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四川成渝高速公路股份有限公司
Sichuan Expressway Company Limited*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00107)

2024 ANNUAL RESULTS ANNOUNCEMENT

HIGHLIGHTS

- Net revenue decreased by approximately 11.51% to approximately RMB10,247,400,000
- Profit attributable to owners of the Company increased by approximately 21.72% to approximately RMB1,449,447,000
- Earnings per share increased by approximately 21.85% to approximately RMB0.474
- Proposed payment of 2024 final cash dividend of RMB0.29 (tax inclusive) (2023: RMB0.24 (tax inclusive)) per share

The Board announces the audited consolidated results of the Group for the year ended 31 December 2024, prepared in accordance with HKFRS Accounting Standards (as stated in details in note 2.1 to the consolidated financial statements), together with comparative figures for last year as follows (the data herein are presented in RMB except where otherwise indicated).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 31 December 2024

	<i>Notes</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Revenue	3,4	10,247,400	11,580,867
Cost of sales		<u>(7,136,407)</u>	<u>(8,731,743)</u>
Gross profit		3,110,993	2,849,124
Other income and gains	4	238,931	252,866
Administrative expenses and selling expenses		(604,216)	(608,255)
Net impairment losses on financial assets		(17,560)	–
Other expenses		<u>(42,241)</u>	<u>(32,741)</u>
Operating profit		2,685,907	2,460,994
Finance costs	5	(851,932)	(937,869)
Share of net profits of investments accounted for using the equity method:			
Joint ventures		882	7,523
Associates		<u>35,577</u>	<u>38,660</u>
Profit before income tax	6	1,870,434	1,569,308
Income tax expenses	7	<u>(330,909)</u>	<u>(302,540)</u>
Profit for the year		<u>1,539,525</u>	<u>1,266,768</u>
Profit is attributable to:			
– Owners of the Company		1,449,447	1,190,814
– Non-controlling interests		<u>90,078</u>	<u>75,954</u>
		<u>1,539,525</u>	<u>1,266,768</u>
Earnings per share for profit attributable to the ordinary equity holders of the Company			
Basic and diluted	8	<u>RMB0.474</u>	<u>RMB0.389</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For The Year Ended 31 December 2024

	<i>Notes</i>	2024 RMB'000	2023 <i>RMB'000</i>
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Changes in the fair value of designated equity investments at fair value through other comprehensive income		19,852	(5,464)
Income tax effect		(3,758)	1,095
		<hr/>	<hr/>
Total other comprehensive income for the year		16,094	(4,369)
		<hr/>	<hr/>
Total comprehensive income for the year		1,555,619	1,262,399
		<hr/> <hr/>	<hr/> <hr/>
Total comprehensive income for the year attributable to:			
Owners of the Company		1,465,201	1,186,499
Non-controlling interests		90,418	75,900
		<hr/>	<hr/>
		1,555,619	1,262,399
		<hr/> <hr/>	<hr/> <hr/>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

		2024	2023
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		1,119,891	991,823
Service concession arrangements	9	51,821,189	49,645,595
Right-of-use assets		237,876	278,395
Investments in joint ventures		27,811	27,287
Investments in associates		484,567	474,101
Equity investments designated at fair value through other comprehensive income		296,105	87,769
Financial assets at fair value through profit or loss		44,862	34,017
Trade and other receivables	10	1,269,159	1,539,212
Payments in advance		1,496,806	1,331,346
Deferred tax assets		109,675	112,259
Restricted deposits		133	128
		<hr/>	<hr/>
Total non-current assets		56,908,074	54,521,932
Current assets			
Inventories		29,867	119,821
Trade and other receivables	10	1,135,504	1,015,838
Financial assets at fair value through profit or loss		491	366
Cash and bank balances		2,957,256	1,982,830
Restricted deposits		839	–
		<hr/>	<hr/>
Total current assets		4,123,957	3,118,855
		<hr/>	<hr/>
Total assets		61,032,031	57,640,787

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

31 December 2024

		2024	2023
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
LIABILITIES			
Non-current liabilities			
Interest-bearing bank and other borrowings	12	35,835,207	34,393,017
Deferred tax liabilities		6,545	2,245
Deferred income		270,898	254,492
		<hr/>	<hr/>
Total non-current liabilities		36,112,650	34,649,754
		<hr/>	<hr/>
Current liabilities			
Tax payable		112,490	91,211
Trade and other payables	11	2,709,200	2,819,312
Contract liabilities		11,232	19,569
Interest-bearing bank and other borrowings	12	2,590,518	3,387,660
Dividend payable		315	–
		<hr/>	<hr/>
Total current liabilities		5,423,755	6,317,752
		<hr/>	<hr/>
Total liabilities		41,536,405	40,967,506
		<hr/>	<hr/>
EQUITY			
Issued capital	13	3,058,060	3,058,060
Reserves	14	15,346,110	12,615,258
Non-controlling interests		1,091,456	999,963
		<hr/>	<hr/>
Total equity		19,495,626	16,673,281
		<hr/>	<hr/>
Total equity and liabilities		61,032,031	57,640,787
		<hr/> <hr/>	<hr/> <hr/>

1 GENERAL INFORMATION

Sichuan Expressway Company Limited (the “**Company**”) is a limited liability company established in the People’s Republic of China (the “**PRC**”). The registered office of the Company is located at 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC. The Company was listed on the Main Board of the Stock Exchange of Hong Kong Limited on 7 October 1997 and on the Shanghai Stock Exchange on 27 July 2009, respectively.

The Company and its subsidiaries (the “**Group**”) was involved in the following principal activities:

- investment holding;
- construction, management and operation of expressways and a high-grade toll bridge;
- construction and operation of gas stations along expressways; and
- provision of charging services for electric vehicles.

In the opinion of the directors, Shudao Investment Group Company Limited (“**Shudao Investment**”) is the controlling shareholder of the Company, which is established in the PRC.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

2.1 Basis of preparation

(i) Compliance with HKFRS Accounting Standards and HKCO

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants and requirements of the Hong Kong Companies Ordinance Cap. 622. HKFRS Accounting Standards comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards,
- Hong Kong Accounting Standards, and
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants.

(ii) Going concern basis

As at 31 December 2024, the Group's current liabilities exceeded its current assets by approximately RMB1,299,798,000. In preparing the financial statements, the Board of directors has carried out a review over the Group's going concern ability based on its financial condition and operating results.

Taking into consideration the unutilised banking facilities, the Group's credit standing and history of cooperation with banks and other financial institutions, and the Group's expected cash flows for not less than 12 months starting from the period end of the financial statements, the directors believe that the Group will have sufficient source of financing to enable it to operate, as well as to meet its liabilities as and when they become due for the next 12 months from 31 December 2024. Accordingly, the directors of the Company consider it is appropriate to prepare consolidated financial statements on a going concern basis.

(iii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit and loss and certain equity investments at fair value through other comprehensive income.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies

(i) New and amended standards adopted by the Group

The Group has applied the following standards, amendments and interpretation for the first time for its annual reporting period commencing 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to HKAS 1;
- Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause – Hong Kong Interpretation 5 (Revised);
- Lease Liability in Sale and Leaseback – Amendments to HKFRS 16; and
- Supplier Finance Arrangements – Amendments to HKAS 7 and HKFRS 7.

The amendments and interpretation listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies (continued)

(ii) *New and amended standards and interpretations not yet adopted*

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below.

Standards, Amendments or Interpretations	Subject	Effective for annual periods beginning on or after
Amendments to HKAS 21	Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements	Annual Improvements to HKFRS Accounting Standards–Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate	To be determined
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

Management is currently assessing the detailed implications of applying HKFRS 18 on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss and other comprehensive income into the new categories will impact how operating profit is calculated and presented.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies (continued)

(ii) New and amended standards and interpretations not yet adopted (continued)

- The line items presented on the primary financial statements might change as a result of the application of the concept of ‘useful structured summary’ and the enhanced principles on aggregation and disaggregation.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there might be significant new disclosures required for:
 - (a) management-defined performance measures;
 - (b) a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss and other comprehensive income – this break-down is only required for certain nature expenses; and
 - (c) for the first annual period of application of HKFRS 18, a reconciliation for each line item in the statement of profit or loss and other comprehensive income between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

Except for the standard mentioned above, other standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

3 SEGMENT INFORMATION

3.1 Description of segments and principal activities

For management purposes, the Group is organised into business units based on their services and products and has six reportable operating segments as follows:

- the expressways segment comprises the operation of expressways and a high-grade toll bridge in Mainland China;
- the construction services segment comprises the provision of construction and upgrade services under the service concession arrangements and construction contracts;
- the transportation services segment comprises the provision of advertising services, the rental of properties along expressways, the operation of gas stations along expressways and the sale of oil products;
- the transportation logistics segment comprises the sale of commodity logistics trade business;
- the new energy technologies segment comprises the provision of charging services for electric vehicles and the sale of charger modules; and
- others segment mainly comprises financial investments.

3 SEGMENT INFORMATION (CONTINUED)

3.2 Segment information

Year ended 31 December 2024

	Expressways <i>RMB'000</i>	Construction Services <i>RMB'000</i>	Transportation Services <i>RMB'000</i>	Transportation Logistics <i>RMB'000</i>	New Energy Technologies <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue	4,777,135	2,805,834	2,266,635	283,740	114,056	-	10,247,400
Segment cost of sales	(1,962,142)	(2,802,514)	(2,014,860)	(273,818)	(83,071)	(2)	(7,136,407)
Segment results	2,038,436	64,348	198,379	8,979	30,225	37,688	2,378,055
<i>Reconciliation:</i>							
Net impairment losses on financial assets							(17,560)
Other expenses							(42,241)
Unallocated other income and gains							103,792
Unallocated administrative expenses and selling expenses							(551,612)
Profit before tax							1,870,434

Year ended 31 December 2023

	Expressways <i>RMB'000</i>	Construction Services <i>RMB'000</i>	Transportation Service <i>RMB'000</i>	Transportation Logistics <i>RMB'000</i>	New Energy Technologies <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue	4,721,287	4,116,160	1,959,766	718,809	64,845	-	11,580,867
Segment cost of sales	(2,155,866)	(4,108,886)	(1,704,839)	(700,602)	(61,550)	-	(8,731,743)
Segment results	1,742,689	4,666	198,650	52,502	3,046	34,316	2,035,869
<i>Reconciliation:</i>							
Other expenses							(32,741)
Unallocated other income and gains							119,120
Unallocated administrative expenses and selling expenses							(552,940)
Profit before tax							1,569,308

3 SEGMENT INFORMATION (CONTINUED)

3.2 Segment information (continued)

31 December 2024

	Expressways RMB'000	Construction Services RMB'000	Transportation Services RMB'000	Transportation Logistics RMB'000	New Energy Technologies RMB'000	Others RMB'000	Total RMB'000
Segment assets	54,336,677	1,898,658	338,275	326,472	367,116	355,472	57,622,670
<i>Reconciliation:</i>							
Equity investments designated at fair value through other comprehensive income							296,105
Financial assets at fair value through profit or loss							45,353
Deferred tax assets							109,675
Restricted deposits							972
Cash and bank balances (including time deposits)							2,957,256
Total assets							61,032,031
Segment liabilities	39,307,011	1,663,375	139,247	55,556	135,917	228,439	41,529,545
<i>Reconciliation:</i>							
Dividend payable							315
Deferred tax liabilities							6,545
Total liabilities							41,536,405
Other segment information							
For year ended							
31 December 2024							
Share of profits and losses of associates	12,121	-	-	(887)	-	24,343	35,577
Share of profits and losses of joint ventures	882	-	-	-	-	-	882
Finance costs – net	824,768	24,419	846	2	760	1,137	851,932
Depreciation and amortisation	1,216,459	5,652	30,457	612	19,373	332	1,272,885
Capital expenditure*	3,320,856	2,761	7,715	86,586	120,515	42	3,538,475
31 December 2024							
Investments in associates	70,762	-	-	71,920	-	341,885	484,567
Investments in joint ventures	27,811	-	-	-	-	-	27,811

* Capital expenditure consists of additions to service concession arrangements and property, plant and equipment.

3 SEGMENT INFORMATION (CONTINUED)

3.2 Segment information (continued)

31 December 2023

	Expressways RMB'000	Construction Services RMB'000	Transportation Services RMB'000	Transportation Logistics RMB'000	New Energy Technologies RMB'000	Others RMB'000	Total RMB'000
Segment assets	52,026,786	2,085,498	299,077	435,824	228,045	348,188	55,423,418
<i>Reconciliation:</i>							
Equity investments designated at fair value through other comprehensive income							87,769
Financial assets at fair value through profit or loss							34,383
Deferred tax assets							112,259
Restricted deposits							128
Cash and bank balances (including time deposits)							1,982,830
Total assets							57,640,787
Segment liabilities	39,064,874	1,573,637	111,502	75,025	115,153	25,070	40,965,261
<i>Reconciliation:</i>							
Deferred tax liabilities							2,245
Total liabilities							40,967,506
Other segment information							
For year ended							
31 December 2023							
Share of profits and losses of associates	12,228	-	-	372	-	26,060	38,660
Share of profits and losses of joint ventures	7,523	-	-	-	-	-	7,523
Finance costs – net	904,514	32,055	962	-	249	89	937,869
Depreciation and amortisation	1,286,118	6,476	13,310	490	9,006	309	1,315,709
Capital expenditure*	4,584,233	527	12,375	1,818	133,630	81	4,732,664
31 December 2023							
Investments in associates	70,870	-	-	73,140	-	330,091	474,101
Investments in joint ventures	27,287	-	-	-	-	-	27,287

* Capital expenditure consists of additions to service concession arrangements and property, plant and equipment.

3 SEGMENT INFORMATION (CONTINUED)

3.3 Geographical information

The Group is domiciled in Mainland China. All external revenues of the Group are generated in Mainland China. The Group's non-current assets are all located in Mainland China. Thus, no geographic segment information is presented.

3.4 Information about major customers

During the years ended 31 December 2024 and 2023, no revenue derived from a single customer accounted for 10% or more of the Group's total revenue.

4 REVENUE, OTHER INCOME AND GAINS

4.1 Disaggregated revenue information for revenue from contracts with customers

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from contracts with customers	10,192,344	11,543,947
Revenue from other sources:		
Gross rental income from operating leases	<u>55,056</u>	<u>36,920</u>
	<u>10,247,400</u>	<u>11,580,867</u>

4 REVENUE, OTHER INCOME AND GAINS (CONTINUED)

4.1 Disaggregated revenue information for revenue from contracts with customers (continued)

Year ended 31 December 2024

	Expressways <i>RMB'000</i>	Construction Services <i>RMB'000</i>	Transportation Services <i>RMB'000</i>	Transportation Logistics <i>RMB'000</i>	New Energy Technologies <i>RMB'000</i>	Total <i>RMB'000</i>
Types of goods or services						
Toll income	4,777,135	-	-	-	-	4,777,135
Construction services	-	2,805,834	-	-	-	2,805,834
Sale of products	-	-	2,135,083	283,740	52,398	2,471,221
Charging services for electric vehicles	-	-	-	-	47,832	47,832
Others	-	-	76,496	-	13,826	90,322
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue from contracts with customers	<u>4,777,135</u>	<u>2,805,834</u>	<u>2,211,579</u>	<u>283,740</u>	<u>114,056</u>	<u>10,192,344</u>
Timing of revenue recognition						
At a point in time	4,777,135	-	2,211,579	283,740	52,398	7,324,852
Over time	-	2,805,834	-	-	61,658	2,867,492
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue from contracts with customers	<u>4,777,135</u>	<u>2,805,834</u>	<u>2,211,579</u>	<u>283,740</u>	<u>114,056</u>	<u>10,192,344</u>

4 REVENUE, OTHER INCOME AND GAINS (CONTINUED)

4.1 Disaggregated revenue information for revenue from contracts with customers (continued)

Year ended 31 December 2023

	Expressways <i>RMB'000</i>	Construction Services <i>RMB'000</i>	Transportation Service <i>RMB'000</i>	Transportation Logistics <i>RMB'000</i>	New Energy Technologies <i>RMB'000</i>	Total <i>RMB'000</i>
Types of goods or services						
Toll income	4,721,287	-	-	-	-	4,721,287
Construction services	-	4,116,160	-	-	-	4,116,160
Sale of products	-	-	1,871,550	718,809	32,273	2,622,632
Charging services for electric vehicles	-	-	-	-	32,572	32,572
Others	-	-	51,296	-	-	51,296
	<u>4,721,287</u>	<u>4,116,160</u>	<u>1,922,846</u>	<u>718,809</u>	<u>64,845</u>	<u>11,543,947</u>
Total revenue from contracts with customers						
	<u>4,721,287</u>	<u>4,116,160</u>	<u>1,922,846</u>	<u>718,809</u>	<u>64,845</u>	<u>11,543,947</u>
Timing of revenue recognition						
At a point in time	4,721,287	-	1,922,846	718,809	64,845	7,427,787
Over time	-	4,116,160	-	-	-	4,116,160
	<u>4,721,287</u>	<u>4,116,160</u>	<u>1,922,846</u>	<u>718,809</u>	<u>64,845</u>	<u>11,543,947</u>
Total revenue from contracts with customers						
	<u>4,721,287</u>	<u>4,116,160</u>	<u>1,922,846</u>	<u>718,809</u>	<u>64,845</u>	<u>11,543,947</u>

4.2 Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in prior periods:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the year:		
Sale of products	14,338	7,496
Charging services for electric vehicles	5,231	1,640
	<u>19,569</u>	<u>9,136</u>

4 REVENUE, OTHER INCOME AND GAINS (CONTINUED)

4.3 Performance obligations

The following table shows unsatisfied performance obligations:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Amounts expected to be recognised as revenue:		
Within one year	2,474,920	3,887,838
After one year	3,206,253	5,263,648
	<u>5,681,173</u>	<u>9,151,486</u>

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to the provision of the construction and upgrade services, of which the performance obligations are to be satisfied within two to three years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

4 REVENUE, OTHER INCOME AND GAINS (CONTINUED)

4.4 Other income and gains

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<u>Other income</u>		
Interest income arising from construction contracts	85,447	29,303
Interest income from bank deposits	38,827	62,329
Interest income from funds under centralised management	–	115
Interest income from discontinuing long term compensation receivables	–	426
Interest income from loans to the controlling shareholder	–	28,475
Interest income from loans to a related party	–	1,868
Government grants*	43,208	36,058
Road compensation income	32,205	26,612
Dividend income from equity investments designated at fair value through other comprehensive income	6,492	7,612
Rental income from operating leases of other lease payments, including fixed payments	8,196	2,904
Dividend income from financial assets at fair value through profit or loss	25	27
Others	<u>13,561</u>	<u>10,828</u>
Total other income	<u>227,961</u>	<u>206,557</u>
<u>Other gains</u>		
Reversal of impairment losses on trade and other receivables	–	33,923
Fair value gain on financial assets at fair value through profit or loss	10,970	5,241
Gain on disposal of right-of-use assets	–	144
Gain on liquidation of an associate	–	7,001
Total other gains	<u>10,970</u>	<u>46,309</u>
Total other income and gains	<u><u>238,931</u></u>	<u><u>252,866</u></u>

* There were no unfulfilled conditions or contingencies relating to these grants.

5 FINANCE COSTS

An analysis of finance costs is as follows:

	2024 RMB'000	2023 <i>RMB'000</i>
Interest on bank and other borrowings	1,345,769	1,322,631
Interest on medium-term notes	24,787	52,814
Interest on corporate bonds	28,239	–
Interest on super short-term commercial papers	–	2,354
Interest on lease liabilities	5,813	6,337
	1,404,608	1,384,136
Less:		
Interest capitalised in respect of:		
Service concession arrangements	(552,676)	(446,267)
	851,932	937,869
Interest rate of borrowing costs capitalised	3.47%-3.65%	3.57%-3.92%

6 PROFIT BEFORE TAX

Profit before tax includes the following items that are material or unusual because of their nature, size, or incidence:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Employee benefit expenses (including directors', chief executive's and supervisors' remuneration):		
Wages and salaries	656,667	703,179
Pension scheme contributions*		
– Defined contribution fund	91,353	104,716
Housing fund*		
– Defined contribution fund	69,908	72,265
Supplementary pension scheme*		
– Defined contribution fund	49,232	25,990
Other staff benefits	137,531	157,415
	<u>1,004,691</u>	<u>1,063,565</u>
Employee benefit expense**		
Depreciation of property, plant and equipment	133,475	127,471
Amortisation of service concession arrangements	1,080,443	1,127,157
Depreciation of right-of-use assets	58,967	61,081
	<u>1,272,885</u>	<u>1,315,709</u>
Depreciation and amortisation expenses**		
Construction costs in respect of:		
Service concession arrangements	2,703,361	3,993,702
Construction works performed for other parties	90,906	108,837
	<u>2,794,267</u>	<u>4,102,539</u>
Construction costs**		

6 PROFIT BEFORE TAX (CONTINUED)

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Cost of product sales	2,171,165	2,366,398
Repairs and maintenance	304,843	325,275
Loss on disposal of items of property, plant and equipment	20,221	7,561
Impairment losses on trade and other receivables	17,560	–
Cost of charging services	12,966	17,538
Loss on deemed disposal of investments in an associate	8,380	1,662
Lease payments not included in the measurement of lease liabilities	3,452	3,166
Foreign exchange losses, net	2,616	1,790
Auditor's remuneration	4,445	5,201
– Audit	2,968	3,882
– Non-audit	1,477	1,319
Impairment loss on goodwill	–	7,583
Late fees relating to unpaid taxes	–	2,128
	<u> </u>	<u> </u>

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

** During the year, employee costs of RMB66,195,000(2023: RMB67,778,000), and depreciation and amortisation charges of RMB6,598,000 (2023: RMB6,238,000) were included in construction costs.

7 INCOME TAX EXPENSES

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current income tax		
Current tax on profits for the year	340,424	302,303
Adjustments for current tax of prior periods	(12,641)	901
Deferred income tax	3,126	(664)
	<u>330,909</u>	<u>302,540</u>

(i) Hong Kong

No Hong Kong profits tax has been provided as no assessable profits were earned in or derived from Hong Kong by the Group during the Period.

(ii) Mainland China

Except for the companies mentioned below that are entitled to a preferential tax rate, the subsidiaries, associates, and joint ventures of the Company are required to pay corporate income tax at the standard tax rate of 25%.

Pursuant to the Circular on the Continuation of Western Development Strategies of the State Administration of Taxation, the Ministry of Finance and National Development and Reform Commission (“**Circular [2020] No. 23**”), the tax preferential treatments for the Western Region Development are valid until 2030. According to the Circular [2020] No. 23, “from 1 January 2021 to 31 December 2030, corporate income tax may be levied at a reduced tax rate of 15% for enterprises established in the western region and engaged in encouraged industries prescribed in the Catalogue if the income which is within the Catalogue accounts for more than 60% of the total income of such enterprises.”

For entities within the scope of the transportation industry, i.e., the Company, Sichuan Chengle Expressway Company Limited, Chengdu Chengbei Exit Expressway Company Limited, Sichuan Rongcheng Second Ring Expressway Development Co., Ltd. and Chengdu Airport Expressway Company Limited, an associate of the Company, are entitled to a preferential tax rate of 15%.

8 EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDINGS OF THE COMPANY

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company, and the number of ordinary shares of 3,058,060,000 (2023: 3,058,060,000) in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2024 and 2023 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 2023.

9 SERVICE CONCESSION ARRANGEMENTS

- (i) As at 31 December 2024, the concession rights pertaining to certain expressways with net carrying amounts listed below were pledged to secure bank loans granted to the Group:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Chengle Expressway	13,964,775	12,155,168
Chengren Expressway	5,696,918	5,903,036
Tianqiong Expressway	6,891,267	5,522,506
Suiguang Expressway and Suixi Expressway	10,891,294	11,095,731
Second Ring (Western) Expressway	12,946,141	13,165,127
	<u>50,390,395</u>	<u>47,841,568</u>

- (ii) During the year, the Group was mainly in the construction of the Chengle Expressway Expansion Construction Project and Tianqiong Expressway Build-Operate-Transfer (“BOT”) Project. As at 31 December 2024, total cost of RMB3,256,037,000 (2023: RMB4,439,969,000) included construction costs of RMB2,703,361,000 (2023: RMB3,993,702,000) which was sub-contracted to third party subcontractors and borrowing costs of RMB552,676,000 (2023: RMB446,267,000).
- (iii) For the year ended 31 December 2024, construction revenue of RMB2,703,361,000 (2023: RMB3,993,702,000) was recognised mainly in respect of the construction services provided by the Group for the Chengle Expressway Expansion Construction Project, Tianqiong Expressways BOT Project using the input method.

9 SERVICE CONCESSION ARRANGEMENTS (CONTINUED)

- (iv) Additions to service concession arrangements during the year included interest capitalised in respect of bank loans amounting to RMB552,676,000 (2023: RMB446,267,000).
- (v) As at 31 December 2024, other than land with a site area of approximately 5,427,106 square metres (31 December 2023: 2,139,038 square meters), the Group has not obtained land use right certificates of certain land occupied by Rongcheng Second Ring Company. In the opinion of the directors, there are no major obstacles for the Group to obtain these certificates, and the normal operation of Rongcheng Second Ring Company will not be adversely affected before obtaining these certificates.

10 TRADE AND OTHER RECEIVABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade receivables		
Trade receivables (a)	1,603,050	1,870,018
Loss allowance (a)	(45,197)	(3,678)
	<hr/>	<hr/>
Trade receivables, net	1,557,853	1,866,340
Bills receivable	–	2,100
	<hr/>	<hr/>
	1,557,853	1,868,440
	<hr/>	<hr/>
Other receivables and prepayments		
Other receivables and prepayments (b)	957,257	821,016
Loss allowance (b)	(110,447)	(134,406)
	<hr/>	<hr/>
	846,810	686,610
	<hr/>	<hr/>
Total trade and other receivables	<u>2,404,663</u>	<u>2,555,050</u>
Less: Current portion	<u>(1,135,504)</u>	<u>(1,015,838)</u>
Non-current portion	<u>1,269,159</u>	<u>1,539,212</u>

10 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables

The Group's trading terms of trade receivables arising from sales of products with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally twenty days, extending up to six months for major customers.

The Group's trade receivables which arose from construction contracts are settled in accordance with the terms specified in the contracts governing the relevant construction works. The Group does not have a standardised and universal credit period granted to its construction contract customers. The credit period of an individual construction contract customer is considered on a case-by-case basis and is set out in the respective construction contracts, as appropriate.

According to the contracts governing the relevant construction works, as at 31 December 2024, gross amount of trade receivables of RMB1,073,479,000 (31 December 2023: RMB1,106,441,000) are to be settled by instalments within two to thirteen years upon completion of the relevant construction works and bear contractual interest rates ranging from 4.75% to 8.5% (31 December 2023: 4.75% to 8.5%) per annum. The remaining trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date or billing date and net of loss allowance, is as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	316,967	271,256
3 to 6 months	37,100	32,096
6 to 12 months	3,326	19,683
Over 1 year	1,200,460	1,543,305
	<u>1,557,853</u>	<u>1,866,340</u>

10 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

The movement in the loss allowance for impairment of trade receivables is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At beginning of year	3,678	37,601
Provision/(reversal) of impairment losses (<i>Note 6</i>)	<u>41,519</u>	<u>(33,923)</u>
At end of year	<u><u>45,197</u></u>	<u><u>3,678</u></u>

(b) Other receivables and prepayments

The Group's other receivables and prepayments as at 31 December are analysed as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Other receivables:		
Toll income receivables	88,631	136,155
Deposits	40,929	5,729
Up-front payment of construction contracts	40,866	40,866
Investment receivables	11,825	16,492
Interest receivables on temporary advances and construction revenue	–	2,452
Miscellaneous	<u>170,272</u>	<u>257,925</u>
	<u>352,523</u>	459,619
Prepayments:		
Deductible input value-added tax	466,681	254,940
Prepaid income tax	–	7,847
Prepayments	<u>138,053</u>	<u>98,610</u>
	<u>604,734</u>	361,397
	<u>957,257</u>	<u>821,016</u>
Loss allowance	<u>(110,447)</u>	<u>(134,406)</u>
	<u><u>846,810</u></u>	<u><u>686,610</u></u>

10 TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Other receivables and prepayments (Continued)

The movement in the loss allowance for impairment of other receivables and prepayments is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At beginning of year	134,406	134,406
Reversal of impairment losses (<i>Note 6</i>)	<u>(23,959)</u>	<u>–</u>
At end of year	<u>110,447</u>	<u>134,406</u>

11 TRADE AND OTHER PAYABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade payables (i)	202,673	123,638
Other payables (ii)	2,506,527	2,590,364
Interest payables	–	72,061
Deferred income	<u>270,898</u>	<u>287,741</u>
	2,980,098	3,073,804
Less: Non-current portion	<u>(270,898)</u>	<u>(254,492)</u>
Portion classified as current liabilities	<u>2,709,200</u>	<u>2,819,312</u>

11 TRADE AND OTHER PAYABLES (CONTINUED)

- (i) An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	154,566	94,402
3 to 6 months	12,510	13,475
6 to 12 months	5,236	2,787
Over 1 year	30,361	12,974
	<u>202,673</u>	<u>123,638</u>

The trade payables are non-interest-bearing and are normally settled within one to twelve months.

- (ii) Other payables at the end of the reporting period mainly include the following balances:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Progress billing payables	1,541,112	1,531,774
Payroll and welfare payables	328,462	335,539
Retention payables and deposits	257,296	271,416
Taxes and surcharge payables	93,102	74,714
Provisions for unpaid other taxes	27,590	27,590
Advances	22,159	14,913
Inter-network toll collection	–	32,804
Others	236,806	301,614
	<u>2,506,527</u>	<u>2,590,364</u>

12 INTEREST-BEARING BANK AND OTHER BORROWINGS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current:		
Bank loans:		
Secured and guaranteed (a, d)	22,500	17,500
Secured (a)	1,043,049	1,056,549
Unsecured	1,261,800	1,232,850
Medium-term notes (b)	–	290,000
Other borrowings, guaranteed (d)	172,556	767,497
Lease liabilities	24,038	23,264
Interest accrued(e)	66,575	–
	<u>2,590,518</u>	<u>3,387,660</u>
Non-Current		
Bank loans:		
Secured and guaranteed (a, d)	9,051,500	9,074,000
Secured (a)	18,821,476	17,408,164
Unsecured	5,720,750	4,487,800
Medium-term notes (b)	100,000	1,000,000
Corporate bonds (c)	2,000,000	–
Other borrowings, guaranteed (d)	50,564	2,323,519
Lease liabilities	90,917	99,534
	<u>35,835,207</u>	<u>34,393,017</u>
	<u><u>38,425,725</u></u>	<u><u>37,780,677</u></u>

At the end of the reporting period, all interest-bearing bank and other borrowings of the Group were denominated in RMB.

12 INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

(a) Bank loans were secured by:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Secured by concession rights of:		
Chengle Expressway	7,569,720	6,719,230
Chengren Expressway	1,008,307	1,281,655
Tianqiong Expressway	5,476,498	4,053,828
Suiguang Expressway and Suixi Expressway	5,810,000	6,410,000
Second Ring (Western) Expressway	9,074,000	9,091,500
	<u>28,938,525</u>	<u>27,556,213</u>

(b) Medium-term notes

As at 31 December 2024, the Company had one (31 December 2023: two) tranches of outstanding medium-term notes totalling RMB100,000,000 (31 December 2023: RMB1,290,000,000) issued to domestic institutional investors participating in the PRC interbank debt market. The coupon rate for the medium-term notes is 2.07% (31 December 2023: 3.49% to 6.30%) per annum. The medium-term notes were issued at a par value of RMB100 per unit and will be repaid in May 2026 with an original maturity period of five years.

(c) Corporate bonds

As at 31 December 2024, the Company had corporate bonds RMB2,000,000,000. The coupon rate for these corporate bonds is 2.30% per annum. These corporate bonds were issued at a par value of RMB100 per unit. These corporate bonds will be repaid in May 2029, with an original maturity period of five years with issuer's redeem option and investor's putback option in the end of the third year.

(d) Bank loans were guaranteed by:

As at 31 December 2024, the bank loans of RMB9,074,000,000 (31 December 2023: RMB9,091,500,000) were guaranteed by Shudao Investment.

As at 31 December 2024, other borrowings of RMB223,120,000 (31 December 2023: RMB3,091,016,000) were guaranteed by Shudao Investment.

(e) Interest accrued

The balance as at 31 December 2024 consisted of interest accrued in respect of medium-term notes, corporate bonds and interest-bearing bank and other borrowings of RMB1,248,000, RMB28,239,000 and RMB37,088,000, respectively.

13 ISSUED CAPITAL

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Issued and fully paid:		
A Shares of 2,162,740,000 (2023: 2,162,740,000) of RMB1.00 each	2,162,740	2,162,740
H Shares of 895,320,000 (2023: 895,320,000) of RMB1.00 each	<u>895,320</u>	<u>895,320</u>
	<u><u>3,058,060</u></u>	<u><u>3,058,060</u></u>

The H Shares have been issued and listed on the main board of the Hong Kong Stock Exchange since October 1997 and the A Shares have been listed on the Shanghai Stock Exchange since July 2009.

All A and H Shares rank pari passu with each other in terms of dividend and voting rights.

14 RESERVES

In accordance with the Company Law of the PRC and the respective articles of association of the Company, its subsidiaries, joint ventures and associates, the Company, its subsidiaries, joint ventures and associates are required to allocate 10% of their profits after tax, as determined in accordance with Generally Accepted Accounting Principles of the People's Republic of China ("PRC GAAP"), to the statutory surplus reserve (the "SSR") until this reserve reaches 50% of the registered capital of the Company, its subsidiaries and associates. Subject to certain restrictions set out in the Company Law of the PRC and the respective articles of association of the Company, its subsidiaries and associates, part of the SSR may be converted to increase the share capital of the Company, its subsidiaries and associates, provided that the remaining balance after the capitalisation is not less than 25% of the registered capital.

15 DIVIDEND

	Year ended 31 December	
	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Proposed final – RMB0.29 (2023: RMB0.24) per ordinary share	<u><u>886,837</u></u>	<u><u>733,934</u></u>

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. These financial statements have not reflected this proposed final dividend.

RESULTS AND DIVIDENDS

For the year of 2024, the net revenue of the Group amounted to approximately RMB10,247,400,000, representing a decrease of approximately 11.51% as compared with last year; the profit attributable to owners of the Company amounted to approximately RMB1,449,447,000, representing an increase of approximately 21.72% as compared with last year; and basic earnings per share were approximately RMB0.474 (2023: approximately RMB0.389).

As at 31 December 2024, the Group had total assets of approximately RMB61,032,031,000 and net assets of approximately RMB19,495,626,000.

Pursuant to the Articles of Association, if the Company distributes cash dividend, the Company shall distribute cash dividend in an amount not less than 30% of the profit available for distribution to the Shareholders recognized by the Company for the current period (the lower of the profit of the Company under the generally accepted accounting standards below).

1. The accounting principles and the relevant financial regulations applicable to enterprises established in the PRC; and
2. HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance.

The Board has recommended a final cash dividend for the year of 2024 of RMB0.29 per ordinary share (tax inclusive), aggregating to approximately RMB886,837,000, representing 65.13% of the profit available for distribution to the Shareholders recognized by the Company for the year of 2024 in accordance with the PRC Accounting Standards, and representing 60.79% of the profit attributable to the owners of the Company (calculated in accordance with the PRC Accounting Standards) in the consolidated financial statements.

The proposed dividend is subject to approval at the forthcoming 2024 AGM. If approved, the final dividend is expected to be paid on or around Friday, 11 July 2025 to the Shareholders whose names appear on the H Shares register of members of the Company on Thursday, 12 June 2025. In respect of the arrangement in relation to the closures of H Shares register of members for the purposes of determining the Shareholders' entitlement to attend the 2024 AGM and to receive the 2024 final dividend, please refer to the paragraph headed "**CLOSURES OF REGISTER OF MEMBERS OF H SHARES**" below.

According to the Law of the PRC on EIT and its implementing regulations which came into effect on 1 January 2008 and other relevant rules, a PRC domestic enterprise which pays dividend to a non-resident enterprise shareholder in respect of accounting period beginning from 1 January 2008 shall withhold and pay corporate income tax at the rate of 10%. The Company, as a PRC domestic enterprise, is required to withhold EIT at the rate of 10% before distributing the final dividend to non-resident enterprise Shareholders as appearing on the H Shares register of members of the Company. Any Shares registered in the name of the non-individual registered Shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise Shareholders and therefore will be subject to the withholding of the EIT by the Company.

Should the holders of H Shares have any doubt in the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax impact in the PRC, Hong Kong and/or other countries (regions) on the possession and disposal of the H Shares.

Shareholders should read the information herein carefully. If anyone would like to change the identity of Shareholder, please enquire about the relevant procedures with the nominees or trustees. The Company is neither obligated nor responsible for ascertaining the identities of the Shareholders. In addition, the Company will withhold the EIT in strict compliance with the relevant laws or regulations and strictly based on what has been registered on the Company's H Shares register of members as at the Dividend Entitlement Date. The Company will disregard and assume no liabilities for any requests or claims in relation to any delay or inaccuracy in ascertaining the identity of the Shareholders or any disputes over the mechanism of withholding of EIT.

DISTRIBUTION OF DIVIDENDS TO INVESTORS UNDER SOUTHBOUND TRADING LINK

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No. 81) (關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)) and the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen- Hong Kong Stock Connect (Caishui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》), for dividends received by domestic individual investors and securities investment funds from investing in H shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. Such mainland enterprises shall declare and pay taxes by themselves in respect of such dividends, which will not be withheld by such H share company.

An agreement has been entered into between the Company and the Shanghai Branch and Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, respectively, regarding the dividend distribution arrangements to the H Share investors of the Company through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, pursuant to which, the Shanghai Branch and Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominal holders of H Shares under Southbound Trading Link, will receive cash dividend declared by the Company and distribute them to relevant the investors under Southbound Trading Link through its registration and settlement system. Cash dividend received by the investors under Southbound Trading Link shall be settled in RMB. The Dividend Entitlement Date, cash dividend payment date and other time arrangements for the investors under Southbound Trading Link shall be in line with that of Shareholders of H Shares of the Company.

Shareholders are advised that the aforesaid arrangements are not applicable in relation to the time and arrangements for distribution of the final dividend in respect of A Shares of the Company, which however will be published in a separate announcement at SSE by the Company.

BUSINESS REVIEW AND ANALYSIS

Results overview

The Group is principally engaged in the investment, construction, operation and management of certain expressway projects in the province, green energy investment business and integrated development of resources along the routes. In 2024, in the face of a complex and severe situation of intensifying external pressure and increasing internal difficulties, the national economy remained generally stable with steady progress, achieving new progress in high-quality development. Confronted with multiple adverse factors arising from insufficient domestic demand, the Group intensified efforts to advance project construction, enhance management capabilities and reduce costs and increase efficiency, striving to create development outcomes and achieving growth across various economic indicators.

The net revenue of the Group amounted to approximately RMB10,247,400,000 this year, representing a year-on-year decrease of approximately 11.51%. In particular, the expressway segment achieved net revenue of approximately RMB4,777,135,000, representing a year-on-year increase of approximately 1.18%; the new energy technology segment achieved net revenue of approximately RMB114,056,000, representing a year-on-year increase of approximately 75.89%; the transportation services segment achieved net revenue of approximately RMB2,266,635,000, representing a year-on-year increase of approximately 15.66%; the transportation logistics segment achieved net revenue of approximately RMB283,740,000, representing a year-on-year decrease of approximately 60.53%; the construction services segment achieved net revenue of approximately RMB2,805,834,000, representing a year-on-year decrease of approximately 31.83%. The profit attributable to the owners of the Company was approximately RMB1,449,447,000, representing a year-on-year increase of 21.72%. Basic earnings per share were approximately RMB0.474 (2023: approximately RMB0.389). As at 31 December 2024, the Group's total assets amounted to approximately RMB61,032,031,000 and net assets amounted to approximately RMB19,495,626,000.

During the reporting period, the revenue and profit of the major subsidiaries are as follows:

	Revenue for 2024 (RMB '000)	Year-on-year increase/ (decrease) in revenue for 2024 (%)	Profit/(loss) for 2024 (RMB '000)	Year-on-year increase/ (decrease) in profit/(loss) for 2024 (%)
Operation and Management Branch I ^(Notes 1, 2)	854,520	4.20	331,042	22.05
Operation and Management Branch II ^(Notes 1, 3)	863,469	(7.13)	377,799	1.54
Operation and Management Branch III ^(Notes 1, 4)	1,050,781	1.01	534,702	10.86
Chengle Company ^(Note 5)	626,274	16.81	362,940	29.28
Chengbei Company ^(Note 6)	103,297	(4.58)	48,017	38.45
Suiguang-Suixi Company ^(Note 7)	441,396	(0.17)	(228,418)	18.13
Rongcheng Second Ring Company ^(Note 8)	837,397	(3.21)	16,498	(37.02)
Shunan Company ^(Note 9)	6,235	N/A	(28,530)	44.71
Renshou Shunan Company ^(Note 10)	–	N/A	16,908	(8.36)
Shunan Chengxing Company ^(Note 11)	8,525	290.52	8,387	468.50
Lushan Shuhan Company ^(Note 12)	83,240	(26.22)	(9,400)	(4,576.19)
Lushan Shunan Company ^(Note 13)	21,266	(13.15)	1,064	(26.06)
Chengyu Xinneng Company ^(Note 14)	41,350	(29.38)	702	(45.79)
Shuxia Company ^(Note 15)	119,306	1.92	29,795	24.68
Chengyu Advertising Company ^(Note 16)	5,307	(37.07)	1,324	1.46
Chengyu Logistics Company ^(Note 17)	–	N/A	(21,583)	N/A
Intermodal Transportation Company ^(Note 18)	53,723	(81.38)	24,380	8,136.49
Chengyu Supply Chain Management Company ^(Note 19)	280,460	(34.96)	(1,810)	(104.55)
Shudao Chengyu Investment Company ^(Note 20)	–	N/A	353	134.61
Chengya Oil Company ^(Note 21)	827,043	27.87	56,124	35.54
Zhonglu Energy Company ^(Note 22)	1,258,448	5.86	64,928	44.94
Shudao New Energy Company ^(Note 23)	117,324	80.75	(2,239)	93.00
Chengyu Private Equity Fund Management Company ^(Note 24)	47	235.71	(1,966)	3.77
CSI SCE ^(Note 25)	–	N/A	(8,063)	(153.41)
Chengdu-Chongqing Yingchuang Company ^(Note 26)	–	N/A	(32)	(146.15)

- Note 1:* When calculating the profits of Operation and Management Branch I, Operation and Management Branch II and Operation and Management Branch III, the impact of income tax (15%) was taken into account.
- Note 2:* Operation and Management Branch I recorded an increase of RMB34,411,000 or 4.20% in the toll income for the year as compared with that of last year, and recorded an increase of RMB59,817,000 or 22.05% in the profit for the year as compared with that of last year, mainly due to the increase in toll income as a result of the traffic control on certain vehicles for the events held in Chengdu in July last year, which did not occur in the same period this year, and the decrease in operating costs as a result of rational cost control by the Company, which in aggregate resulted in an increase in the profit.
- Note 3:* Operation and Management Branch II recorded a decrease of RMB66,295,000 or 7.13% in the toll income for the year as compared with that of last year, and recorded an increase of RMB5,726,000 or 1.54% in the profit for the year as compared with that of last year, mainly due to the decrease in toll income as a result of the diversion of traffic from several neighbouring road networks, the decrease in finance expenses as a result of the reduction in the principal amount of the syndicated loan and the decrease in operating costs as a result of rational cost control by the Company, which in aggregate resulted in the profit remaining at the same level as compared with that of last year.
- Note 4:* Operation and Management Branch III recorded an increase of RMB10,510,000 or 1.01% in the toll income for the year as compared with that of last year, and recorded an increase of RMB52,380,000 or 10.86% in the profit for the year as compared with that of last year, mainly due to the fact that the toll income of the Company remained at the same level as compared with that of last year and the decrease in operating costs as a result of rational cost control by the Company, which in aggregate resulted in an increase in the profit.
- Note 5:* Chengle Expressway recorded an increase of RMB90,146,000 or 16.81% in the toll income for the year as compared with that of last year, and recorded an increase of RMB82,203,000 or 29.28% in the profit for the year as compared with that of last year, mainly due to the fact that certain road sections were half closed for capacity expansion construction last year while no similar construction was carried out in the same period this year, and such road sections were expanded from two-way four-lanes to two-way eight-lanes, which in aggregate resulted in an increase in traffic volume as compared with that of last year and a corresponding increase in revenue and profit.
- Note 6:* Chengbei Branch recorded a decrease of RMB4,959,000 or 4.58% in the toll income for the year as compared with that of last year, and recorded an increase of RMB13,335,000 or 38.45% in the profit for the year as compared with that of last year, which was mainly due to the amortisation of the concession right of the road section on 30 June 2024, the original toll expiry date, which resulted in a decrease in the accumulated amortisation for the year as compared with that of last year, leading to an increase in the profit for the year.
- Note 7:* Suiguang-Suixi Expressway recorded a decrease of RMB50,573,000 or 18.13% in the loss for the year as compared with that of last year, mainly due to the decrease in financing costs as a result of the reduction of the principal amount of the borrowings and the interest-rate cut, as well as the decrease in operating costs as a result of rational cost control by the Company, which in aggregate resulted in the decrease of loss in respect of the profit for the year.

- Note 8:* Rongcheng Second Ring Company recorded a decrease of RMB27,769,000 or 3.21% in the toll income for the year as compared with that of last year, mainly due to the decrease in traffic volume as compared with that of last year as a result of the impact of the economic environment and the decline in production capacity of related companies, resulting in the decrease in income; at the same time, the decrease in finance costs due to the reduction in the principal amount of borrowings and the decrease in interest rates benefited from the current year, which offset part of the adverse effect brought about by the decline in revenue, and the Company's overall profitability decreased by RMB9,699,000, or 37.02%, as compared with that of the previous year.
- Note 9:* Shunan Company recorded an increase of RMB6,235,000 in the income for the year as compared with that of last year, and recorded a decrease of RMB23,074,000 or 44.71% in the loss for the year as compared with that of last year, mainly due to the increase in interest income from shareholders' borrowings as a result of the increase in principal amount of shareholders' borrowings provided to its subsidiaries.
- Note 10:* Renshou Shunan Company recorded a decrease of RMB1,543,000 or 8.36% in the profit for the year as compared with that of last year, mainly due to the decrease in interest income as a result of the increase in payment collection of BT Project and the decrease in the interest-bearing base (unrecovered principal).
- Note 11:* Shunan Chengxing Company recorded an increase of RMB6,342,000 or 290.52% in the income for the year as compared with that of last year, and recorded an increase of RMB10,663,000 or 468.50% in the profit for the year as compared with that of last year, mainly due to the significant increase in revenue from PPP Project as compared with that of last year.
- Note 12:* Lushan Shuhan Company recorded a decrease of RMB29,589,000 or 26.22% in the income for the year as compared with that of last year, and recorded a decrease of RMB9,610,000 or 4,576.19% in the profit for the year as compared with that of last year, mainly due to the decrease in the income from the output value as a result of the decrease in the output value of the projects as compared with that of last year.
- Note 13:* Lushan Shunan Company recorded a decrease of RMB3,219,000 or 13.15% in the income for the year as compared with that of last year, and recorded a decrease of RMB375,000 or 26.06% in the profit for the year as compared with that of last year, mainly due to the decrease in the income from the output value as a result of the decrease in the output value of the projects as compared with that of last year.
- Note 14:* Chengyu Xinneng Company recorded a decrease of RMB17,202,000 or 29.38% in the income for the year as compared with that of last year, and recorded a decrease of RMB593,000 or 45.79% in the profit for the year as compared with that of last year, mainly due to the decrease in revenue from measurement of construction services for the year.
- Note 15:* Shuxia Company recorded an increase of RMB2,249,000 or 1.92% in the income for the year as compared with that of last year, and recorded an increase of RMB5,897,000 or 24.68% in the profit for the year as compared with that of last year, mainly due to the year-on-year increase in income and gross profit from the leasing of gas stations and leasing of service areas as compared with last year, which in aggregate resulted in a corresponding increase in revenue and profit of Shuxia Company.

- Note 16:* Chengyu Advertising Company recorded a decrease of RMB3,126,000 or 37.07% in the income for the year as compared with that of last year, mainly due to the decrease in revenue from advertising business as a result of the year-on-year decline in the rate of advertising media release and the release price as affected by the economic downturn; and recorded an increase of RMB19,000 or 1.46% in the profit for the year as compared with that of last year, mainly due to the decrease in the cost of advertising procurement business.
- Note 17:* Chengyu Logistics Company recorded a decrease of RMB21,583,000 in the profit for the year as compared with that of last year, mainly due to the expenditure adjustments of prior period's expenses based on the status of the project.
- Note 18:* Intermodal Transportation Company recorded a decrease of RMB234,726,000 or 81.38% in the income for the year as compared with that of last year, mainly due to the transfer of the North-South Grain Transportation Project to Chengyu Supply Chain Management Company for operation, resulting in the decrease of income; and recorded an increase of RMB24,084,000 or 8136.49% in the profit for the year as compared with that of last year, mainly due to the collection of payments in advance for the Qianwei sand and gravel project and part of the performance bond, and the reversal of impairment losses provided for in the previous year, as well as the interest income from the shareholders' borrowings provided to its subsidiary, Chengyu Supply Chain Management Company.
- Note 19:* Chengyu Supply Chain Management Company recorded a decrease of RMB150,772,000 or 34.96% in the income for the year as compared with that of last year, mainly due to the decline in sales volume of the North-South Grain Transportation Project as affected by the economic downturn; and recorded a decrease of RMB41,612,000 or 104.55% in the profit for the year as compared with that of last year, mainly due to the reversal of impairment losses provided for in the previous year, which did not occur this year.
- Note 20:* Shudao Chengyu Investment Company recorded an increase of RMB1,373,000 or 134.61% in the profit for the year as compared with that of last year, mainly due to the appreciation in the fair value appraisal of Chuanshang Fund it held.
- Note 21:* Chengya Oil Company recorded an increase of RMB180,281,000 or 27.87% in the income for the year as compared with that of last year, and recorded an increase of RMB14,717,000 or 35.54% in the profit for the year as compared with that of last year, mainly due to the increase in retail sales volume of refined oil.
- Note 22:* Zhonglu Energy Company recorded an increase of RMB69,686,000 or 5.86% in the income for the year as compared with that of last year, mainly due to the increase in sales volume of the direct sales of oil products; and recorded an increase of RMB20,132,000 or 44.94% in the profit for the year as compared with that of last year, mainly due to the increase in gross profit driven by the increase in retail sales volume of refined oil.
- Note 23:* Shudao New Energy Company recorded an increase of RMB52,414,000 or 80.75% in the income for the year as compared with that of last year, and recorded a decrease of RMB29,741,000 or 93.00% in the loss for the year as compared with that of last year, mainly due to the increase in revenue and gross profit from charging services, and the increase in trading and rental income as a result of the innovation of business model by introducing new energy partners, which in aggregate resulted in an increase in income and profit.

Note 24: Chengyu Private Equity Fund Management Company recorded an increase of RMB33,000 or 235.71% in the income for the year as compared with that of last year, and recorded a decrease of RMB77,000 or 3.77% in the loss for the year as compared with that of last year, mainly due to the increase in the fund management fee income and the addition of house rental income for the year.

Note 25: CSI SCE recorded a decrease of RMB23,159,000 or 153.41% in the profit for the year as compared with that of last year, mainly due to the recognition of a loss of RMB8,380,000 as a result of passive dilution of equity interests due to the non-participation in the capital increase of Shudao Financial Leasing Company, and the recognition of year-on-year decrease of investment income.

Note 26: Chengyu Yingchuang Investment recorded an increase of RMB19,000 or 146.15% in the loss for the year as compared with that of last year, mainly due to the increase in the fund management fee income.

Operation conditions of the expressways segment of the Group

During the reporting period, the operation conditions of the expressways under the Group were as follows:

Item	Shareholding percentage (%)	Average daily traffic flow (vehicles)			Toll income (RMB'000)		
		2024	2023	Increase/ (decrease) (%)	2024	2023	Increase/ (decrease) (%)
Chengyu Expressway	100	20,593	20,358	1.15	854,520	820,109	4.20
Chengya Expressway	100	38,476	38,606	(0.34)	1,050,781	1,040,271	1.01
Chengren Expressway	100	32,878	35,221	(6.65)	863,469	929,764	(7.13)
Chengle Expressway	100	39,725	35,519	11.84	626,274	536,128	16.81
Chengbei Exit							
Expressway (including Qinglongchang Bridge)	60	46,821	47,710	(1.86)	103,297	108,256	(4.58)
Suiguang Expressway	100	10,927	11,449	(4.56)	269,605	274,635	(1.83)
Suixi Expressway	100	9,387	9,106	3.09	171,791	167,509	2.56
Second Ring (Western) Expressway	100	26,639	/	/	837,398	865,166	(3.21)

Note: Pursuant to the announcement on the progress of the acquisition of 100% equity interest in Rongcheng Second Ring Company and the related party transaction of the Company published simultaneously on the websites of the SSE and the Stock Exchange on 5 May 2023, the Company has completed the transfer of equity interest in 2023 and has formally included Rongcheng Second Ring Company in the scope of the consolidated statements of the Company. Upon consolidation, the statistics source for traffic flow of Second Ring (Western) Expressway changes and therefore there is no comparable data for its average daily traffic flow.

In 2024, the toll income of the Group was approximately RMB4,777,135,000, representing an increase of approximately 0.74% as compared with last year. The percentage of the toll income to the Group's revenue was approximately 46.62%, representing an increase of approximately 5.67% when compared with 40.95% last year. During the reporting period, the following factors constituted combined effects on the operating performance of the Group's business of expressways:

(1) Economic factors

In 2024, the national economy remained generally stable with steady progress, achieving new progress in high-quality development and successfully accomplishing the major goals and tasks of economic and social development. China's GDP for 2024 was RMB134,908.4 billion, representing a year-on-year increase of 5.0% at constant prices and the value added of transportation, warehousing and postal services amounted to RMB5,923.2 billion, representing an increase of 7.0%¹ as compared with last year. With vigorous promotion of the construction of the Chengdu-Chongqing Economic Circle and the earnest implementation of the development strategy of "Four Modernizations, Urban-Rural Integration, Co-prosperity in Five Areas", Sichuan province's economic achieved stable improvement, steady progress, and quality enhancement. In 2024, Sichuan Province's regional GDP of amounted to RMB6,469.7 billion, representing an increase of 5.7%² as compared to last year at comparable prices. In the face of a stable and improving economic environment, the Group's toll income for the year increased by 0.74% year-on-year.

1 Source: the National Bureau of Statistics of China

2 Source: the Sichuan Provincial Bureau of Statistics

(2) *Policy factors*

According to the Notice on Printing and Implementing the Work Plan of the Green Channel Policy for Fresh Agricultural Products Exported by Four Ministries (Chuan Jiao Han [2023] No. 233) (《關於印發貫徹落實國家四部委鮮活農產品運輸“綠色通道”政策工作方案的通知》(川交函[2023]233號)) issued by the Department of Transportation of Sichuan Province, and the overall deployment of the Notice on Further Improving the Service Level of the Green Channel Policy for Fresh Agricultural Products Transportation (Jiao Ban Gong Lu [2022] No. 78) (《關於進一步提升鮮活農產品運輸“綠色通道”政策服務水平的通知》(交辦公路[2022]78號)) issued by the General Office of the Ministry of Transportation and other four ministries, since 1 June 2023, the national unified Catalogue of Fresh Agricultural Products (《鮮活農產品品種目錄》) will be strictly implemented, and the export inspection standards of vehicles in compliance with the “green channel” policy will be standardized. Refrigerated trucks that do not meet the inspection standards will not enjoy the “green channel” policy.

On 31 March 2023, the Ministry of Transport, the National Railway Administration, the Civil Aviation Administration of China, the State Post Bureau, and China State Railway Group Co., Ltd. jointly issued the Five-year Action Plan for Accelerating the Building of a Nation with Strong Transportation (2023–2027) (《加快建設交通強國五年行動計劃(2023–2027年)》) (“**Action Plan**”). The Action Plan puts forward the action objectives and tasks for the next five years to accelerate the construction of a nation with strong transportation, insists on the basis of continuous improvement in the implementation of the “Two Outlines” and the “14th Five-Year Plan” series of transportation plans, and plans to promote the work of transportation in the “15th Five-Year Plan” period. The Action Plan aims to build a modernized comprehensive transport system that is safe, convenient, efficient, green and economical, and to achieve effective improvement in the quality and reasonable growth in the quantity of transport. The action objectives set in the Action Plan are that by 2027, the acceleration of the construction of a nation with strong transportation will have achieved phased results, new breakthroughs will have been made in the high-quality development of transportation, the construction of the “Four Excellence” will have achieved remarkable results, and significant progress will have been made in the construction of a modernized comprehensive transportation system. The construction of the “National 123 Travel Circle” and the “Global 123 Logistics Circle” will be accelerated, effectively serving and guaranteeing the opening of the construction of a modern socialist country in an all-round way.

According to the Notice of the General Office of the People's Government of Sichuan Province on Several Policy Measures for Continuously Consolidating and Enhancing the Good Momentum of Economic Recovery (Chuan Ban Regulations [2024] No. 2) (《四川省人民政府辦公廳印發〈關於持續鞏固和增強經濟回升向好態勢若干政策措施〉的通知》(川辦規[2024]2號)), from 1 April 2024 to 31 December 2024, the toll discount for non-new energy trucks equipped with ETC on provincial highways would be increased from 5% to 6%, and the toll discount at night (23:00 to 6:00 the next day) would be increased from 6% to 8%; the toll discount for new energy trucks equipped with ETC on provincial highways would be increased from 5% to 20%, and the toll discount for container transport vehicles of international standard equipped with ETC on provincial highways would be increased from 30% to 60%. According to the Notice of the General Office of the Sichuan Provincial People's Government on Printing and Distributing the Several Policy Measures on Promoting a Sustained Economic Upturn (Chuanban Gui [2024] No. 3) (四川省人民政府辦公廳印發〈關於推動經濟持續回升向好的若干政策措施〉的通知》(川辦規[2024]3號)), the above preferential policies have been extended to 31 December 2025.

According to the Notice of the Sichuan Provincial Transportation Comprehensive Law Enforcement Team on Issuing the 'Implementation Rules for Preferential Policies on Sichuan Provincial Expressway Tolls for Hydrogen Energy Vehicles' (Chuanjiao Zongzhi [2024] No. 137) (《四川省交通運輸綜合行政執法總隊關於印發〈氫能車輛四川省高速公路通行費優惠政策實施細則〉的通知》(川交綜執[2024]137號)), starting from 6 November 2024, hydrogen energy vehicles equipped with and using ETC devices, and which have successfully registered with the Sichuan ETC public account, will be exempt from vehicle tolls when travelling on expressways within Sichuan Province.

(3) Factors in road network changes and road construction

Peripheral competitive or synergistic road network changes and road refurbishment brought varying degrees of positive or negative impacts on the Group's expressways. During the reporting period, some of the Group's expressways were affected to varying degrees by these factors:

Chengyu Expressway: In mid-to-late July 2023, traffic control were implemented for both passenger vehicles and trucks in accordance with regulations due to the 31st World University Games. There was no traffic control impact during the same period this year, leading to an increase in traffic volume as compared to the previous year. On 29 September 2024, the opening of Chengdu Metro Line S3 (Ziyang Line) resulted in traffic diversion from Chengyu Expressway.

Chengya Expressway: Ehan (Mount Emei-Hanyuan) Expressway was officially opened to traffic on 29 December 2023 and was still in zero-rate operation from 29 December 2023 to 19 December 2024. During this period, some vehicles that traveled to Hanyuan or Xichang via Chengya-Yaxi may choose the Chengle-Lehan route, which will divert vehicles from Chengya Expressway.

Chengren Expressway: On 26 December 2023, Chengyi (Chengdu-Yibin) high-speed rail was opened, and diversified transportation methods intensified competition in the passenger transport market; on 23 March 2024, Renmuxin (Renshou – Muchuan – Xinshi) Expressway, the extended section of Chengren Expressway, commenced toll collection, and drivers and passengers may choose alternative routes in order to save toll costs; on 29 September 2024, the Gaomiaoshan ramp of Tianfu Airport Expressway Branch Line was opened. Vehicles that traveled to Western China International Expo City, Xinglong Lake and Tianfu Airport may choose such route. All of the above reasons will divert vehicles from Chengren Expressway.

Chengle Expressway: From 16 February 2023 to 5 July 2023, the section from Mianzhu North Hub Interchange to Guli Dam Interchange was closed to one-half from Chengdu to Leshan for expansion and construction, while no similar construction was implemented during the same period of the year, and such road section was expanded from two-way four-lanes to two-way eight-lanes without any change in toll rate, which in aggregate resulted in an increase in traffic volume of Chengle Expressway as compared to the same period of last year.

Suiguang Expressway: The reconstruction project of the Guang'an Zaoshan to Wusheng section of National Highway 350 will be ready for traffic in May 2024. As Guang'an to Wusheng section is a local road with no tolls, so most vehicles travelling from Guang'an to Wusheng and from Wusheng to Guang'an will no longer choose to take the Suigang Expressway, which will have a diversionary impact on the Suigang Expressway.

Chengbei Exit Expressway: From 15 April 2024 to 7 November 2024, traffic control has been implemented on the Guanghan-Second Ring section of G5 Chengdu Mianyang Expressway due to reconstruction, leading to a decrease of the traffic volume on the Chengbei Exit Expressway compared to the same period last year.

Major investment and financing projects of the Group

(1) Chengle Expressway Expansion Construction Project

The proposal in respect of investment in the expansion construction of Chengle Expressway and relevant matters was considered and approved at the extraordinary general meeting of the Company held on 30 October 2017. According to the opinion on approval of the project from the Ministry of Transport, the total mileage of the project was 130 kilometers, and the estimated total investment was approximately RMB22.16 billion. According to the Reply on Adjustment to the Approval of the Chengdu to Leshan Expressway Expansion Construction Project issued by the Sichuan Provincial Development and Reform Commission (Chuan Fa Gai Ji Chu [2022] No. 298) 《(關於調整成都至樂

山高速公路擴容建設項目核准事項的批覆》(川發改基礎[2022]298號)), the adjusted total mileage of the project was 136.1 kilometers and the estimated total investment was RMB25.15 billion. After the completion of the project, it will help ease the traffic pressure on Chengle Expressway, and improve the overall traffic capacity and service level of Chengle Expressway. On 27 November 2019, the established tasks for the Chengle Expansion Construction Project Pilot Section (Meishan – Qinglong) were completed and the pilot section was opened to two-way traffic. On 18 December 2019, the new Qinglong Toll Station of Chengle Expressway officially opened to traffic. On 2 August 2021, in order to standardize the approval procedures of PPP projects' inclusion and reclassification in the database, Chengdu Transportation Bureau has entered into the Investment Agreement for the Expansion Construction Project of Chengdu-Leshan Expressway and the Public-Private-Partnership (PPP) Project Contract for the Expansion Construction Project of Chengdu-Leshan Expressway with Chengle Company. On 27 January 2022, Meishan to Leshan section totalling 81 kilometers achieved two-way eight-lanes traffic. On 11 May 2023, Leshan city transit double-track section of Chengle Expressway Expansion Project was put into operation. From the commencement date of construction to 31 December 2024, an accumulated investment of approximately RMB13.572 billion had been invested in the Chengle Expansion Project.

(2) *Tianqiong Expressway BOT Project*

On 30 October 2019, the resolution in relation to the investment in the project of Chengdu Tianfu New Area to Qionglai Expressway was considered and approved by the Board. The consortium established by the Company and Road & Bridge International Co., Ltd. participated in bidding for the project of Tianfu New Area to Qionglai Expressway and won the tender. The total length of the project is approximately 42 kilometers with an estimated total investment amount of approximately RMB8.685 billion. On 13 September 2024, the whole line of Tianqiong Expressway was officially opened to traffic.

On 4 March 2020, Sichuan Chengqiongya Expressway Company Limited¹ was incorporated in Qionglai of Sichuan Province as a project company to take charge of the investment, construction and operation of Tianqiong Expressway, with a registered capital of approximately RMB1,737 million, of which the Company contributed RMB1,424.34 million. From the commencement date of construction to 31 December 2024, an accumulated investment of approximately RMB6,891 million had been invested in the Tianqiong Expressway Project.

¹ Based on the financial data for the year ended 31 December 2024, Sichuan Chengqiongya Expressway Company Limited is a significant subsidiary of the Company.

FINANCIAL REVIEW AND ANALYSIS

Analysis of Operating Results and Financial Position

Summary of the Group's Operating Results

	For the year ended 31	
	December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	10,247,400	11,580,867
Including: Net expressway segment revenue	4,777,135	4,721,287
Net new energy technology segment revenue	114,056	64,845
Net transportation services segment revenue	2,266,635	1,959,766
Net transportation logistics segment revenue	283,740	718,809
Net construction services segment revenue	2,805,834	4,116,160
Net others segment revenue	–	–
Profit before tax	1,870,434	1,569,308
Profit attributable to owners of the Company	1,449,447	1,190,814
	<hr/>	<hr/>
Earnings per share attributable to owners of the Company (<i>RMB</i>)	0.474	0.389
	<hr/> <hr/>	<hr/> <hr/>

Summary of the Group's Financial Position

	31 December	31 December
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Total assets	61,032,031	57,640,787
Total liabilities	41,536,405	40,967,506
Non-controlling interests	1,091,456	999,963
Equity attributable to owners of the Company	18,404,170	15,673,318
	<hr/>	<hr/>
Equity per share attributable to owners of the Company (<i>RMB</i>)	6.018	5.125
	<hr/> <hr/>	<hr/> <hr/>

Revenue

The Group's net revenue for the year amounted to RMB10,247,400,000, representing a year-on-year decrease of 11.51%, of which:

- (1) The net expressway segment revenue was RMB4,777,135,000, representing an increase of 1.18% as compared with that of last year. During this year, the Group's toll income as a whole increased slightly. Of which: (a) the toll income of Chengyu Expressway increased by RMB34,411,000 or 4.20% as compared with that of last year; (b) the toll income of Chengya Expressway increased by RMB10,510,000 or 1.01% as compared with that of last year; (c) the toll income of Chengren Expressway decreased by RMB66,295,000 or 7.13% as compared with that of last year; (d) the toll income of Chengle Expressway increased by RMB90,146,000 or 16.81% as compared with that of last year; (e) the toll income of Chengbei Exit Expressway decreased by RMB4,959,000 or 4.58% as compared with that of last year; (f) the toll income of Suiguang Expressways decreased by RMB5,030,000 or 1.83% as compared with that of last year; (g) the toll income of Suixi Expressways increased by RMB4,282,000 or 2.56% as compared with that of last year; (h) the toll income of the Second Ring (Western) Expressway decreased by RMB27,768,000 or 3.21% as compared with that of last year. Please refer to "Operation conditions of the expressways segment of the Group" in this announcement for details of the main factors affecting the toll income of the Group during the reporting period;
- (2) The net new energy technology segment revenue was RMB114,056,000 (2023: RMB64,845,000), representing an increase in 75.89% as compared with that of last year, mainly due to the increase in charging service revenue and other revenue as the steady expansion of the Company's on- and off-road networks charging business and the introduction of new energy partners through innovative business models;
- (3) The net transportation service segment revenue was RMB2,266,635,000 (2023: RMB1,959,766,000), representing an increase of 15.66% as compared with that of last year, which was mainly due to the increase in retail sales volume of refined oil for the year;
- (4) The net transportation logistics segment revenue was RMB283,740,000 (2023: RMB718,809,000), representing a decrease of 60.53% as compared with that of last year, which was mainly due to the decline in sales volume of the North-South Grain Transportation Project as affected by the economic downturn;

- (5) The net construction services segment revenue was RMB2,805,834,000 (2023: RMB4,116,160,000), representing a decrease of 31.83% as compared with that of last year, which was mainly due to the fact that: (1) the construction contract revenue in respect of service concession arrangements was RMB2,703,361,000, representing a decrease of 32.31% as compared with that of last year, which was primarily the construction contract revenue from the project for expansion construction of Chengle Expressway and Tianqiong Expressway BOT Project recognized under the input method; (2) construction contract revenue in respect of construction works performed for third parties amounted to RMB102,473,000, representing a decrease of 16.51% as compared with that of last year, which was mainly due to construction services revenue from Long Bao Da PPP project in Lushan County and the Tourism Highway Project in Dachuan River Scenic Spot in Lushan County recognized under the input method.

Other Income and Gains

The Group's other income and gains for the year amounted to RMB238,931,000, representing a decrease of RMB13,935,000 or 5.51%, mainly due to: first, the reasonable reduction in the size of monetary funds in the current year resulted in a decrease in interest income on deposits for the year; second, the increase in interest income on BT projects recognised in the current year; and third, the net increase in losses recognised in the current year due to the reversal of the previous year's provision of impairment losses of RMB33,923,000 in the previous year.

Operating Expenses

The Group's operating expenses for the year amounted to RMB7,800,424,000 (2023: RMB9,372,739,000), representing a decrease of 16.78% as compared with that of last year, of which:

- (1) During the year, construction contract cost recognized under the input method in respect of service concession arrangements was RMB2,703,361,000 (2023: RMB3,993,702,000), representing a decrease of 32.31% as compared with that of last year. This mainly included construction costs recognized for Chengle Expressway Expansion Construction Project and Tianqiong Expressway BOT Project;
- (2) During the year, construction contract costs recognized under the input method in respect of construction works amounted to RMB90,906,000 (2023: RMB108,837,000), representing a decrease of 16.48% as compared with that of last year, which was mainly attributable to the Long Bao Da PPP Project in Lushan County and the Tourism Highway Project in Dachuan River Scenic Spot in Lushan County recognized under the input method;

- (3) Depreciation and amortisation expenses decreased by 3.25% from RMB1,315,709,000 for the last year to RMB1,272,885,000 for the year, mainly attributable to the fact that the concession of Chengbei Exit Expressway was fully amortised on 30 June 2024, the original toll expiry date, representing a decrease in the amortisation amount as compared with the same period last year;
- (4) The cost of sales of oil and other business for the year was RMB2,171,165,000 (2023: RMB2,366,398,000), representing a decrease of 8.25% as compared with that of last year, mainly due to the decrease in cost of sales related to the curtailment of the Company's trade business as a result of the overall economic environment;
- (5) Repair and maintenance costs decreased by 6.28% from RMB325,275,000 for the last year to RMB304,843,000, mainly due to the decrease in maintenance costs of the facilities of all expressways of the Group as a result of the Group's rational implementation of the special work on cost control during the year;
- (6) Impairment included in trade receivables and other receivables for the year recorded a year-on-year increase of RMB17,560,000 (2023: no impairment loss), mainly due to the provision of impairment losses on trade receivables by Shunan Company during the year, the reversal of the impairment losses accrued in prior periods by Multimodal United Transportation Company during the year and the increase in net impairment loss;
- (7) Charging services costs included were RMB12,966,000 for the year, representing a decrease of 26.07% as compared with that of last year, mainly due to the decrease in electricity costs for new energy vehicle charging piles;
- (8) Foreign exchange losses for the year increased by 46.15% from RMB1,790,000 for that of last year to RMB2,616,000, mainly due to the increase in foreign exchange loss arising from the payment of 2023 H-share dividend as compared with that of last year.

Finance Costs

The Group's finance costs for the year amounted to RMB1,404,608,000 (including: expensed interest expenses of RMB851,932,000), representing an increase of 1.48% as compared with RMB1,384,136,000 (including: expensed interest expenses of RMB937,869,000) for the last year. The increase in finance costs during the year was mainly due to the increase in costs resulting from the drawdown of syndicated loans and the increase in the scale of financing for expressway projects under construction.

Income Tax

The income tax expense of the Group for the year amounted to RMB330,909,000, representing an increase of approximately 9.38% as compared with RMB302,540,000 for that of 2023, mainly due to the change in profit.

Profit

The Group's profit for the year amounted to RMB1,539,525,000, representing an increase of 21.53% as compared with RMB1,266,768,000 for that of last year, of which the profit attributable to owners of the Company was RMB1,449,447,000, representing an increase of 21.72% as compared with RMB1,190,814,000 for that of last year. This was mainly due to:

- (1) The profit of the expressways segment for the year was approximately RMB2,038,436,000 (2023: RMB1,742,689,000), representing an increase of 16.97% as compared with that of last year, mainly due to the year-on-year increase in toll fee and the decrease in maintenance costs of expressways as a result of the Group's rational implementation of the special work on cost control special work during the year, as well as the year-on-year decrease in amortisation amount as a result of the fact that the concession of Chengbei Exit Expressway was fully amortised on 30 June 2024, the original toll expiry date;
- (2) The profit of the new energy technology segment for the year was approximately RMB30,225,000 (2023: RMB3,046,000), representing an increase of 892.28% as compared with that of last year, mainly due to the increase in revenue and gross profit from charging services, and the increase in other income as a result of the innovation of business model by introducing new energy partners;
- (3) The profit of the transportation services segment for the year was approximately RMB198,379,000 (2023: RMB198,650,000), representing a decrease of 0.14% as compared with that of last year, which was mainly due to the increase in gross profit driven by the increase in retail sales volume of refined oil and a consolidated decrease in profit as Chengyu Logistics Company made cost adjustments to its upfront expenses based on the project situation;
- (4) The profit of the transportation logistics segment for the year was approximately RMB8,979,000 (2023: RMB52,502,000), representing a decrease of 82.90% as compared with that of last year, mainly due to the Company's continuous efforts to mitigate the previous business risks and the reversal of impairment losses this year, with a decreased amount of reversal as compared with that of last year;
- (5) The profit of the construction services segment for the year was approximately RMB64,348,000 (2023: RMB4,666,000), representing an increase of 1,279.08% as compared with that of last year, mainly due to the increase in income arising from BT and PPP Projects;
- (6) The profit of the others segment for the year was approximately RMB37,688,000 (2023: RMB34,316,000), representing an increase of 9.83% as compared with that of last year, mainly due to the appreciation in the appraisal of the funds held by Shudao Chengyu Investment Company in the year.

ANALYSIS OF FINANCIAL POSITION

Non-current Assets

As at 31 December 2024, the Group's non-current assets amounted to RMB56,908,074,000, representing an increase of RMB2,386,142,000 as compared with the end of 2023, mainly attributable to:

- (1) An increase of RMB2,175,594,000 in service concession arrangements as compared with the end of 2023 which included an increase of approximately RMB3,256,037,000 mainly from Chengle Expressway Expansion Construction Project and Tianqiong Expressway BOT Project, and the provision for amortization of service concession arrangements of approximately RMB1,080,443,000;
- (2) A decrease of RMB40,519,000 in right-of-use assets as compared with the end of 2023, mainly due to the provision for depreciation of approximately RMB58,967,000 and addition of right-of-use assets of approximately RMB18,448,000 for the year;
- (3) Property, plant and equipment increased by RMB128,068,000 as compared with the end of 2023, mainly due to the addition of property, plant and equipment of approximately RMB282,438,000 and provision for depreciation of approximately RMB133,475,000, as well as disposal of property, plant and equipment of approximately RMB20,895,000;
- (4) An increase of RMB10,990,000 in investment in associates and joint ventures as compared with the end of 2023, mainly due to (1) the increase in carrying value with the total investment income of RMB36,459,000 recognised this year; (2) the decrease of RMB17,089,000 in the total carrying value resulting from the cash dividends declared by Sichuan Communication, Airport Expressway Company, Zhongxin Company, Renshou Rural Commercial Bank and Chengdu Communications Investment Supply Chain Management International Co., Ltd.; and (3) the decrease of RMB8,380,000 in carrying value due to the fact that Shudao Financial Leasing Company, which was held by CSI SCE, implemented the capital increase and share expansion in 2024 and CSI SCE forfeited the opportunity of the capital increase, resulting in the dilution of the proportion of CSI SCE equity interest in Shudao Financial Leasing Company from 25.0455% at the beginning of the year to 8.6545%;
- (5) An increase of RMB208,336,000 in equity investments designated at fair value through other comprehensive income as compared with the end of 2023, mainly due to the participation in investment in China Merchants REITs Fund with an amount of RMB180,579,000 during the year, and the changes in fair value of equity investments in China Everbright Bank;

- (6) A decrease of approximately RMB270,053,000 in non-current portion of trade receivables and other receivables as compared with the end of 2023, mainly due to the payment collection by Renshou Shunan Company and Ziyang Shunan Company during the year;
- (7) An increase of RMB165,460,000 in payments in advance as compared with the end of 2023, which was mainly due to the increase in prepayments to ensure the continuous construction of the Chengle Expressway Expansion Construction Project, the Long Bao Da PPP project in Lushan County and the Tourism Highway Project in Dachuan River Scenic Spot in Lushan County.

Current Assets and Current Liabilities

As at 31 December 2024, the current assets of the Group amounted to RMB4,123,957,000 representing an increase of 32.23% as compared with the end of 2023, mainly attributable to:

- (1) An increase of RMB974,426,000 in the balance of cash and cash equivalents as compared with the end of 2023, mainly due to the increase in cash inflow as a result of issuance of bonds and operating income during the year;
- (2) Current portion of trade receivables and other receivables increased by RMB119,666,000 as compared to the end of 2023, mainly due to the increase of RMB160,200,000 in other receivables and prepayments;
- (3) A decrease of RMB89,954,000 in inventories as compared with the end of 2023, mainly due to the strengthening of inventory management and completion of crop sales by Intermodal Transportation Company during the year.

As at 31 December 2024, the Group's current liabilities amounted to RMB5,423,755,000, representing a decrease of 14.15% as compared with the end of 2023, mainly attributable to a decrease of RMB110,112,000 in trade and other payables, a decrease of RMB8,337,000 in contract liabilities; and a decrease of RMB797,142,000 in current portion of bank and other interest-bearing borrowings for the year.

Non-current Liabilities

As at 31 December 2024, the non-current liabilities of the Group amounted to RMB36,112,650,000, representing an increase of 4.22% as compared with the end of 2023, mainly attributable to an increase of RMB16,406,000 in deferred income, an increase of RMB4,300,000 in deferred tax liabilities, an increase of RMB1,442,190,000 in non-current portion of bank and other interest-bearing borrowings as compared with those of the end of last year.

Equity

As at 31 December 2024, the Group's equity amounted to RMB19,495,626,000 representing an increase of 16.93% as compared with the end of 2023, mainly attributable to: (1) profit of RMB1,539,525,000 for the year, which increased the equity; (2) an increase in equity of RMB16,094,000 due to the adjustment to the fair value of financial assets as a result of presenting changes in other comprehensive income; (3) an increase of RMB1,999,900,000 in equity due to the issuance of perpetual equity instruments; (4) capital injection from minority shareholders amounting to RMB54,870,000, which increased the equity; (5) payment of dividends of RMB53,795,000 to non-controlling shareholders, which decreased the equity; and (6) the final dividend of 2023 paid in the year amounting to RMB733,934,000, which decreased the equity.

Capital Structure

As at 31 December 2024, the Group had total assets of RMB61,032,031,000 and total liabilities of RMB41,536,405,000. The gearing ratio, which was calculated as the Group's total liabilities divided by its total assets, was 68.06% (31 December 2023: 71.07%).

Cash Flow

As at 31 December 2024, the cash and cash equivalents of the Group amounted to RMB2,957,256,000, representing an increase of approximately RMB974,426,000 as compared with the end of 2023. It comprised approximately HKD9,000 (equivalent to approximately RMB9,000) of deposits in Hong Kong dollars, and RMB2,957,247,000 cash and deposit in Renminbi.

During the year, net cash inflow from operating activities of the Group amounted to RMB987,951,000 (2023: net cash outflow of RMB1,275,827,000), representing an increase of RMB2,263,778,000 in net cash inflow as compared with that of last year, mainly due to the fact that: profit before tax increased by RMB301,126,000 as compared with that of last year; the new service concession arrangements resulted in a decrease of RMB1,290,341,000 in cash outflow for the year as compared with that of last year; the increase in restricted deposits resulted in an increase of RMB828,000 in cash outflow for the year as compared with that of last year; the decrease in non-current payments in advances resulted in a decrease of RMB663,387,000 in net cash outflow for the year as compared with that of last year; the decrease in deferred income resulted in a decrease of RMB6,621,000 in cash outflow for the year as compared with that of last year; the decrease in trade receivables and other receivables resulted in an increase of RMB316,916,000 in net cash inflow for the year as compared with that of last year; the decrease in inventories resulted in a decrease of RMB179,699,000 in the cash outflow for the year as compared with that of last year; the decrease in contract liabilities resulted in a decrease of RMB18,770,000 in the net cash inflow for the year

as compared with that of last year; the increase in trade payables and other payables resulted in a decrease of RMB542,997,000 in cash outflow for the year as compared with that of last year; the decrease in amounts due to the controlling shareholder resulted in a decrease of RMB152,000 in cash outflows for the year as compared with that of last year.

Net cash outflow used in investing activities of the Group amounted to RMB172,856,000 (2023: net inflow of RMB2,480,098,000), representing an increase of RMB2,652,954,000 in net cash outflow as compared with that of last year, mainly due to: an increase of RMB111,011,000 in cash outflow for the purchase of property, plant and equipment as compared with that of last year; an increase of RMB199,622,000 in cash outflow from the equity investments at fair value through other comprehensive income as compared with that of last year; a decrease of RMB43,851,000 in cash inflow from interest received as compared with that of last year; an increase of RMB18,464,000 in cash inflow from dividends received from associates as compared with that of last year; a decrease of RMB8,674,000 in cash inflow from dividends received from joint ventures as compared with that of last year; an increase of RMB326,251,000 in cash outflow for the year as compared with that of last year as a result of the increase in time deposits.

Net cash inflow used in financing activities was RMB414,356,000 (2023: net outflow of RMB1,880,636,000), representing an increase in net cash inflow of RMB2,294,992,000 as compared with that of last year, mainly due to: an increase of RMB1,920,358,000 in cash inflow from new bank loans, perpetual equity instruments, corporate bonds and other loans as compared with that of last year; an increase of RMB5,164,618,000 in cash outflow from repayment of bank loans, medium-term notes and other loans and payment of lease principal as compared with that of last year; an increase of RMB428,961,000 in cash outflow from dividend paid to the owners of the Company compared with that of last year; a decrease of RMB16,504,000 in cash outflow from dividend paid to non-controlling shareholders as compared with that of last year; an increase of RMB30,686,000 in cash outflow from interest paid compared with that of last year; and a decrease of RMB24,330,000 in cash inflow received from investment from non-controlling shareholders as compared with that of last year.

Exchange Fluctuations Risks

Save that the Company needs to purchase Hong Kong dollars to distribute dividends to H Shareholders, the operating income and expenses as well as the capital expenditures of the Group are mainly settled in RMB and thus the fluctuations in exchange rate do not have material impact on the Group's results.

In addition, the Group had not used any financial instrument for hedging purposes in the reporting period.

Borrowings and Solvency

As at 31 December 2024, the Group's bank and other interest-bearing borrowings amounted to RMB38,425,725,000. The balance of bank loans was RMB35,921,075,000, with annual interest rates ranging from 2.05% to 3.75%; the balance of other borrowings amounted to RMB223,120,000; the balance of lease liabilities amounted to RMB114,955,000; the balance of medium-term notes amounted to RMB100,000,000, with a coupon interest rate of 2.07% per annum; the balance of corporate bonds amounted to RMB2,000,000,000, with a coupon interest rate of 2.30% per annum; and interest payable of RMB66,575,000. The relevant balances are set out as follows:

Bank and Interest-Bearing Other Loans

	Total	Within	1 year to	Over
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
		1 year	5 years	5 years
Bank loans	35,921,075	2,327,349	10,766,556	22,827,170
Other borrowings and lease liabilities	338,075	196,594	133,367	8,114
Medium-term notes	100,000	–	100,000	–
Corporate bonds	2,000,000	–	2,000,000	–
Interest payable	66,575	66,575	–	–
	<u>38,425,725</u>	<u>2,590,518</u>	<u>12,999,923</u>	<u>22,835,284</u>
Total (as at 31 December 2024)				
	<u>37,780,677</u>	<u>3,387,660</u>	<u>11,535,949</u>	<u>22,857,068</u>
Total (as at 31 December 2023)				

With the Group's steady cash flow, solid capital structure and sound credit records, the Group has established and maintained favorable credit relations with financial institutions and enjoyed most preferential interest rates for its loans. The Group has acquired bank facilities of RMB35,874 million from financial institutions available for use in the following one to two years. In addition, in 2010, China CITIC Bank Corporation Limited (Chengdu Branch) as leader and other eight banks carrying out businesses in the PRC formed a bank consortium, which signed a loan contract with the Group for a medium-long term loan of RMB4,890 million. Such loan is specially used for construction of Chengren Expressway BOT Project. In 2019, China CITIC Bank Corporation Limited (Chengdu Branch) transferred the entire loan balance under the Syndicated Contract to China Construction Bank Corporation (Sichuan Branch), and China Construction Bank Corporation (Sichuan Branch) became the leader in 2020. As at 31 December 2024, the balance of the syndicated loan for the project amounted to RMB1,008 million.

In 2013, China Development Bank (Sichuan Branch) as leader and other four banks carrying out businesses in the PRC formed a bank consortium, which signed a loan contract with the Group for a medium-long term loan of RMB4,950 million. Such loan is specially used for construction of Suiguang Expressway BOT Project. As at 31 December 2024, the balance of the syndicated loan for the project amounted to RMB3,540 million; in 2013, China Development Bank (Sichuan Branch) as leader and other two banks carrying out businesses in the PRC formed a bank consortium, which signed a loan contract with the Group for a medium-long term loan of RMB3,380 million. Such loan was specially used in Suixi Expressways BOT Project. As at 31 December 2024, the balance of the syndicated loan for the project amounted to RMB2,270 million.

In 2019, China Construction Bank Corporation (Sichuan Branch) and China Development Bank (Sichuan Branch) as leader and other five banks carrying out businesses in the PRC formed a bank consortium, which signed a loan contract with the Group for a medium-long term loan of RMB10,400 million. Such loan is specially used for construction of Chengle Expressway Expansion Construction Project. As at 31 December 2024, the balance of the syndicated loan for the project amounted to RMB5,842 million; in 2021, China Construction Bank Corporation (Sichuan Branch) and China Development Bank (Sichuan Branch) as leader and other three banks carrying out businesses in the PRC formed a bank consortium, which signed a loan contract with the Group for a medium-long term loan of RMB6,920 million. As at 31 December 2024, the balance of the syndicated loan for the project amounted to RMB1,728 million. The above two loans are specially used for construction of Chengle Expressway Expansion Construction Project.

In 2020, China Construction Bank Corporation (Sichuan Branch) and China CITIC Bank Corporation Limited (Chengdu Branch) as leader and other five banks carrying on businesses in the PRC formed a bank consortium, which signed a loan contract with the Group for a medium-long term loan of RMB6,948 million. Such loan is specially used for construction of Tianqiong Expressway BOT Project. As at 31 December 2024, the balance of the syndicated loan for the project amounted to RMB5,476 million.

In 2020, China Development Bank (Sichuan Branch) as leader formed a bank consortium with other six banks carrying out businesses in the PRC, which signed a loan contract with the Company for a medium- and long-term loan of RMB9,809 million. Such loan is specially used for the financing rearrangement for the Second Ring (Western) Expressway loan. As at 31 December 2024, the balance of the syndicated loan for the project amounted to RMB9,074 million.

Pledge of Assets

As at 31 December 2024, the concession right of the Group to collect toll pertaining to Chengle Expressway with net carrying value of RMB13,964,775,000 (31 December 2023: RMB12,155,168,000) was pledged to secure the syndicated loan amounting to RMB7,569,720,000 (31 December 2023: RMB6,719,230,000); the concession right to collect toll pertaining to Chengren Expressway with net carrying value of RMB5,696,918,000 (31 December 2023: RMB5,903,036,000) was pledged to secure the syndicated loan amounting to RMB1,008,307,000 (31 December 2023: RMB1,281,655,000); the concession right to collect toll pertaining to Suiguang-Suixi Expressways with net carrying value of RMB10,891,294,000 (31 December 2023: RMB11,095,731,000) was pledged to secure the syndicated loan amounting to RMB5,810,000,000 (31 December 2023: RMB6,410,000,000); the concession right to collect toll pertaining to Tianqiong Expressway with net carrying value of RMB6,891,267,000 (31 December 2023: RMB5,522,506,000) was pledged to secure the bank loans amounting to RMB5,476,498,000 (31 December 2023: RMB4,053,828,000); the concession right to collect toll pertaining to the Second Ring (Western) Expressway with net carrying value of RMB12,946,141,000 (31 December 2023: RMB13,165,127,000) was pledged to secure the bank loans amounting to RMB9,074,000,000 (31 December 2023: RMB9,091,500,000).

Save as disclosed above, the Group did not have any other contingent liabilities, pledge of assets or guarantees as at 31 December 2024.

BUSINESS DEVELOPMENT PLAN

Based on analysis and review of its work and operations during the reporting period, and taking into account its forecast and judgement of future economic situation, policy environment and developments of the industry and our business in the 2025, the Company has formulated the following work plan with a focus on the basic development ideas of “14th Five-Year” Plan and business objectives for the year of 2025:

1. Integrating industrial resources and consolidating the core business.

With the goal of enhancing the core competitiveness of the expressway segment, we strengthen the foundation of the core business, open up growth paths, and accelerate industrial transformation and upgrading. On the one hand, we aim to improve the existing assets, coordinate the “five elements” of safety, quality, cost, timeline and ecology, and accelerate the construction of Chengle Expansion Project; on the other hand, we aim to expand and develop new assets, take the original routine upgrading and expansion, asset consolidation, mergers and acquisitions of high-quality road property and other strategies to expand the scale of road property. At the same time, we improve the quality of expressway maintenance, security efficiency and technical strength, and improve service quality and economic benefits, to promote cross-sector collaborative development.

2. Expanding business layout and deepening the energy field.

Taking the energy supply service network as the cornerstone of the green energy cultivation industry, the Company integrates various energy businesses into a comprehensive energy sector. On the one hand, we will focus on the optimization of the structure of the green energy industry and the improvement of the quality of operation and maintenance, expand and increase capacity at busy locations, promote the interconnection and escrow of the off-road network charging piles, build “oil, gas, photovoltaic, storage and hydrogen” integrated comprehensive energy harbour, and further invest in the construction of distributed optical storage projects and hydrogen refueling stations; on the other hand, we will strengthen the marketing of energy sales business, implement leasing projects, increase the number of stations and promote volume and efficiency growth.

3. Leveraging road network traffic and refining roadside services.

Aligned with the supply-side reform direction of the service industry, the Company will utilize road network traffic resources to refine the roadside service sector. On one hand, we will optimize service area designs and commercial models, gradually implementing a “full-portfolio and full-direct sales” model, upgrading special service areas, and developing commercial complexes while exploring off-road network businesses such as logistics, property management, commerce and media; on the other hand, we will build a multimodal transport and integrated logistics service system, focusing on cost reduction and efficiency improvement, joining multimodal transport industry associations and enterprise alliances, and piloting “one-bill system” and “one-container system” reforms.

4. Broadening revenue stream and optimizing industrial investment.

In response to the SASAC system's requirements for state-owned enterprises in accelerating the formation of new quality productivity, the Group will increase investments in technological leaders in the industry, technology commercialization, and medium and small enterprises in the upstream and downstream of the industrial chain. On one hand, we will leverage investment platforms to continuously hold, timely exit and promptly reserve equity investment projects, strengthening collaborations with funds, securities firms and investment banks for strategic and financial investments through equity participation or control stake. On the other hand, we will deepen capital operations by investing in or acquiring high-quality targets within the Shudao Group to increase the proportion of light assets.

5. Deepening reform and control, and strengthening development foundations.

Firstly, we will complete the “deepening and upgrading action” of the reform of state-owned enterprises with high quality, improve the mechanism of salary distribution and performance appraisal, as well as the setup of institutions and manpower allocation; secondly, we will improve the financial management and capital management, centralize the deployment of funds, enhance the yield rate of idle funds, broaden financing channels, reduce financing costs, and optimize capital structure; thirdly, we will strengthen compliance and internal control, improve the corporate governance system, adjust the power lists of “the general meeting, the Board, the Supervisory Committee and the senior management”, and enhance the management of related-party transactions and investor relations; fourthly, we will carry out comprehensive supervision and management of production safety, ecological environment protection and occupational health, strengthen the construction of systems and risk management and control, innovate the management mode, and promote the practice of guaranteeing safety through technological means.

EVENTS AFTER THE REPORTING PERIOD

Changes in Directors and Senior Management

Reference is made to the announcement of the Company dated 9 January 2025, upon approval at the Company's first extraordinary general meeting in 2025, Mr. Yao Jiancheng was elected as an executive Director of the eighth session of the Board of the Company for a term commencing from 9 January 2025 until the date of expiry of the term of office of the eighth session of the Board.

REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries repurchased, sold or redeemed any of the Company's listed securities during the reporting period.

EMPLOYEES AND THEIR REMUNERATION AND TRAINING

As at 31 December 2024, details of the Group's employees were as follows:

Number of in-service employees of the Company (including its branches)	2,027
Number of in-service employees of major subsidiaries	2,521
Total number of in-service employees	4,548
Number of retired or resigned employees for which the Company (including its branches) and its major subsidiaries are liable to bear costs	Nil

Type of Expertise	Number of people
Production	3,145
Sales	0
Technical	654
Financial	132
Administrative	617
Total	<u>4,548</u>

Type of Education Level	Number of People
Postgraduate	253
University graduate	1,830
Junior college graduate	1,715
Technical secondary school and below	750
Total	<u>4,548</u>

Employees' Remuneration

The total remuneration of the Company's employees is correlated with the operating results of the Company. Employees' salary is determined with reference to position (i.e. the salary changes in accordance with the position of service) and performance. For the year ended 31 December 2024, the employees' salary of the Group totaled approximately RMB660,891,000, of which approximately RMB310,094,000 for the employees of the Company (including its branches).

Employees' Insurance and Welfare

The Company cherishes its employees and protects their lawful interests. The Company has improved various types of social insurance for employees in strict compliance with all applicable PRC labor security policies. Expenses for various types of social insurances for retirement, healthcare (including childbirth), unemployment, work related injury, supplementary critical illness mutual insurance, supplementary medical insurance and employer liability insurance have been paid in full by the Company for the employees. Meanwhile, the Company has made contributions to the housing accumulation fund and enterprise annuity fund for the employees in compliance with the requirements under applicable laws and policies.

Staff Training

The Company highly values staff training and provides trainings of various aspects and types to improve the comprehensive quality and business standard of its staff. During the reporting period, the Company has organized various centralized and specific trainings such as operating training for technical staff, and continuing education and training for professional technical staff. The attendance of the Company (including its branches) reached 38,019 person-times.

CORPORATE GOVERNANCE

Corporate Governance Code

Sound corporate governance goes beyond merely meeting the regulatory authorities' basic requirements for operating a listed company. More importantly, it fulfills the Company's internal development needs. The Company is committed to continuously enhancing its corporate governance standard. During the reporting period and up to the date of this announcement, the Company has adopted and complied with the code provisions in the Corporate Governance Code as set out in Appendix C1 to the Listing Rules of the Stock Exchange except for the deviations as shown below.

As disclosed in the announcement of the Company dated 8 March 2024, following the resignation from the positions of Mr. Li Wenhui as an executive Director, the vice chairman (acting as chairman), the general manager and the authorised representative of the Company pursuant to Rule 3.05 of the Listing Rules on the Stock Exchange on 8 March 2024, given the time required to identify and appoint suitable candidates, the Company was not able to immediately comply with the requirements of Rule 3.05 of the Listing Rules on the Stock Exchange at that time that the authorised representative of a listed issuer is required to be either two directors or a director and a company secretary. Upon the appointment of Mr. Luo Zuyi as the aforesaid authorised representative becoming effective on 9 April 2024, the Company has re-complied with the requirements of Rule 3.05 of the Listing Rules on the Stock Exchange as at 31 December 2024.

Audit Committee

The Audit Committee of the Company comprises three independent non-executive Directors, who are all professionals with extensive experience in finance and transportation.

The Audit Committee has reviewed the annual results of the Group for the year ended 31 December 2024 and is of the view that the Group has complied with all applicable accounting standards and requirements and made adequate disclosure.

COMPLIANCE WITH THE MODEL CODE

During the reporting period, the Company had adopted a code of conduct regarding Directors' and supervisors' securities transactions on terms not less than the required standard set out in the Model Code. Having made specific enquiries with all Directors and supervisors, it was confirmed that the Directors and Supervisors of the Company have complied with the Model Code in relation to securities transactions by the Directors and its standards of code of conduct and there had not been any non-compliance with the relevant requirements of the Model Code.

CLOSURES OF REGISTER OF MEMBERS OF H SHARES

For the purposes of determining the shareholders' entitlement to attend the 2024 AGM and to receive the 2024 final dividend, the H Shares register of members of the Company will be closed during the following periods:

– In respect of attending and voting at the 2024 AGM

Deadline for lodging Transfer documents 4:30 p.m. on 13 May 2025 (Tuesday)

Closure period of the H Shares From 14 May 2025 (Wednesday)
register of members to 22 May 2025 (Thursday)
(both days inclusive)

Record date 22 May 2025 (Thursday)

Date of the 2024 AGM 22 May 2025 (Thursday)

– In respect of the entitlement to 2024 final dividend

Deadline for lodging transfer documents 4:30 p.m. on 5 June 2025 (Thursday)

Closure period of the H Shares register From 6 June 2025 (Friday)
to 12 June 2025 (Thursday)
(both days inclusive)

Dividend Entitlement Date 12 June 2025 (Thursday)

In order to be entitled to attend and vote at the 2024 AGM, and to receive the 2024 final dividend of the Company, H shares shareholders should ensure that all transfer documents, accompanied by the relevant share certificates are lodged with the Company's H Shares Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, before the time above designated for lodging transfer documents.

Shareholders are advised that the Company will make separate announcement on the SSE in respect of details of the arrangements regarding (i) the distribution of 2024 final dividend to the holders of A Shares; and (ii) the holders of A Shares for attending the 2024 AGM.

PUBLICATION OF THE ANNUAL REPORT

The Company's annual report for the year ended 31 December 2024 will be published on the websites of the Stock Exchange and the Company in due course and dispatched in printed form to Shareholders upon request.

As at the date of this announcement, to the best knowledge of the Directors, the information contained in this announcement will be consistent with the information contained in the 2024 annual report of the Company.

DEFINITIONS

A Share(s)	ordinary shares of the Company with a nominal value of RMB1.00 each, which are issued in the PRC, subscribed for in RMB and listed on the SSE
Airport Expressway Company	Chengdu Airport Expressway Company Limited
Articles of Association	the articles of association of the Company, as amended from time to time
Audit Committee	the audit committee under the Board
Board	the board of Directors of the Company
BOT Project	build-operation-transfer project
BT Project	build-transfer project
Chengbei Company	Chengdu Chengbei Exit Expressway Company Limited
Chengbei Exit Expressway	Chengdu Chengbei Exit Expressway
Chengle Company	Sichuan Chengle Expressway Company Limited
Chengle Expansion Construction Project Pilot Section	expansion construction project of pilot section (from Qinglongchang to Meishan) of Sichuan Chengle Expressway

Chengle Expressway	Sichuan Chengle (Chengdu-Leshan) Expressway
Chengle Expressway Expansion Construction Project	Capacity Expansion Construction Project for the Chengdu–Leshan Expressway
Chengren Expressway	Chengdu-Meishan (Renshou) Section of ChengZiLuChi (Chengdu-Zigong-Luzhou-Chishui) Expressway
Chengya Expressway	Sichuan Chengya (Chengdu-Ya’an) Expressway
Chengya Oil Company	Sichuan Chengya Expressway Oil Supply Company Limited
Chengyu Advertising Company	Sichuan Chengyu Expressway Advertising Company Limited
Chengyu Development Fund	Sichuan Chengyu Development Equity Investment Fund Centre (Limited Partnership)
Chengyu Expressway	Chengyu (Chengdu-Chongqing) Expressway (Sichuan Section)
Chengyu Logistics Company	Sichuan Chengyu Logistics Company Limited (四川成渝物流有限公司)
Chengyu Private Equity Fund Management Company	Sichuan Chengyu Private Equity Fund Management Co., Ltd.* (formerly known as “Chengdu Chengyu Jianxin Equity Investment Fund Management Co., Ltd.”, former abbreviation “Chengyu Jianxin Fund Company”)
Chengyu Supply Chain Management Company	Sichuan Chengyu Xingshu Supply Chain Management Company Limited (四川成渝興蜀供應鏈管理有限公司) (formerly known as “Sichuan Chengyu Commercial Factoring Company Limited (四川成渝商業保理有限公司)” “Tianyi United Commercial Factoring (Luzhou) Company Limited (天乙多聯商業保理(瀘州)有限公司)”)
Chengyu Xinneng Company	Sichuan Chengyu Xinneng Construction Co., Ltd.* (四川成渝新能建設有限公司) (formerly known as “Chengdu Shuhong Property Company Limited” and formerly abbreviated as “Shuhong Company”)

Chengyu Yingchuang Company	Chengdu Chengyu Yingchuang Equity Investment Partnership (Limited Partnership) (成都成渝贏創股權投資合夥企業(有限合夥))
China Everbright Bank	China Everbright Bank Company Limited
China Transport Information & Communication Company	China Transport Information & Communication Network Technology Sichuan Co., Ltd. (四川中交信通網絡技術有限公司)
Chuanshang Fund Company	Hainan Chuanshang No. 12 Private Fund Center (Limited Partnership) Company Sichuan Expressway Company Limited* (四川成渝高速公路股份有限公司), a joint stock company incorporated in the PRC with limited liability and the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 00107) and the A Shares of which are listed on the SSE (stock code: 601107)
CSI SCE	CSI SCE Investment Holding Limited
Director(s)	director(s) of the Company
Dividend Entitlement Date	12 June 2025 (Thursday), the date on which the Shareholders whose names appear on the H Shares register of member of the Company shall be entitled to the 2024 final dividend of the Company (if approved by the Shareholders at the 2024 AGM)
EIT	enterprise income tax
GDP	gross domestic product
Group	the Company and its subsidiaries
H Share(s)	overseas listed shares of the Company with a nominal value of RMB1.00 each, which are issued in Hong Kong, subscribed for in Hong Kong dollars and listed on the main board of Stock Exchange
HK\$	Hong Kong dollar(s), the lawful currency of Hong Kong

Hong Kong	the Hong Kong Special Administrative Region of the PRC
Intermodal Transportation Company	Sichuan Multimodal United Transportation Investment and Development Co., Ltd. (四川省多式聯運投資發展有限公司) (previously known as “Sichuan Tianyi United Investment & Development Co., Ltd.” (四川省天乙多聯投資發展有限公司))
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange and/or the Rules Governing the Listing of Securities on the SSE, as the case may be
Long Bao Da PPP project in Lushan County	the Lushan County Longmen to Baosheng to Dachuan Tourism Highway Construction PPP Project
Lushan Shuhan Company	Lushan County Shuhan Engineering Construction Management Co., Ltd. (蘆山縣蜀漢工程建設管理有限公司)
Lushan Shunan Company	Lushan County Shunan Engineering Construction Project Management Co., Ltd. (蘆山縣蜀南工程建設項目管理有限公司)
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules of the Stock Exchange, which has been adopted by the Company as the code of conduct for securities transactions by the Directors and the Supervisors
Operation and Management Branch I	Sichuan Expressway Company Limited Operation and Management Branch I (formerly known as “Sichuan Expressway Company Limited Chengyu Branch” and formerly abbreviated as “Chengyu Branch”)
Operation and Management Branch II	Sichuan Expressway Company Limited Operation and Management Branch II (formerly known as “Sichuan Expressway Company Limited Chengren Branch” and formerly abbreviated as “Chengren Branch”)
Operation and Management Branch III	Sichuan Expressway Company Limited Operation and Management Branch III (formerly known as “Sichuan Expressway Company Limited Chengya Branch” and formerly abbreviated as “Chengya Branch”)

PRC or Mainland China	The People’s Republic of China, for the purpose of this results announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
Renshou Bank	Sichuan Renshou Rural Commercial Bank Co., Ltd.
Renshou Shunan Company	Renshou Shunan Investment Management Company Limited
RMB	Renminbi, the lawful currency of the PRC
Rongcheng Second Ring Company	Sichuan Rongcheng Second Ring Expressway Development Co., Ltd.
Second Ring (Western) Expressway	West Section of Chengdu Second Ring Expressway
Share(s)	A Share(s) and/or H Share(s) (as the case may be)
Shareholder(s)	holder(s) of Shares
Shudao Chengyu Investment Company	Sichuan Shudao Chengyu Investment Company Limited (四川蜀道成渝投資有限公司) (formerly known as “Chengdu Shuhai Investment Management Company Limited (成都蜀海投資管理有限公司)”)
Shudao Expressway	Sichuan Shudao Expressway Group Co., Ltd. (四川蜀道高速公路集團有限公司)
Shudao Financial Leasing Company	Shudao Financial Leasing (Shenzhen) Company Limited (蜀道融資租賃(深圳)有限公司), (formerly known as “Chengyu Financial Leasing Company Limited (成渝融資租賃有限公司)”)
Shudao Group	Shudao Investment and its subsidiaries (excluding the Group)
Shudao Investment	Shudao Investment Group Company Limited* (蜀道投資集團有限責任公司), the controlling shareholder of the Company which holds approximately 37.863% of the issued shares of the Company as at the date of this announcement

Shudao New Energy Company	Sichuan Shudao New Energy Technology Development Co., Ltd. (四川蜀道新能源科技發展有限公司)
Shunan Chengxing Company	Ziyang Shunan Chengxing Project Construction & Management Co., Ltd.
Shunan Company	Sichuan Shunan Investment Management Company Limited
Shuxia Company	Sichuan Shuxia Industrial Company Limited
SSE	Shanghai Stock Exchange
Stock Exchange	The Stock Exchange of Hong Kong Limited
Suiguang Expressway	Sichuan Suiguang (Suining-Guang'an) Expressway
Suiguang-Suixi Company	Sichuan Suiguang-Suixi Expressway Company Limited
Suixi Expressway	Sichuan Suixi (Suining-Xichong) Expressway
Supervisor(s)	supervisor(s) of the Company
Supervisory Committee	supervisory committee of the Company
Tianqiong Expressway BOT Project	the project of Tianfu New District to Qionglai Expressway BOT (build-operate-transfer) project
Trading International Supply Chain Management Company	Chengdu Trading International Supply Chain Management Co., Ltd. (成都交投國際供應鏈管理有限公司)

Zhonglu Energy Company	Sichuan Zhonglu Energy Company Limited
Zhongxin Company	Sichuan Zhongxin Assets Management Co., Ltd.
Ziyang Shunan Company	Ziyang Shunan Chengxing Project Construction & Management Co., Ltd. (資陽市蜀南誠興工程建設管理有限公司)
%	per cent.

By Order of the Board
Sichuan Expressway Company Limited*
Yao Jiancheng
Executive Director and Joint Company Secretary

Chengdu, Sichuan Province, the PRC
28 March 2025

As at the date of this announcement, the Board comprises Mr. Luo Zuyi (Chairman), Mr. You Zhiming (Vice Chairman), Madam Ma Yonghan, Mr. Yao Jiancheng and Madam Mao Yurong as executive Directors, Mr. Yang Shaojun (Vice Chairman), Mr. Li Chengyong and Mr. Chen Chaoxiong as non-executive Directors, Mr. Yu Haizong, Madam Bu Danlu, Mr. Zhou Hua and Mr. Jiang Tao as independent non-executive Directors.

* *For identification purposes only*