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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)

**2017 FIRST QUARTERLY REPORT**

This announcement is made by Sichuan Expressway Company Limited\* (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The financial data of the Company for the first quarter of 2017 is unaudited and has been prepared in accordance with the China Accounting Standards for Business Enterprises.

**I. IMPORTANT NOTICE**

- 1.1 The board ("**Board**") of directors ("**Directors**"), the supervisory committee and the Directors, supervisors and senior management of the Company shall ensure the truthfulness, accuracy and completeness of the information contained in the 2017 first quarterly report (the "**Quarterly Report**" or the "**Report**") of the Company and there are no false representations, misleading statements contained in or material omissions from the Report for which they shall assume joint and several liability.
- 1.2 All Directors of the Company attended the Board meeting to review the Quarterly Report.

- 1.3 Mr. Zhou Liming, person in charge of the Company, Mr. Li Wenhui, person in charge of accounting and Mr. Sun Ou, head of the accounting department (accounting officer), have declared and confirmed the truthfulness, accuracy and completeness of the financial statements in this Quarterly Report.
- 1.4 The Company's First Quarterly Report is unaudited. The reporting period (the "Reporting Period" or "Period") in this report refers to the three months ended 31 March 2017.

## II. BASIC INFORMATION OF THE COMPANY

### 2.1 Principal financial data

|   | <i>Unit: yuan    Currency: RMB</i>   |  |  |
|---|--|--|--|
|   | <b>As at the end of<br/>the Reporting<br/>Period</b>   | As at the end of<br>last year  | Increase/decrease<br>as at the end of<br>the Reporting<br>Period compared<br>to that<br>as at the end of<br>last year<br>(%) |
| Total assets  | <b>35,839,836,868.88</b>   | 36,379,377,480.65  | -1.48  |
| Net assets attributable<br>to shareholders of<br>the listed Company<br>("Shareholders") | <b>13,607,142,865.32</b>   | 13,324,201,245.22  | 2.12   |
|   | <b>From the<br/>beginning of<br/>the year to<br/>the end of<br/>the Reporting<br/>Period</b> | From the<br>beginning of<br>last year to<br>the end of<br>the reporting<br>period of last year | Increase/<br>decrease<br>over the<br>same period<br>last year<br>(%)   |
| Net cash flows from<br>operating activities   | <b>128,524,280.30</b>  | 347,755,714.47   | -63.04   |

|   | <b>From the<br/>beginning of<br/>the year to<br/>the end of<br/>the Reporting<br/>Period</b> | From the<br>beginning of<br>last year to<br>the end of<br>the reporting<br>period of last year | Increase/<br>decrease over<br>the same period<br>last year<br>(%) |
|---|--|--|---|
| Operating revenue   | <b>1,540,463,533.87</b>  | 1,644,335,353.36   | -6.32   |
| Net profit attributable to<br>Shareholders of<br>the listed Company   | <b>278,416,174.17</b>  | 340,847,004.65   | -18.32  |
| Net profit net of non-<br>recurring profit and<br>loss attributable to<br>Shareholders of<br>the listed Company | <b>275,262,909.90</b>  | 337,675,624.45   | -18.48  |
| Weighted average return<br>on net assets (%)  | <b>2.07</b>  | 2.69   | Decreased by<br>23.05<br>percentage points                        |
| Basic earnings per share<br>(Yuan/share)  | <b>0.0910</b>  | 0.1115   | -18.39  |
| Diluted earnings per share<br>(Yuan/share)  | <b>0.0910</b>  | 0.1115   | -18.39  |

#### **Non-recurring items and amounts**

Applicable     Not applicable

*Unit: yuan    Currency: RMB*

| <b>Item</b>   | <b>Amount in<br/>the Period</b> |
|---|---------------------------------|
| Profit or loss from disposal of non-current assets  | <b>-94,725.47</b>               |
| Incidental tax refund or exemption in relation to documents<br>of unauthorised approval or without formal approval  |                                 |
| Government subsidies included in profit or loss in the<br>current period, but excluding those closely related to<br>the Company's normal business operations, in line with<br>national policies and regulations and in accordance with<br>certain fixed amounts on a continuous basis | <b>1,904,644.46</b>             |
| Fund possession cost paid by non-financial enterprises and<br>recorded under current profit and loss  |                                 |

| <b>Item</b>   | <b>Amount in<br/>the Period</b> |
|---|---------------------------------|
| Profit arising from investment costs for acquisition of subsidiaries, associates and joint ventures less than the revenue generated from their identifiable net assets of the invested entity at fair value at the time of acquisition  |                                 |
| Profit/loss of non-monetary asset swap  |                                 |
| Profit/loss from entrusted investment or asset management   |                                 |
| Provision for impairment of assets due to force majeure i.e. natural disaster   |                                 |
| Profit/loss from debt restructuring   |                                 |
| Corporate restructuring expenses, i.e. expenses on employee placement, integration costs, etc.  |                                 |
| Profit/loss from the excess of the fair value of a transaction of unfair consideration  |                                 |
| Current net profit/loss of subsidiaries resulting from merger of enterprises under common control from the beginning of the period to the date of merger  |                                 |
| Profit/loss from contingencies irrelevant to the normal operations of the Company   |                                 |
| Except the effective hedging business associated with the Company's normal operation, profit or loss from changes in fair value arising from holding tradable financial assets and tradable financial liabilities, and investment income from disposal of tradable financial assets, tradable financial liabilities and financial assets available for sale | <b>96,737.99</b>                |
| Write back of the provision for impairment of accounts receivable that is individually tested for impairment  |                                 |
| Profit/loss from external entrusted loans   |                                 |
| Profit/loss from changes in fair value of investment properties using the fair value model for subsequent measurement   |                                 |
| Effects of one-off adjustment to current profit/loss in accordance with laws and regulations on taxation and accounting, etc.   |                                 |
| Income of entrustment fees from entrusted operations  |                                 |

| <b>Item</b>  | <b>Amount in<br/>the Period</b>   |
|--|-----------------------------------|
| Other non-operating income and expenses except for the<br>above items                      | 1,783,197.42                      |
| Other profit and loss items falling within the meaning of<br>non-recurring profit and loss |                                   |
| Amount of effect on the interest of minority shareholders<br>(after tax)                   | -37,001.48                        |
| Amount of effect of income tax   | <u>-499,588.65</u>                |
| <b>Total</b>   | <b><u><u>3,153,264.27</u></u></b> |

**2.2 The total number of Shareholders, shareholding status of the top ten Shareholders and the top ten Shareholders of circulating shares (or Shareholders not subject to trading restriction) as at the end of the Reporting Period**

*Unit: Share*

|                              |  |
|------------------------------|--|
| Total number of Shareholders | 73,086 Shareholders (including 72,807 holders of A shares and 279 holders of H shares) |
|------------------------------|--|

## Shareholding of the top ten Shareholders

| Name of Shareholder<br>(Full name)  | Number of<br>shares<br>at the end of<br>the period | Shareholding<br>percentage<br>(%) | Number of<br>shares subject<br>to trading<br>restriction | Pledged or frozen |        | Type of<br>Shareholder      |
|---|--|-----------------------------------|--|-------------------|--------|-----------------------------|
|   |  |                                   |  | Share<br>status   | Number |                             |
| Sichuan Communications<br>Investment Group Co., Ltd   | 1,035,914,278                                      | 33.87                             | 0  | Nil               | 0      | State                       |
| HKSCC NOMINEES<br>LIMITED (Note 1)  | 888,732,000  | 29.06                             | 0  | Unknown           |        | Foreign legal<br>person     |
| China Merchants Expressway<br>Network & Technology<br>Holdings Co., Ltd   | 664,487,376  | 21.73                             | 0  | Nil               |        | State-owned<br>legal person |
| Hong Kong Securities<br>Clearing Company<br>Limited (Note 2)  | 9,295,686  | 0.30                              | 0  | Unknown           | 0      | Foreign legal<br>person     |
| Industrial and Commercial<br>Bank of China Co., Ltd.<br>– Southern Big Data 100<br>Index Securities<br>Investment Fund  | 8,487,503  | 0.28                              | 0  | Unknown           |        | Unknown                     |
| Yang Yi   | 7,734,700  | 0.25                              | 0  | Unknown           |        | Domestic natural<br>person  |
| Zou Qing  | 5,920,800  | 0.19                              | 0  | Unknown           |        | Domestic natural<br>person  |
| Zhang Xianguo   | 5,800,000  | 0.19                              | 0  | Unknown           |        | Domestic natural<br>person  |
| Harvest Petrochemical<br>Strategisc Leading Equity<br>Pension Product – China<br>Construction Bank<br>Corporation (嘉實石化戰<br>略龍頭股票型養老金產<br>品 – 中國建設銀行股份<br>有限公司) | 3,120,000  | 0.10                              | 0  | Unknown           |        | Unknown                     |
| Yao Bo  | 2,639,908  | 0.09                              | 0  | Unknown           |        | Domestic natural<br>person  |

## Shareholding of the top ten Shareholders of shares not subject to trading restriction

| Name of Shareholder   | Number of shares not subject to trading restriction | Class and number of shares     |             |
|---|---|--------------------------------|-------------|
|   |   | Class                          | Number      |
| Sichuan Communications Investment Group Co., Ltd  | 1,035,914,278                                       | RMB ordinary shares            | 975,060,078 |
|   |   | Foreign shares listed overseas | 60,854,200  |
| HKSCC NOMINEES LIMITED ( <i>Note 1</i> )  | 888,732,000   | Foreign shares listed overseas | 888,732,000 |
| China Merchants Expressway Network & Technology Holdings Co., Ltd   | 664,487,376   | RMB ordinary shares            | 664,487,376 |
| Hong Kong Securities Clearing Company Limited ( <i>Note 2</i> )   | 9,295,686   | RMB ordinary shares            | 9,295,686   |
| Industrial and Commercial Bank of China Co., Ltd. – Southern Big Data 100 Index Securities Investment Fund                      | 8,487,503   | RMB ordinary shares            | 8,487,503   |
| Yang Yi   | 7,734,700   | RMB ordinary shares            | 7,734,700   |
| Zou Qing  | 5,920,800   | RMB ordinary shares            | 5,920,800   |
| Zhang Xianguo   | 5,800,000   | RMB ordinary shares            | 5,800,000   |
| Harvest Shihua Strategic Leading Equity Pension Product – China Construction Bank Corporation (嘉實石化戰略龍頭股票型養老金產品 – 中國建設銀行股份有限公司) | 3,120,000   | RMB ordinary shares            | 3,120,000   |
| Yao Bo  | 2,639,908   | RMB ordinary shares            | 2,639,908   |

Explanations on the connected relationship or concerted-party relationship among the aforementioned Shareholders

As at the date of approval of the Quarterly Report for publication, there is no connected relationship or relationship of persons acting in concert between Shareholders holding state-owned shares and state-owned legal person Shareholders in the above tables. Besides, the Company is not aware whether there is any connected relationship or concerted-party relationship among the aforementioned Shareholders, or between the aforementioned Shareholders holding state-owned shares and state-owned legal person Shareholders and the aforementioned other Shareholders.

### Notes:

1. The H shares held by HKSCC Nominees Limited were held on behalf of various customers, including 60,854,200 H shares of the Company held by Sichuan Communications Investment Group Co., Ltd.;
2. Hong Kong Securities Clearing Company Limited is the nominal holder of shares under the Shanghai-Hong Kong Stock Connect.

**2.3 Total number of holders of preference shares, top 10 holders of preference shares and top 10 holders of preference shares not subject to trading restriction as at the end of the Reporting Period**

Applicable  Not applicable

**III. SIGNIFICANT EVENTS**

**3.1 Significant changes in items in the principal accounting statement and financial indicators of the Company and the reasons therefor**

Applicable  Not applicable

**(1) Material changes in items of balance sheet as at the end of the Reporting Period and explanations thereon**

*(Unit: RMB, yuan)*

| Item   | Closing balance at the end of the Period | Opening balance at the beginning of the Period | Increase/ decrease in amount | Increase/ decrease in percentage | Explanations on changes   |
|--|--|--|------------------------------|----------------------------------|---|
| Financial assets at fair value through profit and loss | 5,780.36                                 | 85,954.16                                      | -80,173.80                   | -93.28%                          | Mainly due to disposal of tradable financial assets in the Period   |
| Accounts receivable                                    | 463,941,284.74                           | 669,116,089.83                                 | -205,174,805.09              | -30.66%                          | Mainly due to the recovery of construction costs  |
| Construction in progress                               | 95,401,745.92                            | 15,709,255.29                                  | 79,692,490.63                | 507.30%                          | Mainly due to the commencement of construction of the trial section project of Qinglongchang to Meishan of the expansion project of Chengle Expressway at the end of 2016 |
| Employee remuneration payable                          | 60,201,462.56                            | 112,768,168.84                                 | -52,566,706.28               | -46.61%                          | Mainly due to payment of annual year-end assessment bonus provided for at the end of last year in the Period  |



**(2) Material changes in items of the income statement during the Reporting Period and explanations thereon**

*(Unit: RMB, yuan)*

| Item                   | Amount for the Reporting Period | Amount for the corresponding period last year | Increase/decrease in amount | Increase/decrease in percentage | Explanations on changes   |
|------------------------|---------------------------------|---|-----------------------------|---------------------------------|---|
| Tax and surcharges     | 10,615,316.23                   | 44,618,938.64                                 | -34,003,622.41              | -76.21%                         | Mainly due to the inclusion of business tax for the corresponding period last year  |
| Finance costs          | 188,927,366.87                  | 106,744,681.45                                | 82,182,685.42               | 76.99%                          | Mainly due to inclusion of relevant interests expenses in finance costs after Suiguang Suixi expressway started to operate in October 2016                |
| Return on investment   | 15,225,438.22                   | 3,062,651.58                                  | 12,162,786.64               | 397.13%                         | Mainly due to the increase in return on investment in Sichuan Renshou Rural Commercial Bank Co., Ltd. during the Period                                   |
| Non-operating income   | 5,521,588.86                    | 3,905,136.87                                  | 1,616,451.99                | 41.39%                          | Mainly due to the increase in government grants to Yuwang Temple of Neijiang recognized in the Period as compared with the corresponding period last year |
| Non-operating expenses | 1,928,472.45                    | 189,353.58                                    | 1,739,118.87                | 918.45%                         | Mainly due to the increase in employment stabilizing subsidy in the Period  |

| <b>Item</b>  | <b>Amount for the Reporting Period</b> | <b>Amount for the corresponding period last year</b> | <b>Increase/ decrease in amount</b> | <b>Increase/ decrease in percentage</b> | <b>Explanations on changes</b>   |
|--|--|--|-------------------------------------|---|--|
| Minority interests   | 18,092,230.86                          | 10,709,613.32  | 7,382,617.54                        | 68.93%                                  | Mainly due to the increase in net profit of non-wholly owned subsidiaries of the Company as compared with the corresponding period last year in the Period |
| Gains and losses from changes in fair value of available-for-sale financial assets | 2,719,520.31                           | -6,662,824.76  | 9,382,345.07                        | N/A                                     | Mainly due to the movement of price of shares held in China Everbright Bank  |

**(3) Material changes in items of the cash flow statement during the Reporting Period and explanations thereon**

(Unit: RMB, yuan)

| Item                                     | Amount for the Reporting Period | Amount for the corresponding period last year | Increase/decrease in amount | Increase/decrease in percentage | Explanations on changes   |
|--|---------------------------------|---|-----------------------------|---------------------------------|---|
| Net cash flows from operating activities | 128,524,280.30                  | 347,755,714.47                                | -219,231,434.17             | -63.04%                         | Mainly due to the payment of bidding earnest money for Ziyang Project   |
| Net cash flows from investing activities | -548,130,204.99                 | -918,042,564.35                               | 369,912,359.36              | N/A                             | Mainly due to the decrease in the expenditure of acquisition and construction of fixed assets and intangible assets as a result of the completion of Suiguang Suixi Project |
| Net cash flows from financing activities | -306,406,959.37                 | 82,649,591.00                                 | -389,056,550.37             | -470.73%                        | Mainly due to the increase in repayments as a result of the increase in due debts in the Period as compared with the corresponding period last year                         |

**3.2 Progress of significant events, their impacts and the analysis and explanation of solutions**

Applicable       Not applicable

**(1) Renshou Land-linked Pilot BT Project (the land-linked pilot project in Renshou County, Meishan City in the form of BT (building-transfer))**

On 28 January 2011, the Company convened the thirty-fourth meeting of the fourth session of the Board, and considered and approved the proposal in relation to the investment in Renshou Land-linked Pilot BT Project. In July 2011, Chengdu Shuhong Property Company Limited (“**Shuhong Company**”) was established to take charge of the execution of the project. The Renshou Land-linked Pilot BT Project, with an estimated total investment of approximately RMB280.270

million, is located at Gaotan village, Wenlin Town (where the county government is located), Renshou County, Sichuan Province which involves an area of approximately 4,848 mu. The investment includes relocation of farmers' houses, settlement of "San Tong Yi Ping" (三通一平, generally referred to as site clearance and resettlement, connecting temporary water and electricity supply to the site and road connection to the site) as well as construction of ancillary municipal roads, resettlement houses (including preparation work) (approximately 112,700 sq.m.) and ancillary facilities at the resettlement site. From the date of its commencement of construction to 31 March 2017, a total of approximately RMB263 million had been invested on a cumulative basis in Renshou Land-linked Pilot BT Project, accounting for approximately 93.93% of the estimated total investment of the project.

- (2) *Shuangliu West Airport Phase VI BT Project (the road project within the Airport High-tech Industrial Functional Zone at Shuangliu District, Chengdu City in the form of BT (building-transfer), which is referred to as the "West Airport Development Zone Phase VI Road Engineering BT (building-transfer) Project" by the Transportation Bureau of Shuangliu District, Chengdu City, the tenderee of this project)*

On 13 January 2012, the Company convened the 41st meeting of the fourth session of the Board and the proposal in relation to the investment and construction of Shuangliu West Airport Phase VI BT Project was considered and approved, and Sichuan Shunan Investment Management Company Limited ("**Shunan Company**") was approved to be the project company responsible for the preparation, construction and transfer of the project. On 17 January 2012, the Company won the bid to undertake the project, which involved a total of 4 roads, i.e. south extension line of Aviation Avenue, the road on the east side of Rayspower, Airport Road No. 4 and the west extension line of Industrial Park Avenue, with a total length of approximately 8.84 km. The estimated total investment amount is approximately RMB616,070,000, including land requisition and relocation fee of approximately RMB163,030,000 and expenditures for road construction and installation of relevant facilities of approximately RMB453,040,000. From the date of its commencement of the construction to 31 March 2017, a total of approximately RMB325 million had been invested in Shuangliu West Airport Phase VI BT Project, accounting for approximately 52.76% of the estimated total investment of the project.

(3) *Shuangliu Zongbao BT Project (the Phase I road project within Zongbao ancillary area at Shuangliu District, Chengdu City in the form of BT (building-transfer))*

On 28 March 2012, the Company convened the 42nd meeting of the fourth session of the Board and the proposal in relation to the investment in Shuangliu Zongbao BT Project was considered and approved, and Shunan Company was approved to be the project company responsible for the preparation, construction and transfer of the project. On 6 April 2012, the Company won the bid to undertake the project, which involved 2 roads, i.e. Qinglan Road and the south extension line of Shuanghuang Road, with a total length of approximately 3.23 km. The estimated total investment amount is approximately RMB279,630,000, including land requisition and relocation fee of approximately RMB79,370,000 and expenditures for road construction and installation of relevant facilities of approximately RMB200,260,000. From the date of its commencement of the construction to 31 March 2017, a total of approximately RMB192 million had been invested in Shuangliu Zongbao BT Project, accounting for approximately 68.57% of the estimated total investment of the project.

(4) *Real Estate Projects in Chengbei New Town of Renshou County*

On 30 January 2013, the proposal in relation to participation in the bidding for the land use rights of three state-owned construction land parcels in Chengbei New Town, Renshou County, Meishan City, Sichuan Province for the investment and development of real estate projects was considered and approved by the Office of the General Manager of the Company. On 22 February 2013, the Company won the bid for the land use rights of such land parcels involving a total site area of 235,558.10 sq.m. at an aggregate consideration of RMB920.16 million. In May 2013, Renshou Trading Landmark Company Limited (“**Renshou Landmark Company**”) was established to take full charge of the development and construction of the real estate project in Chengbei New Town, Renshou County. On 15 May 2014, Renshou Landmark Company won the bid for the land use rights of five state-owned construction land parcels (with a total site area of 194,810.52 sq.m.) in Chengbei New Town at an aggregate consideration of RMB787.1 million. At present, certain work of the real estate project has been completed and they have been arranged for sale. As of 31 March 2017, sales revenue amounted to approximately RMB57.373 million.

(5) *Renshou Gaotan BT Project (Renshou Gaotan Water Park, roads in the area of Gaotan Reservoir, landscape engineering of Central Business Avenue, Tianfu Renshou Avenue, underneath channel of Lingzhou Avenue and Renshou Avenue extension and other construction projects)*

On 3 January 2014, the Office of the General Manager of the Company considered and approved the proposal in relation to the investment in the Renshou Gaotan BT project. On 15 January 2014, the Company won the bid to undertake the project, and on 28 January 2014, the Company entered into the Investment and Construction Contract in relation to the engineering construction projects including Gaotan Water Park, roads in the area of Gaotan Reservoir, landscape engineering of Central Business Avenue, Tianfu Renshou Avenue, underneath channel of Lingzhou Avenue and Renshou Avenue extension. The total estimated investment in these projects amounted to approximately RMB2,472 million (exclusive of land requisition, demolition costs and upfront fee. Relevant preliminary work, e.g. land requisition, demolition, and expenses were borne by the tenderee). In order to reduce the investment risks, and speed up the investment return, upon friendly negotiation, the Company and the Urban and Rural Construction Bureau of Renshou County entered into the Supplementary Agreement to Investment and Construction Contract (“**Supplementary Agreement**”) on 30 December 2015, which adjusted and reduced the greening landscape engineering and internal road works of Gaotan Water Park, and the construction engineering from Tianfu Renshou Avenue G213 to Renshou Urban Section, amounting to investment reduction of approximately RMB1.334 billion, and the total investment budget of Renshou Gaotan BT Project reduces from approximately RMB2.472 billion to approximately RMB1.138 billion (see the Announcement of Sichuan Expressway Concerning Change in External Investment published by the Company on Shanghai Securities News, China Securities Journal and the website of Shanghai Stock Exchange (“**SSE**”) on 31 December 2015). Renshou Shunan Investment Management Company Limited (“**Renshou Shunan Company**”) is in full charge of the project. As at the end of the Reporting Period, Tianfu Renshou Avenue extension and greening landscape engineering and landscape engineering of Central Business Avenue (inclusive of water diversion into the city) had passed completion acceptance; Gaotan Reservoir project had passed delivery acceptance; site construction for underneath channel of Lingzhou Avenue and the inner ring road of Gaotan had been completed. From the commencement date of the project to 31 March 2017, an aggregate investment of approximately RMB763 million was made into the Renshou Gaotan BT project, representing approximately 67.05% of the estimated total investment for the project after adjustment and reduction.

- (6) ***Renshou Shigao BT Project (Section II of Shigao Avenue in Renshou Shigao Economic Development Zone, Tianfu New District, Gangtie Avenue, Qingshui Road and Ring Road (including road maintenance project of Artery No. 1), south section of Zhanhua Road (including the business street and Quanlong River levee project) and Logistics Avenue (including storm sewage pipe network project of Huahai Avenue) and other engineering construction projects)***

On 3 January 2014, the general manager's office meeting of the Company considered and approved the proposal of investing in Renshou Shigao BT Project. On 17 January 2014, the Company won the bid and signed the Investment and Construction Contract on 7 March 2014, which included Tianfu New District Renshou Shigao Economic Development Zone Shigao Avenue Second Section, Iron Avenue, Qingshui Road and Loop Line (including the No. 1 Main Road maintenance engineering), south of Zhanhua Road (including Commercial Street and Quanlong River Embankment), and Logistics Road (including Huahai Avenue rain sewage pipe network engineering) and other construction projects, the total estimated total investment was approximately RMB824 million (subject to the financial investment evaluated price). Renshou Shunan Company was fully responsible for the project. As at the end of the Reporting Period, Shigao Avenue Second Section, Commercial Street and Quanlong River Embankment remediation engineering, and Huahai Avenue rain sewage pipe network engineering had completed the final acceptance and audit; Iron Avenue (excluding non-demolition sections) and Loop Line (excluding non-demolition sections) have completed the construction. From the date of commencement to 31 March 2017, Renshou Shigao BT Project had completed a total investment of about RMB249,000,000, accounting for approximately 30.22% of the estimated total investment of the project.

- (7) ***Capacity expansion trial project for Qinglongchang to Meishan section of Chengle Expressway***

On 27 October 2016, the Company held the third meeting of the sixth session of the Board of Directors, considered and approved the proposal of implementing Chengle Expressway Pilot Expansion Construction between Qinglongchang to Meishan Project. According to the reply from the Sichuan Provincial Development and Reform Commission on the project's feasibility study, the project's total length was 28km, the construction should follow two-way eight-lane expressway standard, the project's estimated total investment was about RMB1.9856 billion (for details, please refer to the announcement titled The Trial Section Project For Expansion Construction of Chengle Expressway published by the Company on the website of The Stock Exchange of Hong Kong



Limited (the “**Stock Exchange**”) on 27 October 2016). The pilot project should take the measure of EPC, the preliminary design document and the budget proposal had been completed in the course of the project and approved by the Sichuan Provincial Department of Transportation. The construction of the project was commenced at the end of 2016, and the project construction is progressing steadily. After the completion of the project, it will help to ease the traffic pressure on the section between Qinglongchang to Meishan on Chengle Expressway, improve the overall traffic capacity and service level of the Chengle Expressway.

(8) *Establishment and operation of the funds*

1) *Funds jointly set up and/or managed by Zhongxin Company*

On 24 December 2013, the 10th meeting of the fifth session of the Board of Directors of the Company considered and approved the proposal in relation to the cooperation with Sichuan Development Equity Investment Fund Management Co., Ltd. (“**Development Investment Company**”) in carrying out industrial investment funds related business, pursuant to which, Sichuan Zhongxin Assets Management Co., Ltd (“**Zhongxin Company**”) was established on 6 January 2014, with a registered capital of RMB10 million. Chengdu Shuhai Investment Management Company Limited (“**Shuhai Company**”), a wholly-owned subsidiary of the Company, and Development Investment Company each contributed RMB5 million and held 50% equity interest in the company, respectively. On 19 June 2014, the Company, Development Investment Company and Zhongxin Company entered into a partnership agreement in relation to the joint contribution to establish Sichuan Chengyu Development Equity Investment Fund Centre (Limited Partnership) (“**Chengyu Development Fund**”). The total contribution is RMB610 million, of which the Company, Development Investment Company and Zhongxin Company contributed RMB300 million, RMB300 million and RMB10 million respectively. Up to now, the funds jointly set up and/or managed by Zhongxin Company were: Chengyu Development Fund, Sichuan Panxi Strategic Resources Development Investment Fund, Sichuan Panxi New Materials Venture Capital Fund, Chengding Zhongxin No. 1 Private Equity Investment Fund, and Sichuan Provincial Intellectual Property Operation Equity Investment Fund. At present, the investment and financing operations of the above funds are progressing well.



2) *Chengyu Jianxin Fund*

On 27 October 2016, the general manager’s office meeting of the Company considered and approved the proposal of establishing Fund Management Company and industrial M & A investment fund in cooperation with CCB Trust Co., Ltd. (referred to as “**CCB Trust**”). On 8 November 2016, the Company entered into a cooperation agreement (referred to as “**Cooperation Agreement**”) with CCS Trust, pursuant to which, the Company and CCB Trust jointly funded the establishment of Fund Management Company with a registered capital of RMB20 million. The Company and CCB Trust each invested RMB10 million, respectively holding 50% of the equity interests. On 8 December 2016, Chengyu Jianxin Fund Company was established in Chengdu Hi-tech Zone. According to the Cooperation Agreement, the Company, CCB Trust and Chengyu Jianxin Fund Company will jointly set up a number of industrial M & A investment funds in the form of limited partnership, and as the manager of industrial M & A investment fund, the Chengyu Jianxin Fund Company would carry out debt investment, equity investment and other types of investment. The first industrial M & A investment fund has a worth of RMB2.5 billion. The Company, CCB Trust, and Chengyu Jianxin Fund Company would invest RMB475 million, RMB2 billion, and RMB25 million, respectively, representing 19%, 80%, and 1%. The establishment of the Chengyu Jianxin Fund Company and the industrial M & A investment fund will further expand the Company’s industrial investment capacity and broaden new business areas to find new profit growth points. For details please refer to the announcement titled Discloseable Transaction – Equity Investment for Formation of Fund Management Company and Participation in Setting Up Industrial Merger and Acquisition Investment Fund published on the website of the Stock Exchange by the Company on 8 November 2016.

3) *Proposed participation in establishment of the Property Fund*

On 19 January 2017, as considered and approved at the fifth meeting of the sixth session of the Board of Directors of the Company, Shuhai Company, a wholly-owned subsidiary of the Company, proposes to participate (as a limited partner (inferior LP) in the “Property Fund (Limited Partnership) (in preparation)”) (the name of the partnership to be confirmed by relevant industrial and commercial departments) (referred to as the “**Property Fund**”). The Property Fund is to be jointly established by Shenyin & Wanguo-STI IF (Shanghai) Investment Management Co., Ltd.\*

(as a general partner, “**Shenyin & Wanguo-STI**”), a related legal person, and STI Industrial Finance Holding Limited\* (as an inferior LP, “**STI Industrial Finance**”), a related legal person, and it would invest in high-quality commercial properties and other projects in Chengdu. Basic information on the Property Fund is set out below:

- (1) Fund manager: Shenyin & Wanguo-STI.
- (2) Fund type: limited partnership.
- (3) Fund size: the expected total size is RMB2 billion and the initial size is RMB901 million.
- (4) Way of contribution: Shenyin & Wanguo-STI proposes to make a contribution of RMB1 million; Shuhai Company proposes to make a contribution of no more than RMB300 million; STI Industrial Finance proposes to make a contribution of no more than RMB300 million; the third party financial institution(s) to be introduced by the fund manager as limited partner(s) (superior LP(s)), propose(s) to make a contribution of not less than RMB300 million.

For details, please refer to the Overseas Regulatory Announcement – The Announcement on the Resolutions of the Fifth Meeting of the Sixth Session of the Board of Sichuan Expressway Company Limited\* on the website of the Stock Exchange by the Company on 19 January 2017.

**(9) *Mid-and-long term banking consortium loans***

In order to ensure the construction capital of Suiguang Expressway and Suixi Expressway BOT Project to be ready in time, as approved by the Company, the banking consortium loan contract of Suiguang Expressway and Suixi Expressway BOT Project was signed in December 2013, with China Development Bank being the leading bank. The total amount of syndicated credit was RMB8.330 billion, the lending banks included China Development Bank, China Construction Bank, Industrial and Commercial Bank of China and Postal Savings Bank of China. As of 31 March 2017, the Company had withdrawn a total amount of RMB7.856 billion from the loan.

***(10) Chengyu Financial Leasing Company Limited***

On 15 January 2015, the general manager’s office meeting of the Company considered and approved the joint establishment of Chengyu Financial Leasing Company Limited (“**Chengyu Financial Leasing Company**”) with CSI SCE Investment Holding Limited (“**CSI SCE**”). On 4 February 2015, the Company entered into a joint venture contract with CSI SCE, pursuant to which, the registered capital of Chengyu Financial Leasing Company was RMB300,000,000, and the Company and CSI SCE contributed RMB180,000,000 and RMB120,000,000, respectively, and accordingly held 60% and 40% equity interest in Chengyu Financial Leasing Company, respectively. On 13 April 2015, Chengyu Financial Leasing Company completed the industrial and commercial registration in Shenzhen City Market Supervision and Administration Bureau. On 31 May 2016, the Company completed the acquisition of CSI SCE, thus realizing 100% holding of Chengyu Financial Leasing Company. As of 31 March 2017, Chengyu Financial Leasing Company achieved revenue of RMB12,576,900 and net profit of RMB3,233,500.

***(11) Issuance of Domestic Corporate Bonds and the Status of Going Public***

In order to broaden financing channels, reduce financing costs, raise mid-and-long term funds needed for the development of the Company, and ensure the steady growth of the Company’s operating efficiency, through analyzing the bond market and capital requirements, the Company held an extraordinary general meeting on 5 February 2015, considered and adopted the motion on the issuance of corporate bonds. On 8 July 2015, the Company received the Reply from CSRC on Approving the Public Issuance of Corporate Bonds to Public Investors Sichuan Expressway Company Limited\*, it approved the Company’s public offering to public investors by way of installment, and the total face value of the corporate bonds should be not more than RMB1 billion. On 17 June 2016, the Company publicly issued domestic corporate bonds with a total value of RMB1 billion and they were traded on the Shanghai Stock Exchange on 11 July 2016. The bonds are referred to as 16 Chengyu 01 and bond code is 136493, and the date of expiry is 17 June 2021 (for details, please refer to the relevant announcement issued by the Company on the website of the Stock Exchange). The issuance of corporate bonds, after deducting issuance costs, actually raised RMB996,000,000. As of 31 March 2017, RMB978,000,000 had been used, among which, RMB500,000,000 was used for loan repayment and RMB478,000,000 was used for supplemental working capital, which were consistent with the purpose, usage plan, and other commitments in the fund-raising proposal.

***(12) Proposed non-public issuance of A shares***

In order to optimize its financial structure and reduce its costs of financing, the Company proposed to raise proceeds from its controlling shareholder Sichuan Communications Investment Group Co., Ltd through non-public issuance of A shares. On 6 March 2017, the Proposal for Non-public Issuance of A Shares of Sichuan Expressway Company Limited\* for 2017 and other proposals were considered and approved at the sixth meeting of the sixth session of the Board of Directors of the Company. According to the proposal, Sichuan Communications Investment Group Co., Ltd, the controlling shareholder of the Company, is the target subscriber under the non-public issuance of A shares (the “**Issuance**”); the pricing benchmark date falls on the first day of the issuance period; the issue price is 90% of the average trading price of the A Shares of the Company during the 20 trading days preceding the Pricing Benchmark Date or the latest audited net asset per Share of the Company before the Issuance, whichever is higher; and the shares to be subscribed by Sichuan Communications Investment Group Co., Ltd under the Issuance in cash shall not be transferred within 36 months from the date of completion of the Issuance. Pursuant to the Conditional Share Subscription Through Non-public Issuance of A Shares of Sichuan Expressway Company Limited\* signed between the Company and Sichuan Communications Investment Group Co., Ltd, the number of shares to be issued under the Issuance will be not more than 611,612,000(inclusive) shares, and is subject to maximum proceeds of RMB3,500 million. The specific number of shares to be issued shall be calculated and determined based on the following rules: where the product of the maximum number of shares to be issued (being 611,612,000 shares) and the actual issue price is equal or less than RMB3,500 million, the number of shares to be issued in the Issuance will be 611,612,000 shares; where the product of the maximum number of shares to be issued (being 611,612,000 shares) and the actual issue price is larger than RMB3,500 million, the number of shares to be issued in the Issuance will be calculated and determined by the maximum proceeds (being RMB3,500 million) divided by the actual issue price. The final number of shares to be issued will be rounded up to the nearest single digit. All of the proceeds from the Issuance after deduction of issuance costs will be used to repay the bank borrowings and other interest-bearing liabilities. For more details about the Issuance, please refer to the relevant announcement published on the website of the Stock Exchange by the Company on 6 March 2017.

The Issuance is subject to approvals of the State-owned Assets Supervision and Administration Commission of Sichuan Province, consideration and approval at the general meeting, A Shares Class Meeting, H Shares Class Meeting of the Company, and approval of the Securities and Futures Commission of Hong Kong and CSRC. If and when the above approvals are obtained, there are no changes in the controlling shareholder and the de facto controller of the Company after completion of the Issuance.

***(13) Proposed amendments to the Articles of Association***

On 6 March 2017, the proposed amendments to Article 3, Article 93 and Article 224(4) of the Articles of Association were considered and approved at the sixth meeting of the sixth session of the Board of Directors of the Company in accordance with the Guidelines for the Articles of Association of Listed Companies (Revised in 2016) and the Regulatory Guidance No.3 of Listed Companies – Cash Dividend Distribution of Listed Companies issued by CSRC and the Guidelines for Cash Dividend Distribution of Listed Companies issued by the Shanghai Stock Exchange and other relevant requirements. For details, please refer to the announcement on Proposed Amendments to the Articles of Association published on the website of the Stock Exchange by the Company on 6 March 2017.

Such amendments are subject to consideration and approval at the general meeting of the Company.

***(14) Proposed transfer of the controlling interests in TCC***

On 31 March 2017, the Proposal for Transfer of 46% Equity Interests in TCC was considered and approved at the eighth meeting of the sixth session of the Board of Directors of the Company, pursuant to which, the Company proposed to transfer its 46% equity interests in Sichuan Trading Construction Engineering Co., Ltd. (“TCC”), its controlled subsidiary, to Sichuan Communications Investment Group Co., Ltd at a transfer price of RMB510,140,000. On the same date, the Company and Sichuan Communications Investment Group Co., Ltd signed the Equity Interests Transfer Agreement (for details, please refer to the announcement titled Connected Transaction – Disposal of Equity Interest in TCC published on the website of the Stock Exchange by the Company on 31 March 2017). Such transaction is subject to consideration and approval at the general meeting of the Company. If the above-mentioned transaction is approved at the general meeting the Company’s shareholding in “TCC” will be changed to 5% upon completion of the equity transfer, and accordingly, TCC will no longer be consolidated into the consolidated financial statements of the Company.



***(15) Proposal of the Board for supplement and confirmation of the Construction Framework Agreement on Related Transaction signed by the Company and TCC***

On 27 October 2016, the Company entered into the Construction Framework Agreement on Related Transaction (the “**Construction Framework Agreement on Related Transaction**”) with its controlled subsidiary TCC. As a connected transaction under the Rules Governing the Listing of Securities on the Stock Exchange, the agreement had been considered and approved at the third meeting of the sixth session of the Board of Directors of the Company and the third meeting of the sixth session of the Supervisory Committee of the Company held on 27 October 2016 as well as the first extraordinary general meeting of the Company in 2017 held on 19 January 2017. For details of the related transaction, please refer to the announcement titled Renewal of Continuing Connected Transactions published on the website of the Stock Exchange by the Company on 27 October 2016.

As the Company proposed to transfer its controlling interests in TCC to its controlling shareholder, Sichuan Communications Investment Group Co., Ltd, and TCC is currently a related legal person of the Company under Rule 10.1.6(1) of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the transaction between the Company and TCC will constitute a related transaction under the Rules Governing the Listing of Stocks on Shanghai Stock Exchange. Accordingly, the Company convened the eighth meeting of the sixth session of the Board of Directors on 31 March 2017, to consider and approve the supplement and confirmation of the Construction Framework Agreement on Related Transaction signed by the Company and TCC by the Company in accordance with the relevant requirements of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange. The Company is of the view that, such daily related transaction is conducted to meet the needs of the daily business activities of the Group, and its terms are fair and reasonable without prejudice to the Company’s interests and will not have any material and adverse impact on the financial condition and operating results of the Company. The Company has not significantly relied on any related parties.

The proposed supplement and confirmation of the related transaction is subject to consideration at the general meeting of the Company.

***(16) Continuing Connected Transactions – Purchase and Sale Framework Agreement of Chemical Products***

On 6 March 2017, the Purchase and Sale Framework Agreement of Chemical Products entered into by and between Sichuan Zhonglu Energy Company Limited (“**Zhonglu Energy**”, a controlled subsidiary of the Company) and PetroChina Yanchang Petroleum Sales Co., Ltd. (“**PetroChina Yanchang**”) was considered and approved at the sixth meeting of the sixth session of the Board of Directors of the Company. Pursuant to the agreement, Zhonglu Energy agreed to purchase from PetroChina Yanchang (for itself and on behalf of its subsidiaries) chemical products (including but not limited to fuel oil, mixed aromatics, asphalt, polyethylene, polypropylene, etc.) of certain types from 6 March to 31 December 2017, with the total transaction amount of the connected transaction not more than RMB2.2 billion. Such connected transaction would enable Zhonglu Energy to get access to a stable supply of chemical products for its needs of daily operation, thus accelerating the development of the Company’s energy business. For details of such connected transaction, please refer to the announcement titled Continuing Connected Transactions – Purchase and Sale Framework Agreement of Chemical Products published on the website of the Stock Exchange by the Company on 6 March 2017.

**3.3 Undertaking matters not completed during the Reporting Period**

Applicable     Not applicable

**3.4 Warning and explanation on reasons for accumulated net profits from the beginning of the year to the end of the next reporting period may be recorded as loss or material change as compared to those of the corresponding period last year**

Applicable     Not applicable

Company name    **Sichuan Expressway Company Limited\***  
Legal Representative    **Zhou Liming**  
Date    27 April 2017

## IV APPENDIX

### 4.1 Financial statements

#### Consolidated Balance Sheet

31 March 2017

Prepared by: Sichuan Expressway Company Limited\*

*Unit: yuan Currency: RMB Type of audit: unaudited*

| Item  | Closing balance<br>as at the end of the<br>Reporting Period | Opening balance<br>as at the beginning<br>of this year |
|---|---|--|
| <b>Current assets:</b>                                    |   |  |
| Cash and bank balances                                    | <b>3,235,362,512.88</b>                                     | 3,961,342,906.95                                       |
| Balances with clearing companies                          |   |  |
| Placements with banks and other<br>financial institutions |   |  |
| Financial assets at fair value through<br>profit and loss | <b>5,780.36</b>   | 85,954.16  |
| Derivative financial assets                               |   |  |
| Bills receivable  |   |  |
| Accounts receivable                                       | <b>463,941,284.74</b>                                       | 669,116,089.83   |
| Prepayments   | <b>293,346,072.26</b>                                       | 232,890,360.10   |
| Premiums receivable                                       |   |  |
| Reinsurance accounts receivable                           |   |  |
| Deposits receivable from reinsurance<br>contracts         |   |  |
| Interest receivable                                       | <b>12,310,343.43</b>  | 12,383,988.22  |
| Dividends receivable                                      |   |  |
| Other receivables   | <b>732,337,276.51</b>                                       | 609,448,445.33   |
| Purchases of resold financial assets                      |   |  |
| Inventories   | <b>2,413,352,527.48</b>                                     | 2,358,350,933.10                                       |
| Assets classified as held for sale                        |   |  |
| Non-current assets due within 1 year                      | <b>815,954,797.25</b>                                       | 807,302,729.94   |
| Other current assets                                      | <b>28,757,941.01</b>  | 26,106,548.84  |
| <b>Total current assets</b>                               | <b><u>7,995,368,535.92</u></b>                              | <u>8,677,027,956.47</u>                                |



Unit: yuan Currency: RMB Type of audit: unaudited

| Item                                | Closing balance<br>as at the end of the<br>Reporting Period | Opening balance<br>as at the beginning<br>of this year |
|-------------------------------------|---|--|
| <b>Non-current assets:</b>          |   |  |
| Loans and advances granted          |   |  |
| Available-for-sale financial assets | 145,779,453.47  | 142,440,636.47   |
| Held-to-maturity investments        |   |  |
| Long-term receivables               | 1,596,937,185.09  | 1,358,692,397.00                                       |
| Long-term equity investment         | 440,407,071.28  | 415,350,942.16   |
| Investment properties               | 31,023,063.88   | 31,477,649.44  |
| Fixed assets                        | 613,970,468.43  | 631,818,905.63   |
| Construction in progress            | 95,401,745.92   | 15,709,255.29  |
| Construction materials              |   |  |
| Disposal of fixed assets            |   |  |
| Productive biological assets        |   |  |
| Oil and gas assets                  |   |  |
| Intangible assets                   | 24,874,563,046.46   | 25,058,695,209.80                                      |
| Development expenses                |   |  |
| Goodwill                            |   |  |
| Long-term deferred expenses         | 33,012,620.96   | 34,505,154.24  |
| Deferred income tax assets          | 13,373,677.47   | 13,659,374.15  |
| Other non-current assets            |   |  |
| <b>Total non-current assets</b>     | <b>27,844,468,332.96</b>                                    | <b>27,702,349,524.18</b>                               |
| <b>Total assets</b>                 | <b>35,839,836,868.88</b>                                    | <b>36,379,377,480.65</b>                               |

Unit: yuan Currency: RMB Type of audit: unaudited

| Item   | Closing balance<br>as at the end of the<br>Reporting Period | Opening balance<br>as at the beginning<br>of this year |
|--|---|--|
| <b>Current liabilities:</b>                                    |   |  |
| Short-term borrowings  | <b>500,000,000.00</b>                                       | 500,000,000.00   |
| Loans from central bank  |   |  |
| Deposit taking and deposit in<br>inter-bank market             |   |  |
| Placements from banks and other<br>financial institutions      |   |  |
| Financial liabilities at fair value<br>through profit and loss |   |  |
| Derivative financial liabilities                               |   |  |
| Bills payable  |   |  |
| Accounts payable   | <b>2,656,603,225.45</b>                                     | 3,428,247,160.63                                       |
| Advance receipts   | <b>520,278,883.95</b>                                       | 462,703,336.29   |
| Disposal of repurchased financial assets                       |   |  |
| Fee and commission payable                                     |   |  |
| Salaries payable   | <b>60,201,462.56</b>  | 112,768,168.84   |
| Taxes payable  | <b>124,830,355.91</b>                                       | 96,420,812.10  |
| Interest payable   | <b>107,465,749.70</b>                                       | 98,923,017.15  |
| Dividends payable  | <b>141,598,786.22</b>                                       | 141,598,786.22   |
| Other payables   | <b>822,029,968.54</b>                                       | 811,359,387.85   |
| Reinsurance accounts payable                                   |   |  |
| Reserve for insurance policies                                 |   |  |
| Customer deposits for trading<br>in securities                 |   |  |
| Customer deposits for underwriting<br>securities               |   |  |
| Liabilities classified as held for sale                        |   |  |
| Non-current liabilities due within 1 year                      | <b>1,180,050,425.51</b>                                     | 1,480,050,425.51                                       |
| Other current liabilities                                      | <b>40,834,812.73</b>  | 47,272,828.56  |
| <b>Total current liabilities</b>                               | <b><u>6,153,893,670.57</u></b>                              | <b><u>7,179,343,923.15</u></b>                         |

Unit: yuan Currency: RMB Type of audit: unaudited

| Item                                 | Closing balance<br>as at the end of the<br>Reporting Period | Opening balance<br>as at the beginning<br>of this year |
|--------------------------------------|---|--|
| <b>Non-current liabilities:</b>      |   |  |
| Long-term loans                      | <b>12,187,545,608.45</b>                                    | 11,986,579,124.10                                      |
| Debtentures payable                  | <b>3,100,000,000.00</b>                                     | 3,100,000,000.00                                       |
| Including: Preference shares         |   |  |
| Perpetual bonds                      |   |  |
| Long-term payables                   | <b>138,500,000.00</b>                                       | 138,500,000.00   |
| Long-term salaries payable           |   |  |
| Special payables                     | <b>1,640,000.00</b>   | 1,640,000.00   |
| Estimated liabilities                |   |  |
| Deferred income                      | <b>75,683,258.99</b>  | 77,587,903.45  |
| Deferred income tax liabilities      | <b>12,309,530.51</b>  | 11,693,870.18  |
| Other non-current liabilities        |   |  |
| <b>Total non-current liabilities</b> | <b><u>15,515,678,397.95</u></b>                             | <u>15,316,000,897.73</u>                               |
| <b>Total liabilities</b>             | <b><u>21,669,572,068.52</u></b>                             | <u>22,495,344,820.88</u>                               |

Unit: yuan Currency: RMB Type of audit: unaudited

| Item  | Closing balance<br>as at the end of the<br>Reporting Period | Opening balance<br>as at the beginning<br>of this year |
|---|---|--|
| <b>Owners' equity</b>                                 |   |  |
| Share capital   | <b>3,058,060,000.00</b>                                     | 3,058,060,000.00                                       |
| Other equity instruments                              |   |  |
| Including: Preference shares                          |   |  |
| Perpetual bonds                                       |   |  |
| Capital reserve                                       | <b>1,843,940,704.04</b>                                     | 1,843,940,704.04                                       |
| Less: Treasury stock                                  |   |  |
| Other comprehensive income                            | <b>31,774,736.27</b>  | 29,055,215.96  |
| Special reserve                                       | <b>33,770,199.09</b>  | 31,964,273.47  |
| Surplus reserve                                       | <b>4,381,035,790.53</b>                                     | 4,381,035,790.53                                       |
| General risk reserve                                  |   |  |
| Undistributed profit                                  | <b>4,258,561,435.39</b>                                     | 3,980,145,261.22                                       |
| Total equity attributable to owners of<br>the Company | <b><u>13,607,142,865.32</u></b>                             | <u>13,324,201,245.22</u>                               |
| Minority interests                                    | <b>563,121,935.04</b>                                       | 559,831,414.55   |
| <b>Total owners' equity</b>                           | <b><u>14,170,264,800.36</u></b>                             | <u>13,884,032,659.77</u>                               |
| <b>Total liabilities and owners' equity</b>           | <b><u><u>35,839,836,868.88</u></u></b>                      | <u><u>36,379,377,480.65</u></u>                        |

Legal representative:  
**Zhou Liming**

Person in charge of  
accounting:  
**Li Wenhui**

Head of accounting  
department:  
**Sun Ou**

## Balance Sheet of the Company

31 March 2017

Prepared by: Sichuan Expressway Company Limited\*

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>   | <b>Closing balance<br/>as at the end of the<br/>Reporting Period</b> | <b>Opening balance<br/>as at the beginning<br/>of this year</b> |
|---|--|---|
| <b>Current assets:</b>                                    |  |   |
| Cash and bank balances                                    | <b>1,285,063,372.81</b>  | 1,850,971,624.09  |
| Financial assets at fair value through<br>profit and loss | <b>5,780.36</b>  | 85,954.16   |
| Derivative financial assets                               |  |   |
| Bills receivable  |  |   |
| Accounts receivable                                       | <b>315,422.80</b>  |   |
| Prepayments   | <b>1,938,169.62</b>  | 2,004,775.18  |
| Interest receivable                                       | <b>12,242,593.75</b>   | 12,242,593.75   |
| Dividends receivable                                      | <b>159,012,091.26</b>  | 142,800,000.00  |
| Other receivables   | <b>1,366,023,810.50</b>  | 1,320,646,466.13  |
| Inventories   | <b>196,561.46</b>  | 196,561.46  |
| Assets classified as held for sale                        |  |   |
| Non-current assets due within 1 year                      |  |   |
| Other current assets                                      | <b>1,105,544.84</b>  | 153,074.25  |
| <b>Total current assets</b>                               | <b><u>2,825,903,347.40</u></b>                                       | <b><u>3,329,101,049.02</u></b>                                  |

Unit: yuan Currency: RMB Type of audit: unaudited

| Item                                | Closing balance<br>as at the end of the<br>Reporting Period | Opening balance<br>as at the beginning<br>of this year |
|-------------------------------------|---|--|
| <b>Non-current assets:</b>          |   |  |
| Available-for-sale financial assets | 120,553,017.70  | 118,398,942.10   |
| Held-to-maturity investments        |   |  |
| Long-term receivables               | 2,221,864,880.00  | 2,051,864,880.00                                       |
| Long-term equity investment         | 5,625,843,515.30  | 5,443,139,123.19                                       |
| Investment properties               | 32,237,677.81   | 32,691,492.91  |
| Fixed assets                        | 348,537,661.91  | 358,351,733.83   |
| Construction in progress            | 3,477,330.21  | 3,675,385.00   |
| Construction materials              |   |  |
| Disposal of fixed assets            |   |  |
| Productive biological assets        |   |  |
| Oil and gas assets                  |   |  |
| Intangible assets                   | 11,412,650,119.52   | 11,531,804,306.75                                      |
| Development expenses                |   |  |
| Goodwill                            |   |  |
| Long-term deferred expenses         |   |  |
| Deferred income tax assets          | 12,507,951.21   | 12,793,647.89  |
| Other non-current assets            |   |  |
| <b>Total non-current assets</b>     | <b>19,777,672,153.66</b>                                    | <b>19,552,719,511.67</b>                               |
| <b>Total assets</b>                 | <b>22,603,575,501.06</b>                                    | <b>22,881,820,560.69</b>                               |

Unit: yuan Currency: RMB Type of audit: unaudited

| Item   | Closing balance<br>as at the end of the<br>Reporting Period | Opening balance<br>as at the beginning<br>of this year |
|--|---|--|
| <b>Current liabilities:</b>                                    |   |  |
| Short-term borrowings  | <b>500,000,000.00</b>                                       | 500,000,000.00   |
| Financial liabilities at fair value through<br>profit and loss |   |  |
| Derivative financial liabilities                               |   |  |
| Bills payable  |   |  |
| Accounts payable   | <b>145,391,679.25</b>                                       | 191,516,703.63   |
| Advance receipts   | <b>23,995,832.87</b>  | 70,433,752.42  |
| Salaries payable   | <b>14,137,537.02</b>  | 37,114,554.51  |
| Taxes payable  | <b>51,769,321.14</b>  | 15,596,490.89  |
| Interest payable   | <b>95,273,727.64</b>  | 87,307,883.96  |
| Dividends payable  |   |  |
| Other payables   | <b>295,658,647.76</b>                                       | 302,967,933.39   |
| Liabilities classified as held for sale                        |   |  |
| Non-current liabilities due within 1 year                      | <b>970,050,425.51</b>                                       | 1,260,050,425.51                                       |
| Other current liabilities                                      | <b>8,034,753.10</b>   | 7,703,084.82   |
| <b>Total current liabilities</b>                               | <b><u>2,104,311,924.29</u></b>                              | <b><u>2,472,690,829.13</u></b>                         |

Unit: yuan Currency: RMB Type of audit: unaudited

| Item                                 | Closing balance<br>as at the end of the<br>Reporting Period | Opening balance<br>as at the beginning<br>of this year |
|--------------------------------------|---|--|
| <b>Non-current liabilities:</b>      |   |  |
| Long-term loans                      | 4,225,045,608.45  | 4,419,079,124.10                                       |
| Debentures payable                   | 3,100,000,000.00  | 3,100,000,000.00                                       |
| Including: Preference shares         |   |  |
| Perpetual bonds                      |   |  |
| Long-term payables                   |   |  |
| Long-term salaries payable           |   |  |
| Special payables                     |   |  |
| Estimated liabilities                |   |  |
| Deferred income                      | 75,683,258.99   | 77,587,903.45  |
| Deferred income tax liabilities      | 3,776,489.76  | 3,457,014.78   |
| Other non-current liabilities        |   |  |
| <b>Total non-current liabilities</b> | <b><u>7,404,505,357.20</u></b>                              | <b><u>7,600,124,042.33</u></b>                         |
| <b>Total liabilities</b>             | <b><u><u>9,508,817,281.49</u></u></b>                       | <b><u><u>10,072,814,871.46</u></u></b>                 |



*Unit: yuan Currency: RMB Type of audit: unaudited*

| <b>Item</b>                                 | <b>Closing balance<br/>as at the end of the<br/>Reporting Period</b> | <b>Opening balance<br/>as at the beginning<br/>of this year</b> |
|---|--|---|
| <b>Owners' equity:</b>                      |  |   |
| Share capital                               | <b>3,058,060,000.00</b>  | 3,058,060,000.00  |
| Other equity instruments                    |  |   |
| Including: Preference shares                |  |   |
| Perpetual bonds                             |  |   |
| Capital reserve                             | <b>1,840,328,300.42</b>  | 1,840,328,300.42  |
| Less: Treasury stock                        |  |   |
| Other comprehensive income                  | <b>21,397,314.16</b>   | 19,566,349.90   |
| Special reserve                             |  |   |
| Surplus reserve                             | <b>4,089,921,783.76</b>  | 4,089,921,783.76  |
| Undistributed profit                        | <b>4,085,050,821.23</b>  | 3,801,129,255.15  |
| <b>Total owners' equity</b>                 | <b><u>13,094,758,219.57</u></b>                                      | <u>12,809,005,689.23</u>  |
| <b>Total liabilities and owners' equity</b> | <b><u><u>22,603,575,501.06</u></u></b>                               | <u><u>22,881,820,560.69</u></u>                                 |

*Legal representative:*  
**Zhou Liming**

*Person in charge of  
accounting:*  
**Li Wenhui**

*Head of accounting  
department:*  
**Sun Ou**

## Consolidated Income Statement

January to March 2017

Prepared by: Sichuan Expressway Company Limited\*

Unit: yuan Currency: RMB Type of audit: unaudited

| Item  | Amount for<br>the period | Amount for the<br>previous period |
|---|--------------------------|-----------------------------------|
| <b>I. Total revenue from operations</b>                                       | <b>1,540,463,533.87</b>  | 1,644,335,353.36                  |
| Including: Operating revenue  | <b>1,540,463,533.87</b>  | 1,644,335,353.36                  |
| Interest income   |                          |                                   |
| Premium earned  |                          |                                   |
| Fee and commission income   |                          |                                   |
| <b>II. Total cost of operations</b>   | <b>1,182,786,963.15</b>  | 1,221,836,645.82                  |
| Including: Operating cost   | <b>919,074,942.28</b>    | 1,014,499,103.09                  |
| Interest expenses   |                          |                                   |
| Fee and commission expenses   |                          |                                   |
| Surrender payment   |                          |                                   |
| Net expenditure for<br>compensation payments                                  |                          |                                   |
| Net provision for insurance<br>deposits                                       |                          |                                   |
| Policyholder dividend<br>expenses   |                          |                                   |
| Reinsurance costs   |                          |                                   |
| Tax and surcharges  | <b>10,615,316.23</b>     | 44,618,938.64                     |
| Selling expenses  | <b>16,765,302.81</b>     | 13,503,799.39                     |
| Administrative expenses   | <b>47,404,034.96</b>     | 42,470,123.25                     |
| Finance costs   | <b>188,927,366.87</b>    | 106,744,681.45                    |
| Asset impairment losses   |                          |                                   |
| Add: Gains from changes<br>in fair value (loss is<br>represented by “-”)      | <b>-24,242.35</b>        |                                   |
| Investment income (loss<br>is represented by “-”)                             | <b>15,225,438.22</b>     | 3,062,651.58                      |
| Including: Gains from<br>investment<br>in associates<br>and joint<br>ventures | <b>15,056,129.11</b>     | 3,062,651.58                      |
| Gains from foreign<br>currencies exchange<br>(loss is represented<br>by “-”)  |                          |                                   |

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>  | <b>Amount for<br/>the period</b> | Amount for the<br>previous period |
|--|----------------------------------|-----------------------------------|
| <b>III. Operating profit (loss is represented by “-”)</b>  | <b>372,877,766.59</b>            | 425,561,359.12                    |
| Add: Non-operating income  | <b>5,521,588.86</b>              | 3,905,136.87                      |
| Including: Gains from disposal of<br>non-current assets  | <b>3,737.86</b>                  |                                   |
| Less: Non-operating expenses   | <b>1,928,472.45</b>              | 189,353.58                        |
| Including: Loss from disposal of<br>non-current assets   | <b>98,463.33</b>                 |                                   |
| <b>IV. Total profit (total loss is represented by “-”)</b>   | <b>376,470,883.00</b>            | 429,277,142.41                    |
| Less: Income tax expenses  | <b>79,962,477.97</b>             | 77,720,524.44                     |
| <b>V. Net profit (net loss is represented by “-”)</b>  | <b>296,508,405.03</b>            | 351,556,617.97                    |
| Net profit attributable to owners of<br>the Company  | <b>278,416,174.17</b>            | 340,847,004.65                    |
| Minority interests   | <b>18,092,230.86</b>             | 10,709,613.32                     |
| <b>VI. Net other comprehensive income<br/>after tax</b>  | <b>2,719,520.31</b>              | -6,662,824.76                     |
| Net other comprehensive income after tax<br>attributable to shareholders of<br>the Company   | <b>2,719,520.31</b>              | -6,662,824.76                     |
| (1) Other comprehensive income that<br>can not be reclassified to profit<br>and loss in subsequent periods                                     |                                  |                                   |
| 1. Changes in net liabilities or<br>net assets arising from the<br>re-measurement of defined<br>benefit plans                                  |                                  |                                   |
| 2. Share of other comprehensive<br>income of investee that cannot<br>be subsequently reclassified<br>to profit and loss under equity<br>method |                                  |                                   |

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>  | <b>Amount for<br/>the period</b> | Amount for the<br>previous period |
|--|----------------------------------|-----------------------------------|
| (2) Other comprehensive income that will be subsequently reclassified to profit and loss   | <b>2,719,520.31</b>              | -6,662,824.76                     |
| 1. Share of other comprehensive income of investee that will be subsequently reclassified to profit and loss under equity method |                                  |                                   |
| 2. Gains and losses from changes in fair value of available-for-sale financial assets  | <b>2,719,520.31</b>              | -6,662,824.76                     |
| 3. Gains and losses from held-to-maturity investment reclassified as available-for-sale financial assets                         |                                  |                                   |
| 4. Effective part of hedging gains and losses from cash flows  |                                  |                                   |
| 5. Exchange differences from retranslation of financial statements   |                                  |                                   |
| 6. Others  |                                  |                                   |
| Net other comprehensive income after tax attributable to minority shareholders   |                                  |                                   |
| <b>VII. Total comprehensive income</b>   | <b>299,227,925.34</b>            | 344,893,793.21                    |
| Total comprehensive income attributable to owners of the Company   | <b>281,135,694.48</b>            | 334,184,179.89                    |
| Total comprehensive income attributable to minority shareholders   | <b>18,092,230.86</b>             | 10,709,613.32                     |
| <b>VIII. Earnings per share:</b>   |                                  |                                   |
| (1) Basic earnings per share (RMB/share)   | <b>0.0910</b>                    | 0.1115                            |
| (2) Diluted earnings per share (RMB/share)   | <b>0.0910</b>                    | 0.1115                            |

|  |  |  |
|--|--|--|
| <i>Legal representative:</i><br><b>Zhou Liming</b> | <i>Person in charge of<br/>accounting:</i><br><b>Li Wenhua</b> | <i>Head of accounting<br/>department:</i><br><b>Sun Ou</b> |
|--|--|--|

## Income Statement of the Company

January to March 2017

Prepared by: Sichuan Expressway Company Limited\*

Unit: yuan    Currency: RMB    Type of audit: unaudited

| Item  | Amount for<br>the period | Amount for the<br>previous period |
|---|--------------------------|-----------------------------------|
| <b>I. Operating revenue</b>   | <b>614,881,050.56</b>    | 619,420,921.43                    |
| Less: Operating cost  | <b>210,368,665.95</b>    | 185,208,249.58                    |
| Tax and surcharges  | <b>2,517,150.05</b>      | 21,669,641.05                     |
| Selling expenses  |                          |                                   |
| Administrative expenses   | <b>10,373,388.77</b>     | 10,646,049.75                     |
| Finance costs   | <b>83,807,973.58</b>     | 94,559,843.50                     |
| Asset impairment losses   |                          |                                   |
| Add: Gains from changes in fair value<br>(loss is represented by “-”)   | <b>-24,242.35</b>        |                                   |
| Investment income<br>(loss is represented by “-”)                       | <b>20,137,463.71</b>     | 103,062,651.58                    |
| Including: Gains from investment<br>in associates and<br>joint ventures | <b>3,804,392.11</b>      | 3,062,651.58                      |
| <b>II. Operating profit (loss is represented by “-”)</b>                | <b>327,927,093.57</b>    | 410,399,789.13                    |
| Add: Non-operating income   | <b>4,464,760.27</b>      | 2,593,706.50                      |
| Including: Gains from disposal of<br>non-current assets                 | <b>3,737.86</b>          |                                   |
| Less: Non-operating expenses  | <b>1,898,802.56</b>      | 129,396.28                        |
| Including: Loss from disposal of<br>non-current assets                  | <b>98,463.33</b>         |                                   |
| <b>III. Total profit (total loss is represented by “-”)</b>             | <b>330,493,051.28</b>    | 412,864,099.35                    |
| Less: Income tax expenses   | <b>46,571,485.20</b>     | 46,470,217.17                     |
| <b>IV. Net profit (net loss is represented by “-”)</b>                  | <b>283,921,566.08</b>    | 366,393,882.18                    |

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>  | <b>Amount for<br/>the period</b> | Amount for the<br>previous period |
|--|----------------------------------|-----------------------------------|
| <b>V. Net other comprehensive income after tax</b>   | <b>1,830,964.26</b>              | -4,485,862.44                     |
| (1) Other comprehensive income that can<br>not be reclassified to profit and loss<br>in subsequent periods                                     |                                  |                                   |
| 1. Changes in net liabilities or<br>net assets arising from the<br>re-measurement of defined<br>benefit plans                                  |                                  |                                   |
| 2. Share of other comprehensive<br>income of investee that cannot<br>be subsequently reclassified<br>to profit and loss under equity<br>method |                                  |                                   |
| (2) Other comprehensive income that will<br>be subsequently reclassified to profit<br>and loss   | <b>1,830,964.26</b>              | -4,485,862.44                     |
| 1. Share of other comprehensive<br>income of investee that will<br>be subsequently reclassified<br>to profit and loss under equity<br>method   |                                  |                                   |
| 2. Gains and losses from changes in<br>fair value of available-for-sale<br>financial assets  | <b>1,830,964.26</b>              | -4,485,862.44                     |
| 3. Gains and losses from held-<br>to-maturity investment<br>reclassified as available-for-<br>sale financial assets                            |                                  |                                   |
| 4. Effective part of hedging gains<br>and losses from cash flows   |                                  |                                   |
| 5. Exchange differences from<br>retranslation of financial<br>statements   |                                  |                                   |
| 6. Others  |                                  |                                   |

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>                           | <b>Amount for<br/>the period</b> | Amount for the<br>previous period |
|---------------------------------------|----------------------------------|-----------------------------------|
| <b>VI. Total comprehensive income</b> | <b>285,752,530.34</b>            | 361,908,019.74                    |

**VII. Earnings per share:**

|  |               |        |
|--|---------------|--------|
| (1) Basic earnings per share<br><i>(RMB/share)</i>   | <b>0.0928</b> | 0.1198 |
| (2) Diluted earnings per share<br><i>(RMB/share)</i> | <b>0.0928</b> | 0.1198 |

|  |  |  |
|--|--|--|
| <i>Legal representative:</i><br><b>Zhou Liming</b> | <i>Person in charge of<br/>accounting:</i><br><b>Li Wenhui</b> | <i>Head of accounting<br/>department:</i><br><b>Sun Ou</b> |
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## Consolidated Cash Flow Statements

January to March 2017

Prepared by: Sichuan Expressway Company Limited\*

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>  | <b>Amount for<br/>the period</b> | Amount for the<br>previous period |
|--|----------------------------------|-----------------------------------|
| <b>I. Cash flows from operating activities:</b>  |                                  |                                   |
| Cash received from selling goods and rendering services  | <b>2,140,961,239.02</b>          | 2,385,493,794.18                  |
| Net increase in deposits from customers and placements from banks and other financial institutions |                                  |                                   |
| Net increase in borrowings from central bank   |                                  |                                   |
| Net increase in placements from other financial institutions                                       |                                  |                                   |
| Cash received from premiums of original insurance contracts  |                                  |                                   |
| Net cash received from reinsurance business  |                                  |                                   |
| Net increase in deposits from policy holders and investments                                       |                                  |                                   |
| Net increase in disposal of financial assets at fair value through profit and loss                 |                                  |                                   |
| Cash received from interest, handling charges and commissions                                      |                                  |                                   |
| Net increase in placements from banks and other financial institutions                             |                                  |                                   |
| Net increase in repurchased business fund  |                                  |                                   |
| Tax rebate received  |                                  |                                   |
| Other cash received relating to operating activities   | <b>1,012,612.80</b>              | 15,325,632.79                     |
| Sub-total of cash inflow from operating activities   | <b><u>2,141,973,851.82</u></b>   | <u>2,400,819,426.97</u>           |



*Unit: yuan Currency: RMB Type of audit: unaudited*

| <b>Item</b>   | <b>Amount for<br/>the period</b>    | Amount for the<br>previous period |
|---|-------------------------------------|-----------------------------------|
| Cash paid for purchasing goods and receiving services                         | <b>1,434,073,862.65</b>             | 1,720,442,925.88                  |
| Net increase in loans and advances to customers                               |                                     |                                   |
| Net increase in placements with central bank and other financial institutions |                                     |                                   |
| Cash paid for claims on original insurance contracts                          |                                     |                                   |
| Cash payment for interest, handling charges and commissions                   |                                     |                                   |
| Cash payment for policy holder dividend                                       |                                     |                                   |
| Cash paid to and on behalf of employees                                       | <b>181,892,900.88</b>               | 155,777,477.02                    |
| Taxes and surcharges paid   | <b>116,104,606.49</b>               | 138,741,585.94                    |
| Other cash paid relating to operating activities                              | <b>281,378,201.50</b>               | 38,101,723.66                     |
| Sub-total of cash outflow from operating activities                           | <b><u>2,013,449,571.52</u></b>      | <u>2,053,063,712.50</u>           |
| Net cash flows from operating activities                                      | <b><u><u>128,524,280.30</u></u></b> | <u><u>347,755,714.47</u></u>      |

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>   | <b>Amount for<br/>the period</b> | Amount for the<br>previous period |
|---|----------------------------------|-----------------------------------|
| <b>II. Cash flows from investing activities:</b>  |                                  |                                   |
| Cash received from disposal of<br>investments   | <b>208,204.54</b>                |                                   |
| Cash received from return on<br>investments   |                                  |                                   |
| Net cash received from disposal of<br>fixed assets, intangible assets and<br>other long-term assets | <b>110,072.91</b>                |                                   |
| Net cash received from disposal of<br>subsidiaries and other<br>business entities                   |                                  |                                   |
| Other cash received relating to<br>investing activities   | <b>162,516,158.12</b>            | 91,239,834.53                     |
| Sub-total of cash inflow from<br>investing activities   | <b>162,834,435.57</b>            | 91,239,834.53                     |
| Cash paid for acquisition of fixed<br>assets, intangible assets and<br>other long-term assets       | <b>554,958,056.49</b>            | 952,447,286.38                    |
| Cash paid for investment  | <b>10,024,008.66</b>             |                                   |
| Net increase in pledged loans   |                                  |                                   |
| Net cash paid for acquisition of<br>subsidiaries and other<br>business entities                     |                                  |                                   |
| Other cash paid relating to<br>investing activities   | <b>145,982,575.41</b>            | 56,835,112.50                     |
| Sub-total of cash outflow from<br>investing activities  | <b>710,964,640.56</b>            | 1,009,282,398.88                  |
| Net cash flows from investing<br>activities   | <b>-548,130,204.99</b>           | -918,042,564.35                   |

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>   | <b>Amount for<br/>the period</b>     | Amount for the<br>previous period  |
|---|--------------------------------------|------------------------------------|
| <b>III. Cash flows from financing activities:</b>                                     |                                      |                                    |
| Cash received from investments  |                                      |                                    |
| Including: Cash received by<br>subsidiaries from minority<br>shareholders' investment | <b>395,000,000.00</b>                | 320,000,000.00                     |
| Cash received from borrowings   |                                      |                                    |
| Cash received from issue of debentures  |                                      |                                    |
| Other cash received relating to<br>financing activities                               |                                      |                                    |
| <br>Sub-total of cash inflow from<br>financing activities                             | <b>395,000,000.00</b>                | 320,000,000.00                     |
| <br>Cash paid for repayment of liabilities  | <b>494,000,000.00</b>                | 30,000,000.00                      |
| Cash paid for dividends, profits<br>distribution or interest repayment                | <b>207,347,704.43</b>                | 207,279,849.00                     |
| Including: Dividend and profit paid by<br>subsidiaries to minority<br>shareholders    | <b>15,576,322.97</b>                 |                                    |
| Other cash paid relating to<br>financing activities                                   | <b>59,254.94</b>                     | 70,560.00                          |
| <br>Sub-total of cash outflow from<br>financing activities                            | <b>701,406,959.37</b>                | 237,350,409.00                     |
| <br>Net cash flows from financing<br>activities                                       | <b><u><u>-306,406,959.37</u></u></b> | <b><u><u>82,649,591.00</u></u></b> |

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>  | <b>Amount for<br/>the period</b> | <b>Amount for the<br/>previous period</b> |
|--|----------------------------------|---|
| <b>IV. Effect on cash and cash equivalents<br/>due to change in foreign currency<br/>exchange rate</b> |                                  |   |
| <b>V. Net increase in cash and cash<br/>equivalents</b>  | <b>-726,012,884.06</b>           | <b>-487,637,258.88</b>                    |
| Add: Balance of cash and cash<br>equivalents at the beginning of<br>the period                         | <b>3,892,878,367.13</b>          | <b>3,067,607,224.12</b>                   |
| <b>VI. Balance of cash and cash equivalents<br/>at the end of the period</b>                           | <b>3,166,865,483.07</b>          | <b>2,579,969,965.24</b>                   |

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| <i>Legal representative:</i><br><b>Zhou Liming</b> | <i>Person in charge of<br/>accounting:</i><br><b>Li Wenhui</b> | <i>Head of accounting<br/>department:</i><br><b>Sun Ou</b> |
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## Cash Flow Statements of the Company

January to March 2017

Prepared by: Sichuan Expressway Company Limited\*

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>   | <b>Amount for<br/>the period</b>    | Amount for the<br>previous period |
|---|-------------------------------------|-----------------------------------|
| <b>I. Cash flows from operating activities:</b>         |                                     |                                   |
| Cash received from selling goods and rendering services | <b>569,095,829.64</b>               | 559,285,613.46                    |
| Tax rebate received                                     |                                     |                                   |
| Other cash received relating to operating activities    | <b>53,307,159.09</b>                | 9,950,157.31                      |
| Sub-total of cash inflow from operating activities      | <b><u>622,402,988.73</u></b>        | <u>569,235,770.77</u>             |
| Cash paid for purchasing goods and receiving services   | <b>56,041,146.70</b>                | 94,557,235.20                     |
| Cash paid to and on behalf of employees                 | <b>90,805,439.62</b>                | 90,477,043.12                     |
| Taxes and surcharges paid                               | <b>30,833,442.61</b>                | 40,776,815.54                     |
| Other cash paid relating to operating activities        | <b>62,575,196.25</b>                | 8,539,947.90                      |
| Sub-total of cash outflow from operating activities     | <b><u>240,255,225.18</u></b>        | <u>234,351,041.76</u>             |
| Net cash flows from operating activities                | <b><u><u>382,147,763.55</u></u></b> | <u><u>334,884,729.01</u></u>      |

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

| <b>Item</b>   | <b>Amount for<br/>the period</b>     | Amount for the<br>previous period |
|---|--------------------------------------|-----------------------------------|
| <b>II. Cash flows from investing activities:</b>  |                                      |                                   |
| Cash received from disposal of<br>investments   | <b>208,204.54</b>                    |                                   |
| Cash received from return on investments  |                                      | 100,000,000.00                    |
| Net cash received from disposal of fixed<br>assets, intangible assets and<br>other long-term assets | <b>4,170.00</b>                      |                                   |
| Net cash received from disposal of<br>subsidiaries and other business entities                      |                                      |                                   |
| Other cash received relating to<br>investing activities   | <b>751,524,295.23</b>                | 168,486,415.02                    |
| Sub-total of cash inflow from<br>investing activities   | <b><u>751,736,669.77</u></b>         | <u>268,486,415.02</u>             |
| Cash paid for acquisition of fixed assets,<br>intangible assets and other<br>long-term assets       | <b>52,189,138.86</b>                 | 32,759,381.75                     |
| Cash paid for investment  | <b>178,924,008.66</b>                | 300,000,000.00                    |
| Net cash paid for acquisition of<br>subsidiaries and other business entities                        |                                      |                                   |
| Other cash paid relating to<br>investing activities   | <b>890,000,000.00</b>                | 130,876,498.00                    |
| Sub-total of cash outflow from investing<br>activities  | <b><u>1,121,113,147.52</u></b>       | <u>463,635,879.75</u>             |
| Net cash flows from investing activities  | <b><u><u>-369,376,477.75</u></u></b> | <u><u>-195,149,464.73</u></u>     |

Unit: yuan Currency: RMB Type of audit: unaudited

| Item   | Amount for<br>the period                                       | Amount for the<br>previous period                          |
|--|--|--|
| <b>III. Cash flows from financing activities:</b>  |  |  |
| Cash received from investments   |  |  |
| Cash received from borrowings  |  |  |
| Other cash received relating to<br>financing activities  |  |  |
| Sub-total of cash inflow from<br>financing activities  |  |  |
| Cash paid for repayment of liabilities   | <b>484,000,000.00</b>  |  |
| Cash paid for dividends, profits<br>distribution or interest repayment                                 | <b>94,652,772.13</b>   | 115,232,396.80   |
| Other cash paid relating to<br>financing activities  | <b>59,254.94</b>   | 70,560.00  |
| Sub-total of cash outflow from<br>financing activities   | <u><b>578,712,027.07</b></u>                                   | <u>115,302,956.80</u>                                      |
| Net cash flows from financing activities   | <u><b>-578,712,027.07</b></u>                                  | <u>-115,302,956.80</u>                                     |
| <b>IV. Effect on cash and cash equivalents<br/>due to change in foreign<br/>currency exchange rate</b> |  |  |
| <b>V. Net increase in cash and cash equivalents</b>  | <b>-565,940,741.27</b>   | 24,432,307.48  |
| Add: Balance of cash and cash equivalents<br>at the beginning of the period                            | <b>1,782,707,084.27</b>  | 1,112,093,840.94   |
| <b>VI. Balance of cash and cash equivalents at<br/>the end of the period</b>                           | <b>1,216,766,343.00</b>  | 1,136,526,148.42   |
| <i>Legal representative:</i><br><b>Zhou Liming</b>   | <i>Person in charge of<br/>accounting:</i><br><b>Li Wenhui</b> | <i>Head of accounting<br/>department:</i><br><b>Sun Ou</b> |

## 4.2 Auditor's reports

Applicable     Not applicable

This announcement is published in both Chinese and English languages. In case of any discrepancy, the Chinese version shall prevail.

By order of the Board  
**Sichuan Expressway Company Limited\***  
**Zhang Yongnian**  
*Company Secretary*

Chengdu, Sichuan, the PRC  
27 April 2017

*As at the date of this announcement, the Board comprises Mr. Zhou Liming (Chairman), Mr. Gan Yongyi (Vice Chairman) and Mr. Luo Maoquan as executive Directors, Mr. Zheng Haijun (Vice Chairman), Mr. Tang Yong, Mr. Huang Bin, Mr. Wang Shuanming and Mr. Ni Shilin as non-executive Directors, Mr. Sun Huibi, Mr. Guo Yuanxi, Mr. Yu Haizong and Madam Liu Lina as independent non-executive Directors.*

\* *For identification purposes only*