



越秀交通基建有限公司

YUEXIU TRANSPORT INFRASTRUCTURE LIMITED

(Stock Code: 01052)

CREATING

EXCELLENT
VALUES



INTERIM REPORT 2021






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Unaudited Interim Financial Information

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FINANCIAL HIGHLIGHTS

RESULTS HIGHLIGHTS FOR THE FIRST HALF OF 2021

REVENUE

RMB 1,832 million



GROSS PROFIT

RMB 1,150 million



GROSS MARGIN*

62.8%



OPERATING PROFIT

RMB 1,071 million



PROFIT BEFORE INCOME TAX

RMB 847 million



PROFIT ATTRIBUTABLE TO
SHAREHOLDERS OF THE COMPANY

RMB 468 million



EARNINGS PER SHARE

RMB 0.2795



TOTAL ASSETS

RMB 36.31 billion



NET ASSETS PER SHARE

RMB 6.45



* Gross Margin = Gross profit / Revenue

FIVE YEARS FINANCIAL SUMMARY

STATEMENT OF PROFIT OR LOSS

for six months ended 30 June

(RMB million)	2021	2020	2019	2018	2017
Revenue	1,832	840	1,381	1,371	1,200
Profit/(Loss) attributable to shareholders of the Company	468	(288)	635	462	380
Earnings/(Loss) per share	RMB0.2795	RMB(0.1722)	RMB0.3796	RMB0.2764	RMB0.2272

STATEMENT OF FINANCIAL POSITION

(RMB billion)	30 June 2021	31 December 2020	31 December 2019	31 December 2018	31 December 2017
Total Assets	36.31	36.37	36.80	22.74	23.92
Total Liabilities	22.47	22.71	23.17	10.33	12.10
Total Equity	13.84	13.65	13.63	12.41	11.82
Equity attributable to:					
Shareholders of the Company	10.80	10.42	10.57	10.07	9.54
Non-controlling interests	3.04	3.23	3.06	2.34	2.27
Net assets per share to shareholders of the Company	RMB6.45	RMB6.23	RMB6.32	RMB6.02	RMB5.70

FINANCIAL RATIOS

	30 June 2021	31 December 2020	31 December 2019	31 December 2018	31 December 2017
Return on equity attributable to shareholders of the Company	8.67%	1.54%	10.76%	10.47%	9.93%
EBITDA Interest coverage ¹	4.8 times	3.1 times	7.6 times	8.2 times	8.4 times
Gearing ratio ²	53.3%	54.3%	55.4%	29.6%	36.0%
Total liabilities/Total assets ratio ³	61.9%	62.5%	63.0%	45.4%	50.6%

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

2 net debt ÷ total capitalization

3 total liabilities ÷ total assets

CORPORATE PROFILE

廣州越秀集團股份有限公司 GUANGZHOU YUE XIU HOLDINGS LIMITED

100%



YUE XIU ENTERPRISES (HOLDINGS) LIMITED 44.2%
PUBLIC 55.8%



YUEXIU TRANSPORT INFRASTRUCTURE LIMITED



EXPRESSWAY / BRIDGE / PORT

■ GNSR Expressway	60%	• Northern Ring Road	24.3%
■ Cangyu Expressway	100%	• Humen Bridge	27.78%*
■ Jinxiong Expressway	60%	• Shantou Bay Bridge	30%
■ Han-Xiao Expressway	100%	• GWSR Expressway	35%
■ Changzhu Expressway	100%	• Qinglian Expressway	23.63%
■ Weixu Expressway	100%	• Pazhou Port	45%
■ Suiyuenan Expressway	70%		
■ Hancai Expressway	67%		
■ Han'e Expressway	100%		
■ Daguangnan Expressway	90%		

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

- subsidiaries
- associates and joint venture



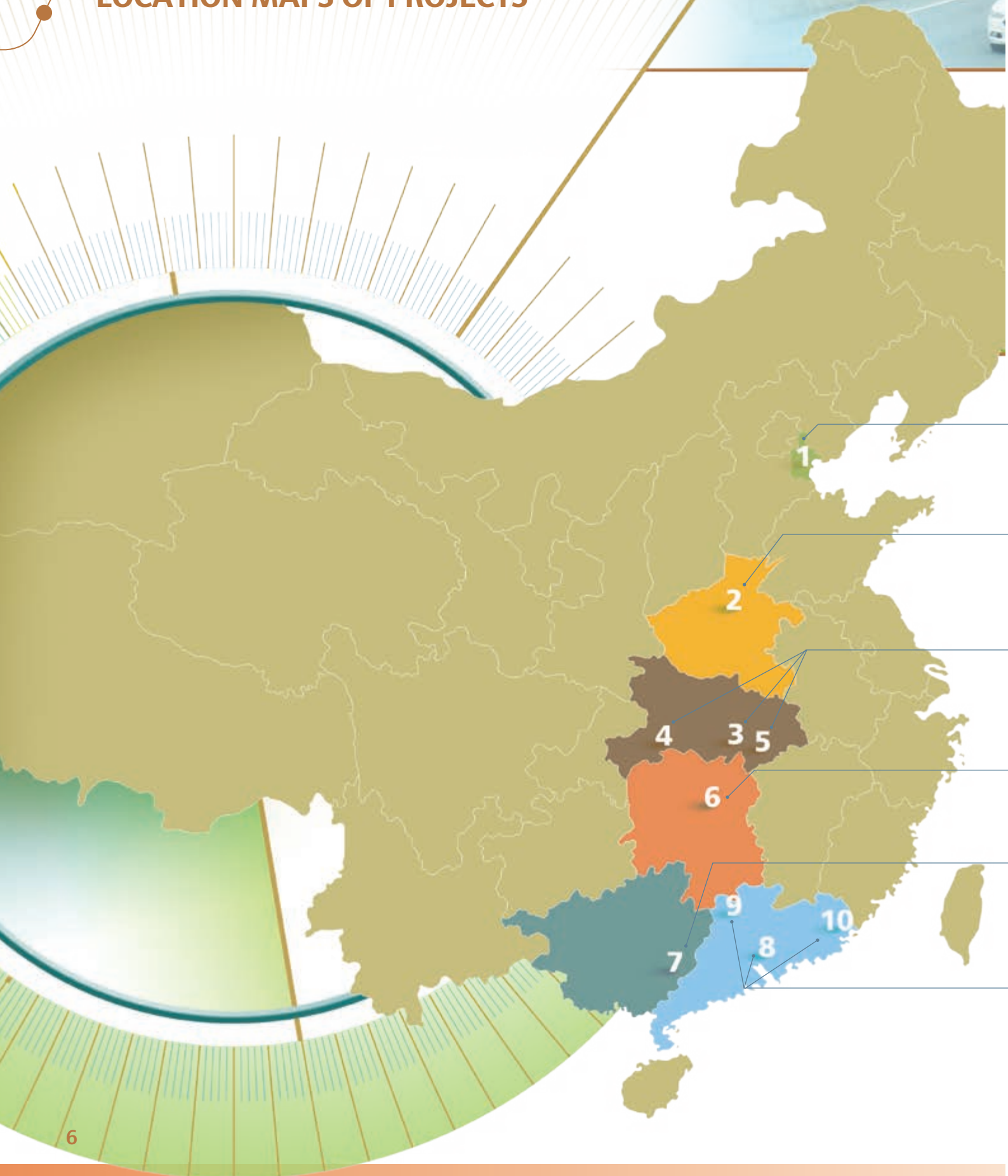
CORPORATE PROFILE

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

As at 30 June 2021, the Group had a total of 15 investments in its operating expressways and bridge projects which included Guangzhou Northern Second Ring Expressway (“GNSR Expressway”), Guangzhou Western Second Ring Expressway (“GWSR Expressway”), Guangzhou Northern Ring Road (“Northern Ring Road”), Guangdong Humen Bridge (“Humen Bridge”), Shantou Bay Bridge and Guangdong Qinglian Expressway, all of which are located within Guangdong Province; Han-Xiao Expressway, Suiyuenan Expressway, Hancai Expressway, Han’e Expressway and Daguangnan Expressway in Hubei Province; Cangyu Expressway in Guangxi Zhuang Autonomous Region (“Cangyu Expressway”); Jinxiong Expressway in Tianjin Municipality; Changzhu Expressway in Hunan Province; and Weixu Expressway in Henan Province. As at 30 June 2021, the attributable toll length of the Group’s subsidiaries is approximately 455.1 km (total toll length is approximately 533.7 km), attributable toll length of the Group’s associates and joint venture is approximately 77.3 km, the total attributable toll length of expressways and bridges is approximately 532.4 km.



LOCATION MAPS OF PROJECTS



LOCATION MAPS OF PROJECTS



TIANJIN

- 1 **Tianjin City** Jinxiong Expressway



HENAN

- 2 **Xuchang City** Weixu Expressway



HUBEI

- 3 **Wuhan City** Han-Xiao Expressway
Hancai Expressway
Han'e Expressway
- 4 **Jingzhou City** Suiyuan Expressway
- 5 **Huanggang City** Daguangnan Expressway



HUNAN

- 6 **Changsha City** Changzhu Expressway



GUANGXI

- 7 **Wuzhou City** Cangyu Expressway



GUANGDONG

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

LOCATION MAPS OF PROJECTS

GUANGDONG



HUMEN BRIDGE

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



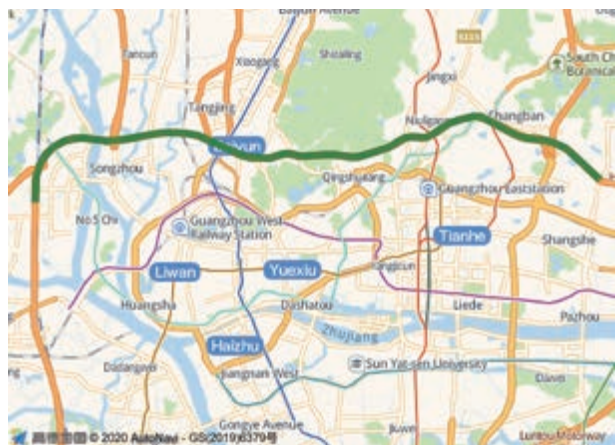
GNSR EXPRESSWAY

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



NORTHERN RING ROAD

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



LOCATION MAPS OF PROJECTS



QINGLIAN EXPRESSWAY

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



GWSR EXPRESSWAY

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



SHANTOU BAY BRIDGE

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



LOCATION MAPS OF PROJECTS

GUANGXI



CANGYU EXPRESSWAY

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



TIANJIN



JINXIONG EXPRESSWAY

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



LOCATION MAPS OF PROJECTS

HUNAN



CHANGZHU EXPRESSWAY

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



HENAN



WEIXU EXPRESSWAY

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



LOCATION MAPS OF PROJECTS

HUBEI



HAN-XIAO EXPRESSWAY

It starts from Huangpi District, Wuhan city and ended at Xiaonan District, Xiaogan City. The toll length is approximately 38.5 km with four lanes. Han-Xiao Expressway also connects with Wuhan Airport Expressway, G4 Expressway, Wuhan Ring Road, Daijiashan-Huangpi Expressway and Xiaoxiang Expressway.



SUIYUENAN EXPRESSWAY

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



HANCAI EXPRESSWAY

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



LOCATION MAPS OF PROJECTS



HAN'E EXPRESSWAY

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



DAGUANGNAN EXPRESSWAY

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



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

SUMMARY INFORMATION OF OPERATING TOLL ROADS AND BRIDGES

	Toll Mileage (km)	Width (lanes)	Toll Station(s)	Road Type	Attributable Interests (%)	Remaining Operating Term (year)
SUBSIDIARIES						
GNSR Expressway	42.5	6	6	Expressway	60.00	11
Cangyu Expressway	22.0	4	0	Expressway	100.00	9
Jinxiong Expressway	23.9	4	2	Expressway	60.00	9
Han-Xiao Expressway	38.5	4	2	Expressway	100.00	15
Changzhu Expressway	46.5	4	5	Expressway	100.00	19
Weixu Expressway	64.3	4	2	Expressway	100.00	14
Suiyuan Expressway	98.1	4	4	Expressway	70.00	19
Hancai Expressway	36.0	4/6 ⁽¹⁾	2	Expressway	67.00	17
Han'e Expressway	54.8	4	5	Expressway	100.00	21
Daguangnan Expressway	107.1	4	6	Expressway	90.00	21
ASSOCIATES AND JOINT VENTURE						
GWSR Expressway	42.1	6	2	Expressway	35.00	9
Humen Bridge	15.8	6	4	Suspension Bridge	27.78 ⁽²⁾	8
Northern Ring Road	22.0	6	8	Expressway	24.30	2
Shantou Bay Bridge	6.5	6	3	Suspension Bridge	30.00	7
Qinglian Expressway	215.2	4	15	Expressway	23.63	13

Notes:

- (1) There are 6 lanes at the section from Miliang Shan to Wuhan Outer Ring Road, and 4 lanes on the remaining expressway.
- (2) The profit-sharing ratio was 18.446% from 2010 onwards



MANAGEMENT DISCUSSION AND ANALYSIS

TOLL SUMMARY OF TOLL ROADS AND BRIDGES

For the six months ended 30 June 2021⁽¹⁾

	Average daily toll revenue		Average daily toll traffic volume
	First half of 2021 ⁽²⁾ (RMB/day)	Y-O-Y Change %	First half of 2021 (Vehicle/day)
SUBSIDIARIES			
GNSR Expressway	2,966,627	18.1%	265,617
Cangyu Expressway	250,451	73.0%	16,074
Jinxiong Expressway	213,086	7.7%	33,778
Han-Xiao Expressway	602,967	34.5%	34,623
Changzhu Expressway	737,372	33.1%	73,977
Weixu Expressway	933,908	4.4%	24,232
Suiyuanan Expressway	1,715,090	13.2%	32,536
Hancai Expressway	681,686	32.5%	49,576
Han'e Expressway	577,056	51.1%	42,518
Daguangnan Expressway	1,285,203	30.0%	32,497
ASSOCIATES AND JOINT VENTURE			
GWSR Expressway	1,336,916	21.4%	88,382
Humen Bridge	2,249,789	97.2%	84,914
Northern Ring Road	1,889,991	19.0%	349,647
Shantou Bay Bridge	506,555	38.9%	28,673
Qinglian Expressway	2,491,031	22.8%	53,601

Notes:

- (1) Since the cancellation of the provincial borders toll stations on January 1, 2020, due to the COVID-19 outbreak and the instability of the new system at the initial stage of operation, the supervisory authorities of the provinces (municipalities) where the projects are located were unable to provide accurate data of toll traffic volume for the first half of 2020, the Group cannot disclose the toll traffic volume and its year-on-year changes.
- (2) National toll fees of small passengers vehicles on toll roads were waived from 0:00 on 24 January 2020 to 24:00 on 8 February (extended by 9 days on the original basis) during the 2020 Spring Festival Holiday according to the "Notice of the Work Related to Exempting Toll Fee for Small Passengers Vehicles During the 2020 Spring Festival Holiday" (關於做好二〇二〇年春節假期免收小型客車通行費有關工作的通知), the "Notice of Extension for the Free Toll Period of Small Passengers Vehicles During the 2020 Spring Festival Holiday" (關於延長二〇二〇年春節假期小型客車免費通行時段的通知) and the "Notice of Extension for the Period of Exempting Toll Fee of Small Passengers Vehicles on Toll Roads during the Spring Festival Holiday" (關於延長春節假期收費公路免收小型客車通行費時段的通知). According to the "Notice on Waiver of Tolls on Toll Roads During the Prevention and Control of Epidemic Caused by the Novel Coronavirus Pneumonia" (《關於新冠肺炎疫情防控期間免收收費公路車輛通行費的通知》), toll fee for all vehicles on toll roads nationwide was exempted from 0:00 on 17 February 2020 until the end of the disease prevention and control. According to the "Announcement on Resumption of Toll Collection for Toll Roads" (《關於恢復收費公路收費的公告》), toll collection for legally approved toll roads is resumed from 0:00 a.m. on 6 May 2020 (79 toll-free days in total). All projects of the Group have been resumed for normal toll collection. The average daily toll revenue of the Group for the first half of 2021 was calculated based on the calendar days of the first half of the year (181 days), and the average daily toll revenue of the Group for the first half of 2020 was calculated based on the number of calendar days in the first half of the year (182 days) less the number of the days exempting toll fees (79 days), which is equivalent to 103 days.

MANAGEMENT DISCUSSION AND ANALYSIS

TOLL ROADS AND BRIDGES

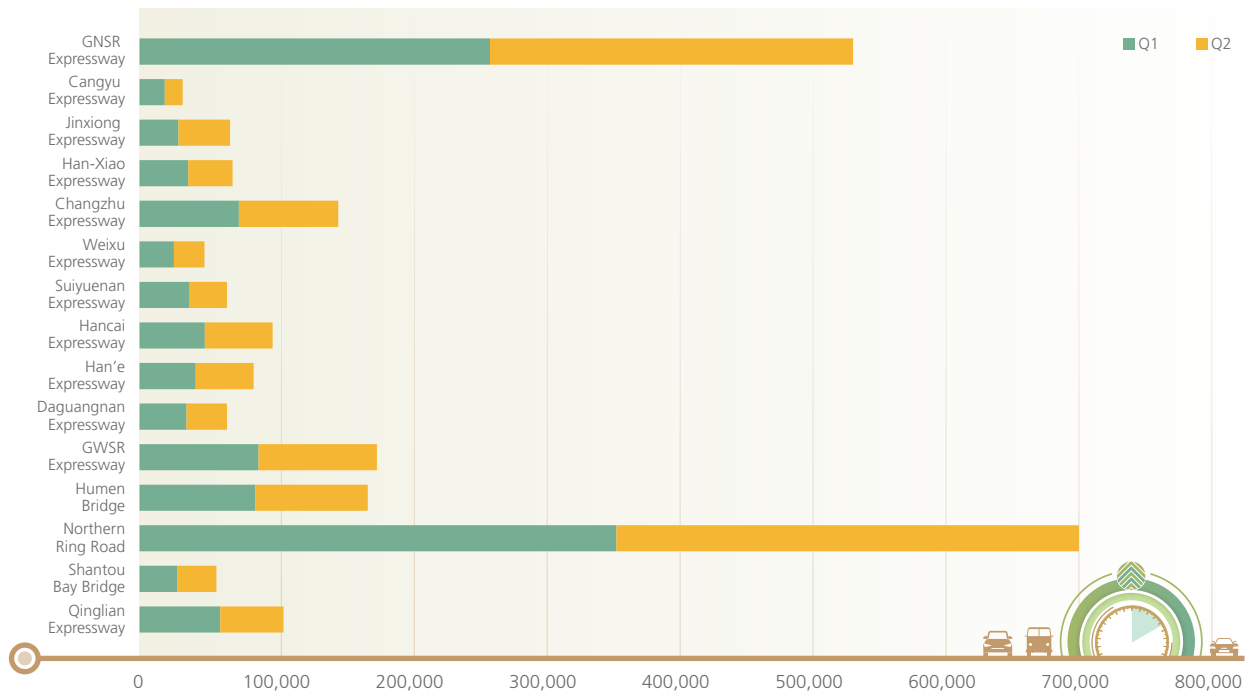
Quarterly analysis of average daily toll traffic volume for 2021

	Average daily toll traffic volume of the First quarter in 2021 (Vehicle/day)	Average daily toll traffic volume of the Second quarter in 2021 (Vehicle/day)
SUBSIDIARIES		
GNSR Expressway	260,996	270,187
Cangyu Expressway	18,858	13,320
Jinxiong Expressway	29,001	38,503
Han-Xiao Expressway	36,309	32,955
Changzhu Expressway	74,087	73,869
Weixu Expressway	25,636	22,845
Suiyuan Expressway	36,895	28,225
Hancai Expressway	48,739	50,404
Han'e Expressway	41,686	43,342
Daguangnan Expressway	35,141	29,882
ASSOCIATES AND JOINT VENTURE		
GWSR Expressway	88,614	88,153
Humen Bridge	86,308	83,535
Northern Ring Road	354,997	344,355
Shantou Bay Bridge	27,993	29,344
Qinglian Expressway	60,169	47,105



MANAGEMENT DISCUSSION AND ANALYSIS

Quarterly analysis of average daily toll traffic volume for 2021

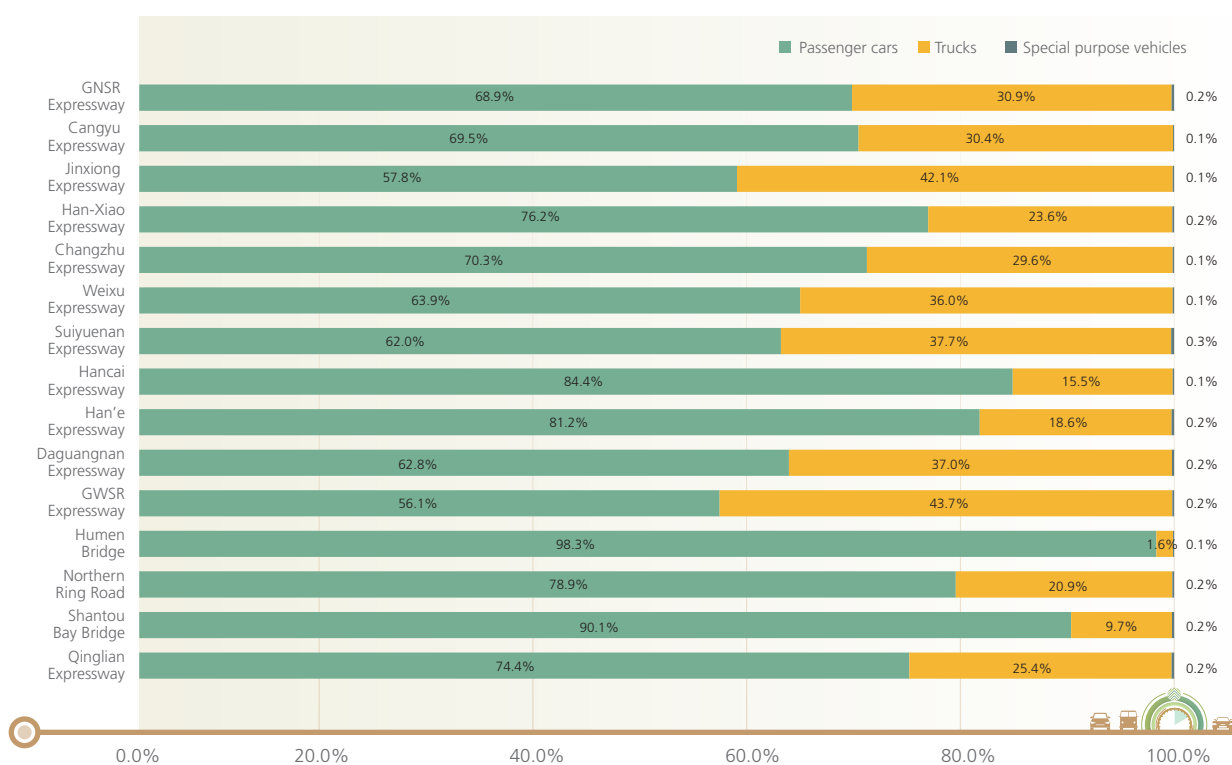


MANAGEMENT DISCUSSION AND ANALYSIS

VEHICLE TYPE ANALYSIS (BY TRAFFIC VOLUME)

During the Reporting Period, the Group's operating projects were primarily distributed in six provinces/municipalities including Guangdong, Guangxi, Hunan, Hubei, Henan and Tianjin. In accordance with the industry standard of "Vehicle Classification of the Toll Highway" implemented on 1 January 2020, in the regions where the Group's investment and operating projects are located, all vehicles are classified into three categories in a standardized way: passenger cars, trucks, and special purpose vehicles.

Vehicle type analysis for 2021 (by traffic volume)



Note: (1) Special purpose vehicle refers to the cars with the installation of special equipment or apparatus, in the design and manufacture of vehicles used in engineering special projects, health care and other operations.

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY OF OPERATING PERFORMANCE

MACROECONOMIC ENVIRONMENT

During the Reporting Period, amid the uncertainties from coronavirus pandemic and external environment, China's economy undergoes a steady recovery and positive growth. According to the information released by the National Bureau of Statistics, the gross domestic product (GDP) for the first half of 2021 amounted to RMB 53,216.7 billion, representing a year-on-year increase of 12.7%. By quarter, the GDP for the 1st quarter and for the 2nd quarter records a year-on-year increase of 18.3% and 7.9% respectively.

During the Reporting Period, main indexes of the sector showed an improving trend. For the first half of 2021, investment on fixed assets in highway construction amounted to RMB1,154.9 billion, representing a year-on-year increase of 13.8%. Highway passenger and cargo turnover decreased by 2.0% and increased by 29.4% year-on-year, respectively.

During the Reporting Period, domestic car ownership maintained a steady growth momentum. As at 30 June 2021, domestic car ownership reached 292 million vehicles, representing a year-on-year increase of 8.1%.

The projects invested and operated by the Group are distributed throughout Guangdong, Tianjin, Guangxi, Hunan, Hubei and Henan. The GDP of these regions for the first half of 2021 increased by 13.0%, 11.4%, 12.0%, 11.7%, 28.5% and 10.2% year-on-year, respectively.

(Unit: RMB100 million)

	National	Guangdong Province	Tianjin Municipality	Guangxi Autonomous Region	Hunan Province	Hubei Province	Henan Province
GDP for the first half of 2021	532,167	57,226	7,309	11,787	21,667	22,778	28,928
GDP changes for the first half of 2021	12.7%	13.0%	11.4%	12.0%	11.7%	28.5%	10.2%
GDP changes for the first half of 2020	-1.6%	-2.5%	-3.9%	0.8%	1.3%	-19.3%	-0.3%

Source: National and Provincial Bureaus of Statistics, Ministry of Transport

MANAGEMENT DISCUSSION AND ANALYSIS

REGULATORY ENVIRONMENT OF THE SECTOR

During the Reporting Period, the COVID-19 infection cases surged in some regions such as Hebei (in Jan and Feb) and Guangdong (in May and June). To prevent and cope with the pandemic, the local governments have adopted some measures of travel restriction, which would affect the Group's local and periphery projects. The Group is closely monitoring the current impact of the pandemic and the impact thereafter. In order to actively cooperate with the epidemic prevention and control work, all operating projects of the Group actively take various measures such as disinfection of the office space and toll station area, establishment of prevention and control isolation areas and body temperature detection points, priority access for the emergency relief vehicles and maintaining close communication with local hygiene and health authorities.

During the Reporting Period, according to the "Notice of Exempting Toll Fees on Toll Roads During the Period of Prevention and Control of Novel Coronavirus" (《關於新冠肺炎疫情期間免收收費公路車輛通行費的通知》), supporting policies will be issued separately to protect the interests of all parties. The safeguard policies have been launched in Guangdong and Guangxi among the provinces (cities) where the Group's projects operate, while those in other provinces were still under research and formulation. The Group continues to actively communicate with competent authorities of expressway industry and its counterparts to strive for favorable safeguard policies and ensure the benefits of the Company.

During the Reporting Period, highway toll for trucks in Henan, Hubei and Guangxi was adjusted, which would affect the short-term toll revenue of the Group's operating projects in Henan, Hubei and Guangxi to a certain extent.

During the Reporting Period, the Ministry of Transport, the National Development and Reform Commission and the Ministry of Finance jointly promulgated the "Implementation Plan of Full Implementation of Differentiation of Highway Tolls", which further promotes the differentiation of standard highway toll rates for trucks, adheres to government guidance and encourages independent participation by operators, with the aim of improving road network efficiency, reducing logistics costs, and effectively protecting the legitimate rights of highway investors.

In order to further improve the legal and regulatory governance system and promote the sustainable development of toll roads, amendments to the Highway Law and the Regulations on the Administration of Toll Roads have been included in the annual legislative work plan of the Ministry of Transport.

BUSINESS IMPROVEMENTS AND INNOVATIONS

During the Reporting Period, the Group continued to improve the capability on ensuring smooth traffic flow and of operational management, and further enhanced its road traffic efficiency and service capacity that leads to an increase in traffic efficiency. We actively conducted adjustment and optimization of toll collection facilities and equipment, and ensured stable operation of the toll collection equipment and systems for various projects. The liquidation and utilization of assets were further promoted, so that substantial progresses of transformation and upgrade of service area were achieved. We strived to fully implement safe production and promoted the construction of safe production governance system and capability. Innovation systems were upgraded, investment in scientific research and innovation was increased, and construction of the Northern Second Ring Engineering and Technology Research Center was confirmed. We made great efforts to develop comprehensive maintenance and renovation as well as construction project management and control capabilities, and continued to carry out the application of new technologies, materials, processes and equipment. We actively promoted the adoption of information technologies, and effectively enhanced the information synergy capabilities. Our value-adding headquarters has been optimizing its function, through which we continue to improve our talent nurturing system, so as to provide a solid foundation for the Company's long-term development.

MANAGEMENT DISCUSSION AND ANALYSIS

PROGRESS OF INVESTMENT

During the Reporting Period, the Group continued to seek for high-quality expressway projects of large and medium scales in order to strengthen its core business. With its base in Guangdong, Hong Kong and Macau Greater Bay Area, the Group actively looked for and acquired expressways with a balanced operating cash flow in central and western provinces with developed economy so as to expand its business scale, and would also seek for development opportunities of infrastructure projects with stable cash flows and projects in the upstream and downstream of expressway value chain. In addition, the Company is actively working on the spin-off of some of its toll road assets with stable income for listing in REITs in China.

PERFORMANCE OF EXPRESSWAYS AND BRIDGES

Since the revenue for the first half of 2020 recorded a low base due to COVID-19 and related prevention and control measures (e.g. Spring Festival holiday was extended for 9 days apart from the original plan, expressway tolls were exempted for 79 days nationwide, etc.), the toll revenue of projects of the Group for the first year of 2021 generally represents a year-on-year increase.

SUBSIDIARIES

GNSR Expressway

During the Reporting Period, the average daily toll revenue was RMB2,967,000, representing a year-on-year increase of 18.1%. During the Reporting Period, the average daily traffic volume was 265,617 vehicles.

During the Reporting Period, revenue from the Northern Second Ring Road was mainly affected by (1) the diversion of traffic from the Guangzhou and Foshan sections of the Guangzhou-Foshan-Zhaohao Expressway, which was completed and commenced operation on 28 December 2020, as well as (2) the temporary control measures in the relevant areas of Guangdong starting from the end of May 2021 due to epidemic prevention. Northern Second Ring is located in the Greater Bay Area of Guangdong, Hong Kong and Macau, it is believed that the recovery and growth of the economy in the region will contribute to the recovery of traffic volume and revenue of the Northern Second Ring Road.

Cangyu Expressway

During the Reporting Period, the average daily toll revenue was RMB250,000, representing a year-on-year increase of 73.0%. During the Reporting Period, the average daily traffic volume was 16,074 vehicles.

During the Reporting Period, the revenue of Cangyu was mainly boosted by the commencement of operation of the Huaiyang Expressway (connected to this section) at the end of 2020.

Jinxiong Expressway

During the Reporting Period, the average daily toll revenue was RMB213,000, representing a year-on-year increase of 7.7%. During the Reporting Period, the average daily traffic volume was 33,778 vehicles.

During the Reporting Period, the revenue of Jinxiong was mainly affected by the diversion of the Jinshi Expressway, which was completed and commenced operation on 22 December 2020. Based on the latest observation, the diversion impact has basically stabilized.

MANAGEMENT DISCUSSION AND ANALYSIS

Han-Xiao Expressway

During the Reporting Period, the average daily toll revenue was RMB603,000, representing a year-on-year increase of 34.5%. During the Reporting Period, the average daily traffic volume was 34,623 vehicles.

During the Reporting Period, the revenue of Hanxiao was mainly boosted by the economic recovery in the region and the commencement of the entire Wuhan Sihuan Line on 30 April 2021.

Changzhu Expressway

During the Reporting Period, the average daily toll revenue was RMB737,000, representing a year-on-year increase of 33.1%. During the Reporting Period, the average daily traffic volume was 73,977 vehicles.

During the Reporting Period, the revenue of Changzhu was mainly boosted by the economic recovery in the region.

Weixu Expressway

During the Reporting Period, the average daily toll revenue was RMB934,000, representing a year-on-year increase of 4.4%. During the Reporting Period, the average daily traffic volume was 24,232 vehicles.

During the Reporting Period, the revenue of Weixu was mainly affected by the return of trucks to the surrounding local roads and the short-term diversion of traffic from the K156+450 middle bridge of the Zhumadian-Biyang section of the Xuguang Expressway (Guangzhou-Xuchang direction) from 6 May 2021 (the construction work is estimated to be completed on 15 August). The Group has been closely monitoring the situation.

Suiyuanan Expressway

During the Reporting Period, the average daily toll revenue was RMB1,715,000, representing a year-on-year increase of 13.2%. During the Reporting Period, the average daily traffic volume was 32,536 vehicles.

During the Reporting Period, the revenue of the Suiyuanan was mainly affected by the short term diversion of the one-way (from Guangzhou to Xuchang) closure of the K156+450 medium bridge in Biyang Section of Zhumadian of the Xu-Guang Expressway for construction work since 6 May 2021, which is estimated to be completed on 15 August, as well as the ongoing impact of the opening of the Zaoqian Expressway and Shishou Bridge. The Group has been closely monitoring the situation.

Hancai Expressway

During the Reporting Period, the average daily toll revenue was RMB682,000, representing a year-on-year increase of 32.5%. During the Reporting Period, the average daily traffic volume was 49,576 vehicles.

During the Reporting Period, the revenue of Hancai was mainly boosted by the economic recovery in the region and the increase in traffic resulting from the commencement of operation of the Wuhan Sihuan Line on 30 April 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

Han'e Expressway

During the Reporting Period, the average daily toll revenue was RMB577,000, representing a year-on-year increase of 51.1%. During the Reporting Period, the average daily traffic volume was 42,518 vehicles.

During the Reporting Period, the revenue of Han'e was mainly boosted by the economic recovery in the region and the commencement of operation of the Wuhan Sihuan Line on 30 April 2021. The Ezhou Airport in the project area is expected to be in trial operation at the end of 2021, which may bring higher traffic volume and revenue to Han'e in the future.

Daguangnan Expressway

During the Reporting Period, the average daily toll revenue was RMB1,285,000, representing a year-on-year increase of 30.0%. During the Reporting Period, the average daily traffic volume was 32,497 vehicles.

During the Reporting Period, the revenue of Daguanan was mainly boosted by the economic recovery in the region and the commencement of operation of the Wuhan Sihuan Line on 30 April 2021. The Ezhou Airport in the project area is expected to be in trial operation at the end of 2021, which may bring higher traffic volume and revenue to Daguanan in the future.

ASSOCIATES AND JOINT VENTURE

GWSR Expressway

During the Reporting Period, the average daily toll revenue was RMB1,337,000, representing a year-on-year increase of 21.4%. During the Reporting Period, the average daily traffic volume was 88,382 vehicles.

During the Reporting Period, the revenue of the West Second Ring Road was mainly affected by the diversion of traffic from the Guangzhou and Foshan sections of the Guangzhou-Foshan-Zhaohao Expressway, which was completed and opened on 28 December 2020, as well as the temporary control measures in the relevant areas of Guangdong starting from the end of May 2021 due to epidemic prevention. West Second Ring is located in the Greater Bay Area of Guangdong, Hong Kong and Macau. It is believed that the recovery and growth of the economy in the region will contribute to the recovery of traffic volume and revenue of the Western Second Ring.

Humen Bridge

During the Reporting Period, the average daily toll revenue was RMB2,250,000, representing a year-on-year increase of 97.2%. During the Reporting Period, the average daily traffic volume was 84,914 vehicles.

During the Reporting Period, the revenue of Humen Bridge recorded a year-on-year increase mainly because the impact of traffic control from 5 to 15 May 2020 due to the vortex phenomenon resulted in a lower revenue base. In addition, the Humen Bridge was also affected by the temporary control measures in the relevant areas of Guangdong due to epidemic prevention that started in late May 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

Northern Ring Road

During the Reporting Period, the average daily toll revenue was RMB1,890,000, representing a year-on-year increase of 19.0%. During the Reporting Period, the average daily traffic volume was 349,647 vehicles.

During the Reporting Period, the revenue of Northern Ring was mainly affected by the reduction in truck traffic due to the impact of certain heavy trucks restrictions, as well as the impact of temporary epidemic prevention and control measures in the relevant areas of Guangdong effective in late May 2021. Northern Ring is located in the Greater Bay Area of Guangdong, Hong Kong and Macau. It is believed that the recovery and growth of the economy in the region will contribute to the recovery of traffic volume and revenue of Northern Ring.

Shantou Bay Bridge

During the Reporting Period, the average daily toll revenue was RMB507,000, representing a year-on-year increase of 38.9%. During the Reporting Period, the average daily traffic volume was 28,673 vehicles.

During the Reporting Period, the revenue of the Shantou Bay Bridge was mainly boosted by the economic recovery of the region where it is located. In addition, the Shantou Bay Bridge was also affected by the diversion of traffic from the Chaoshan Ring Expressway, which was in full operation on 28 December 2020. The Group has been closely monitoring the situation.

Qinglian Expressway

During the Reporting Period, the average daily toll revenue was RMB2,491,000, representing a year-on-year increase of 22.8%. During the Reporting Period, the average daily traffic volume was 53,601 vehicles.

During the Reporting Period, the revenue of Qinglian was mainly affected by the temporary epidemic prevention and control measures effective at the end of May 2021 in the relevant areas of Guangdong.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

KEY OPERATING RESULTS FIGURES

	Six months ended 30 June		
	2021 RMB'000	2020 RMB'000	Change %
Revenue	1,831,743	839,590	118.2
Gross profit	1,149,646	252,128	356.0
Operating profit	1,071,475	198,011	441.1
Earnings before interests, tax, depreciation and amortisation ("EBITDA") ⁽¹⁾	1,766,644	677,761	160.7
Finance costs	(382,154)	(406,228)	-5.9
Share of result of a joint venture	38,087	5,184	634.7
Share of results of associates	101,966	(17,045)	turned profit
Profit/(loss) attributable to shareholders of the Company	467,699	(288,121)	turned profit
Basic and diluted earnings/(loss) per share	RMB0.2795	RMB(0.1722)	turned profit
Interim dividend	278,320	—	N/A

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

I. OVERVIEW OF OPERATING RESULTS

The Group's revenue increased by 118.2 percent to RMB1,831.7 million, operating profit increased by 441.1 percent to RMB1,071.5 million and profit attributable to shareholders of the Company amounted to RMB467.7 million (same period in 2020: loss attributable to shareholders of the Company of RMB288.1 million) in the Reporting Period.

The increase in the Group's revenue and profit attributable to shareholders of the Company was mainly attributed to low overall base in the same period in 2020 resulting from temporary toll exemption measures (including free toll of small passengers vehicles during Spring Festival holiday extended for 9 days on original basis and exempted tolls collection for 79 days nationwide from 17 February 2020 to 5 May 2020).

The Board of Directors resolved to declare an interim dividend for 2021 of HK\$0.20 which is equivalent to approximately RMB0.1663 (2020: Nil) per share, representing an interim dividend payout ratio of 59.5 percent (2020: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

II. ANALYSIS OF OPERATING RESULTS

REVENUE

The Group recorded total revenue of RMB1,831.7 million in the Reporting Period, which comprised total toll revenue of RMB1,803.4 million and other revenue related to normal toll roads operation of RMB28.3 million.

Toll revenue

The Group recorded total toll revenue of RMB1,803.4 million in the Reporting Period, representing an increase of 114.8 percent as compared with the same period in 2020. The relatively high increase was mainly due to low base number in the same period in 2020. The detailed review on the toll revenue of each expressway is stated in “Business Review – Performance of Expressways and Bridges”.

Analysis of toll revenue by each controlled project

Controlled Projects	Reporting	Percentage	First half	Percentage	Change
	Period	of total toll	of 2020	of total	
	RMB'000	revenue	RMB'000	toll revenue	%
		%		%	%
GNSR Expressway	536,960	29.8	258,709	30.8	107.6
Suiyuanan Expressway	310,431	17.2	155,996	18.6	99.0
Daguangnan Expressway	232,622	12.9	101,825	12.1	128.5
Weixu Expressway	169,037	9.4	92,170	11.0	83.4
Changzhu Expressway	133,464	7.4	57,080	6.8	133.8
Hancai Expressway	123,385	6.8	53,009	6.3	132.8
Han-Xiao Expressway	109,137	6.1	46,183	5.5	136.3
Han'e Expressway	104,447	5.8	39,329	4.7	165.6
Cangyu Expressway	45,332	2.5	14,912	1.8	204.0
Jinxiong Expressway	38,569	2.1	20,377	2.4	89.3
Total toll revenue	1,803,384	100.0	839,590	100.0	114.8

Other revenue

In the Reporting Period, other revenue related to normal toll roads operation of RMB28.3 million mainly includes the income from service area and gas station of RMB23.2 million (same period in 2020: RMB18.5 million).

Other revenue related to normal toll roads operations is included as part of “Revenue” in the Reporting Period while it was presented in “Other income, gains and losses – net” in interim results of prior years. The said change can facilitate the review of the Group’s revenue from and related to toll road operations. The comparative figures were not restated.

MANAGEMENT DISCUSSION AND ANALYSIS

COST OF SERVICES

In the Reporting Period, the total cost of services of the Group amounted to RMB682.1 million (same period in 2020: RMB587.5 million), representing an increase of RMB94.6 million or 16.1 percent as compared with that of the same period in 2020. Cost ratio (cost of services/revenue) was 37.2 percent in the Reporting Period, and 32.8 percentage point lower than that of the same period in 2020. During the Reporting Period, the toll highways and bridges maintenance expense increased by 154.5% to RMB33.2 million mainly due to low base number in the same period in 2020 resulting from maintenance works postponed to be carried out. During the period of temporary toll exemption measures in the first half of 2020, even though no toll revenue was recognised, the amortisation of intangible operating rights was recorded in accordance with the unit-of-usage basis based on the traffic volume.

Analysis of cost of services by each controlled project

Controlled Projects	Reporting Period RMB'000	Percentage of total %	First half of 2020 RMB'000	Percentage of total %	Change %
GNSR Expressway	148,388	21.8	134,229	22.9	10.5
Suiyuanan Expressway	95,745	14.0	82,649	14.1	15.8
Daguangnan Expressway	96,533	14.2	76,652	13.0	25.9
Weixu Expressway	67,786	9.9	61,840	10.5	9.6
Changzhu Expressway	58,474	8.6	51,884	8.8	12.7
Hancai Expressway	78,098	11.4	59,545	10.1	31.2
Han-Xiao Expressway	34,579	5.1	37,493	6.4	-7.8
Han'e Expressway	60,608	8.9	40,999	7.0	47.8
Cangyu Expressway	16,639	2.4	13,922	2.4	19.5
Jinxiong Expressway	25,247	3.7	28,249	4.8	-10.6
Total	682,097	100.0	587,462	100.0	16.1

Analysis of cost of services by nature

	Reporting Period RMB'000	Percentage of total %	First half of 2020 RMB'000	Percentage of total %	Change %
Amortisation of intangible operating rights	532,121	78.0	470,083	80.0	13.2
Staff costs	68,323	10.0	69,698	11.9	-2.0
Toll highways and bridges operating expenses	36,629	5.4	26,714	4.5	37.1
Toll highways and bridges maintenance expenses	33,151	4.9	13,024	2.2	154.5
Taxes and surcharges	9,213	1.3	4,042	0.7	127.9
Depreciation of other fixed assets	2,660	0.4	3,901	0.7	-31.8
Total	682,097	100.0	587,462	100.0	16.1

MANAGEMENT DISCUSSION AND ANALYSIS

GROSS PROFIT

Gross profit in the Reporting Period was RMB1,149.6 million, which was RMB897.5 million higher than that of the same period in 2020. Gross profit margin in the Reporting Period was 62.8 percent, which was 32.8 percentage point higher than that of the same period in 2020.

Analysis of gross profit/(loss) by each controlled project

Controlled Projects	Reporting Period		First half of 2020	
	Gross Profit RMB'000	Gross Profit Margin ⁽¹⁾	Gross Profit/(Loss) RMB'000	Gross Profit/(Loss) Margin ⁽¹⁾
GNSR Expressway	392,962	72.6%	124,480	48.1%
Suiyuan Expressway	221,472	69.8%	73,347	47.0%
Daguan Expressway	142,418	59.6%	25,173	24.7%
Weixu Expressway	103,793	60.5%	30,330	32.9%
Changzhu Expressway	75,306	56.3%	5,196	9.1%
Hancai Expressway	46,403	37.3%	(6,536)	-12.3%
Han-Xiao Expressway	77,016	69.0%	8,690	18.8%
Han'e Expressway	47,458	43.9%	(1,670)	-4.2%
Cangyu Expressway	28,693	63.3%	990	6.6%
Jinxiong Expressway	14,125	35.9%	(7,872)	-38.6%
Total	1,149,646	62.8%	252,128	30.0%

⁽¹⁾ Gross profit/(loss) margin = Gross profit/(loss) ÷ revenue

GENERAL AND ADMINISTRATIVE EXPENSES

The Group's general and administrative expenses in the Reporting Period amounted to RMB105.4 million, representing an increase of 15.9 percent from RMB91.0 million in the same period in 2020, mainly due to the increase in staff cost of RMB13.2 million in the Reporting Period.

OTHER INCOME, GAINS AND LOSSES – NET

The Group's other income, gains and losses – net was RMB27.3 million in the Reporting Period (same period in 2020: RMB36.9 million), which was 26.1 percent lower than the same period in 2020. The decrease was mainly due to the reclassification of other revenue related to normal toll roads operations from "Other income, gains and losses – net" to "Revenue" during the Reporting Period while the comparative figures of RMB26.5 million was not restated.

FINANCE INCOME/FINANCE COSTS

The Group's finance income in the Reporting Period amounted to RMB17.9 million (same period in 2020: RMB13.7 million), which was 30.5 percent higher than that of the same period in 2020. The increase in finance income was mainly due to the increase in average cash and cash equivalents during the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's finance costs in the Reporting Period decreased by 5.9 percent to RMB382.2 million as compared with RMB406.2 million in same period in 2020, mainly due to the Group's continuous effort in optimizing the overall debt structure in order to minimize the finance costs. The Group's overall weighted average interest rate in the Reporting Period was 4.01 percent (same period in 2020: 4.21 percent).

SHARE OF RESULTS OF ASSOCIATES AND A JOINT VENTURE

The Group's share of profit of associates and a joint venture was RMB140.1 million in the Reporting Period (same period in 2020: share of losses of RMB11.9 million). Total revenue of associates and a joint venture increased by 142.5 percent to RMB1,554.5 million in the Reporting Period. The detailed review on the toll revenue of each expressway and bridge is stated in "Business Review – Performance of Expressways and Bridges".

Share of post-tax profit of Northern Ring Road in the Reporting Period increased by 5,006.5 percent to RMB31.4 million. Share of post-tax profit of Humen Bridge in the Reporting Period increased by 3,734.0 percent to RMB39.6 million. Share of post-tax profit of Shantou Bay Bridge in the Reporting Period increased by 588.6 percent to RMB14.6 million. Share of post-tax profit of Qinglian Expressway in the Reporting Period amounted to RMB19.6 million (same period in 2020: share of post-tax loss of RMB20.8 million). Share of post-tax loss of Pazhou Port in the Reporting Period was RMB3.2 million (same period in 2020: Nil). Pazhou Port was under construction during the Reporting Period and there was no revenue recognized in the Reporting Period. The share of post-tax loss mainly represented the general and administrative expense recorded during the Reporting Period. Share of post-tax profit of GWSR Expressway in the Reporting Period increased by 634.7 percent to RMB38.1 million.

Analysis of share of results of associates and a joint venture and the revenue of their respective entities

	Profit Sharing ratio %	Toll revenue		Share of results	
		Reporting Period RMB'000	YoY change %	Reporting Period RMB'000	YoY change %
Associates					
Northern Ring Road	24.3	347,124	112.3	31,405	5,006.5
Humen Bridge	18.446	416,846	254.7	39,644	3,734.0
Shantou Bay Bridge	30.0	92,017	145.0	14,564	588.6
Qinglian Expressway	23.63	453,775	117.1	19,600	turned profit
Pazhou Port	45.0	—	—	(3,247)	N/A
Sub-total		1,309,762	148.2	101,966	turned profit
Joint venture					
GWSR Expressway	35.0	244,710	115.7	38,087	634.7
Total		1,554,472	142.5	140,053	turned profit

MANAGEMENT DISCUSSION AND ANALYSIS

INCOME TAX EXPENSE

Total income tax expense of the Group in the Reporting Period increased by 270.4 percent to RMB214.4 million. The increase in income tax expense was attributed to the increase in revenue during the Reporting Period. In addition, GNSR Expressway was recognized as an eligible entity to enjoy three years' preferential tax treatment of income tax, at a preference income tax rate of 15%, started from 2018 – 2020. This preferential tax treatment was ended in December 2020.

PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The Company reported profit attributable to its shareholders of RMB467.7 million in the Reporting Period, where the Company reported loss attributable to its shareholders of RMB288.1 million in the same period in 2020.

The management team continues to optimize the overall debt structure of the Group. During this process, inter-company loan interests were incurred at the controlled projects level and the holding companies level, and such interests would be eliminated ultimately at the consolidated level.

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

	Reporting Period RMB'000	Percentage of total %	First half of 2020 RMB'000	Percentage of total %	Change %
Net profit/(loss) from controlled projects	631,144	81.8	(25,958)	68.6	turned profit
Net profit/(loss) from non-controlled projects ⁽¹⁾	140,053	18.2	(11,861)	31.4	turned profit
Net profit/(loss) from projects	771,197	100.0	(37,819)	100.0	turned profit
Withholding tax on PRC dividend/income	(10,496)		(5,045)		108.0
Corporate expenses	(66,306)		(57,353)		15.6
Corporate income/gains, net	1,575		5,721		-72.5
Corporate finance income	7,349		7,926		-7.3
Corporate finance costs	(235,620)		(201,551)		16.9
Profit/(loss) attributable to shareholders of the Company	467,699		(288,121)		turned profit

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

Controlled Projects	Reporting Period RMB'000	First half of 2020 RMB'000	Change %
GNSR Expressway	176,639	69,342	154.7
Suiyuanan Expressway	89,682	13,490	564.8
Daguangnan Expressway	86,224	(36,333)	turned profit
Weixu Expressway	80,339	19,168	319.1
Changzhu Expressway	60,654	(27,768)	turned profit
Han-Xiao Expressway	50,190	(2,552)	turned profit
Cangyu Expressway	40,382	(422)	turned profit
Hancai Expressway	28,512	(11,974)	turned profit
Han'e Expressway	13,204	(43,202)	turned profit
Jinxiong Expressway	5,318	(5,707)	turned profit
Total	631,144	(25,958)	turned profit

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

Controlled Projects	Reporting Period RMB'000	First half of 2020 RMB'000	Change %
GNSR Expressway	176,639	69,342	154.7
Suiyuanan Expressway	97,009	17,539	453.1
Daguangnan Expressway	21,474	(84,593)	turned profit
Weixu Expressway	82,133	20,641	297.9
Changzhu Expressway	35,690	(37,475)	turned profit
Han-Xiao Expressway	54,804	2,050	2,573.4
Cangyu Expressway	40,834	(422)	turned profit
Hancai Expressway	6,158	(31,421)	turned profit
Han'e Expressway	(7,873)	(61,027)	loss decreased
Jinxiong Expressway	5,473	(5,551)	turned profit
Total	512,341	(110,917)	turned profit

In the Reporting Period, net profit from non-controlled projects (analysis shown in the aforementioned table "Analysis of share of results of associates and a joint venture and the revenue of their respective entities") was RMB140.1 million (same period in 2020: net loss from non-controlled projects of RMB11.9 million).

MANAGEMENT DISCUSSION AND ANALYSIS

At the corporate level, the withholding tax on PRC dividend/income increased by RMB5.5 million, mainly because the increase in profit from PRC subsidiaries during the Reporting Period led to corresponding increase in withholding tax provided. The corporate expense increased by RMB9.0 million mainly due to increase in staff cost during the Reporting Period. In the Reporting Period, corporate bonds and notes payable were issued at the corporate level to partially refinance the loan at the controlled projects level, which resulted an increase in average external debt balance at the corporate level and an increase in the corporate finance cost of RMB34.1 million. The corporate income/gain decreased by RMB4.1 million mainly due to decrease in government subsidy received during the Reporting Period. The corporate finance income decreased by RMB0.6 million at corporate level during the Reporting Period.

INTERIM DIVIDEND

The Board of Directors resolved to declare an interim dividend for 2021 of HK\$0.20 which is equivalent to approximately RMB0.1663 (2020: Nil) per share payable on or about 29 November 2021 to shareholders whose names appear on the register of members of the Company on 11 November 2021. Interim dividend payout ratio is 59.5 percent (2020: Nil).

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

III. ANALYSIS OF FINANCIAL POSITION

KEY FINANCIAL POSITION FIGURES

	(Unaudited) 30 June 2021 RMB'000	31 December 2020 RMB'000	Change %
Total assets	36,310,604	36,367,600	-0.2
Total liabilities	22,473,300	22,713,855	-1.1
Cash and cash equivalents	1,910,253	1,516,004	26.0
Total debts	17,685,974	17,731,090	-0.3
Of which: bank borrowings*	10,247,273	12,874,275	-20.4
Other borrowing*	200,000	200,000	—
Corporate bonds*	3,501,634	1,909,152	83.4
Notes payable*	3,491,734	2,492,974	40.1
Current ratio	0.6 times	0.4 times	
EBITDA interest coverage	4.8 times	3.1 times	
Equity attributable to the shareholders of the Company	10,795,094	10,424,891	3.6

* excluding interest payable

MANAGEMENT DISCUSSION AND ANALYSIS

ASSETS, LIABILITIES AND EQUITY

As at 30 June 2021, the Group's total assets amounted to RMB36.3 billion which was 0.2 percent lower than the balance as at 31 December 2020. The Group's total assets comprised mainly of intangible operating rights of RMB31.2 billion (31 December 2020: RMB31.7 billion); investments in a joint venture and associates of RMB2.1 billion (31 December 2020: RMB2.0 billion); and cash and cash equivalents of RMB1.9 billion (31 December 2020: RMB1.5 billion).

As at 30 June 2021, the Group's total liabilities amounted to RMB22.5 billion which was 1.1 percent lower than the balance as at 31 December 2020. The Group's total liabilities comprised mainly of bank borrowings of RMB10.2 billion (31 December 2020: RMB12.9 billion); other borrowing of RMB0.2 billion (31 December 2020: RMB0.2 billion); corporate bonds of RMB3.5 billion (31 December 2020: RMB1.9 billion); notes payable of RMB3.5 billion (31 December 2020: RMB2.5 billion); loans from non-controlling interests of RMB71.7 million (31 December 2020: RMB77.7 million); loan from a joint venture of RMB147.0 million (31 December 2020: RMB147.0 million); and deferred income tax liabilities of RMB3.3 billion (31 December 2020: RMB3.3 billion).

As at 30 June 2021, the Group's total equity increased by RMB183.6 million to RMB13.8 billion (31 December 2020: RMB13.7 billion), of which RMB10.8 billion was attributable to the shareholders of the Company (31 December 2020: RMB10.4 billion).

Analysis of major assets, liabilities and equity items

	(Unaudited) 30 June 2021 RMB'000	31 December 2020 RMB'000	Change %
Total assets	36,310,604	36,367,600	-0.2
Approximately 90.0 % of which:			
Intangible operating rights	31,194,380	31,712,956	-1.6
Investments in a joint venture and associates	2,109,298	2,023,718	4.2
Cash and cash equivalents	1,910,253	1,516,004	26.0
Total liabilities	22,473,300	22,713,855	-1.1
Approximately 90.0 % of which:			
Bank borrowings* – due within 1 year	1,107,665	878,482	26.1
– long-term portion	9,139,608	11,995,793	-23.8
Other borrowing* – due within 1 year	200,000	—	N/A
– long-term portion	—	200,000	-100.0
Corporate bonds* – due within 1 year	918,044	1,909,152	-51.9
– long-term portion	2,583,590	—	N/A
Notes payable* – long-term portion	3,491,734	2,492,974	40.1
Loans from non-controlling interests			
– due within 1 year	2,257	4,318	-47.7
– long-term portion	69,406	73,350	-5.4
Loan from a joint venture			
– due within 1 year	94,500	94,500	—
– long-term portion	52,500	52,500	—
Deferred income tax liabilities	3,271,942	3,300,573	-0.9
Total equity	13,837,304	13,653,745	1.3
Of which: Equity attributable to the shareholders of the Company	10,795,094	10,424,891	3.6

* excluding interest payable

MANAGEMENT DISCUSSION AND ANALYSIS

CASH FLOWS

It has been the primary objective of the Group to focus on management of risk and liquidity. The Group has maintained an appropriate level of cash and cash equivalents so as to prevent liquidity risk. As at the end of the Reporting Period, the Group's cash and cash equivalents amounted to RMB1,910.3 million which was 26.0 percent higher than the level at 31 December 2020. All of the Group's cash was deposited in commercial banks.

Analysis of cash flow movement

	(Unaudited)	
	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
Net cash generated from operating activities	1,260,578	434,770
Net cash used in investing activities	(34,079)	(107,845)
Net cash used in financing activities	(823,247)	(607,173)
Increase/(decrease) in cash and cash equivalents	403,252	(280,248)
Cash and cash equivalents at 1 January	1,516,004	1,435,062
Effect of exchange rate changes on cash and cash equivalents	(9,003)	1,909
Cash and cash equivalents at 30 June	1,910,253	1,156,723

Net cash generated from operating activities during the Reporting Period amounted to RMB1,260.6 million (30 June 2020: RMB434.8 million), which was the sum of cash generated from operations of RMB1,457.3 million (30 June 2020: RMB521.9 million) less PRC enterprise income tax and withholding tax paid of RMB196.7 million (30 June 2020: RMB87.1 million).

Net cash used in investing activities during the Reporting Period amounted to RMB34.1 million (30 June 2020: RMB107.8 million). The outflow was mainly capital expenditures of RMB119.4 million (30 June 2020: RMB140.5 million). The inflow mainly consisted of dividend distributions from associates of RMB54.5 million (30 June 2020: RMB6.6 million); interest received of RMB17.1 million (30 June 2020: RMB12.3 million); proceeds from compensation arrangement of RMB13.6 million (30 June 2020: RMB13.8 million) and proceeds from disposal of property, plant and equipment of RMB0.1 million (30 June 2020: Nil).

Net cash used in financing activities during the Reporting Period amounted to RMB823.2 million (30 June 2020: RMB607.2 million). The outflow mainly included repayment of bank borrowings of RMB3,797.6 million (30 June 2020: RMB803.3 million); payment of finance costs and related fees of RMB326.2 million (30 June 2020: RMB377.2 million); dividend paid to the shareholders of the Company of RMB96.1 million (30 June 2020: RMB314.5 million); dividend paid to non-controlling interests of RMB351.9 million (30 June 2020: RMB72.1 million); repayments of loans from non-controlling interest of subsidiaries of RMB6.3 million (30 June 2020: Nil); repayment of corporate bonds of RMB903.0 million (30 June 2020: Nil); payment for lease liabilities (including interest) of RMB5.3 million (30 June 2020: RMB6.3 million) and no repayment of other borrowings (30 June 2020: RMB500.0 million). The inflow mainly included the drawdown of bank borrowings of RMB1,172.0 million (30 June 2020: RMB470.0 million); net proceed from corporate bond of RMB2,494.5 million (30 June 2020: Nil) and net proceed from notes payable of RMB996.7 million (30 June 2020: RMB996.2 million).

MANAGEMENT DISCUSSION AND ANALYSIS

CURRENT RATIO

The current ratio (current assets over current liabilities) as at 30 June 2021 was 0.6 times (31 December 2020: 0.4 times). As at 30 June 2021, current assets balance was RMB2,260.5 million (31 December 2020: RMB1,878.0 million) and current liabilities balance was RMB3,519.6 million (31 December 2020: RMB4,232.9 million). Cash and cash equivalents were the major components of the Group's current assets and amounted to RMB1,910.3 million as at 30 June 2021 (31 December 2020: RMB1,516.0 million). The Group's current liabilities as at 30 June 2021 mainly included external debts with maturities within one year (excluding interest payable) of RMB2,225.7 million (31 December 2020: RMB2,787.6 million), which consisted of bank borrowings of RMB1,107.7 million, other borrowings of RMB200.0 million and corporate bonds of RMB918.0 million (31 December 2020: bank borrowings of RMB878.4 million and corporate bonds of RMB1,909.2 million). Management will continue to take a prudent approach to effectively match capital and debt commitments with the existing cash, future operating cash flow and cash return from investments to manage liquidity risk.

EBITDA INTEREST COVERAGE AND OTHER FINANCIAL RATIOS

EBITDA interest coverage for the year ended 30 June 2021 was 4.8 times (30 June 2020: 1.7 times) which was measured as the ratio of earnings before interests, tax, depreciation and amortisation ("EBITDA") to interest expenses (profit and loss impact).

EBITDA to total external debt ratio for the year ended 30 June 2021 was 10.1 percent (30 June 2020: 3.7 percent) which was measured as the ratio of EBITDA to the aggregate balance of bank borrowings, other borrowing, corporate bonds and notes payable ("total external debts").

Profit before interest and income tax interest coverage for the year ended 30 June 2021 was 3.3 times (30 June 2020: 0.5 times) which was measured as the ratio of profit before interest and tax to interest expenses (profit and loss impact).

Cash interest coverage for the year ended 30 June 2021 was 5.5 times (30 June 2020: 2.4 times) which was measured as the ratio of cash generated from operating activities and interest expense (cashflow impact) to interest expenses (cashflow impact).

CAPITAL EXPENDITURES AND INVESTMENTS

During the Reporting Period, total capital expenditures amounted to RMB119.4 million (same period in 2020: RMB140.5 million). Capital expenditures related to intangible operating rights and fixed assets included (1) payments of construction costs of toll highways and bridges upgrade services of RMB111.4 million (same period in 2020: RMB53.1 million) and (2) purchase of property, plant and equipment of RMB8.0 million (same period in 2020: RMB11.4 million). During the Reporting Period, there was no capital injection in an associate, Guangzhou Pazhou Port Company Limited (same period in 2020: RMB76.0 million). Apart from the aforementioned, no material capital expenditure was incurred during the Reporting Period.

CAPITAL STRUCTURES

It is also one of the Group's financial policies to maintain a rational capital structure which aims to enhance profitability on one hand and to maintain financial leverage ratios at the safe levels on the other hand.

MANAGEMENT DISCUSSION AND ANALYSIS

Analysis of capital structures

	(Unaudited) 30 June 2021 RMB'000	31 December 2020 RMB'000
Total external debts*		
Bank borrowings	10,247,273	12,874,275
Other borrowing	200,000	200,000
Corporate bonds ⁽¹⁾	3,501,634	1,909,152
Notes payable ⁽²⁾	3,491,734	2,492,974
Loans from non-controlling interests	71,663	77,668
Loan from a joint venture	147,000	147,000
Lease liabilities	26,670	30,021
Total debts	17,685,974	17,731,090
Less: cash and cash equivalents	(1,910,253)	(1,516,004)
Net debt	15,775,721	16,215,086
Total Equity	13,837,304	13,653,745
Of which: Equity attributable to the shareholders of the Company	10,795,094	10,424,891
Total capitalization (Net debt + Total equity)	29,613,025	29,868,831
* excluding interest payable		
Financial ratios		
Gearing ratio (net debt/total capitalization)	53.3%	54.3%
Debt to Equity ratio (net debt/total equity)	114.0%	118.8%
Total liabilities/Total assets ratio	61.9%	62.5%

⁽¹⁾ Corporate bonds issued in The Shanghai Stock Exchange:

	Drawdown date:	Principal:	Principal repayment date:	Coupon rate (per annum):	Upcoming interest payment date:
RMB700 million seven-year corporate bonds (2016 Phase 1)	22 March 2016	RMB87 million	21 March 2023	3.60%	21 March 2022
RMB200 million five-year corporate bonds (2016 Phase 2)	28 October 2016	RMB120 million	26 October 2021	3.60%	26 October 2021
RMB800 million seven-year corporate bonds (2016 Phase 2)	28 October 2016	RMB800 million	26 October 2023	3.18%	26 October 2021
RMB1,000 million five-year corporate bonds (2021 Phase 1)	25 January 2021	RMB1,000 million	25 January 2026	3.63%	25 January 2022
RMB1,000 million five-year corporate bonds (2021 Phase 2)	13 May 2021	RMB1,000 million	13 May 2026	3.48%	13 May 2022
RMB500 million seven-year corporate bonds (2021 Phase 2)	13 May 2021	RMB500 million	13 May 2028	3.84%	13 May 2022

MANAGEMENT DISCUSSION AND ANALYSIS

⁽²⁾ Notes payable issued in National Association of Financial Market Institutional Investors:

	Drawdown date:	Principal:	Principal repayment date:	Coupon rate (per annum):	Upcoming interest payment date:
RMB1,000 million three-year medium term notes (2019 Phase 1)	2 December 2019	RMB1,000 million	2 December 2022	3.58%	2 December 2021
RMB1,000 million three-year medium term notes (2020 Phase 1)	10 January 2020	RMB1,000 million	10 January 2023	3.47%	10 January 2022
RMB500 million three-year medium term notes (2020 Phase 2)	14 August 2020	RMB500 million	14 August 2023	3.54%	14 August 2021
RMB1,000 million five-year medium term notes (2021 Phase 1)	28 January 2021	RMB1,000 million	28 January 2026	3.78%	28 January 2022

FINANCING STRUCTURES

To ensure that the Group is carrying out its financing activities at a safe leverage level, the Company closely monitors the Group's overall borrowing structure from time to time, so as to optimize its debt portfolio further. In order to effectively maintain a cost-efficient funding to its overall funding needs, the Group will, on one hand, continue to maintain close banking relationship with financial institutions both in Hong Kong and China to capitalize on the different levels of liquidity offered by, and to take advantage of the cost differentials, not only of these two markets but also of international markets; and on the other hand, strike a balance between lowering the interest rate and mitigating exchange risk exposure. As at the end of the Reporting Period, the Group's total debts comprised bank borrowings, other borrowing, corporate bonds, notes payable, loans from non-controlling interests, loan from a joint venture and lease liabilities. Debt with foreign exchange risk exposure as at 30 June 2021 was approximately RMB249.1 million (31 December 2020: approximately RMB419.8 million), where such exposure was managed as a result of entering the forward contract dated 20 June 2019.

As at 30 June 2021, the Group's total external debts (excluding interest payable) in aggregate were RMB17.4 billion (31 December 2020: RMB17.5 billion) which consisted of bank borrowings of RMB10.2 billion (31 December 2020: RMB12.9 billion), other borrowing of RMB0.2 billion (31 December 2020: RMB0.2 billion), corporate bonds of RMB3.5 billion (31 December 2020: RMB1.9 billion) and notes payable of RMB3.5 billion (31 December 2020: RMB2.5 billion). Onshore and offshore debts ratio was 93.0 percent and 7.0 percent (31 December 2020: 92.7 percent and 7.3 percent). Secured external debt ratio was 30.3 percent (31 December 2020: 43.1 percent). The effective interest rate of total external debt at 30 June 2021 was 3.88 percent (31 December 2020: 4.00 percent). Of the bank borrowings, RMB9.1 billion was at floating rates and RMB1,190.4 million was at fixed rates with the overall effective interest rate of 3.93 percent at 30 June 2021 (31 December 2020: 4.08 percent). Other borrowing was at fixed rate with the effective interest rate of 6.4 percent at 30 June 2021 (31 December 2020: 6.4 percent). Corporate bonds (in six types) were at fixed rates with coupon rates of 3.60 percent, 3.60 percent, 3.18 percent, 3.63 percent, 3.48 percent and 3.84 percent respectively with overall effective interest rate at 3.65 percent as at 30 June 2021 (31 December 2020: 3.55 percent). Notes payable (in four tranches) was at fixed rates with coupon rate of 3.58 percent, 3.47 percent, 3.54 percent and 3.78 percent respectively with overall effective interest rate at 3.80 percent as at 30 June 2021 (31 December 2020: 3.73 percent).

MANAGEMENT DISCUSSION AND ANALYSIS

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

	(Unaudited) 30 June 2021 Percentage of total	31 December 2020 Percentage of total
Source		
Onshore	93.0%	92.7%
Offshore	7.0%	7.3%
	100.0%	100.0%
Repayment term		
Within 1 year	12.8%	16.0%
1 to 2 year	25.0%	16.6%
More than 2 years and less than 5 years	45.8%	39.4%
Above 5 years	16.4%	28.0%
	100.0%	100.0%
Currency		
RMB	98.6%	97.6%
HKD	1.4%	2.4%
	100.0%	100.0%
Interest rate		
Fixed	48.1%	32.6%
Floating	51.9%	67.4%
	100.0%	100.0%
Terms of credit		
Secured	30.3%	43.1%
Unsecured	69.7%	56.9%
	100.0%	100.0%
Financing method		
Direct financing	40.1%	25.2%
Indirect financing	59.9%	74.8%
	100.0%	100.0%

* excluding interest payable

MANAGEMENT DISCUSSION AND ANALYSIS

Loans from non-controlling interests of certain subsidiaries were unsecured, interest-free and denominated in RMB. The carrying amounts of these loans approximated their fair values, calculated based on cash flows discounted at a rate of 4.35 percent (31 December 2020: 4.35 percent) per annum.

Loans from non-controlling interests of certain subsidiaries are repayable between one and two years, except for loan of RMB2.3 million which is due within one year.

Loans from a joint venture was unsecured, interest bearing at an annual rate of People's Bank of China Benchmark Interest Rates minus 10%, denominated in RMB and repayable in 2021 and 2022.

FOREIGN-CURRENCY DENOMINATED ASSETS AND LIABILITIES

The Group's businesses are principally conducted in the PRC and its functional currency is RMB. Except that certain fund-raising exercises were conducted in Hong Kong, all of its revenue, operating expenses, capital expenditures and approximately 98.6 percent (31 December 2020: 97.6 percent) of its external debts are denominated in RMB. As at the end of the Reporting Period, the Group's foreign-currency denominated assets and liabilities mainly include external debt of HK\$299.4 million (equivalent to approximately RMB249.1 million). The Group had entered into forward contracts to hedge the foreign exchange risk. As the foreign exchange market is still volatile, the Group will continue to keep track of developments in the foreign exchange market, strike a balance between interest rate cost and foreign exchange risk, optimize its debt structure and control its foreign currency exposure.

IV. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2021, the Group had RMB63.9 million capital commitments, which were related to intangible operating rights and property, plant and equipment.

Except for the aforementioned, the Group had no material capital commitments as at 30 June 2021. There were no significant contingent liabilities as at 30 June 2021.

V. EMPLOYEES

As at 30 June 2021, the Group had approximately 1,993 employees of whom about 1,645 were directly engaged in the daily operation, management and supervision of toll projects. The Group remunerates its employees largely based on industry practice, including contributory provident funds, share option scheme and other staff benefits.

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

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2021, the loan balances subject to the above conditions were RMB970,000,000 and HK\$300,000,000. Such facility agreements will expire on 29 November 2022 and 29 March 2023 respectively.

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

These obligations have been duly complied with for the six months ended 30 June 2021.

FUTURE PROSPECTS

OUTLOOK OF MACRO-ECONOMY AND FUTURE REGULATORY ENVIRONMENT OF THE SECTOR

During the Reporting Period, the global economy has shown signs of recovery with increasing rate of vaccination while the uncertainties led by new variant virus still exist. In the first half of the year, China recorded a GDP with year-on-year growth of 12.7%, reflecting a steady recovery. The industrial productivity increased stably, with year-on-year growth of 15.9% and average growth of 7.0% in 2 years. China's economic growth remained relatively high as compared to other major economies, while production as well as import and export also showed a growing trend. Amid the global impact of the pandemic, China's economy is also under pressure. The continuous economic growth of China in the first half of year laid the ground for the second half year.

The expressway network is vital to economy. According to "Outline of the National Comprehensive Three-dimensional Transportation Network Plan" launched in February this year, it is estimated that the annual growth rate of passenger traffic volume (including traffic volume of small vehicles) between 2021 and 2035 will be around 3.2%, while the annual growth rate of business volume of express delivery will be around 6.3%. Favorable factors such as rapid development in China's logistic market and large base on car ownership volume would provide support and protection to stable development of expressway industry.

The impact of the COVID-19 pandemic on China's economy is still uncertain. The Company will continue to implement epidemic control measures, and manage liquidity to ensure healthy and stable financial position.

DEVELOPMENT STRATEGIES AND INVESTMENT OPPORTUNITIES

During the 14th-Five-Year Period, the Group will continue to focus on the development of its major business of toll expressways and further deepen its development strategies of "based on Guangdong-Hong Kong-Macau Greater Bay Area and entering Central China". The government announced "The Opinion on Promoting High-quality Development in the Central Region in the New Era" in the year, aiming at the revival of the development in the Central Region. The Group will actively explore investment opportunities of quality expressways in Central China and development opportunities of expressways upstream and downstream industrial chain projects given its population advantage and opportunities brought by industrial transfer.

On 19 December 2020, Guangzhou Yuexiu Holdings Limited ("Guangzhou Yuexiu Group" or "Parent Company"), through its wholly-owned subsidiary Henan Yuexiu Lanwei Expressway Company Limited ("Yuexiu Lanwei Company"), acquired the toll collection right of Henan Lanwei Expressway ("Lanwei Expressway") in a judicial bidding at the consideration of RMB2.483 billion. Lanwei Expressway is a section of the Rizhao-Nanyang Expressway ("Rinan Expressway"), one of the 28 national planned core highways, and is also an important component of the "Five vertical roads, four horizontal roads and four corridors" expressway network planned by Henan Province.

MANAGEMENT DISCUSSION AND ANALYSIS

Lanwei Expressway, which starts in Lankao County, Kaifeng City, Henan Province, passes through Tongxu County and ends at Weishi County, intersects with Lianhuo Expressway, Zhengmin Expressway and Daguang Expressway, and is directly connected to Henan Weixu Expressway, a project wholly-owned by the Group. Lanwei Expressway is an important corridor connecting Henan Province and Shandong Province. Lanwei Expressway has a total length of 61.03 kilometers. It was constructed in accordance with the construction standard of a two-way four-lane expressway with a designed speed of 120 kilometers per hour. According to the approval granted by the Henan Provincial Government, the operating period will be expired on 1 July 2034, and the remaining operation term is about 13 years. In recent years, the Group has actively pursued mergers and acquisitions of high-quality projects in the central core area. Given the geographic location of Lanwei Expressway, it is in line with the Group's regional development strategy and is expected to have a positive effect in strengthening the Group's major business of toll expressways.

As at the date of this Report, the Group has started to move forward the potential acquisition of the Lanwei Expressway ("Potential Acquisition"), including commencement of due diligence, traffic volume assessment and valuation, etc. However, the results of the due diligence, traffic volume assessment and valuation are not yet available, and no terms have been agreed for the Potential Acquisition. Also, the Group has not entered into any formal agreement with respect to the Potential Acquisition. The Board of Directors will issue further announcements in accordance with the Listing Rules and applicable laws when appropriate. Since Guangzhou Yuexiu Group is a connected person of the Group, based on currently available information, if the Potential Acquisition is materialized, it may constitute a notifiable and connected transaction of the Company under the Listing Rules.

The Group values the maintenance of the investment grade credit rating and takes it as one of the key considerations in investment decision. During the Reporting Period, three international rating agencies, namely Standard & Poor's, Moody's and FitchRatings, have maintained the investment grade credit rating and adjusted the prospects to stable. Both domestic and foreign entities continue to maintain the highest 3A rating in the domestic market, fully utilizing the advantages of dual platforms and dual markets financial resources which would have a positive impact in strengthening the ability of low cost financing.

The Group will continue to closely monitor the market and actively engage in the spin-off of some of its toll road assets with stable income for listing in REITs in China. By exploring it as the starting point, especially forming good interaction among two platforms, the Group establishes capital circulation channel, achieves innovation of business models, and promotes the development of our core business towards high-quality sustainable development phase through relying on high-quality operative toll roads in the regions with high degree of economic development/high growth potential as the core business, so as to create continuous and stable returns for our shareholders.

By Order of the Board

Yuexiu Transport Infrastructure Limited

LI Feng

Chairman

Hong Kong, 10 August 2021

INDEPENDENT REVIEW REPORT OF INTERIM FINANCIAL INFORMATION



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Independent review report

To the board of directors of Yuexiu Transport Infrastructure Limited

(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 43 to 73 which comprises the interim condensed consolidated statement of financial position of Yuexiu Transport Infrastructure Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2021 and the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

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

Ernst & Young
Certified Public Accountants

Hong Kong
10 August 2021

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the Six Months Ended 30 June 2021

	Notes	(Unaudited) Six months ended 30 June	
		2021 RMB'000	2020 RMB'000
Revenue	6	1,831,743	839,590
Cost of services	7	(682,097)	(587,462)
Construction income under service concession upgrade services		16,889	56,354
Construction cost under service concession upgrade services		(16,889)	(56,354)
Other income, gains and losses - net	8	27,253	36,871
General and administrative expenses	7	(105,424)	(90,988)
Operating profit		1,071,475	198,011
Finance income	9	17,939	13,749
Finance costs	9	(382,154)	(406,228)
Share of result of a joint venture		38,087	5,184
Share of results of associates	14	101,966	(17,045)
Profit/(loss) before income tax		847,313	(206,329)
Income tax expense	10	(214,385)	(57,878)
Profit/(loss) for the period		632,928	(264,207)
Attributable to:			
Shareholders of the Company		467,699	(288,121)
Non-controlling interests		165,229	23,914
		632,928	(264,207)
Earnings/(loss) per share for profit/(loss) attributable to shareholders of the Company		RMB	RMB
Basic and diluted earnings/(loss) per share	11	0.2795	(0.1722)

The notes on pages 50 to 73 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Six Months Ended 30 June 2021

	(Unaudited)	
	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
Profit/(loss) for the period	632,928	(264,207)
Other comprehensive income		
<i>Items that may be reclassified to profit or loss in subsequent periods</i>		
Currency translation differences	109	(162)
Cash flow hedges – movement in hedging reserve	(1,515)	3,989
Other comprehensive (loss)/income for the period	(1,406)	3,827
Total comprehensive income/(loss) for the period	631,522	(260,380)
Attributable to:		
Shareholders of the Company	466,293	(284,294)
Non-controlling interests	165,229	23,914
	631,522	(260,380)

The notes on pages 50 to 73 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	(Unaudited) As at 30 June 2021 RMB'000	(Audited) As at 31 December 2020 RMB'000
ASSETS			
Non-current assets			
Intangible operating rights	13	31,194,380	31,712,956
Goodwill		632,619	632,619
Property, plant and equipment	13	41,615	53,099
Other intangible assets	13	8,047	—
Investment properties	13	36,886	37,144
Right-of-use assets	13	27,294	30,021
Investment in a joint venture		525,692	487,605
Investments in associates	14	1,583,606	1,536,113
		34,050,139	34,489,557
Current assets			
Trade receivables	15	205,916	204,361
Other receivables, deposits and prepayments	15	144,296	157,678
Cash and cash equivalents		1,910,253	1,516,004
		2,260,465	1,878,043
Total assets		36,310,604	36,367,600
EQUITY			
Equity attributable to the shareholders of the Company			
Share capital	16	147,322	147,322
Reserves		10,647,772	10,277,569
		10,795,094	10,424,891
Non-controlling interests		3,042,210	3,228,854
Total equity		13,837,304	13,653,745

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	(Unaudited) As at 30 June 2021 RMB'000	(Audited) As at 31 December 2020 RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings	17	9,261,514	12,321,643
Notes payable	20	3,491,734	2,492,974
Corporate bonds	21	2,583,590	—
Contract liabilities and deferred revenue	18	328,950	332,860
Deferred income tax liabilities	19	3,271,942	3,300,573
Lease liabilities		15,974	19,510
Derivative financial instruments		—	13,365
		18,953,704	18,480,925
Current liabilities			
Borrowings	17	1,427,848	977,300
Corporate bonds	21	963,404	1,909,152
Notes payable	20	68,739	—
Amount due to a non-controlling interests of a subsidiary	24	1,611	1,611
Amounts due to holding companies	24	2,632	153
Trade and other payables and accrued charges	22	872,892	1,219,362
Contract liabilities and deferred revenue	18	25,611	22,309
Lease liabilities		10,696	10,511
Derivative financial instruments		17,974	10,677
Current income tax liabilities		128,189	81,855
		3,519,596	4,232,930
Total liabilities		22,473,300	22,713,855
Total equity and liabilities		36,310,604	36,367,600

The notes on pages 50 to 73 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the Six Months Ended 30 June 2021

	(Unaudited)	
	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
Cash flows from operating activities		
Cash generated from operations	1,457,261	521,897
PRC enterprise income tax and withholding tax paid	(196,683)	(87,127)
Net cash flows from operating activities	1,260,578	434,770
Cash flows from investing activities		
Payments of construction costs under service concession upgrade services	(111,427)	(53,153)
Proceeds from compensation arrangements	13,550	13,760
Proceeds from disposal of property, plant and equipment	156	—
Purchase of property, plant and equipment	(7,931)	(11,380)
Dividends received from associates	54,473	6,561
Investment in an associate (note 14)	—	(75,960)
Interest received	17,100	12,327
Net cash flows used in investing activities	(34,079)	(107,845)
Cash flows from financing activities		
Proceeds from bank borrowings	1,172,000	470,000
Proceeds from corporate bonds	2,494,478	—
Proceeds from issuance of Notes	996,740	996,196
Repayment of bank borrowings	(3,797,646)	(803,349)
Repayment of corporate bond	(903,000)	—
Payment of bank facility fees	(673)	(3,995)
Repayment of other borrowing	—	(500,000)
Repayment of loans from non-controlling interests of subsidiaries	(6,259)	—
Dividends paid to the shareholders of Company	(96,090)	(314,484)
Dividends paid to non-controlling interests	(351,873)	(72,086)
Interest paid	(325,547)	(373,169)
Payment for lease liabilities (including interest)	(5,377)	(6,286)
Net cash flows used in financing activities	(823,247)	(607,173)
Net increase/(decrease) in cash and cash equivalents	403,252	(280,248)
Cash and cash equivalents at 1 January	1,516,004	1,435,062
Effects of exchange rate changes on cash and cash equivalents	(9,003)	1,909
Cash and cash equivalents at 30 June	1,910,253	1,156,723
Analysis of cash and cash equivalents:		
Bank balances and cash	1,910,253	1,156,723

The notes on pages 50 to 73 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Six Months Ended 30 June 2021

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

* These reserve accounts comprise the consolidated other reserves of RMB10,647,772,000 (31 December 2020: RMB10,277,569,000) in the consolidated statement of financial position.

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

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Six Months Ended 30 June 2021

	(Unaudited)											
	Attributable to shareholders of the Company											
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Exchange fluctuation reserve RMB'000	Statutory reserves RMB'000	Hedging reserve RMB'000	Retained earnings RMB'000	Asset revaluation reserve RMB'000	Transaction with non-controlling interests reserve RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2020 (audited)	147,322	2,375,743	1,501,716	403,561	229,362	(2,377)	5,423,813	558,250	(65,735)	10,571,655	3,057,095	13,628,750
Comprehensive loss												
Loss for the period	–	–	–	–	–	–	(288,121)	–	–	(288,121)	23,914	(264,207)
Other comprehensive (loss)/income:												
Currency translation differences	–	–	–	(162)	–	–	–	–	–	(162)	–	(162)
Cash flow hedges – movement in hedging reserve	–	–	–	–	–	3,989	–	–	–	3,989	–	3,989
Total comprehensive (loss)/income for the period	–	–	–	(162)	–	3,989	(288,121)	–	–	(284,294)	23,914	(260,380)
Transactions with owners:												
Transfers	–	–	–	–	89,995	–	(89,995)	–	–	–	–	–
2019 Dividends	–	–	–	–	–	–	(314,484)	–	–	(314,484)	(72,086)	(386,570)
	–	–	–	–	89,995	–	(404,479)	–	–	(314,484)	(72,086)	(386,570)
At 30 June 2020	147,322	2,375,743	1,501,716	403,399	319,357	1,612	4,731,213	558,250	(65,735)	9,972,877	3,008,923	12,981,800

The notes on pages 50 to 73 form an integral part of this interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

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

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

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

This interim condensed consolidated financial information (“Financial Information”) is presented in Renminbi (“RMB”), unless otherwise stated. This Financial Information has been approved for issue by the Board of Directors of the Company on 10 August 2021.

2 BASIS OF PREPARATION

This Financial Information for the six months ended 30 June 2021 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, “*Interim Financial Reporting*”. The Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements for the year ended 31 December 2020, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

As at 30 June 2021, the Group’s current liabilities exceeded its current assets by RMB1,259,131,000. The Group’s current liabilities primarily comprise of current portion of borrowings, current portion of corporate bonds and trade and other payables and accrued charges of RMB1,427,848,000, RMB963,404,000 and RMB872,892,000 respectively. The directors of the Company are confident that the Group will be able to meet its liabilities as they fall due in the next twelve months, taking into account the additional financing facilities available to the Group and the internally generated funds from operations. Accordingly, the Financial Information has been prepared on a going concern basis.

3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Financial Information are consistent with those applied in the preparation of the Group’s annual financial statements for the year ended 31 December 2020, except for the adoption of following revised HKFRSs for the first time for the current period’s financial information.

Amendments to HKFRS 9, HKAS 39,
HKFRS 7, HKFRS 4 and HKFRS 16

Interest Rate Benchmark Reform – Phase 2

Amendment to HKFRS 16

Covid-19-Related Rent Concessions

Amendment to HKFRS 16

*Covid-19-Related Rent Concessions beyond 30 June 2021
(early adopted)*

The above new standards, amendments, improvement and interpretation effective for the financial year beginning 1 January 2021 do not have a material impact on the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

3 ACCOUNTING POLICIES (CONTINUED)

The following new standards, amendments, improvement and interpretation have been issued but are not effective for the financial year beginning 1 January 2021 and have not been early adopted:

New standards, amendments, improvement and interpretation		Effective for accounting periods beginning on or after
Amendments to annual improvements project	<i>Annual improvements 2018-2020 cycle</i>	1 January 2022
HKAS 16 (Amendments)	<i>Property, Plant and Equipment: Proceeds before intended use</i>	1 January 2022
HKAS 37 (Amendments)	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
HKAS 1 (Amendments)	<i>Classification of Liabilities as Current or Non-current**</i>	1 January 2023
HKAS 1 (Amendments)	<i>Disclosure of Accounting Policies</i>	1 January 2023
HKFRS 3 (Amendments)	<i>Reference to the Conceptual Framework</i>	1 January 2022
HKAS 8 (Amendments)	<i>Definition of Accounting Estimates</i>	1 January 2023
HKAS 12 (Amendments)	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
HKFRS 17	<i>Insurance contracts*</i>	1 January 2023
HKFRS 17 (Amendments)	<i>Insurance contracts*</i>	1 January 2023
HKFRS 10 and HKAS 28 (Amendments)	<i>Sale or contribution of assets between an investor and its associate or joint venture</i>	To be announced

* As a consequence of the amendments to HKFRS 17 issued in October 2020, the effective date of HKFRS 17 was deferred to 1 January 2023, and HKFRS 4 was amended to extend the temporary exemption that permits insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023

** As a consequence of the amendments to HKAS 1 issued in August 2020, Hong Kong Interpretation 5 *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised in October 2020 to align the corresponding wording with no change in conclusion

Management considers that the adoption of the above mentioned new standards, amendments and interpretation at their respective effective dates are not expected to have a material impact on the Group in the current or future reporting periods.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

In preparing the Financial Information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2020.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT

5.1 FINANCIAL RISK FACTORS

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

The Financial Information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2020.

There have been no changes in the risk management policies since 31 December 2020.

5.2 FAIR VALUE ESTIMATION

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

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

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

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 30 June 2021				
Derivative financial instruments	—	(17,974)	—	(17,974)
As at 31 Dec 2020				
Derivative financial instruments	—	(24,042)	—	(24,042)

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

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2020: Nil).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

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

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

	Carrying amount		Fair value	
	30 June 2021 RMB'000	31 December 2020 RMB'000	30 June 2021 RMB'000	31 December 2020 RMB'000
Non-current borrowings	9,261,514	12,321,643	8,726,062	11,701,664
Notes payable	3,491,734	2,492,974	3,518,372	2,500,756
Corporate bonds (due after one year)	2,583,590	—	2,593,646	—

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

6 REVENUE AND SEGMENT INFORMATION

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

The chief operating decision-maker (the "CODM") has been identified as Executive Directors. The Executive Directors review the Group's internal reporting in order to assess performance of the Group's main reporting segment - Toll highways and bridges projects in the PRC. The Executive Directors assess the performance of this main reporting segment based on measurement of profit after income tax for the period. Other operations mainly comprise investment and others. There have been no sales carried out between segments. None of these operations constitutes a separate segment. The financial information provided to the CODM is measured in a manner consistent with that of the Financial Information.

Same as in the Group's annual financial statements for the year ended 31 December 2020, the presentation of reportable segments of the Group for the six months ended 30 June 2021 are revised as certain other income from the toll roads operations are reclassified from "Other income, gains and losses – net" to "Revenue" as the CODM believes the revised classification could provide better presentation to the user of the financial information to evaluate the Group's operating performance from toll roads operations. The comparative figures for the six months ended 30 June 2020 were not restated.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

The following tables present revenue and profit information regarding the Group's operating segments for the six months ended 30 June 2021 and 2020 respectively.

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
Six months ended 30 June 2020			
Revenue (from external customers)	839,590	—	839,590
Amortisation of intangible operating rights	(470,083)	—	(470,083)
Depreciation of			
– property, plant and equipment	(8,127)	(401)	(8,528)
– right-of-use assets	(5,570)	—	(5,570)
Government subsidy	7,875	—	7,875
Operating profit/(loss)	199,044	(1,033)	198,011
Finance income	13,749	—	13,749
Finance costs	(406,228)	—	(406,228)
Share of result of a joint venture	5,184	—	5,184
Share of results of associates	(17,045)	—	(17,045)
Profit/(loss) before income tax	(205,296)	(1,033)	(206,329)
Income tax expense	(57,878)	—	(57,878)
Profit/(loss) for the period	(263,174)	(1,033)	(264,207)

The following tables present assets and liabilities information regarding the Group's operating segments as at 30 June 2021 and 31 December 2020 respectively.

Assets and liabilities	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
As at 30 June 2021 and for the six months ended 30 June 2021			
Total segment assets	36,212,898	97,706	36,310,604
Addition to non-current assets	18,090	2,108	20,198
Total segment assets include:			
Investment in a joint venture	525,692	—	525,692
Investments in associates	1,513,168	70,438	1,583,606
Total segment liabilities	(22,472,569)	(731)	(22,473,300)
Total segment liabilities include:			
Amount due to holding companies	(2,632)	—	(2,632)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

Assets and liabilities	Toll roads operations RMB'000	All other segments RMB'000	Total RMB'000
As at 31 December 2020 and for the year ended 31 December 2020			
Total segment assets	36,259,700	107,900	36,367,600
Addition to non-current assets	311,847	—	311,847
Total segment assets include:			
Investment in a joint venture	487,605	—	487,605
Investments in associates	1,455,653	80,460	1,536,113
Total segment liabilities	(22,713,498)	(357)	(22,713,855)
Total segment liabilities include:			
Amount due to holding companies	(153)	—	(153)

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

Toll revenue and other toll operating income are recognised at point in time. Income from service area and gas station is recognised on a time proportion basis over the contract terms.

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

7 EXPENSES BY NATURE

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

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Taxes and surcharges	9,213	4,042
Amortisation of intangible operating rights (note 13)	532,121	470,083
Depreciation of		
– Property, plant and equipment (note 13)	7,680	8,528
– Right-of-use assets (note 13)	4,832	5,570
Toll highways and bridges maintenance expenses	33,151	13,024
Toll highways and bridges operating expenses	36,629	26,714
Staff costs (including directors' emoluments)		
– Wages and salaries	93,910	94,147
– Pension costs (defined contribution plan)	14,473	4,073
– Social security costs	18,769	12,944
– Staff welfare and other benefits	11,946	16,114
Auditor's remuneration	1,652	1,786
Legal and professional fee	9,684	7,516

8 OTHER INCOME, GAINS AND LOSSES – NET

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Compensation for expressways and bridges damages	17,236	8,510
Handling income from toll fee collection (note)	–	1,396
Management service income	871	813
Income from service areas and gas stations (note)	–	18,450
Government subsidy	6,462	7,875
Other rental income	349	213
Loss on disposal of property, plant and equipment	(120)	–
Others (note)	2,455	(386)
	27,253	36,871

Note: The income from service area and gas station and other toll operating income are reclassified to "Revenue" for the six months ended 30 June 2021 (note 6).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

9 FINANCE INCOME/COSTS

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Bank interest income	17,100	12,327
Interest income on other current receivables	839	1,422
Finance income	17,939	13,749
Interest expenses:		
– Bank borrowings	(247,532)	(316,603)
– Other borrowing	(6,435)	(6,918)
– Bank facility fees	(1,668)	(2,226)
– Loans from a joint venture	(3,160)	(3,177)
– Loans from non-controlling interests of certain subsidiaries	(56)	–
– Notes payable	(62,121)	(35,149)
– Corporate bonds	(48,553)	(33,367)
– Lease liabilities	(594)	(488)
Net other exchange loss	(1,708)	(5,555)
Others	(10,327)	(2,745)
Finance costs	(382,154)	(406,228)

10 INCOME TAX EXPENSE

- (a) No provision for Hong Kong profits tax has been made in the Financial Information as the Group had no assessable income subject to Hong Kong profits tax during the period (30 June 2020: Nil).
- (b) During the six months ended 30 June 2021, PRC enterprises income tax was provided on the profits of the Group's subsidiaries, associates and joint venture in the PRC in accordance with the Corporate Income Tax Law of China. The applicable principal income tax rate for the six months ended 30 June 2021 is 25% (30 June 2020: 25%). Guangzhou North Second Ring Transport Technology Company Limited ("GNSR"), a subsidiary of the Group, enjoyed preferential tax rate of 15% from 2018 to 2020 and applied tax rate of 25% for the six months ended 30 June 2021. Guangxi Yuexiu Cangyu Expressway Company Limited, a subsidiary of the Group, has been recognised as an eligible entity to enjoy preferential tax treatment of income tax, at a preferential income tax rate of 15%, starting from 2013 to 2030.

In addition, dividend distribution out of profit of foreign-invested enterprises earned after 1 January 2008 is subject to withholding income tax at a tax rate of 5% or 10%. During the period, withholding income tax was provided for dividend distributed for reinvestment and undistributed profits of certain of the Group's subsidiaries and associates in the PRC at a rate of 5% or 10% (30 June 2020: 5% or 10%).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

10 INCOME TAX EXPENSE (CONTINUED)

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

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Current income tax		
PRC enterprise income tax	243,016	42,441
Deferred income tax	(28,631)	15,437
	214,385	57,878

11 EARNINGS/(LOSS) PER SHARE FOR PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

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

	Six months ended 30 June	
	2021	2020
Profit/(loss) attributable to shareholders of the Company (RMB'000)	467,699	(288,121)
Weighted average number of ordinary shares in issue ('000)	1,673,162	1,673,162
Basic and diluted earnings/(loss) per share (RMB)	0.2795	(0.1722)

The diluted earnings per share for the six months ended 30 June 2021 equals to the basic earnings per share as there are no potential dilutive ordinary shares in issue during the period (30 June 2020: same).

12 INTERIM DIVIDENDS

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Interim, proposed, of HK\$0.20 equivalent to approximately RMB0.1663 (30 June 2020: nil) per share	278,320	—

A dividend of RMB96,090,000 that relates to the year ended 31 December 2020 was paid on 29 June 2021 (30 June 2020: RMB314,484,000 that relates to the year ended 31 December 2019 was paid on 29 June 2020).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

12 INTERIM DIVIDENDS (CONTINUED)

On 10 August 2021, the board of directors has resolved to declare an interim dividend of HK\$0.20 per share (30 June 2020: nil). This interim dividend, amounting to RMB278,320,000 (30 June 2020: nil), has not been recognised as a liability in this Financial Information. It will be recognised in shareholders's equity for the year ending 31 December 2021.

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

	Intangible operating rights RMB'000	Property, plant and equipment RMB'000	Investment properties RMB'000	Right-of-use assets RMB'000	Other intangible assets RMB'000
Opening net book value at 1 January 2021	31,712,956	53,099	37,144	30,021	—
Exchange differences	—	(26)	(258)	(3)	—
Additions	13,545	4,545	—	2,108	—
Reclassification	—	(8,047)	—	—	8,047
Disposals	—	(276)	—	—	—
Amortisation/depreciation charge	(532,121)	(7,680)	—	(4,832)	—
Closing net book value at 30 June 2021	31,194,380	41,615	36,886	27,294	8,047
Opening net book value at 1 January 2020	32,369,121	52,321	39,923	10,528	—
Exchange differences	—	75	491	—	—
Additions	45,021	7,490	—	—	—
Disposals	—	(1,277)	—	—	—
Amortisation/depreciation charge	(470,083)	(8,528)	—	(5,570)	—
Closing net book value at 30 June 2020	31,944,059	50,081	40,414	4,958	—

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

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

All investment properties are included in level 3 fair value hierarchy as at 30 June 2021.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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

As at 30 June 2021, toll highway operating rights with net book amount of RMB27,505,374,000 (31 December 2020: RMB27,889,899,000) were pledged to secure the Group's bank borrowings.

As at 30 June 2021, software was presented in "other intangible assets", which were presented in "property, plant and equipment" in previous years.

14 INVESTMENTS IN ASSOCIATES

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

	30 June 2021 RMB'000	31 December 2020 RMB'000
At 1 January	1,536,113	1,399,621
Share of results for the period		
– Profit before income tax	133,451	86,117
– Income tax expenses	(31,485)	(18,295)
	101,966	67,822
Addition	—	75,960
Dividends	(54,473)	(7,290)
At 30 June/31 December	1,583,606	1,536,113

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

15 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30 June 2021 RMB'000	31 December 2020 RMB'000
Trade receivables	205,916	204,361
Other receivables, deposits and prepayments	144,296	157,678
	350,212	362,039

As at 30 June 2021, trade receivables were aged below 30 days (31 December 2020: 30 days).

The Group's revenue is generally settled in cash and it usually does not maintain any account balances owing. The trade receivables represented amounts due from local transport departments which collected the toll revenue for all operating entities due to the implementation of unified toll collection policy on expressways and highways. The settlement period is normally within a month.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

16 SHARE CAPITAL

	30 June 2021		31 December 2020	
	Number of shares	RMB'000	Number of shares	RMB'000
Issued and fully paid:				
Ordinary shares of RMB0.08805 each	1,673,162,295	147,322	1,673,162,295	147,322

17 BORROWINGS

	30 June 2021 RMB'000	31 December 2020 RMB'000
Bank borrowings	10,247,273	12,874,275
Other borrowing	200,000	200,000
Loan from a joint venture	147,000	147,000
Loans from non-controlling interests of certain subsidiaries	71,663	77,668
Interest payable	23,426	—
Total borrowings	10,689,362	13,298,943
Less: amounts due within one year shown under current liabilities	(1,427,848)	(977,300)
Total non-current borrowings	9,261,514	12,321,643

Note:

- (a) Interest expenses on borrowings for the six months ended 30 June 2021 amounted to RMB257,183,000 (30 June 2020: RMB326,698,000).
- (b) The Group's borrowings were repayable as follows:

	30 June 2021 RMB'000	31 December 2020 RMB'000
Within one year	1,427,848	977,300
Between one and two years	2,429,771	1,983,398
Between two and five years	3,966,974	5,434,512
Later than five years	2,864,769	4,903,733
	10,689,362	13,298,943

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

17 BORROWINGS (CONTINUED)

Note: (Continued)

- (c) The bank borrowings of RMB5,290,499,000 (31 December 2020: RMB7,523,749,000) were secured by intangible operating rights of the Group. All bank borrowings were interest bearing at rates ranging from 1.70% to 4.90% (31 December 2020: 3.35% to 4.90%) per annum. The effective interest rate of these borrowings at 30 June 2021 was 3.93% (31 December 2020: 4.08%) per annum.
- (d) The other borrowing is unsecured, interest bearing at a rate of 6.40% (31 December 2020: 6.40%) per annum and repayable in 2022. As at 30 June 2021, Guangzhou Yue Xiu Holdings Limited, the ultimate holding company of the Group, has guaranteed the Group's other borrowing up to RMB200,000,000 (31 December 2020: RMB200,000,000).
- (e) Loan from a joint venture is unsecured, interest bearing at an annual rate of People's Bank of China Benchmark Interest Rates minus 10% and repayable in 2021 and 2022.
- (f) Loans from non-controlling interests of certain subsidiaries were unsecured and interest-free. The carrying amounts of these interest-free loans approximated their fair values which are calculated based on cash flows discounted at a rate of 4.35% (31 December 2020: 4.35%) per annum.
- Loans from non-controlling interests of certain subsidiaries were repayable between one and two years, except for the loan of RMB2,257,000 which is due within one year.
- (g) The borrowings were denominated in RMB (31 December 2020: RMB), except for bank borrowings in the equivalent amount of RMB249,146,000 (31 December 2020: RMB419,810,000) which were denominated in HKD.
- (h) Interest payables accrued were presented in "Borrowings", which were presented in "Trade and other payables and accrued charges" in previous years. The comparative figures of interest payable of RMB19,575,000 was not restated.

18 CONTRACT LIABILITIES AND DEFERRED REVENUE

Contract liabilities and deferred revenue are related to fees received in advance from contractors relating to operation of service areas and petrol stations along the toll highway for the remaining 1 to 22 years.

	Six months ended 30 June 2021 RMB'000	Year ended 31 December 2020 RMB'000
At 1 January	355,169	373,522
Addition	16,362	—
Credited to "Revenue"	(16,970)	(18,353)
At 30 June/31 December	354,561	355,169
Less: non-current portion	(328,950)	(332,860)
Current portion	25,611	22,309

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

19 DEFERRED INCOME TAX

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

	30 June 2021 RMB'000	31 December 2020 RMB'000
Deferred tax assets		
– Tax losses of subsidiaries	71,467	71,467
– Accelerated accounting amortisation of intangible operating rights	6,104	21,308
	77,571	92,775
Deferred tax liabilities		
– Accelerated tax amortisation of intangible operating rights	741,585	712,227
– Fair value gain on investment properties	104	104
– Fair value gain on interest in toll highway arising from acquisition of subsidiaries	2,512,284	2,569,582
– Withholding tax on undistributed profits of subsidiaries and associates	60,540	76,435
– Withholding tax on dividend distributed for reinvestment	35,000	35,000
	3,349,513	3,393,348
Deferred tax liabilities (net)	3,271,942	3,300,573

20 NOTES PAYABLE

	30 June 2021 RMB'000	31 December 2020 RMB'000
Notes payable	3,491,734	2,492,974
Notes interest payable	68,739	-
Total notes payable	3,560,473	2,492,974
Less: amounts due within one year shown under current liabilities	(68,739)	-
Total non-current notes payable	3,491,734	2,492,974

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

20 NOTES PAYABLE (CONTINUED)

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

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

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

The effective interest rate for the Notes is 3.80% (31 December 2020: 3.73%) per annum, which includes the interest charged on the Notes as well as amortisation of the capitalized cost on issuance of the Notes. The Group recognised interest expense of RMB62,121,000 (30 June 2020: RMB35,149,000) on the Notes for the period ended 30 June 2021.

Notes interest payable accrued were presented in “Notes payable”, which were presented in “Trade and other payables and accrued charges” in previous years. The comparative figures of interest payable of RMB43,338,000 was not restated.

21 CORPORATE BONDS

	30 June 2021 RMB'000	31 December 2020 RMB'000
Corporate bonds	3,501,634	1,909,152
Bonds interest payable	45,360	—
Total corporate bonds	3,546,994	1,909,152
Less: amounts due within one year shown under current liabilities	(963,404)	(1,909,152)
Total non-current corporate bonds	2,583,590	—

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

21 CORPORATE BONDS (CONTINUED)

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

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

During the year ended 31 December 2019, the Company has adjusted the coupon rate of the five-year corporate bonds of First Phase 2016 Corporate Bonds from 2.85% to 4.10%, and part of the investors has sold back the relevant corporate bonds of RMB10,000,000 to the Company.

On 22 March 2021, the first tranche of the corporate bonds of a principal amount of RMB290,000,000 issued on 22 March 2016 has been fully paid off.

During the period ended 30 June 2021, the Company has adjusted the coupon rate of the seven-year corporate bonds of Second Phase 2016 Corporate Bonds from 3.38% to 3.60%, and part of the investors has sold back the relevant corporate bonds of RMB613,000,000 to the Company.

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

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

During the year ended 31 December 2019, the Company has adjusted the coupon rate of the five-year corporate bonds of Second Phase 2016 Corporate Bonds from 2.90% to 3.60%, and part of the investors has sold back the relevant corporate bonds of RMB80,000,000 to the Company.

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

21 CORPORATE BONDS (CONTINUED)

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

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

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

The effective interest rate for the Corporate Bonds is 3.65% (31 December 2020: 3.55%) per annum, which includes the interest charged on the Corporate Bonds as well as amortisation of the debt issuance cost. The Group recognised RMB48,553,000 (30 June 2020: RMB33,367,000) of finance cost on the Corporate Bonds for the six months ended 30 June 2021.

Bonds interest payables accrued were presented in “Corporate bonds”, which were presented in “Trade and other payables and accrued charges” in previous years. The comparative figures of interest payable of RMB33,361,000 was not restated.

22 TRADE AND OTHER PAYABLES AND ACCRUED CHARGES

	30 June 2021 RMB'000	31 December 2020 RMB'000
Trade payables	88,269	73,232
Construction related accruals and payables	276,282	356,302
Other payables and accrued charges	508,341	789,828
	872,892	1,219,362
The ageing analysis of trade payables is as follows:		
0 - 30 days	11,053	8,073
31 - 90 days	2	1,412
Over 90 days	77,214	63,747
	88,269	73,232

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

23 CAPITAL COMMITMENT

	30 June 2021 RMB'000	31 December 2020 RMB'000
Contracted, but not provided for Upgrade and construction of toll expressways under concession arrangements	63,867	159,706

24 SIGNIFICANT RELATED PARTY TRANSACTIONS

(A) RELATED PARTIES

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

The table set forth below summarises the names of related parties, with whom the Group has significant transactions during the period, and their relationship with the Company as at 30 June 2021:

Significant related parties	Relationship with the Company
Yue Xiu Enterprises (Holdings) Limited ("Yue Xiu")	An intermediate holding company
Yuexiu Property Company Limited ("Yuexiu Property")	A fellow subsidiary
Yue Xiu Property Management Limited ("Yuexiu Management")	A fellow subsidiary
Artform Investment Limited ("Artform")	A fellow subsidiary
Chong Hing Bank Limited ("Chong Hing Bank")	A fellow subsidiary
Guangzhou Yuexiu City Construction Jones Lang LaSalle Property Management Co., Ltd. ("YX Jones Lang LaSalle")	A fellow subsidiary
Guangzhou Western Second Ring Expressway Co., Ltd. ("GWSR")	A joint venture
Guangdong Humen Bridge Co., Ltd. ("Humen Bridge")	An associate
Guangdong Qinglian Highway Development Co., Ltd. ("Qinglian Highway")	An associate
Guangdong Shantou Bay Bridge Co., Ltd. ("Shantou Bay Bridge")	An associate
Guangzhou Northring Freeway Co., Ltd. ("Northring")	An associate
Guangzhou Yue Xiu City Construction International Finance Center Co., Ltd. ("Yue Xiu IFC")	An associate of a fellow subsidiary

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

24 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(B) TRANSACTIONS WITH RELATED PARTIES

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Administrative service fees to Yuexiu Property	542	588
Addition of right-of-use assets from Artform	2,108	—
Building management fee to YX Jones Lang LaSalle	932	697
Interest income from Chong Hing Bank	5,649	7,956
Management service income received from Qinglian Highway, Humen Bridge and GWSR	871	813
Dividend income from Humen Bridge	35,564	—
Dividend income from Northring	—	7,290
Dividend income from Shantou Bay Bridge	18,909	—
Interest expense to GWSR	3,160	3,177
Guarantee fee paid to GZYX	820	1,142

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

For the six months ended 30 June 2021 and 2020, there was no management service income received from Northring and Shantou Bay Bridge.

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

(C) BALANCES WITH RELATED PARTIES

	30 June 2021 RMB'000	31 December 2020 RMB'000
Bank balance deposited in a fellow subsidiary	677,885	649,933
Amounts due to holding companies*	(2,632)	(153)
Amount due to a non-controlling interest of a subsidiary*	(1,611)	(1,611)
Loan from a joint venture	(147,000)	(147,000)
Interest payable to a joint venture	(192)	—
Loans from non-controlling interests of certain subsidiaries	(71,663)	(77,668)
Lease liabilities to an associate of a fellow subsidiary	(24,217)	(29,153)
Lease liabilities to a fellow subsidiary	(2,108)	(342)

* The amounts due to related parties were unsecured, interest free, repayable on demand and denominated in RMB.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

24 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(D) KEY MANAGEMENT COMPENSATION

	For the six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Salaries and other short-term benefits	4,855	4,457

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

NOTE (I) STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	As at 30 June 2021 RMB'000	As at 31 December 2020 RMB'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,812	2,162
Investments in subsidiaries	5,928,601	5,928,601
	5,930,413	5,930,763
Current assets		
Amounts due from subsidiaries	14,843,783	11,543,635
Deposits and prepayments	8,209	3,845
Cash and cash equivalents	391,028	75,869
	15,243,020	11,623,349
Total assets	21,173,433	17,554,112
EQUITY		
Equity attributable to the shareholders of the Company		
Share capital	147,322	147,322
Reserves	4,808,392	4,735,853
Total equity	4,955,714	4,883,175

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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

NOTE (I) STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

	As at 30 June 2021 RMB'000	As at 31 December 2020 RMB'000
LIABILITIES		
Non-current liabilities		
Borrowings	1,468,304	1,120,120
Notes payable	3,491,734	2,492,974
Corporate bonds	2,583,590	—
Deferred tax liabilities	35,000	35,000
Derivative financial instruments	—	13,365
	7,578,628	3,661,459
Current liabilities		
Borrowings	254,746	165,032
Corporate bonds	963,404	1,909,152
Notes payable	68,739	—
Amounts due to subsidiaries	7,314,375	6,828,474
Other payables and accrued charges	19,853	96,143
Derivative financial instruments	17,974	10,677
	8,639,091	9,009,478
Total liabilities	16,217,719	12,670,937
Total equity and liabilities	21,173,433	17,554,112

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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

NOTE (II) RESERVE MOVEMENT OF THE COMPANY

	Share premium RMB'000	Contributed surplus RMB'000	Hedging reserve RMB'000	Retained profits RMB'000	Total RMB'000
At 1 January 2021	2,375,743	1,561,564	4,260	794,286	4,735,853
Profit for the period	—	—	—	170,144	170,144
Cash flow hedges – movement in hedging reserve	—	—	(1,515)	—	(1,515)
Dividends:					
2020 final dividend	—	—	—	(96,090)	(96,090)
At 30 June 2021	2,375,743	1,561,564	2,745	868,340	4,808,392
At 1 January 2020	2,375,743	1,561,564	(2,377)	919,217	4,854,147
Profit for the period	—	—	—	5,513	5,513
Cash flow hedges – movement in hedging reserve	—	—	3,989	—	3,989
Dividends:					
2019 final dividend	—	—	—	(314,484)	(314,484)
At 30 June 2020	2,375,743	1,561,564	1,612	610,246	4,549,165

Note:

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

NOTE (III) STATEMENT OF PROFIT OR LOSS OF THE COMPANY

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Other income, gains and losses – net	250,000	90,000
General and administrative expenses	(13,333)	(15,739)
Operating profit	236,667	74,261
Finance income	75,367	36,774
Finance costs	(141,890)	(105,522)
Profit before income tax	170,144	5,513
Income tax expense	—	—
Profit for the period	170,144	5,513

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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

NOTE (IV) STATEMENT OF CASH FLOWS OF THE COMPANY

	Six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Cash flows from operating activities		
Net cash flows from operating activities	(2,505,260)	(1,226,326)
Cash flows from investing activities		
Purchase of property, plant and equipment	—	(18)
Interest received	1,484	5,674
Net cash flows from investing activities	1,484	5,656
Cash flows from financing activities		
Proceeds from corporate bonds	2,494,478	—
Proceeds from issuance of Notes	996,740	996,196
Proceeds from bank borrowings	599,000	450,000
Repayment of corporate bonds	(903,000)	—
Repayment of bank borrowings	(168,396)	—
Payment of bank facility fees	(300)	(4,465)
Dividend paid to the shareholders of the Company	(96,090)	(314,484)
Interest paid	(94,496)	(57,062)
Net cash flows from financing activities	2,827,936	1,070,185
Net increase/(decrease) in cash and cash equivalents	324,160	(150,485)
Cash and cash equivalents at 1 January	75,869	317,278
Effect of exchange rate changes on cash and cash equivalents	(9,001)	1,906
Cash and cash equivalents at 30 June	391,028	168,699
Analysis of cash and cash equivalents		
Bank balances and cash	391,028	168,699

OTHER INFORMATION

INTERESTS OF DIRECTORS

As at 30 June 2021, the interests and short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), which are required to be recorded in the register maintained by the Company under Section 352 of the SFO or notified to the Company and The Stock Exchange of Hong Kong Limited (“Stock Exchange”) were as follows:

THE COMPANY

Long positions in shares and underlying shares of the Company:

Name of Director	Nature of interest	Beneficial interest in shares	Interests in underlying shares pursuant to share options	Aggregate interests	Approximate % of interest
Mr He Baiqing	Personal	52,000	1,371,993	1,423,993	0.082
Mr Lau Hon Chuen Ambrose	Personal	195,720	—	195,720	0.012
Mr Cheung Doi Shu	Personal	500,000	—	500,000	0.030

YUEXIU PROPERTY COMPANY LIMITED

Long positions in shares of Yuexiu Property Company Limited:

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

* On 10 June 2021, the share consolidation of every 5 existing shares into 1 consolidated share of Yuexiu Property Company Limited (“Consolidated Share”) (where the number of Consolidated Shares was rounded down to the nearest whole number by disregarding each and every fractional Consolidated Share that would have arisen from the share consolidation) became effective.

Save as disclosed herein, as at 30 June 2021, none of the Directors of the Company had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which are required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

OTHER INFORMATION

DISCLOSEABLE INTERESTS OF SHAREHOLDERS UNDER THE SECURITIES AND FUTURES ORDINANCE

As at 30 June 2021, the following persons had an interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long positions in the Shares of the Company

Name	Capacity in holding interest	Approximate % of shareholding in shares	Number of shares held
廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited) (Note 1)	Interest of controlled corporations	44.20	739,526,200
Yue Xiu Enterprises (Holdings) Limited ("Yue Xiu") (Notes 1 & 2)	Beneficial owner and interest of controlled corporations	44.20	739,526,200
Grace Lord Group Limited (Note 2)	Beneficial owner	18.12	303,159,087
Housemaster Holdings Limited (Note 2)	Beneficial owner	21.96	367,500,000
Matthews International Capital Management, LLC	Investment manager	8.00	133,990,000

Notes:

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

OTHER INFORMATION

PROPOSED ADOPTION OF SHARE OPTION SCHEME AND GRANT OF SHARE OPTIONS

In the announcement of the Company dated 27 June 2021, it was disclosed that the Board resolved on 25 June 2021 to approve the adoption of the share option scheme and to conditionally grant a total of 15,693,360 options at the exercise price of HK\$4.43 per share of the Company pursuant to the Initial Grant Proposal (as defined in the announcement of the Company dated 27 June 2021) to a total of 88 Eligible Participants comprising (i) Mr He Baiqing (an executive director of the Company) who had been granted 1,371,993 options; and (ii) 87 members of the senior management, middle management, management of the project companies and core employees of the Company and its subsidiaries who had been granted a total of 14,321,367 options. The Initial Grant Proposal is conditional upon (A) fulfillment of the Adoption Conditions (as defined in the announcement of the Company dated 27 June 2021); (B) the Company obtaining Shareholders' approval for the adoption of the Initial Grant Proposal; and (C) the Company obtaining the approval of the State-owned Assets Supervision and Administration Commission of the State Council of Guangzhou Municipal People's Government (items A, B and C are collectively referred to as "Initial Grant Conditions").

The details of the options conditionally granted during the Reporting Period as disclosed above are as below:-

Grantees	Date of the conditional grant	Exercise price per share (HK\$)	Closing price before the date of the conditional grant (HK\$)	Exercise period	Number of options conditionally granted	Exercised during the period	Lapsed or cancelled during the period	Outstanding options as at 30 June 2021 (Note 3)
He Baiqing	25 June 2021	4.43	4.44	Note 1	1,371,993	N/A (Note 2)	None	1,371,993 (The grant of these options is subject to the fulfillment of the Initial Grant Conditions)
Other employees of the Group (in aggregate)	25 June 2021	4.43	4.44	Note 1	14,321,367	N/A (Note 2)	None	14,321,367 (The grants of these options are subject to the fulfillment of the Initial Grant Conditions)
				Total	15,693,360	N/A (Note 2)	None	15,693,360 (The grants of these options are subject to the fulfillment of the Initial Grant Conditions)

OTHER INFORMATION

Notes:

1. Subject to the terms of the share option scheme and the terms of the Initial Grant Proposal, these options shall be vested and become exercisable until 10 years from the date of the conditional grant in four tranches each comprising 25% of the options conditionally granted as described below: the first tranche shall be vested on the second anniversary of the date of the conditional grant (i.e. 25 June 2023); the second tranche shall be vested on the third anniversary of the date of the conditional grant (i.e. 25 June 2024); the third tranche shall be vested on the fourth anniversary of the date of the conditional grant (i.e. 25 June 2025); the fourth tranche shall be vested on the fifth anniversary of the date of the conditional grant (i.e. 25 June 2026).
2. None of the options had become exercisable during the period ended 30 June 2021.
3. There was no options outstanding as at 1 January 2021 as no options had been granted as at that date.

Further, (i) on 9 July 2021, the Board resolved to conditionally grant 519,131 share options at the exercise price of HK\$4.45 per share of the Company to Mr Cai Minghua (an executive director of the Company) subject to the fulfillment of the Initial Grant Conditions; and (ii) on 25 August 2021, the Board resolved to conditionally grant 519,131 share options at the exercise price of HK\$4.68 per share of the Company to an employee subject to the fulfillment of the Initial Grant Conditions.

The information regarding the valuation of the options conditionally granted as described above is set out below:

The fair value for the options conditionally granted on 25 June 2021 (15,693,360 options) and 9 July 2021 (519,131 options) are HK\$8,816,615 (as of 25 June 2021) and HK\$294,229 (as of 9 July 2021), respectively. The fair value for the options conditionally granted on 25 August 2021 was not available immediately prior to the printing of this Report.

The valuer adopted the Binomial Option Pricing Model for the valuation of the options.

The principal parameters adopted in the Binomial Option Pricing Model are as follows:

	Options granted on 25 June 2021	Options granted on 9 July 2021
Value per share as at the valuation benchmark dates (i.e. 25 June 2021 and 9 July 2021)	HK\$4.38	HK\$4.45
Exercise price	HK\$4.43	HK\$4.45
Expected volatility of the price of options	24.29%	24.30%
Risk-free interest rate	1.11%	1.01%
Option period	10.00 years	10.00 years
Expected rate of dividend	6.20%	6.20%
Exercise multiple	2.80 times	2.80 times

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Set out below are the specific assumptions for the valuation:

- The valuer adopted the interest rate of the Exchange Fund Notes of Hong Kong, the period of which is similar to the option period, as the input parameter of risk-free interest rate in the computation of the fair value of the options;
- The valuer assumed that there will be no material changes in both the risk-free interest rate and the annualized volatility during the option period;
- The actual dividend rates in the future depend on the share prices, actual profit and dividend payout ratio in the future, such parameters were unknown as at the valuation benchmark dates. Hence, the valuer adopted the average value of the ratio of the historical share prices of the Company during 2015 to 2019 to the amount of dividend of the relevant years (being 6.20%) in estimating the expected dividend rate of the relevant options of the Company within the option period. The profits and amounts of dividends of the Company for 2020 were adversely affected by epidemic and therefore no interim dividend for 2020 had been distributed and dividend decreased substantially when compared with normal years and hence may not reflect the actual circumstances in terms of expected profit for the future. On the other hand, the valuer noted that the Company announced resumption of payment of interim dividend on 10 August 2021 (HK\$0.20 per share), the amount of which is higher than the interim dividend in each of the years in 2015 to 2019. The valuer considered that dividend rate for the entire year of 2020 was an exceptional case and has not considered the dividend rate of 2020 in setting the dividend rate;
- After discussion with the management of the Company, the tenure of office of the directors or members of the senior management has four types, namely 2021 to 2023, 2024 to 2025, 2026 to 2028 and 2029 to 2030 respectively and they are reflected in different vesting dates;
- As the Company does not have historical data of exercise of options, the valuer therefore assumed that the exercise multiple of the options will be 280% of the exercise price based on its valuation experience;
- The expected volatility of share price is the result of analysis based on the statistics of the daily closing prices of the shares of the Company for the past 10 years prior to the valuation benchmark dates. The calculation is based on the assumption that there is no material difference between the expected volatility and historical volatility of the relevant shares during the option period;
- The trading days per annum will be 260 days;
- The exit rate of the holders of options after the vesting of the options will be 0% per annum;
- The valuation has not taken into account the future alteration in the capital structure of the Company during the option period, such as issue of new shares or grant of share options after the valuation benchmark dates since alteration in the capital structure in future was unforeseeable as at the valuation benchmark dates; and
- The valuer assumed that there were no hidden or unexpected conditions associated with the assets or liabilities of the Company that might adversely affect the reported value.

As the valuation results on the value of the options disclosed above are obtained based on the parameters set out above and certain assumptions and are subject to the valuation model adopted, the results may involve subjective views and uncertainties and therefore, such valuation results shall not be referred to as the basis of accounting treatments. The fair value of the options to be used in cost calculation needs to be calculated afresh by collecting the necessary market data at the appropriate time after the conditions precedent to which the grant of options disclosed above are subject to have been fulfilled.

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CORPORATE GOVERNANCE

Throughout the six months ended 30 June 2021, the Company has complied with the code provisions as set out in the Corporate Governance Code, with the exception of code provision A.4.1.

Code Provision A.4.1

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. None of the non-executive directors of the Company is appointed for a specific term. However, all the non-executive directors of the Company are subject to retirement by rotation at the annual general meeting of the Company in accordance with the Company's Bye-laws. All the non-executive directors of the Company had retired by rotation and have been re-elected during the past three years.

REVIEW OF INTERIM RESULTS

The results of the Group for the six months ended 30 June 2021 have been reviewed by the Audit Committee and by the Company's auditor in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

MODEL CODE FOR SECURITIES TRANSACTIONS

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

Specific enquiry has been made of all the directors and the directors have confirmed that they have complied with the Model Code throughout the six months ended 30 June 2021.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

The Company has not redeemed any of its shares during the six months ended 30 June 2021. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 9 November 2021 to Thursday, 11 November 2021, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers of shares accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Branch Share Registrar, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:30 p.m. on Monday, 8 November 2021.

CORPORATE AND INVESTOR RELATIONS INFORMATION

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

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

INDEPENDENT NON-EXECUTIVE DIRECTORS & AUDIT COMMITTEE MEMBERS

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

COMPANY SECRETARY

Mr Yu Tat Fung

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

17A Yue Xiu Building
160 Lockhart Road
Wanchai
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR

Tricor Abacus Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

LISTING EXCHANGE

SHARES

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

BONDS AND NOTES

Shanghai Stock Exchange
RMB120,000,000 3.6 per cent. Corporate Bonds due 2021
(code: 136804)

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

RMB800,000,000 3.18 per cent. Corporate Bonds due 2023
(code: 136806)

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

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

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

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

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

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

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

INVESTOR RELATIONS

For further information about
Yuexiu Transport Infrastructure Limited, please contact:
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Facsimile : (852) 2865 2126
Email : contact@yuexiutransport.com.hk

WEBSITES TO ACCESS COMPANY INFORMATION

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