited

Long positions in shares of Yuexiu Property Company Limited:

Name of Director	Nature of interest	Beneficial interest in shares	Approximate % of interest
Mr Li Feng	Personal	34,580	0.001
Mr Lau Hon Chuen Ambrose	Personal	968,240	0.031

Save as disclosed herein, as at 30 June 2022, none of the Directors of the Company had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which are required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

OTHER INFORMATION

DISCLOSEABLE INTERESTS OF SHAREHOLDERS UNDER THE SECURITIES AND FUTURES ORDINANCE

As at 30 June 2022, the following persons had an interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long positions in the Shares of the Company

Name	Capacity in holding interest	Approximate % of shareholding in shares	Number of shares held
廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited) (Note 1)	Interest of controlled corporations	44.20	739,526,200
Yue Xiu Enterprises (Holdings) Limited ("Yue Xiu") (Notes 1 & 2)	Beneficial owner and interest of controlled corporations	44.20	739,526,200
Grace Lord Group Limited (Note 2)	Beneficial owner	18.12	303,159,087
Housemaster Holdings Limited (Note 2)	Beneficial owner	21.96	367,500,000
Matthews International Capital Management, LLC	Investment manager	5.99	100,220,000

Notes:

- (1) The entire issued shares of Yue Xiu are owned by 廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited). By virtue of the SFO, 廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited) was deemed to be interested in the interest of Yue Xiu in the shares of the Company as described in note (2) below.
- (2) Yue Xiu was interested in an aggregate of 739,526,200 shares of the Company (long position) of which 8,653 shares were held by it as beneficial owner. By virtue of the SFO, Yue Xiu was also deemed to be interested in the balance of 739,517,547 shares (long position) through its wholly-owned subsidiaries, namely, Housemaster Holdings Limited, Grace Lord Group Limited, Greenwood Pacific Limited, Yue Xiu Finance Company Limited and Dragon Year Industries Limited.

OTHER INFORMATION

SHARE OPTION INCENTIVE SCHEME

Pursuant to the resolution of the shareholders of the Company (“Shareholders”) passed on 11 October 2021, the Company has adopted the Share Option Incentive Scheme (the Share Option Scheme) to recognise and acknowledge the contributions of the Eligible Participants to the Group by granting Options to them as incentives or rewards.

Set out below is a summary of the principal terms of the Share Option Scheme:

1. Purpose

The purpose of the Share Option Scheme is to recognise and acknowledge the contributions of the Eligible Participants to the Group by granting Options to them as incentives or rewards. The basis of eligibility of any of the Eligible Participants to the grant of Options shall be determined by the Board from time to time at its absolute discretion on the basis of his contribution or potential contribution to the development and growth of the Group.

2. Duration of the Share Option Scheme

The Share Option Scheme shall be valid and effective for the period commencing on the Adoption Date (the date on which the Share Option Scheme is adopted by an ordinary resolution of the Shareholders on 11 October, 2021) and expiring at 5:00 p.m. on the Business Day immediately preceding the tenth anniversary of the Adoption Date unless terminated earlier by the Shareholders in general meeting (Scheme Period). Upon termination of the Share Option Scheme, no further Options may be granted but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect.

3. Participants

Only the Eligible Participants may be granted Options. On and subject to the terms of the Share Option Scheme, the Board may, on a Business Day during the Scheme Period, at its absolute discretion (and subject to any conditions as it may think fit, including but not limited to the achievement of any performance target and/or any minimum period for which an Option must be held before it can be exercised) make an offer in writing (in such form as the Board may from time to time determine) to an Eligible Participant an Option to subscribe at the Exercise Price for such number of Shares as the Board may determine.

“Eligible Participant” refers to any employee (whether full-time or part-time) or director of any member of the Group, other than an Excluded Person. “Excluded Person” refers to (i) any person who is an independent non-executive director of any member of the Group; (ii) any person alone or together with his family member(s) is interested in 5% or more of the issued Shares at the time of any proposed grant; or (iii) the spouse, father, mother or child of the person referred to in (i) or (ii) above and who is not an employee of any member of the Group.

4. Acceptance of a grant

Any grant may be accepted on or before the date specified in the grant (or at such other time and in such other manner as the Board may otherwise determine, including but not limited to an agreement in relation to the grant of the Options between an Eligible Participant and the Company) provided that no grant shall be open for acceptance after the expiry of the Scheme Period or after the Share Option Scheme has been terminated in accordance with the provisions thereof. An amount of HK\$1.00 is payable by an Eligible Participant on acceptance of a grant.

OTHER INFORMATION

5. Exercise price

The price per Share payable on the exercise of an Option as determined by the Board and shall at least be the highest of: (a) the nominal value of the Shares; (b) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which shall be a Business Day; and (c) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the date of grant; or (where applicable) such price as from time to time adjusted pursuant to the Share Option Scheme.

The total subscription price payable upon exercise of an Option shall be an amount equal to the Exercise Price multiplied by the relevant number of Shares in respect of which the Option is exercised.

6. Maximum number of shares for which options may be granted

The total number of Shares which may be issued in aggregate upon exercise of all Options to be granted under the Share Option Scheme and any Other Schemes (i.e. schemes analogous to a share option scheme as described in Chapter 17 of the Listing Rules) not exceed 10% (167,316,229 Shares) of the Shares in issue as at the date of adoption of Share Option Incentive Scheme.

7. Maximum number of options to each participant

The total number of Shares issued and to be issued upon the exercise of all Options granted to each Eligible Participant (including both exercised and outstanding Options) in any period of twelve (12) consecutive months shall not exceed 1% of the Shares in issue.

The Company may grant further Options in excess of the limit set out in the preceding paragraph, subject to the Shareholders' approval in general meeting, at which the Eligible Participant involved and his close associates (or his associates if the Eligible Participant is a connected person) shall abstain from voting, and the following provisions shall apply:

- (a) a circular containing the identity of the Eligible Participant involved, the number and terms of Options granted and to be granted and the information and the disclaimer respectively required under Rule 17.02(2)(d) and Rule 17.02(4) of the Listing Rules shall be dispatched to the Shareholders together with the notice of the relevant general meeting;
- (b) the number and terms (including the Exercise Price) of Options to be granted to the Eligible Participant involved shall be fixed before the general meeting; and
- (c) the date of the meeting of the Board for proposing such further grant should be taken as the date of grant for the purpose of calculating the Exercise Price.

OTHER INFORMATION

8. Exercise period of the options

Subject to the provisions of the Share Option Scheme and the terms and conditions of the relevant grant(s), Options may be exercised by an Eligible Participant (or in the case of his death, his designated successor or legal successor and including the personal representative(s)), in whole or in part, at any time during the Option Period.

In order for the exercise of an Option to be effective, the secretary of the Company (or such other officers or department as the Board may designate from time to time) must, prior to the expiry of the Option Period, have received, among other things, a written notice exercising the Option and payment in full of the Subscription Price. Unless otherwise agreed between the Company and the Option Holder, Shares in respect of an Option shall be issued within twenty eight (28) days of the date upon which the exercise of the Option becomes effective.

9. The remaining life of the share option

The Share Option Scheme became effective since 11 October 2021. It, unless otherwise cancelled or amended, will remain in force for ten years from that date.

The details and the movement of the options granted under this Share Option Scheme during the six months ended 30 June 2022 are as below:

Grantees	Date of the grant	Exercise price per share (HK\$)	Closing price per share immediately before the date of grant (HK\$)	Vesting period/ Exercise period	Number of options				Balance as at 30 June 2022
					Balance as at 1 January 2022	Granted during the period	Exercised during the period	Lapsed during the period	
He Baiqing	25/06/2021	4.43	4.44	Note 1	1,371,993	-	N/A (Note 4)	-	1,371,993
Cai Minghua	09/07/2021	4.45	4.37	Note 2	519,131	-	N/A (Note 4)	-	519,131
Other employees of the Group (in aggregate)	25/06/2021	4.43	4.44	Note 1	13,912,139	-	N/A (Note 4)	(148,968)	13,763,171
	25/08/2021	4.68	4.64	Note 3	519,131	-	N/A (Note 4)	-	519,131
Total					16,322,394	-	N/A (Note 4)	(148,968)	16,173,426

OTHER INFORMATION

Notes:

1. Subject to the terms of the share option scheme and the terms of the Initial Grant Proposal, these options shall be vested and become exercisable until 10 years from the date of the conditional grant in four tranches each comprising 25% of the options conditionally granted as described below: the first tranche shall be vested on the second anniversary of the date of the conditional grant (i.e. 25 June 2023); the second tranche shall be vested on the third anniversary of the date of the conditional grant (i.e. 25 June 2024); the third tranche shall be vested on the fourth anniversary of the date of the conditional grant (i.e. 25 June 2025); the fourth tranche shall be vested on the fifth anniversary of the date of the conditional grant (i.e. 25 June 2026).
2. Subject to the terms of the share option scheme and the terms of the Initial Grant Proposal, these options shall be vested and become exercisable until 10 years from the date of the conditional grant in four tranches each comprising 25% of the options conditionally granted as described below: the first tranche shall be vested on the second anniversary of the date of the conditional grant (i.e. 9 July 2023); the second tranche shall be vested on the third anniversary of the date of the conditional grant (i.e. 9 July 2024); the third tranche shall be vested on the fourth anniversary of the date of the conditional grant (i.e. 9 July 2025); the fourth tranche shall be vested on the fifth anniversary of the date of the conditional grant (i.e. 9 July 2026).
3. Subject to the terms of the share option scheme and the terms of the Initial Grant Proposal, these options shall be vested and become exercisable until 10 years from the date of the conditional grant in four tranches each comprising 25% of the options conditionally granted as described below: the first tranche shall be vested on the second anniversary of the date of the conditional grant (i.e. 25 August 2023); the second tranche shall be vested on the third anniversary of the date of the conditional grant (i.e. 25 August 2024); the third tranche shall be vested on the fourth anniversary of the date of the conditional grant (i.e. 25 August 2025); the fourth tranche shall be vested on the fifth anniversary of the date of the conditional grant (i.e. 25 August 2026).
4. None of the options had become exercisable during the period ended 30 June 2022.

CORPORATE GOVERNANCE

Throughout the six months ended 30 June 2022, the Company has complied with the code provisions as set out in the Corporate Governance Code.

REVIEW OF INTERIM RESULTS

The results of the Group for the six months ended 30 June 2022 have been reviewed by the Audit Committee and by the Company's auditor in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Hong Kong Institute of Certified Public Accountants.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the six months ended 30 June 2022.

OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

The Company has not redeemed any of its shares during the six months ended 30 June 2022. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 8 November 2022 to Thursday, 10 November 2022, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim 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 Abacus Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by no later than 4:30 p.m. on Monday, 7 November 2022.

CORPORATE AND INVESTOR RELATIONS INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr Li Feng (*Chairman*)
Mr He Baiqing
Ms Chen Jing
Mr Cai Minghua

Independent non-executive Directors & Audit Committee Members

Mr Fung Ka Pun
Mr Lau Hon Chuen Ambrose
Mr Cheung Doi Shu

COMPANY SECRETARY

Mr Yu Tat Fung

AUDITOR

Ernst & Young
Hong Kong Certified Public Accountants
Registered Public Interest Entity Auditor

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

17A Yue Xiu Building
160 Lockhart Road
Wanchai
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR

Tricor Abacus Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

LISTING EXCHANGE

Shares

The Stock Exchange of Hong Kong Limited

The stock codes are:
The Stock Exchange of Hong Kong Limited-01052
Reuters-1052.HK
Bloomberg-1052 HK

Bonds and Notes

Shanghai Stock Exchange
RMB87,000,000 3.6 per cent. Corporate Bonds
due 2023 (code: 136324)

RMB530,000,000 3.18 per cent. Corporate Bonds
due 2023 (code: 136806)

RMB1,000,000,000 3.63 per cent. Corporate Bonds
due 2026 (code: 175650)

RMB1,000,000,000 3.48 per cent. Corporate Bonds
due 2026 (code: 188057)

RMB500,000,000 3.84 per cent. Corporate Bonds
due 2028 (code: 188058)

Beijing Financial Assets Exchange
RMB1,000,000,000 3.58 per cent. Medium Term Notes
due 2022 (code: 101901632)

RMB1,000,000,000 3.47 per cent. Medium Term Notes
due 2023 (code: 102000026)

RMB500,000,000 3.54 per cent. Medium Term Notes
due 2023 (code: 102001532)

RMB1,000,000,000 3.78 per cent. Medium Term Notes
due 2026 (code: 102100198)

RMB1,000,000,000 3.28 per cent. Medium Term Notes
due 2027 (code: 102280559)

RMB500,000,000 2.10 per cent. Super Short-term
Commercial Paper due 2023 (code: 012281864)

INVESTOR RELATIONS

For further information about
Yuexiu Transport Infrastructure Limited, please contact:
Ms Grace Li

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Facsimile : (852) 2865 2126

Email : contact@yuexiutransport.com.hk

WEBSITES TO ACCESS COMPANY INFORMATION

<http://www.yuexiutransportinfrastructure.com>
<http://www.irasia.com/listco/hk/yuexiutransport>
<http://www.hkexnews.hk>



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