



**越秀交通基建有限公司**  
YUEXIU TRANSPORT INFRASTRUCTURE LIMITED

(Stock Code: 01052)

**2023**

INTERIM REPORT



CREATING

EXCELLENT VALUES



MIX  
Paper from responsible sources  
源自負責任的森林資源的紙張  
FSC™ C127090

# 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	49
<b>Unaudited Interim Financial Information</b>	
Interim Condensed Consolidated Statement of Profit or Loss	50
Interim Condensed Consolidated Statement of Comprehensive Income	51
Interim Condensed Consolidated Statement of Financial Position	52
Interim Condensed Consolidated Statement of Cash Flows	54
Interim Condensed Consolidated Statement of Changes in Equity	55
Notes to the Interim Condensed Consolidated Financial Information	57
Other Information	83
Corporate and Investor Relations Information	92

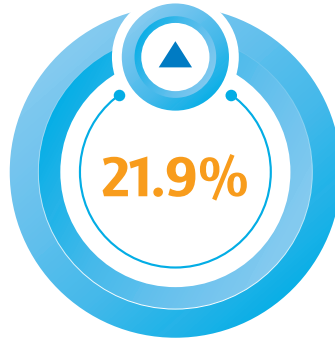
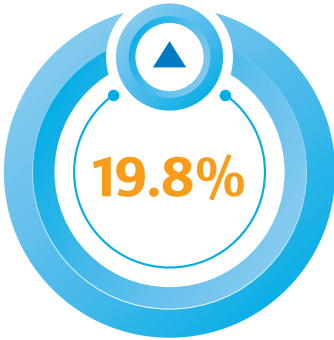
## FINANCIAL HIGHLIGHTS

### RESULTS HIGHLIGHTS FOR THE FIRST HALF OF 2023

REVENUE  
RMB1,935 million

GROSS PROFIT  
RMB1,095 million

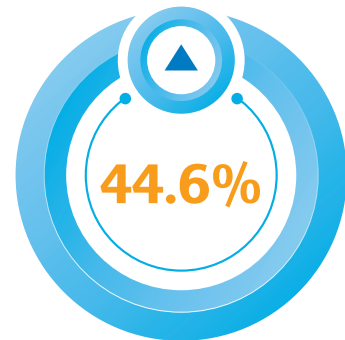
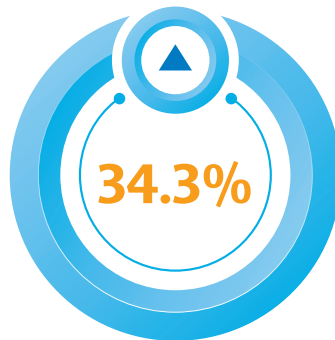
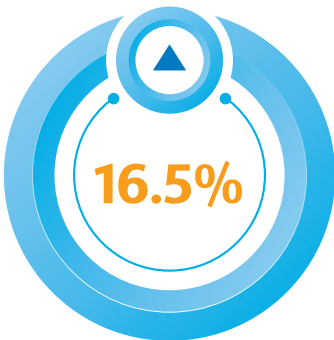
GROSS MARGIN\*  
56.6%



OPERATING PROFIT  
RMB971 million

PROFIT BEFORE INCOME TAX  
RMB831 million

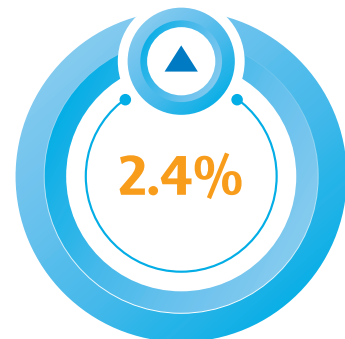
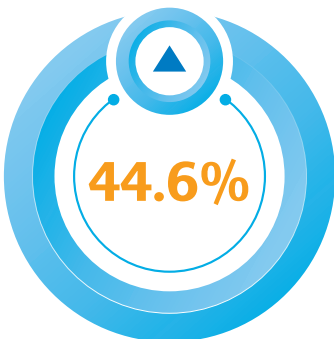
PROFIT ATTRIBUTABLE TO  
SHAREHOLDERS OF THE COMPANY  
RMB427 million



BASIC EARNINGS PER  
SHARE  
RMB0.2553

TOTAL ASSETS  
RMB35.6 billion<sup>#</sup>

NET ASSETS PER SHARE  
ATTRIBUTABLE TO SHAREHOLDERS  
RMB6.87<sup>#</sup>



\* Gross Margin = Gross profit/Revenue

<sup>#</sup> Compared with the end of 2022

## FIVE YEARS FINANCIAL SUMMARY

### STATEMENTS OF PROFIT OR LOSS

for six months ended 30 June

<i>(RMB million)</i>	2023	2022	2021	2020	2019
Revenue	1,935	1,616	1,832	840	1,381
Profit/(loss) attributable to shareholders of the Company	427	295	468	(288)	635
Basic earnings/(loss) per share	RMB0.2553	RMB0.1765	RMB0.2795	RMB(0.1722)	RMB0.3796

### STATEMENTS OF FINANCIAL POSITION

<i>(RMB billion)</i>	30 June 2023	31 December 2022	31 December 2021	31 December 2020	31 December 2019
Total Assets	35.60	36.34	35.66	36.37	36.80
Total Liabilities	21.02	22.10	21.19	22.71	23.17
Total Equity	14.58	14.23	14.47	13.65	13.63
Equity attributable to:					
Shareholders of the Company	11.50	11.23	11.51	10.42	10.57
Non-controlling interests	3.08	3.00	2.96	3.23	3.06
Net assets per share to shareholders of the Company	RMB6.87	RMB6.71	RMB6.88	RMB6.23	RMB6.32

### FINANCIAL RATIOS

	30 June 2023	31 December 2022	31 December 2021	31 December 2020	31 December 2019
Return on equity attributable to shareholders of the Company	7.43%	4.03%	12.73%	1.54%	10.76%
EBITDA Interest coverage <sup>1</sup>	6.4 times	4.7 times	4.6 times	3.1 times	7.6 times
Gearing ratio <sup>2</sup>	50.4%	51.4%	48.5%	54.3%	55.4%
Total liabilities/Total assets ratio <sup>3</sup>	59.0%	60.8%	59.4%	62.5%	63.0%

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%

YUE XIU ENTERPRISES (HOLDINGS) LIMITED  
44.4%#

PUBLIC  
55.6%

YUEXIU TRANSPORT INFRASTRUCTURE LIMITED

EXPRESSWAY / BRIDGE / PORT

■ GNSR Expressway	60%	■ Daguangnan Expressway	90%	● Han-Xiao Expressway	30%
■ Suiyuenan Expressway	70%	■ Weixu Expressway	100%	● GWSR Expressway	35%
■ Hancai Expressway	67%	■ Lanwei Expressway	100%	● Northern Ring Road	24.30%
■ Han'e Expressway	100%	■ Changzhu Expressway	100%	● Humen Bridge	27.78%*
		■ Cangyu Expressway	100%	● Shantou Bay Bridge	30%
		■ Jinxiong Expressway	60%	● Qinglian Expressway	23.63%
				● Pazhou Port	45%

# approximate percentage of beneficial shareholding as at 30 June 2023

\* The Group's profit sharing ratio in Humen Bridge could be referred to notes of 'Business Review' in pages 14-15.

- 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 2023, the Group had a total of 17 investments in its operating expressways, bridges and port 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 (“Shantou Bay Bridge”), Guangdong Qinglian Expressway (“Qinglian Expressway”) and Pazhou Port, all of which are located within Guangdong Province; Suiyuan Expressway (“Suiyuan Expressway”), Hancai Expressway (“Hancai Expressway”), Han’e Expressway (“Han’e Expressway”), Daguangnan Expressway (“Daguangnan Expressway”) and Han-Xiao Expressway (“Han-Xiao Expressway”) in Hubei Province; Weixu Expressway (“Weixu Expressway”) and Lanwei Expressway (“Lanwei Expressway”) in Henan Province; Changzhu Expressway (“Changzhu Expressway”) in Hunan Province; Cangyu Expressway (“Cangyu Expressway”) in Guangxi Zhuang Autonomous Region; and Jinxiong Expressway (“Jinxiong Expressway”) in Tianjin Municipality. As at 30 June 2023, the attributable toll mileage of the Group’s subsidiaries was 477.7 km (total toll mileage was approximately 556.2 km), the attributable toll mileage of the Group’s associates and joint venture was approximately 88.8 km and the attributable toll mileage of all expressways and bridges was approximately 566.5 km.

# LOCATION MAPS OF PROJECTS





## LOCATION MAPS OF PROJECTS



### TIANJIN

- 1 Tianjin City** Jinxiong Expressway



### HENAN

- 2 Xuchang City** Weixu Expressway  
**3 Kaifeng City** Lanwei Expressway



### HUBEI

- 4 Wuhan City** Han-Xiao Expressway  
 Hancai Expressway  
**4 Ezhou City** Han'e Expressway  
**5 Jingzhou City** Suiyuan Expressway  
**6 Huangshi City** Daguangnan Expressway



### HUNAN

- 7 Changsha City** Changzhu Expressway



### GUANGXI

- 8 Wuzhou City** Cangyu Expressway



### GUANGDONG

- 9 Dongguan City** Humen Bridge  
**10 Guangzhou City** GNSR Expressway  
 Northern Ring Road  
 GWSR Expressway  
 Pazhou Port  
**11 Qingyuan City** Qinglian Expressway  
**12 Shantou City** Shantou Bay Bridge

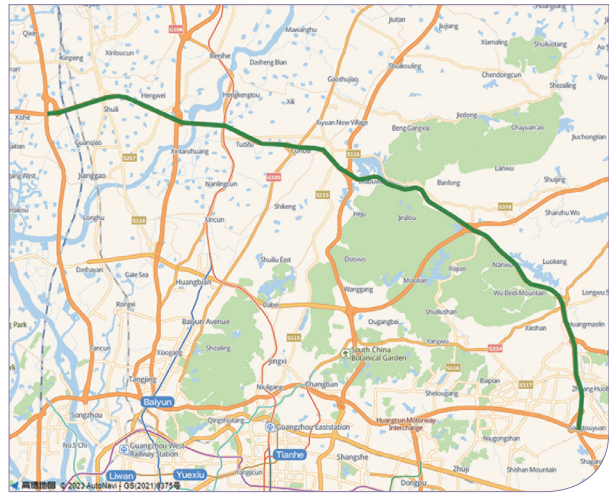
## LOCATION MAPS OF PROJECTS

# GUANGDONG



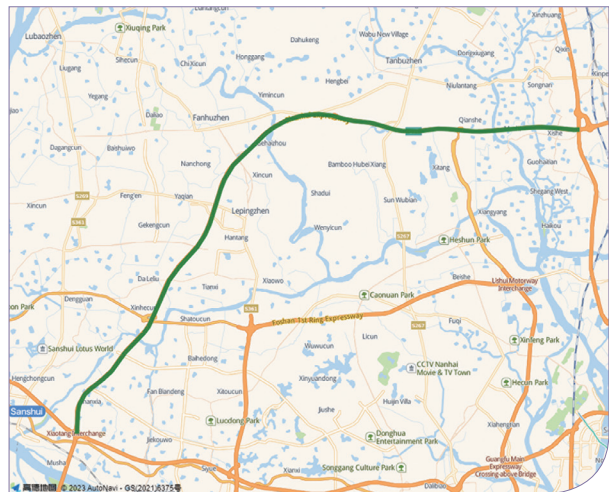
### GNSR EXPRESSWAY

It has a toll length of approximately 42.5 km, of which there are 8 lanes for the section from Huocun to Luogang, and 6 lanes for other sections, with 10 flyovers in total. GNSR Expressway also connects with GWSR Expressway, Guangqing Expressway, Airport Expressway, Beijing - Hong Kong - Macau Expressway, Huanan Expressway, Guanghe Expressway, Guanghui Expressway, GS Superhighway, GESR Expressway, Fenghuangshan Tunnel, National Highway 105, 106, 324 and Provincial Highway 114 and so on.



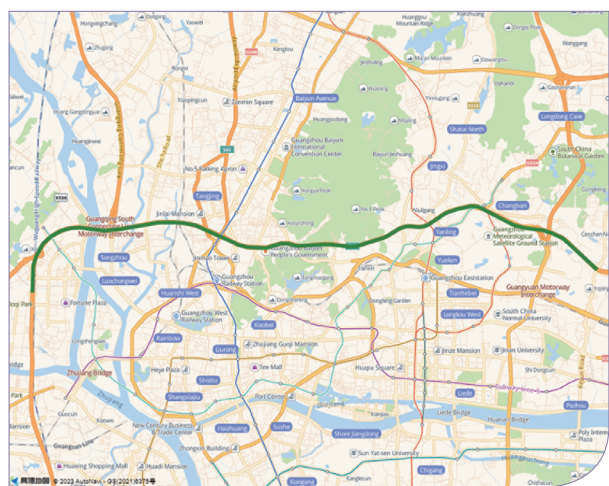
### GWSR EXPRESSWAY

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.



### NORTHERN RING ROAD

It is located within Guangzhou City with a toll length of approximately 22.0 km with 8 lanes for the section from Shabei to Bainihe Bridge and 6 lanes for other sections. 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.

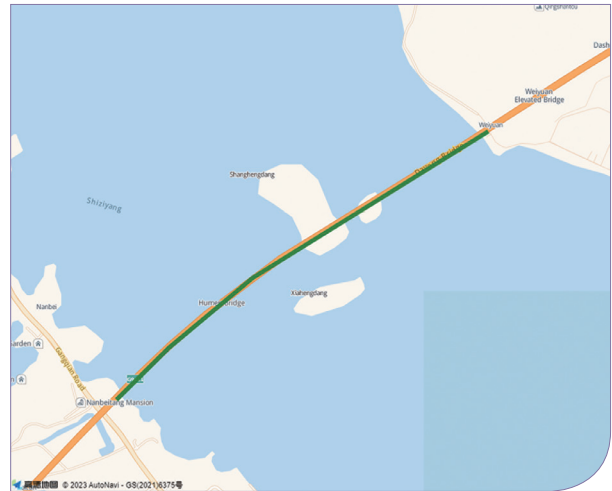


## LOCATION MAPS OF PROJECTS



### 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.



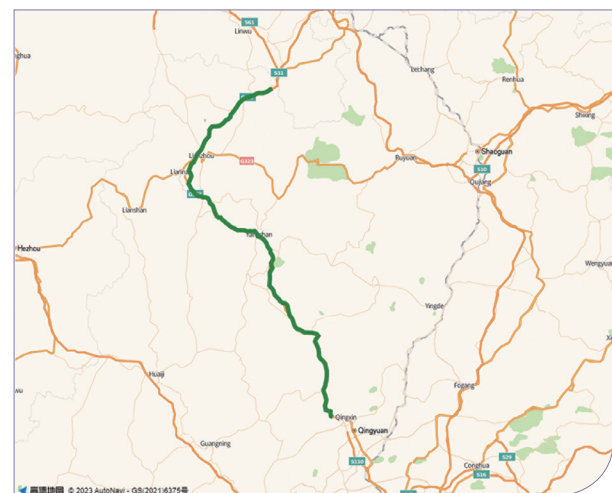
### SHANTOU BAY BRIDGE

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.



### 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.

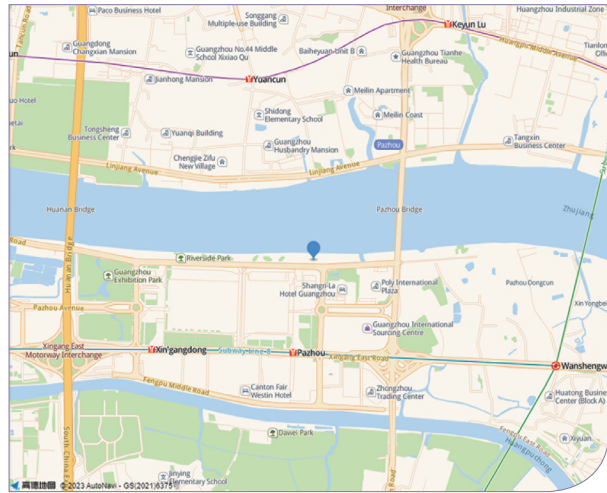


## LOCATION MAPS OF PROJECTS



### PAZHOU PORT

It is located at No. 499, Yuejiang Central Road, Guangzhou City, with a total of five berths and two passenger ferries. At present, Pazhou has opened two routes to and from urban areas and airport of Hong Kong.

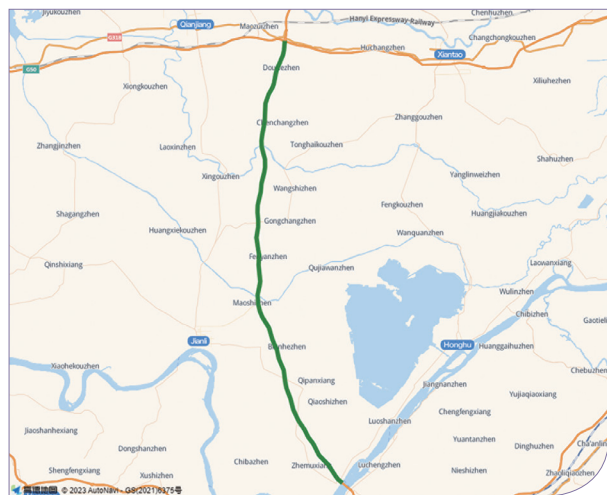


## HUBEI



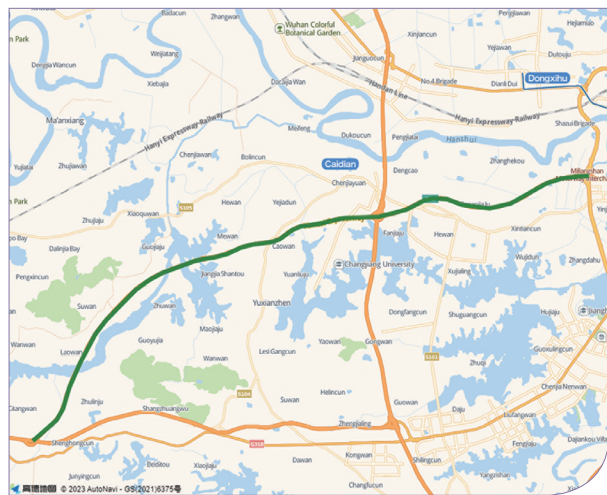
### SUIYUENAN EXPRESSWAY

It starts from Hanyi Expressway Zhuji Interchange and ended 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.

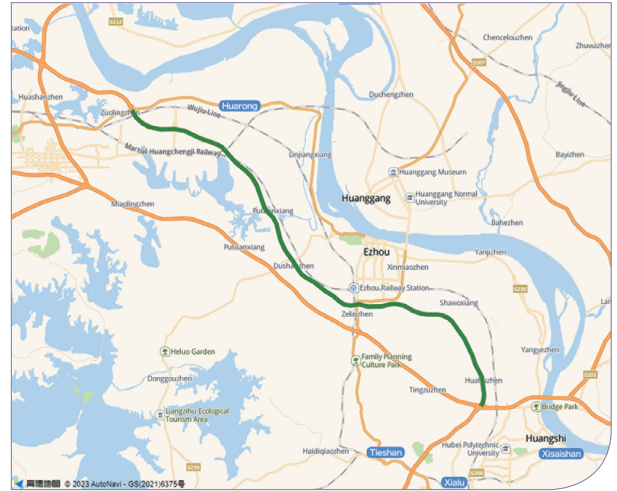


## LOCATION MAPS OF PROJECTS



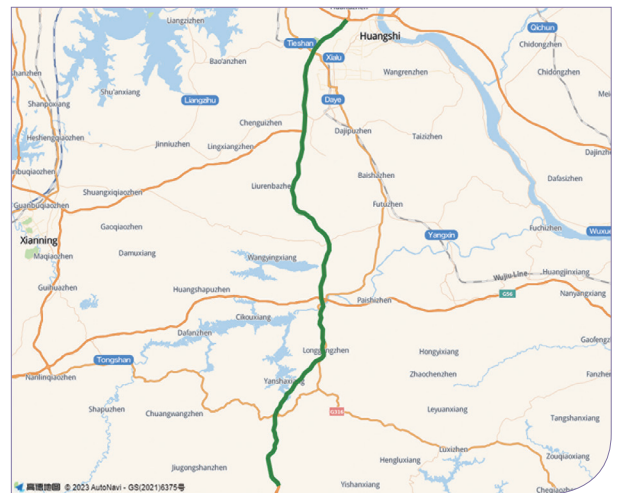
### HAN'E EXPRESSWAY

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 province.



### HAN-XIAO EXPRESSWAY

It starts from Huangpi District, Wuhan city and ended at Xiaonan District, Xiaogan City. The toll length is approximately 38.5 km with 6 lanes at the sections of Airport North Extension as well as from Taoyuanji interchange to Hengdian interchange. There are 4 lanes for other sections. Han-Xiao Expressway also connects with Wuhan Airport Expressway, Beijing - Hong Kong - Macau Expressway, Wuhan Ring Road, Daijiashan-Huangpi Expressway and Xiaoxiang Expressway.



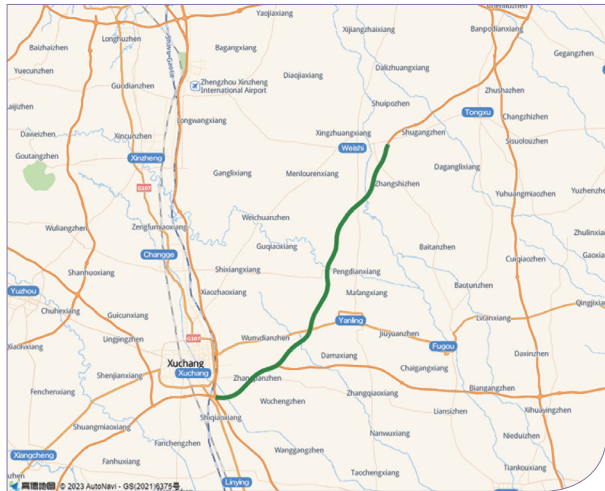
## LOCATION MAPS OF PROJECTS

# HENAN



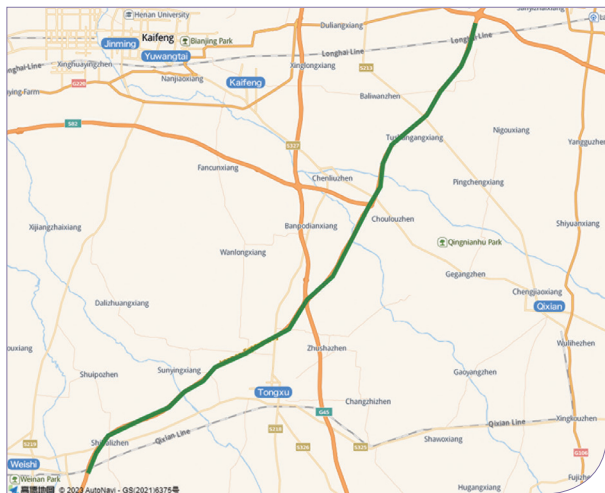
### WEIXU EXPRESSWAY

Located in Henan Province, Weixu Expressway is an important part of Lan-nan Expressway as well as the significant linkage between Beijing - Hong Kong - Macau Expressway (G4), 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.



### LANWEI EXPRESSWAY

Located in Henan Province, Lanwei Expressway is an important part of Lan-nan Expressway as well as the significant linkage between Lianhuo Expressway (G30), Zhengmin Expressway (S82), Shangdeng Expressway (S60) and Daguang Expressway (G45). The toll length is approximately 61.0 km with four lanes.

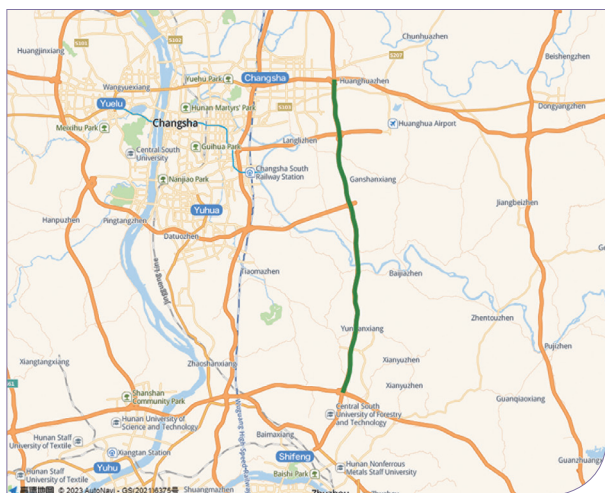


# HUNAN



### 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.



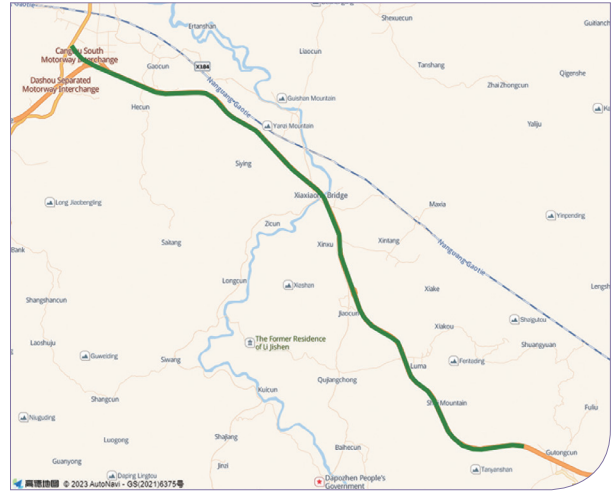
LOCATION MAPS OF PROJECTS

GUANGXI



CANGYU EXPRESSWAY

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

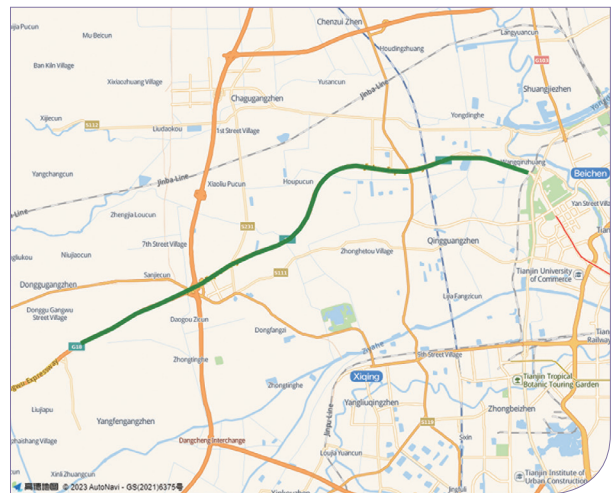


TIANJIN



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.

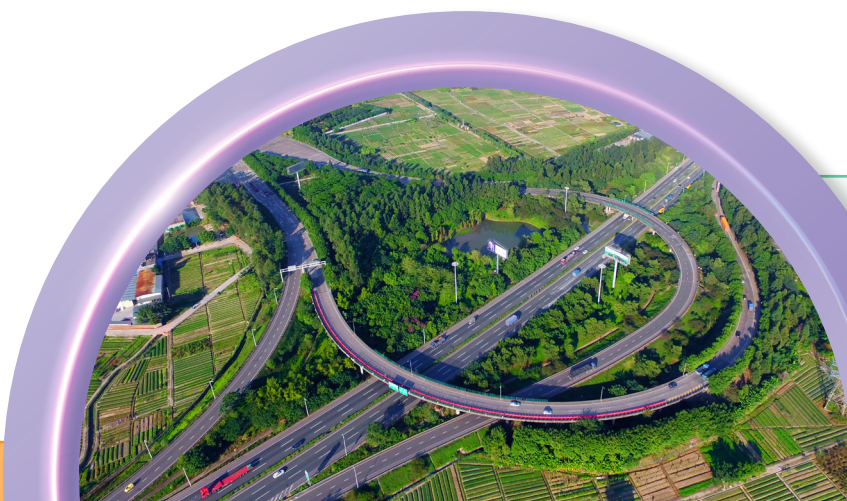


# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

### Summary Information of Operating Toll Roads, Bridges and Port

	Toll Mileage (km)	Width (lanes)	Toll Station(s)	Road Type	Attributable Interests (%)	Approved Last Date for Toll Collection (Year/Month/ Day) <sup>(7)</sup>
<b>SUBSIDIARIES</b>						
GNSR Expressway	42.5	6/8 <sup>(1)</sup>	6	Expressway	60.00	2032/01/10 <sup>a</sup>
Cangyu Expressway	22.0	4	0	Expressway	100.00	2030/12/28 <sup>b</sup>
Jinxiong Expressway	23.9	4	2	Expressway	60.00	2030/03/17 <sup>c</sup>
Changzhu Expressway	46.5	4	5	Expressway	100.00	2040/08/30 <sup>b</sup>
Weixu Expressway	64.3	4	2	Expressway	100.00	2035/11/18 <sup>c</sup>
Lanwei Expressway <sup>(2)</sup>	61.0	4	3	Expressway	100.00	2034/07/01 <sup>c</sup>
Suiyuenan Expressway	98.1	4	4	Expressway	70.00	2040/03/09 <sup>b</sup>
Hancai Expressway	36.0	4/6 <sup>(3)</sup>	2	Expressway	67.00	2038/08/27 <sup>b</sup>
Han'e Expressway	54.8	4	5	Expressway	100.00	2042/06/30 <sup>b</sup>
Daguangnan Expressway	107.1	4	6	Expressway	90.00	2042/04/29 <sup>b</sup>
<b>ASSOCIATES AND JOINT VENTURE</b>						
Han-Xiao Expressway	38.5	4/6 <sup>(4)</sup>	2	Expressway	30.00	2036/12/09 <sup>b</sup>
GWSR Expressway	42.1	6	2	Expressway	35.00	2030/12/19 <sup>a</sup>
Humen Bridge	15.8	6	4	Suspension Bridge	27.78 <sup>(5)</sup>	2029/05/08 <sup>a</sup>
Northern Ring Road	22.0	6/8 <sup>(6)</sup>	8	Expressway	24.30	2023/11/29 <sup>a</sup>
Shantou Bay Bridge	6.5	6	3	Suspension Bridge	30.00	2028/12/23 <sup>a</sup>
Qinglian Expressway	215.2	4	15	Expressway	23.63	2034/06/30 <sup>a</sup>





## MANAGEMENT DISCUSSION AND ANALYSIS

	No. of berths	Self-owned passenger ferries in use	Attributable Interests (%)
ASSOCIATE			
Pazhou Port <sup>(8)</sup>	5	2	45.00

## Notes:

- (1) There are 8 lanes for the section from Huocun to Luogang, and 6 lanes for other sections.
- (2) The Group completed the acquisition of 100% of the equity interest in Henan Lanwei Expressway on 18 November 2022.
- (3) There are 6 lanes for the section from Miliang Shan to Wuhan Outer Ring Road, and 4 lanes for other sections.
- (4) There are 6 lanes for the sections of Airport North Extension and from Taoyuanji interchange to Hengdian interchange, and 4 lanes for other sections.
- (5) The profit-sharing ratio was 18.446% from 2010 onwards.
- (6) There are 8 lanes for the section from Shabei to Bainihe Bridge, and 6 lanes for other sections.
- (7)
  - 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.
- (8) The trial operation of Pazhou Port commenced on 14 April 2023, and formal operation commenced on 4 May 2023.

## MANAGEMENT DISCUSSION AND ANALYSIS

### TOLL SUMMARY OF TOLL ROADS, BRIDGES AND PORT

For the six months ended 30 June 2023

	Average daily toll revenue <sup>(1)</sup>		Average daily toll traffic volume	
	First half of 2023 (RMB/day)	Y-O-Y Change %	First half of 2023 (Vehicle/day)	Y-O-Y Change %
<b>SUBSIDIARIES</b>				
GNSR Expressway	2,955,239	11.0%	287,018	17.7%
Cangyu Expressway	271,779	13.1%	19,851	25.9%
Jinxiong Expressway	227,315	24.3%	35,334	31.9%
Changzhu Expressway	674,389	5.7%	70,130	7.6%
Weixu Expressway	1,032,299	-4.8%	26,944	25.0%
Lanwei Expressway <sup>(2)</sup>	843,098	-8.2%	32,994	30.4%
Suiyuan Expressway	1,941,375	13.5%	34,581	17.3%
Hancai Expressway	759,133	20.0%	60,279	36.4%
Han'e Expressway	414,565	-6.3%	34,273	9.9%
Daguanngan Expressway	1,288,366	19.5%	30,549	23.5%
<b>ASSOCIATES AND JOINT VENTURE</b>				
Han-Xiao Expressway	656,485	16.2%	33,261	16.4%
GWSR Expressway	1,279,238	17.4%	87,888	25.9%
Humen Bridge	2,685,893	45.7%	99,203	44.1%
Northern Ring Road	1,940,747	10.6%	381,738	11.5%
Shantou Bay Bridge	284,618	-31.6%	17,672	-31.2%
Qinglian Expressway	1,905,014	11.2%	52,105	14.3%
<b>ASSOCIATE</b>				
Pazhou Port <sup>(3)</sup>	43,873	N/A	172	N/A

Notes:

- (1) Average daily toll revenue does not include value-added tax.
- (2) The Group completed the acquisition of 100% of the equity interest in Henan Lanwei Expressway on 18 November 2022. As for year-on-year comparison, both of average daily toll revenue and average daily toll traffic volume were compared with project data for the same period in the first half of 2022 prior to the acquisition by the Group.
- (3) The trial operation of Pazhou Port commenced on 14 April 2023, and formal operation commenced on 4 May 2023. The figures of average daily ticket business revenue and average daily passenger volume were for the period from 14 April 2023 to 30 June 2023.

## MANAGEMENT DISCUSSION AND ANALYSIS

## TOLL ROADS AND BRIDGES

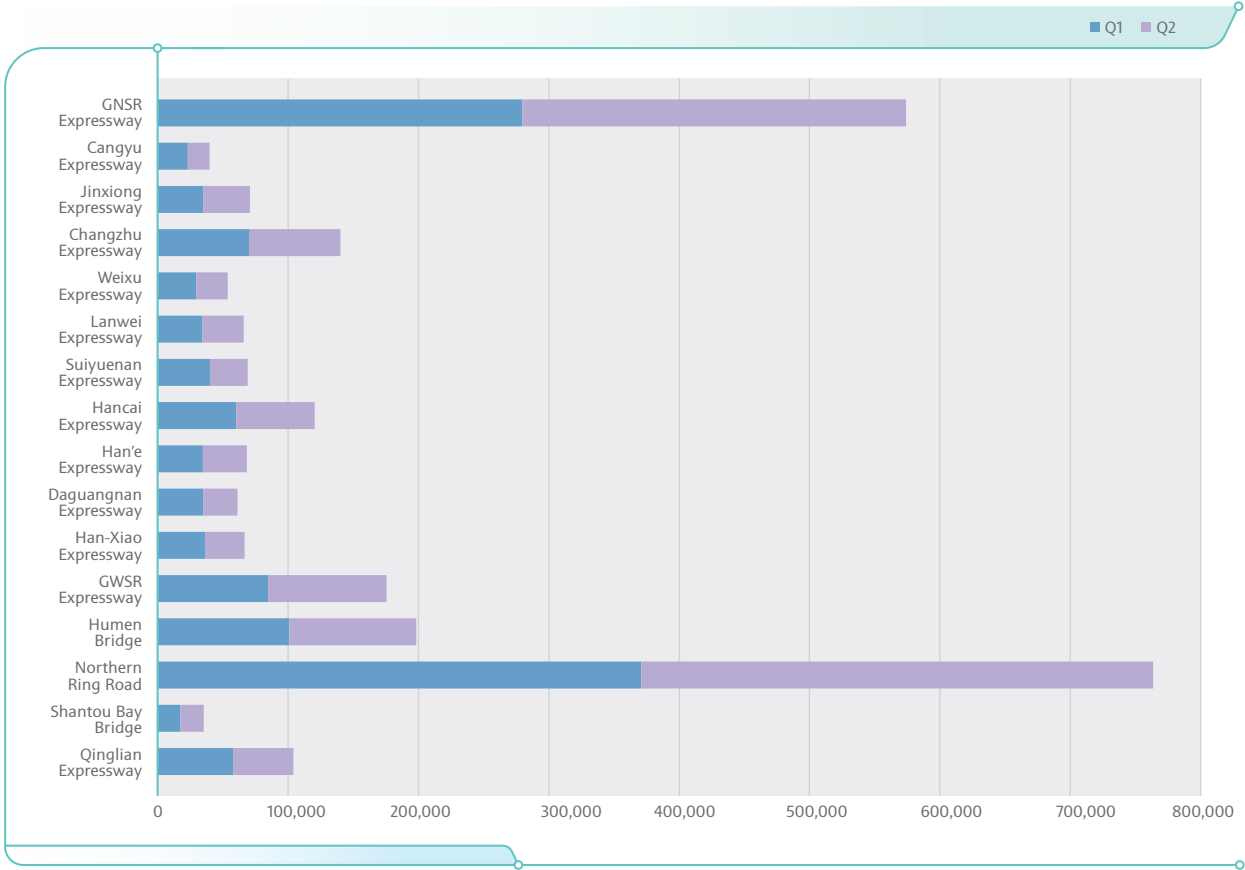
*Quarterly analysis of average daily toll traffic volume for 2023*

	Average daily toll traffic volume of the first quarter in 2023 (Vehicle/day)	Average daily toll traffic volume of the second quarter in 2023 (Vehicle/day)
<b>SUBSIDIARIES</b>		
GNSR Expressway	279,786	294,171
Cangyu Expressway	23,036	16,701
Jinxiong Expressway	35,080	35,585
Changzhu Expressway	70,236	70,026
Weixu Expressway	29,609	24,308
Lanwei Expressway <sup>(1)</sup>	34,477	31,527
Suiyuenan Expressway	40,227	28,997
Hancai Expressway	60,287	60,271
Han'e Expressway	34,583	33,966
Daguangnan Expressway	35,122	26,027
<b>ASSOCIATES AND JOINT VENTURE</b>		
Han-Xiao Expressway	36,762	29,798
GWSR Expressway	84,714	91,027
Humen Bridge	101,118	97,309
Northern Ring Road	371,034	392,325
Shantou Bay Bridge	17,262	18,076
Qinglian Expressway	58,244	46,035

Note:

(1) The Group completed the acquisition of 100% of the equity interest in Henan Lanwei Expressway on 18 November 2022.

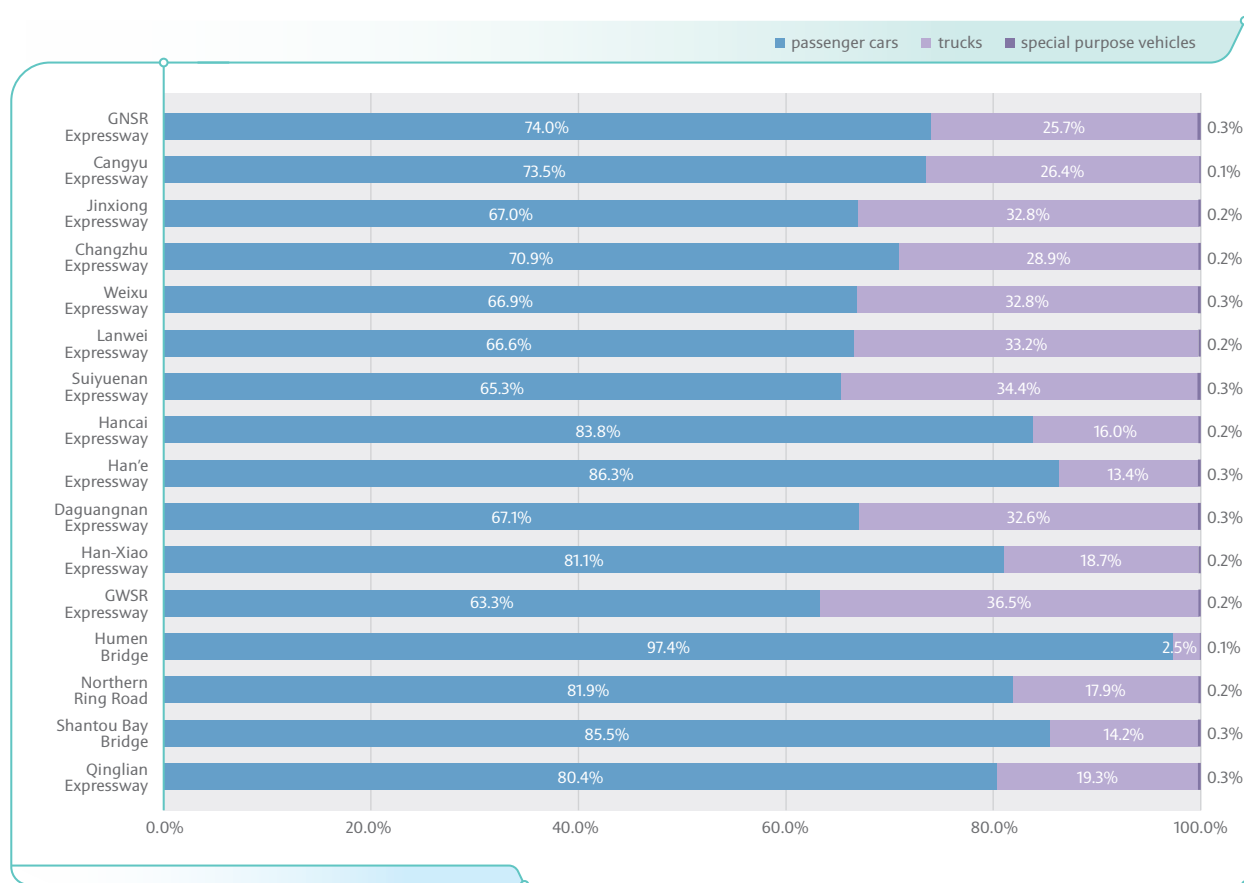
## MANAGEMENT DISCUSSION AND ANALYSIS



## 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/municipality: 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*

The International Monetary Fund (IMF) raised the global growth forecast for 2023 by 0.2 percentage point to 3.0% in the World Economic Outlook published in July 2023.

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

According to the Ministry of Public Security, domestic car ownership maintained a steady growth momentum; as of 30 June 2023, domestic car ownership reached 328 million vehicles, representing a year-on-year increase of 5.8%; and new energy vehicle ownership reached 16.20 million, representing a year-on-year increase of 61.8% and reaching 4.9% of total number of vehicles.

According to the Ministry of Transport, from January to June 2023, fixed asset investment in highway traffic was RMB1,383.0 billion, representing a year-on-year increase of 8.9%; and from January to June 2023, highway passenger and cargo turnover increased by 35.7% and 6.6% year-on-year, respectively.

The projects invested and operated by the Group are distributed throughout Guangdong, Tianjin, Guangxi, Hunan, Hubei and Henan. According to the National and Provincial Bureaus of Statistics, the GDP of these regions for the first half of 2023 increased by 5.0%, 4.8%, 2.8%, 3.6%, 5.6% and 3.8% 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 2023	593,034	62,910	7,843	12,685	23,999	26,259	31,326
GDP changes for the first half of 2023	5.5%	5.0%	4.8%	2.8%	3.6%	5.6%	3.8%
GDP changes for the first half of 2022	2.5%	2.0%	0.4%	2.7%	4.3%	4.5%	3.1%

Source: National and Provincial Bureaus of Statistics

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Regulatory Environment of the Sector*

On 16 June 2023, a series of policies and measures to promote the sustained recovery of the economy were considered at the State Council executive meeting. The meeting concluded that the PRC is currently in a full economic recovery, as reflected by the gradually recovering market demand, continuously increasing production and supply, overall stable prices and employment and steadily evolving high-quality development following the introduction and implementation of earlier policies and measures. However, the increasingly complex and challenging external environment and the slowdown in global trade and investment have resulted in direct impact on the economic recovery of the PRC. In light of changes in the economic situation, more effective measures must be taken to strengthen growth momentum, optimise the economic structure, and promote sustained economic recovery. With a focus on four aspects: greater efforts in macro-policy regulation, expanding effective demand, strengthening and improving the real economy, and preventing and resolving risks in key areas, a series of policies and measures were considered and proposed at the meeting. The Group will continue to monitor the relevant policies and measures.

On 24 July 2023, the Political Bureau of the Central Committee of the Communist Party of China convened a meeting to study the current economic situation. The meeting concluded that China's economy has tremendous resilience and potential for development, and its long-term sound fundamentals remain unchanged. It was emphasized at the meeting that the country must expedite the building of a new development pattern, comprehensively deepen reform and opening up, and intensify the role of macro policies in regulating the economy. It is also imperative to make solid efforts to expand domestic demand, shore up confidence and prevent risks. We should continue to improve economic performance, boost endogenous driving force, improve social expectations, and defuse financial risks and hidden dangers, in a bid to effectively upgrade the quality and appropriately expand the quantity of the economy.

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

### *Business Improvements and Innovations*

During the Reporting Period, the Group proactively expanded revenue sources. Firstly, the Group continued to progress combined marketing strategies including "navigating and introducing traffic, linking scenic spots, improving road signage, ensuring smooth traffic flow and promoting brands", with the aim of attracting traffic and increasing toll revenue via such new media promotions. Secondly, the Group continued to reinforce the concept of "Expressway+" and promote the use of resources such as service areas on the expressway, ancillary lands and facilities along the expressway and billboards to diversify its sources of revenue. Thirdly, the Group developed and utilised auxiliary assets and resources of the expressway to promote the implementation of projects such as photovoltaic power generation along the highway, charging pile installation in service areas, and transformation and upgrade of service areas. In particular, the first phase of Hunan Changzhu Photovoltaic Power Generation New Energy Facilities Project has been successfully connected to the grid, which is the science and technology progress and innovation project of the Department of Transportation of Hunan Province. Fourthly, the Group strived to ensure that all tolls are collected and prevent toll evasion and avoidance. In particular, the Group established an intelligent audit system and implemented its on-line operation on GNSR Expressway and Jinxiong Expressway on a trial basis, with an automatic processing rate of audit work orders exceeding 85%, effectively reducing manual operations.

## MANAGEMENT DISCUSSION AND ANALYSIS

Through continuous investments in maintenance and careful operation and management, the Group strived to make sure the technological standards of highways were in line with the industry averages, provided the public with a “green, clean, smooth, beautiful and safe” traveling environment, enhanced business and service quality and optimised the efficiency and service level of expressway and toll stations. It 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. It also continued to improve the safety management capabilities and build a safety management system with the characteristics of transportation industry.

The Group continued to advance its application of innovative technology. In particular, (i) the Group implemented preventive maintenance measures by promoting new technology, materials, processes, equipment and applications to improve the quality of work effectively and save maintenance costs, (ii) the Group effectively improved the level of safety control, intelligent operation and maintenance and intelligent management of the road sections under the Group’s management, (iii) the Group continued to carry out digital transformation of business model and invest in building a smart traffic integration system platform and applying big data technology with technical features such as “all-round monitoring, accurate detection and rapid early warning”, in order to improve the level of operation and maintenance management digitalisation and promote the long-term development of enterprises with advanced technologies, (iv) the Group further promoted the intelligent toll collection technology, deployed intelligent toll collection equipment from an innovative brand established for cooperative research and development on road sections managed by its subsidiaries to build standardised “unmanned toll stations” of Yuexiu Transport and enhance the Company’s corporate image and influence in the industry, and (v) the Group actively undertook the safety and emergency digitisation pilot project of the Ministry of Transport, thereby achieving a new high in technological innovation capability.

During the Reporting Period, the Group carried out 25 scientific research projects, and was granted scientific research projects of the Ministry of Transport for the first time to undertake the implementation of the Pilot Application Project of Safety and Emergency Digitisation of Highways in Service (《在役高速公路安全與應急數字化試點應用項目》). Up to now, the project has passed the interim inspection and evaluation of the expert panel of the Ministry of Transport.

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

### *Progress of Investment*

During the Reporting 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. Geographically, the Group has successfully set its foothold in Guangdong, Hong Kong and Macau Greater Bay Area and Central China and been expanding its presence in other developing areas benefiting from continued urbanisation and industrialisation going forward. 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.



## MANAGEMENT DISCUSSION AND ANALYSIS

### *The GNSR Expressway R&E Project*

The GNSR Expressway R&E Project is a strategic construction project of the Group with the largest investment and that is the most difficult in recent years, which will help strengthen the Group's most important revenue generating asset, enhance premium assets in the Greater Bay Area, and ensure sustainable development. Following the approval of the Huangpu District and Baiyun District Land Expropriation Agreements in connection with the GNSR Expressway R&E Project at the special general meeting on 10 January 2023, Guangzhou City North Second Ring Transport Technology Company Limited has completed the signing of the Land Expropriation Works Agreements for Huangpu District and Baiyun District. During the process of the project, the Guangzhou Transportation Work Leading Group Office formally formed a special team for the construction of the GNSR Expressway R&E Project headed by the deputy mayor, and successfully established a normalised coordination mechanism at the municipal level to provide strong support for the smooth progress of the project. With the support of the government and the unremitting efforts of the Group, in the first half of 2023, the GNSR Expressway R&E Project has made comprehensive breakthroughs and important progress in key tasks such as design optimisation of construction drawing, application for approval in connection with land use, approval for environmental impact assessment and project supporting financing. In addition, on 26 July 2023, the project fully completed its survey and land delineation. Currently, the Group is progressing with the tendering for construction units of the reconstruction and expansion, and plans to commence the construction in full swing of the project as soon as possible in 2023. It is anticipated that the Group may enter into construction contracts under the GNSR Expressway R&E Project with different parties. In the event these transactions materialize, depending on the scale and nature of such transactions, they may or may not constitute notifiable transactions and/or connected transactions under Chapters 14 and 14A of the Listing Rules. The Company will comply with the relevant requirements of the Listing Rules in respect of these transactions accordingly.

### *Possible Risk Exposure*

In view of the different risks involved in the GNSR Expressway R&E Project, the Group will continue to monitor the following risks and will adopt effective tackling measures proactively.

#### **1) Construction risks faced:**

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

## MANAGEMENT DISCUSSION AND ANALYSIS

Counter measures:

- GNSR Company has engaged public institutions under supervision of the respective provincial governments to assist with the land expropriation works to ensure that the land expropriation works are sufficiently monitored, and GNSR Company has also conducted a number of feasibility and technical studies prior to the implementation phase of the GNSR Expressway R&E Project with a view to minimising any unforeseen technical construction complications.
- For production safety, the Group established relevant response mechanisms, improved its organisational structure, prepared and completed safety management measures, and formed a complete safety management system.
- As for compliance with environmental protection policies, the environmental impact report for the preliminary works portion of the GNSR Expressway R&E Project has been approved by, and the environmental impact reports for all works under the GNSR Expressway R&E Project are also expected to be approved by, the Ecology and Environment Bureau of Guangzhou City before the respective construction works are undertaken, and GNSR Company will also supervise and ensure that the relevant construction units will undertake environmental protection measures based on relevant laws and regulations during the construction phase and cooperate with any supervision and guidance from the respective governmental authorities during the construction phase.

### 2) *Operational risks faced:*

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

Counter measures:

- With regard to ensuring smooth operation, firstly, according to the review opinions of the Ministry of Transport on the preliminary design of the project, the Group optimised the reconstruction and expansion method to mainly adopt two-side separation or one-side separation. The separation of the newly built section has basically no impact on the traffic of the original road section of the GNSR Expressway, and the overall widening construction is carried out on the side of the original road section of the GNSR Expressway, which has relatively limited impact on the traffic of the original road section. Secondly, at the design stage of the construction drawing, the Group kept optimising the traffic arrangements to reduce the impact of construction on revenue and safety. Lastly, during the subsequent reconstruction and expansion process, the project construction units will strengthen supervision, inspection and coordinated enforcement, so as to advance the reconstruction and expansion work in an orderly manner.

## MANAGEMENT DISCUSSION AND ANALYSIS

### 3) *Investment risks faced:*

- The total investment amount estimated by the Company may be subject to change in light of a number of factors in line with industry practices, such as interest rate changes, changes in project construction costs, increases in land expropriation and demolition costs, fluctuating raw materials and equipment prices and modifications of the construction plans as the project progresses.

Counter measures:

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

### 4) *Integrity risks faced:*

- During the R&E construction period, there may be potential integrity risks involved in project management, land expropriation and demolition, safety management and so on.

Counter measures:

- The Group will strengthen and deepen the management work of promoting integrity, improve legal and compliant operation and management, actively perform regular internal awareness activities and trainings for anti-corruption among all employees, and organize integrity risk investigations to firmly avoid corruption.

### *Expressways, Bridges and Port*

On 7 December 2022, the State Council's Joint Prevention and Control Mechanism Comprehensive Team issued the "Circular on Further Optimising the Implementation of COVID-19 Prevention and Control Measures" (《關於進一步優化落實新冠肺炎疫情防控措施的通知》), which meant an optimisation of the control measures on prevention of the pandemic. On 8 December 2022, the Ministry of Transport issued the "Notice on Further Optimising the Implementation of the Transportation Work for the Prevention and Control of COVID-19" (《關於進一步優化落實新冠肺炎疫情防控交通運輸工作的通知》), to further optimise the control measures in the transportation industry.

During the Reporting Period, most expressway and bridge projects under the Group recorded a year-on-year growth in average daily toll traffic volume and average daily toll revenue, mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

### *Subsidiaries*

#### *GNSR Expressway*

During the Reporting Period, the average daily toll revenue was RMB2,955,000, representing a year-on-year increase of 11.0% from the first half of 2022. The average daily toll traffic volume was 287,018 vehicles, representing a year-on-year increase of 17.7% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Cangyu Expressway*

During the Reporting Period, the average daily toll revenue was RMB272,000, representing a year-on-year increase of 13.1% from the first half of 2022. The average daily toll traffic volume was 19,851 vehicles, representing a year-on-year increase of 25.9% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

### *Jinxiong Expressway*

During the Reporting Period, the average daily toll revenue was RMB227,000, representing a year-on-year increase of 24.3% from the first half of 2022. The average daily toll traffic volume was 35,334 vehicles, representing a year-on-year increase of 31.9% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

### *Changzhu Expressway*

During the Reporting Period, the average daily toll revenue was RMB674,000, representing a year-on-year increase of 5.7% from the first half of 2022. The average daily toll traffic volume was 70,130 vehicles, representing a year-on-year increase of 7.6% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

### *Weixu Expressway*

During the Reporting Period, the average daily toll revenue was RMB1,032,000, representing a year-on-year decrease of 4.8% from the first half of 2022. The average daily toll traffic volume was 26,944 vehicles, representing a year-on-year increase of 25.0% from the first half of 2022.

The year-on-year increase of the average daily toll traffic volume and the year-on-year decrease of the average daily toll revenue were mainly due to the relatively low base number of the traffic volume of passenger cars for the same period in 2022 as a result of the impact of the pandemic. The relatively low base number of toll traffic volume and relatively high base number of toll revenue for the same period in 2022 were mainly due to the relatively high base number of the traffic volume of trucks (which contributed higher toll charges than passenger cars) as a result of additional truck traffic diverted to this road section since the implementation of traffic restriction measures in the local place.

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Lanwei Expressway*

The Group completed the acquisition of 100% of the equity interest in Henan Lanwei Expressway on 18 November 2022. As for year-on-year comparison, both of average daily toll revenue and average daily toll traffic volume were compared with project data for the same period in the first half of 2022 prior to the acquisition by the Group.

During the Reporting Period, the average daily toll revenue was RMB843,000, representing a year-on-year decrease of 8.2% from the first half of 2022. The average daily toll traffic volume was 32,994 vehicles, representing a year-on-year increase of 30.4% from the first half of 2022.

The year-on-year increase of the average daily toll traffic volume and the year-on-year decrease of the average daily toll revenue were mainly due to the relatively low base number of the traffic volume of passenger cars for the same period in 2022 as a result of the impact of the pandemic. The relatively low base number of toll traffic volume and relatively high base number of toll revenue for the same period in 2022 were mainly due to the relatively high base number of the traffic volume of trucks (which contributed higher toll charges than passenger cars) as a result of additional truck traffic diverted to this road section since the implementation of traffic restriction measures in the local place.

### *Suiyuanan Expressway*

During the Reporting Period, the average daily toll revenue was RMB1,941,000, representing a year-on-year increase of 13.5% from the first half of 2022. The average daily toll traffic volume was 34,581 vehicles, representing a year-on-year increase of 17.3% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

### *Hancai Expressway*

During the Reporting Period, the average daily toll revenue was RMB759,000, representing a year-on-year increase of 20.0% from the first half of 2022. The average daily toll traffic volume was 60,279 vehicles, representing a year-on-year increase of 36.4% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume. The relatively small year-on-year increase in average daily toll revenue was mainly due to the higher year-on-year increase in toll traffic volume of passenger cars (which contributed lower toll charges than trucks) than that of trucks.

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Han'e Expressway*

During the Reporting Period, the average daily toll revenue was RMB415,000, representing a year-on-year decrease of 6.3% from the first half of 2022. The average daily toll traffic volume was 34,273 vehicles, representing a year-on-year increase of 9.9% from the first half of 2022.

The year-on-year increase of the average daily toll traffic volume and the year-on-year decrease of the average daily toll revenue were mainly due to the relatively low base number of the traffic volume of passenger cars for the same period in 2022 as a result of the impact of the pandemic. The toll charges exemption of Wuhuang Expressway which competes with this project since 10 December 2022 resulted in a diversion of traffic volume of trucks and has an impact on the road section.

### *Daguangnan Expressway*

During the Reporting Period, the average daily toll revenue was RMB1,288,000, representing a year-on-year increase of 19.5% from the first half of 2022. The average daily toll traffic volume was 30,549 vehicles, representing a year-on-year increase of 23.5% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

### *Associates and Joint Venture*

#### *Han-Xiao Expressway*

During the Reporting Period, the average daily toll revenue was RMB656,000, representing a year-on-year increase of 16.2% from the first half of 2022. The average daily toll traffic volume was 33,261 vehicles, representing a year-on-year increase of 16.4% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

#### *GWSR Expressway*

During the Reporting Period, the average daily toll revenue was RMB1,279,000, representing a year-on-year increase of 17.4% from the first half of 2022. The average daily toll traffic volume was 87,888 vehicles, representing a year-on-year increase of 25.9% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Humen Bridge*

During the Reporting Period, the average daily toll revenue was RMB2,686,000, representing a year-on-year increase of 45.7% from the first half of 2022. The average daily toll traffic volume was 99,203 vehicles, representing a year-on-year increase of 44.1% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

### *Northern Ring Road*

During the Reporting Period, the average daily toll revenue was RMB1,941,000, representing a year-on-year increase of 10.6% from the first half of 2022. The average daily toll traffic volume was 381,738 vehicles, representing a year-on-year increase of 11.5% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

### *Shantou Bay Bridge*

During the Reporting Period, the average daily toll revenue was RMB285,000, representing a year-on-year decrease of 31.6% from the first half of 2022. The average daily toll traffic volume was 17,672 vehicles, representing a year-on-year decrease of 31.2% from the first half of 2022.

The year-on-year decreases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the continuous diversion impact on this road section as a result of the commencement of operation of Shantou Bay Tunnel on 28 September 2022 and the implementation of free permit for passenger cars.

### *Qinglian Expressway*

During the Reporting Period, the average daily toll revenue was RMB1,905,000, representing a year-on-year increase of 11.2% from the first half of 2022. The average daily toll traffic volume was 52,105 vehicles, representing a year-on-year increase of 14.3% from the first half of 2022.

The year-on-year increases of the average daily toll revenue and the average daily toll traffic volume were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

### *Pazhou Port Project*

During the Reporting Period, the trial operation of Pazhou Port commenced on 14 April 2023, and formal operation commenced on 4 May 2023.

The average daily ticket business revenue was RMB44,000 and the average daily passenger volume was 172 person-time.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### Key operating results figures

	Six months ended 30 June		
	2023 RMB'000	2022 RMB'000	Change %
Revenue	1,935,448	1,615,538	19.8
Gross profit	1,094,584	897,594	21.9
Operating profit	971,267	833,370	16.5
Earnings before interests, tax, depreciation and amortisation ("EBITDA") <sup>(1)</sup>	1,767,180	1,513,189	16.8
Finance costs	(283,934)	(334,027)	-15.0
Share of result of a joint venture, net of tax	35,571	26,328	35.1
Share of results of associates, net of tax	94,813	64,565	46.8
Profit attributable to shareholders of the Company	427,106	295,318	44.6
Basic earnings per share	RMB0.2553	RMB0.1765	44.6
Diluted earnings per share	RMB0.2553	RMB0.1764	44.7
Dividend	229,610	144,093	59.3

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

### I. OVERVIEW OF OPERATING RESULTS

In the Reporting Period and as compared with the previous reporting period, the Group's revenue increased by 19.8 percent to RMB1.94 billion; operating profit increased by 16.5 percent to RMB971 million; and profit attributable to shareholders of the Company increased by 44.6 percent to RMB427 million.

The increases in the Group's revenue and profit attributable to shareholders of the Company during the Reporting Period were mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume. Besides, the increment was because of the consolidation of the financial results of the newly acquired Henan Lanwei Expressway by the Group since 19 November 2022.

The Board resolved to declare an interim dividend for 2023 of HK\$0.15 which is equivalent to approximately RMB0.1372 (2022 interim dividend: HK\$0.10 which was equivalent to approximately RMB0.0861) per share, representing an interim dividend payout ratio of 53.8 percent (2022 interim dividend payout ratio: 48.8 percent).



## MANAGEMENT DISCUSSION AND ANALYSIS

### II. ANALYSIS OF OPERATING RESULTS

#### Revenue

The Group recorded total revenue of RMB1.94 billion in the Reporting Period, which comprised total toll revenue of RMB1.88 billion and other revenue related to normal toll roads operation of RMB51.68 million.

#### Toll revenue

The Group recorded total toll revenue of RMB1.88 billion in the Reporting Period, representing an increase of 20.0 percent from RMB1.57 billion as compared with the same period in 2022. The increase was mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume 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.

#### Analysis of toll revenue by each controlled project

Controlled Projects	Reporting Period RMB'000	Percentage of total toll revenue %	First half	Percentage	Change %
			of 2022 RMB'000	of total toll revenue %	
GNSR Expressway	534,899	28.4	481,835	30.7	11.0
Suiyuanan Expressway	351,389	18.6	309,477	19.7	13.5
Daguangnan Expressway	233,194	12.4	195,081	12.4	19.5
Weixu Expressway	186,846	9.9	196,211	12.5	-4.8
Hancai Expressway	137,403	7.3	114,543	7.3	20.0
Changzhu Expressway	122,064	6.5	115,481	7.4	5.7
Han'e Expressway	75,036	4.0	80,086	5.1	-6.3
Cangyu Expressway	49,192	2.6	43,487	2.8	13.1
Jinxiong Expressway	41,144	2.2	33,112	2.1	24.3
Lanwei Expressway <sup>(1)</sup>	152,601	8.1	—	—	N/A
Total toll revenue	1,883,768	100.0	1,569,313	100.0	20.0

<sup>(1)</sup> The Group completed the acquisition of 100% of the equity interest in Lanwei Expressway in November 2022

#### Other revenue

In the Reporting Period, the Group recorded other revenue related to normal toll roads operation of RMB51.68 million (same period in 2022: RMB46.23 million), mainly comprising the construction service income of RMB16.37 million (same period in 2022: RMB14.58 million), income from service area and gas station of RMB16.35 million (same period in 2022: RMB17.58 million) and entrusted road management service income of RMB16.24 million (same period in 2022: RMB11.71 million).

## MANAGEMENT DISCUSSION AND ANALYSIS

### Cost of services

In the Reporting Period, the Group's total cost of services amounted to RMB841 million, representing an increase of 17.1 percent from RMB718 million as compared with the same period in 2022. In the Reporting Period, the total cost of services of the Group's controlled projects amounted to RMB832 million. Overall cost ratio (cost of services/revenue) was 43.4 percent in the Reporting Period, which was 1.0 percentage point lower than that of the same period in 2022.

### Analysis of cost of services by each controlled project

Controlled Projects	Reporting Period RMB'000	Percentage of total %	First half of 2022 RMB'000	Percentage of total %	Change %
GNSR Expressway	196,076	23.6	177,747	25.1	10.3
Suiyuan Expressway	120,631	14.5	108,612	15.3	11.1
Daguangnan Expressway	120,741	14.5	101,680	14.3	18.7
Weixu Expressway	75,803	9.1	73,777	10.4	2.7
Hancai Expressway	76,046	9.2	77,176	10.9	-1.5
Changzhu Expressway	66,014	7.9	62,012	8.7	6.5
Han'e Expressway	39,114	4.7	62,141	8.7	-37.1
Cangyu Expressway	21,908	2.6	20,905	2.9	4.8
Jinxiong Expressway	26,548	3.2	26,205	3.7	1.3
Lanwei Expressway <sup>(1)</sup>	88,670	10.7	—	—	N/A
<b>Total</b>	<b>831,551</b>	<b>100.0</b>	<b>710,255</b>	<b>100.0</b>	<b>17.1</b>

<sup>(1)</sup> The Group completed the acquisition of 100% of the equity interest in Lanwei Expressway in November 2022

## MANAGEMENT DISCUSSION AND ANALYSIS

*Analysis of controlled projects' cost of services by nature*

	Reporting Period RMB'000	Percentage of total %	First half of 2022 RMB'000	Percentage of total %	Change %
Amortisation of intangible operating rights	636,437	76.5	547,183	77.0	16.3
Staff costs	81,377	9.8	74,259	10.5	9.6
Toll highways and bridges operating expenses	55,118	6.6	42,055	5.9	31.1
Toll highways and bridges maintenance expenses	47,407	5.7	38,715	5.5	22.5
Taxes and surcharges	7,070	0.9	5,851	0.8	20.8
Depreciation of other fixed assets	4,142	0.5	2,192	0.3	89.0
<b>Total</b>	<b>831,551</b>	<b>100.0</b>	<b>710,255</b>	<b>100.0</b>	<b>17.1</b>

*Gross profit*

Gross profit in the Reporting Period was RMB1.09 billion, representing an increase of 21.9 percent from RMB898 million in the same period in 2022. The total gross profit of the Group's controlled projects in the Reporting Period was RMB1.09 billion. Overall gross profit margin in the Reporting Period was 56.6 percent, which was 1.0 percentage point higher than that of the same period in 2022.

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Analysis of gross profit by each controlled project*

Controlled Projects	Reporting Period		First half of 2022	
	Gross Profit RMB'000	Gross Margin <sup>(1)</sup>	Gross Profit RMB'000	Gross Margin <sup>(1)</sup>
GNSR Expressway	357,188	64.6%	321,861	64.4%
Suiyuanan Expressway	235,857	66.2%	207,139	65.6%
Daguangnan Expressway	117,478	49.3%	98,413	49.2%
Weixu Expressway	112,167	59.7%	122,702	62.5%
Hancai Expressway	62,459	45.1%	38,341	33.2%
Changzhu Expressway	56,289	46.0%	53,589	46.4%
Han'e Expressway	39,925	50.5%	21,729	25.9%
Cangyu Expressway	27,284	55.5%	22,582	51.9%
Jinxiong Expressway	15,078	36.2%	7,218	21.6%
Lanwei Expressway <sup>(2)</sup>	63,930	42.0%	—	—
<b>Total</b>	<b>1,087,655</b>	<b>56.7%</b>	<b>893,574</b>	<b>55.7%</b>

<sup>(1)</sup> Gross margin = Gross profit/revenue

<sup>(2)</sup> The Group completed the acquisition of 100% of the equity interest in Lanwei Expressway in November 2022

### *General and administrative expenses*

The Group's general and administrative expenses in the Reporting Period amounted to RMB134 million, representing an increase of 31.1 percent from RMB102 million in the same period in 2022. The increase was mainly due to the increase in staff cost of RMB29.86 million during the Reporting Period.

### *Other income, gains and losses – net*

The Group's other income, gains and losses – net was RMB10.59 million in the Reporting Period (same period in 2022: RMB37.91 million), which was 72.1 percent lower than that of the same period in 2022. The changes were mainly due to decrease in the compensation income on requisition of land and demolition of plants and other greening facilities of RMB23.55 million during the Reporting Period.

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Finance income/Finance costs*

The Group's finance income in the Reporting Period amounted to RMB13.64 million (same period in 2022: RMB28.84 million), which was 52.7 percent lower than that of the same period in 2022. The decrease was mainly due to the decrease in interest income as a result of the decrease in average cash and cash equivalents in the banks during the Reporting Period.

The Group's finance costs in the Reporting Period decreased by 15.0 percent to RMB284 million as compared with RMB334 million in the same period in 2022, mainly due to management's continuous effort in reducing debt level, optimising the overall debt structure and lowering debts' interest rate. The Group's overall weighted average interest rate in the Reporting Period was 3.33 percent (same period in 2022: 3.78 percent).

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

The Group's share of results of associates and a joint venture, net of tax, increased by 43.4 percent to RMB130 million in the Reporting Period (same period in 2022: RMB90.89 million). The increase was mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume 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 increased by 28.6 percent to RMB43.50 million. Share of post-tax profit of Northern Ring Road in the Reporting Period increased by 24.9 percent to RMB27.89 million. Share of post-tax profit of Shantou Bay Bridge in the Reporting Period decreased by 49.6 percent to RMB5.49 million. The decrease was mainly due to the diversion impact on this road section as a result of the commencement of operation of Shantou Bay Tunnel on 28 September 2022 and the implementation of free permit for passenger cars. Share of post-tax profit of Qinglian Expressway in the Reporting Period amounted to RMB15.26 million (same period in 2022: share of post-tax loss of RMB5.47 million). Share of post-tax loss of Pazhou Port in the Reporting Period amounted to RMB5.97 million (same period in 2022: RMB5.49 million). Share of post-tax profit of Huaxia Yuexiu Expressway REIT in the Reporting Period increased by 2.3 percent to RMB8.64 million. Share of post-tax profit of GWSR Expressway in the Reporting Period increased by 35.1 percent to RMB35.57 million.

## MANAGEMENT DISCUSSION AND ANALYSIS

### *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	YoY change %	Share of results, net of tax	YoY change %
		Reporting Period RMB'000		Reporting Period RMB'000	
<b>Associates</b>					
Humen Bridge	18.446	502,050	38.4	43,498	28.6
Northern Ring Road	24.3	351,275	10.6	27,894	24.9
Shantou Bay Bridge	30.0	52,662	-30.4	5,492	-49.6
Huaxia Yuexiu Expressway REIT	30.0	121,830	15.7	8,635	2.3
Qinglian Expressway	23.63	347,687	11.1	15,264	turned profit
Pazhou Port	45.0	4,104	N/A	(5,970)	8.8
<b>Joint venture</b>					
GWSR Expressway	35.0	233,946	16.9	35,571	35.1

### *Income tax expense*

Total income tax expense of the Group in the Reporting Period increased by 26.4 percent to RMB219 million (same period in 2022: RMB173 million). The increase was mainly due to the increase in profit before tax due to the recovery of the toll traffic volume during the Reporting Period.

### *Profit attributable to shareholders of the Company*

The Company reported a profit attributable to its shareholders of RMB427 million in the Reporting Period, representing an increase of 44.6 percent from RMB295 million in the same period in 2022. The increase was mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy, the continuing recovery and growth of passenger volume during the Reporting Period and the consolidation of the financial results of the newly acquired Henan Lanwei Expressway by the Group since 19 November 2022.

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

## MANAGEMENT DISCUSSION AND ANALYSIS

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

	Reporting Period RMB'000	Percentage of total %	First half of 2022 RMB'000	Percentage of total %	Change %
Net profit from controlled projects	572,739	81.5	485,867	84.2	17.9
Net profit from non-controlled projects <sup>(1)</sup>	130,384	18.5	90,893	15.8	43.4
Net profit from projects	703,123	100.0	576,760	100.0	21.9
Withholding tax on PRC dividend/ interest income	(27,327)		(21,150)		29.2
Holding companies expenses	(99,112)		(71,641)		38.3
Holding companies income/gains, net	7,915		6,680		18.5
Holding companies finance income	8,787		22,260		-60.5
Holding companies finance costs	(166,280)		(217,591)		-23.6
Profit attributable to shareholders of the Company	427,106		295,318		44.6

<sup>(1)</sup> 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 2022 RMB'000	Percentage of total net profit from projects %	Change %
GNSR Expressway	186,371	26.5	171,430	29.7	8.7
Suiyuan Expressway	123,178	17.5	92,488	16.0	33.2
Weixu Expressway	81,999	11.7	88,131	15.3	-7.0
Daguan Expressway	53,583	7.6	51,128	8.8	4.8
Changzhu Expressway	43,661	6.2	59,560	10.3	-26.7
Hancai Expressway	31,508	4.5	21,286	3.7	48.0
Lanwei Expressway <sup>(1)</sup>	31,475	4.5	—	—	N/A
Cangyu Expressway	21,647	3.1	17,879	3.1	21.1
Jinxiong Expressway	5,518	0.8	2,066	0.4	167.1
Han'e Expressway	(6,201)	-0.9	(18,101)	-3.1	loss decreased
<b>Total</b>	<b>572,739</b>	<b>81.5</b>	<b>485,867</b>	<b>84.2</b>	<b>17.9</b>

<sup>(1)</sup> The Group completed the acquisition of 100% of the equity interest in Lanwei Expressway in November 2022

*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 <sup>(1)</sup> %	First half of 2022 RMB'000	Percentage of total net profit from projects <sup>(1)</sup> %	Change %
GNSR Expressway	186,371	30.2	171,430	37.5	8.7
Suiyuan Expressway	115,282	18.6	94,233	20.6	22.3
Weixu Expressway	82,509	13.4	88,900	19.4	-7.2
Daguan Expressway	19,972	3.2	(12,873)	-2.8	turned profit
Changzhu Expressway	23,137	3.7	32,798	7.2	-29.5
Hancai Expressway	16,420	2.7	323	0.1	4,983.6
Lanwei Expressway <sup>(2)</sup>	31,485	5.1	—	—	N/A
Cangyu Expressway	22,702	3.7	18,372	4.0	23.6
Jinxiong Expressway	5,851	0.9	2,221	0.5	163.4
Han'e Expressway	(16,310)	-2.6	(29,355)	-6.4	loss decreased
<b>Total</b>	<b>487,419</b>	<b>78.9</b>	<b>366,049</b>	<b>80.1</b>	<b>33.2</b>

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

<sup>(2)</sup> The Group completed the acquisition of 100% of the equity interest in Lanwei Expressway in November 2022



## MANAGEMENT DISCUSSION AND ANALYSIS

In the Reporting Period, net profit from non-controlled projects increased by 43.4 percent to RMB130 million (same period in 2022: RMB90.89 million) as compared with the same period in 2022. The increase was mainly due to the optimisation of pandemic prevention control, the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume.

During the Reporting Period and at the holding companies level, the withholding tax on PRC dividend/interest income increased by RMB6.18 million; holding companies expenses increased by RMB27.47 million, mainly due to increase in staff costs provision during the Reporting Period; holding companies income/gains, net increased by RMB1.24 million during the Reporting Period; and holding companies finance income decreased by RMB13.47 million, mainly due to the decrease in interest income from banks at holding companies level during the Reporting Period. In addition, holding companies finance cost decreased by RMB51.31 million, mainly due to management's optimisation of debt portfolio during the Reporting Period.

### Interim dividend

The Board resolved to declare an interim dividend for 2023 of HK\$0.15 which is equivalent to approximately RMB0.1372 (2022 interim dividend: HK\$0.10 which was equivalent to approximately RMB0.0861) per share payable on or about 29 November 2023 to shareholders whose names appear on the register of members of the Company on 9 November 2023. Interim dividend payout ratio is 53.8 percent (2022 interim dividend payout ratio: 48.8 percent).

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

## III. ANALYSIS OF FINANCIAL POSITION

### Key financial position figures

	(Unaudited) 30 June 2023 RMB'000	31 December 2022 RMB'000	Change %
Total assets	35,599,789	36,337,410	-2.0
Total liabilities	21,015,198	22,102,435	-4.9
Cash and cash equivalents	1,766,712	2,480,267	-28.8
Total debts	16,602,290	17,561,068	-5.5
of which: Bank borrowings*	9,126,723	9,285,666	-1.7
Corporate bonds*	3,028,213	3,114,362	-2.8
Notes payable*	4,296,349	4,994,698	-14.0
Current ratio	0.2 times	0.4 times	
EBITDA interest coverage	6.4 times	4.7 times	
Equity attributable to the shareholders of the Company	11,502,989	11,230,445	2.4

\* excluding interest payable

## MANAGEMENT DISCUSSION AND ANALYSIS

### Assets, Liabilities and Equity

As at 30 June 2023, the Group's total assets amounted to RMB35.60 billion, which was 2.0 percent lower than the balance as at 31 December 2022. The Group's total assets consisted mainly of intangible operating rights of RMB30.05 billion (31 December 2022: RMB30.64 billion); investments in a joint venture and associates of RMB2.26 billion (31 December 2022: RMB2.29 billion); and cash and cash equivalents of RMB1.77 billion (31 December 2022: RMB2.48 billion).

As at 30 June 2023, the Group's total liabilities amounted to RMB21.02 billion, which was 4.9 percent lower than the balance as at 31 December 2022. The Group's total liabilities consisted mainly of bank borrowings of RMB9.13 billion (31 December 2022: RMB9.29 billion); corporate bonds of RMB3.03 billion (31 December 2022: RMB3.11 billion); notes payable of RMB4.30 billion (31 December 2022: RMB4.99 billion); loan from the immediate holding company of RMB100 million (31 December 2022: RMB100 million); loans from non-controlling interests of RMB40.37 million (31 December 2022: RMB50.37 million); and deferred income tax liabilities of RMB3.06 billion (31 December 2022: RMB3.05 billion).

As at 30 June 2023, the Group's total equity increased by RMB350 million to RMB14.58 billion (31 December 2022: RMB14.23 billion), of which RMB11.50 billion was attributable to the shareholders of the Company (31 December 2022: RMB11.23 billion).

### Analysis of major assets, liabilities and equity items

Items	(Unaudited) 30 June 2023 RMB'000	31 December 2022 RMB'000	Change %
<b>Total assets</b>	<b>35,599,789</b>	36,337,410	-2.0
Approximately 90.0 % of which:			
Intangible operating rights	<b>30,045,958</b>	30,641,331	-1.9
Investments in a joint venture and associates	<b>2,255,159</b>	2,286,943	-1.4
Cash and cash equivalents	<b>1,766,712</b>	2,480,267	-28.8
<b>Total liabilities</b>	<b>21,015,198</b>	22,102,435	-4.9
Approximately 90.0 % of which:			
Bank borrowings* – due within 1 year	<b>1,479,720</b>	2,504,061	-40.9
– long-term portion	<b>7,647,003</b>	6,781,605	12.8
Corporate bonds* – due within 1 year	<b>2,528,665</b>	615,268	311.0
– long-term portion	<b>499,548</b>	2,499,094	-80.0
Notes payable* – due within 1 year	<b>3,297,207</b>	2,996,235	10.0
– long-term portion	<b>999,142</b>	1,998,463	-50.0
Loan from the immediate holding company – due within 1 year	<b>100,000</b>	100,000	—
Loans from non-controlling interests – due within 1 year	<b>10,000</b>	10,000	—
– long-term portion	<b>30,368</b>	40,368	-24.8
Deferred income tax liabilities	<b>3,060,707</b>	3,052,185	0.3
<b>Total equity</b>	<b>14,584,591</b>	14,234,975	2.5
Of which: Equity attributable to the shareholders of the Company	<b>11,502,989</b>	11,230,445	2.4

\* 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 RMB1.77 billion, which was 28.8 percent lower than the amount as at 31 December 2022. 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	
	2023	2022
	RMB'000	RMB'000
Net cash generated from operating activities	1,340,491	1,072,817
Net cash (used in)/generated from investing activities	(456,724)	229,207
Net cash used in financing activities	(1,598,566)	(1,349,912)
Decrease in cash and cash equivalents	(714,799)	(47,888)
Cash and cash equivalents at 1 January	2,480,267	2,918,574
Effect of exchange rate changes on cash and cash equivalents	1,244	(5,069)
Cash and cash equivalents at 30 June	1,766,712	2,865,617

Net cash generated from operating activities during the Reporting Period amounted to RMB1.34 billion (30 June 2022: RMB1.07 billion), which was the sum of cash generated from operations of RMB1.49 billion (30 June 2022: RMB1.25 billion) less PRC enterprise income tax and withholding tax paid of RMB152 million (30 June 2022: RMB181 million).

Net cash used in investing activities during the Reporting Period amounted to RMB457 million (30 June 2022: net cash generated of RMB229 million). The outflow mainly consisted of capital expenditures of RMB645 million (30 June 2022: RMB115 million). The inflow mainly consisted of dividend distributions from associates and a joint venture of RMB174 million (30 June 2022: RMB315 million); interest received in aggregate of RMB14.03 million (30 June 2022: RMB28.84 million) and proceeds from disposal of property, plant and equipment of RMB156,000 (30 June 2022: RMB508,000).

Net cash used in financing activities during the Reporting Period amounted to RMB1.60 billion (30 June 2022: RMB1.35 billion). The outflow mainly included repayment of notes payable of RMB2.0 billion (30 June 2022: Nil); repayment of bank borrowings of RMB1.70 billion (30 June 2022: RMB3.93 billion); dividend paid to the shareholders of the Company of RMB154 million (30 June 2022: RMB586 million); payment of interest and related financing fees of RMB372 million (30 June 2022: RMB356 million); dividend paid to non-controlling interests of RMB108 million (30 June 2022: RMB95.55 million); repayments of loans from non-controlling interest of subsidiaries of RMB10.0 million (30 June 2022: RMB10.0 million); payment for lease liabilities (including interest) of RMB6.14 million (30 June 2022: RMB5.74 million) and repayment of corporate bonds of RMB87.0 million (30 June 2022: Nil). There was no repayment of other borrowings (30 June 2022: RMB200 million) and no repayment of loan from a joint venture (30 June 2022: RMB52.5 million) during the Reporting Period. The inflow mainly included the drawdown of bank borrowings of RMB1.54 billion (30 June 2022: RMB2.39 billion) and net proceeds from notes payable of RMB1.30 billion (30 June 2022: RMB1.50 billion).

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Current ratio*

The current ratio (current assets over current liabilities) as at 30 June 2023 was 0.2 times (31 December 2022: 0.4 times). As at 30 June 2023, current assets balance was RMB2.08 billion (31 December 2022: RMB2.78 billion) and current liabilities balance was RMB8.49 billion (31 December 2022: RMB7.43 billion). Cash and cash equivalents were the major components of the Group's current assets and amounted to RMB1.77 billion as at 30 June 2023 (31 December 2022: RMB2.48 billion). The Group's current liabilities as at 30 June 2023 mainly included external debts with maturities within one year (excluding interest payable) of RMB7.31 billion (31 December 2022: RMB6.12 billion), which consisted of bank borrowings of RMB1.48 billion, notes payable of RMB3.30 billion and corporate bonds of RMB2.53 billion (31 December 2022: bank borrowings of RMB2.50 billion, notes payable of RMB3.0 billion and corporate bonds of RMB615 million). The management will continue to take a prudent approach to effectively match capital and debt commitments with existing cash, future operating cash flow and cash return from investments, in order to manage liquidity risks. Taking into account the additional financing facilities available to the Group and the internally generated funds from operations, the management is confident that the Group will be able to meet its liabilities as they fall due in the next twelve months.

### *EBITDA interest coverage and other financial ratios*

EBITDA interest coverage for the period ended 30 June 2023 was 6.4 times (30 June 2022: 4.7 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 2023 was 10.7 percent (30 June 2022: 9.4 percent), which was measured as the ratio of EBITDA to the aggregate balance of bank borrowings, corporate bonds and notes payable ("total external debts").

Profit before interest and income tax interest coverage for the period ended 30 June 2023 was 4.0 times (30 June 2022: 3.0 times), which was measured as the ratio of profit before interest and income tax to interest expenses (profit and loss impact).

Cash interest coverage for the period ended 30 June 2023 was 5.0 times (30 June 2022: 4.6 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 RMB645 million (same period in 2022: RMB115 million). Capital expenditures related to intangible operating rights and fixed assets included: (1) payments of prepayment related to GNSR Expressway R&E Project of RMB548 million (same period in 2022: Nil), (2) payments of construction costs of toll highways and bridges upgrade services of RMB88.96 million (same period in 2022: RMB107 million) and (3) purchase of property, plant and equipment of RMB7.79 million (same period in 2022: RMB7.64 million). Apart from the aforementioned, no material capital expenditure was incurred during the Reporting Period. Going forward, the management believes that the Group's operating cash flow and appropriate financing arrangements can satisfy its future capital expenditures and investments needs.

### *Capital structures*

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

## MANAGEMENT DISCUSSION AND ANALYSIS

*Analysis of capital structures*

	(Unaudited) 30 June 2023 RMB'000	31 December 2022 RMB'000
External debts*		
Bank borrowings	9,126,723	9,285,666
Corporate bonds <sup>(1)</sup>	3,028,213	3,114,362
Notes payable <sup>(2)</sup>	4,296,349	4,994,698
Loan from the immediate holding company	100,000	100,000
Loans from non-controlling interests	40,368	50,368
Lease liabilities	10,637	15,974
Total debts	16,602,290	17,561,068
Less: cash and cash equivalents	(1,766,712)	(2,480,267)
Net debt	14,835,578	15,080,801
Total Equity	14,584,591	14,234,975
Total capitalisation (Net debt + Total equity)	29,420,169	29,315,776

\* excluding interest payable

*Financial ratios*

Gearing ratio (net debt/total capitalisation)	50.4%	51.4%
Debt to Equity ratio (net debt/total equity)	101.7%	105.9%
Total liabilities/Total assets ratio	59.0%	60.8%

(1) As at 30 June 2023, 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:
RMB800 million seven-year corporate bonds (2016 Phase 2)	28 October 2016	RMB530 million	26 October 2023	3.18%	26 October 2023
RMB1,000 million five-year corporate bonds (2021 Phase 1)	25 January 2021	RMB1,000 million	25 January 2026	3.63%	25 January 2024
RMB1,000 million five-year corporate bonds (2021 Phase 2)	13 May 2021	RMB1,000 million	13 May 2026	3.48%	13 May 2024
RMB500 million seven-year corporate bonds (2021 Phase 2)	13 May 2021	RMB500 million	13 May 2028	3.84%	13 May 2024

## MANAGEMENT DISCUSSION AND ANALYSIS

(2) As at 30 June 2023, 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:
RMB500 million three-year medium term notes (2020 Phase 2)	14 August 2020	RMB500 million	14 August 2023	3.54%	14 August 2023
RMB1,000 million five-year medium term notes (2021 Phase 1)	28 January 2021	RMB1,000 million	28 January 2026	3.78%	28 January 2024
RMB1,000 million five-year medium term notes (2022 Phase 1)	18 March 2022	RMB1,000 million	18 March 2027	3.28%	18 March 2024
RMB500 million 270 days super short-term commercial paper (2022 Phase 3)	31 October 2022	RMB500 million	28 July 2023	1.81%	28 July 2023
RMB500 million 270 days super short-term commercial paper (2023 Phase 1)	8 February 2023	RMB500 million	5 November 2023	2.30%	5 November 2023
RMB800 million 180 days super short-term commercial paper (2023 Phase 2)	20 April 2023	RMB800 million	17 October 2023	2.36%	17 October 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 comprised bank borrowings, corporate bonds, notes payable, loan from the immediate holding company, loans from non-controlling interests and lease liabilities. There was no debt with foreign exchange risk exposure as at 30 June 2023 (31 December 2022: Nil).

As at 30 June 2023, the Group's total external debts (excluding interest payable) in aggregate were RMB16.45 billion (31 December 2022: RMB17.39 billion), which consisted of bank borrowings of RMB9.13 billion (31 December 2022: RMB9.29 billion), corporate bonds of RMB3.03 billion (31 December 2022: RMB3.11 billion) and notes payable of RMB4.30 billion (31 December 2022: RMB4.99 billion). Onshore and offshore debts ratio was 100.0 percent and 0 percent (31 December 2022: 97.4 percent and 2.6 percent). Secured external debt ratio was 42.9 percent (31 December 2022: 37.9 percent). The effective interest rate of total external debt at 30 June 2023 was 3.30 percent (31 December 2022: 3.38 percent). Of the bank borrowings, RMB8.75 billion was at floating rates and RMB380 million was at fixed rates with the overall effective interest rate of 3.24 percent at 30 June 2023 (31 December 2022: 3.38 percent). Corporate bonds (in four types) were at fixed rates with coupon rates of 3.18 percent, 3.63 percent, 3.48 percent and 3.84 percent respectively with the overall effective interest rate at 3.65 percent as at 30 June 2023 (31 December 2022: 3.65 percent). Notes payable included medium term notes (in three tranches) were at fixed rates with coupon rates of 3.54 percent, 3.78 percent and 3.28 percent respectively and super short-term commercial paper (in three tranches) was at fixed rate with coupon rate of 1.81 percent, 2.30 percent and 2.36 percent respectively, with the overall effective interest rate at 3.17 percent as at 30 June 2023 (31 December 2022: 3.22 percent).

## MANAGEMENT DISCUSSION AND ANALYSIS

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

	(Unaudited) 30 June 2023 Percentage of total	31 December 2022 Percentage of total
Source		
Onshore	100.0%	97.4%
Offshore	—	2.6%
	<b>100.0%</b>	<b>100.0%</b>
Repayment term		
Within 1 year	44.4%	35.2%
1 to 2 years	11.8%	23.5%
More than 2 years and less than 5 years	28.9%	25.7%
Above 5 years	14.9%	15.6%
	<b>100.0%</b>	<b>100.0%</b>
Currency		
RMB	100.0%	100.0%
HKD	—	—
	<b>100.0%</b>	<b>100.0%</b>
Interest rate		
Fixed	46.8%	54.4%
Floating	53.2%	45.6%
	<b>100.0%</b>	<b>100.0%</b>
Terms of credit		
Secured	42.9%	37.9%
Unsecured	57.1%	62.1%
	<b>100.0%</b>	<b>100.0%</b>
Financing method		
Direct financing	44.5%	46.6%
Indirect financing	55.5%	53.4%
	<b>100.0%</b>	<b>100.0%</b>

\* excluding interest payable

## MANAGEMENT DISCUSSION AND ANALYSIS

Loan from the immediate holding company is unsecured, interest bearing at an annual rate of 3.15%, denominated in RMB and repayable in 2023.

Loans from non-controlling interests of certain subsidiaries are 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 2022: 4.35 percent) per annum. Loans from non-controlling interests of certain subsidiaries are repayable between one and four years, except for RMB10.0 million which is due within one year.

### *Foreign-currency denominated assets and liabilities*

The Group's businesses are principally conducted in the PRC and its functional currency is RMB. All of its major revenue, operating expenses, capital expenditures and its external debts (31 December 2022: 100.0 percent) are denominated in RMB. As at the end of the Reporting Period, the Group has no material foreign-currency denominated assets and liabilities. As the foreign exchange market is still volatile, the Group will continue to keep track of developments in the foreign exchange market, strike a balance between interest rate cost and foreign exchange risk, optimise its debt structure and control its foreign currency exposure.

## IV. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2023, the Group had capital commitments related to intangible operating rights and property, plant and equipment, of which approximately RMB3.73 billion was contracted but not provided for.

Except for the aforementioned, the Group had no material capital commitments as at 30 June 2023. There were no significant contingent liabilities as at 30 June 2023.

## V. EMPLOYEES

As at 30 June 2023, the Group had approximately 2,121 employees, of whom about 1,892 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

The Company entered into certain facility agreements in 2018 and 2022 which included 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 30% or 35% in the issued voting shares of the Company;
- (iii) Yue Xiu maintains an effective management control over the Company.

Breach of the above specific performance obligations would 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 facility agreements were expired during the period between 29 March 2023 and 29 April 2023 respectively. These obligations were duly complied before the expiry of facility agreements.



## MANAGEMENT DISCUSSION AND ANALYSIS

### FUTURE PROSPECTS

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

In 2023, the global economy has been recovering in a fragile environment, where the economic outlook has improved, but there is still a high level of uncertainty. Recently, the frequent high-level interactions covering various fields between China and the U.S. have brought positive expectations to the bilateral relationship. Against this backdrop, the International Monetary Fund slightly raised the global economic growth forecast from 2.8% to 3.0% in the World Economic Outlook report published in July, indicating that overall economic growth remained weak; while China was expected to become a key driver of global economic growth and bring more certainty to such an uncertain period.

In June 2023, China's expressway passenger volume grew by approximately 18.6% year-on-year. The traffic volume remained at a high level during the "May Day" holiday and reached a new high for the same periods in the past five years. 106 million domestic trips were recorded during the "Dragon Boat Festival" holiday, representing a year-on-year growth of 32.3% and have recovered to 112.8% of the level in the same period in 2019 on a comparable basis. Benefiting from the recovery and growth of macroeconomy and the continuing recovery and growth of passenger volume, the toll revenue of most projects under the Group continued to rebound year-on-year during the period, with revenue gradually returned to normal.

In July 2023, the Ministry of Transport issued the "Statistical Bulletin on the Development of the Transportation Industry in 2022" (《2022年交通運輸行業發展統計公報》) (hereinafter referred to as the "Bulletin"). According to the Bulletin, China's arterial traffic network has been developing. As at the end of 2022, the mileages of national highways, provincial highways and rural highways reached 379,500 kilometers, 393,600 kilometers and 4,531,400 kilometers respectively. In the next step, in accordance with the requirements of the "Outline for Building China's Strength in Transport" (《交通強國建設綱要》) and the "National Comprehensive Three-dimensional Transportation Network Planning Outline" (《國家綜合立體交通網規劃綱要》), the Ministry of Transport will actively expand effective investments in transportation, and continue to promote the projects involving transportation in 102 major projects under the "14th Five-Year Plan" with a focus on extending network and strengthening chains, thereby accelerating the construction of the main framework of the national comprehensive three-dimensional transportation network which comprises of "6 axes, 7 corridors and 8 channels". China continues to increase its efforts in building transportation strength, constantly optimises its transportation system, and improves the quality of transportation services, which will help the Group actively explore opportunities for investment in incremental projects and for reconstruction and expansion of existing projects.

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Development Strategies*

The Group's major project, GNSR Expressway, has become substantially saturated with traffic volume, which has affected the service level of GNSR Expressway. In order to meet greater traffic demand, the Group is carrying out reconstruction and expansion work. The GNSR Expressway R&E Project is in line with the Company's investment and development strategy of "setting its foothold in Guangdong, Hong Kong and Macau Greater Bay Area". The R&E Project is expected to significantly improve the current traffic conditions, service quality and traffic capacity of the GNSR Expressway, while reducing traffic accidents to secure travel safety. Meanwhile, it is expected that the R&E Project will help extend the toll operating period of the GNSR Expressway, which in turn allows the Company to continue to benefit from the development of the Greater Bay Area, helps the Company to enhance the development capacity of its principal toll road business, amplify its influence in the industry and improve its capabilities in investment, construction and operation, thereby scaling up its core business on an ongoing basis. In addition, the Group will continue to improve the integrated business strategy of "investment, financing, management and divestment", under which it may acquire quality assets by establishing incubation platforms at the front end and take advantage of the positive effects of publicly traded domestic infrastructure REITs at the back end. It will also leverage on the positive interaction between the incubation platforms, publicly traded domestic infrastructure REITs and listed companies to realise asset inflow and outflow, and thereby further optimise the Group's asset portfolio and create greater value for shareholders.

Going forward, the Group will firmly grasp the strategic opportunity period for expressway investment and mergers and acquisitions. Gaining its foothold in Guangdong, Hong Kong and Macau Greater Bay Area and Central China and expanding its presence in the regions benefiting from urbanisation process and rapid industrialisation development, with full utilisation of a model featuring the interaction between its three platforms, the Group continues to strengthen and expand its infrastructure business, with a particular focus on toll roads. Yuexiu Transport is committed to becoming a leading transport infrastructure asset management company in China under the guidance of the "3331" development strategy, which includes to build and improve the three platforms (listed platform, REITs platform, incubation platform), enhance the three core abilities (investment ability, operation and maintenance ability, financialisation ability), and adhere to the focus on three directions (expressway main business, key areas, expansion of related auxiliary businesses).

By Order of the Board

**Yuexiu Transport Infrastructure Limited**

**LI Feng**

*Chairman*

Hong Kong, 8 August 2023

# INDEPENDENT REVIEW REPORT OF INTERIM FINANCIAL INFORMATION



Ernst & Young  
27/F, One Taikoo Place  
979 King's Road  
Quarry Bay, Hong Kong

安永會計師事務所  
香港鰂魚涌英皇道979號  
太古坊一座27樓

Tel 電話: +852 2846 9888  
Fax 傳真: +852 2868 4432  
ey.com

## 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 50 to 82, 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 2023 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  
8 August 2023

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Notes	(Unaudited) Six months ended 30 June	
		2023 RMB'000	2022 RMB'000
Revenue	6	1,935,448	1,615,538
Cost of services	7	(840,864)	(717,944)
Construction income under service concession upgrade services		41,064	90,660
Construction costs under service concession upgrade services		(41,064)	(90,660)
Other income, gains and losses - net	8	10,586	37,914
General and administrative expenses	7	(133,903)	(102,138)
<b>Operating profit</b>		<b>971,267</b>	<b>833,370</b>
Finance income	9	13,642	28,836
Finance costs	9	(283,934)	(334,027)
Share of result of a joint venture, net of tax		35,571	26,328
Share of results of associates, net of tax	14	94,813	64,565
<b>Profit before income tax</b>		<b>831,359</b>	<b>619,072</b>
Income tax expense	10	(218,792)	(173,137)
<b>Profit for the period</b>		<b>612,567</b>	<b>445,935</b>
<b>Attributable to:</b>			
Shareholders of the Company		427,106	295,318
Non-controlling interests		185,461	150,617
		<b>612,567</b>	<b>445,935</b>
Earnings per share for profit attributable to shareholders of the Company	11	RMB	RMB
Basic earnings per share		0.2553	0.1765
Diluted earnings per share		0.2553	0.1764

The notes on pages 57 to 82 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 2023

	(Unaudited)	
	Six months ended 30 June	
	2023 RMB'000	2022 RMB'000
<b>Profit for the period</b>	<b>612,567</b>	445,935
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>		
Currency translation differences	812	1,151
Cash flow hedges – movement in hedging reserve	–	(655)
Other comprehensive income for the period	812	496
<b>Total comprehensive income for the period</b>	<b>613,379</b>	446,431
<b>Attributable to:</b>		
Shareholders of the Company	427,918	295,814
Non-controlling interests	185,461	150,617
	<b>613,379</b>	446,431

The notes on pages 57 to 82 form an integral part of this interim condensed consolidated financial information.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 JUNE 2023

	Notes	(Unaudited) 30 June 2023 RMB'000	(Audited) 31 December 2022 RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible operating rights	13	30,045,958	30,641,331
Goodwill		514,577	514,577
Property, plant and equipment	13	39,538	41,497
Investment properties	13	39,342	38,584
Right-of-use assets	13	10,032	15,250
Other intangible assets	13	14,781	16,944
Investment in a joint venture		477,176	463,763
Investments in associates	14	1,777,983	1,823,180
Prepayments	15	597,761	—
Loan to an associate	24	6,406	6,406
		<b>33,523,554</b>	<b>33,561,532</b>
<b>Current assets</b>			
Trade receivables	15	190,705	127,730
Other receivables, deposits and prepayments	15	118,818	156,451
Amounts due from associates	24	—	11,430
Cash and cash equivalents		1,766,712	2,480,267
		<b>2,076,235</b>	<b>2,775,878</b>
<b>Total assets</b>		<b>35,599,789</b>	<b>36,337,410</b>
<b>EQUITY</b>			
Equity attributable to the shareholders of the Company			
Share capital	16	147,322	147,322
Reserves		11,355,667	11,083,123
		<b>11,502,989</b>	<b>11,230,445</b>
Non-controlling interests		3,081,602	3,004,530
<b>Total equity</b>		<b>14,584,591</b>	<b>14,234,975</b>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	(Unaudited) 30 June 2023 RMB'000	(Audited) 31 December 2022 RMB'000
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	17	7,677,370	6,821,973
Notes payable	20	999,142	1,998,463
Corporate bonds	21	499,548	2,499,094
Contract liabilities and deferred revenue	18	287,065	292,754
Deferred income tax liabilities	19	3,060,707	3,052,185
Lease liabilities		4,349	5,141
		12,528,181	14,669,610
<b>Current liabilities</b>			
Borrowings	17	1,599,094	2,625,674
Notes payable	20	3,352,249	3,109,011
Corporate bonds	21	2,562,980	689,200
Amount due to a non-controlling interest of a subsidiary	24	1,611	1,611
Trade and other payables and accrued charges	22	854,454	921,901
Contract liabilities and deferred revenue	18	20,831	23,252
Lease liabilities		6,288	10,833
Current income tax liabilities		89,510	51,343
		8,487,017	7,432,825
<b>Total liabilities</b>		21,015,198	22,102,435
<b>Total equity and liabilities</b>		35,599,789	36,337,410

The notes on pages 57 to 82 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 2023

	(Unaudited)	
	Six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
<b>Cash flows from operating activities</b>		
Cash generated from operations	1,492,155	1,253,840
PRC enterprise income tax and withholding tax paid	(151,664)	(181,023)
<b>Net cash flows from operating activities</b>	<b>1,340,491</b>	<b>1,072,817</b>
<b>Cash flows from investing activities</b>		
Increase in long-term prepayments	(547,761)	—
Payments of construction costs under service concession upgrade services	(88,955)	(107,380)
Proceeds from disposal of property, plant and equipment	158	508
Purchase of property, plant and equipment and other intangible assets	(7,789)	(7,635)
Dividends received from associates	151,440	278,953
Dividends received from a joint venture	22,158	35,925
Interest received	14,025	28,836
<b>Net cash flows (used in)/from investing activities</b>	<b>(456,724)</b>	<b>229,207</b>
<b>Cash flows from financing activities</b>		
Proceeds from bank borrowings	1,544,000	2,390,000
Proceeds from issuance of notes	1,298,579	1,495,965
Repayment of bank borrowings	(1,703,268)	(3,929,885)
Repayment of notes	(2,000,000)	—
Repayment of corporate bonds	(87,000)	—
Payment of bank facility fees	(571)	(3,869)
Repayment of other borrowing	—	(200,000)
Repayment of loans from non-controlling interests of subsidiaries	(10,000)	(10,000)
Repayment of a loan from a joint venture	—	(52,500)
Dividends paid to the shareholders of Company	(154,237)	(586,136)
Dividends paid to non-controlling interests	(108,389)	(95,546)
Interest paid	(371,537)	(352,206)
Payment for lease liabilities (including interest)	(6,143)	(5,735)
<b>Net cash flows used in financing activities</b>	<b>(1,598,566)</b>	<b>(1,349,912)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(714,799)</b>	<b>(47,888)</b>
Cash and cash equivalents at 1 January	2,480,267	2,918,574
Effects of exchange rate changes on cash and cash equivalents	1,244	(5,069)
<b>Cash and cash equivalents at 30 June</b>	<b>1,766,712</b>	<b>2,865,617</b>
Analysis of cash and cash equivalents:		
Bank balances and cash	1,766,712	2,865,617

The notes on pages 57 to 82 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 2023

	(Unaudited)											
	Attributable to shareholders of the Company											Total equity RMB'000
	Share capital RMB'000	Share premium RMB'000	Capital reserve <sup>d</sup> RMB'000	Share option reserve RMB'000	Exchange fluctuation reserve RMB'000	Statutory reserve RMB'000	Retained earnings RMB'000	Asset revaluation reserve <sup>b</sup> RMB'000	Transaction with non-controlling interests RMB'000	Total RMB'000	Non-controlling interests RMB'000	
At 1 January 2023 (audited)	147,322	2,375,743	1,501,716	5,480	406,674	568,666	5,732,329	558,250	(65,735)	11,230,445	3,004,530	14,234,975
<b>Comprehensive income</b>												
Profit for the period	–	–	–	–	–	–	427,106	–	–	427,106	185,461	612,567
<b>Other comprehensive income:</b>												
Currency translation differences	–	–	–	–	812	–	–	–	–	812	–	812
<b>Total comprehensive income for the period</b>	–	–	–	–	812	–	427,106	–	–	427,918	185,461	613,379
<b>Transactions with owners:</b>												
Equity-settled share option arrangements	–	–	–	(1,137)	–	–	–	–	–	(1,137)	–	(1,137)
Transfers	–	–	–	–	–	41,458	(41,458)	–	–	–	–	–
2022 Dividends	–	–	–	–	–	–	(154,237)	–	–	(154,237)	(108,389)	(262,626)
	–	–	–	(1,137)	–	41,458	(195,695)	–	–	(155,374)	(108,389)	(263,763)
At 30 June 2023 (unaudited)	147,322	2,375,743*	1,501,716*	4,343*	407,486*	610,124*	5,963,740*	558,250*	(65,735)*	11,502,989	3,081,602	14,584,591

\* These reserves accounts comprise the consolidated other reserves of RMB11,355,667,000 (31 December 2022: RMB11,083,123,000) in the consolidated statement of financial position.

<sup>d</sup> 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.

<sup>b</sup> 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 2022

	(Unaudited)												
	Attributable to shareholders of the Company												Total equity RMB'000
	Share capital RMB'000	Share premium RMB'000	Capital reserve <sup>1</sup> RMB'000	Share option reserve RMB'000	Exchange fluctuation reserve RMB'000	Statutory reserve RMB'000	Hedging reserve RMB'000	Retained earnings RMB'000	Asset revaluation reserve <sup>3</sup> RMB'000	Transaction with non-controlling interests reserve RMB'000	Total RMB'000	Non-controlling interests RMB'000	
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
<b>Comprehensive income</b>													
Profit for the period	–	–	–	–	–	–	–	295,318	–	–	295,318	150,617	445,935
<b>Other comprehensive income/(loss):</b>													
Currency translation differences	–	–	–	–	1,151	–	–	–	–	–	1,151	–	1,151
Cash flow hedges – movement in hedging reserve	–	–	–	–	–	–	(655)	–	–	–	(655)	–	(655)
<b>Total comprehensive income/(loss) for the period</b>	–	–	–	–	1,151	–	(655)	295,318	–	–	295,814	150,617	446,431
<b>Transactions with owners:</b>													
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

The notes on pages 57 to 82 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, construction, development, operation and management of expressways and bridges mainly in Guangdong Province, Hubei 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 8 August 2023.

## 2 BASIS OF PREPARATION

This Financial Information for the six months ended 30 June 2023 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 2022, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

As at 30 June 2023, the Group’s current liabilities exceeded its current assets by RMB6,410,782,000. 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 RMB1,599,094,000, RMB3,352,249,000, RMB2,562,980,000 and RMB854,454,000, respectively. Notwithstanding the above, the directors of the Company are confident that the Group will be able to meet its liabilities as they fall due in the next twelve months, taking into account the forecast cash flows including the banking facilities, unutilised quota for the issuance of corporate bonds and multiple types of debt financing instruments available to the Group and the internally generated funds from operations. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 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 2022, except for the adoption of the following new and revised HKFRSs for the first time for the current period's financial information.

HKFRS 17	<i>Insurance Contracts</i>
Amendments to HKFRS 17	<i>Insurance Contracts</i>
Amendment to HKFRS 17	<i>Initial Application of HKFRS 17 and HKFRS 9 – Comparative Information</i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to HKAS 12	<i>International Tax Reform – Pillar Two Model Rules</i>

The above new and revised HKFRSs effective for the financial year beginning 1 January 2023 do not have a material impact on the Group.

### 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 2022.

### 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 2022.

There have been no changes in the risk management policies since 31 December 2022.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 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 Group did not have any financial instruments measured at fair value as at 30 June 2023 and 31 December 2022.

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

The fair value of loan to an associate and 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 2023 RMB'000	31 December 2022 RMB'000	30 June 2023 RMB'000	31 December 2022 RMB'000
Loan to an associate	6,406	6,406	6,406	6,406
Non-current borrowings	7,677,370	6,821,973	7,236,949	6,425,206
Notes payable (due after one year)	999,142	1,998,463	1,018,457	2,074,257
Corporate bonds (due after one year)	499,548	2,499,094	517,133	2,594,849

The fair value of other financial assets and liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.

## 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 the Executive Directors. The Executive Directors review the Group's internal reporting in order to assess performance of the Group's main reporting segment - Toll highways and bridges projects in the PRC. The Executive Directors assess the performance of this main reporting segment based on measurement of profit after income tax for the 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 2023 and 2022 respectively.

	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
<b>Six months ended 30 June 2023</b>			
Revenue (from external customers)			
– Toll Revenue	1,883,768	—	1,883,768
– Income from service area and gas station	16,349	—	16,349
– Entrusted road management service income	16,242	—	16,242
– Construction service income	16,373	—	16,373
– Other toll operating income	2,716	—	2,716
	<u>1,935,448</u>	<u>—</u>	<u>1,935,448</u>
Amortisation of			
– Intangible operating rights	(636,437)	—	(636,437)
– Other intangible assets	(3,018)	—	(3,018)
Depreciation of			
– Property, plant and equipment	(6,753)	(170)	(6,923)
– Right-of-use assets	(5,708)	—	(5,708)
Other compensation income	317	—	317
Government subsidy	2,492	—	2,492
Operating profit	971,114	153	971,267
Finance income	13,642	—	13,642
Finance costs	(283,934)	—	(283,934)
Share of result of a joint venture, net of tax	35,571	—	35,571
Share of results of associates, net of tax	100,783	(5,970)	94,813
Profit/(loss) before income tax	837,176	(5,817)	831,359
Income tax expense	(218,792)	—	(218,792)
<b>Profit/(loss) for the period</b>	<u>618,384</u>	<u>(5,817)</u>	<u>612,567</u>

## 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
<b>Six months ended 30 June 2022</b>			
Revenue (from external customers)			
– Toll Revenue	1,569,313	–	1,569,313
– Income from service area and gas station	17,577	–	17,577
– Entrusted road management service income	11,709	–	11,709
– Construction service income	14,583	–	14,583
– Other toll operating income	2,356	–	2,356
	1,615,538	–	1,615,538
Amortisation of			
– Intangible operating rights	(547,183)	–	(547,183)
– Other intangible assets	(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
	833,421	(51)	833,370
Operating profit/(loss)			
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
	624,610	(5,538)	619,072
Profit/(loss) before income tax			
Income tax expense	(173,137)	–	(173,137)
	451,473	(5,538)	445,935
<b>Profit/(loss) for the period</b>			

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

The following tables present assets and liabilities information regarding the Group's operating segments as at 30 June 2023 and 31 December 2022 respectively.

Assets and liabilities	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
<b>As at 30 June 2023</b>			
Total segment assets	35,513,933	85,856	35,599,789
Addition to non-current assets (other than financial instruments)	47,424	32	47,456
Total segment assets include:			
Investment in a joint venture	477,176	—	477,176
Investments in associates	1,727,596	50,387	1,777,983
Total segment liabilities	<u>(21,014,981)</u>	<u>(217)</u>	<u>(21,015,198)</u>
<b>As at 31 December 2022</b>			
Total segment assets	36,246,753	90,657	36,337,410
Acquisition of a subsidiary	1,098,000	—	1,098,000
Addition to non-current assets (other than financial instruments)	304,418	17	304,435
Total segment assets include:			
Investment in a joint venture	463,763	—	463,763
Investments in associates	1,766,823	56,357	1,823,180
Total segment liabilities	<u>(22,102,225)</u>	<u>(210)</u>	<u>(22,102,435)</u>

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

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

#### *Toll revenue and other toll operating income*

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

#### *Income from service area and gas station*

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

#### *Entrusted road management service income*

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

#### *Construction service income*

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



## 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	
	2023 RMB'000	2022 RMB'000
Taxes and surcharges	7,070	5,905
Amortisation of		
– Intangible operating rights (note 13)	636,437	547,183
– Other intangible asset (note 13)	3,018	1,941
Depreciation of		
– Property, plant and equipment (note 13)	6,923	5,773
– Right-of-use assets (note 13)	5,708	5,729
Toll highways and bridges maintenance expenses	47,407	38,715
Toll highways and bridges operating expenses	57,532	43,600
Staff costs (including directors' emoluments)		
– Wages and salaries	125,810	97,431
– Pension costs (defined contribution plan)	19,420	15,222
– Social security costs	19,308	17,674
– Staff welfare and other benefits	17,057	13,629
– Equity-settled share option expense	(1,137)	2,241
Auditor's remuneration	1,526	1,350
Legal and professional fees	5,863	5,762

### 8 OTHER INCOME, GAINS AND LOSSES – NET

	Six months ended 30 June	
	2023 RMB'000	2022 RMB'000
Compensation for expressways and bridges damages	5,037	3,564
Other compensation income (note)	317	28,494
Management service income	693	907
Government subsidy	2,492	1,781
Other rental income	352	328
Gain on disposal of property, plant and equipment	74	537
Others	1,621	2,303
	<b>10,586</b>	<b>37,914</b>

Note: The amount mainly represented compensation received relating to 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	
	2023 RMB'000	2022 RMB'000
Bank interest income	13,516	28,836
Interest income on loan to an associate	126	—
Finance income	<u>13,642</u>	<u>28,836</u>
Interest expenses:		
– Bank borrowings	(154,840)	(178,628)
– Other borrowing	—	(3,057)
– Bank facility fees	(2,242)	(6,862)
– Loan from the immediate holding company	(1,584)	—
– Loan from a joint venture	—	(1,085)
– Notes payable	(64,781)	(75,679)
– Corporate bonds	(54,665)	(55,510)
– Lease liabilities	(315)	(378)
Net other exchange gain/(loss)	2,338	(3,146)
Others	(7,845)	(9,682)
Finance costs	<u>(283,934)</u>	<u>(334,027)</u>

### 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 2022: Nil).
- (b) During the six months ended 30 June 2023, 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 2023 is 25% (30 June 2022: 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. In 2021, the preferential tax treatment of income tax 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 in 2020.

In addition, dividend distribution out of profit of foreign-invested enterprises earned after 1 January 2008 is subject to withholding income tax at a rate of 5% or 10%. During the 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 2022: 5% or 10%).

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 10 INCOME TAX EXPENSE (CONTINUED)

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

	Six months ended 30 June	
	2023 RMB'000	2022 RMB'000
Current income tax		
PRC enterprise income tax	210,270	187,328
Deferred income tax	8,522	(14,191)
	<b>218,792</b>	<b>173,137</b>

### 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	
	2023	2022
Earnings		
Profit attributable to shareholders of the Company (RMB'000)	427,106	295,318
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)	<b>1,673,162</b>	<b>1,674,198</b>

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 12 INTERIM DIVIDENDS

	Six months ended 30 June	
	2023 RMB'000	2022 RMB'000
Interim, proposed, HK\$0.15 equivalent to approximately RMB0.1372 (30 June 2022: HK\$0.10 equivalent to approximately RMB0.0861) per share	229,610	144,093

A dividend of RMB154,237,000 that relates to the year ended 31 December 2022 was paid on 29 June 2023 (30 June 2022: RMB586,136,000 that relates to the year ended 31 December 2021 was paid on 29 June 2022).

On 8 August 2023, the board of directors has resolved to declare an interim dividend of HK\$0.15 per share (30 June 2022: HK\$0.10 per share). This interim dividend, amounting to RMB229,610,000 (30 June 2022: RMB144,093,000), has not been recognised as a liability in this Financial Information. It will be recognised in shareholder's equity for the year ending 31 December 2023.

### 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 2023	30,641,331	41,497	38,584	15,250	16,944
Exchange differences	—	23	758	—	—
Additions	41,064	5,047	—	490	855
Disposals	—	(106)	—	—	—
Amortisation/depreciation charge	(636,437)	(6,923)	—	(5,708)	(3,018)
Closing net book value at 30 June 2023	30,045,958	39,538	39,342	10,032	14,781
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

## 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 (CONTINUED)

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 2023.

As at 30 June 2023, toll highway operating rights with net book amount of RMB22,116,892,000 (31 December 2022: RMB22,462,666,000) were pledged to secure the Group's bank borrowings.

### 14 INVESTMENTS IN ASSOCIATES

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

	30 June 2023 RMB'000	31 December 2022 RMB'000
At 1 January	1,823,180	2,079,497
Share of results for the period		
– Profit before income tax	130,730	150,477
– Income tax expense	(35,917)	(31,470)
	94,813	119,007
Dividends	(140,010)	(375,324)
At 30 June/31 December	1,777,983	1,823,180

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 15 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30 June 2023 RMB'000	31 December 2022 RMB'000
Trade receivables	190,705	127,730
Other receivables, deposits and prepayments	716,579	156,451
	<b>907,284</b>	284,181
Less: non-current portion (note)	<b>(597,761)</b>	—
Current portion	<b>309,523</b>	284,181

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

As at 30 June 2023, trade receivables were aged below 30 days (31 December 2022: below 30 days) by the date when trade receivables are recognised (i.e. date on which services are rendered).

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.

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

### 16 SHARE CAPITAL

	30 June 2023		31 December 2022	
	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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 17 BORROWINGS

	30 June 2023 RMB'000	31 December 2022 RMB'000
Bank borrowings	9,126,723	9,285,666
Loan from the immediate holding company	100,000	100,000
Loans from non-controlling interests of certain subsidiaries	40,368	50,368
Interest payable	9,373	11,613
Total borrowings	9,276,464	9,447,647
Less: amounts due within one year shown under current liabilities	(1,599,094)	(2,625,674)
Total non-current borrowings	7,677,370	6,821,973

Notes:

- (a) Interest expenses on borrowings for the six months ended 30 June 2023 amounted to RMB156,424,000 (30 June 2022: RMB182,770,000).
- (b) The Group's borrowings were repayable as follows:

	30 June 2023 RMB'000	31 December 2022 RMB'000
Within one year	1,599,094	2,625,674
Between one and two years	954,524	1,105,165
Between two and five years	4,278,588	3,009,083
Beyond five years	2,444,258	2,707,725
	9,276,464	9,447,647

- (c) The bank borrowings of RMB7,056,723,000 (31 December 2022: RMB6,585,990,000) were secured by intangible operating rights of the Group. All bank borrowings were interest bearing at rates ranging from 2.50% to 3.55% (31 December 2022: 2.50% to 3.60%) per annum. The effective interest rate of these borrowings at 30 June 2023 was 3.24% (31 December 2022: 3.38%) per annum.
- (d) Loan from the immediate holding company is unsecured, interest-bearing at a rate of 3.15% per annum and repayable within one year (31 December 2022: 3.15%).
- (e) 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 2022: 4.35%) per annum.
- Loans from non-controlling interests of certain subsidiaries were repayable between one and four years, except for the loan of RMB10,000,000 which is due within one year.
- (f) All borrowings are denominated in RMB as at 30 June 2023 and 31 December 2022.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 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 19 years and construction service fees received in advance.

	Six months ended 30 June 2023 RMB'000	Year ended 31 December 2022 RMB'000
At 1 January	316,006	338,157
Addition	24,090	29,682
Credited to "Revenue"	(32,200)	(51,833)
At 30 June/31 December	307,896	316,006
Less: non-current portion	(287,065)	(292,754)
Current portion	20,831	23,252

### 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 2023 RMB'000	31 December 2022 RMB'000
Deferred income tax assets		
– Tax losses of subsidiaries	(25,462)	(36,084)
– Deferred income	(10,449)	(10,449)
	(35,911)	(46,533)
Deferred income tax liabilities		
– Accelerated tax amortisation of intangible operating rights	828,215	784,173
– Fair value gain on investment properties	253	253
– Fair value gain on interest in toll highway arising from acquisition of subsidiaries	2,213,293	2,261,331
– Withholding tax on undistributed profits of subsidiaries and associates	19,857	17,961
– Withholding tax on dividend distributed for reinvestment	35,000	35,000
	3,096,618	3,098,718
Deferred income tax liabilities (net)	3,060,707	3,052,185



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 20 NOTES PAYABLE

	30 June 2023 RMB'000	31 December 2022 RMB'000
Notes payable	4,296,349	4,994,698
Notes interest payable	55,042	112,776
Total notes payable	4,351,391	5,107,474
Less: amounts due within one year shown under current liabilities	(3,352,249)	(3,109,011)
Total non-current notes payable	999,142	1,998,463

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. During the period ended 30 June 2023, the 2020 Phase I Notes have been fully repaid.

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.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 20 NOTES PAYABLE (CONTINUED)

On 17 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 of 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 Tranche 1 SCP"). During the period ended 30 June 2023, the 2022 Tranche 1 SCP have been fully repaid.

On 8 August 2022, the Group issued second tranche of super short-term commercial paper with coupon rate of 1.77% and a term of 263 days for an aggregate principal amount of RMB500,000,000 (the "2022 Tranche 2 SCP"). During the period ended 30 June 2023, the 2022 Tranche 2 SCP have been fully repaid.

On 31 October 2022, the Group issued third tranche of super short-term commercial paper with coupon rate of 1.81% and a term of 270 days for an aggregate principal amount of RMB500,000,000 (the "2022 Tranche 3 SCP").

On 8 February 2023, the Group issued first tranche of super short-term commercial paper with coupon rate of 2.3% and a term of 270 days for an aggregate principal amount of RMB500,000,000 (the "2023 Tranche 1 SCP").

On 20 April 2023, the Group issued second tranche of super short-term commercial paper with coupon rate of 2.36% and a term of 180 days for an aggregate principal amount of RMB800,000,000 (the "2023 Tranche 2 SCP").

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 Tranche 1 SCP, 2022 Tranche 2 SCP, 2022 Tranche 3 SCP, 2023 Tranche 1 SCP and 2023 Tranche 2 SCP (Collectively, "SCP") were recognised initially at fair values. The directly attributable costs of the issuance of MTN and SCP 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 3.17% (31 December 2022: 3.22%) per annum, which includes the interest charged as well as amortisation of the capitalized cost on issuance. The Group recognised interest expense of RMB64,781,000 (period ended 30 June 2022: RMB75,679,000) on the notes for the period ended 30 June 2023.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 21 CORPORATE BONDS

	30 June 2023 RMB'000	31 December 2022 RMB'000
Corporate bonds	3,028,213	3,114,362
Bonds interest payable	34,315	73,932
Total corporate bonds	3,062,528	3,188,294
Less: amounts due within one year shown under current liabilities	(2,562,980)	(689,200)
Total non-current corporate bonds	499,548	2,499,094

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; this tranche was fully repaid in 2021; 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 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.

During the period ended 30 June 2023, the rest of the seven-year corporate bonds of the First Phase 2016 Corporate Bonds have been fully repaid.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 21 CORPORATE BONDS (CONTINUED)

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; this tranche was fully repaid in 2021; 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, 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.

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 aggregate 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 2022: 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 RMB54,665,000 (period ended 30 June 2022: RMB55,510,000) of finance cost on the Corporate Bonds for the six months ended 30 June 2023.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 22 TRADE AND OTHER PAYABLES AND ACCRUED CHARGES

	30 June 2023 RMB'000	31 December 2022 RMB'000
Trade payables	50,001	47,327
Other payables and accrued charges	506,913	599,659
Construction related accruals and payables	297,540	274,915
	<b>854,454</b>	<b>921,901</b>
The aging analysis of trade payables and construction related accruals and payables by invoice date is as follows:		
0 - 30 days	36,880	36,345
31 - 90 days	16,851	32,689
Over 90 days	293,810	253,208
	<b>347,541</b>	<b>322,242</b>

### 23 CAPITAL COMMITMENT

	30 June 2023 RMB'000	31 December 2022 RMB'000
Contracted, but not provided for		
Upgrade and construction of toll expressways under concession arrangements:		
Reconstruction and expansion project on the GNSR Expressway	3,557,028	464,619
Upgrade project on the other expressways	168,882	47,082
	<b>3,725,910</b>	<b>511,701</b>

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 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) (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 2023:

Significant related parties	Relationship with the Company
Yue Xiu Enterprises (Holdings) Limited	The immediate holding company
Yuexiu Property Company Limited	A fellow subsidiary
Artform Investment Limited	A fellow subsidiary
Chong Hing Bank Limited	A fellow subsidiary
Chong Hing Insurance Co., Ltd	A fellow subsidiary
Guangzhou Yuexiu City Construction Jones Lang LaSalle Property Management Co., Ltd.	A fellow subsidiary
Guangzhou Yue Xiu Enterprises (Holding) Limited	A fellow subsidiary
Guangzhou Yuexiu Property Development Co., Ltd.	A fellow subsidiary
Guangzhou Agriculture Industry Commerce Group Co., Ltd.	A fellow subsidiary
Guangzhou Western Second Ring Expressway Co., Ltd.	A joint venture
Guangdong Humen Bridge Co., Ltd.	An associate
Guangdong Qinglian Highway Development Co., Ltd.	An associate
Guangdong Shantou Bay Bridge Co., Ltd.	An associate
Guangzhou Northring Super Highway Co., Ltd.	An associate
Guangzhou Pazhou Port Company Limited	An associate
Real Estate Investment Trust for Huaxia Yuexiu Expressway	An associate
Guangzhou Yue Xiu City Construction International Finance Center Co., Ltd.	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	
	2023 RMB'000	2022 RMB'000
The ultimate holding company:		
Guarantee fee	—	94
The immediate holding company:		
Interest expense	1,584	—
Associates:		
Entrusted road management service income	16,242	11,709
Management service income	693	907
Interest income	126	—
A joint venture:		
Interest expense	—	1,085
Fellow subsidiaries:		
Administrative service fee	577	539
Building management fee	1,045	1,130
Property management services fee	2,406	1,180
Purchases of products	37	25
Interest income	1,896	5,165
Management service income	—	236
Rendering of service	791	24
Associate of a fellow subsidiary:		
Addition of right-of-use assets	490	2,512

#### (c) Balances with related parties

	30 June 2023 RMB'000	31 December 2022 RMB'000
	Bank balance deposited in a fellow subsidiary	471,500
Loan to an associate	6,406	6,406
Loan from the immediate holding company	(100,000)	(100,000)
Loans from non-controlling interests of certain subsidiaries	(40,368)	(50,368)
Amount due to a non-controlling interest of a subsidiary	(1,611)	(1,611)
Amounts due from associates	—	11,430
Lease liabilities to an associate of a fellow subsidiary	(6,863)	(11,838)
Lease liabilities to a fellow subsidiary	(789)	(1,121)

## 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	
	2023 RMB'000	2022 RMB'000
Salaries and other short-term benefits	4,766	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) As at 30 June 2023 RMB'000	(Audited) As at 31 December 2022 RMB'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	533	871
Investments in subsidiaries	5,932,399	5,933,323
Right-of-use assets	724	1,086
	<b>5,933,656</b>	<b>5,935,280</b>
<b>Current assets</b>		
Amounts due from subsidiaries	14,365,465	13,997,269
Deposits and prepayments	4,042	5,336
Cash and cash equivalents	36,853	1,131,953
	<b>14,406,360</b>	<b>15,134,558</b>
<b>Total assets</b>	<b>20,340,016</b>	<b>21,069,838</b>
<b>EQUITY</b>		
<b>Equity attributable to the shareholders of the Company</b>		
Share capital	147,322	147,322
Reserves (note ii)	4,371,871	3,978,658
<b>Total equity</b>	<b>4,519,193</b>	<b>4,125,980</b>



## 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 2023 RMB'000	(Audited) As at 31 December 2022 RMB'000
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Notes payable	999,142	1,998,463
Corporate bonds	499,548	2,499,094
Deferred income tax liabilities	35,000	35,000
Lease liabilities	—	382
	1,533,690	4,532,939
<b>Current liabilities</b>		
Borrowings	101,212	552,304
Notes payable	3,352,249	3,109,011
Corporate bonds	2,562,980	689,200
Amounts due to subsidiaries	8,235,200	8,024,786
Other payables and accrued charges	34,723	34,879
Lease liabilities	769	739
	14,287,133	12,410,919
<b>Total liabilities</b>	15,820,823	16,943,858
<b>Total equity and liabilities</b>	20,340,016	21,069,838

## 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
<b>At 1 January 2023 (audited)</b>	2,375,743	5,480	1,561,564	—	35,871	3,978,658
<b>Profit for the period</b>	—	—	—	—	548,587	548,587
Equity-settled share option arrangements	—	(1,137)	—	—	—	(1,137)
2022 final dividend	—	—	—	—	(154,237)	(154,237)
<b>At 30 June 2023 (unaudited)</b>	<u>2,375,743</u>	<u>4,343</u>	<u>1,561,564</u>	<u>—</u>	<u>430,221</u>	<u>4,371,871</u>
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)
<b>At 30 June 2022 (unaudited)</b>	<u>2,375,743</u>	<u>3,236</u>	<u>1,561,564</u>	<u>—</u>	<u>241,864</u>	<u>4,182,407</u>

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.

## 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 (iii) Statement of profit or loss of the Company*

	(Unaudited)	
	Six months ended 30 June	
	2023 RMB'000	2022 RMB'000
Other income, gains and losses – net	600,000	350,000
General and administrative expenses	(14,850)	(12,335)
<b>Operating profit</b>	<b>585,150</b>	<b>337,665</b>
Finance income	97,253	234,457
Finance costs	(122,723)	(163,926)
<b>Profit before income tax</b>	<b>559,680</b>	<b>408,196</b>
Income tax expense	(11,093)	(3,226)
<b>Profit for the period</b>	<b>548,587</b>	<b>404,970</b>

## 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	
	2023 RMB'000	2022 RMB'000
<b>Cash flows from operating activities</b>		
Net cash flows used in operating activities	527,501	(648,025)
PRC enterprise income tax and withholding tax paid	(11,093)	—
<b>Net cash flows from/(used in) operating activities</b>	516,408	(648,025)
<b>Cash flows from investing activities</b>		
Interest received	872	2,420
<b>Net cash flows from investing activities</b>	872	2,420
<b>Cash flows from financing activities</b>		
Proceeds from issuance of notes	1,298,579	1,495,965
Proceeds from bank borrowings	—	100,000
Repayment of notes	(2,000,000)	—
Repayment of corporate bonds	(87,000)	—
Repayment of bank borrowings	(450,000)	(363,867)
Payment of bank facility fees	(571)	(3,869)
Dividend paid to the shareholders of the Company	(154,237)	(586,136)
Interest paid	(219,953)	(193,455)
Payment for lease liabilities (including interest)	(352)	(355)
<b>Net cash flows (used in)/from financing activities</b>	(1,613,534)	448,283
<b>Net decrease in cash and cash equivalents</b>	(1,096,254)	(197,322)
Cash and cash equivalents at 1 January	1,131,953	374,988
Effect of exchange rate changes on cash and cash equivalents	1,154	(5,070)
<b>Cash and cash equivalents at 30 June</b>	36,853	172,596
Analysis of cash and cash equivalents:		
Bank balances and cash	36,853	172,596

## OTHER INFORMATION

### INTERESTS OF DIRECTORS

As at 30 June 2023, the interests and short positions of the Directors and the chief executive 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 were 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”) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies 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 (Note 1)
Mr He Baiqing	Personal	52,000	1,028,995 <sup>(Note 3)</sup>	1,080,995	0.07
Mr Cai Minghua	Personal	—	389,349 <sup>(Note 3)</sup>	389,349	0.02
Mr Pan Yongqiang	Personal/ Spouse Interest	264,000 <sup>(Note 2)</sup>	778,700 <sup>(Note 3)</sup>	1,042,700	0.06
Mr Lau Hon Chuen Ambrose	Personal	195,720	—	195,720	0.01
Mr Cheung Doi Shu	Personal	500,000	—	500,000	0.03

Notes:

- (1) The total number of 1,673,162,295 shares of the Company in issue as at 30 June 2023 was used for the calculation of the approximate percentage.
- (2) Mr Pan Yongqiang is interested in 264,000 shares, out of which 164,000 shares are owned by him as personal interest and 100,000 shares are held by his spouse.
- (3) The relevant interests are unlisted physically settled options granted pursuant to the Share Option Scheme.

## OTHER INFORMATION

### *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 (Note)
Mr Li Feng	Personal	44,954	0.001
Mr Lau Hon Chuen Ambrose	Personal	1,258,712	0.03

Note: The total number of 4,025,392,913 shares of Yuexiu Property Company Limited in issue as at 30 June 2023 was used for the calculation of the approximate percentage.

Save as disclosed herein, as at 30 June 2023, none of the Directors and the chief executive 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 were 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 2023, the following persons (other than the Directors and chief executive of the Company) 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	Number of shares held	Approximate % of interest (Note 3)
廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited) (Note 1)	Interest of controlled corporations	739,526,200	44.20
Yue Xiu Enterprises (Holdings) Limited ("Yue Xiu") (Notes 1 & 2)	Beneficial owner and interest of controlled corporations	739,526,200	44.20
Grace Lord Group Limited (Note 2)	Beneficial owner	303,159,087	18.12
Housemaster Holdings Limited (Note 2)	Beneficial owner	367,500,000	21.96

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 shares of the Company in which Yue Xiu was interested 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.
- (3) The total number of 1,673,162,295 shares of the Company in issue as at 30 June 2023 was used for the calculation of the approximate percentage.

Save as disclosed herein, the Directors are not aware of any other person (other than the Directors and chief executive of the Company) who, as at 30 June 2023, 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.

## OTHER INFORMATION

### EQUITY LINKED AGREEMENT

#### *SHARE OPTION INCENTIVE SCHEME*

Pursuant to the resolution of the 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 ordinary shares ("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.



## OTHER INFORMATION

### 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.

### 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. The number of options available for grant under the Share Option Scheme as at 1 January 2023 and 30 June 2023 was 151,142,803 Shares and 155,262,723 Shares respectively.

As at the date of this report, the total number of Shares available for issue under the Share Option Scheme is 155,262,723 Shares, representing approximately 9.28% of the total number of the Shares in issue.

## OTHER INFORMATION

### 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.

### 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.

## OTHER INFORMATION

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.

A summary of the principal terms and conditions of the Share Option Scheme is set out in the Appendix to the circular of the Company dated 20 September 2021.

The details and the movement of the options granted under this Share Option Scheme during the six months ended 30 June 2023 are as below:

Grantees	Date of the conditional 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 1 January 2023	Granted during the period	Exercised during the period	Lapsed/ Cancelled during the period (Note 6)	Balance as at 30 June 2023
He Baiqing	25 June 2021	4.43	4.44	Note 1	1,371,993	—	N/A (Note 5)	(342,998)	1,028,995
Cai Minghua	9 July 2021	4.45	4.37	Note 2	519,131	—	N/A (Note 5)	(129,782)	389,349
Pan Yongqiang*	25 June 2021	4.43	4.44	Note 1	1,038,266	—	N/A (Note 5)	(259,566)	778,700
Other employees of the Group	25 June 2021	4.43	4.44	Note 1	12,724,905	—	N/A (Note 5)	(3,257,792)	9,467,113
(in aggregate)	25 August 2021	4.68	4.64	Note 3	519,131	—	N/A (Note 5)	(129,782)	389,349
Total					16,173,426	—	N/A (Note 5)	(4,119,920)	12,053,506

\* Pan Yongqiang, a Deputy General Manager, was appointed as an Executive Director with effect from 8 May 2023.

## Notes:

- Subject to the terms of the share option scheme and the terms of the initial grant proposal, as well as the Vesting Conditions as set out in note 4 below, 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).
- Subject to the terms of the share option scheme and the terms of the initial grant proposal, as well as the Vesting Conditions as set out in note 4 below, 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).
- Subject to the terms of the share option scheme and the terms of the initial grant proposal, as well as the Vesting Conditions as set out in note 4 below, 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).

## OTHER INFORMATION

4. Vesting Conditions for such Options are as follows:
  - (i) Vesting Conditions: in relation to the Company and in respect of each tranche of 25% of the Options granted:
    - (A) the EOE (earnings before interests, tax, depreciation and amortisation on average equity) for the most recent full financial year shall not be less than (I) 22.55% and (II) that of the Peer Benchmark Companies;
    - (B) the growth in the market capitalisation of the Company as compared with the previous financial year shall not be less than (I) 4.65% and (II) that of the Peer Benchmark Companies;
    - (C) revenue derived from the principal business of the Company in the last financial year shall not be less than 85% of the total revenue of the Company in that financial year;
    - (D) cash dividend declared in respect of the last financial year shall not be less than 30% of the net profit of the Company of that financial year; and
    - (E) none of the following circumstances having occurred:
      - (I) issue of the financial and accounting report of the Company for the most recent financial year in which a certified public accountant gave a negative opinion or was unable to give an opinion;
      - (II) imposition of administrative penalties by regulatory authorities as a result of material breach of rules and regulations in the preceding year; and
      - (III) other circumstances under which implementation of share option incentive schemes is prohibited as determined by regulatory authorities.
  - (ii) Vesting Conditions: in relation to an Eligible Participant who has accepted a grant of Options and in respect of each tranche of 25% of the Options granted:
    - (A) he has obtained an assessment grade of “B” (or 80 marks) or above in the year preceding the scheduled vesting date in which case the entire tranche of 25% of the Options granted will be vested (for the avoidance of doubt, if an Eligible Participant who has accepted a grant of Options fails to obtain the aforesaid assessment result, the entire tranche of 25% of the Options granted will lapse); and
    - (B) none of the following circumstances having occurred:
      - (I) he is publicly reprimanded by the Stock Exchange in the last three years;
      - (II) imposition of administrative penalties by regulatory authorities as a result of material breach of rules and regulations in the last three years; and
      - (III) he is prohibited by the relevant laws and regulations from acting as a director or a member of the senior management of a company.

Please refer to the circular of the Company dated 20 September 2021 for the details of the Vesting Conditions.

5. None of the options had become exercisable during the six months ended 30 June 2023.
6. Options lapsed during the six months ended 30 June 2023 in accordance with the rules of the Share Option Scheme.

## OTHER INFORMATION

### CORPORATE GOVERNANCE

Throughout the six months ended 30 June 2023, 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 2023 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 2023.

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

The Company has not redeemed any of its listed securities (including equity securities and debt securities) during the six months ended 30 June 2023. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities (including equity securities and debt securities) during the period.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 7 November 2023 to Thursday, 9 November 2023, 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, 6 November 2023.

# CORPORATE AND INVESTOR RELATIONS INFORMATION

## BOARD OF DIRECTORS

### *Executive directors*

Mr Li Feng (Chairman)  
Mr He Baiqing  
Ms Chen Jing  
Mr Cai Minghua  
Mr Pan Yongqiang (appointed on 8 May 2023)

### *Independent non-executive directors & audit committee members*

Mr Fung Ka Pun  
Mr Lau Hon Chuen Ambrose  
Mr Cheung Doi Shu  
Mr Peng Vincent Shen (appointed on 8 May 2023)

## 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  
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  
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 2.87 per cent. Medium Term Notes due 2026 (code: 102381956)  
  
RMB500,000,000 1.81 per cent. Super Short-term Commercial Paper due 2023 (code: 012283791) (repaid in full on 28 July 2023)  
  
RMB500,000,000 2.30 per cent. Super Short-term Commercial Paper due 2023 (code: 012380404)  
  
RMB800,000,000 2.36 per cent. Super Short-term Commercial Paper due 2023 (code: 012381609)

## INVESTOR RELATIONS

For further information about Yuexiu Transport Infrastructure Limited, please contact:  
Ms Grace Li  
Telephone : (852) 2865 2205  
Facsimile : (852) 2865 2126  
Email : [contact@yuexiutransport.com.hk](mailto:contact@yuexiutransport.com.hk)

## WEBSITES TO ACCESS COMPANY INFORMATION

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