

# SHENZHEN INVESTMENT HOLDINGS BAY AREA DEVELOPMENT COMPANY LIMITED

*(incorporated in the Cayman Islands with limited liability)*  
Stock Codes: 737 (HKD counter) & 80737 (RMB counter)



# 2024

## INTERIM REPORT

# About Us

Shenzhen Investment Holdings Bay Area Development Company Limited (the “Company”, formerly known as Hopewell Highway Infrastructure Limited) was incorporated in the Cayman Islands with limited liability and listed on The Stock Exchange of Hong Kong Limited since 6 August 2003 with stock codes 737 (HKD counter) and 80737 (RMB counter). The Company is principally engaged in expressway business and adopts development strategies focusing on the infrastructure and correlated business as well as land development and utilisation along the GS Superhighway within the Guangdong-Hong Kong-Macao Greater Bay Area. Shenzhen Expressway Corporation Limited, a company listed on The Stock Exchange of Hong Kong Limited (Stock Code: 548) and Shanghai Stock Exchange (Stock code: 600548), became the controlling shareholder of the Company on 11 January 2022.

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## Overall Business Performance

During the period under review, the total net toll revenue of the GS Superhighway, the GZ West Superhighway and the Coastal Expressway (Shenzhen Section) increased by 1% YoY to approximately RMB2,331 million. The economy of the cities along the expressways grew but toll revenue maintained stable, was mainly due to Holiday Toll-free Policy for small passenger vehicles with 7 seats or less was implemented for 17 days during the first half of 2024, an increase of 4 days as compared to the corresponding period of last year. The average daily toll revenue and average daily mixed traffic of the GS Superhighway increased by 0.3% and decreased by 4% YoY to approximately RMB7.71 million and 604,000 vehicles respectively; the average daily toll revenue and average daily mixed traffic of the GZ West Superhighway increased by 0.6% and decreased by 3% YoY to approximately RMB3.43 million and 253,000 vehicles respectively; the average daily toll revenue and average daily mixed traffic of the Coastal Expressway (Shenzhen Section) increased by 2% and decreased by 1% YoY to approximately RMB1.67 million and 180,000 vehicles respectively.

During the period under review, the contracted sales of the Grand Park City amounted to approximately RMB422 million.

Year	First half of 2024	First half of 2023	% Change
<b>At Operational Level</b>			
<b>GS Superhighway</b>			
Average daily toll revenue <sup>N1</sup> (RMB '000)	<b>7,709</b>	7,687	0.3%
Average daily mixed traffic <sup>N2</sup> (No. of vehicles '000)	<b>604</b>	627	-4%
<b>GZ West Superhighway</b>			
Average daily toll revenue <sup>N1</sup> (RMB '000)	<b>3,425</b>	3,406	0.6%
Average daily mixed traffic <sup>N2</sup> (No. of vehicles '000)	<b>253</b>	262	-3%
<b>Coastal Expressway (Shenzhen Section)</b>			
Average daily toll revenue <sup>N1</sup> (RMB '000)	<b>1,674</b>	1,637	2%
Average daily mixed traffic <sup>N2</sup> (No. of vehicles '000)	<b>180</b>	182	-1%

<sup>N1</sup>: Excluding tax

<sup>N2</sup>: Average daily mixed traffic excludes toll free traffic travelled during the period when Holiday Toll-Free Policy was implemented

# Business Review

## Operating Environment

### Domestic and External Economic Situation

In the first half of 2024, the economy continued to gain momentum driven by increasing positive factors, with social expectations improving and growth indicators of major economies rebounding. However, issues such as geopolitical risks and high interest rates continue to pose significant challenges to the global economy's recovery. While dealing with the new challenges of complex and severe international environment and the continued deepening of domestic structural reform, Chinese Mainland has committed to the general principle of seeking progress while maintaining stability. Specifically, Chinese Mainland has focused on promoting high-quality development, and on effectively consolidating and enhancing the positive momentum of economic recovery. Thanks to the continued realisation of macroeconomic policy effects, the marginal recovery of external demand, and the acceleration of the development of new quality productivity, Chinese Mainland's economic performance has been stable. According to data released by the National Bureau of Statistics, the GDP in Chinese Mainland in the first half of 2024 was approximately RMB61.68 trillion, representing a YoY increase of 5%.

As Chinese Mainland's economy continues to improve, the transportation industry has shown a continuous recovery and overall improvement, which has a positive effect on the performance of the Group's expressway business. China Federation of Logistics & Purchasing (CFLP) released the logistics operation in the first half of 2024, showing that the total value of social logistics in the first half of 2024 reached RMB167.4 trillion, increased by 5.8% YoY. In addition, according to the statistics released by the Ministry of Transport, the economic performance of transportation in the first half of 2024 continued to improve and was generally stable. Major transportation indicators such as the freight volume, port cargo throughput and passenger flow achieved rapid growth.

### Development of the Greater Bay Area

In 2023, the total population of the Greater Bay Area exceeded 86 million, and the GDP of approximately RMB14.0 trillion accounted for approximately 11% of the GDP of Chinese Mainland and it is one of the most economically active regions in Chinese Mainland with dominant regional advantages and huge development potential.

The "Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area" (《粵港澳大灣區發展規劃綱要》) clearly proposes to jointly build a platform for cooperation and development between Guangdong, Hong Kong, and Macao, accelerating the development and construction of major platforms such as Qianhai in Shenzhen, Nansha in Guangzhou, and Hengqin in Zhuhai. These areas will give full play to experimental demonstration in deepening reform, expanding opening up, promoting cooperation, and expanding the development space for Hong Kong and Macao. The plan aims to promote cooperation and sharing of public services, and to lead and drive comprehensive cooperation among Guangdong, Hong Kong, and Macao.

Since the promulgation of the “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” (《粵港澳大灣區發展規劃綱要》), relevant national ministries and commissions and all sectors of community have supported the accelerated implementation of the development of the Greater Bay Area. In 2024, the Department of Transport of Guangdong Province held a provincial conference on transportation work, which called for the acceleration of the transportation infrastructure’s interconnectivity level in the Greater Bay Area, aiming to create a “one-hour living circle” within the region. The conference also emphasised the necessity of stabilising effective transportation investment, conducting thorough planning and preparation and preliminary work for projects, collaboratively solving issues in project construction, and coordinating the planning and construction of expressways, national and provincial roads, rural roads, port and waterway projects, and provincial railway projects.

In July 2024, the Beijing News and the Guangzhou Guangdong-Hong Kong-Macao Greater Bay Area Research Institute released the “Five-Year Development Report of the Guangdong-Hong Kong-Macao Greater Bay Area — Bay Area Common Market: Vision and Action” (《粵港澳大灣區五周年發展報告 — 灣區共同市場：願景與行動》). The report has demonstrated the establishment of a regional common market as the vision and goal, with a focus on promoting the efficient and convenient flow of goods, services, personnel, capital, data and scientific and technological innovation elements. The report sets several key milestones in 2025, 2035, and 2050, by 2025, several exemplary cases will be established to promote cross-border efficiency and convenience in the flow of goods, services, personnel, capital, data, and scientific and technological innovation elements, thereby accelerating the integration process of the Greater Bay Area market and laying a foundation for building a regional common market in the Greater Bay Area.

The Chinese Mainland’s competent authorities and the society recognise the importance of the mission and tasks of the development of the Guangdong Hong Kong-Macao Greater Bay Area and vigorously spur the positive development of highway industry, that will benefit the operating environment of the Group’s expressway business in a long run and provide strong support for the sustainable development of the Group’s business.

# Business Review

## Latest Updates on Industry Policies

### Issuance of the Measures for the Administration of Concession Rights for Infrastructure and Public Utilities (《基礎設施和公用事業特許經營管理辦法》)

Following the “Guiding Opinions on Standardising the Implementation of the New Mechanism for Public-Private Partnership” (《關於規範實施政府和社會資本合作新機制的指導意見》) issued by the National Development and Reform Commission and the Ministry of Finance on 3 November 2023, the Announcement No. 17 of the “Measures for the Administration of Concession Rights for Infrastructure and Public Utilities” (《基礎設施和公用事業特許經營管理辦法》) was promulgated by the National Development and Reform Commission, the Ministry of Finance, the Ministry of Housing and Urban-Rural Development, the Ministry of Transport, the Ministry of Water Resources and the People’s Bank of China on 28 March 2024. It has further clarified and standardised the infrastructure and public utilities concession activities. Private sectors are encouraged and guided to participate in the construction and operation of infrastructure and public utilities, so as to improve the quality and efficiency of public services. In addition, it has proposed extending the maximum term of concessions to 40 years, which is 10 to 15 years longer than the current maximum toll collection period. The implementation of such a new policy would have a certain positive impact on the subsequent development of operational expressways.

### Amendments to the Regulations on the Administration of Toll Roads

In May 2024, the General Office of the State Council issued the “2024 Legislative Work Plan of the State Council” (《國務院2024年度立法工作計劃》), and the “Regulations on the Administration of Toll Roads” (《收費公路管理條例》) were listed as the “administrative regulations to be formulated and revised in 2024”. Subsequent to the adoption of the newly revised regulations, the administration of toll roads would be further strengthened, and the toll collection acts on toll roads would be standardised, so as to protect the lawful rights and interests of the toll road operators and users, and to promote the development of the highway industry.

### Favourable policies for vehicle retail sales

In March 2024, 14 departments, including the Ministry of Commerce and the National Development and Reform Commission, jointly issued the “Action Plan for Promoting Trade-ins of Consumer Goods” (《推動消費品以舊換新行動方案》). The plan proposes to strengthen policy guidance and support efforts, and local governments with the right conditions are encouraged to support vehicle replacement and renewal, emphasise the role of standards in the vehicle sector, and improve the recycling and dismantling system for scrap vehicles, so as to promote convenient and reliable used car transactions, foster the growth of used car businesses, and drive innovative development in vehicle circulation and consumption. Meanwhile, financial institutions are encouraged to appropriately lower the down payment ratios for car loans and reasonably determine the interest rates and terms of car loans, under the premise of legal compliance and with risk under control. Insurance agencies are encouraged to further enrich car insurance products and services, reasonably determine the insurance rates for new energy vehicles, and provide consumers with effective and sufficient risk protection.

The National Development and Reform Commission and other departments published a notice on the “Measures to Create New Consumption Scenarios and Cultivate New Consumption Growth Points” (《關於打造消費新場景培育消費新增長點的措施》) in June 2024, proposing to expand new consumption scenarios for vehicles. Cities with purchase restrictions are encouraged to relax vehicle purchase limits and issue additional vehicle purchase indicators. Funding support will be arranged for the scrapping and renewal of eligible old vehicles through the joint efforts of central finance and local governments. Local governments with the right conditions are encouraged to support vehicle replacement and renewal, expanding the pilot scope of comprehensive electrification of vehicles used for public purposes.

With the intensive implementation of policies to promote vehicle consumption, the growth rate of car ownership volume in Chinese Mainland remained stable. As of the end of June 2024, the car ownership volume in China amounted to 345 million units, among which, the ownership volume of new energy vehicles amounted to 24.72 million units, accounting for 7.18% of the total volume of vehicles. The general improvement in national automobile market will facilitate the development of toll roads and related business for the Group.

### **Measures for Holiday Toll-free Policy for small passenger vehicles with 7 seats or less**

Pursuant to the “Notice of the Ministry of Transport on Optimising the Period on Waiver of Tolls on Toll Road for Small Passengers Vehicles during the Spring Festival Holidays of 2024” (《交通運輸部關於優化2024年春節假期收費公路免收小型客車通行費時段的通知》), the Holiday Toll-free Policy for small passenger vehicles with 7 seats or less during the Spring Festival Holidays of 2024 implemented for 9 days from 9 February 2024 to 17 February 2024, representing an increase of 2 days as compared with the 7 days in the corresponding period of last year. In addition, Holiday Toll-free Policy for small passenger vehicles with 7 seats or less during the Ching Ming Festival of 2024 implemented for 3 days from 4 April 2024 to 6 April 2024, representing an increase of 2 days as compared with 1 day in the corresponding period of last year.



# Business Review

## GS Superhighway

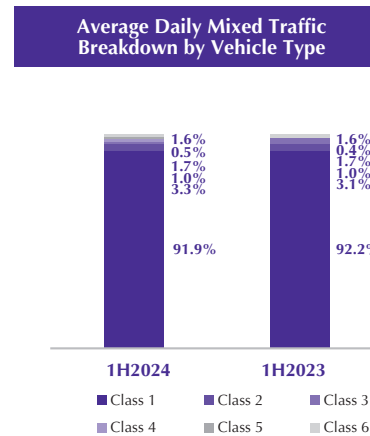
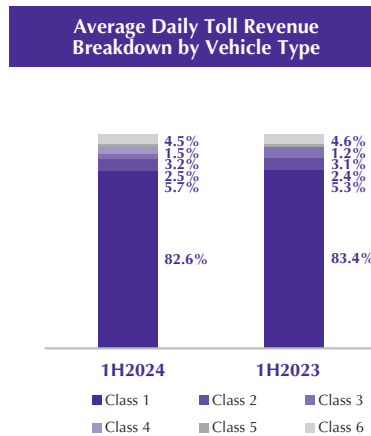
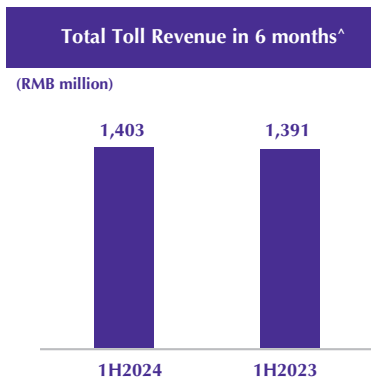
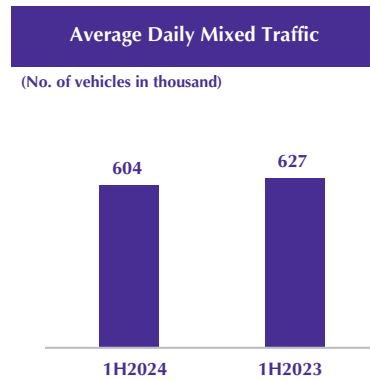
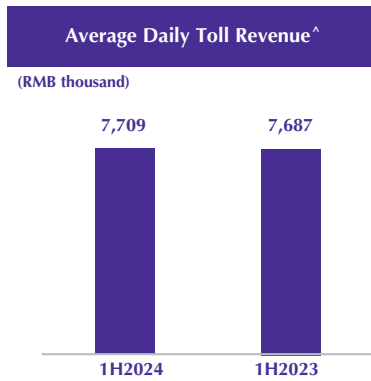
The GS Superhighway is a main expressway connecting the three major cities — Guangzhou, Dongguan and Shenzhen on the eastern bank of Bay Area to Hong Kong. The GDP of Guangzhou, Dongguan and Shenzhen, the cities along the expressway, rose 2.5%, 5.3% and 5.9% YoY respectively in the first half of 2024. As the economy maintained growth, the operating performance of the GS Superhighway also remained stable. In the first half of 2024, the total toll revenue was approximately RMB1,403 million, the average daily toll revenue and average daily mixed traffic increased by 0.3% and decreased by 4% YoY to approximately RMB7.71 million and 604,000 vehicles respectively. Toll revenue increased slightly during the first half of 2024 was mainly due to Holiday Toll-free Policy for small passenger vehicles with 7 seats or less was implemented for 17 days during the first half of 2024, an increase of 4 days as compared to the corresponding period of last year. Toll revenue and mixed traffic volume contributed by Class 1 vehicles accounts for 82.6% and 91.9% of the toll revenue and mixed traffic volume of the GS Superhighway respectively. The amount of tolls collected and traffic volume of vehicles using ETC payment cards accounted for approximately 66% and 63% of the toll revenue and traffic volume of the GS Superhighway respectively.

The Dongguan-Panyu Expressway is a major artery running through the central part of Dongguan, Phase III opened to traffic by the end of 2023. It connects the section between the Conghua-Dongguan Expressway and the Dongguan-Shenzhen Expressway and connects with the GS Superhighway at the Houjienan interchange. Currently, the Changhu Expressway, another east-west route, is connected to the GS Superhighway at Xinlian and Wudianmei interchanges. With the completion of the entire Dongguan-Panyu Expressway, vehicles in the central area of Dongguan will have another travel option for east-west journeys, which has resulted in mild traffic diversion for vehicles travelling to and from Xinlian and Wudianmei interchanges during the first half of 2024.

The Shenzhen-Zhongshan Channel, a new major channel across the Pearl River and another convenient route for vehicles travelling between Shenzhen and the western Guangdong, has opened to traffic on 30 June 2024. The Shenzhen-Zhongshan Channel connects Phase II of Coastal Expressway (Shenzhen Section) in the east, crosses the Pearl River to the west and connects the Zhongshan section of the Zhongshan-Kaiping Expressway, and interconnecting the GS Superhighway, the Coastal Expressway (Shenzhen Section) and the Guangzhu East Expressway. As observed preliminarily, the opening of the Shenzhen-Zhongshan Channel has caused certain impact of diversion on the vehicles originally passing the Humen Bridge and the Nansha Bridge via the GS Superhighway for travelling to and from the western Guangdong.

# Business Review

The Humen Port Branch Line of the Changhu Expressway has been completely closed from July 2024 until January 2026 for the implementation of reconstruction and expansion projects. Therefore, vehicles traveling to and from the GS Superhighway via the Changhu Expressway cannot enter and exit the GS Superhighway from the Xinlian Interchange, and need to be diverted to enter and exit the GS Superhighway from the Wudianmei Interchange. As observed preliminarily, the complete closure of the Humen Port Branch Line of the Changhu Expressway has a slightly positive impact on the GS Superhighway.



<sup>^</sup> Excluding tax

# Business Review

## GZ West Superhighway

The GZ West Superhighway is the expressway artery between the city centres of Guangzhou and Zhuhai, and offers access to the HZM Bridge. The GDP of Guangzhou, Foshan, Zhongshan and Zhuhai, the cities along the expressway, rose 2.5%, 1.7%, 4.5% and 4.9% YoY respectively in the first half of 2024. As the economy maintained growth, the operating performance of the GZ West Superhighway also remained stable. In the first half of 2024, the total toll revenue was approximately RMB623 million, the average daily toll revenue and average daily mixed traffic increased by 0.6% and decreased by 3% YoY to approximately RMB3.43 million and 253,000 vehicles respectively. Toll revenue increased slightly during the first half of 2024 was mainly due to Holiday Toll-free Policy for small passenger vehicles with 7 seats or less was implemented for 17 days during the first half of 2024, an increase of 4 days as compared to the corresponding period of last year. Toll revenue and mixed traffic volume contributed by Class 1 vehicles accounts for 84.0% and 93.1% of the toll revenue and mixed traffic volume of the GZ West Superhighway respectively. The amount of tolls collected and traffic volume of vehicles using ETC payment cards accounted for approximately 67% and 66% of the toll revenue and traffic volume of the GZ West Superhighway respectively.

The Zhongshan section of the Zhongshan-Kaiping Expressway has opened to traffic in June 2024, connecting the Shenzhen-Zhongshan Channel in the east and the Jiangmen section of the Zhongshan-Kaiping Expressway in the west, and connects to the GZ West Superhighway at Kangle interchange. As observed preliminarily, the opening of the Zhongshan section of the Zhongshan-Kaiping Expressway and the Shenzhen-Zhongshan Channel, has resulted in a slight positive impact on the GZ West Superhighway.



<sup>^</sup> Excluding tax

## Coastal Expressway (Shenzhen Section)

Coastal Expressway (Shenzhen Section) is the Shenzhen section of Guangshen Coastal Expressway, and its phase I extends from Dongbao River, the boundary between Dongguan and Shenzhen, to Nanshan District, Shenzhen and connects with Hong Kong-Shenzhen Western Corridor in the south. It is the main passageway for the three port areas of Shekou, Chiwan and Dachan Bay in the west of Shenzhen. Its phase II is a connecting lane on the Shenzhen side of Shenzhen-Zhongshan Channel, which connects the Jihe Expressway in the east and the Shenzhen-Zhongshan Channel in the west and has opened to traffic simultaneously with Shenzhen-Zhongshan Channel in June 2024.

In the first half of 2024, the total toll revenue of the Coastal Expressway (Shenzhen Section) was approximately RMB305 million. The average daily toll revenue and average daily mixed traffic increased by 2% and decreased by 1% YoY to approximately RMB1.67 million and 180,000 vehicles respectively. Toll revenue and mixed traffic volume contributed by Class 1 vehicles accounted for 61.6% and 86.4% of the toll revenue and mixed traffic volume of the Coastal Expressway (Shenzhen Section), respectively.

As observed preliminarily, subsequent to the opening of the Shenzhen-Zhongshan Channel and the Phase II of Coastal Expressway (Shenzhen Section), there is a positive impact on the overall operational performance of the Coastal Expressway (Shenzhen Section).



^ Excluding tax

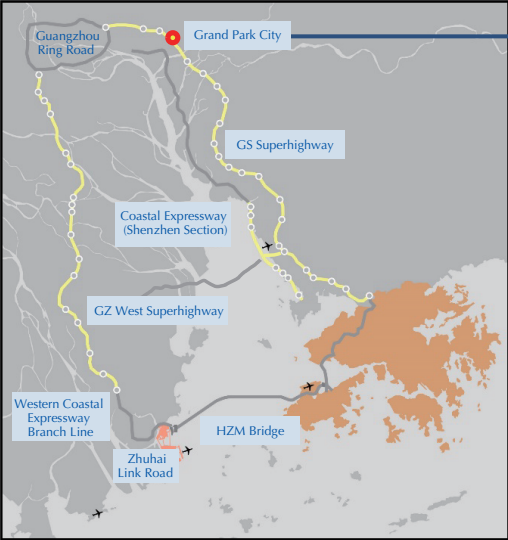
# Business Review

## Grand Park City

The Grand Park City Project consists of three phases. All 7 blocks of the first phase and 2 blocks of the second phase have been launched for pre-sale and it is expected that 2 other blocks of the second phase will be launched for pre-sale in the second half of 2024. During the period under review, contracted sales amounted to approximately RMB422 million, representing the average sales price of RMB20,000 per square metre. Since the beginning of pre-sale, the accumulated contracted sales amounted to approximately RMB3,669 million, representing the average sales price of RMB25,000 per square meter.

The construction of residential units has proceeded according to market conditions. All 7 blocks of the first phase started to deliver to buyers in the third quarter of 2023 and 3 blocks of the second phase is targeted to be delivered to buyers at the end of 2024.

### Location of Grand Park City



### **Beijing-Hong Kong-Macao Expressway (Guangzhou to Shenzhen Section) Reconstruction and Expansion Project**

The Beijing-Hong Kong-Macao Expressway (Guangzhou to Shenzhen Section) Reconstruction and Expansion Project is divided into two phases, namely, the reconstruction and expansion project of the Guangzhou Huocun to Dongguan Chang'an section of the Beijing-Hong Kong-Macao Expressway and Guangzhou Huangcun to Guangzhou Huocun section of the Guangzhou-Foshan Expressway and the reconstruction and expansion project of the Dongguan Chang'an to Shenzhen Huanggang section of the Beijing-Hong Kong-Macao Expressway. Among which, the reconstruction and expansion project of the Guangzhou Huocun to Dongguan Chang'an section of the Beijing-Hong Kong-Macao Expressway and Guangzhou Huangcun to Guangzhou Huocun section of the Guangzhou-Foshan Expressway was approved by the Guangdong Provincial Development and Reform Commission on 22 August 2023 and shall mainly adopt the integral section method expansion in dual directions to a total of 10 lanes, and has commenced construction gradually by the end of 2023, of which the civil engineering construction works in connection with the Construction Works Agreements (TJ2-TJ5 Bid Sections) has commenced in the first half of 2024.

The project will be invested and constructed by the GSZ Company and its total investment amount is currently estimated to be approximately RMB29.40 billion, of which approximately 25% is planned to be funded by the GSZ Company by way of capital contributions. The Group intends to undertake for not more than 50% of such capital contribution (expected to be not more than RMB3.70 billion). The Group will negotiate the capital contribution matters with Guangdong Highway Construction in due course. In the event the capital contribution matters are materialised, further approval procedures will be conducted and disclosures will be made as and when appropriate in compliance with the relevant requirements of the Listing Rules.

Besides, the revision of the feasibility report of the reconstruction and expansion project of the Dongguan Chang'an to Shenzhen Huanggang section of the Beijing-Hong Kong-Macao Expressway is completed and pending to the approval by relevant departments, specific investment terms have yet to be finalised.

## Potential Land Development and Utilisation of GS Superhighway

On 30 September 2022, GS JV entered into the Compensation Agreement with Land Reserve Centre and the Representatives in relations to land resumption along Luogang interchange, pursuant to which GS JV agreed to surrender land use rights of the Resumed Land together with the Attached Buildings to Land Reserve Centre in consideration of approximately RMB317.0 million. Thereafter, the Huangpu District of Guangzhou Municipal Planning and Natural Resources Bureau issued a notice on 20 October 2022, that the detailed planning modification of the land parcels along Luogang interchange has been approved and the Luogang interchange will be transformed to vacate land for residential development (inclusive of commercial use). Currently, the Company maintains active communications with Guangdong Highway Construction, aiming to seize opportunities and release the value of land along the GS Superhighway to achieve substantial investment returns.

Meanwhile, the Company and Guangdong Highway Construction are promoting the studies on the planning that integrates the expansion with land development of Dongguan section and Shenzhen section; in particular, Machong interchange, Chang'an interchange and Tongle interchange will be the key projects for study on feasibility in the next stage, and will further communicate with relevant government authorities proactively.

# Financial Review

The Group's unaudited interim results for the six months ended 30 June 2024 were as follows:

RMB million	2024					2023				
	Revenue	EBITDA	Depreciation and amortisation	Interest and tax	Results	Revenue	EBITDA	Depreciation and amortisation	Interest and tax	Results
Group's share project contributions:										
<b>Toll expressway projects</b>										
— Coastal Expressway (Shenzhen Section) (100% shared)	305	257	(117)	(35)	105	296	251	(110)	(38)	103
— GS Superhighway <sup>Note 1</sup> (45% shared)	631	601	(227)	(141)	233	626	539	(267)	(116)	156
— GZ West Superhighway (50% shared)	312	265	(137)	(63)	65	308	264	(126)	(67)	71
<b>Sub-total</b>	<b>1,248</b>	<b>1,123</b>	<b>(481)</b>	<b>(239)</b>	<b>403</b>	<b>1,230</b>	<b>1,054</b>	<b>(503)</b>	<b>(221)</b>	<b>330</b>
<b>Land development and utilisation project</b>										
— Xintang Interchange Project (15% shared)	23	0	(0)	0	(0)	30	7	(1)	(5)	1
<b>Total</b>	<b>1,271</b>	<b>1,123</b>	<b>(481)</b>	<b>(239)</b>	<b>403</b>	<b>1,260</b>	<b>1,061</b>	<b>(504)</b>	<b>(226)</b>	<b>331</b>
YoY change	1%	6%	-5%	6%	22%					
Corporate:										
Interest income from bank deposits					6					4
Investment income from structured deposits					2					4
Interest income from loans made by the Group to a joint venture					-					4
Other income and other gain					3					11
Administrative expenses and depreciation					(16)					(25)
Finance costs					(87)					(76)
Income tax					2					-
Net exchange loss (net of related income tax)					(17)					(28)
<b>Profit for the period</b>					<b>296</b>					<b>225</b>
Profit for the period attributable to non-controlling interests <sup>Note 2</sup>					(55)					(53)
<b>Profit for the period attributable to equity shareholders of the Company</b>					<b>241</b>					<b>172</b>
<b>YoY change</b>					<b>40%</b>					

Note 1: Excluding exchange differences on HK Dollar loans, and related income tax.

Note 2: It mainly comprised 49% of the results of the Coastal Expressway (Shenzhen Section).



# Financial Review

## Toll Expressway Projects

The Group's share of net toll revenue of the expressway projects namely Coastal Expressway (Shenzhen Section) operated by a non-wholly owned subsidiary and the GS Superhighway and the GZ West Superhighway operated by two joint ventures increased by 1% to approximately RMB1,248 million from approximately RMB1,230 million for the corresponding period of last year, of which the net toll revenue of the Coastal Expressway (Shenzhen Section) increased by 3% to approximately RMB305 million from approximately RMB296 million for the corresponding period of last year; the net toll revenue of the GS Superhighway increased by 1% to approximately RMB631 million from approximately RMB626 million for the corresponding period of last year; the net toll revenue of the GZ West Superhighway increased by 1% to approximately RMB312 million from approximately RMB308 million for the corresponding period of last year. The slight increase in toll revenue was mainly due to the combined impact of economic growth and the Holiday Toll-free Policy for small passenger vehicles with 7 seats or less implemented for 4 more days as compared to the corresponding period of last year.

As a result of the slight increase in toll revenue, the asset compensation recognised by the GS JV during the period under review, and the share of resurfacing obligations of the GS JV was accrued since the end of 2023, the Group's share of aggregate EBITDA of its three toll expressways (excluding net exchange differences on the GS JV's HK Dollar denominated loans) increased by 7% to approximately RMB1,123 million from approximately RMB1,054 million for the corresponding period of last year. The Group's EBITDA of the Coastal Expressway (Shenzhen Section) increased by 2% to approximately RMB257 million from approximately RMB251 million for the corresponding period of last year; the Group's share of EBITDA of the GS Superhighway increased by 12% to approximately RMB601 million from approximately RMB539 million for the corresponding period of last year; the Group's share of EBITDA of the GZ West Superhighway increased slightly to approximately RMB265 million from approximately RMB264 million for the corresponding period of last year.

As a result of the steady growth of the actual full-length equivalent traffic (including tolled and toll-free) of the Coastal Expressway (Shenzhen Section) during the period under review, the Group's depreciation and amortisation charges of the Coastal Expressway (Shenzhen Section) amounted to approximately RMB117 million, representing an increase of 6% from approximately RMB110 million for the corresponding period of last year. As a result of the adjustment of the units-of-usage basis of amortisation in 2023, the Group's share of depreciation and amortisation charges of the GS Superhighway amounted to approximately RMB227 million, representing a decrease of 15% from approximately RMB267 million for the corresponding period of last year. The Group's share of depreciation and amortisation charges of the GZ West Superhighway amounted to approximately RMB137 million, representing an increase of 9% from approximately RMB126 million for the corresponding period of last year. Overall, the Group's share of aggregate depreciation and amortisation charges of the three toll expressways amounted to approximately RMB481 million, representing a decrease of 4% from approximately RMB503 million for the corresponding period of last year.

## Financial Review

During the period under review, the bank loans of the GS JV was mainly denominated in HK Dollar, as affected by the increase in the interest rate of Hong Kong Dollar loans, and the decrease in outstanding loan principal, the Group's share of interest expenses of the GS JV decreased by 3% to approximately RMB31 million from approximately RMB32 million for the corresponding period of last year. As benefited from the decline in the RMB denominated loan prime rate, and the decrease in outstanding loan principal, there was a reduction in interest expenses of the GZ West JV. The Group's share of interest expenses of the GZ West JV decreased by 16% to approximately RMB31 million from approximately RMB37 million for the corresponding period of last year. The applicable PRC EIT rate for the Coastal Company, the GS JV and the GZ West JV is 25%. With the increase in toll revenue, the tax expenses of the Coastal Company for the period under review increased by 3% to approximately RMB35 million from approximately RMB34 million for the corresponding period of last year. As a result of the adjustment of the units-of-usage basis of amortisation, the Group's share of tax expenses of the GS JV increased by 31% to approximately RMB110 million from approximately RMB84 million for the corresponding period of last year. Meanwhile, the Group's share of tax expenses of the GZ West JV increased by 7% to approximately RMB32 million from approximately RMB30 million for the corresponding period of last year. Overall, the Group's share of interest and tax expenses of the Coastal Company and the two joint ventures in aggregate increased by 8% to approximately RMB239 million from approximately RMB221 million for the corresponding period of last year.

During the period under review, the Group's net profit of the Coastal Expressway (Shenzhen Section) was approximately RMB105 million, representing an increase of 2% as compared to a net profit of approximately RMB103 million for the corresponding period of last year; the Group's share of net profit of the GS JV was approximately RMB233 million, representing an increase of 49% as compared to a net profit of approximately RMB156 million for the corresponding period of last year; the Group's share of net profit of the GZ West JV was approximately RMB65 million, representing an decrease of 8% as compared to a net profit of approximately RMB71 million for the corresponding period of last year. The Group's share of aggregate net profit of the three expressway projects (excluding net exchange differences on the GS JV's HK Dollar denominated loans) was approximately RMB403 million, representing an increase of 22% as compared to a net profit of approximately RMB330 million for the corresponding period of last year.

# Financial Review

## Land Development and Utilisation Project

The Group (through Shenwan Infrastructure) holds 15% of equity interest in the Xintang JV. In order to meet the relevant bank financing requirements in Chinese Mainland, on 30 June 2021, the Xintang JV increased its registered capital from RMB10 million to RMB3.04 billion through a debt-for-equity swap on the existing shareholder's loans, and the shareholder's loans contributed by the shareholders of the Xintang JV accordingly decreased from approximately RMB4,983 million to approximately RMB1,953 million; the registered capital contributed by the Group (through Shenwan Infrastructure) increased from RMB1.50 million to approximately RMB456 million based on its shareholding percentage, and all the shareholder's loans had been fully repaid in 2023. Residential units of the first phase of Grand Park City were delivered to buyers in 2023 as scheduled. Certain residential units of the second phase of Grand Park City are expected to deliver to buyers in the second half of this year, and no profit contribution was recorded during the period under review.

## Corporate

The aggregate amount of the corporate's interest income from bank deposits and investment income from structured deposits was approximately RMB8 million, remained flat as compared to corresponding period of last year. As set out in the paragraph under the "Land Development and Utilisation Project", Xintang JV further repaid shareholder's loans to each shareholder based on their respective shareholding percentage, and the Group's shareholder's loans to Xintang JV have been fully repaid in 2023, the interest income of loans to a JV decreased to nil from approximately RMB4 million for the corresponding period of last year.

The interest expense of bank loans during the period under review increased by 14% to approximately RMB87 million from approximately RMB76 million for the corresponding period of last year, which was mainly due to the increase in the interest rate of Hong Kong Dollar loans in rate hike cycle during the period under review.

Affected by the depreciation of RMB during the period under review, the net exchange loss (including the Group's share of exchange loss on the HK Dollar denominated loans of the GS JV) amounted to approximately RMB17 million was recorded, as compared to the net exchange loss of RMB28 million recorded for the corresponding period of last year.

Overall, the profit for the period attributable to equity shareholders of the Company amounted to approximately RMB241 million, representing an increase of 40% from approximately RMB172 million as compared to the corresponding period of last year.

## Outlook

Due to factors affecting in the short term, such as the reverse in resurfacing obligations of the GS JV shared by the Group in 2023, the Group's annual performance is expected to have adverse YoY changes. With the macro environment in Chinese Mainland expected to be generally steady and stable growth of social transportation volume in Chinese Mainland, the economic growth of the cities along the expressways will have a positive impact on the subsidiaries and joint ventures, and the Group believes that the stable core business of the Coastal Expressway (Shenzhen Section), the GS Superhighway and the GZ West Superhighway will continue to support the Group's future performance enhancement. In the long run, the Group remains cautiously optimistic about its future performance.

As the economic growth of Chinese Mainland tends to be stable, the financial situation of the Group remains robust. The Board believes that the Group's full-year regular dividend payout ratio target of 100% on recurring income will be maintained.

## Financing of the Group

According to the JV agreement, the supplemental agreements and the latest JV articles of the Xintang JV, the maximum total amount to be contributed (whether by way of registered capital, shareholders' loans, shareholders' guarantee and any amount of other nature) by the shareholders of the Xintang JV for the investment in the project (through the Xintang JV) is RMB6,800 million ("Total Upper Limit"), among which, Shenwan Infrastructure will contribute the amounts up to RMB1,020 million based on its percentage of equity interest in the Xintang JV, representing 15% of the maximum total amount.

The Total Upper Limit was arrived with reference to the estimated cost of acquisition of the land use rights of the Project Land, the estimated costs of the ancillary works and other estimated costs and expenses in relation to the operation of the Xintang JV. It is intended that Shenwan Infrastructure's commitment of up to its respective limit will be satisfied by way of external financing and internal resources of the Group. The total investment amount of the Xintang JV is not bound by the Total Upper Limit. Xintang JV may arrange financing from banks or other third parties for the cost of development of the Project Land with the use of its own credit and assets.

The Group has duly made arrangement to meet the capital need of the Xintang JV. In 2023, Xintang JV further repaid shareholder's loans based on shareholding percentage, and paid off the bank financing which was guaranteed by the Group based on its shareholding. On 30 June 2024, the Group contributed approximately RMB456 million to the registered capital of Xintang JV.

# Financial Review

## Financial position

The financial position of the Group comprises assets and liabilities at the corporate level and the Coastal Company and the Group's share of assets and liabilities of the GS JV, the GZ West JV and the Xintang JV.

### Corporate

	30 June 2024 RMB million	31 December 2023 RMB million		30 June 2024 RMB million	31 December 2023 RMB million
Cash and cash equivalents	282	382	Bank loans	4,003	4,002
Structured deposits	100	320	Tax liabilities	76	66
Time deposit	369	204	Dividend payable	367	–
Dividend receivable	167	–	Other liabilities	29	50
Other assets	39	44			
	957	950		4,475	4,118
			Net liabilities of corporate	(3,518)	(3,168)

### Coastal Company

	30 June 2024 RMB million	31 December 2023 RMB million		30 June 2024 RMB million	31 December 2023 RMB million
Cash and cash equivalents	228	102	Bank loans	105	30
Restricted bank deposits	2	3	Other liabilities	321	470
Concession intangible assets	5,835	5,795			
Other assets	439	572			
	6,504	6,472		426	500
			Net assets of the Coastal Company	6,078	5,972

# Financial Review

## The Group's share of JVs

### GS JV (The Group's shared portion: 45%)

	30 June 2024 RMB million	31 December 2023 RMB million		30 June 2024 RMB million	31 December 2023 RMB million
Cash and cash equivalents	493	349	Bank loans		
Concession intangible assets	2,510	2,682	— HKD	800	911
Other assets	530	400	— RMB	276	276
			Other loan	13	12
			Other liabilities	666	685
	<b>3,533</b>	3,431		<b>1,755</b>	1,884
			Net assets of GS JV	<b>1,778</b>	1,547

### GZ West JV (The Group's shared portion: 50%)

	30 June 2024 RMB million	31 December 2023 RMB million		30 June 2024 RMB million	31 December 2023 RMB million
Cash and cash equivalents	249	229	Bank loans	1,790	1,956
Concession intangible assets	4,787	4,911	Other liabilities	595	434
Other assets	172	169			
	<b>5,208</b>	5,309		<b>2,385</b>	2,390
			Net assets of GZ West JV	<b>2,823</b>	2,919

## Financial Review

### Xintang JV (The Group's shared portion: 15%)

	30 June 2024 RMB million	31 December 2023 RMB million		30 June 2024 RMB million	31 December 2023 RMB million
Cash and cash equivalents	48	30	Bank loan	303	296
Inventories	777	775	Other liabilities	121	145
Other assets	32	69			
	<b>857</b>	874		<b>424</b>	441
			Net assets of Xintang JV	<b>433</b>	433

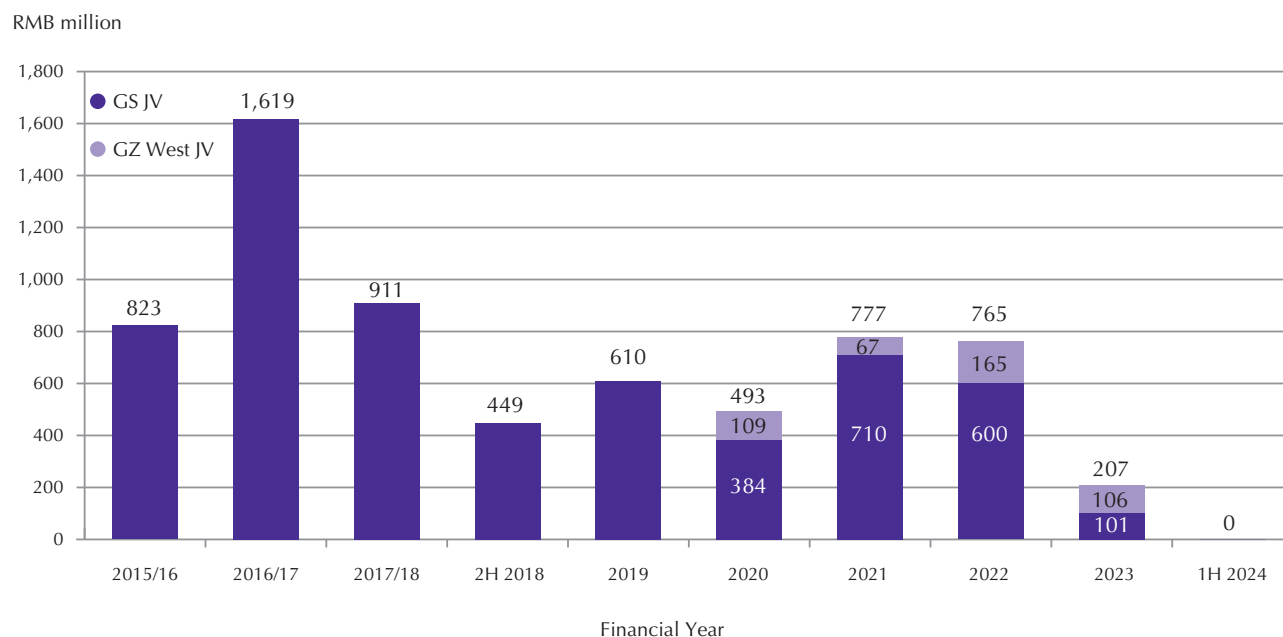
	30 June 2024 RMB million	31 December 2023 RMB million		30 June 2024 RMB million	31 December 2023 RMB million
			<b>Total liabilities</b>	<b>9,465</b>	9,333
			Equity attributable to equity shareholders of the Company	<b>4,586</b>	4,751
			Non-controlling interests	<b>3,008</b>	2,952
Total Assets	<b>17,059</b>	17,036	<b>Total Shareholder's Equity and Liabilities</b>	<b>17,059</b>	17,036
			<b>Total net assets</b>	<b>7,594</b>	7,703

	30 June 2024 RMB million	31 December 2023 RMB million
Total liabilities	<b>5,000</b>	4,710
Net debt <sup>Note</sup>	<b>3,127</b>	3,021
Total assets	<b>12,593</b>	12,413
Equity attributable to equity shareholders of the Company	<b>4,586</b>	4,751
Debt to asset ratio (Total liabilities/Total assets)	<b>40%</b>	38%
Gearing ratio (Net debt/Equity attributable to equity shareholders of the Company)	<b>68%</b>	64%

Note: Net debt is defined as total bank loans less total cash and cash equivalents, restricted bank deposits, structured deposits and time deposit.

## Liquidity and Financial Resources

### Cash Dividends (Net of Tax) from JVs to the Group



In April 2024, the GZ West JV announced that it would distribute profits for the year 2023. The Group expects to receive cash dividend (after deducting withholding tax) of approximately RMB158 million.

### Bank and Other Borrowings

As at 30 June 2024, the Group (including the Coastal Company) had HK Dollar bank loan of equivalent to approximately RMB2,151 million and RMB bank loan of approximately RMB1,957 million, together with the bank and other borrowings of the JVs shared by the Group amounted to approximately RMB3,182 million (including HK Dollar bank loan of equivalent to approximately RMB800 million, RMB bank loan of approximately RMB2,369 million and other loans of approximately RMB13 million), totalling approximately RMB7,290 million (31 December 2023: approximately RMB7,484 million) with the following profile:

- 99.8% (31 December 2023: 99.8%) consisted of bank loans and 0.2% (31 December 2023: 0.2%) of other loan; and
- 59.5% (31 December 2023: 59.7%) was denominated in RMB and 40.5% (31 December 2023: 40.3%) was denominated in HK Dollar.



# Financial Review

## Debt Maturity Profile

As at 30 June 2024, the maturity profile of the bank and other borrowings of the Group (including the corporate and the Coastal Company) and the Group's share of JVs were shown below, together with the corresponding comparatives as at 31 December 2023:

### Corporate

	30 June 2024		31 December 2023	
	RMB million	%	RMB million	%
Repayable within 1 year	1,905	48%	1,818	45%
Repayable between 1 and 5 years	1,848	46%	1,684	42%
Repayable beyond 5 years	250	6%	500	13%
	<b>4,003</b>	<b>100%</b>	4,002	100%

### Coastal Company

	30 June 2024		31 December 2023	
	RMB million	%	RMB million	%
Repayable within 1 year	8	8%	–	–
Repayable between 1 and 5 years	36	34%	8	28%
Repayable beyond 5 years	61	58%	22	72%
	<b>105</b>	<b>100%</b>	30	100%

### The Group's share of JVs

	30 June 2024		31 December 2023	
	RMB million	%	RMB million	%
Repayable within 1 year	638	20%	598	17%
Repayable between 1 and 5 years	1,826	57%	2,122	62%
Repayable beyond 5 years	718	23%	732	21%
	<b>3,182</b>	<b>100%</b>	3,452	100%

## Interest Rate and Exchange Rate Exposure

The Group closely monitors its exposure to interest rates and foreign currency exchange rates. At present, the Group and JVs have not employed any financial derivative instruments to hedge their exposure to interest rates or foreign currency exchange rates.

## Treasury Policies

The Group continues to adopt proactive but prudent treasury policies in its financial and funding management and closely monitors its liquidity, financial resources, interest rate and exchange rate movements, with a view to minimising its funding costs and enhancing return on its financial assets. The reasonable and efficient use of temporary idle funds will enhance the overall capital gain of the Group, which is consistent with the core objectives of the Group to ensure capital safety and liquidity, for example, the impact of risk factors on the expected rate of return of structured deposits with guaranteed principal is low, but the Group could get a higher return as compared with fixed term deposits in commercial banks in the PRC. As at 30 June 2024, 98% of the Group's bank balances and cash (including structured deposits) were denominated in RMB and the remaining 2% were denominated in HK Dollar. The overall treasury yield on bank deposits (including structured deposits) of the Group was 2.17% during the period under review whereas 2.44% during the corresponding period of 2023.

## Guarantee

As at 30 June 2024, the available banking facilities of the Group amounting to approximately RMB8,883 million (31 December 2023: approximately RMB7,232 million), in which the available banking facilities of the Company's subsidiaries amounting to approximately RMB5,183 million (31 December 2023: approximately RMB4,832 million), were guaranteed by the Company. The Company is able to control the utilisation of the facilities.

## Contingent Liability

The Group had no material contingent liability as at 30 June 2024.

## Material Acquisition or Disposal

The Company's subsidiaries and joint ventures did not make any material acquisitions or disposals during the six months ended 30 June 2024.

# Interim Dividend and Closure of Register

## Interim Dividend

On 23 August 2024, the Board declared an interim dividend of RMB7.80 cents per share (equivalent to HK8.522358 cents per share) in respect of the financial year ending 31 December 2024 to be paid on Friday, 8 November 2024 to the Shareholders registered as at 4:30 p.m. on Wednesday, 25 September 2024. This represents a payout ratio of 100% of the Group's profit attributable to equity shareholders of the Company for the six months period ended 30 June 2024. The interim dividend will be payable in cash in RMB, HK Dollars, or a combination of these currencies, at the exchange rate of RMB1:HK\$1.09261 as published by The People's Bank of China on 23 August 2024 and Shareholders have been given the option of electing to receive the interim dividend in either RMB, HK Dollars or a combination of RMB and HK Dollars.

To make the dividend election, Shareholders should complete the Dividend Election Form (if applicable) and return it to the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Wednesday, 16 October 2024. **If no dividend election is made by a Shareholder, such Shareholder will receive the interim dividend in HK Dollars, unless receipt of dividend in RMB has been previously elected.**

## Closure of Register

To ascertain the Shareholders' entitlement to the interim dividend, the register of members of the Company will be closed for one day on Wednesday, 25 September 2024. No transfer of shares of the Company will be effected on the aforementioned book-close date. To qualify for the interim dividend, all transfers of share ownership, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Tuesday, 24 September 2024.

## Other Information

### Review of Interim Results

The Audit Committee had reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed the financial reporting matters, including the Group's unaudited interim results for the six months ended 30 June 2024.

### Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2024, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of Part XV of the SFO or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules are set out as follows:

Long positions in ordinary Shares:

<b>Director</b>	<b>Number of ordinary Shares held</b>	<b>Approximate percentage to the issued Shares</b>	<b>Nature of interests</b>	<b>Capacity</b>
Siyang CHEN*	5,500	0.00018%	Personal interests	Beneficial owner
	86,500	0.00281%	Family interests	Interests of spouse

Long positions in ordinary shares of Shenzhen International, an associated corporation of the Company:

<b>Director</b>	<b>Number of ordinary shares and underlying shares<sup>(1)</sup> held</b>	<b>Approximate percentage to the issued shares of Shenzhen International</b>	<b>Nature of interests</b>	<b>Capacity</b>
Xiangwen LIAO*	851,520	0.035%	Family interests	Interests of spouse

## Other Information

Interests in share options of Shenzhen International, an associated corporation of the Company:

Director	Outstanding share options at 1/1/2024	Change during the year					Outstanding share options <sup>(1)</sup> at 30/6/2024	Exercise price per share HK\$	Nature of interests	Capacity
		Adjustment	Granted	Exercised	Lapsed	Expired				
Xiangwen LIAO*	830,000	-	-	-	-	-	830,000	5.37	Family interests	Interests of spouse

Note:

- (1) The share options under share option scheme were granted on 1 November 2023 and 40% of the share options granted shall be vested on 1 November 2025 and become exercisable from 1 November 2025 to 31 October 2028; 30% of the share options granted shall be vested on 1 November 2026 and become exercisable from 1 November 2026 to 31 October 2028 and 30% of the share options granted shall be vested on 1 November 2027 and become exercisable from 1 November 2027 to 31 October 2028.

Save as disclosed above, as at 30 June 2024, none of the Directors or the chief executives of the Company had any other interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

\* For identification purpose only

## Other Information

### Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2024, so far is known to the Directors, the interests or short positions of substantial shareholders of the Company (other than the Directors and the chief executives of the Company disclosed above) in the Shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO, were as follows:

Name	Capacity	Number of Shares	Approximate % of total number of issued Shares
Shenzhen Investment International Capital Holdings Infrastructure Co., Ltd ("SIICHIC") (深圳投控國際資本控股基建有限公司) (i)	Beneficial owner	2,213,449,666 (L)	71.83
Shenzhen Expressway Company Limited (now known as Shenzhen Expressway Corporation Limited) (深圳高速公路股份有限公司 (現稱深圳高速公路集團股份有限公司)) (i)	Interests of controlled corporation	2,213,449,666 (L)	71.83
Shenzhen International Holdings Limited (深圳國際控股有限公司) (i)	Interests of controlled corporation	2,213,449,666 (L)	71.83
Shenzhen Investment Holdings Co., Ltd (深圳市投資控股有限公司) (i)	Interests of controlled corporation	2,213,449,666 (L)	71.83
Golden Baycrest (BVI) Limited (ii)	Beneficial owner	305,087,338 (L)	9.90
China Vanke Co., Limited (萬科企業股份有限公司) (ii)	Interests of controlled corporation	305,087,338 (L)	9.90
CMF Global Quantitative Multi-Asset SPC — CMF Global Quantitative Stable SP (iii)	Trustee	291,207,411 (L)	9.45
China Taiping Life Insurance (Hong Kong) Company Limited (iii)	Beneficiary of a trust (other than a discretionary interest)	291,207,411 (L)	9.45
China Taiping Insurance Holdings Company Limited (iii)	Interests of controlled corporation	291,207,411 (L)	9.45

L: Long Position

## Other Information

Notes:

- (i) The 2,213,449,666 Shares were held by SIICHIC, an indirect wholly-owned subsidiary of Shenzhen Expressway which in turn was a subsidiary of Shenzhen International. Shenzhen International was indirectly owned as to 44.24% by SIHC. The interests of SIICHIC, Shenzhen Expressway, Shenzhen International and SIHC in the 2,213,449,666 Shares represented the same block of Shares and were deemed under the SFO to have same interests with each other.
- (ii) The 305,087,338 Shares were held by Golden Baycrest (BVI) Limited, an indirect wholly-owned subsidiary of China Vanke Co., Limited. The interests of Golden Baycrest (BVI) Limited and China Vanke Co., Limited in the 305,087,338 Shares represented the same block of Shares and were deemed under the SFO to have same interests with each other.
- (iii) China Taiping Life Insurance (Hong Kong) Company Limited is a direct wholly-owned subsidiary of China Taiping Insurance Holdings Company Limited which in turn is directly owned as to 53.23% by China Taiping Insurance Group (HK) Company Limited, 1.50% by Taiping Golden Win Investment Limited, 4.68% by Easiwell Limited and 1.84% by Manhold Limited. Taiping Golden Win Investment Limited, Easiwell Limited and Manhold Limited are wholly-owned by China Taiping Insurance Group (HK) Company Limited which in turn is a direct wholly-owned subsidiary of China Taiping Insurance Group Ltd. The interests of China Taiping Life Insurance (Hong Kong) Company Limited, China Taiping Insurance Holdings Company Limited and CMF Global Quantitative Multi-Asset SPC in the 291,207,411 Shares represented the same block of Shares.

Save as disclosed above, as at 30 June 2024, the Company had not been notified of any other interests or short positions representing 5% or more of the total number of issued Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

## Employees and Remuneration Policies

The Group provides competitive remuneration for its employees with reference to the prevailing market remuneration level and the performance of the employees. In addition, discretionary bonuses will be granted to employees based on their individual performance and the Group's business performance. The Group also provides employees with staff benefits such as retirement contribution scheme, medical insurance, provident fund contributions and labour union benefits. As at 30 June 2024, the Group (excluding JV companies) had 556 employees (including 494 employees from the Coastal Company).

Besides offering competitive remuneration packages, the Group is committed to promoting family-friendly employment policies and practises. The Group also invests in human resources development and through the provision of relevant mechanism and system construction and internal and external training to enhance the productivity of employees. During the first half of 2024, the Group designs training programmes through the "1+3+X Party Building Tasks" model ("1+3+X黨建攻堅任務"模式) to help employees continue to learn and develop, and to fill the skill gap shown in their performance appraisal. The overall training goal is to improve employees' personal productivity, establish employees' career development plans, and employees are provided with preparation for future positions, thereby promoting the successful development of the Group's business. Besides formal training programmes, the Group also provides comprehensive and relevant opportunities of training and further study to employees such as on-the-job training and the educational subsidies.

## Other Information

### Purchase, Sale or Redemption of Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2024.

### Corporate Governance Practices

The Company is committed to the principles of corporate governance and corporate responsibility consistent with prudent management. It is the belief of the Board that such commitment will in the long term serve to enhance shareholders' value. The Board has set up procedures on corporate governance that comply with the requirements of the CG Code.

During the period under review, the Company complied with all the code provisions as set out in the CG Code, except the following:

In respect of Code Provision F.2.2 under the CG Code, Mr. Xiangwen LIAO\*, the Chairman of the Board, did not attend the AGM due to other business commitments. Mr. Jianming WU\*, the Executive Director and the Executive General Manager of the Company, took the chair of the AGM according to the Company's articles of association. In order to ensure effective communication with the shareholders, the chairmen of the Audit Committee and Remuneration Committee of the Company, most of the other members of the Board and Board committees and the external auditor were present at the AGM to answer Shareholders' questions.

### Model Code for Securities Transactions

The Company has adopted the Model Code as its model code for securities transactions by the Directors' and employees' share dealing rules (the "Share Dealing Rules") on terms no less exacting than those set out in the Model Code for the relevant employees who are or may be in possession of inside information. Having made specific enquiry with all Directors and the relevant employees, all of them have confirmed that they have fully complied with the Model Code and the Share Dealing Rules respectively throughout the period under review.



## Other Information

### Change in Information of Director

Mr. Tony Chung Nin KAN, an independent non-executive Director, resigned as a non-executive director and the vice chairman of the board of directors of DBG Technology Co., Ltd., a company listed on Shenzhen Stock Exchange ChiNext (stock code: 300735), with effect from 23 April 2024.

Mr. Ji LIU\*, an executive Director, retired as the supervisor of Shenzhen Cereals Holdings Co., Ltd. (深圳市深糧控股股份有限公司) (a company listed on Shenzhen Stock Exchange (stock codes: A000019 and B200019)), with effect from 3 November 2023.

Save as disclosed above, upon specific enquiry made by the Company and following confirmations from Directors, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published annual report.

On behalf of the Board

**Xiangwen LIAO\***

*Chairman*

Hong Kong, 23 August 2024

\* *For identification purpose only*

# Review Report of Interim Financial Report



## To the board of directors of Shenzhen Investment Holdings Bay Area Development Company Limited

*(Incorporated in the Cayman Islands with limited liability)*

### Introduction

We have reviewed the interim financial report set out on pages 34 to 60 which comprises the consolidated statement of financial position of Shenzhen Investment Holdings Bay Area Development Company Limited (“the Company”) as of 30 June 2024 and the related consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of changes in equity and the condensed consolidated cash flow statement 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 an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim financial reporting*, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion 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 Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, 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.

# Review Report of Interim Financial Report

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2024 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim financial reporting*.

### **KPMG**

*Certified Public Accountants*

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

23 August 2024

# Consolidated Statement of Profit or Loss

for the six months ended 30 June 2024 — unaudited  
(Expressed in RMB)

	Notes	Six months ended 30 June	
		2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Revenue	4	447,874	444,125
Cost of sales		(307,213)	(304,220)
<b>Gross profit</b>		<b>140,661</b>	139,905
Other income	5	12,236	22,990
Other gain and loss		(10,702)	(5,735)
Administrative expenses		(15,651)	(24,454)
Finance costs	6(a)	(87,217)	(78,895)
Share of results of joint ventures	11	307,795	218,917
<b>Profit before tax</b>	6	<b>347,122</b>	272,728
Income tax	7	(50,716)	(47,589)
<b>Profit for the period</b>		<b>296,406</b>	225,139
<b>Attributable to:</b>			
Equity shareholders of the Company		240,618	171,744
Non-controlling interests		55,788	53,395
<b>Profit for the period</b>		<b>296,406</b>	225,139
<b>Earnings per share</b>	8		
Basic		RMB7.81 cents	RMB5.57 cents

The notes on pages 41 to 60 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 20.

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the six months ended 30 June 2024 — unaudited  
(Expressed in RMB)

	Six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
<b>Profit for the period</b>	<b>296,406</b>	225,139
<b>Other comprehensive income for the period (after tax):</b>		
Item that will not be reclassified to profit or loss:		
Fair value gain on investment in equity instrument at fair value through other comprehensive income ("FVOCI"), net of tax	<b>866</b>	–
Item that may be reclassified subsequently to profit or loss:		
Exchange loss arising on translation of foreign operations	<b>(50,913)</b>	(77,894)
<b>Other comprehensive income for the period</b>	<b>(50,047)</b>	(77,894)
<b>Total comprehensive income for the period</b>	<b>246,359</b>	147,245
<b>Attributable to:</b>		
Equity shareholders of the Company	<b>190,571</b>	93,850
Non-controlling interests	<b>55,788</b>	53,395
<b>Total comprehensive income for the period</b>	<b>246,359</b>	147,245

The notes on pages 41 to 60 form part of this interim financial report.

# Consolidated Statement of Financial Position

at 30 June 2024 — unaudited  
(Expressed in RMB)

	Notes	30 June 2024 (Unaudited) RMB'000	31 December 2023 (Audited) RMB'000
<b>Non-current assets</b>			
Property, plant and equipment	9	262,030	271,599
Right-of-use assets		9,243	12,984
Construction in progress		6,677	23,987
Concession intangible assets	10	5,835,234	5,795,148
Other intangible assets		17,172	2,545
Interests in joint ventures	11	5,132,205	4,990,898
Equity instrument at FVOCI	12	19,439	18,477
Deferred tax assets	19	82,348	116,979
Other non-current assets		978	–
		<b>11,365,326</b>	11,232,617
<b>Current assets</b>			
Inventories		264	212
Trade and other receivables	13	246,279	168,538
Structured deposits	14	100,450	320,372
Time deposits	15	368,930	204,393
Restricted bank deposits	16	2,025	3,434
Cash and cash equivalents	16	510,026	483,617
		<b>1,227,974</b>	1,180,566
<b>Total assets</b>		<b>12,593,300</b>	12,413,183
<b>Non-current liabilities</b>			
Lease liabilities		775	4,682
Bank loans	18	2,195,869	2,214,075
Deferred tax liabilities	19	174,656	158,537
		<b>2,371,300</b>	2,377,294

# Consolidated Statement of Financial Position

at 30 June 2024 — unaudited  
(Expressed in RMB)

	Notes	30 June 2024 (Unaudited) RMB'000	31 December 2023 (Audited) RMB'000
<b>Current liabilities</b>			
Trade and other payables	17	703,361	505,933
Lease liabilities		12,263	9,081
Bank loans	18	1,912,798	1,817,816
Tax payables		95	—
		<b>2,628,517</b>	2,332,830
<b>Total liabilities</b>		<b>4,999,817</b>	4,710,124
<b>Capital and reserves</b>			
Share capital	20(a)	270,603	270,603
Reserves		4,315,247	4,480,611
<b>Total equity attributable to equity shareholders of the Company</b>		<b>4,585,850</b>	4,751,214
<b>Non-controlling interests</b>		<b>3,007,633</b>	2,951,845
<b>Total equity</b>		<b>7,593,483</b>	7,703,059
<b>Total equity and liabilities</b>		<b>12,593,300</b>	12,413,183

Approved and authorised for issue by the board of directors on 23 August 2024.

**Xiangwen Liao**  
Chairman

**Jianming Wu**  
Director

The notes on pages 41 to 60 form part of this interim financial report.

# Consolidated Statement of Changes in Equity

for the six months ended 30 June 2024 — unaudited

(Expressed in RMB)

Note	Attributable to equity shareholders of the Company								Non-controlling interests	Total equity
	Share capital	Share premium	Statutory reserves	Investment revaluation reserve	Translation reserve	Capital reserve	Retained profits	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance at 1 January 2023</b>										
<b>(Audited)</b>	270,603	2,337,689	109,590	13,283	(438,308)	1,029,980	1,213,225	4,536,062	2,849,725	7,385,787
<b>Changes in equity for the six months ended 30 June 2023:</b>										
Exchange loss on translation of foreign operations	-	-	-	-	(77,894)	-	-	(77,894)	-	(77,894)
Profit for the period	-	-	-	-	-	-	171,744	171,744	53,395	225,139
<b>Total comprehensive income</b>	-	-	-	-	(77,894)	-	171,744	93,850	53,395	147,245
Dividends declared	20(b)	-	-	-	-	-	(100,155)	(100,155)	-	(100,155)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	(6,101)	(6,101)
<b>Balance at 30 June 2023 and 1 July 2023 (Unaudited)</b>	270,603	2,337,689	109,590	13,283	(516,202)	1,029,980	1,284,814	4,529,757	2,897,019	7,426,776
<b>Changes in equity for the six months ended 31 December 2023:</b>										
Fair value loss on investment in equity instrument at FVOCI, net of tax	-	-	-	(1,371)	-	-	-	(1,371)	-	(1,371)
Exchange gain on translation of foreign operations	-	-	-	-	37,123	-	-	37,123	-	37,123
Profit for the period	-	-	-	-	-	-	356,739	356,739	56,351	413,090
<b>Total comprehensive income</b>	-	-	-	(1,371)	37,123	-	356,739	392,491	56,351	448,842
Transfer between reserves		-	500	-	-	-	(500)	-	-	-
Dividends declared	20(b)	-	-	-	-	-	(171,034)	(171,034)	-	(171,034)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	(1,525)	(1,525)
<b>Balance at 31 December 2023 (Audited)</b>	270,603	2,337,689	110,090	11,912	(479,079)	1,029,980	1,470,019	4,751,214	2,951,845	7,703,059



# Consolidated Statement of Changes in Equity

for the six months ended 30 June 2024 — unaudited  
(Expressed in RMB)

	Note	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity	
		Share capital	Share premium	Statutory reserves	Investment revaluation reserve	Translation reserve	Capital reserve	Retained profits			
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
<b>Balance at 1 January 2024</b> <b>(Audited)</b>		270,603	2,337,689	110,090	11,912	(479,079)	1,029,980	1,470,019	4,751,214	2,951,845	7,703,059
<b>Changes in equity for the six months ended 30 June 2024:</b>											
Fair value gain on investment in equity instrument at FVOCI, net of tax		-	-	-	866	-	-	-	866	-	866
Exchange loss on translation of foreign operations		-	-	-	-	(50,913)	-	-	(50,913)	-	(50,913)
Profit for the period		-	-	-	-	-	-	240,618	240,618	55,788	296,406
Total comprehensive income		-	-	-	866	(50,913)	-	240,618	190,571	55,788	246,359
Dividends declared	20(b)	-	-	-	-	-	-	(355,935)	(355,935)	-	(355,935)
<b>Balance at 30 June 2024</b> <b>(Unaudited)</b>		270,603	2,337,689	110,090	12,778	(529,992)	1,029,980	1,354,702	4,585,850	3,007,633	7,593,483

The notes on pages 41 to 60 form part of this interim financial report.

# Condensed Consolidated Cash Flow Statement

for the six months ended 30 June 2024 — unaudited  
(Expressed in RMB)

	Six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
<b>Operating activities</b>		
Cash generated from operations	287,698	303,961
Tax paid	(33)	(2,259)
<b>Net cash generated from operating activities</b>	<b>287,665</b>	301,702
<b>Investing activities</b>		
Withdrawal of structured deposits	470,000	1,020,000
Increase in structured deposits	(250,000)	(570,000)
Increase in time deposits	(160,000)	(200,000)
Dividends received (net of PRC withholding tax)	–	182,205
Investment income received from structured deposits	2,471	5,540
Repayment of loan from a joint venture	–	210,000
Interest received	–	4,433
Payments for purchases of property, plant and equipment, construction in progress and intangible assets	(261,534)	(135,119)
Proceeds from disposal of property, plant and equipment	13	–
<b>Net cash (used in)/generated from investing activities</b>	<b>(199,050)</b>	517,059
<b>Financing activities</b>		
Proceeds from new bank loans	916,748	834,686
Repayments of bank loans	(890,779)	(884,186)
Interest paid on bank loans	(87,921)	(79,264)
Dividends paid to non-controlling interests of a subsidiary	–	(6,101)
Capital element of lease rentals paid	(1,074)	(1,483)
Interest element of lease rentals paid	(75)	(119)
Repayments of capital reduction to Shenzhen Expressway Corporation Limited (“Shenzhen Expressway”)	–	(158,635)
<b>Net cash used in financing activities</b>	<b>(63,101)</b>	(295,102)
<b>Net increase in cash and cash equivalents</b>	<b>25,514</b>	523,659
<b>Cash and cash equivalents at 1 January</b>	<b>483,617</b>	474,015
<b>Effect of foreign exchanges rates changes</b>	<b>895</b>	2,851
<b>Cash and cash equivalents at 30 June</b>	<b>510,026</b>	1,000,525

The notes on pages 41 to 60 form part of this interim financial report.

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 1 Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), including compliance with International Accounting Standard (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorised for issue on 23 August 2024.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2023 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2024 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2023 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”) and Interpretations (hereinafter collectively referred to as the “IFRS Accounting Standards”) issued by the IASB.

The interim financial report is unaudited, but has been reviewed by KPMG 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. KPMG’s independent review report to the Board of Directors is included on pages 32 to 33.

The financial information relating to the financial year ended 31 December 2023 that is included in the interim financial report as comparative information does not constitute the Company’s annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap.622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 1 Basis of preparation *(Continued)*

### Going concern assessment

The directors of the Company have, at the time of approving the interim financial report, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the interim financial report.

## 2 Changes in accounting policies

### New and amended IFRS Accounting Standards

The Group has applied the following amendments to IFRS Accounting Standards issued by the IASB to this interim financial report for the current accounting period:

- *Amendments to IAS 1, Presentation of financial statements: Classification of liabilities as current or non-current (“2020 amendments”)*
- *Amendments to IAS 1, Presentation of financial statements: Non-current liabilities with covenants (“2022 amendments”)*
- *Amendments to IFRS 16, Leases: Lease liability in a sale and leaseback*
- *Amendments to IAS 7, Statement of cash flows and IFRS 7, Financial Instruments: Disclosures: Supplier finance arrangements*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. The new and amended IFRS Accounting Standards has had no material impact on the Group’s financial statements for the current and prior periods.

# Notes to the Unaudited Interim Financial Report

*(Expressed in RMB unless otherwise indicated)*

## 3 Segment information

The Group's reportable and operating segments are determined based on information reported to the chief operating decision maker ("CODM") for the purpose of resource allocation and performance assessment.

Information reported to the CODM, including segment revenue, the Group's share of joint ventures' earnings before interest, tax, depreciation and amortisation and net exchange gain/loss ("EBITDA"), the Group's share of joint ventures' depreciation and amortisation including amortisation of additional cost of investments in joint ventures ("Depreciation and Amortisation"), the Group's share of joint ventures' interest and tax excluding tax on exchange gain/loss and including withholding tax on earnings distributed by joint ventures ("Interest and Tax"), and segment results. The CODM is more specifically focused on individual toll expressway project operated and managed by the Group's subsidiary, and individual toll expressway projects and land development and utilisation project operated and managed by the joint ventures. Accordingly, the Group's reporting and operating segments under IFRS 8 "Operating Segments" are therefore as follows:

- Coastal Expressway (Shenzhen Section) ("Coastal Expressway")
- Guangzhou — Shenzhen Superhighway ("GS Superhighway")
- Guangzhou — Zhuhai West Superhighway ("GZ West Superhighway")
- Xintang Interchange Project

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 3 Segment information (Continued)

Information regarding the above segments is reported below:

### Segment revenue and results

	Six months ended 30 June									
	2024					2023				
	Segment revenue RMB'000	EBITDA RMB'000	Depreciation and Amortisation RMB'000	Interest and Tax RMB'000	Segment results RMB'000	Segment revenue RMB'000	EBITDA RMB'000	Depreciation and Amortisation RMB'000	Interest and Tax RMB'000	Segment results RMB'000
<b>Toll expressway projects</b>										
<b>Subsidiary</b>										
— Coastal Expressway	304,672	257,041	(116,334)	(35,418)	105,289	296,296	250,729	(110,151)	(37,514)	103,064
<b>Joint ventures</b>										
— GS Superhighway	631,329	601,223	(227,175)	(141,446)	232,602	626,084	538,954	(267,116)	(116,093)	155,745
— GZ West Superhighway	311,637	265,271	(137,344)	(63,268)	64,659	308,222	263,846	(125,517)	(67,113)	71,216
	<b>1,247,638</b>	<b>1,123,535</b>	<b>(480,853)</b>	<b>(240,132)</b>	<b>402,550</b>	<b>1,230,602</b>	<b>1,053,529</b>	<b>(502,784)</b>	<b>(220,720)</b>	<b>330,025</b>
<b>Land development and utilisation project</b>										
<b>Joint venture</b>										
— Xintang Interchange Project	23,253	188	(407)	46	(173)	29,529	6,863	(85)	(5,406)	1,372
<b>Total</b>	<b>1,270,891</b>	<b>1,123,723</b>	<b>(481,260)</b>	<b>(240,086)</b>	<b>402,377</b>	<b>1,260,131</b>	<b>1,060,392</b>	<b>(502,869)</b>	<b>(226,126)</b>	<b>331,397</b>
Corporate interest income from bank deposits					6,561					3,728
Corporate investment income from structured deposits					2,549					4,100
Corporate interest income from loans made by the Group to a joint venture					—					3,818
Other income and other gain					2,893					10,893
Corporate administrative expenses and depreciation					(15,649)					(24,675)
Corporate finance costs					(87,217)					(75,736)
Corporate income tax					1,927					85
Net exchange loss (net of related income tax) (note)					(17,035)					(28,471)
<b>Profit for the period</b>					<b>296,406</b>					<b>225,139</b>
<b>Profit for the period attributable to non-controlling interests</b>					<b>(55,788)</b>					<b>(53,395)</b>
<b>Profit for the period attributable to equity shareholders of the Company</b>					<b>240,618</b>					<b>171,744</b>

Note: Net exchange loss (net of related income tax) is composed of the Group's share of the net exchange loss (net of related income tax) of a joint venture of RMB6,517,000 (six months ended 30 June 2023: RMB22,736,000) and the net exchange loss of the Group of RMB10,518,000 (six months ended 30 June 2023: RMB5,735,000).

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 3 Segment information (Continued)

The segment revenue includes the Group's toll revenue from the operation of Coastal Expressway and the Group's share of joint ventures' toll revenue from the operations of toll expressways in Chinese Mainland and revenue from sales of properties from land development and utilisation project in Chinese Mainland based on the profit-sharing ratios specified in the relevant joint venture agreements but excludes construction revenue. All of the segment revenue reported above is earned from external customers.

The reconciliation between the total revenue of reportable segment and the revenue of the Group is as follows:

	Six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Total reportable segment revenue	<b>1,270,891</b>	1,260,131
Exclusion of joint ventures' revenue	<b>(966,219)</b>	(963,835)
Construction revenue	<b>143,202</b>	147,829
The Group's revenue	<b>447,874</b>	444,125

The segment results represent (i) the Group's results from the operation of Coastal Expressway; (ii) the Group's share of joint ventures' results from the operations of toll expressways and land development and utilisation project in the PRC before net exchange gain/loss (net of related income tax) respectively based on the profit-sharing ratios or shareholding percentage specified in the relevant joint venture agreements; (iii) net of the withholding tax attributed to the dividend received from the joint ventures and deferred tax expenses recognised in respect of the undistributed earnings of the joint ventures; and (iv) amortisation of additional cost of investments in joint ventures. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 3 Segment information (Continued)

### Geographical information

The main operations of the Group and its joint ventures are located in Chinese Mainland. All of the Group and its joint ventures' revenue from external customers was generated from the services provided in Chinese Mainland. The non-current assets amounting to RMB7,076,000 (31 December 2023: RMB8,680,000) which are located in Hong Kong and the remaining balances are located in Chinese Mainland.

### Segment assets and liabilities

Segment assets and liabilities are not disclosed as they are not regularly provided to the CODM for the purpose of resource allocation and performance assessment.

### Information about major customers

No individual customer of the Group had contributed sales of over 10% of the total revenue of the Group for both periods.

## 4 Revenue

	Six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Toll revenue	304,672	296,296
Construction revenue	143,202	147,829
	<b>447,874</b>	444,125

Toll revenue is recognised in accordance with the amount received and receivable when a vehicle is passing through toll roads. During the construction period, the construction service provided by the Group shall be regarded as the performance obligations performed over time and the construction revenue shall be recognised by the completion percentage methods in accordance with the proportion of the incurred costs to estimated total costs.



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 5 Other income

	Six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Interest income on:		
— Bank deposits	6,784	4,151
— Amount due from a joint venture	—	3,818
Investment income from bank structured deposits	2,549	4,100
Dividend income from equity instrument at FVOCI	528	920
Other services income	2,302	9,392
Others	73	609
	<b>12,236</b>	22,990

## 6 Profit before taxation

Profit before taxation is arrived at after charging:

	Six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
<b>(a) Finance costs</b>		
Interest on bank loans	86,980	75,308
Interest on lease liabilities	237	428
Interest arising from payables to Shenzhen Expressway	—	3,159
	<b>87,217</b>	78,895
<b>(b) Other items</b>		
Depreciation of right-of-use assets	4,441	4,294
Depreciation of property, plant and equipment	10,994	11,259
Amortisation of concession intangible assets and other intangible assets	106,194	99,854
Net exchange loss	10,518	5,735

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 7 Income tax

Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Current tax		
— Corporate Income Tax	62	1,864
Deferred taxation	50,654	45,725
	50,716	47,589

No provision for Hong Kong Profits Tax has been made as there was no assessable profit derived from or arising in Hong Kong for both periods.

## 8 Earnings per share

The calculation of basic earnings per share attributable to ordinary shareholders of the Company is based on the following data:

	Six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Earnings for the purposes of basic earnings per share	240,618	171,744

	Six months ended 30 June	
	2024	2023
Number of ordinary shares for the purpose of basic earnings per share	3,081,690,283	3,081,690,283

There was no potential dilutive ordinary shares in issue during both periods and therefore no diluted earnings per share were presented.

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 9 Property, plant and equipment

Property, plant and equipment represent buildings, motor vehicles, furniture, fixtures and equipment and transportation equipment. During the six months ended 30 June 2024, the Group acquired items of property, plant and equipment with a cost of RMB1,461,000 (six months ended 30 June 2023: RMB4,031,000).

## 10 Concession intangible assets

	RMB'000
<b>Cost</b>	
As at 1 January 2023 (Audited)	9,617,461
Additions	157,976
As at 30 June 2023 (Unaudited)	9,775,437
As at 1 January 2024 (Audited)	<b>9,943,076</b>
Additions	<b>143,202</b>
As at 30 June 2024 (Unaudited)	<b>10,086,278</b>
<b>Accumulated amortisation and impairment losses</b>	
As at 1 January 2023 (Audited)	3,942,404
Charge for the period	99,440
As at 30 June 2023 (Unaudited)	4,041,844
As at 1 January 2024 (Audited)	<b>4,147,928</b>
Charge for the period	<b>103,116</b>
As at 30 June 2024 (Unaudited)	<b>4,251,044</b>
<b>Carrying amounts</b>	
As at 30 June 2023 (Unaudited)	5,733,593
As at 30 June 2024 (Unaudited)	<b>5,835,234</b>

As at 30 June 2024 and 31 December 2023, the concession intangible assets of Coastal Expressway are pledged to a bank to secure the bank facilities granted to Coastal Expressway.

Concession intangible assets represent the rights to operate Coastal Expressway granted by the relevant local government authorities in the PRC to the Coastal Company.

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 10 Concession intangible assets (Continued)

The period of rights to operate the toll is up to year 2038. According to the relevant governments' approval documents and the relevant regulations, the Coastal Company is responsible for the construction of the toll roads and the acquisition of the related facilities and equipment. The Coastal Company is also responsible for the operations and management, maintenance and overhaul of the toll roads during the approved operating period. The toll fees collected and collectible during the operating period are attributable to the Coastal Company. The relevant toll roads assets are required to be returned to the local government authorities when the operating rights periods expire without any consideration payable to the Coastal Company. According to the relevant regulations, the operating right is not renewable and the Coastal Company does not have any termination options.

The Coastal Company has set policies to execute internal review on the total projected traffic volume during the operating period of the concessions annually. The Coastal Company also appoints an independent professional traffic consultant to perform independent professional traffic studies every 3 to 5 years, or when material differences between actual traffic volume and projected traffic volume exist and then adjust the amortisation based on unit usage according to the revised total projected traffic volume, to ensure that the respective concession intangible assets would be fully amortised in the operating period.

Carrying amounts of concession intangible assets as at 30 June 2024 and 31 December 2023 are net of impairment loss of RMB2,638,235,000 recognised in 2017.

## 11 Interests in joint ventures

	2024 RMB'000	2023 RMB'000
At 1 January (Audited)	4,990,898	4,519,423
Share of results of joint ventures	307,795	218,917
Share of dividend distributed by a joint venture	(166,488)	–
At 30 June (Unaudited)	5,132,205	4,738,340

## 12 Equity instrument at FVOCI

The Group holds certain interest in an unlisted limited company established in Chinese Mainland, which directors have elected to designate the investment in equity instrument as at FVOCI as they believe that the investment is not held for trading and not expected to be sold in the foreseeable future.

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 13 Trade and other receivables

	<b>30 June 2024 (Unaudited) RMB'000</b>	31 December 2023 (Audited) RMB'000
Trade receivables	<b>71,453</b>	141,933
Dividend receivable from a joint venture	<b>166,488</b>	–
Deposits and prepayments	<b>3,696</b>	22,021
Others	<b>4,642</b>	4,584
	<b>174,826</b>	26,605
	<b>246,279</b>	168,538

As at 30 June 2024 and 31 December 2023, entire balances of trade receivables are pledged to a bank to secure bank facilities granted by the bank to a subsidiary.

The following is the ageing analysis of trade receivables presented based on the revenue recognition date:

	<b>30 June 2024 (Unaudited) RMB'000</b>	31 December 2023 (Audited) RMB'000
0–60 days	<b>32,061</b>	31,808
61–90 days	<b>11,464</b>	11,195
91–180 days	<b>27,928</b>	34,693
181–365 days	–	64,237
	<b>71,453</b>	141,933

As at 30 June 2024 and 31 December 2023, no trade receivable balance is past due. Included in the balance is an amount of RMB63,177,000 (31 December 2023: RMB134,814,000) relating to subsidies on toll fee from the government. The balances are to be settled within 60 days after the end of the fiscal year in which the balances are recognised.

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 14 Structured deposits

At 30 June 2024, the Group's structured deposits represent financial products issued by banks, with maturity of 90 days (31 December 2023: 70 days and 90 days) and expected returns at 2.65% (31 December 2023: 2.80% and 3.02%) per annum respectively.

## 15 Time deposits

Time deposits are deposit certificates issued by a bank in Chinese Mainland and bear fixed interest rates.

## 16 Cash and cash equivalents

	<b>30 June 2024 (Unaudited) RMB'000</b>	31 December 2023 (Audited) RMB'000
Cash at bank and in hand	<b>512,051</b>	487,051
Less: restricted bank deposits	<b>(2,025)</b>	(3,434)
	<b>510,026</b>	483,617

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 17 Trade and other payables

	<b>30 June 2024 (Unaudited) RMB'000</b>	31 December 2023 (Audited) RMB'000
Trade payables (note i)	<b>203,655</b>	199,674
Amount due to Shenzhen Expressway (note ii)	<b>10,790</b>	2,954
Amounts due to related parties (note ii)	<b>76,208</b>	75,815
Subsidies received from government (note iii)	–	143,289
Dividend payable	<b>366,535</b>	–
Deposits and retention payables	<b>5,133</b>	4,942
Accruals on maintenance expenses	<b>20,564</b>	35,358
Payroll payables	<b>8,006</b>	29,767
Others	<b>12,470</b>	14,134
	<b>703,361</b>	505,933

Notes:

- (i) The balance includes an amount of RMB39,380,000 payable to Shenzhen Expressway as at 30 June 2024 (31 December 2023: RMB36,129,000).
- (ii) The amounts are unsecured and repayable on demand.
- (iii) The amount as at 31 December 2023 represented unutilised portion of government subsidies received from Shenzhen Finance Bureau for the purpose of construction of phase two of the Coastal Expressway. During the six months ended 30 June 2024, the amount was fully used to pay for the construction of phase two of the Coastal Expressway.

The following is the ageing analysis of trade payables presented based on the recognition dates:

	<b>30 June 2024 (Unaudited) RMB'000</b>	31 December 2023 (Audited) RMB'000
Within 1 year	<b>43,095</b>	46,344
Over 1 year	<b>160,560</b>	153,330
	<b>203,655</b>	199,674

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 18 Bank loans

	<b>30 June 2024 (Unaudited) RMB'000</b>	31 December 2023 (Audited) RMB'000
Unpledged	<b>4,078,667</b>	4,001,891
Pledged (Note a)	<b>30,000</b>	30,000
	<b>4,108,667</b>	4,031,891

Note:

- (a) As at 30 June 2024 and 31 December 2023, the bank loan is pledged by the toll collection rights and the concession intangible assets of the Coastal Expressway of the Coastal Company.

Included in bank loans are amounts denominated in the following currency:

	<b>30 June 2024 (Unaudited) RMB'000</b>	31 December 2023 (Audited) RMB'000
HKD	<b>2,151,691</b>	2,100,707
RMB	<b>1,956,976</b>	1,931,184



# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 18 Bank loans (Continued)

	<b>30 June 2024 (Unaudited) RMB'000</b>	31 December 2023 (Audited) RMB'000
The borrowings are repayable as follows:		
Within one year	<b>1,912,798</b>	1,817,816
Within a period of more than one year but not exceeding two years	<b>807,135</b>	786,175
Within a period of more than two years but not exceeding five years	<b>1,076,677</b>	906,300
Over five years	<b>312,057</b>	521,600
	<b>4,108,667</b>	4,031,891
Less: Amounts due for settlement within one year (shown under current liabilities)	<b>(1,912,798)</b>	(1,817,816)
Amounts due for settlement after one year	<b>2,195,869</b>	2,214,075

As at 30 June 2024, variable rate HKD denominated bank loans carried interests are not higher than Hong Kong Interbank Offered Rate (“HIBOR”) plus 1.30% (31 December 2023: not higher than HIBOR plus 1.30%) per annum, and variable rate RMB denominated bank loans carried interests are not higher than Loan Prime Rate minus 0.85% (31 December 2023: not higher than Loan Prime Rate minus 1.30%) per annum.

## 19 Deferred tax assets/(liabilities)

Deferred tax assets represent those associated with the portion of accounting amortisation method exceeding tax amortisation method, impairment of concession intangible assets and deductible tax losses and accrued but not yet disbursed employee compensation.

Deferred tax liabilities represent those associated with fair value change on investment in equity instrument at FVOCI, the undistributed earnings of the joint ventures and a PRC subsidiary and dividends from a joint venture reinvested.

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 20 Capital, reserves and dividends

### (a) Share capital

	Number of shares	Nominal amount HKD'000	
Ordinary shares of HKD0.1 each			
Authorised:			
As at 1 January 2023, 31 December 2023 and 30 June 2024	10,000,000,000	1,000,000	
<hr/>			
	Number of shares	Nominal amount Equivalent to HKD'000      RMB'000	
Issued and fully paid:			
As at 1 January 2023, 31 December 2023 and 30 June 2024	3,081,690,283	308,169	270,603

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 20 Capital, reserves and dividends (Continued)

### (b) Dividends

- (i) Dividends payable to equity shareholders attributable to the interim period

	<b>2024</b> <b>(Unaudited)</b> <b>RMB'000</b>	2023 (Unaudited) RMB'000
Interim dividend declared and paid after the interim period of RMB7.80 cents per share (equivalent to HK8.522358 cents per share) (2023: RMB5.55 cents per share (equivalent to HK6.043062 cents per share))	<b>240,372</b>	171,034

The interim dividend has not been recognised as a liability at the end of the reporting period.

On 23 August 2024, the board of directors of the Company have declared that an interim dividend in respect of the year ending 31 December 2024 of RMB7.80 cents (equivalent to HK8.522358 cents) per share amounting to approximately RMB240,372,000 (approximately HKD262,633,000) shall be paid to the equity shareholders of the Company whose names appear on the register of members on 25 September 2024.

- (ii) Dividends payable to equity shareholders attributable to the previous financial year approved during the interim period

	<b>Six months ended 30 June</b>	
	<b>2024</b> <b>(Unaudited)</b> <b>RMB'000</b>	2023 (Unaudited) RMB'000
Final dividend in respect of the previous financial year, approved and paid during the following interim period, of RMB11.55 cents per share (equivalent to HK12.724173 cents per share) (six months ended 30 June 2023: RMB3.25 cents per share (equivalent to HK3.688685 cents per share))	<b>355,935</b>	100,155

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 21 Fair value measurement of financial instruments

### Fair value of the Group's financial assets that are measured at fair value on a recurring basis

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in *IFRS 13, Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

Financial assets	30 June 2024 (Unaudited)	31 December 2023 (Audited)	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Equity instrument at FVOCI	<b>Unlisted equity investment: RMB19,439,000</b>	Unlisted equity investment: RMB18,477,000	Level 3	Market Approach	Price-to-book multiples of several comparable companies with average at 1.98 (31 December 2023: 1.98)	The higher the multiples, the higher the fair value
					Risk adjustment for a discount on lack of marketability at 32% (31 December 2023: 32%)	The higher the discount, the lower the fair value
Structured deposits	<b>RMB100,450,000</b>	RMB320,372,000	Level 3	Discounted cash flow	Potential return rate of 2.56% to 3.02% (31 December 2023: 2.80% to 3.50%) per annum	The higher the potential return rate, the lower the fair value

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 21 Fair value measurement of financial instruments (Continued)

### Reconciliation of Level 3 fair value measurements

	Equity instrument at FVOCI RMB'000	Structured deposits RMB'000
At 1 January 2023 (Audited)	20,000	451,440
Total gains:		
— in profit or loss	–	4,100
Purchase	–	570,000
Withdrawal	–	(1,020,000)
Interest received	–	(5,540)
At 30 June 2023 (Unaudited)	20,000	–
At 1 January 2024 (Audited)	<b>18,477</b>	<b>320,372</b>
Total gains:		
— in profit or loss	–	<b>2,549</b>
— in other comprehensive income	<b>866</b>	–
Purchase	–	<b>250,000</b>
Withdrawal	–	<b>(470,000)</b>
Interest received	–	<b>(2,471)</b>
Deferred tax	<b>96</b>	–
At 30 June 2024 (Unaudited)	<b>19,439</b>	<b>100,450</b>

The directors of the Company consider that the carrying amounts of the financial assets and financial liabilities recognised at amortised cost in the interim financial report approximate their fair values.

# Notes to the Unaudited Interim Financial Report

(Expressed in RMB unless otherwise indicated)

## 22 Capital commitments

Commitments outstanding at 30 June 2024 and 31 December 2023 that were contracted but not provided for in the interim financial report:

	<b>30 June 2024 (Unaudited) RMB'000</b>	31 December 2023 (Audited) RMB'000
Construction of expressway	<b>7,603</b>	294,839

## 23 Related party transactions

Other than as disclosed elsewhere in the interim financial report, the Group also entered into the following transactions with Shenzhen Expressway and its subsidiaries, as well as joint ventures of the Group during the six months ended 30 June 2024 and 2023:

	<b>Six months ended 30 June</b>	
	<b>2024 (Unaudited) RMB'000</b>	2023 (Unaudited) RMB'000
Maintenance expenses	<b>17,985</b>	16,284
Management fee expenses	<b>1,516</b>	1,454
Rental and services income	<b>2,315</b>	9,404
Guarantee income	–	531
Interest income	–	3,819
Construction costs	<b>8,808</b>	7,898

## 5-Year Financial Summary

The financial summary of the Group for the year ended 31 December 2020 to the six months ended 30 June 2024.

On 18 August 2022, the Company entered into a subscription agreement with Shenzhen Expressway, an intermediate holding company of the Company, pursuant to which Shenwan Infrastructure has conditionally agreed to inject RMB2,998 million to the Coastal Company to obtain 51% of the enlarged equity interest in the Coastal Company, and the remaining 49% continue to be held by Shenzhen Expressway upon completion. The Subscription was completed on 30 November 2022. The Coastal Company becomes an indirect non-wholly owned subsidiary of the Company.

The Subscription is accounted for as a business combination under common control as the Group and the Coastal Company are both controlled by SIHC before and after the Subscription and that control is not transitory. The results of the Group for the two years ended 31 December 2021 and 2022 were prepared as if the current group structure upon completion of the Subscription had been in existence throughout the two years ended 31 December in 2021 and 2022. The results for the year ended 31 December 2021 had been restated accordingly.

Restatement in respect of the business combination described above has not been made for the year ended 31 December 2020.

### Consolidated Results Prepared (RMB million)

	2020	2021	2022	2023	1H 2024
		(Restated)			
Share of results of joint ventures	295	656	354	691	308
Corporate results	(10)	162	(27)	(53)	(12)
Gain on partial disposal of a joint venture (net of tax)	409	–	–	–	–
Profit for the year/period	694	818	327	638	296
Attributable to:					
<b>Equity shareholders of the Company</b>	<b>689</b>	<b>711</b>	<b>279</b>	<b>528</b>	<b>241</b>
Non-controlling interests	5	107	48	110	55
<b>Profit for the year/period</b>	<b>694</b>	<b>818</b>	<b>327</b>	<b>638</b>	<b>296</b>

# 5-Year Financial Summary

## Segment Revenue and Results (RMB million)

	2020	2021	2022	2023	1H 2024
		(Restated)			
<b>Revenue</b>	<b>1,573</b>	<b>2,565</b>	<b>2,050</b>	<b>2,951</b>	<b>1,271</b>
Coastal Expressway (Shenzhen Section)	–	591	481	629	<b>305</b>
GS Superhighway	1,041	1,289	1,016	1,301	<b>631</b>
GZ West Superhighway	532	666	522	652	<b>312</b>
Xintang Interchange Project	–	19	31	369	<b>23</b>
<b>EBITDA</b>	<b>1,277</b>	<b>2,251</b>	<b>1,748</b>	<b>2,455</b>	<b>1,123</b>
Coastal Expressway (Shenzhen Section)	–	502	388	530	<b>257</b>
GS Superhighway <sup>(1)</sup>	860	1,194	941	1,339	<b>601</b>
GZ West Superhighway	418	560	412	525	<b>265</b>
Xintang Interchange Project	(1)	(5)	7	61	<b>0</b>
<b>Depreciation and amortisation</b>	<b>(693)</b>	<b>(926)</b>	<b>(808)</b>	<b>(1,032)</b>	<b>(481)</b>
Coastal Expressway (Shenzhen Section)	–	(220)	(181)	(227)	<b>(117)</b>
GS Superhighway	(450)	(469)	(426)	(536)	<b>(227)</b>
GZ West Superhighway	(243)	(237)	(201)	(269)	<b>(137)</b>
Xintang Interchange Project	–	(0)	(0)	(0)	<b>(0)</b>
<b>Interest and tax</b>	<b>(370)</b>	<b>(526)</b>	<b>(445)</b>	<b>(551)</b>	<b>(239)</b>
Coastal Expressway (Shenzhen Section)	–	(82)	(118)	(98)	<b>(35)</b>
GS Superhighway	(189)	(259)	(197)	(308)	<b>(141)</b>
GZ West Superhighway	(140)	(160)	(117)	(126)	<b>(63)</b>
Xintang Interchange Project	(41)	(25)	(13)	(19)	<b>0</b>
<b>Segment results <sup>(2)</sup></b>	<b>214</b>	<b>799</b>	<b>495</b>	<b>872</b>	<b>403</b>
Coastal Expressway (Shenzhen Section)	–	200	89	205	<b>105</b>
GS Superhighway	221	466	318	495	<b>233</b>
GZ West Superhighway	35	163	94	130	<b>65</b>
Xintang Interchange Project	(42)	(30)	(6)	42	<b>(0)</b>
<b>Segment corporate results <sup>(3)</sup></b>	<b>(2)</b>	<b>(6)</b>	<b>(79)</b>	<b>(212)</b>	<b>(90)</b>
Gain on partial disposal of a joint venture (net of tax)	409	–	–	–	<b>–</b>
Net exchange gain/(loss) (net of related income tax)	73	25	(89)	(22)	<b>(17)</b>
Profit for the year/period	694	818	327	638	<b>296</b>
Attributable to:					
<b>Equity shareholders of the Company</b>	<b>689</b>	<b>711</b>	<b>279</b>	<b>528</b>	<b>241</b>
Non-controlling interests	5	107	48	110	<b>55</b>
<b>Profit for the year/period</b>	<b>694</b>	<b>818</b>	<b>327</b>	<b>638</b>	<b>296</b>



## 5-Year Financial Summary

### Consolidated Statement of Financial Position Prepared (RMB million)

	As at 31 December				As at
	2020	2021 (Restated)	2022	2023	30 June 2024
Property, plant and equipment	2	313	290	272	262
Right-of-use assets	–	5	22	13	9
Concession intangible assets	–	5,527	5,675	5,795	5,835
Interests in joint ventures	4,674	4,971	4,519	4,991	5,132
Equity instrument at FVOCI	31	20	20	18	19
Deferred tax assets	–	303	211	117	82
Trade and other receivables	–	1,108	322	169	246
Amount due from a joint venture	350	264	210	–	–
Structured deposits	801	351	451	320	100
Time deposits	240	–	–	204	369
Restricted bank deposits	–	13	15	3	2
Cash and cash equivalents	519	1,860	474	484	510
Other assets	2	8	11	27	27
<b>Total assets</b>	<b>6,619</b>	<b>14,743</b>	<b>12,220</b>	<b>12,413</b>	<b>12,593</b>
Lease liabilities	–	5	23	14	13
Bank loans	1,078	1,936	3,957	4,032	4,109
Deferred tax liabilities	76	131	133	158	175
Trade and other payables	–	1,101	716	506	703
Tax payables	147	10	5	–	–
Interim dividend payable	306	–	–	–	–
Other liabilities	10	2	–	–	–
<b>Total liabilities</b>	<b>1,617</b>	<b>3,185</b>	<b>4,834</b>	<b>4,710</b>	<b>5,000</b>
Non-controlling interests	24	3,197	2,850	2,952	3,007
<b>Total equity attributable to equity shareholders of the Company</b>	<b>4,978</b>	<b>8,361</b>	<b>4,536</b>	<b>4,751</b>	<b>4,586</b>

## 5-Year Financial Summary

### Consolidated Statement of Cash Flows (RMB million)

	2020	2021 (Restated)	2022	2023	1H 2024
Net cash (used in)/generated from operating activities	(51)	(633)	87	468	<b>288</b>
Net cash (used in)/generated from investing activities					
— Increase in structured deposits	(800)	(1,045)	(1,468)	(1,290)	<b>(250)</b>
— Increase in time deposits	(240)	—	—	(200)	<b>(160)</b>
— Advance to a joint venture	(559)	(354)	—	—	—
— Proceeds on partial disposal of a joint venture	558	—	—	—	—
— Cash receipt from the disposal of loans to a joint venture and accrued interests	533	—	—	—	—
— Dividends received (net of PRC withholding tax)	495	777	603	391	—
— Repayment of loan from a joint venture	—	—	53	210	—
— Withdrawal of time deposit	—	240	—	—	—
— Withdrawal of structure deposits	—	1,495	1,368	1,420	<b>470</b>
— Increase in amount due from Shenzhen Expressway	—	(500)	—	—	—
— Payment for purchases of property, plant and equipment, construction in progress and intangible assets	—	—	(318)	(309)	<b>(262)</b>
— Others	(6)	112	72	12	<b>2</b>
Net cash generated from/(used in) financing activities					
— Proceeds from new bank loans	3,190	2,466	2,379	1,204	<b>917</b>
— Repayment of bank loans	(2,318)	(1,575)	(542)	(1,176)	<b>(891)</b>
— Dividends paid	(323)	(879)	(513)	(287)	—
— Increase in amounts due to other related parties	—	51	30	—	—
— Repayment of capital reduction to Shenzhen Expressway	—	—	(3,050)	(266)	—
— Others	(16)	(20)	(89)	(171)	<b>(89)</b>
Net increase in/(decrease) cash and cash equivalents	463	135	(1,388)	6	<b>25</b>
Cash and cash equivalents at the beginning of year/period	50	1,723	1,860	474	<b>484</b>
Effect of foreign exchanges rates changes	6	2	2	4	<b>1</b>
Cash and cash equivalents at the end of year/period	519	1,860	474	484	<b>510</b>
<b>Total cash and cash equivalents</b>	<b>519</b>	<b>1,860</b>	<b>474</b>	<b>484</b>	<b>510</b>

# 5-Year Financial Summary

## Per Share Basis

	2020	2021 (Restated)	2022	2023	<b>1H 2024</b>
Basic earnings per share (RMB cents)	22.35	23.09	9.04	17.15	<b>7.81</b>
Dividend per share (RMB cents)					
— Interim	–	9.30	5.75	5.55	<b>7.80</b>
— Special interim	10.00	–	–	–	–
— Final	9.10	10.45	3.25	11.55	–
Net asset value per share (RMB)	1.62	2.71	1.47	1.54	<b>1.49</b>
Regular dividend payout ratio <sup>(4)</sup>	100%	100%	100%	100%	<b>100%</b>

## Financial Ratios

	As at 31 December				<b>As at 30 June 2024</b>
	2020	2021 (Restated)	2022	2023	
Return on equity attributable to equity shareholders of the Company	14%	10%	7%	11%	<b>5%</b>
Debt to asset ratio (Total liabilities/Total assets)	24%	22%	40%	38%	<b>40%</b>
Gearing ratio (Net debt <sup>(5)</sup> /equity attributable to equity shareholders of the Company)	–	–	66%	64%	<b>68%</b>

Notes:

- (1) Excluding exchange differences and related income tax.
- (2) The segment results represent (i) the Group's share of results of joint ventures before exchange differences (net of related income tax) and net of withholding tax attributed to the dividend received from and the undistributed earnings of joint ventures; and (ii) Group's results from the operation of Coastal Expressway.
- (3) The segment corporate results represent the corporate results before corporate exchange differences and withholding tax attributed to the dividend received from and the undistributed earnings of joint ventures.
- (4) Excluding special dividend and impact of restatement.
- (5) Net debt is defined as total bank loans less total cash and cash equivalents, restricted bank deposits, structured deposits and time deposits.

## Glossary

“2015/16”	the year ended 30 June 2016
“2016/17”	the year ended 30 June 2017
“2017/18”	the year ended 30 June 2018
“2H 2018”	the six months ended 31 December 2018
“2019”	the year ended 31 December 2019
“2020”	the year ended 31 December 2020
“2021”	the year ended 31 December 2021
“2022”	the year ended 31 December 2022
“2023”	the year ended 31 December 2023
“1H 2023”	the six months ended 30 June 2023
“1H 2024”	the six months ended 30 June 2024
“AGM”	the annual general meeting convened on 21 May 2024 by the Company
“Audit Committee”	the audit committee of the Company
“Attached Buildings”	buildings constructed on the Resumed Land with an aggregated gross floor area of 13,785.70 square metres, as disclosed in the Company’s announcement dated 30 September 2022
“Beijing-Hong Kong-Macao Expressway (Guangzhou to Shenzhen Section) Reconstruction and Expansion Project”	the reconstruction and expansion project of the Guangzhou Huocun to Dongguan Chang’an section of the Beijing-Hong Kong-Macao Expressway and Guangzhou Huangcun to Guangzhou Huocun section of the Guangzhou-Foshan Expressway and the reconstruction and expansion project of the Dongguan Chang’an to Shenzhen Huanggang section of the Beijing-Hong Kong-Macao Expressway
“Board”	the board of Directors of the Company
“CG Code”	Corporate Governance Code contained in Appendix C1 to the Listing Rules
“Chinese Mainland”	the PRC, excluding Hong Kong and Macao
“Coastal Company”	Shenzhen Guangshen Coastal Expressway Investment Company Limited* (深圳市廣深沿江高速公路投資有限公司), a company incorporated in the PRC with limited liability, the equity interest of which is currently held as to 51% and 49% by the Company and Shenzhen Expressway respectively
“Coastal Expressway (Shenzhen Section)”	the Shenzhen section of Guangshen Coastal Expressway, which comprises of Coastal Phase I and Coastal Phase II

## Glossary

“Coastal Phase I”	Phase I of Coastal Expressway (Shenzhen Section), on the main line of Coastal Expressway (Shenzhen Section), the toll mileage is approximately 30.9 km and was opened to traffic on 28 December 2013
“Coastal Phase II”	Phase II of Coastal Expressway (Shenzhen Section) which includes two parts, being the construction of the interchange of the International Convention and Exhibition Center which was completed and opened to traffic in 2019 and the construction of the connection lane on the Shenzhen side of Shenzhen-Zhongshan Channel which has total length of approximately 5.7 km and was opened to traffic on 30 June 2024
“Company”	Shenzhen Investment Holdings Bay Area Development Company Limited (formerly known as Hopewell Highway Infrastructure Limited), a company incorporated in the Cayman Islands with limited liability
“Compensation Agreement”	The Compensation Agreement for Resumption of State owned Land Use Rights* (收回國有土地使用權補償合同) entered into among Land Reserve Centre, GS JV and the Representatives on 30 September 2022 in relation to the Land Resumption, as disclosed in the Company’s announcement dated 30 September 2022
“Construction Works Agreements (TJ2-TJ5 Bid Sections)”	the civil engineering construction works agreement (TJ2-TJ5 Bid Section) under the reconstruction and expansion project of the Guangzhou Huocun to Dongguan Chang’an section of the Beijing-Hong Kong-Macao Expressway and Guangzhou Huangcun to Huocun section of the Guangzhou-Foshan Expressway* (《京港澳高速公路廣州火村至東莞長安段及廣佛高速公路廣州黃村至火村段改擴建項目土建工程施工合同(第TJ2-TJ5標段)》) dated 3 April 2024, as disclosed in the Company’s announcement dated 3 April 2024 and the circular dated 25 April 2024
“Director(s)”	director(s) of the Company
“EBITDA”	earnings before interest, tax, depreciation and amortisation (before net exchange gain/loss)
“EIT”	enterprise income tax
“GDP”	gross domestic product
“GPCG”	Guangdong Provincial Communication Group Company Limited* (廣東省交通集團有限公司) and its subsidiaries collectively (including Guangdong Highway Construction)

## Glossary

“Greater Bay Area”	Guangdong-Hong Kong-Macao Greater Bay Area, a national development strategy of the PRC
“Guangdong Highway Construction”	Guangdong Provincial Highway Construction Company Limited* (廣東省公路建設有限公司), the PRC joint venture partner of GS Superhighway JV and a company established in the PRC with limited liability and a non wholly-owned subsidiary of Guangdong Provincial Communication Group Company Limited* (廣東省交通集團有限公司), being a state-owned enterprise established in the PRC
“Group”	the Company and its subsidiaries
“GS JV” or “GSZ Company”	Guangzhou-Shenzhen-Zhuhai Superhighway Company Limited, the joint venture established for the GS Superhighway
“GS Superhighway”	Guangzhou-Shenzhen Superhighway
“GZ West JV”	Guangdong Guangzhou-Zhuhai West Superhighway Company Limited, the joint venture company established for the GZ West Superhighway
“GZ West Superhighway”	Guangzhou-Zhuhai West Superhighway, also known as the Western Delta Route
“HK\$”, “HKD” or “HK Dollar(s)”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of the PRC
“HZM Bridge”	the Hong Kong-Zhuhai-Macao Bridge
“JV(s)”	joint venture(s)
“km”	kilometre(s)
“Land Reserve Centre”	Guangzhou Development District Land Development Reserve Exchange Centre* (廣州開發區土地開發儲備交易中心), a public institution in Guangzhou City, Guangdong Province, the PRC entrusted by Huangpu District Government to execute the Land Resumption, as disclosed in the Company’s announcement dated 30 September 2022
“Land Resumption”	the resumption of the land use rights of the Resumed Land and the Attached Buildings by Land Reserve Centre under the Compensation Agreement, as disclosed in the Company’s announcement dated 30 September 2022

## Glossary

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macao” or “Macao SAR”	the Macao Special Administrative Region of the PRC
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“net toll revenue”	toll revenue after related tax
“PRC”	the People’s Republic of China
“PRD”	Pearl River Delta
“Project Land”	the land (plot number: 83101203A19206) located at the Xintang interchange on both sides of the GS Superhighway, as disclosed in the Company’s announcement dated 29 November 2019
“Remuneration Committee”	the remuneration committee of the Company
“Representatives”	Guangzhou Huangpu District People’s Government Yunpu Street Office* (廣州市黃埔區人民政府雲埔街道辦事處) and Guangzhou Dongjin New District Development Co. Ltd.* (廣州東進新區開發有限公司), a limited company established in the PRC, as disclosed in the Company’s announcement dated 30 September 2022
“Resumed Land”	two land parcels located at the Luogang Interchange of Huangpu District of Guangzhou City, the PRC (i.e. in the Guangzhou section of the GS Superhighway) with an aggregated ascertained site area of 294,540.09 sq.m., as disclosed in the Company’s announcement dated 30 September 2022
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Shenwan Infrastructure”	Shenwan Bay Area Infrastructure (Shenzhen) Company Limited* (深灣基建(深圳)有限公司), a company established in the PRC with limited liability established by the Company for the purpose of investing into the Xintang JV

## Glossary

“Shenzhen Expressway”	Shenzhen Expressway Corporation Limited, a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00548) and the A shares of which are listed on the Shanghai Stock Exchange (Security Code: 600548)
“Shenzhen International”	Shenzhen International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00152)
“SIHC”	Shenzhen Investment Holdings Co., Ltd* (深圳市投資控股有限公司), incorporated in the PRC with limited liability, the ultimate controlling shareholder of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Total Upper Limit”	The maximum total amount of contribution (whether by way of registered capital, shareholders’ loans, or in any other nature) by all shareholders to Xintang JV shall not exceed RMB6.8 billion
“US”	the United States of America
“USD” or “US Dollar(s)”	United States Dollars, the lawful currency of the US
“Xintang Interchange Project”	the land development and utilisation project of Xintang JV, mainly Grand Park City residential project
“Xintang JV”	Guangzhou Zhentong Development Company Limited* (廣州臻通實業發展有限公司), a joint venture established in the PRC for the development of the Project Land. Shenwan Infrastructure currently holds 15% of equity interest in the Xintang JV
“YoY”	year-on-year



# Corporate Information

## Board of Directors

Mr. Xiangwen LIAO\*  
(Executive Director and Chairman)  
Mr. Jianming WU\*  
(Executive Director and Executive General Manager)  
Mr. Cheng WU\*  
(Executive Director and Deputy General Manager)  
Mr. Ji LIU\*  
(Executive Director, Deputy General Manager  
and secretary to the Board)  
Ms. Siyan CHEN\* (Non-executive Director)  
Mr. Xuan WANG\* (Non-executive Director)  
Mr. Yu Lung CHING  
(Independent Non-executive Director)  
Mr. Tony Chung Nin KAN SBS, JP  
(Independent Non-executive Director)  
Mr. Peng XUE\*  
(Independent Non-executive Director)

## Audit Committee

Mr. Yu Lung CHING (Chairman)  
Mr. Tony Chung Nin KAN SBS, JP  
Mr. Peng XUE\*

## Remuneration Committee

Mr. Tony Chung Nin KAN SBS, JP (Chairman)  
Mr. Yu Lung CHING  
Mr. Peng XUE\*

## Nomination Committee

Mr. Xiangwen LIAO\* (Chairman)  
Mr. Yu Lung CHING  
Mr. Tony Chung Nin KAN SBS, JP

## Company Secretary

Ms. Ching Fan KOO

## Solicitors

Loong & Yeung, Solicitors

## Auditor

KPMG  
Certified Public Accountants  
Public Interest Entity Auditor registered in  
accordance with the Accounting and  
Financial Reporting Council Ordinance

## Registered Office

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

## Principal Place of Business

Rooms 4902-4916, 49th Floor  
Sun Hung Kai Centre  
30 Harbour Road  
Wanchai, Hong Kong  
Fax: (852) 2861 0177  
Email: info@sihbay.com

## Listing Information

The Stock Exchange of Hong Kong Limited  
HKD-traded Ordinary Shares (Stock Code: 737)  
RMB-traded Ordinary Shares (Stock Code: 80737)

## Principal Bankers<sup>+</sup>

Agricultural Bank of China Limited  
Bank of China (Hong Kong) Limited  
Chong Hing Bank Limited  
CMB Wing Lung Bank Limited  
Industrial Bank Co., Ltd. Hong Kong Branch  
Ping An Bank Co., Ltd., Hong Kong Branch  
Shanghai Pudong Development Bank Co., Ltd.  
The Hongkong and Shanghai Banking  
Corporation Limited

<sup>+</sup> names are in alphabetical order

## Cayman Islands Share Registrar and Transfer Office

Maples Fund Services (Cayman) Limited  
P.O. Box 1093  
Boundary Hall  
Cricket Square  
Grand Cayman  
KY1-1102  
Cayman Islands

## Hong Kong Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor, Hopewell Centre  
183 Queen's Road East, Wan Chai, Hong Kong  
Tel: (852) 2862 8555  
Fax: (852) 2529 6087

## American Depositary Receipt

CUSIP No.	823219100
Trading Symbol	SIHBY
ADR to share ratio	1:10
Depositary Bank	Citibank, N.A., U.S.A.

## International Securities Identification Number

ISIN code (HKD counter) KYG8088A1168  
ISIN code (RMB counter) KYG8088A1085

## Investor Relations

Tel: (852) 2191 1622  
Fax: (852) 2861 0177  
Email: ir@sihbay.com

## Website

www.sihbay.com

\* For identification purpose only

## Financial Calendar

Interim dividend announcement	23 August 2024
Exchange rate determined for payment of interim dividend in Hong Kong Dollars	23 August 2024
Closure of register of members	25 September 2024
Deadline for submission of dividend election form	16 October 2024
Interim dividend payable <i><b>RMB7.80 or HK8.522358 cents per share</b></i>	8 November 2024

## **SHENZHEN INVESTMENT HOLDINGS BAY AREA DEVELOPMENT COMPANY LIMITED**

*(incorporated in the Cayman Islands with limited liability)*

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