



Anhui Expressway Company Limited

(A joint stock limited company incorporated in the People's Republic of China)

Stock Code: 0995

2024 ANNUAL REPORT



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Important Notice

1. **The Board, the supervisory committee and the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents of this annual report and that there are no false representations, misleading statements or material omissions therein, and severally and jointly accept legal responsibility.**
2. **All directors of the Company attended the meeting of the Board.**
3. **Ernst & Young Hua Ming LLP (PRC Auditor) and Ernst & Young (Hong Kong Auditor) have issued standard unqualified audit opinions on the consolidated financial statements of the Company.**
4. **The Chairman, Mr. Wang Xiaowen, responsible person for the accountant work Mr. Yu Yong and Mr. Huang Yu, manager of the Financial Department of the Company hereby confirm that the financial statements contained in this annual report are true, accurate and complete.**
5. **The profit distribution plan or the plan for transfer of capital reserve to share capital during the reporting period approved by the resolution of the Board.**

The net profit for the year 2024 in the financial statements of the Company prepared in accordance with the PRC Accounting Standards was RMB1,534.52 million, and the profit for the year in the financial statements of the Company prepared in accordance with the Hong Kong Accounting Standards was RMB1,523.99 million. As the accumulated amount of the statutory surplus reserve fund of the Company has reached more than 50% of the total share capital, it will not be withdrawn in this year. The profit available for distribution to shareholders in accordance with the PRC Accounting Standards and Hong Kong Accounting Standards was RMB1,534.52 million and RMB1,523.99 million, respectively. In accordance with the relevant provisions of the State, the profits available for distribution to shareholders shall be distributed on the basis of the lower of the profits available for distribution to shareholders calculated separately in accordance with domestic and foreign accounting standards. Therefore, the profit available for distribution to shareholders in 2024 is RMB1,523.99 million. Based on the Company's total share capital of 1,658,610,000 shares, the Company proposes to distribute a final dividend of RMB0.604 (tax inclusive) per share by cash, totaling RMB1,001,800,400. During the year, the Company did not implement the plan for conversion of capital reserve into share capital.

6. **Statement of the risks of forward-looking statements**

The Company has described the existing risks in detail in this report. Please refer to Section III "Management Discussion and Analysis". Forward-looking statements such as future plans and development strategies contained in this report do not constitute a commitment to investors. Investors are advised to invest rationally and pay attention to investment risks.

7. **Whether there is non-operational occupation of funds by controlling shareholders and other related parties**

No

8. **Whether there is any violation of the prescribed decision-making procedures to provide guarantees to the outside world**

No

9. **Whether more than half of the directors are unable to guarantee the authenticity, accuracy and completeness of the annual report disclosed by the company**

No

10. **Major Risk Notice**

The major risks have been concretely described in the report, please refer to the part of "Discussion and Analysis on Future Development of the Company" in Section III "Management Discussion and Analysis" for the possible risk factors and the corresponding tackling measures as set out in the discussion and analysis in respect of the future development of the Company.

11. **Other**

Unless otherwise specified, the amount in this report is denominated in RMB.

In this report, if the sum of the sub-item values is inconsistent with the total number, it is due to rounding.

Section I Definitions

1. DEFINITIONS

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below.

Definition of common words

“the Company”	Means	Anhui Expressway Company Limited
“the Group”	Means	Collectively the Company, its subsidiaries and associated companies
“ATHC” or “Anhui Transportation Holding Group”	Means	Anhui Transportation Holding Group Company Limited (formerly known as Anhui Expressway Holding Group Company Limited and Anhui Expressway Holding Corporation)
“Articles of Association”	Means	the articles of association of the Company
“Board”	Means	the board of directors of the Company
“China Merchants Highway”	Means	China Merchants Highway Network Technology Holding Company Limited (formerly known as China Merchants Hua Jian Highway Investment Company Limited)
“Company Law”	Means	the Company Law of the People’s Republic of China
“reporting period” or “Reporting Period”	Means	the year ended 31 December 2024
“SSE”	Means	Shanghai Stock Exchange
“SEHK” or “Hong Kong Stock Exchange”	Means	The Stock Exchange of Hong Kong Limited
“Listing Rules”	Means	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“Corporate Governance Code”	Means	the Corporate Governance Code as set out in part 2 of Appendix C1 to the Listing Rules
“SFO”	Means	the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong)
“Supervisor(s)”	Means	the supervisor(s) of the Company
“Supervisory Committee”	Means	the supervisory committee of the Company
“Xuanguang Company”	Means	Xuanguang Expressway Company Limited* (宣廣高速公路有限責任公司)

Section I Definitions

“Expressway Media”	Means	Anhui Expressway Media Company Limited* (安徽高速傳媒有限公司)
“Xin'an Financial”	Means	Anhui Xin'an Financial Group Company Limited* (安徽新安金融集團股份有限公司)
“Xin'an Capital”	Means	Anhui Xin'an Capital Operation Management Company Limited* (安徽新安資本運營管理有限公司)
“Xuancheng Transportation”	Means	Xuancheng Transportation Investment Group Company Limited* (宣城市交通投資集團有限公司) (formerly known as Xuancheng Transportation Investment Company Limited)
“Ningxuanhang Company”	Means	Anhui Ningxuanhang Expressway Investment Company Limited* (安徽寧宣杭高速公路投資有限公司)
“Guangci Company”	Means	Xuancheng City Guangci Expressway Limited Liability Company* (宣城市廣祠高速公路有限責任公司)
“Anqing Bridge Company”	Means	Anhui Anqing Yangtze River Expressway Bridge Limited Liability Company* (安徽安慶長江公路大橋有限責任公司)
“Wantong MicroCredit”	Means	Hefei Wantong MicroCredit Company Limited* (合肥市皖通小額貸款有限公司)
“AEHK”	Means	Anhui Expressway (H.K.) Limited
“ALEC”	Means	Anhui Anlian Expressway Co., Ltd.* (安徽安聯高速公路有限公司)
“Transportation Holding Capital”	Means	Anhui Transportation Holding Capital Investment Management Company Limited
“Goldstone Investment”	Means	Goldstone Investment Limited* (金石投資有限公司)
“Conch Cement”	Means	Anhui Conch Cement Company Limited* (安徽海螺集團有限責任公司)
“China Merchants Fund”	Means	Anhui Transportation China Merchants Industrial Fund (Limited Partnership)* (安徽交控招商產業投資基金(有限合夥))
“China Merchants Fund Management Company”	Means	Anhui Transportation China Merchants Investment Private Fund Management Company Limited* (安徽交控招商私募基金管理有限公司)
“Goldstone Merger and Acquisition Fund”	Means	Anhui Transportation Goldstone Merger and Acquisition Fund (Limited Partnership)* (安徽交控金石併購基金合夥企業(有限合夥))

Section I Definitions

“Goldstone Equity Investment Fund” “Goldstone Fund Phase II”	Means	Anhui Transportation Goldstone Equity Investment Fund Partnership (Limited Partnership)* (安徽交控金石股權投資基金合夥企業(有限合夥))
“Goldstone Fund Management Company”	Means	Anhui Transportation Goldstone Private Fund Management Co., Ltd.* (安徽交控金石私募基金管理有限公司)
“Goldstone Runze”	Means	Goldstone Runze (Zibo) Investment Consultation Partnership(Limited Partnership)* (金石潤澤(淄博)投資諮詢合夥企業(有限合夥))
“Conch Goldstone Innovation Fund”	Means	Anhui Conch Goldstone Innovation Development Investment Fund Partnership (Limited Partnership)* (安徽海螺金石創新發展投資基金合夥企業(有限合夥))
“Goldstone Emerging Industries Fund”	Means	Anhui Transportation Goldstone Emerging Industries private equity Fund Fund (Limited Partnership)* (安徽交控金石新興產業股權投資基金合夥企業(有限合夥))
“Information Industry Company”	Means	Anhui Transportation Information Industry Company Limited* (安徽交控信息產業有限公司)
“AENO”	Means	Anhui Expressway Network Operations Company Limited* (安徽省高速公路聯網運營有限公司)
“Guangxuan Company”	Means	Anhui Guangxuan Expressway Company Limited* (安徽省廣宣高速公路有限責任公司)
“Fuzhou Company”	Means	Anhui Fuzhou Expressway Company Limited* (安徽省阜周高速公路有限公司)
“Sixu Company”	Means	Anhui Sixu Expressway Company Limited* (安徽省泗許高速公路有限公司)
“Shenzhen Expressway”	Means	Shenzhen Expressway Group Company Limited* (深圳高速公路集團股份有限公司)

* For identification only

Section II Corporate Profile and Main Financial Indicators

1. COMPANY INFORMATION

Official Chinese name of the Company	安徽皖通高速公路股份有限公司
Abbreviation (in Chinese)	皖通高速
English name of the Company	Anhui Expressway Company Limited
Abbreviation (in English)	Anhui Expressway
Legal representative of the Company	Wang Xiaowen

2. CONTACT PERSON AND CONTACT DETAILS

	Secretary to the Board of the Company	Representative of Securities Affairs
Name	Ding Yu	Hu Houbin
Contact address	520 Wangjiang West Road, Hefei, Anhui, the PRC	520 Wangjiang West Road, Hefei, Anhui, the PRC
Telephone	0551-65338697	0551-63738995, 63738922, 63738989
Fax	0551-65338696	0551-65338696
Email Address	wtgs@anhui-expressway.net	wtgs@anhui-expressway.net

3. INTRODUCTION OF BASIC INFORMATION

Registered address of the Company	520 Wangjiang West Road, Hefei, Anhui, the PRC
Historical changes of the company's registered address	In 1996, the registered address of the Company was "219 Anqing Road, Hefei, Anhui Province"; In 2001, the registered address of the Company was changed to "669 Changjiang West Road, Hefei City, Anhui Province"; In 2009, the registered address of the Company was changed to "520 Wangjiang West Road, Hefei City, Anhui Province"
Office address of the Company	520 Wangjiang West Road, Hefei, Anhui, the PRC
Postal code of office address	230088
Website of the Company	http://www.anhui-expressway.net
E-mail address of the Company	wtgs@anhui-expressway.net

Section II Corporate Profile and Main Financial Indicators

4. INFORMATION DISCLOSURE AND ADDRESSES FOR KEEPING REPORT

Newspapers for publishing report	China Securities Journal, Shanghai Securities News
Stock exchange websites for disclosure of annual report	http://www.sse.com.cn http://www.hkex.com.hk http://www.anhui-expressway.net
Addresses designated for keeping annual report	Shanghai Stock Exchange, 528 Pudong South Road, Shanghai Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong Company's head office at 520 Wangjiang West Road, Hefei, Anhui, the PRC

5. COMPANY STOCK INFORMATION

Stock Category	Stock Exchange	Stock Abbreviations	Stock Code	Stock Abbreviations before alteration
A Shares	Shanghai Stock Exchange	皖通高速	600012	—
H Shares	The Stock Exchange of Hong Kong Limited	ANHUI EXPRESSWAY	0995	—

6. OTHER RELATED INFORMATION

PRC Auditor (domestic)	Name	Ernst & Young Hua Ming LLP
	Office Address	16th Floor, Ernst & Young Building, Oriental Plaza, 1 Chang'an Street, Dongcheng District, Beijing
Hong Kong Auditor (overseas)	Signing Accountant Name	Zhao Guohao, Zhao Wenjiao
	Name	Ernst & Young
	Office Address	27th Floor, Tower 1, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
PRC Legal Adviser	Signing Accountant Name	Ernst & Young
	Name	Grandall Law Firm (Hefei)
	Office Address	12th floor, Landmark • Baiyue Center, 200 Huaining Road, Municipal District, Hefei city
Hong Kong Legal Adviser	Name	Clifford Chance
	Office Address	27/F, Jardine House, 1 Connaught Place, Central, Hong Kong
Domestic share registrar	Name	China Securities Central Clearing and Registration Corporation, Shanghai Branch
	Office Address	36th Floor, China Insurance Mansion, 166, Lujiazui East Road, Shanghai
Overseas share registrar	Name	Computershare Hong Kong Investor Services Limited
	Office Address	Shops 1712-1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong

Section II Corporate Profile and Main Financial Indicators

7. MAIN ACCOUNTING DATA AND FINANCIAL INDICATORS IN RECENT YEARS

(1) Main Accounting Data

Unit: yuan Currency: RMB

Main Accounting Data	2024	2023	Change of the current period over the same period of last year (%)	2022
Revenue	7,091,832,628.35	6,631,337,271.78	6.94	5,206,366,427.90
Net profit attributable to shareholders of the Company	1,668,981,126.49	1,659,928,716.34	0.55	1,445,017,073.40
Net profit after extraordinary items of profit/ loss attributable to shareholders of the Company	1,676,722,328.59	1,735,620,350.12	-3.39	1,424,748,352.88
Net cash flows from operating activities	2,628,757,994.25	2,653,472,269.21	-0.93	1,937,699,977.46

	As at the end of 2024	As at the end of 2023	Change of the current period over the same period of last year (%)	As at the end of 2022
Net assets attributable to shareholders of the Company	13,335,168,274.45	12,656,911,593.98	5.36	11,924,812,353.80
Total assets	24,414,336,538.24	21,738,743,118.83	12.31	21,303,368,819.17

Section II Corporate Profile and Main Financial Indicators

(2) Main Financial Indicators

Financial indicators	2024	2023	Change of the current period over the same period of last year (%)	2022
Basic earnings per share (RMB/share)	1.0063	1.0008	0.55	0.8712
Diluted earnings per share (RMB/share)	1.0063	1.0008	0.55	0.8712
Basic earnings per share after extraordinary items of profit/loss (RMB/share)	1.0109	1.0464	-3.39	0.8590
Returns on equity (weighted average) (%)	12.84	13.51	Decreased by 0.67 percentage point	12.48
Returns on equity after extraordinary items (weighted average) (%)	12.90	14.12	Decreased by 1.22 percentage points	12.30

Explanation of the Company's main accounting data and financial indicators for the three years up to the end of the Reporting Period

Summary of published results and of assets and liabilities prepared in accordance with accounting principles generally accepted in Hong Kong ("the Hong Kong Accounting Standards" or "HKFRS") over the past five years

Summary of Results

For the year ended 31 December

Unit: RMB '000 Currency: RMB

	2024	2023	2022	2021	2020
Income	7,091,833	6,631,337	5,206,366	4,029,476	2,714,269
Profit before tax	2,226,777	2,263,826	1,977,818	2,116,190	1,245,972
Profit attributable to owners of the Company	1,670,667	1,657,726	1,445,457	1,511,965	916,104
Basic earnings per share (RMB)	1.0073	0.9995	0.8715	0.9116	0.5523

Section II Corporate Profile and Main Financial Indicators

Summary of assets and liabilities

As at December 31

Unit: RMB '000 Currency: RMB

	2024	2023	2022	2021	2020
Total assets	24,452,640	21,776,552	21,345,566	19,965,469	16,286,343
Total liabilities	9,563,072	7,631,261	7,808,394	7,985,646	4,334,693
Equity (net of minority interests)	13,364,103	12,688,049	11,958,153	11,424,654	11,314,457
Earnings per share equity (excluding minority interests) (RMB)	8.0574	7.6498	7.2097	6.8881	6.8217

8. MAJOR DIFFERENCE BETWEEN FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH DOMESTIC AND OVERSEAS ACCOUNTING STANDARDS

(1) Difference of net profit and net assets attributable to shareholders of the Company between international accounting standards and the PRC Accounting Standards

☐ Applicable ☒ Not applicable

(2) Difference of net profit and net assets attributable to shareholders of the Company between the Hong Kong Accounting Standards and the PRC Accounting Standards

Unit: '0000 Currency: RMB

	Net profit attributable to shareholders of the Company		Net assets attributable to shareholders of the Company	
	Amount of current period	Amount of previous period	Amount at the end of period	Amount at the beginning of the period
PRC Accounting Standards	166,898.1	165,992.9	1,333,516.8	1,265,691.1
Items and amount adjusted according to Hong Kong Accounting Standards:				
Valuation, depreciation/ amortization and related deferred taxes	-220.3	-220.3	2,893.5	3,113.8
Withdrawal of security fund	388.9	0.0	0.0	0.0
Hong Kong Accounting Standards	167,066.7	165,772.6	1,336,410.3	1,268,804.9

Section II Corporate Profile and Main Financial Indicators

(3) Explanation on the differences between domestic and overseas accounting standards

- (i) In order to issue and list H shares in Hong Kong, the toll roads, fixed assets and related land use rights were valued by a PRC certified public valuer and an international certified public valuer on 30 April and 15 August 1996 respectively and the results were included in the relevant prescribed statements and the financial statements prepared in accordance with HKFRS. As per the said valuation, the fair value valued by the international certified public valuer is higher than the PRC certified public valuer's result by RMB319,000,000. Such differences have impacts on the business performance (i.e. the depreciation and amortization figures of the highway franchise, fixed assets, and land use rights) and the related deferred tax effect of the Group and the Company, which have resulted in the above adjustments.
- (ii) In accordance with the Accounting Standards Interpretation for Business Enterprises No. 3 issued by the Ministry of Finance on 11 June 2009, the Group will include the safety production expenses drawn in accordance with the state regulations into the operating costs in the current year, while recognizing the special reserve and preparing the financial statements of Chinese accounting standards. There are no relevant items in the financial statements prepared under Hong Kong financial Reporting Standards and therefore there are differences.

9. MAIN FINANCIAL STATISTICS OF 2024 ON A QUARTERLY BASIS

	Unit: yuan Currency: RMB			
	The first quarter (Jan.-Mar.)	The second quarter (Apr.-Jun.)	The third quarter (Jul.-Sep.)	The fourth quarter (Oct.-Dec.)
Revenue	1,286,864,373.72	1,766,109,876.15	1,990,476,328.15	2,048,382,050.33
Net profit attributable to shareholders of the Company	459,671,340.30	350,199,686.34	411,212,643.00	447,897,456.85
Net profit after extraordinary items of profit/ loss attributable to shareholders of the Company	433,717,075.67	370,809,101.93	412,695,840.41	459,500,310.58
Net cash flows from operating activities	674,132,876.34	762,418,484.97	672,174,045.69	520,032,587.25

Explanation on the difference between quarterly information and information disclosed in regular reports

☐ Applicable ☒ Not applicable

Section II Corporate Profile and Main Financial Indicators

10. EXTRAORDINARY ITEMS OF PROFIT/LOSS DEDUCTED AND AMOUNTS INVOLVED

Unit: yuan Currency: RMB

Extraordinary items	Amount of 2024	Note (if applicable)	Amount of 2023	Amount of 2022
Gains and losses from disposals of non-current assets (including offsetting portion of the provision for impairment of assets)	7,405,496.46	Mainly due to the government's acquisition of some of the company's land for municipal construction needs	2,852,253.84	8,652,365.46
Government subsidies charged to the current gains/losses, (excluding those closely related to the Company's normal operations, subsidized continuously in accordance with the applicable standards and noncompliance with the government policies or regulations)	13,257,077.68	Being the income amount of construction funds subsidies of Ninghuai Expressway (Tianchang Section) provided by Jiangsu Provincial Expressway Construction Head quarter (attached to the Transportation Department of Jiangsu Province) in 2007, and the income amount of toll station construction funds subsidies and electromechanical system upgrading subsidies of Hening Expressway and Gaojie Expressway provided by Anhui Provincial Expressway Construction Headquarter (attached to the Transportation Department of Anhui Province) received in 2010 amortised in the reporting period	13,023,944.16	18,038,464.44
Apart from effective hedging business related to the normal business of the Company, gains and losses on changes in fair value arising from the holding of financial assets and financial liabilities by non-financial enterprises and gains and losses arising from the disposal of financial assets and financial liabilities	-31,844,784.31	The main reason is that the Company recognized the fair value loss of CICC Anhui Transportation Expressway Closed Infrastructure Securities Investment Fund.	-108,755,214.44	613,562.50
Reversal of impairment reserves of receivables and contract assets subject to independent impairment test	0.00	0.00	927,959.72	927,959.72
Other non-operating income and expenditure other than above	3,539,550.18	-7,319,053.35	938,033.17	938,033.17
Subtract: Effect of income tax	-2,353,042.67	-25,207,639.45	6,032,986.06	6,032,986.06
Effects of minority shareholders' interests (after tax)	2,451,584.78	701,203.44	2,868,678.71	2,868,678.71
Total	-7,741,202.10		-75,691,633.78	20,268,720.52

For the items not listed in “Explanatory Announcement No. 1 on Information Disclosure of Companies Issuing Securities to the Public – Non-recurring Profit and Loss” defined by the Company as material non-recurring profit and loss items, as well as the non-recurring profit and loss items listed in “Explanatory Announcement No. 1 on Information Disclosure of Companies Issuing Securities to the Public – Non-recurring Profit and Loss” which are classified as recurring profit and loss items, the reasons should be explained.

☐ Applicable ☒ Not applicable

Section II Corporate Profile and Main Financial Indicators

11. ITEMS IN FAIR-VALUE MEASUREMENT

Unit: yuan Currency: RMB

Items	Amount at the beginning of the period	Amount at the end of the period	Change	Amount affecting profit
Other non-current financial assets	678,660,142.75	745,487,025.77	66,826,883.02	18,679,527.52
Other equity instrument investments	4,849,704.70	7,799,561.29	2,949,856.59	500,000.00
Total	683,509,847.45	753,286,587.06	69,776,739.61	19,179,527.52

12. OTHER

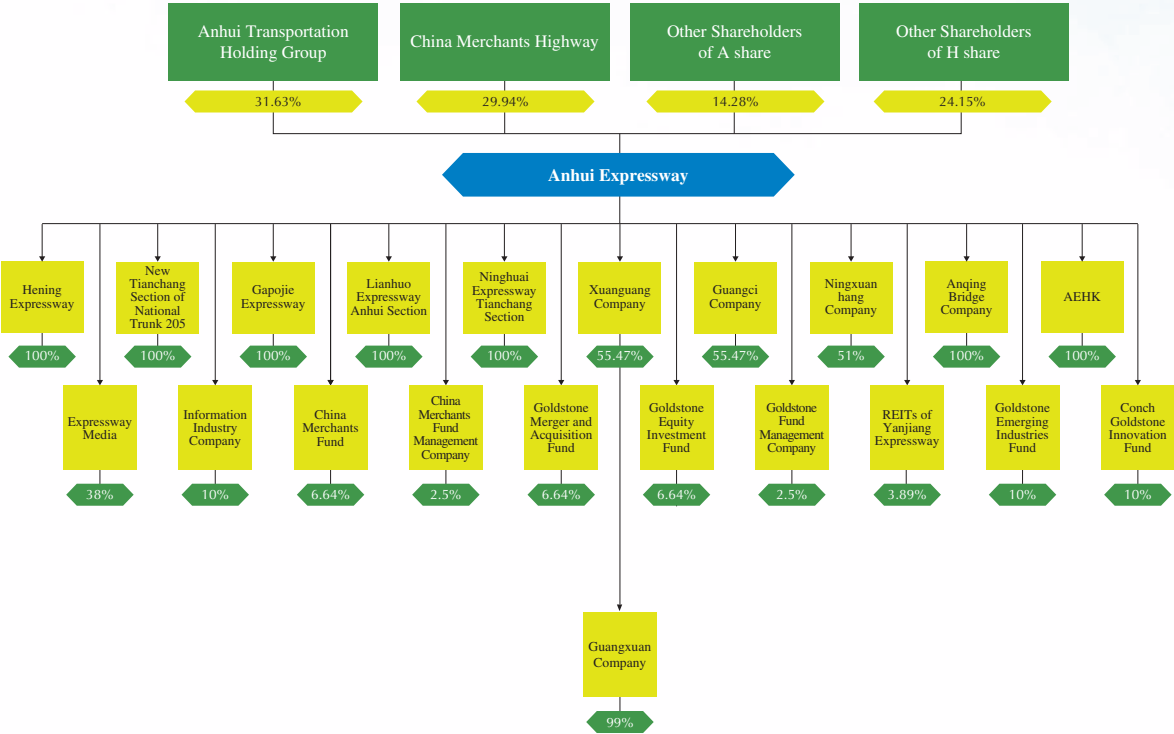
The Company was incorporated on 15 August 1996 as a joint stock limited company in Anhui Province, the People's Republic of China (the "PRC"). At present, the registered capital of the Company is RMB1,658,610,000.

The Company is principally engaged in the operation and management of toll expressways and relevant business.

The Company is the first PRC highway company listed in Hong Kong. It is also the only listed highway company in Anhui Province. On 13 November 1996, H Shares issued by the Company were listed on The Stock Exchange of Hong Kong Limited (Stock code: 0995). On 7 January 2003, A Shares issued by the Company were listed on Shanghai Stock Exchange (Stock code: 600012).

Section II Corporate Profile and Main Financial Indicators

As of 31 December 2024, the structure of the Company, its subsidiaries and associated companies (the “Group”) is as follows:



Section III Management Discussion and Analysis

1. MANAGEMENT DISCUSSION AND ANALYSIS

In 2024, facing the complicated external environment and unprecedented difficulties and challenges, the Company insists on making steady progress, promoting stability through progress, and taking the initiative to firmly promote the work of “strengthening operation and improving quality and efficiency”, and effectively enhance the main business income and benefit contribution. Winning the “battle of snow removal” and traffic protection at the beginning of the year, the “battle of flood control” and rescue in the middle of the year, and the “protracted battle” of hidden danger investigation throughout the year, the overall operation of the road network is safe and stable, effectively playing the strategic support and guarantee service function of the road network; The company has won the “Taurus Most Valuable Investment Award” for two consecutive years, which has comprehensively enhanced its good image in the capital market and fully demonstrated the long-term investment value and operational vitality of highway listed companies!

Over the past year, the following work has been done:

(1) Improving the quality and efficiency of operation and management

Guided by the operation of expressways, we deployed and promoted the work of “strengthening operation and improving quality and efficiency”, established for the first time a coordinated snow removal model of “North-South linkage and echelon support”, incorporated for the first time the indicators of road closure duration and cost control into the assessment, carried out open competition for management posts of operating platforms for the first time, and implemented for the first time the salary system of human efficiency and reshaping operating platforms. Through open source, increase income, improve management efficiency, saved cost and reduced consumption, it greatly improved the cohesion, leadership, security and value creativity of the operation platform.

(2) The charge management is stable and solid.

Toll invoice “paper to digital” to achieve full coverage; further close attention paid to the work of plugging and repaying, a work case was selected as “National Highway Audit Excellent Typical Case”. Strengthened the “three basic construction” and win the eighth place as the best result in the history of the province in the national fee-based skills competition group. Intelligent toll stations such as Wuzhuang have been built, Hening Intelligent Expressway has been basically built, video monitoring optimization and integrated operation management platform (Phase II) has been completed, and the first “Intelligent Expressway Construction Guide” in the province has been issued.

(3) Overall improvement of maintenance quality and efficiency

To carry out the action of improving the quality of pavement maintenance, the first pilot tunnel cluster was centralized maintenance, 10 typical maintenance demonstration projects were established, and the qualified rate of quality inspection of maintenance projects was 100%. Carry out hidden danger investigation and remediation, quickly deal with sudden dangers in flood season, and complete the safety improvement of some old tunnels. The design retrospective work has been vigorously promoted and affirmed by the Ministry of Transport. Implement the concept of environmental protection and add sound barriers to residential areas along the line. We will firmly promote the “people’s livelihood project” and complete the renovation of canteens and dormitory buildings. Remarkable achievements have been made in scientific and technological research and development, four landmarks have been released, and many scientific research projects have been evaluated and accepted.

Section III Management Discussion and Analysis

(4) Strong operational service guarantee

The intelligent operation command center has been built and operated, and the “Wanmei High-speed Brain” has been fully implemented. Complete the remediation of some blocking points and optimize the management of speed limit. To reduce the diversion of snowfall, the total duration of traffic accident closure decreased by 23% compared with the same period last year, and the road network traffic index was better than that of surrounding provinces. For the first time, a reversible lane was set up, and the traffic efficiency of the road section was increased by 20%. We will carry out a three-year campaign to tackle the root of production safety and make every effort to prevent risks, eliminate hidden dangers and curb accidents. Strengthen personal safety prevention and accident prevention of road-related operations, establish training bases for road-related operations, and implement penetrating management. Explore the “Wanmei Cloud Cabin” service, and put the Douyin service platform into operation. Travel services have been positively publicized by CCTV and People’s Daily for many times. “Wanmei Expressway” brand won the first prize for innovative achievements of national transportation enterprises, and won the second prize for individual skills in the National Obstacle Clearance and Rescue Competition.

(5) Steady progress in capital operation

We will make every effort to promote cash acquisition and further improve the layout of the regional road network. Successfully issued the first high-growth industrial bonds in the province, creating a record low interest rate of corporate bonds. The newly increased income from revitalizing idle land and houses is RMB4.62 million. The change of directors and supervisors of the company was completed, and the information disclosure and investor relations management were standardized and efficient. It won first place in the “Comprehensive Development Ability of Anhui Listed Companies in 2023” and received the highest rating in the ESG report of China Communications Enterprise Management Association for two consecutive years.

(6) Comprehensive control, Efficient compliance

The promotion of compliance management continued to advance, with 100% coverage of the “three legal audits” and the gradual strengthening of the full-time legal team; the “Year of System Construction Promotion” was solid and effective, with more than 40 new and revised systems. For the first time, the full-caliber comprehensive bidding for maintenance was carried out, and the rectification in the field of bidding went deep and solid, and the stock and new problems were all cleared. Carry out engineering audit and special audit, and improve 55 systems and business processes. Precise pre-accounting control, the company’s headquarters has been awarded the “Anhui Province Tax Credit Green Card” for two consecutive years; expanding financing means, Ningxuanhang Company reduces the loan interest by RMB23 million every year, realizing turning losses into profits; comprehensive security, tapping potential and increasing efficiency, the “four public” funds of the operating platform are controlled by 10%; the rental income of Wantong Park is RMB22.36 million, an increase of 30% over the same period last year.

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(7) Party building leads to deep and solid progress

Theoretical armed forces are constantly grasped, ideological control is in place, public opinion publicity is in mind, and the highlights of civilization creation are constantly created. Party discipline learning and education have been steadily promoted, grass-roots Party building has been continuously consolidated, and Party building management has been deeply integrated. The brand of “Wanmei Expressway” has been selected into the brand demonstration database of SASAC, and won the “Excellent Case of National Enterprise Party Building Innovation” in 2024. The allocation of human resources has been continuously optimized, the incentive function of the “baton” of assessment has become increasingly prominent, and the mechanism of talent reserve and cadre selection and exchange has become increasingly perfect. Joint supervision and inspection were carried out three times, centralized rectification and special activities were jointly carried out, and the joint supervision system of “industry, finance, discipline, law and trial” was affirmed by the Party committees at higher levels. The group work is solid and effective, and one new national civilized post and seven new projects have won the first prize of “five small” innovation of the group company.

(8) Analysis of the current development situation

At present, due to the adverse factors such as the macroeconomic downturn, the acceleration of “road to railway transport” and “road to water transport” and “public transit water”, the frequent occurrence of bad weather, and the diversion of local roads, the trend of “increasing roads, increasing flow and increasing income” of expressways has become more and more significant, the pattern of rigid growth of tolls has been broken year by year, and the pressure of main business operation has been increasing, which puts forward higher requirements for our future work.

First, we must strengthen our confidence and determination. We should accurately grasp the analysis and judgment of the current economic situation by the Party Central Committee and the Provincial Party Committee, deeply understand that the basic trend of China’s economic recovery and long-term improvement has not changed, deeply understand that centralized management and control has become more intensive and efficient since the establishment of the operation platform, further enhance confidence and confidence in high-quality development, and persist in using development methods. We should take the initiative to deal with the problems in development and the challenges in progress, strive to turn the difficulties and challenges into the driving force for development against the trend, and turn all positive factors into high-quality development achievements.

Second, we should seize opportunities for development. We should thoroughly understand and make full use of the new toll road policy, release the policy dividend, and ensure the sustainable development of the main industry. We should seize the new opportunities brought by the “Six Mergers and Acquisitions” issued by the China Securities Regulatory Commission, continue to expand effective investment, actively carry out capital operation, and make a forward-looking layout of new industries with the strong support of the group company. We should grasp the development trend of informatization and digitalization in the transportation industry, strengthen the drive of scientific and technological innovation, expand the application of intelligent transportation scenarios, further promote the transformation and upgrading of digital operation, dig deep into the investment benefits of intelligent high-speed construction, and accelerate the cultivation of new quality productivity.

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Third, we should be brave enough to overcome difficulties. We should fully implement the concept of highway management, comprehensively expand “strong management, improve quality and efficiency”, create new sources of revenue and increase income, improve management efficiency, save costs and reduce consumption, and constantly improve the operating efficiency of the main business. We should thoroughly break the inertial thinking of “relying on the sky”, firmly establish the management consciousness of “ensuring smooth traffic is stable revenue”, effectively improve the ability of ensuring safety and smooth traffic, and try our best to reduce the diversion of closed roads. We must resolutely overcome paralysis, fluke mentality and slack mood, further consolidate the main responsibility of safety production, and pay close attention to the investigation of hidden dangers, so as to improve the ability of road facilities to prevent and resist disasters and ensure the safety and smoothness of the road network. We must resolutely abandon the “midstream mentality”, set up “first-class standards”, insist on reform to drive, innovation to vitality, management to benefit, become an industry benchmark in operational services, and build a “Wantong model” in the operation of listed companies.

2. INDUSTRY IN WHICH THE COMPANY OPERATES DURING THE REPORTING PERIOD

At present, after experiencing a period of rapid expansion, China’s highway industry is gradually entering a stage of high-quality development. Overall, the industry is shifting from “scale expansion” to “quality and efficiency”, meeting new challenges through technological innovation and mode change, and serving the “double-cycle” economic pattern and people’s high-quality travel needs.

First, the construction speed is slowing down, the large-scale new construction stage is nearing the end, and the focus of construction is shifting to stock optimization, including the reconstruction and expansion of existing road network, intelligent upgrading and maintenance management. Second, the demand for high-quality development has increased, emphasizing “smart high-speed”, “green low-carbon” and “service upgrading”, such as promoting ETC, building pilot vehicle-road coordination, and promoting the integration of culture and tourism in service areas (such as “service area + tourism” model). Third, digital transformation is accelerating, 5G, Beidou navigation, big data and other technologies are widely used, pilot sections to achieve all-weather traffic monitoring, automatic driving testing, etc., and the pilot of vehicle-road coordination continues to advance. Fourthly, the demand for service quality has been further improved. With the continuous improvement of people’s living standards, the requirements of passengers for transport services have also been continuously improved, from “able to travel” to “travel well”, “travel comfortably” and “travel at ease”, which will pay more attention to service quality, efficiency and service experience, and promote the development of transport services. Multi-level, diversified and personalized travel demand and small batch, high value and fast freight demand are increasing.

Section III Management Discussion and Analysis

The major listed companies in the industry and their financial indicators are shown in the following table:

Unit: RMB 100 million

Stock Code	Abbreviation of securities	Total assets	Net assets	Asset-liability ratio (%)	Operating income	Year-on-year revenue growth (%)	Net profit	Year-on-year increase in net profit (%)	Return on equity (%)	P/E ratio
600012.SH	Anhui Expressway	228.15	128.81	36.87	50.43	16.10	12.21	-9.60	9.56	16.39
000429.SZ	Guangdong Expressway A	223.06	102.02	41.66	35.02	-5.03	13.56	0.01	13.53	14.56
000548.SZ	Hunan Investment	27.67	20.47	26.03	5.14	59.84	0.92	35.11	4.54	17.46
000755.SZ	Shanxi Road and Bridge	124.57	52.68	57.71	11.85	-7.17	3.82	-1.48	7.47	15.48
000828.SZ	Dongguan Holdings	180.82	96.06	46.14	13.72	-60.27	7.27	-2.84	7.08	17.34
000885.SZ	Urban Development Environment	301.42	82.12	69.00	47.19	-1.87	8.64	-1.54	11.00	7.56
000900.SZ	Modern investment	585.08	124.79	75.39	57.24	-4.63	4.06	-3.33	3.27	12.00
001965.SZ	Merchants Highway	1589.74	696.92	45.42	90.77	38.04	41.60	-4.63	6.18	12.69
600020.SH	Zhongyuan Expressway	512.07	151.27	70.46	47.05	22.13	8.23	-9.76	5.51	11.48
600033.SH	Fujian Expressway	172.92	117.16	18.01	22.68	-0.57	7.93	-0.22	6.94	11.41
600035.SH	Chutian Expressway	197.27	85.48	49.72	26.84	18.49	6.63	-17.63	7.92	7.42
600106.SH	Chongqing Road and Bridge	68.56	48.90	28.68	0.85	-2.52	1.26	-23.75	2.64	34.19
600269.SH	Gan-Yue Expressway	363.25	185.35	43.59	45.60	-12.69	11.52	6.25	6.37	10.28
600350.SH	Shandong Expressway	1564.28	416.77	64.93	199.01	10.94	25.16	-5.70	6.03	13.55
600368.SH	Wuzhou Communications	95.92	67.38	30.61	12.16	3.12	5.66	2.99	8.69	9.40
600377.SH	Jiangsu Expressway	840.01	368.04	44.04	140.58	21.10	41.20	2.05	11.64	16.29
600548.SH	Shenzhen Expressway	667.05	222.31	58.40	58.60	-8.03	13.74	-10.71	6.16	10.00
601107.SH	Sichuan Expressway	603.23	160.75	71.63	73.59	-7.92	11.23	0.31	7.07	13.29
601188.SH	Longjiang Transport	54.44	45.81	10.61	4.27	-11.40	1.49	-14.64	3.28	34.52
601518.SH	Jilin Expressway	67.82	52.37	16.61	8.69	-7.34	3.90	-0.52	7.60	9.48
Arithmetic average		423.37	161.27	45.28	47.56	3.02	11.50	-2.98	7.12	14.74
Median		225.61	109.59	44.73	40.31	-2.19	8.08	-2.19	7.01	12.99

Note: The data is from iFinD, and the data deadline is September 30, 2024.

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3. PRINCIPAL BUSINESS ENGAGED BY THE COMPANY DURING THE REPORTING PERIOD

The Company was incorporated in Anhui Province of the People's Republic of China on 15 August 1996. It is the first highway company listed in Hong Kong in the PRC and the only highway company listed in Anhui Province. On November 13, 1996, 493.01 million H shares issued by the Company were listed on the Stock Exchange of Hong Kong Limited. On January 7, 2003, 250 million A shares issued by the Company were listed on the Shanghai Stock Exchange. As at 31 December 2024, the total share capital of the Company was 1,658,610,000 shares with a par value of RMB1 per share.

The principal business of the Company is the investment, construction, operation and management of certain toll roads in Anhui Province. The Company acquires operating highway assets through various means such as investment, construction, acquisition or cooperative operation, provides traffic services for passing vehicles, collects vehicle tolls according to toll standards, and maintains and repairs operating highways. Toll road is a transportation infrastructure with long cycle and large scale, which has the characteristics of capital-intensive, long payback period and relatively stable income.

The Company owns Hening Expressway (Hening Section of G40 Shanghai-Shaanxi Expressway), New Line of Tianchang Section of National Highway 205, Gaojie Expressway (Gaojie Section of G50 Shanghai-Chongqing Expressway), Xuanguang Expressway (Xuanguang Section of G50 Shanghai-Chongqing Expressway), Guangci Expressway (Guangci Section of G50 Shanghai-Chongqing Expressway), Tianchang Section of Ninghuai Expressway, Anhui Section of Lianhuo Expressway (Anhui Section of G30 Lianhuo Expressway), Ningxuanhang Expressway, Anqing Yangtze River Highway Bridge, Anhui Section of Yuewu Expressway and other toll roads located in Anhui Province. As of December 31, 2024, the Company has approximately 609 kilometers of highways in operation, with total assets of RMB24,414.34 million. In addition, the Group also provided entrusted management services for Anhui Transportation Holding Group and other expressway property owners in the province. Up to now, the total mileage of expressways managed by the Company has reached 5,411 kilometers.

4. ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD

- (1) Good quality of assets. In recent years, the Company continued to improve the quality of its core assets: from 2016 to 2019, the Company carried out comprehensive reconstruction and expansion of Hening Expressway. With the completion of the reconstruction and expansion of Hefei-Chaozhou-Wuhu Expressway, Hefei-Anqing Expressway, Hefei-Liuye Expressway and other sections, the expressway network in the region was further improved, making the position of Hening Expressway in the national and regional transportation network more prominent. Social and economic benefits are further released. The completion and opening of Xuanguang PPP reconstruction and expansion project not only improves the traffic capacity and service level of the national expressway corridor, but also improves the company's asset quality and operational efficiency. At the same time, the preliminary work of Gaojie reconstruction and expansion was officially launched, and the quality of the company's assets was continuously improved through the reconstruction and expansion of the core sections.

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- (2) Excellent service concept. With the implementation of the new operation mode of “high-speed network” in China and the diversification of people’s travel needs, the company systematically summarizes the experience of “Smile Service” brand creation, deepens and sublimates the service concept, continuously promotes the iterative upgrading of operation management and service quality, and focuses on the demand of “good travel”. From the new perspective of “big road network, all elements, big service, high efficiency and excellent quality”, we will systematically build the service brand of “Wanmei Expressway”, promote the upgrade of “Smile Service” to wisdom, efficiency, beauty and comfort, and strive to build the “Wanmei Mode” of expressway operation service.
- (3) High management efficiency. In order to further improve the economic benefits of enterprises, the efficiency of road network and the quality of travel services, the company has formulated the Work Program of “Strengthening Operation, Improving Quality and Efficiency”, and put forward the concept of “Operating Expressway”, that is, to create effective investment, profitable income and cash flow profits, so as to ensure the organic unity of economic and social responsibilities of state-owned enterprises with economic benefits. The Company has refined the work of “strengthening operation and improving quality and efficiency” into 52 specific measures, carried out in-depth “three actions” of improving management efficiency, increasing income and saving cost and reducing consumption, and comprehensively carried out the assessment of operating performance, cost control and other indicators in its operating units under the guidance of efficiency and efficiency. It has also implemented manpower efficiency wages, reconstructed the salary system of the operating platform, and further optimized the market-oriented incentive mechanism. Strengthen the system dispatch, establish the coordinated snow removal mode of “North-South linkage, echelon support”, and effectively guarantee the smooth operation of the road network as a whole.

5. MAJOR OPERATIONAL DATA DURING THE REPORTING PERIOD

During the reporting period, in accordance with the PRC Accounting Standards, the Group recorded an operating income of RMB7,091.83 million (2023: RMB6,631.34 million), representing an increase of 6.94% as compared with the corresponding period of last year, and a total profit of RMB2,224.70 million (2023: RMB2,266.76 million), representing a decrease of 1.86% as compared with the corresponding period of last year. Net profit attributable to shareholders of the Company was RMB1,668.98 million (2023: RMB1,659.93 million), representing an increase of 0.55% as compared with the corresponding period of last year. Basic earnings per share was RMB1.0063 (2023: RMB1.0008), representing an increase of 0.55% as compared with the corresponding period of last year.

In accordance with the Hong Kong Accounting Standards, the Group achieved a total turnover of RMB7,091.83 million (2023: RMB6,631.34 million), representing an increase of 6.94% as compared with the same period of last year. Profit before income tax was RMB2,226.78 million (2023: RMB2,263.83 million), representing a decrease of 1.64% as compared with the same period of last year. Profit attributable to equity owners of the Company was RMB1,670.67 million (2023: RMB1,657.73 million), representing an increase of 0.78% as compared with the corresponding period of last year. Basic earnings per share was RMB1.0073 (2023: RMB0.9995), representing an increase of 0.78% as compared with the corresponding period of last year.

Section III Management Discussion and Analysis

Summary of the Performance of Toll Road

During the reporting period, the Group recorded a total toll revenue (after tax) of RMB3,830.21 million (2023: RMB4,041.76 million), representing a decrease of 5.23% as compared with the corresponding period of last year.

Various policy relief measures will continue to be implemented. It is estimated that the total amount of various waivers of the Group in 2024 will be RMB754 million, of which:

The amount of exemption for green passage was about RMB141 million with over 217,900 vehicles being exempted.

The amount of exemptions on holidays were RMB318 million with 7.3954 million vehicles exempted;

ETC preferential reduction of RMB276 million. Among them, the amount of preferential reduction and exemption of Anhui traffic card for trucks was RMB171 million, accounting for about 62.12% of the total ETC reduction and exemption. Other policy exemptions amounted to approximately RMB18 million.

Project	Equity Proportion	Converted average daily traffic flow of the whole journey (sorties)			Toll revenue (RMB 10,000)		
		2024	2023	Increase/decrease (%)	2024	2023	Increase/decrease (%)
Hening Expressway	100%	45,674	45,890	-0.47	141,071	142,661	-1.11
New Line of Tianchang Section of National Highway 205	100%	6,676	7,010	-4.76	8,498	8,748	-2.86
Gaojie Expressway	100%	24,653	27,721	-11.07	81,542	92,971	-12.29
Xuanguang Expressway	55.47%	10,037	20,995	-52.19	19,032	42,543	-55.26
Anhui Section of Lianhuo Highway	100%	21,977	22,029	-0.24	27,132	28,397	-4.45
Tianchang Section of Ninghuai Expressway	100%	41,706	45,442	-8.22	11,131	12,618	-11.78
Guangci Expressway	55.47%	15,266	28,569	-46.56	4,966	10,007	-50.37
Ningxuanhang Expressway	51%	16,689	10,417	60.21	44,575	28,482	56.50
Anqing Yangtze River Highway Bridge	100%	29,876	31,577	-5.39	31,866	35,091	-9.19
Anhui Section of Yuewu Expressway	100%	15,646	9,455	65.48	24,859	14,950	66.28
Total	/	/	/	/	394,674	416,468	-5.23

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Project	Equity proportion	Proportion of passenger and freight cars		Daily toll revenue per kilometer (RMB)		Increase/decrease (%)
		2024	2023	2024	2023	
Hening Expressway	100%	74:26	74:26	28,764	29,168	-1.39
New Line of Tianchang Section of National Highway 205	100%	26:74	29:71	7,717	7,965	-3.11
Gaojie Expressway	100%	60:40	61:39	20,254	23,156	-12.53
Xuanguang Expressway	55.47%	75:25	73:27	6,168	13,825	-55.39
Anhui Section of Lianhuo Highway	100%	75:25	74:26	13,728	14,407	-4.71
Tianchang Section of Ninghuai Expressway	100%	85:15	84:16	21,708	24,676	-12.03
Guangci Expressway	55.47%	74:26	73:27	9,339	18,870	-50.51
Ningxuanhang Expressway	51%	74:26	76:24	10,409	6,670	56.06
Anqing Yangtze River Highway Bridge	100%	67:33	68:32	145,109	160,232	-9.44
Anhui Section of Yuewu Expressway	100%	65:35	66:34	14,766	8,904	65.84

Notes:

1. Except for the new line of Tianchang Section of 205 National Highway and Tianchang Section of Ninghuai Expressway, the above traffic flow data does not include the data of small passenger cars passing through non-ETC lanes on major holidays;
2. The above toll revenue data is tax inclusive, of which the data of Anqing Yangtze River Highway Bridge has included government financial subsidies;
3. The above traffic volume data is provided by Anhui Expressway Network Operation Co., Ltd.

In addition to the macroeconomic environment, the operating performance of toll roads are also affected by other factors, including changes in competing or collaborative neighboring road networks and renovation and expansion of connected or parallel roads. And the extent of such impact will depend on each single road project.

Hening Expressway

During the reporting period, tolls decreased by 1.11% year-on-year. It was mainly affected by the bad weather in the first quarter, resulting in a year-on-year decline in toll revenue.

Tianchang Section of Ninghuai Expressway

During the reporting period, tolls decreased by 11.78% year-on-year. Mainly affected by the bad weather in the first quarter, the diversion of Chutian Expressway and the reconstruction and expansion of Huai'an to Lianyungang section of Ninghuai Expressway, the annual freight vehicles decreased year-on-year, which had an impact on toll revenue.

New Line of Tianchang Section of National Highway 205

During the reporting period, tolls decreased by 2.86% year-on-year. It was mainly affected by the bad weather in the first quarter, resulting in a year-on-year decline in toll revenue.

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Anhui Section of Lianhuo Expressway

During the reporting period, tolls decreased by 4.45% year-on-year. The decrease in toll revenue is mainly due to the frequent occurrence of adverse weather conditions, traffic control measures, and the diversion of traffic to surrounding routes such as National Highways 310 and 311, as well as Provincial Highway 101.

Gaojie Expressway

During the reporting period, tolls decreased by 12.29% year-on-year. With the opening of Wuyue Expressway on October 28, 2023, the East Extension Line of Yuewu Expressway runs through the whole line, which has a certain diversion to Gaojie Expressway, and some vehicles choose Yuewu Expressway to pass through. In addition, the maintenance project of 105 National Highway and 318 National Highway Qianshan Outer Ring Section in Taihu County has been completed, and the traffic conditions have been improved, which also has a negative impact on this section.

Xuanguang and Guangci expressways

During the reporting period, the tolls of Xuanguang Expressway and Guangci Expressway decreased by 55.26% and 50.37% respectively. The reconstruction and expansion of the road section, especially the half one-way traffic since March 8, 2024, and the traffic conditions have been improved after the upgrading and reconstruction of the parallel national highway G318, and some vehicles have been diverted.

Ningxuanhang Expressway

During the reporting period, tolls increased by 56.50% year-on-year. Since the opening of the Jiangsu section of the Ningxuanhang Expressway in September 2022 and the opening of the Zhejiang section of the Ningxuanhang Expressway in December of the same year, the inter-provincial and inter-regional traffic in this section has become more convenient, and the traffic volume has continued to grow substantially.

Anqing Yangtze River Highway Bridge

During the reporting period, tolls decreased by 9.19% year-on-year (including government purchase service fees). The Chizhou Yangtze River Bridge of G0321 Deshang Expressway has a diversion impact on it, and the reconstruction and expansion of the upstream Xuanguang Expressway also has a certain adverse impact on this section.

Anhui Section of Yuewu Expressway

During the reporting period, tolls increased by 66.18% year-on-year. With the opening of Wuyue Expressway, Yuewu East Extension Line runs through the whole line, and vehicles traveling between Jiangsu, Zhejiang and Hubei choose to travel from Yuewu section, and the toll has increased significantly year-on-year.

Section III Management Discussion and Analysis

(A) Analysis of principal business

1. Analysis of changes in relevant items of profit statement and cash flow statement

Unit: yuan Currency: RMB

Subject	Amount of current period	Amount for the same period of last year	Proportion of change (%)
Operating income	7,091,832,628.35	6,631,337,271.78	6.94
Operating costs	4,645,047,480.27	4,008,478,455.80	15.88
Financial expenses	64,315,905.11	105,496,082.85	-39.03
Income from changes in fair value	-31,844,784.31	-108,755,214.44	-70.72
Net cash flows from investing activities	-1,960,096,858.08	-3,117,563,639.90	-37.13
Net cash flow from financing activities	484,453,700.85	-1,477,377,526.42	Not applicable

Reasons for changes in operating income: This was mainly attributable to the increase of RMB658 million in revenue from construction services of the Xuanguang Reconstruction and Expansion PPP Project recognized by the Group during the Reporting Period as compared with the corresponding period of last year.

Reasons for changes in operating costs: This was mainly attributable to the increase of RMB658 million in the construction service cost of the Xuanguang Reconstruction and Expansion PPP Project as compared with the same period of last year as confirmed by the Group during the Reporting Period.

Explanation of reasons for changes in financial expenses: Mainly due to the reduction of LPR and the company's low interest rate replacement of stock loans;

Explanation of reason for change of income from changes in fair value: This was mainly due to the significant decrease in the loss on changes in fair value of CICC Anhui Traffic Control Expressway Closed-end Infrastructure Securities Investment Fund as compared with the previous year as confirmed by the Company during the reporting period.

Reasons for changes in net cash flow from investment activities: Mainly due to the purchase of bank time deposits and large deposit receipts by the Company in the same period last year;

Reasons for changes in net cash flow from financing activities: This was mainly attributable to the increase in long-term bank borrowings obtained by the Group during the Reporting Period as compared with the corresponding period of last year.

Detailed description of major changes in the business type, profit composition or profit source of the Company in the current period

☐ Applicable ☒ Not applicable

Section III Management Discussion and Analysis

2. Revenue and cost analysis

(1). The main business is divided into industries, products and regions.

Unit: yuan Currency: RMB

Main business by industry						
By industry	Operating income	Operating costs	Gross profit margin (%)	Increase/decrease in operating revenue as compared with last year (%)	Increase/decrease in operating cost as compared with last year (%)	Increase/decrease in gross profit margin as compared with last year (%)
Toll Road Business	3,885,381,798.05	1,485,534,901.95	61.77	-5.09	-1.45	Decreased by 1.41 percentage points
Revenue/cost during construction	3,133,522,962.31	3,133,522,962.31	0.00	26.58	26.58	Increase by 0.00 percentage point

Main business by product						
Sub-product	Operating income	Operating costs	Gross profit margin (%)	Increase/decrease in operating revenue as compared with last year (%)	Increase/decrease in operating cost as compared with last year (%)	Increase/decrease in gross profit margin as compared with last year (%)
Hening Expressway	1,388,655,066.08	437,056,132.70	68.53	-1.09	-2.06	Increased by 0.31 percentage point
Gaojie Expressway	804,228,668.64	204,757,405.58	74.54	-12.12	12.25	Decreased by 5.53 percentage points
Lianhuo Expressway	265,870,810.20	116,523,747.00	56.17	-4.41	-20.03	Increased by 8.56 percentage points
Tianchang Section of Ninghuai Expressway	110,652,984.39	36,468,179.26	67.04	-11.54	0.46	Decreased by 3.94 percentage points
New Line of Tianchang Section of National Highway 205	80,938,058.41	42,509,454.73	47.48	-2.85	13.59	Decreased by 7.60 percentage points
Xuanguang Expressway	184,780,218.48	131,303,565.43	28.94	-55.26	-7.26	Decreased by 36.78 percentage points
Guangci Expressway	49,931,715.79	19,732,704.21	60.48	-49.50	3.82	Decreased by 20.30 percentage points
Ningxuanhang Expressway	448,095,184.04	281,696,309.60	37.13	55.21	-1.37	Increased by 36.06 percentage points
Anqing Yangtze River Highway Bridge	309,382,994.89	70,155,611.92	77.32	-9.19	0.53	Decreased by 2.20 percentage points
Yuewu Expressway	242,846,097.13	145,331,791.52	40.15	65.61	1.43	Increased by of 37.86 percentage points
Revenue/cost during construction	3,133,522,962.31	3,133,522,962.31	0.00	26.58	26.58	Increase by 0.00 percentage point

Section III Management Discussion and Analysis

By region	Main business by region		Gross profit margin (%)	Increase/decrease in operating revenue as compared with last year (%)	Increase/decrease in operating cost as compared with last year (%)	Increase/decrease in gross profit margin as compared with last year (%)
	Operating income	Operating costs				
Anhui Province	7,018,904,760.36	4,619,057,864.26	34.19	6.85	15.97	Decreased by 5.18 percentage points

(2). *Analysis table of production and sales volume*

☐ Applicable ☒ Not applicable

(3). *Performance of major procurement contracts and major sales contracts*

☐ Applicable ☒ Not applicable

(4). *Cost analysis sheet*

Unit: yuan

By industry	Cost component items	Current amount	Situation by industry		Proportion to total cost in the same period of last year (%)	Change in the amount of the current period as compared with the same period of last year (%)	Situation Explain
			Proportion of current period to total cost (%)	Amount for the same period last year			
Toll Highway Business	Depreciation and amortization	874,897,860.69	18.84	914,492,268.34	22.81	-4.33	
	Expenditure on traffic maintenance	182,393,857.27	3.93	194,707,398.00	4.86	-6.32	
	Other costs	454,232,800.00	9.78	423,787,933.37	10.57	7.18	
	Subtotal	1,511,524,517.96	32.54	1,532,987,599.71	38.24	-1.40	
Cost of construction services	Not applicable	3,133,522,962.31	67.46	2,475,490,856.09	61.76	26.58	

Section III Management Discussion and Analysis

Sub-product	Cost component items	Current amount	By product Proportion of current period to total cost (%)	Amount for the same period last year	Proportion to total cost in the same period of last year (%)	Change in the amount of the current period as compared with the same period of last year (%)	Situation Explain
Toll Highway Business	Depreciation and amortization	874,897,860.69	18.84	914,492,268.34	22.81	-4.33	
	Expenditure on traffic maintenance	182,393,857.27	3.93	194,707,398.00	4.86	-6.32	
	Other costs	454,232,800.00	9.78	423,787,933.37	10.57	7.18	
	Subtotal	1,511,524,517.96	32.54	1,532,987,599.71	38.24	-1.40	
Cost of construction services	Not applicable	3,133,522,962.31	67.46	2,475,490,856.09	61.76	26.58	

(5). Changes in the scope of consolidation due to changes in the equity of major subsidiaries during the reporting period

☐ Applicable ☒ Not applicable

(6). Significant changes or adjustments to the Company's business, products or services during the reporting period

☐ Applicable ☒ Not applicable

(7). Sales customers and major suppliers

A. Main sales customers of the Company

☐ Applicable ☒ Not applicable

During the reporting period, the proportion of sales to a single customer exceeds 50% of the total amount, and there are new customers among the top five customers or they are heavily dependent on a few customers.

☐ Applicable ☒ Not applicable

B. Main suppliers of the Company

☐ Applicable ☒ Not applicable

During the reporting period, the proportion of purchases from a single supplier exceeds 50% of the total amount, and there are new suppliers among the top five suppliers or they are heavily dependent on a small number of suppliers.

☐ Applicable ☒ Not applicable

Section III Management Discussion and Analysis

3. Cost

☒ Applicable ☐ Not applicable

Financial expenses

In 2024, the financial expenses of the Group amounted to RMB64,315,905.11, representing a decrease of 39.03% as compared with the same period of last year (the same period of 2023: RMB105,496,082.85). The decrease in financial expenses was mainly due to the decrease in LPR and the low interest rate replacement of existing loans by the Company.

Income from changes in fair value

In 2024, the gain from changes in fair value of the Group was RMB-31,844,784.31, representing a decrease in loss of 70.72% as compared with the same period of last year (the same period of 2023: RMB-108,755,214.44). The change in gains from changes in fair value was mainly due to the significant decrease in the loss from changes in fair value of CICC Anhui Traffic Control Expressway Closed-end Infrastructure Securities Investment Fund recognized by the Company during the reporting period as compared with the previous year.

Income tax

The corporate income tax rate applicable to the Company, its subsidiaries and associates other than AEHK was 25% for the year (AEHK: 16.5%).

In 2024, the income tax expense of the Group was RMB533,803,862.99, representing a decrease of 9.28% as compared with the same period of last year (the same period of 2023: RMB588,393,391.68). The decrease in income tax expense was mainly due to the decrease in profit during the reporting period.

Value-added tax

Except for National Highway 205 of the Company, which is subject to a simple value-added tax rate of 5%, other sections of the Company's expressways, Xuanguang Company, Nanjing-Xuanhang Company, Anqing Bridge Company and Guangci Company are subject to a simple value-added tax rate of 3% of the toll income; the road damage compensation income is subject to a 0% tax rate; The output tax rate of road rescue income, highway entrusted management income and service area operating income is 6%. Housing rental business is levied a simple value-added tax at 5% of rental income.

Section III Management Discussion and Analysis

4. Research and development investment

(1). Table of R & D investment

☐ Applicable ☒ Not applicable

(2). Information table of R & D personnel

☐ Applicable ☒ Not applicable

(3). Information note

☐ Applicable ☒ Not applicable

(4). Reasons for significant changes in the composition of R & D personnel and their impact on the company's future development

☐ Applicable ☒ Not applicable

5. Cash flow

☒ Applicable ☐ Not applicable

In 2024, the net cash flow from operating activities of the Group was RMB2,628,757,994.25 (the same period in 2023: RMB2,653,472,269.21), which was basically the same as that of the same period last year. In 2024, the net cash flow from investing activities of the Group was RMB-1,960,096,858.08 (the same period in 2023: RMB-3,117,563,639.90), which was mainly due to the purchase of bank time deposits and certificates of deposit by the Company in the same period last year. In 2024, the net cash flow from financing activities of the Group was RMB484,453,700.85 (the same period in 2023: -1,477,377,526.42), which was mainly due to the increase in long-term bank borrowings obtained by the Group during the Reporting Period as compared with the same period last year.

During the reporting period, the Group successfully issued 3-year corporate bonds of RMB1.5 billion with a coupon rate of 1.65%, which were mainly used to repay the merger and acquisition loan of RMB1.3 billion of Anqing Bridge Company and to supplement working capital of RMB200 million.

As at the end of the reporting period, the balance of loans from banks and non-bank financial institutions of the Company amounted to RMB6,641 million (excluding interest payable due within one year), with annual interest rates ranging from 1.2% to 3.17%. This was mainly due to the long-term loans of RMB3.221 billion from financial institutions for the construction of Ningxuanhang Expressway, the long-term bank loans of RMB3.2 billion for the Xuanguang Reconstruction and Expansion Project, and the long-term bank loans of RMB220 million for the reconstruction and expansion of Hening Expressway.

The Group has received an AAA rating and has a good credit rating. As at the end of the reporting period, the Group's total bank credit facilities amounted to RMB34,279 million and the unutilized credit facilities amounted to RMB25,609 million.

(B) Explanation of significant change in profit caused by non-core business

☐ Applicable ☒ Not applicable

Section III Management Discussion and Analysis

(C) Analysis of assets and liabilities

a. Status of assets and liabilities

Unit: yuan

Item	Amount at the end of current period	Proportion of the amount at the end of the period to the total assets (%)	Amount at the end of previous period	Proportion of the amount at the end of the previous period to the total assets (%)	Change in the amount at the end of the current period as compared with that at the end of the previous period (%)	Information note
Monetary funds	4,777,897,237.19	19.57	3,947,533,293.99	18.16	21.04	
Other current assets	430,066,536.19	1.76	187,418,292.80	0.86	129.47	
Investment in other equity instruments	7,799,561.29	0.03	4,849,704.70	0.02	60.83	
Construction in progress	244,692,028.57	1.00	128,222,663.27	0.59	90.83	
Accounts payable	866,285,216.64	3.55	631,684,718.17	2.91	37.14	
Taxes payable	119,267,091.09	0.49	56,690,932.06	0.26	110.38	
Non-current liabilities due within one year	291,529,650.55	1.19	551,966,148.49	2.54	-47.18	

Other notes:

The increase in monetary capital was mainly due to the operation accumulation during the reporting period;

The increase in other current assets was mainly due to the increase in input tax to be deducted for the reconstruction and expansion project of Xuanguang during the reporting period;

The increase in investment in other equity instruments was mainly due to the changes in fair value of fund management companies during the reporting period;

The increase in construction in progress was mainly due to the increase in sporadic projects during the reporting period;

The increase in accounts payable was mainly due to the increase in project funds payable by Guangxuan Company;

The increase in taxes payable was mainly due to the increase in the balance of unpaid income tax payable at the end of the reporting period;

The decrease in non-current liabilities due within one year was mainly due to the early repayment of part of bank borrowings by the Company during the reporting period.

Section III Management Discussion and Analysis

b. Overseas assets

☒ Applicable ☐ Not applicable

(i) Size of assets

Including: overseas assets 2,205,425.13(Unit: yuan Currency: RMB), accounting for 0.01% of total assets.

(ii) Explanation of the high proportion of overseas assets

☐ Applicable ☒ Not applicable

c. Restrictions on major assets as at the end of the reporting period

☐ Applicable ☒ Not applicable

d. Other explanations

☐ Applicable ☒ Not applicable

(D) Analysis of industry operational information

☒ Applicable ☐ Not applicable

As an important part of modern transportation network, expressway plays an irreplaceable role in promoting regional economic development, promoting logistics efficiency and facilitating people's travel. In recent years, with the change of macroeconomic environment and the structural adjustment within the industry, the expressway industry is facing many opportunities and challenges.

1. The macroeconomic trend is good and the industry has broad prospects.

Faced with the complex and severe international situation, China's economy has been running smoothly and the quality of development has been steadily improved. The sustained economic growth is the key driving force of traffic demand growth. With the further development of China's economy, the highway industry, especially the highway industry, will still have a broad space for development and many opportunities. From the perspective of social benefits, transportation is an important support for the national economy, and the national policy on transportation infrastructure construction is continuous, which means that the highway industry will continue to receive policy support in the future to meet the needs of economic and social development.

Section III Management Discussion and Analysis

2. The new generation of information technology is deeply integrated with transportation, and the process of highway intellectualization is accelerated.

During the “14th Five-Year Plan” period, in order to speed up the construction of a strong transportation country, improve the transportation infrastructure network, and enhance the resilience and security of the transportation system, the state has taken intelligent transportation as the key development direction of the transportation industry, and has successively introduced supporting policies and supporting measures to promote the development of transportation in the direction of intelligence and informatization. The 14th Five-Year Plan for Scientific and Technological Innovation in the Field of Transportation issued by the Ministry of Transport and the Ministry of Science and Technology proposes to vigorously develop intelligent transportation and promote the integration of cloud computing, big data, Internet of Things, artificial intelligence and other new generation information technologies with transportation. With the continuous implementation and promotion of China’s intelligent transportation policy, it will accelerate the deep integration of the new generation of information technology and transportation, and bring opportunities for the rapid development of China’s wisdom.

3. Deepening the reform of state-owned enterprises to promote high-quality development

The report of the 20th National Congress of the Communist Party of China clearly points out that we should deepen the reform of state-owned enterprises and promote state-owned capital and state-owned enterprises to become stronger, better and bigger. In this context, most local state-owned enterprises have made clear that highway listed companies and their controlling shareholders will carry out a series of development measures such as equity incentives, asset securitization, transformation and upgrading. In the specific implementation path, highway enterprises mainly start from the following aspects to promote reform. Firstly, we should actively carry out equity incentive plans, rationally design incentive schemes, closely bind the interests of employees with the development of enterprises, and enhance the cohesion and centripetal force of enterprises. Second, speed up the process of asset securitization, through listing financing, asset restructuring and other means, revitalize the stock assets, optimize asset allocation, improve the efficiency of asset operation, and enhance the financing capacity and market influence of enterprises. For example, injecting high-quality road assets into listed companies to maximize the value of assets; Or integrate the upstream and downstream resources of the industrial chain, build highway industrial clusters, and enhance synergy and comprehensive competitiveness. The third is to promote business transformation and upgrading. In addition to the traditional toll road business, it can also expand to new areas such as transportation technology, intelligent logistics and energy services, cultivate new profit growth points, and adapt to market changes and new trends in industry development.

Section III Management Discussion and Analysis

4. The industry is facing many challenges and sustained development is under pressure

The development of highway industry is also facing a series of challenges. The slowdown of economic growth has limited the growth of toll revenue, while the cost of land acquisition and demolition, labor costs and other rising, making the construction cost of toll roads rising. At the same time, the continuous improvement of safety monitoring facilities, environmental protection, road conditions and other standards has further led to the continuous improvement of operation and maintenance costs. The amount of reduction and exemption of various policies continues to rise, the management cost of implementing the green pass policy and the free policy for major holidays continues to increase, and the impact of changes in transportation modes such as “expressway to railway” and “expressway to water transport” and the adjustment of road network structure on the diversion of vehicles on road sections persists. All these factors make the traditional investment and financing mode face the problem of declining return on investment. Innovation and development of the industry is imminent. This requires enterprises, on the one hand, to be more cautious in making investment decisions, to fully assess the long-term benefits and risks of the project, and to find potential emerging markets or subdivisions for layout in order to improve the return on investment. On the other hand, we should strengthen the construction of cost management system and reduce construction costs, operation and maintenance costs and road maintenance costs by means of technological innovation and management innovation.

(E) Analysis of investment status

Overall analysis of foreign equity investment

☒ Applicable ☐ Not applicable

In line with the development trend of the expressway industry, the company seizes major strategic opportunities such as “Yangtze River Delta integration”, continues to optimize and expand the main business of expressways, and makes steady progress in foreign investment. During the reporting period, the construction of the PPP project for the reconstruction and expansion of Xuanguang was nearing completion; the payment of investment funds of RMB13.2833 million, RMB30 million and RMB70 million were completed respectively for the second phase of Anhui Transportation China Merchants Industrial Fund, Goldstone Emerging Industry Fund and Conch Goldstone Innovation and Development Investment Fund, which were established with equity participation; The acquisition projects of Fuzhou Company and Sixu Company were decided by the Board and successfully completed in 2025. Foreign investment enlarges the scale of the company’s assets, prolongs the company’s charging period, and improves the company’s overall competitiveness and profitability, which has important strategic significance.

1. Significant equity investments

Unit: yuan Currency: RMB

Name of investee company	Main business	Is the subject matter mainly engaged in investment business?	Way of investment	Investment amount	Shareholding ratio	Consolidation or not	Report Account (if applicable)	Source of funds	Partner (if applicable)	Investment period (if any)	Progress as at the balance sheet date	Estimated income (if any)	Impact on current profit and loss	Whether it is involved in litigation	Date of disclosure (if any)	Disclosure Index (if any)
Xuanguang Company	Highway enterprises; Its business scope is highway construction, management and operation. At present, it mainly constructs, manages and operates Xuanguang Expressway.	Yes	Capital increase	385,511,060	55.47%	Yes	Long-term equity investment	Own funds	Xuancheng Trading	Long term	Capital increase completed			No		
Total	/	/	/	385,511,060	/	/	/	/	/	/	/			/	/	/

Section III Management Discussion and Analysis

2. Significant non-equity investments

The reconstruction and expansion PPP project of Xuanguang Expressway started construction in February 2022. During the reporting period, the completed investment amount was RMB3.134 billion, and the accumulated actual investment amount was RMB7.027 billion.

3. Financial assets measured at fair value

Unit: yuan Currency: RMB

Asset class	Opening balance	Gains and losses from changes in fair value in the current period	Cumulative changes in fair value recorded in equity	Impairment accrued in the current period	Current purchase amount	Current sale/redemption amount	Ending balance
Other Investment in equity instruments							
– Goldstone Fund Management Company	3,422,322.44	0.00	6,173,597.15	0.00	0.00	0.00	6,548,597.15
– China Merchants Fund Management Company	1,427,382.26	0.00	875,964.14	0.00	0.00	0.00	1,250,964.14
Other non-current financial assets							
– China Merchants Fund	124,875,080.98	3,331,080.63	0.00	0.00	13,283,334.00	2,656,666.67	138,832,828.94
Goldstone Merger and Acquisition Fund	104,763,978.09	-22,726,710.98	0.00	0.00	0.00	11,955,000.00	70,082,267.11
Goldstone Equity Investment Fund	100,785,197.08	4,822,164.13	0.00	0.00	0.00	0.00	105,607,361.21
– Conch Goldstone Innovation Fund	50,025,786.60	3,654,444.11	0.00	0.00	70,000,000.00	0.00	123,680,230.71
– Goldstone Emerging Industry Fund	10,000,000.00	-230,962.20	0.00	0.00	30,000,000.00	0.00	39,769,037.80
– CICC Anhui Traffic Control Expressway Closed-end Infrastructure Securities Investment Fund	288,210,100.00	-20,694,800.00	0.00	0.00	0.00	0.00	267,515,300.00
Total	683,509,847.45	-31,844,784.31	7,049,561.29	0.00	113,283,334.00	14,611,666.67	753,286,587.06

Section III Management Discussion and Analysis

Investment in securities

☐ Applicable ☒ Not applicable

Description of securities investment

☐ Applicable ☒ Not applicable

Investment of private equity fund

☐ Applicable ☒ Not applicable

Investment in derivatives

☐ Applicable ☒ Not applicable

4. *Specific progress of major asset reorganization and integration during the reporting period*

☐ Applicable ☒ Not applicable

(F) Sale of major assets and equity

☐ Applicable ☒ Not applicable

Section III Management Discussion and Analysis

(G) Analysis of principal subsidiaries and associates

☒ Applicable ☐ Not applicable

Unit: 0,000' yuan ; Currency: RMB

Company Name	Equity attributable to the Group	Registration Capital	December 31, 2024 Total assets	Net assets	2024 Business Income	Net profit	Main business
Xuan Guang Company	55.47%	11,176	705,426	318,476	331,995	1,935	Highway enterprises; Its business scope is highway construction, management and operation. At present, it mainly constructs, manages and operates Xuanguang Expressway.
Ningxuanhang Company	51%	30,000	376,560	4,987	45,064	626	Highway enterprises; Its business scope is highway construction, management and operation. At present, it mainly constructs, manages and operates Ningxuanhang Expressway (Anhui Section).
Guangci Company	55.47%	5,680	22,649	21,506	4,993	2,297	Construction, Management and Operation of Guangci Expressway
AEHK	100%	181.7	186	176	0	0.23	Highway enterprises; Its business scope covers overseas highway construction, investment, operation and other related consulting and technical services, and it has not yet started operation.
Anqing Bridge Company	100%	15,000	293,826	174,410	55,286	21,455	Highway enterprises; Its business scope is highway construction, management and operation. At present, it mainly constructs, manages and operates Anqing Yangtze River Highway Bridge and Yuewu Expressway.
Expressway Media	38%	5,000	54,933	41,519	18,992	4,744	Design, production, release and agency of domestic advertisements
Traffic Control Information Industry	10%	6,000	45,582	8,084	32,322	61	Construction, operation and service of traffic toll collection system; Computer software development; Information system integration services
Goldstone Fund Management Company	2.50%	3,000	31,159	26,156	16,847	12,467	Daily management and investment consultation of Goldstone Merger and Acquisition Fund
China Merchants Fund Management Company	2.50%	3,000	5,264	5,004	1,755	1,294	Daily management and investment consultation of China Merchants Fund
China Merchants Fund	6.64%	300,000	212,890	209,033	0	5,015	Investment in transportation, services, energy conservation and environmental protection
Goldstone Merger and Acquisition Fund	6.64%	300,000	130,019	105,519	3,556	2,781	Equity investment, asset management, enterprise management consulting
Goldstone Equity Fund	6.64%	150,000	159,935	159,007	9,165	7,260	Equity investment, investment management, asset management and other activities
Goldstone Emerging Industry Fund	10%	200,000	47,759	39,769	26	-291	Equity investment, investment management, asset management and other activities
Conch Goldstone Innovation Fund	10%	500,000	123,683	123,680	4,522	3,668	Equity investment, investment management, asset management and other activities

(H) Information on structured entities controlled by the Company

☐ Applicable ☒ Not applicable

Section III Management Discussion and Analysis

6. DISCUSSION AND ANALYSIS OF THE COMPANY'S FUTURE DEVELOPMENT

(i) Industry landscape and trends

☒ Applicable ☐ Not applicable

China's highway industry is shifting from "scale expansion" to "high-quality development", and intelligence, greening and marketization are the core directions. In the future, leading enterprises will consolidate their advantages through technological innovation and asset optimization, while policy support and financial instruments such as REITs will help the sustainable development of the industry.

a. Operating entities and regional differences

In terms of the main body of operation, the main body of operation in China's highway industry is mostly provincial investment groups and related central enterprises, some sections of the road have introduced private capital, and the proportion of PPP mode in new projects has increased, but the state-owned capital still accounts for the main body. In terms of regionalization, the eastern part of China has a high density of road network and a large flow, while the central and western regions and remote areas are still in the process of continuous construction and improvement of the road network. Different regions have different toll standards, and the eastern high-quality sections have strong profitability, but some sections in the central and western regions are facing losses due to insufficient traffic flow.

b. Intensified industry competition

On the one hand, with the continuous advancement of expressway construction, the continuous optimization of road network structure and the increase of parallel sections lead to a certain degree of diversion of vehicles in the region, affecting the growth of tolls in the original sections. On the other hand, with the rapid development of the national railway network construction, high-speed rail, motor vehicles and inter-city express passengers will greatly shorten the travel time between the two places, which has a certain impact on highway transportation.

c. Industry development trend

In the future, with the continuous progress of technology and the continuous policies support, the highway industry will realize intelligent, green and efficient upgrading and transformation. At the same time, the reform of the investment and financing system of the expressway industry will continue to deepen, and the operating units will focus more on attracting social capital co-investment in investing in new sections and increasing the reserve of highway projects. Under the PPP model, market-oriented borrowing methods such as bank loans and corporate bonds will become a hot spot.

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(ii) Company development strategy

☒ Applicable ☐ Not applicable

The company will strive to build a leading domestic first-class highway operation management platform and capital operation platform. During the “14th Five-Year Plan” period, the company will focus on building a unified expressway operation and management platform, actively adapt to the new situation of national “one network” operation and management, accelerate the company’s upgrade from traditional operation mode to innovation-driven, build a high-level operation and management platform, and create a new benchmark for expressway operation and management. At the same time, we should actively carry out capital operation, expand the scale of the main industry, optimize the industrial structure, and strive to build a first-class capital operation platform for a listed company in China.

(iii) Business Plan

☒ Applicable ☐ Not applicable

The following business plan does not constitute the company’s performance commitment to investors. Investors are advised to pay attention to investment risks.

Annual business plan

Based on the expectation of a stable and positive operating environment, the Group has set an overall toll revenue target (after tax) of approximately RMB4,603 million in 2025 (actual in 2024: RMB3,830 million). Total operating costs increased slightly over the previous year.

Planned measures:

1. *Deepening and strengthening management to improve quality and efficiency*

Guided by the concept of high-speed operation, we should optimize the working mechanism of assessment, incentive and quota management, comprehensively expand the “strong operation, improve quality and efficiency”, promote the re-optimization of management and control mode, and give full play to the initiative of innovation and efficiency creation of operating units. Promote the re-optimization of the operation area, and change the imbalance of the maintenance mileage and management difficulty of the operation unit. Promote the re-optimization of the functions of the department and build an efficient capital operation team. Take the lead in promoting the reform of the board of supervisors and the revision of the Articles of Association, and improve the operational efficiency of the three meetings and one layer. To carry out the preliminary demonstration of the preparation of the “15th Five-Year” development plan and form the first draft of the plan.

2. *Strengthening toll collection efficiency*

Strengthen the monitoring of toll collection system to ensure that the system operation indicators are in the forefront of the country. We should do a good job in basic work such as star rating of toll stations and improving the professional ability of toll collectors. Upgrade the iterative AI integrated inspection platform and improve the intelligent retrieval function of vehicles suspected of evasion. We will expand the coverage of automatic card issuance and self-payment systems, and deploy automatic shift handover systems. Gradually improve the independent operation and maintenance capability of operating units. Promote the application of “high-speed + photovoltaic” scenarios and optimize the tunnel lighting system.

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3. *Optimize the quality of operation service*

We will continue to upgrade the “Wanmei Expressway Brain” and improve the level of intelligent management and control of the whole road network. We will continue to deepen the comprehensive management of congestion and complete the task of unimpeded action in an all-round way. We will consolidate and expand the “one way, multi-party” cooperation mechanism, and explore effective measures to rush through and protect traffic in a state of emergency. We will carry out the “Year of Strengthening the Foundation, Consolidating the Foundation and Improving the Efficiency” campaign, continuously improve the standardization of operational safety, and consolidate the effectiveness of the three-year action to tackle the root causes of production safety. Build a safety training base and build a long-term mechanism for safety supervision of road-related operations. We will continue to intensify efforts to tackle the key problems of building fire control acceptance. We will carry out special actions to improve the quality and efficiency of vehicle rescue services, and study and promote the unification of rescue fees and service standards. Coordinate and promote the relevant competent departments to demonstrate and revise the road damage compensation (compensation) standards. Strengthen the management of “integration of construction, management and maintenance”, and make every effort to do a good job in the reconstruction and expansion of Gaojie and other sections. Increase the exploration and application of UAVs. Deepen the “five carriers” and create new service highlights. Promote the “Wanmei Cloud Cabin” service, optimize and upgrade the travel service platform, develop and apply the road information system, and enhance the travel experience of the masses.

4. *Improve the quality and efficiency of road maintenance*

Promote the reform and innovation of maintenance management mode, and accelerate the digital transformation and intelligent upgrading of the whole chain of maintenance management. Strengthen the whole process management of the maintenance project to ensure that the qualified rate of the first sampling inspection of the project quality is stable at more than 98%. We will make every effort to prepare for the national evaluation and strive to add luster to the group with outstanding achievements. We should do a good job in the construction of emergency warehouses and improve the ability of snow removal in winter and emergency rescue in flood season. Start the highway safety and resilience improvement project, and do a solid job in the design of the “second half of the article”. The layout of high slope disaster control and monitoring and early warning has been carried out in a solid way, and video surveillance has basically been fully covered. In response to people’s livelihood demands, we should study and formulate a list mechanism for the construction of noise reduction facilities.

5. *Strengthen the support of scientific and technological innovation*

Strengthen scientific and technological research and development, overcome key and difficult points in operation, and tap the benefits of intelligent high-speed investment. Firmly carry out data governance and improve the system of digital top-level design and information management. Promote the construction of integrated operation platform (Phase III), and promote digital collaboration and platform management and control of the industrial chain. Actively declare the second batch of pilot projects of digital transformation and upgrading of highway infrastructure. Implement intelligent transformation of Jinzhai Road toll station.

Section III Management Discussion and Analysis

6. *Expand the function of listing platform*

Promote the asset injection projects of Fuzhou Company and Sixu Company in an orderly manner. We will promote the landing of high-quality projects and expand effective investment around the new construction and expansion of the main business and the acquisition of internal and external road properties. Customize the escrow scheme flexibly and continuously promote the output of operation management. Strengthen the management of fixed assets and increase the revitalization of inefficient idle assets. Strengthen investor relations management, do a good job in crisis management and media publicity, and build a “circle of friends” of investment institutions. Improve the quality of ESG information disclosure, standardize the release of performance, and maintain a good image of the capital market.

7. *Consolidate internal basic management*

Promote the successful conclusion of the compliance management promotion action, build the “three lines of defense” of compliance management, strengthen the system construction; continue to standardize the whole process management of cases, and effectively guarantee the operation in accordance with the law. We will continue to improve the construction of internal control system, improve the accountability mechanism for illegal operation and investment, and focus on preventing risks in important links, major projects and key positions. We will focus on key areas and weak links, carry out special audits such as rescue, mechanical and electrical maintenance, and project settlement, and strengthen the use of audit results. Expand financing channels, improve capital security and operational efficiency; build operating platform budget system, strengthen the whole process of budget control; promote the construction of financial information, make good use of “data warehouse”. We will continue to optimize the “Traffic Control Plus” system, improve the informatization level of comprehensive support, learn and apply the “Six Feet Alley Work Method in the New Era”, and carry out the special action of “Deepening Source Governance and Resolving Petition Contradictions”. Normal activities such as business training and competition, selection of “five small innovations”, mentoring and apprenticeship are carried out to train the basic skills of operation and management.

(iv) Possible risks

☒ Applicable ☐ Not applicable

1. Policy risk

The Regulations on the Administration of Toll Roads (revised draft) has not been promulgated after many years of revision, which brings many uncertainties to the toll collection, operation, reconstruction and expansion of toll roads after their expiration. At the same time, the cancellation of provincial toll stations on expressways and the launch of the national network toll collection system have put forward higher requirements for the Company’s operation and management level, and the cost input has continued to increase. The continuous introduction of various reduction and exemption policies and the adjustment of toll charging methods and standards will have a certain impact on the Company’s operating results.

2. Economic risk

Economy is the key factor affecting transportation demand. Factors such as macroeconomic trends, consumer demand, industrial structure optimization and international trade frictions will have an impact on the growth of truck and bus traffic in the sections under the jurisdiction of the company.

Section III Management Discussion and Analysis

3. Market risk

With the further encryption and improvement of the expressway network, parallel lines and alternative lines will continue to increase, and the diversion of the expressway network will have a certain impact on the growth of the company's toll revenue. Anhui Province has become the first phalanx with the largest mileage of high-speed rail, coupled with the development of private cars and the integration of urban and rural passenger transport, the diversion of highway passenger transport is serious. The macro-policy adjustment of "expressway to railway and expressway to water" transport for bulk goods will affect the growth rate of highway freight volume to a certain extent. All these factors have an impact on the operating results of the Group's toll road projects.

Response measures: Firstly, the Company will continue to track and analyze the impact of the macroeconomic environment, national policies and the regional economy where the Company's road property is located on the Company's business operation and formulate corresponding response measures. Meanwhile, the Company will strengthen communication with the government and major shareholders to keep abreast of the road network planning, project construction progress and other information. Secondly, we should make full use of Anhui's regional traffic advantages, improve road signs, expand route promotion, change passivity into initiative, and actively use the advantages of information technology to carry out road marketing. Thirdly, we should pay attention to internal development, make good use of our own resources, tap the potential of internal growth, and reduce the management cost of policy implementation through fine management.

(v) Other

☐ Applicable ☒ Not applicable

7. FAILURE OF THE COMPANY TO DISCLOSE INFORMATION IN ACCORDANCE WITH THE STANDARDS DUE TO THE INAPPLICABILITY OF THE STANDARDS OR SPECIAL REASONS SUCH AS STATE SECRETS AND BUSINESS SECRETS, AND THE EXPLANATION OF THE REASONS

☐ Applicable ☒ Not applicable

8. LIST OF DIRECTORS DURING THE REPORTING PERIOD

Name	Independent director or not	Notes
Wang Xiaowen	No	Appointed on 6 June 2024
Yu Yong	No	Appointed on 6 June 2024
Chen Jiping	No	Appointed on 6 June 2024
Wu Changming	No	Appointed on 6 June 2024
Yang Xudong	No	Appointed on 6 June 2024
Du Jian	No	Appointed on 6 June 2024
Zhang Jianping	Yes	Appointed on 6 June 2024
Lu Taiping	Yes	Appointed on 6 June 2024
Zhao Jianli	Yes	Appointed on 6 June 2024
Xiang Xiaolong	No	Ceased to be a director on 6 June 2024
Liu Hao	Yes	Ceased to be a director on 6 June 2024
Fang Fang	Yes	Ceased to be a director on 6 June 2024

Section III Management Discussion and Analysis

9. FIXED ASSETS

Details of the movements in the Group's fixed assets during the year are set out in the independent auditor's report and Note 15 to the consolidated financial statements in Section X.

10. THE CONTROLLING SHAREHOLDER'S INTEREST IN THE CONTRACT

Save as disclosed in "XI. Significant Related Party Transactions" in Section VI "Major Events" of this annual report, the Company or its subsidiaries and the parent company of the Company or its subsidiaries have not entered into any material contracts, and such contracts have been subsisting during the reporting period or subsisting at the end of the reporting period.

11. RESERVES

The number and details of significant movements in the Company's reserves during the reporting period are set out in the independent auditor's report and Note 42 to the consolidated financial statements in Section X. As at 31 December 2024, the Company's total retained earnings available for distribution to shareholders as calculated in accordance with HKFRS Accounting Standards was RMB11,000,485 thousand (2023: RMB10,473,278 thousand), and the Company's undistributed profit as calculated in accordance with the PRC Accounting Standards was RMB11,479,962 thousand (2023: RMB10,942,265 thousand).

12. LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

During the Reporting Period, the Group obtained accumulated bank loans of RMB2.649 billion (2023: RMB480 million). As at the end of the Reporting Period, the balance of bank loans amounted to RMB6.641 billion (2023: RMB6.477 billion), all of which were long-term bank borrowings.

As at the end of the Reporting Period, bank loans of RMB220 million (2023: RMB300 million) were at fixed rates with annual interest rates ranging from 1.2% (2023: 1.2%); the remaining loans were at floating rates with annual interest rates ranging from 2.29% to 3.17% (2023: 2.9% to 4.55%).

The currency composition of bank loans is detailed in the Independent Auditor's Report and Note 29 to the Consolidated Financial Statements in Section X. The currency composition of cash and cash equivalents is detailed in the Independent Auditor's Report and Note 24 to the Consolidated Financial Statements in Section X.

As at the end of the Reporting Period, the Group had certain long-term payables, of which the interest-bearing portion was charged at a rate of 4.9% (2023: 4.9%), details of which are set out in the Independent Auditor's Report and Note 28 to the Consolidated Financial Statements in Section X. There is no agreed repayment period for such long-term payables.

The gearing ratio (net debt (total borrowings less cash and cash equivalents) divided by total capital) was 29.07% as at 31 December 2024 (2023: 28.33%) (in accordance with HKAS).

The Group's capital management policy is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and other stakeholders. The Group will adjust its capital structure in a timely manner and make necessary adjustments in response to changes in the external economic environment. In order to adjust the capital structure, the Group may issue new shares or control capital expenditure to reduce the debt ratio when necessary.

Section III Management Discussion and Analysis

The Group's strategy for 2024 remains unchanged from 2023, with a continued gearing ratio below 30% and a good credit rating.

13. CHARGES ON ASSETS AND CONTINGENT LIABILITIES

As at 31 December 2024, bank borrowings of approximately RMB220 million were secured with the toll revenue to be enjoyed by the Group upon completion of the proposed Hening Expressway reconstruction and expansion project (2023: RMB300 million).

Bank borrowings of approximately RMB684 million were secured with the toll revenue of the Lixuan section of the Ningxuanhang Expressway (Anhui Section) to which the Group is entitled. (2023: RMB730 million).

Bank borrowings of approximately RMB1.715 billion were secured with the toll revenue of the Xuanning section of the Ningxuanhang Expressway (Anhui Section) to which the Group is entitled (2023: RMB1.759 billion).

Bank borrowings of approximately RMB823 million were secured with the toll revenue of the Ningqian section of the of Ningxuanhang Expressway (Anhui Section) to which the Group is entitled (2023: RMB569 million).

As at 31 December 2024, the Group had no contingent liabilities (2023: Nil).

14. CURRENCY AND INTEREST RATE RISK

As the Group's income and expenses are mainly denominated in RMB, the Group does not expect significant currency risk arising from its operating activities. During the Reporting Period, the Group did not use any financial instruments for hedging purposes.

Details of the Group's financial risks and management are set out in the independent auditor's report in Section X and Note 41 to the Consolidated Financial Statements.

15. EMPLOYEE INFORMATION

For details of the Company's employees (number of employees, remuneration policy and training programmes), please refer to section IV "Corporate Governance" of this annual report.

16. MAJOR CUSTOMERS AND SUPPLIERS

During the Reporting Period, the Group's five largest customers and five largest suppliers accounted for less than 30% of the Group's revenue and purchases respectively during the Reporting Period.

Section III Management Discussion and Analysis

17. DIRECTORS' LIABILITY INSURANCE/PERMITTED INDEMNITY PROVISIONS

In accordance with the Listing Rules of the Hong Kong Stock Exchange, the Company has purchased liability insurance for its directors, supervisors and senior management every year since 2012, and has made appropriate insurance arrangements for legal acts that the management may face. The general meeting of shareholders authorizes the executive director or the secretary of the Board to handle the renewal of insurance in subsequent years without major adjustments to the liability limit and premium budget.

18. EVENTS AFTER THE REPORTING PERIOD

Please refer to the disclosure in Section VI "Significant Events".

19. PLAN FOR PROFIT DISTRIBUTION OF ORDINARY SHARES OR INCREASE OF CAPITAL ACCUMULATION FUND

Please refer to the disclosure in Section IV "Corporate Governance".

20. CONTRACTUAL RIGHTS AND INTERESTS OF DIRECTORS AND SUPERVISORS AND ARRANGEMENTS FOR THE PURCHASE OF SHARES OR DEBENTURES.

Please refer to the disclosure in Section IV "Corporate Governance".

21. MANAGEMENT CONTRACT

Save as disclosed in Section IV "Corporate Governance", no contract was entered into or existed during the Year for the management and administration of the whole or any material part of the Company's business.

22. CHARITABLE DONATIONS

Please refer to the disclosures in Section V "Environmental and Social Responsibility".

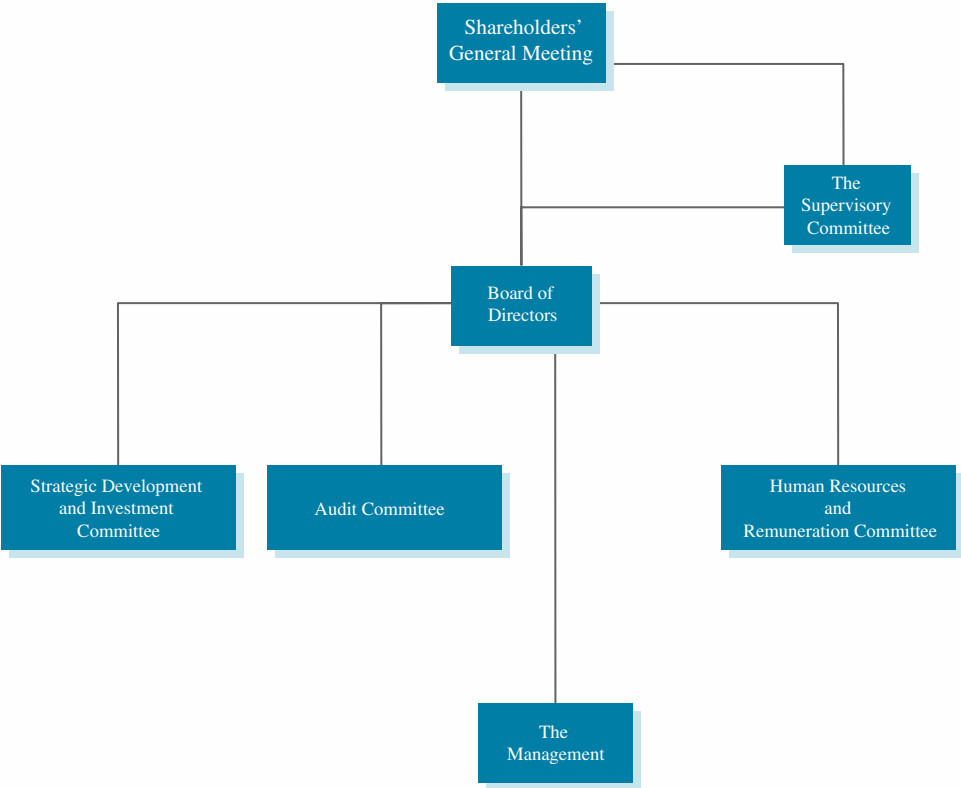
Section IV Corporate Governance

I. INFORMATION ON CORPORATE GOVERNANCE

☒ Applicable ☐ Not applicable

Good corporate governance is not only for meeting the basic requirements of regulatory authorities on listed companies but, more importantly, meeting the inherent needs for the development of the Company. A scientific and standardized system, mutually balanced supervisory regime and effective enforcement are essential to the healthy and sustainable development of the Company and will improve the image of the Company in the industry and capital market, winning recognition and confidence in the Company from all parties. The Company has always been committed to completing the corporate governance structure, establishing complete operation regulations, and constantly improving the effectiveness of corporate governance.

Currently, the Company has established a corporate governance structure composed of the general meeting of shareholders, the board of directors, the Supervisory Committee and the management, and has formulated multi-level governance rules based on the Company’s articles of association, and clarified the responsibilities, authorities and codes of conduct of each party. The general meeting of shareholders, the board of directors, the special committees and the Supervisory Committee shall, in accordance with laws and regulations and governance rules, perform their respective duties in a balanced, orderly and coordinated manner, and continuously improve the level of corporate governance and decision-making efficiency of the Company. The current governance structure of the Company is shown as follows:



Section IV Corporate Governance

Since its establishment, the Company has strictly complied with the requirements of the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies, the Guidelines for the Articles of Association of Listed Companies and other laws, regulations and normative documents, continuously standardized its operation and continuously improved its corporate governance level. During the reporting period, according to the work deployment of the regulatory authorities and the latest regulations and systems, the company continued to improve the relevant systems and operational processes of the company.

During the reporting period, the amended Articles of Association and its attachments, the Rules of Procedure for Shareholders' Meetings, the Rules of Procedures of the Board of Directors, and Rules of Procedures of the Supervisory Committee, along with the newly enacted Working Procedures for the Independent Directors, were reviewed and approved at the 2023 Annual Shareholders' Meeting. The Company also revised the *General Manager's Working Regulations* based on its operational circumstances, which was subsequently reviewed and approved by the Board of Directors.

During the Reporting Period, the actual corporate governance of the Company was not different from the requirements of the Code of Corporate Governance for Listed Companies issued by the CSRC and the relevant laws and regulations, and the Company has fully adopted all the code provisions of the Corporate Governance Code.

(I) Shareholders and General Meeting of Shareholders

The Company convenes and holds the general meeting in strict compliance with the provisions and requirements of the Company Law and other laws and regulations as well as the Articles of Association and the Rules of Procedure for Shareholders' General Meetings, so as to ensure that shareholders can fully express their opinions and effectively exercise their voting rights at the general meeting. The Company ensures that all shareholders enjoy equal status and guarantee the rights and obligations of all shareholders.

Anhui Transportation Holding Group Co., Ltd. and China Merchants Highway Network Technology Holdings Co., Ltd. are the substantial shareholders of the Company. The Company is completely separated from the controlling shareholder in terms of business, personnel, assets, institutions and finance, and operates independently. The two companies exercise shareholders' rights strictly in accordance with the relevant provisions of the Company Law and the Articles of Association, and there is no direct or indirect interference in the Company's decision-making and production and operation beyond the shareholders' meeting.

(II) Directors and the Board

The Board represents the interests of all shareholders and is accountable to the shareholders' general meeting. The main responsibility of the Board is to exercise management decision-making power in accordance with the authorization of the shareholders' general meeting in respect of the Company's development strategy, management structure, investment and financing, planning, financial management and human resources. The power of the Board in the development strategy and management of the Company, as well as the supervision and inspection power of the Board of Directors on the development and operation of the Company has been set out in detail in the Articles of Association, the Rules of Procedures of the Board of Directors and the working rules of three professional committees of the Board of Directors.

Section IV Corporate Governance

In order to assist the Board to perform its duties and promote effective operation, the Board has established three professional committees, namely the Strategic Development and Investment Committee, the Audit Committee and the Human Resources and Remuneration Committee. When considering matters such as corporate strategy, financial reporting, accounting policies, project investment, candidates for directors and senior management and remuneration plans, the Company will submit proposals to the Committee for study and discussion in advance, while the relevant committees will review relevant matters and make recommendations to the Board of Directors in accordance with their terms of reference. To contribute to improving the efficiency and level of decision-making of the board of directors.

Currently, the Board consists of 9 directors, and the current session of the Board is the tenth session of the Board, with 4 executive directors, 2 non-executive directors and 3 independent non-executive directors.

The members of the current Board have industry background or professional skills in highway industry, engineering construction, investment strategy, enterprise management, financial accounting and other aspects. Among them, there are 3 independent non-executive directors, 2 of which are accounting professional. Independent directors have extensive professional knowledge and management experience in corporate management, financial securities, financial management, legal practice and audit risk control and hold important positions in the special committees of the Board of Directors. Independent non-executive directors account for the majority of the Audit Committee and the Human Resources and Remuneration Committee, and an independent director serves as the chairman of the two committees. The composition of the Board and the professional committees meets the requirements of the Guiding Opinions on the Establishment of Independent Director System in Listed Companies.

(III) Supervisors and the Supervisory Committee

At present, the Supervisory Committee of the Company consists of three members, including one employee representative Supervisor. The composition of the Supervisory Committee complies with the requirements of the Company Law and other laws and regulations. In accordance with the provisions of the Articles of Association and the Rules of Procedures of the Supervisory Committee, the Supervisory Committee can conscientiously exercise the supervisory power of the Company, take financial supervision as the core in specific work, supervise the due diligence of directors and senior management of the Company, and safeguard the legitimate rights and interests of the company and shareholders.

During the reporting period, the Supervisory Committee held a total of 7 meetings, and all Supervisors attended the meetings to supervise the legality and compliance of the Company's financial affairs and the performance of duties by directors and senior management on behalf of shareholders, and attended all meetings of the Board to conscientiously perform the duties of the Supervisory Committee.

(IV) Information disclosure

Since listing, the Company has faithfully performed the statutory information disclosure business, strictly implemented the Information Disclosure Management System, ensured that the Company's information disclosure is true, accurate, timely and complete, treated all shareholders fairly, and ensured that they enjoy equal right to know. When the Hong Kong Stock Exchange and the Shanghai Stock Exchange have different requirements, the company compiles documents and discloses information in accordance with the principle of more content, strict requirements and lenient requirements. The secretary of the Board is the executor of information disclosure.

Section IV Corporate Governance

During the reporting period, the Company strictly followed the principles of truthfulness, accuracy, completeness, timeliness and fairness to ensure that all shareholders enjoyed equal access to relevant information of the Company, and continuously improved the pertinence, effectiveness and transparency of information disclosure of the Company. Strictly implement the Information Disclosure Management System, publish announcements simultaneously at home and abroad in accordance with statutory disclosure requirements, and complete the disclosure of 5 periodic reports, 59 ad hoc announcements of A shares, 33 ad hoc announcements of H shares and related information. It objectively and detailedly discloses the Company's performance and financial information, dividend distribution, related party transactions, shareholders' meeting, the operation of the Board and the Supervisory Committee.

During the reporting period, the contents and procedures of all information disclosure of the Company strictly complied with the listing rules of the two stock exchanges and the relevant provisions of information disclosure, and met the requirements of information disclosure in both places. Details of the announcements have been disclosed in China Securities Journal, Shanghai Securities News and the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the Company.

(V) Management of inside information

During the reporting period, the Company strictly complied with the requirements of the Information Disclosure Management System, the Insider Management Registration System and the Management Measures for the Company's Reception of Specific Objects, Research and Interviews and Other Related Activities to keep financial and other information confidential. The relevant personnel, matters, time and use of the Company's insider information are registered and filed in detail, and the relevant personnel are required to make commitments and promptly remind them to fulfill the obligation of information confidentiality in order to prevent information leakage and insider trading. After self-inspection, it is not found that holders of the Company's insider information used insider information to buy and sell the Company's shares before the disclosure of material sensitive information affecting the Company's share price in 2024.

(VI) Occupation of funds and related transactions

During the reporting period, the Company continued to strengthen the self-inspection on the occupation of funds and related party transactions to ensure that all major events are subject to the necessary statutory approval procedures, strictly control the risks of various violations, and further enhance the standard operation level of the Company. In terms of specific operation, the Company focuses on related party fund transactions and strictly controls the occurrence of related party fund occupation. At the same time, the related party transactions strictly comply with the necessary review procedures and statutory disclosure procedures required by the two exchanges, prevent the transfer of benefits and falsification of performance through improper related party transactions, and ensure that the related party transactions have no negative impact on the Company, are fair and reasonable, and are in line with the interests of the Company and all shareholders.

Section IV Corporate Governance

(VII) Investor relations management

The management of the Company has always attached great importance to active investor relations management, and improved investor relations management from the management structure and internal system of the Company through the Investor Relations Management System. The Company makes full use of telephone, network and media to introduce the Company's development strategy, corporate culture and business situation to investors, receives research and interviews from investors and institutions, ensures the right of small and medium investors to know, and continuously enhances the openness and transparency of the Company's operation. During the reporting period, the Company's investor relations activities were mainly carried out in the following ways:

- ◇ Respond to investors' concerns about the company in a timely manner through the E interactive platform of the Shanghai Stock Exchange, investor hotline, Company website and e-mail.
- ◇ Daily reception of investors and analysts to the Company's on-site research. Take the initiative to "go out" for on-site roadshows, visit investors, understand shareholder demands, and eliminate information barriers. The Company held the 2023 annual performance promotion meeting and the 2024 first quarter performance promotion meeting in Hong Kong.
- ◇ The annual, semi-annual and third quarter performance briefing meetings were held to fully communicate and exchange ideas with investors on the company's operating conditions, investor protection, sustainable development, and other issues, facilitating a more comprehensive and in-depth understanding of the Company's situation for investors, and achieving good external publicity results.

(VIII) Return mechanism for investors

The Company has formulated a positive and stable dividend policy in the Articles of Association. Since its listing, the Company has continuously distributed cash dividends for 28 consecutive years. The Company has distributed a cumulative cash dividend of approximately RMB9.412 billion and a cumulative dividend per share of RMB5.7085, enabling the shareholders of the Company to receive good returns from the development of the enterprise.

This year, the Company proposed to distribute a cash dividend of RMB0.604 per share, representing a dividend payout ratio of 60.02%.

(IX) Internal audit and internal control management

The Company attaches great importance to internal audit and internal control, focusing on promoting the development of the company, improving management, improving efficiency and strengthening internal control to prevent risks. At the same time, for daily risk monitoring, the Company regularly collects information and analyzes operating conditions, and constantly adjusts risk management measures according to internal and external trends to ensure the stable development of the company.

Section IV Corporate Governance

During the reporting period, the Company earnestly carried out special audits, continuous internal control evaluation and defect rectification to ensure the integrity and effectiveness of the internal control system. In order to meet the regulatory requirements, the Company adjusts and updates the internal control manual in 2024 based on the actual situation; widely collects the opinions and preferences of management personnel at all levels on the risks in the Company's operations in the form of risk survey questionnaires, and conduct annual risk assessments. The Company continuously collects risk change information in daily work, and regularly summarizes the discovered risk change information (including new risks) or risk events. It analyzes various risk response measures and monitoring and handling of risk events on a quarterly basis, and prepares quarterly risk investigation reports. Optimize the Company's risk warning indicator system, strengthen source control, and take proactive measures to address predictable risk issues. In 2024, the Company's risk management and control was in good condition.

(X) About social responsibility

As a transportation infrastructure listed company, the Company actively abides by the laws and regulations of the PRC, strictly complies with the Articles of Association and the relevant corporate governance requirements of the Shanghai Stock Exchange and the Stock Exchange, conscientiously bases itself on the industry, fulfills the basic social responsibilities of social transportation demand and promoting social and economic development, and continuously creates good investment returns for shareholders. Strive to create benefits for stakeholders such as employees, customers and business partners.

During the reporting period, the Company has complied with the relevant laws and regulations that have a significant impact on the Company and assumed multi-dimensional social responsibilities, including the corresponding responsibilities for stakeholders such as shareholders, employees, consumers and the community environment. For details, please refer to the Company's 2024 Environmental, Social and Governance Report, the full text of which has been published on the websites of the Shanghai Stock Exchange, the Stock Exchange and the Company.

Whether there is any significant difference between the corporate governance and the laws, administrative regulations and the provisions of the CSRC on corporate governance of listed companies; If there are significant differences, the reasons shall be explained.

☐ Applicable ☒ Not applicable

Section IV Corporate Governance

II. THE SPECIFIC MEASURES TAKEN BY THE CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLERS OF THE COMPANY TO ENSURE THE INDEPENDENCE OF THE COMPANY'S ASSETS, PERSONNEL, FINANCE, INSTITUTIONS AND BUSINESS, AS WELL AS THE SOLUTIONS, WORK PROGRESS AND FOLLOW-UP WORK PLANS ADOPTED TO AFFECT THE COMPANY'S INDEPENDENCE

☐ Applicable ☒ Not applicable

The situation of the controlling shareholders, actual controllers and other entities under their control engaging in the same or similar business as the Company, as well as the impact of horizontal competition or significant changes in horizontal competition on the Company, the measures taken to solve the problem, the progress of the solution and the subsequent solution plan

☐ Applicable ☒ Not applicable

III. BRIEF INTRODUCTION TO THE GENERAL MEETING OF SHAREHOLDERS

Session	Date of convening	Query index of the designated website where the resolution is published	Disclosure date of the publication of the resolution	Resolution of the meeting
2023 Annual General Meeting	2024-06-06	Shanghai Securities News China Securities Journal http://www.sse.com.cn http://www.hkex.com.hk http://www.anhui-expressway.net	2024-06-07	For details of the meeting resolution, please refer to the Announcement on the Resolution of the 2023 Annual General Meeting of Shareholders (Lin 2024-015) disclosed by the Company on the Shanghai Stock Exchange website on 7 June 2024
First Extraordinary General Meeting of Shareholders in 2024	2024-07-25	Shanghai Securities News China Securities Journal http://www.sse.com.cn http://www.hkex.com.hk http://www.anhui-expressway.net	2024-07-26	For details of the meeting resolution, please refer to the Announcement on the Resolution of the First Extraordinary General Meeting of Shareholders in 2024 (Lin 2024-023) disclosed by the Company on the Shanghai Stock Exchange website on 26 July 2024

Section IV Corporate Governance

The holders of preference shares with restored voting rights request to convene an extraordinary general meeting

☐ Applicable ☒ Not applicable

Description of the General Meeting of Shareholders

1. On 6 June 2024, the Company held the 2023 annual general meeting. The meeting was convened by the Board and chaired by Mr. Xiang Xiaolong, the chairman of the Board. Some directors, supervisors and the secretary of the Board attended the meeting, while Du Jian, a director, was unable to attend the general meeting due to other reasons. Other senior management, new director candidates, new supervisor candidates, lawyers and accountants were present at the meeting. The meeting adopted a combination of on-site voting and online voting. The convening, holding and voting of the meeting were in compliance with the relevant requirements of the Company Law and the Articles of Association. A total of 20 shareholders and proxies attended the meeting, representing a total of 1,176,845,448 shares with voting rights, or 70.95% of the total voting shares of the Company. A total of 25 resolutions (including 11 sub-resolutions) were considered at the meeting, of which resolutions 1 to 7, 13 and 14 were voted in favour by more than 1/2 of the total number of shares with valid voting rights held by the shareholders or shareholder representatives present at the meeting (Anhui Transportation Holding Group, a connected shareholder, abstained from voting on resolution 6) and were duly passed as ordinary resolutions. Resolutions 8 to 12 were voted in favour by more than 2/3 of the total number of shares with valid voting rights held by the shareholders or shareholder representatives present at the meeting and were duly passed as special resolutions. Resolutions 15.01-15.06, 16.01-16.03 and 17.01-17.02, each of which received more than half of the total number of shares with valid voting rights held by the shareholders or shareholder representatives present at the meeting, were duly passed as ordinary resolutions. No proposal was added or changed at the meeting.
2. On 25 July 2024, the Company held the first extraordinary general meeting of shareholders in 2024. The meeting was convened by the Board and chaired by Mr. Wang Xiaowen, the chairman of the Board. The directors, supervisors and company secretary of the Company attended the meeting, and other senior management, lawyers and accountants were also present at the meeting. The convening, holding and voting of the meeting were in compliance with the relevant requirements of the Company Law and the Articles of Association. A total of 86 shareholders and proxies attended the meeting, holding a total of 1,088,730,078 voting shares, accounting for 65.64% of the total voting shares of the Company. The meeting reviewed 2 proposals. All proposals at the meeting have been approved by more than two-thirds of the total number of valid voting shares held by attending shareholders or shareholder representatives, and have been officially passed as a special resolution. There are no proposals for adding or changing during the meeting.

Section IV Corporate Governance

IV. INFORMATION ABOUT THE DIRECTORS, SUPERVISORS AND SENIOR MANAGERS

(I) Changes in shareholding and remuneration of current and outgoing directors, supervisors and senior managers during the reporting period

Name	Position	Gender	Age	Term of office commencement date	Term of office expiry date	Total pre-tax remuneration received from the Company during the reporting period (RMB0,000)	Whether to receive remuneration from related parties of the Company
Wang Xiaowen	Chairman	Male	55	2024-06-06	2027-06-05	45.66	No
	General manager (resignation)			2023-09-28	2024-06-06		
Yu Yong	Vice Chairman	Male	48	2024-06-06	2027-06-05	24.21	No
	General manager			2024-06-06	2027-06-05		
Chen Jiping	Vice Chairman	Male	54	2024-06-06	2027-06-05	73.59	No
	Director (resignation)			2021-07-16	2024-06-06		
Wu Changming	Director	Male	54	2024-06-06	2027-06-05	78.59	No
	Executive Deputy General Manager			2024-06-06	2027-06-05		
	Deputy General Manager (resignation)			2022-01-12	2027-06-05		
	Secretary of the Board of Directors (resignation)			2022-06-30	2027-06-05		
Yang Xudong	Director	Male	51	2024-06-06	2027-06-05	0	Yes
Du Jian	Director	Male	53	2024-06-06	2027-06-05	0	Yes
Zhang Jianping	Independent director	Male	57	2024-06-06	2027-06-05	9.28	No
Lu Taiping	Independent director	Male	62	2024-06-06	2027-06-05	5.83	No
Zhao Jianli	Independent director	Female	62	2024-06-06	2027-06-05	9.33	No
Guo Xiaoze	Chairman of the Supervisory Committee	Male	59	2024-06-06	2027-06-05	23.68	No
Li Huairu	Employee representative supervisor	Female	53	2024-06-06	2027-06-05	72.59	No
Jiang Yue	Supervisor	Male	42	2024-06-06	2027-06-05	0	Yes
Wu Jianmin	Chief engineer	Male	55	2024-06-06	2027-06-05	40.20	No
Zhang Jinlin	Deputy General Manager	Male	57	2024-06-06	2027-06-05	39.98	No
Huang Yu	Chief Financial Officer	Male	48	2024-06-06	2027-06-05	73.67	No
Zhang Xianxiang	General Counsel	Male	50	2024-06-06	2027-06-05	73.33	No
Shen Zhixiang	Deputy General Manager	Male	46	2024-06-06	2027-06-05	57.37	No
Ding Yu	Secretary of the Board of Directors	Female	51	2024-06-06	2027-06-05	48.03	No
Xiang Xiaolong	Chairman (resignation)	Male	61	2020-08-17	2024-06-06	0	Yes
Liu Hao	Independent director (resignation)	Male	47	2020-08-17	2024-06-06	3.47	No
Fang Fang	Independent director (resignation)	Female	51	2020-08-17	2024-06-06	5.20	No

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Name	Position	Gender	Age	Term of office commencement date	Term of office expiry date	Total pre-tax remuneration received from the Company during the reporting period (RMB0,000)	Whether to receive remuneration from related parties of the Company
Cheng Xijie	Chairman of the Supervisory Committee (resignation)	Male	61	2021-05-21	2024-06-06	47.58	No
Ling Lang	Deputy General Manager (resignation)	Male	53	2022-08-11	2024-05-06	40.62	No
Total	/	/	/	/	/	772.21	/

- Notes:**
1. None of the directors, supervisors and senior management of the Company held or traded any securities of the Company during the Reporting Period.
 2. Each of the Directors appointed during the Reporting Period obtained legal advice set out in Rule 3.09D of the Hong Kong Listing Rules on June 5, 2024 and each of them confirmed that he or she understood the responsibilities as a director of the Company.

Name	Main work experience
Wang Xiaowen	Born in August 1970, holds a graduate degree and is a senior auditor. He started working in July 1990 and served as the Deputy Secretary of the Youth League Committee of the Political Department of Anqing Automobile Transportation Corporation, the Chief of the Finance Department, Office Director, Party Branch Member, and Deputy Director of the High Boundary Highway Management Office of Anhui Provincial Expressway Corporation, the Secretary of the Party Branch and Executive Deputy General Manager of Anhui High Speed Logistics Co., Ltd. From August 2015 to August 2021, he served as the Secretary of the Party Branch of the He'an Expressway Management Office of Anhui Transportation Holding Group and the Executive Director and General Manager of Anqing Bridge Company. From August 2021 to December 2022, He served as the Secretary of the Party Committee of the He'an Expressway Management Center of Anhui Provincial Transportation Holding Group Co., Ltd., as well as the Executive Director and General Manager of Anqing Bridge Company. From December 2022 to September 2023, he appointed as the Minister of Finance and Secretary of the Party Branch of the Financial Sharing Center of Anhui Transportation Holding Group Co., Ltd. He served as the Secretary of the Party Committee and General Manager of the Company from September 2023 to June 2024 and now is the Secretary of the Party Committee and Chairman of the Company since June 2024.

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Name	Main work experience
Yu Yong	Born in December 1977, holds a university degree, graduated from the Road and Bridge Engineering Department of Changsha Jiaotong University majoring in transportation civil engineering, and is a senior engineer. He started working in July 1999 and served as a deputy director of Anhui Wuxuan Expressway Management Office, deputy general manager of Anhui Wuxuan Expressway Management Co., Ltd., deputy director of operation management department and information center director of Anhui Transportation Investment Group Company Limited, director and head of the general department of Anhui Transportation Operations Management Company Limited (Highway Operation Division), secretary of the Party Branch and director of Anhui Transportation Holding Group Company Limited Hechaowu Highway Management Office. From August 2020 to January 2021, he served as the director of human resources department of Anhui Transportation Holding Group Company Limited and concurrently served as the secretary of the Party Branch of Hechaowu Highway Management Office; from January 2021 to July 2023, he served as the director of human resources department of Anhui Transportation Holding Group Company Limited; from July 2023 to April 2024, he served as the director of the organization department of the Party Committee (human resource department), and full-time deputy secretary of the Party Committee of Anhui Transportation Holding Group Company Limited. He served as the deputy Secretary of the Party Committee since April 2024 and the deputy secretary of the Party Committee, deputy Chairman and General Manager of the Company since June 2024, as well as the Chairman of Anhui Ningxuan Hangzhou Expressway Investment Co., Ltd.
Chen Jiping	Born in 1971, Master of Business Administration, Senior Engineer. He served as Deputy Director of Personnel Department, Director of Office and Director of Operation Management Department of Anhui Communications Investment Group Co., Ltd., Member of the Party Committee and Deputy General Manager of Anhui Communications Control Operation Management Co., Ltd. He served as a member of the Party Committee and a deputy general manager of the Company from August 2016 to June 2020, a deputy secretary of the Party Committee of the Company from June 2020 to April 2024 (during which, he served as an employee representative supervisor of the Company from 17 August 2020 to 17 June 2021), and an executive director of the Company from July 2021 to June 2024, now he is the deputy chairman of the Company since June 2024.

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Name	Main work experience
Wu Changming	<p>Born in 1971, master's degree candidate, first-class legal adviser, senior economist, company lawyer. He served as the deputy director of the investment planning department of Anhui Communications Investment Group Co., Ltd., the vice president of Anhui Communications Survey and Design Institute, the deputy director of the road property management department, the deputy director and director of legal affairs department of Anhui Communications Investment Group Co., Ltd. From March 2015 to June 2020, he served as the director of legal affairs department of Anhui Transportation Holding Group Company Limited, a Member of the Party Committee and Secretary of the Discipline Inspection Committee of the Company from June 2020 to December 2021. He served as an employee representative supervisor of the Company from June 2021 to January 2022, a member of the Party Committee and the deputy general manager of the Company from January 2022, and a member of the Party Committee, the deputy general manager and the secretary to the Board of the Company from June 2022 to April 2024, he served as the deputy Secretary of the Party Committee, the deputy general manager and the secretary to the Board of the Company from April 2024 to June 2024, now he is the the deputy Secretary of the Party Committee, the executive director and the executive deputy general manager of the Company since June 2024. He is also the director of Anhui Expressway Media Co., Ltd. and Anhui Ningxuanhang Expressway Investment Co., Ltd. and the chairman of Anhui Transportation Holding Group (Hong Kong) Co., Ltd. and Director of Anhui Expressway Co., Ltd. (Hong Kong).</p>
Yang Xudong	<p>Born in 1973, is a doctoral candidate and a senior engineer. He has successively held the positions as a project manager of domestic project department of China Merchants Holdings (International) Company Limited and as a general manager assistant and general manager of investment development department, a member of the Party Committee and deputy general manager of China Merchants Highway Network Technology Holding Company Limited. He is currently the deputy secretary of the Party Committee, a director and the general manager of China Merchants Highway Network Technology Holding Company Limited, and is concurrently the Chairman of China Merchants Railway Co., Ltd., deputy Chairman of Guangxi Wuzhou Transportation Company Limited (stock code: 600368) and Shanxi Communications Industry Development Group Co., LTD and the director of Zhejiang Expressway Co., Ltd. (stock code: 0576). Since 17 August 2017, he has been appointed as non-executive director of the Company.</p>
Du Jian	<p>Born in 1971, doctoral candidate, senior engineer. He was the president of Sino-Canadian Beijing Tongshang Jiatai Consulting Co., Ltd., the deputy general manager of Lujie Company of China Highway Engineering Consulting and Supervision Corporation, and the general manager of Strategic Development Department of China Merchants Highway Network Technology Holding Co., Ltd. He was also a director of Shandong High Speed Co., Ltd. He is currently the deputy party secretary and CEO of China Merchants Xinzhi Technology Co., Ltd. He is also the chairman of China Merchants HuaSoft Information Co., Ltd. He has been a non-executive director of the Company since 20 May 2016.</p>

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Name	Main work experience
Zhang Jianping	Born in 1968, postgraduate degree, master of law. He was the chief staff member of Anhui Supply and Marketing Cooperative Union, the partner lawyer of Hefei Jun'an Law Firm and the partner lawyer of Anhui Century Tianyuan Law Firm. He is currently the chief lawyer of Anhui Zhuotai Law Firm. He has been an independent non-executive director of the Company since 17 August 2020 and an independent director of Anhui Natural Gas Development Co., Ltd. (stock code: 603689) since April 2022.
Lu Taiping	Born in September 1963. He graduated from Nanjing University of Science and Technology, majoring in management science and engineering with a master's degree, obtained a PhD degree in management and is a professor. He previously served as the dean of School of Business Administration, dean of the Accounting College and director of Finance Department of Anhui University of Finance and Economics. He is currently a professor of accounting, a supervisor for master students of Anhui University of Finance and Economics, and an independent director of Cinda Real Estate Co., Ltd. (stock code: 600657) and Highbroad Advanced Materials (Hefei) Co., Ltd. (stock code: 301321). He has been an independent non-executive director of the Company since June 2024.
Zhao Jianli	Born in December 1963, graduated from Xi'an Highway College with a master's degree in transportation financial management. From September 2003 to January 2021, she has successively served as the manager of the internal control and audit department, assistant general manager, deputy general manager and general manager, deputy chief auditor, general manager of the administration department/western port affairs department, and the general manager of the board office (administration department) of China Merchants Port Group Co., Ltd., during which she concurrently served as the supervisor of China Merchants Port Group Co., Ltd.. She has been an independent non-executive director of the Company since June 2024.
Guo Xiaoze	Born in July 1966, holds a university degree, graduated from Wuhan Water Transport Engineering College majoring in ship port and electrical automation, and is a senior engineer. He started working in July 1986 and has served as the deputy chief of Anhui Provincial Transportation Science and Technology Information Station* (安徽省交通科學技術情報站), director of the operation management department and engineering technology department maintenance center, director and deputy director of the collection section of the operation management department of Anhui Expressway Holding Corporation* (安徽省高速公路總公司), deputy director of the operation management department and head of toll management department of Anhui Expressway Holding Group Company, and director of the toll management department of Anhui Transportation Operations Management Company Limited (Highway Operation Division). From August 2016 to June 2020, he served as the director of the operation management department of Anhui Transportation Holding Group Company Limited and director of Anhui Provincial Expressway Network Toll Management Center; from June 2020 to April 2024, he served as the director of the operation management department of Anhui Transportation Holding Group Company Limited. He has been the Chairman of the Supervisory Committee the Company since June 2024.

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Name	Main work experience
Li Huairu	Born in 1971, Master, Senior Accountant. She was the director of the Finance Department, director and party committee member of Anhui Xunjie Logistics Co., Ltd., the party committee member, finance manager, director and chief accountant of Anhui Huanyu Highway Construction and Development Co., Ltd., and the deputy director of the Finance Department of Anhui Communications Investment Group Co. From March 2015 to December 2021, he served as Deputy Director of Finance Department of Anhui Communications Holding Group Co., Ltd. She is currently a member of the Party Committee and Secretary of the Discipline Inspection Committee of the Company. She was appointed as an employee representative supervisor of the Company on 5 January 2022, as well as the Chairman of the supervisory committee of Anhui Ningxuan Hangzhou Expressway Investment Co., Ltd.
Jiang Yue	Born in 1982, Master of Management, Chinese Certified Public Accountant (non-practicing), American Chartered Financial Analyst, Financial Risk Manager. He has been working in China Merchants Highway Network Technology Holdings Co., Ltd. since July 2009, and served as the project manager of Equity Management Department I and Enterprise Management Department, supervisor of Henan Zhongyuan Expressway Co., Ltd., supervisor of Heilongjiang Communications Development Co., Ltd., supervisor of Shandong Expressway Co. Ltd. and supervisor of North China Expressway Company Limited. He is currently an assistant to the general manager of the capital operation department and a supervisor of Jilin Expressway Company Limited. He has been a Supervisor of the Company since 20 May 2016.
Wu Jianmin	Born in November 1969, holds a university degree, a Master's degree in Engineering, and is a Senior Engineer. I started working in July 1992 and have served as the Director, Deputy Project Manager, and Manager of the Quality Inspection Department of Anhui Port and Navigation Engineering Company, Deputy Manager of the Direct Branch of Anhui Road and Port Engineering Company, Deputy Director of the Sixu Expressway Construction Office of Anhui Transportation Investment Group, Deputy Director of the Xinqiao International Airport Expressway Construction Office of Anhui Transportation Investment Group, and Secretary and Director of the Party Branch of the Jiqi Expressway (Lixin Huainan section) Construction Office. From April 2016 to June 2020, He served as the Secretary and Director of the He'an Expressway Reconstruction and Expansion of Anhui Transportation Holding Group Co., Ltd., served as the Chief Engineer of Anhui Traffic Control Construction Management Co., Ltd. from 6 June 2020 to December 2022, and as a Party Committee Member and Chief Engineer of Anhui Traffic Control Construction Management Co., Ltd. from December 2022 to October 2023. Starting from November 2023, he has been as a member of the Party Committee and Chief Engineer of the Company. Also serving as a director of Anhui Traffic Control Road Maintenance Co., Ltd.

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Name	Main work experience
Zhang Jinlin	Born in February 1967, holds a graduate degree and is a senior engineer. He started working in July 1988 and have served as a technician at the Anhui Provincial High grade Highway Engineering Construction Command, Deputy Director of the Central Control Room of the Anhui Provincial High grade Highway Management Bureau, Director of the Central Control Room of the Operation Department of the Anhui Provincial Expressway Corporation, Member and Deputy Director of the Party Branch of Anhui Wantong Expressway Co., Ltd. Hefei Management Office, Member and Deputy General Manager of the Party Branch of Anhui Provincial High grade Highway Engineering Supervision Co., Ltd., Member and Deputy General Manager of the Party Committee of Anhui Provincial Expressway Network Operation Co., Ltd. From December 2018 to March 2021, he served as the Party Branch Secretary and Chairman of the Xuanguang Expressway Co., Ltd. From March 2021 to October 2023, he served as the Party Secretary and director of the Wuhu Expressway Management Center of Anhui Provincial Transportation Holding Group. Appointed as a member of the Party Committee and Deputy General Manager of the Company from November 2023. Also serving as a director of Anhui Ningxuan Hangzhou Expressway Investment Co., Ltd.
Huang Yu	Born in 1976, bachelor degree, Chinese Certified Public Accountant, Australian Public Accountant, British Financial Accountant and American Certified Management Accountant. He started his career in August 1998 and has successively served as the audit manager of PricewaterhouseCoopers Beijing Zhangchen Accounting Firm, the chief financial officer of Beijing Jiangsheng Real Estate Investment and Development Co., Ltd., the chief financial officer of Ruihuan Education Investment Co., Ltd., the general manager, assistant to the president and vice president of the financial department of Jiangsu Fangyang Group Company Limited, and the chief financial officers of Jiangsu New Century Jiangnan Environmental Protection Company Limited. He has been the chief financial officer of the Company since January 2021. He is also a director of Anhui Jiaokong Capital Investment Management Co., Ltd.
Zhang Xianxiang	Born in 1974, Master of Business Administration, Master of Business Administration, Political Engineer, Corporate Lawyer, Anhui University. He has successively served as the executive deputy stationmaster and director of personnel department of Tongling South Toll Station of Qingyang Expressway Management Co., Ltd. of Anhui Communications Investment Group, deputy director of legal affairs department of Anhui Communications Investment Group Co., Ltd., deputy director of legal affairs department of Anhui Communications Holding Group Co., Ltd., and Deputy Director of Legal Compliance Department of Anhui Communication Holding Group Company Limited. He has been the general counsel of the Company since April 2021 and the member of the Party Committee and general counsel since December 2023.

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Name	Main work experience
Shen Zhixiang	<p>Born in July 1979, holds a college degree and a master's degree in engineering, majoring in engineering of transportation engineering department of Southeast University, and is a senior engineer. He started his career in July 2002, and served as the deputy general manager of Wuxuan Expressway Management Co., Ltd. of Anhui Provincial Communications Investment Group* (安徽省交通投資集團), director of road network management department of Anhui Provincial Traffic and Transportation Network Operation Management Centre* (安徽省交通運輸聯網運行管理中心), vice general manager, general manager, and deputy secretary of the Party Committee of Anhui Expressway Network Operations Company Limited, deputy director (in charge) and director of the operations management department (safety production department) of Anhui Expressway Company Limited; from March 2021 to June 2022, he served as the director (head) of toll management department (office of network toll management center) of Anhui Expressway Company Limited; from June 2022 to July 2023, he served as the assistant to general manager and the director (head) of toll management department (office of network toll management center) of Anhui Expressway Company Limited; from July 2023 to April 2024, he served as the assistant to general manager, the director of the toll management department of the Company, and the deputy director of Anhui Provincial Expressway Network Toll Management Center. He has been the member of the Party Committee and deputy general manager since June 2024, he is also a director of Anhui Transportation Information Industry Company Limited.</p>
Ding Yu	<p>Born in 1974, college degree, economist. She joined the work in July 1996, participated in the preparation for the listing of Anhui Expressway Company Limited, served as the secretary and deputy director of the Board secretary office of Anhui Expressway Company Limited. From June 2020 to April 2024, she served as director of the Board secretary office of the Company, and served as the representative of securities affairs of the Company from 2008 to June 2024. She has been the Secretary of the Board of Directors since June 2024.</p>
Xiang Xiaolong	<p>Born in 1964, Master of Business Administration, Anhui Institute of Business Administration. He served as secretary and deputy director of Anhui Provincial Supply and Marketing Cooperative Office, deputy general manager of Anhui Agricultural Materials Company, director of Anhui Provincial Supply and Marketing Cooperative Office, assistant mayor of Anqing Municipal Government, director of Municipal Development and Reform Commission, Secretary-General of Municipal Government, director of Municipal Administrative Service Center, deputy mayor of Anqing Municipal Government, Executive committee member and deputy mayor of Anqing Municipal Committee. Deputy Director and Member of the Party Committee of the State-owned Assets Supervision and Administration Commission of the Anhui Provincial Government, Deputy Director and Deputy Secretary of the Party Committee of the State-owned Assets Supervision and Administration Commission of the Anhui Provincial Government. He is currently the party secretary and chairman of Anhui Communications Holding Group Co., Ltd. He was the chairman of the Company from February 2020 to June 2024.</p>

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Name	Main work experience
Liu Hao	Born in 1978, Doctor of Accounting. He is currently a professor and doctoral supervisor of the School of Accounting of Shanghai University of Finance and Economics, an advisory member of the Fourth Advisory Committee on Enterprise Accounting Standards of the Ministry of Finance. He is also an independent director of Shanghai Zhaomin New Material Technology Co., Ltd., Hubei Huitian New Material Co., Ltd. and Shanghai Zhizhen New Energy Co. He has been an independent director of the Company from August 2017 to June 2024.
Fang Fang	Born in 1974, holds a postgraduate degree and a master's degree in MBA. She was the managing director of Tybourn Capital Management and a partner and fund manager of Far Eastern Capital Management Co., Ltd. She has been a partner and fund manager of Tairen Capital since June 2018. She has been an independent director of the Company from August 2017 to June 2024.
Cheng Xijie	Born in 1964, with a university degree from the Central Party School. He has successively served as deputy secretary and deputy director of the Party Group of the Public Security Bureau of Yuexi County, Anhui Province, chief procurator of the Procuratorate of Yuexi County, Anhui Province, member of the Standing Committee of the Party Committee and Secretary of the County Discipline Inspection Commission of Yuexi County, member of the Standing Committee of the Discipline Inspection Commission of Anqing City, Anhui Province (at the county level), deputy secretary of the Anqing Discipline Inspection Commission, and deputy secretary of the Discipline Inspection Committee of Anhui Communications Holding Group Co., Ltd. He has been the chairman of the supervisory committee of the Company from May 2021 to June 2024.
Ling Lang	Born in 1972, graduate degree, engineer. He has successively served as Chief of Security Section and Chief of Propaganda and Education Section of Personnel Department of Anhui Expressway Corporation, and Assistant Director of Anhui Expressway Test and Research Center. Member, Deputy Director, Deputy Secretary, Deputy Director, Secretary and Director of the General Party Branch of Hean Highway Management Office of Anhui Expressway Corporation; Secretary and Director of the General Party Branch of Hean Highway Management Office of Anhui Expressway Holding Group Co., Ltd. Secretary and Director of the General Party Branch of Quanjiao Management Office of the Company; From September 2006 to May 2010, he concurrently served as the executive deputy general manager (presiding over the work) of Anhui Anqing Changjiang Highway Bridge Co., Ltd. From May 2010 to April 2011, he concurrently served as the chairman and general manager of Anhui Anqing Changjiang Highway Bridge Co., Ltd. Since August 2015, he has been the secretary of the general Party branch and director of Hefei Management Office of the Company. He has been a member of the Party Committee and deputy general manager of the Company from August 2022 to May 2024.

Description of other circumstances

☐ Applicable ☒ Not applicable

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(II) Positions held by current directors, supervisors and senior managers and those who left their posts during the reporting period

1. Positions held in shareholders entities

Name of position holder	Name of shareholder entity	Positions held in the shareholder unit	Term start date	Term end date
Xiang Xiaolong	Anhui Transportation Holding Group Co., Ltd.	Secretary of the Party Committee and Chairman of the Board	October 2019	
Yang Xudong	China Merchants Highway Network Technology Holdings Co., Ltd	Deputy Secretary of the Party Committee, Director and General Manager	November 2022	
Jiang Yue	China Merchants Highway Network Technology Holdings Co., Ltd	Assistant to General Manager of Capital Operation Department	July 2019	

2. Positions held in other entities

Name of position holder	Name of other entity	Positions held in other unit	Term start date	Term end date
Wang Xiaowen	Anhui Ningxuanhang Expressway Investment Co., Ltd.	Chairman	December 2023	September 2024
Yu Yong	Anhui Ningxuanhang Expressway Investment Co., Ltd.	Chairman	September 2024	
Wu Changming	Anhui High Speed Media Co., Ltd.	Director	August 2022	
	Anhui Ningxuanhang Expressway Investment Co., Ltd.	Director	October 2022	
	Anhui Transportation Holding Group (Hong Kong) Co., Ltd.	Chairman	December 2022	
Yang Xudong	Anhui Expressway (H. K.) Limited	Director	December 2023	
	Guangxi Wuzhou Communications Co., Ltd.	Deputy Chairman		
	China Merchants Railway Holdings Co., Ltd.	Chairman	July 2020	
	Zhejiang Huhangyong Expressway Co., Ltd.	Director	December 2022	
Du Jian	Shanxi Communications Industry Development Group Co., LTD	Deputy Chairman		
	Merchants Xinzhi Technology Co., Ltd.	Chairman	July 2017	January 2024
	Merchants Xinzhi Technology Co., Ltd.	CEO	January 2024	
	China Merchants Huaruan Information Co., Ltd.	Chairman	January 2019	

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Name of position holder	Name of other entity	Positions held in other unit	Term start date	Term end date
Zhang Jianping	Anhui Zhuotai Law Firm	Chief counsel	May 2007	
	Anhui Natural Gas Development Co., Ltd	Independent director	April 2022	
Lu Taiping	School of Accounting of Anhui University	Teacher	January 2020	
	of Finance and Economics			
	Anhui University of Finance and Economics Education Foundation	Secretary general/Teacher	July 2020	
	Cinda Real Estate Co., Ltd.	Independent Director	January 2019	
	Highbroad Advanced Materials (Hefei) Co., Ltd.	Independent Director	January 2024	
Li Huairu	Anhui Ningxuanhang Expressway Investment Co., Ltd.	Chairman of the Supervisory Committee	March 2022	
Wu Jianmin	Anhui Transportation Holding Group road maintenance Co., LTD	Director	October 2023	
Zhang Jinlin	Anhui Ningxuanhang Expressway Investment Co., Ltd.	Director	December 2023	
Huang Yu	Anhui Jiaokong Capital Investment Management Co., Ltd.	Director	March 2022	
Shen Zhixiang	Anhui Transportation Information Industry Company Limited	Director	June 2019	

Section IV Corporate Governance

(III) Remuneration of directors, supervisors and senior managers

Decision-making procedures for the remuneration of directors, supervisors and senior managers	It shall be submitted to the general meeting of shareholders for approval after being reviewed by the board of directors and the board of supervisors respectively.
Whether a director recuses himself from the board's discussion of his remuneration	Yes
The specific circumstances under which the Remuneration and Evaluation Committee or the special meeting of independent directors has issued recommendations on matters relating to the remuneration of directors, supervisors and senior managers	The Human Resources and Remuneration Committee unanimously believed that both the "Proposed Remuneration Scheme for Non-independent Directors of the 10th Board of Directors" and the "Proposed Remuneration Scheme for Independent Directors of the 10th Board of Directors" strictly comply with relevant laws, regulations and the Company's Articles of Association, fully take into account the salary levels in the industry and region, and are in line with the company's actual operating conditions and strategic development needs. Therefore, the committee agrees to submit the above schemes to the board of directors for review.
Basis for determining the remuneration of directors, supervisors and senior managers	It is determined in accordance with the relevant policies or regulations of the PRC and taking into account the market level and the actual situation of the Company (including the operating results of the Company, its responsibilities and the current remuneration standards paid by the Company to its directors, supervisors and senior management).
Actual payment of remunerations to directors, supervisors and senior managers	RMB7,722,100
Total remuneration actually received by all directors, supervisors and senior management at the end of the reporting period	RMB7,722,100

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(IV) Changes in Directors, Supervisors and Senior Management of the Company

Name	Position held	Change situation	Reason for change
Wang Xiaowen	Chairman	Election	Change of Board
Yu Yong	Deputy Chairman	Election	Change of Board
Chen Jiping	Deputy Chairman	Election	Change of Board
Wu Changming	Executive Director	Election	Change of Board
Lu Taiping	Independent non-executive director	Election	Change of Board
Zhao Jianli	Independent non-executive director	Election	Change of Board
Guo Xiaoze	Chairman of the Supervisory Committee	Election	Change of Supervisory Committee
Yu Yong	General manager	Appointment	Work needs
Wu Changming	Executive Deputy General Manager	Appointment	Work needs
Shen Zhixiang	Deputy General Manager	Appointment	Work needs
Ding Yu	Secretary of the Board of Directors	Appointment	Work needs
Xiang Xiaolong	Chairman	Resignation	Expiration of the term of office
Liu Hao	Independent non-executive director	Resignation	Expiration of the term of office
Fang Fang	Independent non-executive director	Resignation	Expiration of the term of office
Cheng Xijie	Chairman of the Supervisory Committee	Resignation	Expiration of the term of office
Wang Xiaowen	General manager	Resignation	Expiration of the term of office
Ling Lang	Deputy General Manager	Resignation	Job change
Wu Changming	Secretary of the Board of Directors	Resignation	Expiration of the term of office

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On May 6, 2024, the Company announced that the Board of Directors had recently received the written resignation of Mr. Ling Lang, the deputy general manager. Mr. Ling Lang applied to resign from the position of deputy general manager of the Company due to job change, and the resignation shall take effect from the date of delivery to the Board. After his resignation, Mr. Ling Lang no longer held any position in the Company.

The term of office of the members of the ninth session of the Board and the Supervisory Committee of the Company has expired. The Company elected the members of the new session of the Board and the Supervisory Committee of the Company at the 2023 annual general meeting on June 6, 2024. Mr. Wang Xiaowen, Mr. Yu Yong, Mr. Chen Jiping and Mr. Wu Changming were elected as the executive directors of the tenth session of the Board. Mr. Yang Xudong and Mr. Du Jian were elected as the non-executive directors of the tenth session of the Board. Mr. Zhang Jianping, Mr. Lu Taiping and Ms. Zhao Jianli were elected as independent non-executive directors of the tenth session of the Board; Mr. Guo Xiaoze and Mr. Jiang Yue were elected as the shareholder representative supervisors of the tenth session of the Supervisory Committee of the Company (Ms. Li Huairu was elected as the employee representative supervisor of the tenth session of the Supervisory Committee at the employee representative meeting of the Company). The term of office of the above persons shall be three years commencing from 6 June 2024.

The Company held the first meeting of the tenth session of the Board on the same day and elected Mr. Wang Xiaowen as the Chairman of the Board and Mr. Yu Yong and Mr. Chen Jiping as the Vice Chairmen. To appoint Mr. Yu Yong as the general manager of the Company, Mr. Wu Changming as the executive deputy general manager, Mr. Zhang Jinlin and Mr. Shen Zhixiang as deputy general managers, Mr. Wu Jianmin as the chief engineer, Mr. Huang Yu as the chief financial officer, Mr. Zhang Xianxiang as the general counsel and Ms. Ding Yu as the secretary to the Board. The term of office of the above persons shall commence from the date of approval at the meeting of the Board of Directors and end on the expiry date of the term of the tenth session of the Board of Directors. After the conclusion of the meeting, the Company continued to convene the first meeting of the tenth session of the Supervisory Committee and elected Mr. Guo Xiaoze as the chairman of the Supervisory Committee of the Company for a term commencing from the date of consideration and approval at the meeting of the Supervisory Committee and ending on the expiry date of the term of the tenth session of the Supervisory Committee.

(V) Explanation for punishment by securities regulator in the latest three years

☐ Applicable ☒ Not applicable

(VI) Other

☐ Applicable ☒ Not applicable

Section IV Corporate Governance

V. RELEVANT INFORMATION ON THE MEETINGS OF THE BOARD OF DIRECTORS HELD DURING THE REPORTING PERIOD

Session	Date of convening	Resolution of the meeting
The 42nd meeting of the 9th Board of Directors	January 31, 2024	Considered and approved four proposals: “Company’s 2024 Annual Major Risk Assessment Report”, “Summary of Post-Evaluation Work on 2023 Annual Investment Projects”, “Summary of 2023 Annual Internal Audit Work”, and the “2024 Annual Internal Audit Work Plan”.
The 43rd meeting of the 9th Board of Directors	March 13, 2024	Considered and approved three proposals: “Proposal on Establishing the Hefei Management Office as Hefei Branch,” “Connected Transaction Proposal on the Construction of Buildings for the G50 Shanghai-Chongqing National Expressway Guangde-Xuancheng Section Expansion Project in Anhui Province (GX-FJ Section),” and “Connected Transaction Proposal on the Electromechanical Engineering for the G50 Shanghai-Chongqing National Expressway Guangde-Xuancheng Section Expansion Project in Anhui Province (GX-JD03 Section),” totaling three resolutions.
The 44th meeting of the 9th Board of Directors	March 28, 2024	Considered and approved twenty proposals: “2023 Financial Reports of the Company Prepared under Chinese and Hong Kong Accounting Standards,” “2023 Annual Report (A Shares, H Shares),” “2023 Annual Results Announcement and Summary,” “2023 Profit Distribution Plan,” “2023 Board of Directors Report,” “2023 General Manager Work Report,” “2023 Independent Directors’ Performance Report,” “Self-Assessment Report on the Independence of Independent Directors and the Board’s Special Opinion on Such Assessment,” “2023 Environmental, Social, and Governance (ESG) Report,” “Internal Control Audit Report,” “2023 Audit Committee Performance Report,” “2023 Board of Directors Internal Control Evaluation Report,” “2023 Internal Control System Work Report,” “2024 Comprehensive Budget Proposal,” “2024 Expected Daily Connected Transactions Proposal,” “2023 Assessment Report on the Performance of Domestic Auditors,” “Audit Committee’s Supervision Report on the Performance of Domestic Auditors,” “Proposal on Reappointing the Company’s 2024 Auditor,” “Proposal on Applying for Comprehensive Credit Lines from Banks in 2024,” “Proposal on Requesting the General Meeting of Shareholders to Grant the Board of Directors a General Authorization for the Issuance of Additional A Shares and/or H Shares,” and “Proposal on Convening the 2023 Annual General Meeting of Shareholders,” totaling twenty resolutions.

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Session	Date of convening	Resolution of the meeting
The 45th meeting of the 9th Board of Directors	April 27, 2024	Considered and approved five proposals: “2024 First Quarter Report,” “Proposal on Nominating Candidates for the 10th Board of Directors’ Non-Independent Directors,” “Proposal on Nominating Candidates for the 10th Board of Directors’ Independent Directors,” “Proposed Remuneration Plan for the 10th Board of Directors’ Non-Independent Directors,” and “Proposed Remuneration Plan for the 10th Board of Directors’ Independent Directors,” totaling five resolutions.
The 1st meeting of the 10th Board of Directors	June 6, 2024	Considered and approved five proposals: “Proposal on Electing the Chairman and Vice Chairman of the 10th Board of Directors,” “Proposal on Electing Members of the 10th Board of Directors’ Special Committees,” “Proposal on Appointing the General Manager,” “Proposal on Appointing Other Senior Management Personnel,” and “Proposal on Appointing the Securities Affairs Representative,” totaling five resolutions.
The 2nd meeting of the 10th Board of Directors	June 28, 2024	Considered and approved six proposals: “Proposal on Revising Five Company Regulations Including the General Manager Work Rules,” “Connected Transaction Proposal on the G50 Shanghai-Chongqing Expressway Gezidun Hub to Anhui-Hubei Border Section Expansion Project Survey and Design (GJSJ Section),” “Connected Transaction Proposal on Signing the 2024–2026 High-Speed Toll Service Supplemental Agreement,” “Proposal on Applying for Public Issuance of Corporate Bonds,” “Proposal on Authorizing the Board to Handle the Public Issuance of Corporate Bonds,” and “Proposal on Convening a Shareholders’ Meeting to Review Bond Issuance Matters,” totaling six resolutions.
The 3rd meeting of the 10th Board of Directors	August 30, 2024	Considered and approved four proposals: “2024 Interim Financial Report Prepared Under Chinese Accounting Standards,” “2024 Interim Financial Report Prepared Under Hong Kong Accounting Standards,” “2024 Interim Report,” and “2024 Interim Report Summary and Mid-Year Results Announcement,” totaling four resolutions.

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Session	Date of convening	Resolution of the meeting
The 4th meeting of the 10th Board of Directors	October 28, 2024	Considered and approved four proposals: “2024 Third Quarter Report,” “Proposal on Term-Based and Contractual Management of the Executive Team,” “Proposal on Adjustments to the 2024 Investment Plan,” and “Connected Transaction Proposal on Signing Cost-Sharing Agreements for CPC Card Procurement and ETC Issuance,” totaling four resolutions.
The 5th meeting of the 10th Board of Directors	December 6, 2024	Considered and approved five proposals: “Proposal on Revising Three Regulations Including the List of Major Decision-Making Matters (‘Three Importances and One Major’),” “Two Connected Transaction Proposals on the G50 Shanghai-Chongqing Expressway Guangde-Xuancheng Section Service Area Cultural-Tourism Integration and Toll Station Dormitory Renovation (TS-FJ Section),” “Connected Transaction Proposal on Signing the Feasibility Study Contract for the G30 Lianhuo Expressway Anhui Section Expansion Project,” “Connected Transaction Proposal on Signing the 2024 Highway Video Monitoring Optimization and Upgrade Design-Construction Contract,” and “Proposal on the 2024 Fixed Asset Disposal Plan,” totaling five resolutions.
The 6th meeting of the 10th Board of Directors	December 31, 2024	Considered and approved six proposals: “Proposal on the Company’s Cash Acquisition of 100% Equity in Anhui Fuzhou Expressway Co., Ltd. and Anhui Sixu Expressway Co., Ltd. as a Connected Transaction,” “Proposal on the 2023 Performance Evaluation of the Executive Team,” “Proposal on 2023 Performance-Based Allocation and 2024 Salary Budgets for Headquarters and Management Units,” “Proposal on the 2024 Compliance Management Work Report,” “Proposal on the 2024 Post-Evaluation Summary and 2025 Post-Evaluation Plan for Investment Projects,” and “Proposal on Convening a Shareholders’ Meeting to Review the Transaction,” totaling six resolutions.

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VI. DIRECTORS' PERFORMANCE OF DUTIES

(I) Directors' participation in the Board of Directors and shareholders' meetings

Director Name	Independent director or not	Number of board meetings to be attended in the current year	Participation in the Board of Directors				Attendance at General Meeting of Shareholders	
			Number of personal attendance	Number of times of participation by correspondence	Delegated attendance	Absent Times	Whether failed to attend two consecutive meetings in person	Attendance at general meetings
Wang Xiaowen	No	6	6	1	0	0	No	1
Yu Yong	No	6	6	1	0	0	No	1
Chen Jiping	No	10	10	4	0	0	No	2
Wu Changming	No	6	6	1	0	0	No	2
Yang Xudong	No	10	10	4	0	0	No	2
Du Jian	No	10	10	4	0	0	No	2
Zhang Jianping	Yes	10	10	4	0	0	No	2
Lu Taiping	Yes	6	6	1	0	0	No	1
Zhao Jianli	Yes	6	6	1	0	0	No	1
Xiang Xiaolong	No	4	4	3	0	0	No	1
Liu Hao	Yes	4	4	3	0	0	No	1
Fang Fang	Yes	4	4	3	0	0	No	1

Explanation of failure to attend two consecutive meetings of the Board of Directors in person

☐ Applicable ☒ Not applicable

Number of Board meetings held during the year	10
Including: number of on-site meetings	6
Number of meetings held by means of communication	4
Number of meetings held on site by means of communication	5

(II) Any objection raised by the directors to the relevant matters of the Company

☐ Applicable ☒ Not applicable

(III) Other

☐ Applicable ☒ Not applicable

VII. SPECIAL COMMITTEES UNDER THE BOARD OF DIRECTORS

Please refer to the relevant disclosures in the Corporate Governance Report in this section.

Section IV Corporate Governance

VIII. DESCRIPTION ON THE IDENTIFICATION OF RISKS BY THE SUPERVISORY COMMITTEE

☐ Applicable ☒ Not applicable

The Supervisory Committee had no objection to the matters under supervision during the reporting period.

IX. OTHER INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGERS

(I) Service contracts of directors and supervisors

All directors and supervisors have entered into service contracts with the Company for a term of three years from the date of their appointment. The details of the Contract are identical in all material respects and are as follows:

- Each service contract is for a term of three years commencing from 6 June 2024.
- No director's fee is fixed and paid additionally to directors who receive remuneration in shareholder units.
- No director's remuneration will be fixed and paid additionally to directors who already hold managerial positions in the Company. The remuneration received by such directors from the Company will be calculated, approved and paid according to their specific positions in the Company and in accordance with the Company's remuneration policy.
- The director's remuneration for domestic independent directors is RMB100,000 per annum.
- The director's remuneration for overseas independent directors is RMB160,000 per annum.
- No remuneration shall be determined and paid to the supervisors who are recommended by the shareholder units and hold office in the shareholder units.
- No remuneration will be determined and paid to supervisors who hold office in the Company. The remuneration received by such Supervisors from the Company will be calculated, approved and paid according to their specific positions in the Company and in accordance with the remuneration and welfare policies of the Company.

Save as aforesaid, there is no existing or proposed service contract between the Company and any Director or Supervisor which is not determinable within one year without payment of compensation (other than normal statutory compensation).

Section IV Corporate Governance

(II) Contractual rights and interests of directors and supervisors

No Director or Supervisor or entity connected with him or her had a material interest, whether directly or indirectly, in a transaction, arrangement or contract of significance to the business of the Group to which the Company, any of its subsidiaries, the Company's parent or any parent's subsidiary was a party at any time in 2024 or at the end of 2024.

(III) Interests of directors and supervisors in competitive business

During the Reporting Period, as required by the Listing Rules of the Hong Kong Stock Exchange, none of the directors, supervisors and senior management of the Company held any interest in any business which competes or may compete with the business of the Group.

(IV) Model Code for Securities Transactions by Directors and Supervisors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules of the Hong Kong Stock Exchange (“**Model Code**”) as the code for securities transactions by directors and supervisors. Having made specific enquiry of all directors and supervisors, the Company confirmed that the directors and supervisors of the Company had complied with the relevant standards set out in the Model Code during the Reporting Period.

(V) During the reporting period, the Group did not directly or indirectly provide loans or loan guarantees to the directors, supervisors and senior management of the Company and its controlling shareholders or their associates.

(VI) Disclosure of Rights and Interests

On December 31, 2024, None of the directors, supervisors or senior management of the Company has any interest in any shares of the Company or any associated corporation (within the meaning of Part XV of the SFO), Has or is deemed to have any interests or short positions in the underlying Shares and debentures which are required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which he has or is deemed to have pursuant to such provisions of the SFO); Or in the register referred to in section 352 of the Securities and Futures Ordinance; Or to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code and disclosed in this annual report.

(VII) Arrangements for the purchase of shares or debentures

At no time during 2024 or at the end of 2024 was the Company, any of its subsidiaries, the Company's parent or any of the parent's subsidiaries a party to any arrangements to enable the Directors or Supervisors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Section IV Corporate Governance

X. EMPLOYEES OF THE PARENT COMPANY AND MAJOR SUBSIDIARIES AT THE END OF THE REPORTING PERIOD

(I) Staff situation

Number of active employees of the parent company	1,301
Number of active employees in major subsidiaries	635
Total number of active employees	1,936
Number of retired employees whose expenses are to be borne by the parent company and its major subsidiaries	259

Professional composition

Professional composition category	Number of professionals
Production personnel	1,290
Salesperson	0
Technicians	185
Financial personnel	47
Administrative staff	414
Total	1,936

Education level

Educational attainment categories	Quantity (person)
Graduate degree	99
Bachelor degree	608
Junior college	816
Technical Secondary School	181
High school and below	232
Total	1,936

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(II) Remuneration policy

The Company sets up four post sequences according to the nature of the post, including management post, professional and technical post, charging post and service guarantee post. The salary grade of each employee is determined according to his position and his own conditions. At the same time, the company deepens the reform of distribution system, insists on the inclination of salary distribution to key positions and core backbone, optimizes the structure of personal income distribution, and reasonably sets the proportion of fixed and floating wages. Improve the assessment system, link the assessment results with salary distribution, and realize that the income of employees can rise or fall.

The Company strictly implements the national and local social insurance laws and regulations to protect the legitimate rights and interests of employees. It has handled “four insurances and one housing fund” for all employees, namely, endowment insurance, unemployment insurance, medical insurance, work related injury insurance and housing provident fund, and has paid the relevant fees in full and on time. According to the unified requirements of the national social security department, medical insurance and maternity insurance have been combined. The original “five insurances” are integrated into “four insurances”. In 2024, a total of RMB58.69 million was paid for the above four social insurances, and a total of RMB30.22 million was paid for the housing provident fund.

In addition, in order to motivate employees and to retain talents, mobilize their work enthusiasm and provide talent guarantee for the development of the company, the company has established an enterprise annuity plan in accordance with the relevant regulations and policies of enterprise annuity management and in combination with the actual situation, and employees participate in it on a voluntary basis. The enterprise annuity paid in 2024 was RMB20.13 million.

(III) Training plan

The Company has continuously improved its talent cultivation and development system to enhance the effectiveness of education and training. In accordance with the “Company Employee Education and Training Management Measures”, the “2024 Education and Training Plan” was formulated at the beginning of the year with targeted and focused approaches, and the training work was implemented strictly in accordance with the training plan, providing a solid talent guarantee for promoting the company’s high-quality development and long-term stability. In 2024, the company successfully held various training programs such as the “Young Talents” basic talent rotation training class, the “Young Talents” top-notch talent and middle-aged and young cadres rotation training class, etc., continuously improving the cadres’ ideological and political quality, entrepreneurial ability, and problem-solving ability. Various departments conducted various business trainings such as human resources, party affairs, finance, legal compliance, audit risk control, fee inspection, electromechanical management, vehicle rescue, and the 2024 provincial transportation industry vocational skills competition based on actual work needs and departmental business functions, effectively improving employees’ management, skills, and professional knowledge levels, and focusing on cultivating compound talents. In addition, the company actively utilized online education tools such as Tongda e-School to encourage employees to increase their self-learning efforts and enhance the ability and literacy of front-line employees.

(IV) Outsourcing of labor services

☐ Applicable ☒ Not applicable

Section IV Corporate Governance

XI. PLAN FOR PROFIT DISTRIBUTION OR CAPITAL ACCUMULATION FUND TRANSFER

(I) Formulation, implementation or adjustment of cash dividend policy

Since its listing, the Company has been insisting on returning to shareholders and has distributed cash dividends continuously for 28 consecutive years.

In 2012, in accordance with the relevant requirements of the regulatory authorities and in combination with the actual situation of the Company, the Company revised the Articles of Association, further improved the cash dividend policy of the Company in the Articles of Association, and standardized the decision-making mechanism and procedures of the profit distribution plan of the Company. The decision-making procedures and mechanisms of the revised profit distribution plan mainly include: when formulating the Company's profit distribution plan, the Board should attach importance to reasonable investment returns to investors and take into account the sustainable development of the Company, and comprehensively analyze the Company's business development, shareholders' wishes, social capital costs, external financing environment and other factors. The profit distribution plan of the Company shall be prepared by the secretary of the Board and the chief financial officer, and shall be submitted to the Board for consideration after being approved by more than two-thirds of the independent directors. The Board shall fully discuss the rationality of the profit distribution plan and submit the resolution to the shareholders' meeting for approval.

In 2018, in accordance with the relevant provisions of the Rules of Shareholders' General Meetings of Listed Companies (Revised in 2016) and the Guidelines for the Articles of Association of Listed Companies (Revised in 2016), the Company further clarified the priority order of cash dividends in the Articles of Association. The amendments to the Articles of Association have been considered and approved at the 2017 Annual General Meeting.

In 2021, in order to respond to and implement the relevant requirements of the regulatory authorities for improving the level of shareholder returns, shape the scope of medium and long-term value investment, realize the sharing of development benefits between the company and shareholders, and effectively safeguard the rights and interests of shareholders, especially small and medium-sized investors. In accordance with the Notice on Further Implementation of Cash Dividends Distribution of Listed Companies issued by the CSRC, the Guidelines for the Supervision of Listed Companies No.3-Cash Dividends Distribution of Listed Companies and other relevant documents and the relevant provisions of the Articles of Association, the Company has formulated the Shareholders' Return Plan of Anhui Expressway Co., Ltd (2021–2023). It was approved by the fourteenth meeting of the ninth Board of Directors and the second extraordinary general meeting in 2021. According to the plan, the Company's profit distributed in cash in the next three years would not be less than 60% of the net profit attributable to the owner of the parent company in the consolidated statement realized in that year, which effectively improved the level of cash dividends and effectively improved the Company's market image.

The profit distribution plan of the Company for 2023 has been implemented in July 2024, with a total dividend of RMB996,824,600 distributed.

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(II) Special description of the cash dividend policy

Whether it complies with the provisions of the articles of association or the requirements of the resolution of the general meeting of shareholders	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the standard and proportion of dividends clear and clear?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the relevant decision-making procedures and mechanisms are complete	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the independent directors have fulfilled their duties and played their due roles	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether minority shareholders have the opportunity to fully express their opinions and demands, and whether their legitimate rights and interests have been fully protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

(III) If the Company is profitable during the reporting period and the profit of the parent company available for distribution to shareholders is positive, but no cash profit distribution plan is proposed, the Company shall disclose in detail the reasons and the purpose and use plan of the undistributed profit

☐ Applicable ☒ Not applicable

(IV) Profit distribution and conversion of capital reserve into share capital during the reporting period

Unit: yuan Currency: RMB

Number of bonus shares for every 10 shares (shares)	0
Number of dividends per 10 shares (RMB) (tax included)	6.04
Number of shares increased per 10 shares (shares)	0
Cash dividend amount (including tax)	1,001,800,440.00
Net profit attributable to ordinary shareholders of the listed company in the consolidated statement of the dividend year	1,668,981,126.49
Percentage of amount of cash dividends in net profit attributable to ordinary shareholders of the listed company in the consolidated statement (%)	60.02
Amount of shares repurchased in cash included in cash dividends	0
Total dividend amount (tax included)	1,001,800,440.00
Percentage of total amount of cash dividends in net profit attributable to ordinary shareholders of the listed company in the consolidated statement (%)	60.02

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(V) Cash dividends in the most recent three fiscal years

Unit: yuan Currency: RMB

Cumulative cash dividends for the last three fiscal years (tax included) (1)	2,910,860,550.00
Cumulative repurchases and write-offs in the last three fiscal years (2)	0.00
Cash dividends and repurchases for the last three fiscal years and write-off the accumulated amount (3)=(1)+(2)	2,910,860,550.00
Average annual net profit for the last three fiscal Years (4)	1,591,308,972.08
Cash dividend ratio for the last three fiscal years (%) (5)=(3)/(4)	182.92
Net profit attributable to common shareholders of a listed company in the consolidated statement for the most recent fiscal year	1,668,981,126.49
Undistributed profit at the end of the last fiscal year reported by parent company	11,479,961,579.07

XII. THE COMPANY'S EQUITY INCENTIVE PLAN, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVE MEASURES AND THEIR IMPACT

(I) The relevant incentive matters have been disclosed in the interim announcement and there is no progress or change in the subsequent implementation

☐ Applicable ☒ Not applicable

(II) Incentives not disclosed in the interim announcement or with subsequent progress

Equity incentive

☐ Applicable ☒ Not applicable

Other instructions

☐ Applicable ☒ Not applicable

Employee Stock Ownership Plan

☐ Applicable ☒ Not applicable

Other incentives

☐ Applicable ☒ Not applicable

Section IV Corporate Governance

(III) Equity incentives granted to directors and senior managers during the reporting period

☐ Applicable ☒ Not applicable

(IV) Evaluation mechanism for senior management and establishment and implementation of incentive mechanism during the reporting period

☐ Applicable ☒ Not applicable

XIII. CONSTRUCTION AND IMPLEMENTATION OF INTERNAL CONTROL SYSTEM DURING THE REPORTING PERIOD

According to the relevant requirements and the actual situation of the Company, the company revised four relevant internal control management systems, including the Internal Control Management Measures and the Comprehensive Risk Management Measures. In 2024, the headquarters of the Company revised and added 40 rules and regulations. By the end of the year, the Company had 204 effective systems, basically covering all management processes, further standardizing the work and further improving the management level.

Explanation of material defects in the internal control during the reporting period

☐ Applicable ☒ Not applicable

XIV. MANAGEMENT AND CONTROL OF SUBSIDIARIES DURING THE REPORTING PERIOD

☐ Applicable ☒ Not applicable

XV. EXPLANATION OF RELEVANT INFORMATION OF INTERNAL CONTROL AUDIT REPORT

Ernst & Young Hua Ming LLP audited the internal control of the Company in 2024 and issued a standard and unqualified Internal Control Audit Report, considering that the Company has maintained effective internal control over financial reporting in all material aspects in accordance with the Basic Standards for Enterprise Internal Control and relevant regulations.

Please refer to the www.sse.com.cn on the website of the Shanghai Stock Exchange for details of the Internal Control Audit Report.

Whether to disclose the internal control audit report: Yes

Internal control audit report opinion type: standard unqualified opinion

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XVI. RECTIFICATION OF SELF-INSPECTION PROBLEMS OF SPECIAL ACTIONS FOR CORPORATE GOVERNANCE OF LISTED COMPANIES

After self-inspection, the Company has maintained effective control and governance in all major aspects of corporate governance, and no major violations of laws and regulations or violations of the interests of listed companies have been found, and no violations of laws and regulations affecting the level of corporate governance have been found.

XVII. OTHERS

A. Corporate Governance Code

The Board confirms that, during the Reporting Period, save and except that both the duties of the remuneration committee and the nomination committee were performed by the Company's human resources and remuneration committee (as the Company considers the long established arrangement of human resources and remuneration committee has so far been effective and suits the needs of the Company better, and the majority of the members of the human resources and remuneration committee are independent non-executive directors or directors who do not hold operational or managerial positions within the Company, which can ensure the protection of the interests of shareholders of the Company), the Company has always complied with the Corporate Governance Code and is committed to maintaining a high standard of corporate governance mechanism to enhance corporate transparency and safeguard the interests of the shareholders of the Company.

During the reporting period, the Company strictly complied with the requirements of the Company Law, the Securities Law and the relevant laws, regulations and normative documents of the China Securities Regulatory Commission ("CSRC"), continuously improved its corporate governance structure, actively promoted the construction of internal control standards, conscientiously fulfilled its information disclosure obligations, strengthened investor relations management and improved the standard operation level of the Company. During the Reporting Period, the Board performed the following duties in respect of corporate governance:

- (a) to review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to review and monitor the code of conduct and compliance manual for employees and directors; and
- (e) to review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

Section IV Corporate Governance

B. Directors and Board of Directors

1. Board of Directors

As of 31 December 2024, the Board consists of 9 directors, and the current board of directors is the tenth Board of Directors of the Company.

These include:

Executive Directors :

Wang Xiaowen

Yu Yong

Chen Jiping

Wu Changming

Non-Executive Directors:

Yang Xudong

Du Jian

Independent Non-Executive Directors:

Zhang Jianping

Lu Taiping

Zhao Jianli

According to the articles of association of the Company, all Directors shall be elected by the general meeting and shall serve a term of 3 years. A retiring Director is entitled to be re-elected to serve a consecutive term. Please refer to the disclosures in the section “Corporate Governance - IV. Information about the Directors, Supervisors and Senior Managers” of this annual report for the terms of the current members of the board (including non-executive directors).

None of the Directors has any relationship (including financial, business, family or other significant/related relationships) with each other. Please refer to Part “IV. Information about the Directors, Supervisors and Senior Managers” of this annual report for the biographical details of the directors this section.

During the reporting period, Mr. Wang Xiaowen (appointed on 6 June 2024) served as the chairman of the Company, and Mr. Yu Yong (appointed on 6 June 2024) served as the general manager of the Company. The division of responsibilities between the chairman and the general manager of the Company has been clearly defined and detailed in the Articles of Association, the Regulations on the Work of the Board of Directors and the Regulations on the Work of the General Manager, so as to ensure that the rights and authorizations are evenly distributed, that the decision-making of the Board of Directors is independent, and that the management is independent in its daily operation and management activities. The chairman presides over and coordinates the work of the Board of Directors, is responsible for leading the Board of Directors to formulate the overall development strategy and direction of the Group, and to achieve the objectives of the group, to ensure the effective operation of the Board, and to ensure that the Company has good corporate governance practices and procedures. With the support and assistance of the Board of Directors and other senior management of the Company, the general manager is responsible for coordinating and managing the business and operation of the Group, implementing the strategies formulated by the Board of Directors and making daily decisions.

Section IV Corporate Governance

During the reporting period, the Board earnestly implemented the resolutions of the general meeting of shareholders, and carried out the corresponding review procedures for major matters within the scope of authority in strict accordance with the provisions. The professional committees of the board of directors held their respective meetings to put forward opinions and suggestions on the Company's development strategy and capital operation, which effectively promoted the standardized operation and scientific decision-making of the Board of Directors.

The management of the Company shall be responsible for providing the relevant data and information required for the Board of Directors and the special committees to consider various proposals, and shall respond or provide further data as soon as possible after the directors have made reasonable inquiries, and shall arrange for the senior management to report on various work when the board of directors convenes. The Board of Directors and the special committees of the Board shall have the right to engage independent professional institutions to serve them and provide independent professional advice according to the needs of exercising their powers, performing their duties or business, and the reasonable expenses incurred therefrom shall be borne by the Company. (During the year, no director requested the Company to seek independent professional advice on the relevant matters.)

2. Independent non-executive directors and their independence

The Company has appointed a sufficient number of independent non-executive Directors. The Board has received confirmation from all the independent non-executive Directors in respect of their independence in accordance with Rule 3.13 of the Listing Rules of the Hong Kong Stock Exchange and is of the view that the current independent non-executive Directors meet the relevant guidelines set out in Rule 3.13 of the Listing Rules of the Hong Kong Stock Exchange and remain independent.

Section IV Corporate Governance

3. Directors' performance support

All directors of the Company have access to relevant information and updates on statutory, regulatory and other continuing obligations that directors of listed companies are required to comply with in a timely manner through the secretary to the board of directors during their term of office. The Directors are committed to complying with the provisions of A.6.5 of the CG Code regarding the training of Directors to ensure that they make an informed and relevant Corporate Governance contribution to the Board. During the reporting period, the Company organized some directors to attend training courses or seminars held by Hong Kong Secretary's Association and Anhui Association of Listed Companies, and provided relevant training records to the Company. In 2024, the details of the Company's directors participating in the training are as follows:

Name of Director	Corporate governance, laws and regulations update		Accounting/finance/management and other professional skills	
	Material reading	Training	Material reading	Training
Wang Xiaowen	✓	✓	✓	✓
Yu Yong	✓	✓	✓	✓
Chen Jiping	✓	✓	✓	✓
Wu Changming	✓	✓	✓	✓
Yang Xudong	✓	✓	✓	✓
Du Jian	✓	✓	✓	✓
Zhang Jianping	✓	✓	✓	✓
Lu Taiping	✓	✓	✓	✓
Zhao Jianli	✓	✓	✓	✓
Xiang Xiaolong	✓	✓	✓	✓
Liu Hao	✓	✓	✓	✓
Fang Fang	✓	✓	✓	✓

4. Code for Securities Transactions by Directors and Supervisors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules of the Hong Kong Stock Exchange as the code for securities transactions by Directors and Supervisors. Having made specific enquiry of all Directors and Supervisors, the Company confirmed that the directors and supervisors of the Company had complied with the relevant standards set out in the above code during the Reporting Period.

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C. Special committees under the board of directors

1. Strategic Development and Investment Committee

The main duties of the committee as set out in the terms of reference include: determining the strategic development direction of the Company, formulating the strategic planning of the Company, monitoring the implementation of the strategy, adjusting the corporate strategy and governance structure in a timely manner, organizing and reviewing the projects to be invested by the Company and providing suggestions for the decision-making of the Board.

In 2024, the members of the Strategic Development and Investment Committee of the Company include:

- Mr. Wang Xiaowen (Chairman of the committee and Executive Director) (became the chairman and a member on 6 June 2024)
- Mr. Yu Yong (Executive Director) (became a member on 6 June 2024)
- Mr. Chen Jiping (Executive Director) (became a member on 6 June 2024)
- Mr. Yang Xudong (Non-Executive Director)
- Mr. Zhang Jianping (Independent Non-Executive Director)
- Mr. Xiang Xiaolong (Executive Director, ceased to be the Chairman of the committee and a member on 6 June 2024)

In 2024, the Strategic Development and Investment Committee held 2 meetings, both of which were attended by all the then members (i.e. the March 22, 2024 meeting by Mr. Xiang Xiaolong, Mr. Yang Xudong and Mr. Zhang Jianping, the December 27, 2024 meeting by Mr. Wang Xiaowen, Mr. Yu Yong, Mr. Chen Jiping, Mr. Yang Xudong and Mr. Du Jian). Details of each meeting of the Strategic Development and Investment Committee are as follows:

Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
March 22, 2024	Review the Environmental, Social and Governance Report of the Company for 2023.	The Environmental, Social and Governance Report of the Company for 2023 was reviewed and approved and agreed to be submitted to the Board of Directors for review.	
December 27, 2024	Review the related transaction proposal on Wantong Company to purchase the equity of the Company	The related transaction proposal on Wantong Company to purchase the equity of the Company was reviewed and approved and agreed to be submitted to the Board of Directors for review.	

Section IV Corporate Governance

2. Audit Committee

The main duties of the committee as set out in its terms of reference include: to be responsible for supervising the establishment and implementation of the company's internal audit system; to review the Company's financial information and its disclosure; to review the establishment of the Company's internal control system and supervise and inspect its implementation, including the review of major related party transactions and the communication, supervision and verification of the Company's internal and external audit.

In 2024, the members of the audit committee of the Company include:

- Mr. Lu Taiping (Chairman of the committee and Independent non-Executive Director) (became the Chairman of the committee and a member on 6 June 2024)
- Mr. Yang Xudong (Non-Executive Director) (became a member with effect from 6 June 2024)
- Mr. Du Jian (Non-Executive Director)
- Mr. Zhang Jianping (Independent Non-Executive Director)
- Ms. Zhao Jianli (Independent Non-Executive Director) (became a member with effect from 6 June 2024)
- Mr. Liu Hao (Independent Non-Executive Director, ceased to be a member on 6 June 2024)

In 2024, the Audit Committee held a total of 7 meetings, all of which were attended by all the then members (i.e. by Mr. Liu Hao, Mr. Du Jian and Mr. Zhang Jianping prior to 6 June 2024, by Mr. Lu Taiping, Ms. Zhao Jianli, Mr. Zhang Jianping, Mr. Du Jian and Mr. Yang Xudong on or after 6). Details of each meeting of the Audit Committee are as follows:

Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
30 January 2024	<ol style="list-style-type: none">1. To review the 2024 material risk assessment report of the Company;2. To review the summary of the Company's postinvestment evaluation in 2023;3. To review the summary of the Company's internal audit work in 2023;4. To review the internal audit work plan of the Company for 2024.	Considered and approved the "2024 Major Risk Assessment Report of the Company", the "2023 Post-investment Evaluation Work Summary of the Company", the "2023 Internal Audit Work Summary of the Company" and the "2024 Internal Audit Work Plan of the Company", and agreed to submit the above resolutions to the Board for consideration.	

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Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
26 March 2024	<ol style="list-style-type: none"> 1. To review the financial report of the Company for the year 2023 (prepared in accordance with domestic accounting standards); 2. To review the financial report of the Company for the year 2023 (prepared in accordance with the Hong Kong Accounting Standards); 3. To review the internal control audit report of the company in 2023; 4. To review the profit distribution plan of the Company for 2023; 5. To review the proposal on the expected daily connected transactions in 2024; 6. To review the Company's 2023 Annual Report; 7. To review the evaluation report on the performance of domestic auditors in 2023; 8. To consider the resolution on the reappointment of the auditor of the Company for the year 2024; 9. To review the report of the audit committee of the Board of Directors on the performance of supervisory duties of the accounting firm in 2023; 10. To review the internal control assessment report of the Company for the year 2023; 11. To review the internal control system work report of the Company for the year 2023; 12. To review the report on the performance of duties of the Audit Committee for 2023; 13. To review the internal control assessment work plan of the Company for 2024; 14. To review the communication report of Ernst & Young Hua Ming LLP to the Audit Committee on the audit of the 2023 annual report of the Company 	<ol style="list-style-type: none"> 1. Consideration and approval of the audited "Financial Report of the Company for the Year 2023 (Prepared in accordance with the PRC Accounting Standards)" and the "Audited Financial Report of the Company for the Year 2023 (the "Hong Kong Financial Reporting Standards Financial Report")", the "Profit Distribution Plan of the Company for the Year 2023", the "Resolution on Projected Daily Connected Transactions for the Year 2024", and the "Internal Control Review of the Company for the Year 2023", "2023 Annual Report of the Company", "2023 Work Report on the Internal Control System", "2023 Report on the Performance of Duties of the Audit Committee", "2023 Audit Report on the Internal Control of the Company", "Proposal on the Re-appointment of the Auditors of the Company for 2024", "Assessment Report on the Performance of Duties of Domestic Auditors for 2023", "Audit Committee of the Board of Directors Report on the Firm's Performance of Supervisory Duties in 2023", and agreed to submit the above proposal to the Board of Directors for consideration; 2. The "Internal Control Assessment Work Plan for 2024" and the "Communication Report of Ernst & Young Hua Ming LLP on the Audit of the Financial Statements of 2023 to the Audit Committee" were considered and approved. 	

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Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
25 April 2024	<ol style="list-style-type: none"> 1. To review the accounting statements of the Company prepared in accordance with the PRC accounting standards for the first quarter of 2024; 2. To review the special audit report on the management of the Company's road damage rescue business; 3. To review the three-in-one internal control manual of the Company. 	<ol style="list-style-type: none"> 1. The "Financial Report of the Company for the First Quarter of 2024 Prepared in Accordance with the PRC Accounting Standards" was considered and approved, and it was agreed to submit this proposal to the Board for consideration. 2. Considered and approved the "Special Audit Report on the Management of Road Damage Rescue Business of the Company and the "Three-in-One Internal Control Manual of the Company". 	
6 June 2024	To review the Company's proposal on the appointment of the Chief Financial Officer of the Company.	The "Resolution on the Appointment of the Chief Financial Officer of the Company" was considered and approved, and it was agreed to submit this resolution to the Board for consideration.	
29 August 2024	<ol style="list-style-type: none"> 1. To review the interim financial report of the Company for the year 2024 prepared in accordance with the PRC accounting standards; 2. To review the interim financial report of the Company for 2024 prepared in accordance with the Hong Kong Accounting Standards; 3. To review the interim report of the Company for the year 2024; 4. To review the summary of the 2024 interim report and the 2024 interim results announcement of the Company. 	Considered and approved the "2024 Interim Financial Report Prepared in Accordance with the PRC Accounting Standards", "2024 Interim Financial Report Prepared in Accordance with the Hong Kong Accounting Standards", "2024 Interim Report of the Company", "Summary of 2024 Interim Report and 2024 Interim Results Announcement of the Company", and agreed to submit the above resolutions to the Board for consideration.	
25 October 2024	<ol style="list-style-type: none"> 1. To review the financial report of the Company for the third quarter of 2024 prepared in accordance with domestic accounting standards; 2. To review the third quarter report of the Company for the year 2024; 3. To discuss the audit communication of Ernst & Young Hua Ming LLP on the audit plan of the Company for 2024. 	<ol style="list-style-type: none"> 1. Considered and approved the Financial Report for the Third Quarter of 2024 Prepared in accordance with the Domestic Accounting Standards and the Third Quarter Report of 2024 of the Company, and approval to submit this proposal to the Board of Directors for consideration; 2. Having listened to the Audit Committee Communication Matters of Ernst & Young Hua Ming LLP on the Audit Plan of Anhui Expressway for 2024, agreed to carry out the audit work according to this plan. 	

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Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
30 December 2024	<ol style="list-style-type: none"> 1. To review the summary of the post-evaluation of the investment projects of the Company in 2024 and the post-evaluation plan of the investment projects in 2025; 2. To review the special audit report of the Company for 2024. 	<ol style="list-style-type: none"> 1. Considered and approved the “Summary of Post-evaluation of Investment Projects of the Company in 2024 and the Post-evaluation Plan of Investment Projects in 2025”, and approval to submit this proposal to the Board for consideration; 2. The special audit report of the Company for 2024 was considered and approved. 	

3. Human Resources and Remuneration Committee

The main duties of the Human Resources and Remuneration Committee are: to be responsible for the formulation of the Company’s human resources development strategies and plans, the research and formulation of remuneration policies and incentive mechanisms, and the performance evaluation, appointment and removal recommendations of the Company’s directors, general manager and other senior management.

According to the terms of reference, the Human Resources and Remuneration Committee plays an advisory role on matters relating to the remuneration of directors and senior management of the Company, while the Board retains the ultimate authority to approve the remuneration of directors and senior management.

In 2024, the members of the Human Resources and Remuneration committee of the Company include:

- Mr. Zhang Jianping (Chairman of the committee and Independent Non-Executive Director)
- Mr. Wu Changming (Executive Director, became a member on 6 June 2024)
- Mr. Yang Xudong (Non-Executive Director)
- Mr. Lu Taiping (Independent Non-Executive Director, became a member on 6 June 2024)
- Ms. Zhao Jianli (Independent Non-Executive Director, became a member on 6 June 2024)
- Ms. Fang Fang (Independent Non-Executive Director, ceased to be a member on 6 June 2024)
- Mr. Liu Hao (Independent Non-Executive Director, ceased to be a member on 6 June 2024)

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In 2024, the Human Resources and Remuneration Committee held a total of 4 meetings, which were attended by all the then members (i.e. Mr. Zhang Jianping, Ms. Fang Fang and Mr. Yang Xudong before 6 June 2024, Mr. Zhang Jianping, Mr. Wu Changming, Mr. Lu Taiping, Ms. Zhao Jianli and Mr. Yang Xudong on or after 6 June 2024). Details of each meeting of the Human Resources and Remuneration Committee are as follows:

Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
24 April 2024	<ol style="list-style-type: none"> 1. Review the Proposal on Nominating Non-Independent Director Candidates for the 10th Board of Directors; 2. Review the Proposal on Nominating Director Candidates for the 10th Board of Directors; 3. Review the Proposal on Recommended Remuneration Plan for Non-Independent Directors of the 10th Board of Directors; 4. Review the Proposal on Recommended Remuneration Plan for Independent Directors of the 10th Board of Directors. 	<ol style="list-style-type: none"> 1. Review the Proposal on the Nomination of Non-Independent Director Candidates for the 10th Board of Directors, and agree to submit it to the Board of Directors for consideration; 2. Review the Proposal on the Nomination of Director Candidates for the 10th Board of Directors, and agree to submit it to the Board of Directors for consideration; 3. Review the Proposal on the Recommended Remuneration Plan for Non-Independent Directors of the 10th Board of Directors, and agree to submit it to the Board of Directors for consideration; 4. Review the Proposal on the Recommended Remuneration Plan for Independent Directors of the 10th Board of Directors, and agree to submit it to the Board of Directors for consideration. 	
6 June 2024	<ol style="list-style-type: none"> 1. Review the Proposal on Qualification Review of Senior Management Candidates for the 10th Board of Directors; 2. Review the Proposal on the “Employee Performance Evaluation and Management Measures”. 	<ol style="list-style-type: none"> 1. Review the Proposal on the Qualification Review of Senior Management Candidates for the 10th Board of Directors, and agree to submit it to the Board of Directors for consideration; 2. Review the Proposal on the “Employee Performance Evaluation and Management Measures”, and agree to submit it to the Board of Directors for consideration. 	
25 October 2024	Review the Proposal on the Tenure System and Contractual Management of the Company’s Management Members.	Consideration and adoption of the Proposal on the Tenure System and Contractual Management of Company Managers, agree to submit to the board of directors for consideration.	

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Date of convening	Content of the meeting	Important comments and suggestions	Other performance of duties
25 December 2024	<ol style="list-style-type: none"> 1. Review the Proposal on 2023 Annual and 2021–2023 Tenure Performance Evaluations of Anhui Expressway Company Limited's Executive Leadership Members; 2. Review the proposal on the assessment and distribution of the Company's headquarters in 2023 and proposal on the distribution of total wages for the year 2024. 	<ol style="list-style-type: none"> 1. Review the Proposal on the 2023 Annual and 2021–2023 Tenure Performance Evaluations of the Executive Leadership Members of Anhui Expressway Company Limited, and agree to submit it to the Board of Directors for consideration; 2. Consideration and adoption of the proposal on the assessment and distribution of the Company's headquarters in 2023 and proposal on the distribution of total wages for the year 2024, agree to submit to the board of directors for consideration. 	

D. Summary of the Board Diversity Policy

Pursuant to the amendments to the Listing Rules and its Corporate Governance Code of the Hong Kong Stock Exchange, the Board has approved the amendments to the Board Diversity Policy on 22 March 2019.

The purpose of the policy is to set out the approach adopted by the Board to achieve diversity in its membership. The Company recognizes and believes in the benefits of diversity on the Board. The Human Resources and Remuneration Committee is committed to ensuring that the Board has appropriate skills, experience and diverse perspectives relevant to the business of the Company. All appointments to the Board are made on the basis of merit and objective criteria, taking into account the benefits of diversity on the Board when considering candidates. The selection of candidates for the Board will be based on a range of diversity, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The final decision will be based on the merits of the candidate and the contribution he or she can make to the Board.

The Human Resources and Remuneration Committee monitors the implementation of this policy on an annual basis. And to review the policy as appropriate to ensure its effectiveness. Other than the review, the Human Resources and Remuneration Committee has not yet set specific quantifiable targets for achieving diversity during the year.

E. Statement of Directors' Responsibility for the Financial Statements

The purpose of this statement is to provide shareholders with a clear distinction between the respective responsibilities of the Company's directors and auditors for the financial statements, and should read in conjunction with the auditors' statement set out in the auditors' report in Section XI of this Annual Report.

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The Board is of the view that the Company has sufficient resources to continue its business in the foreseeable future and therefore the financial statements have been prepared on a going concern basis. In preparing the financial statements, the Company has used appropriate accounting policies. These policies have been consistently applied, supported by reasonable and prudent judgements and estimates, and in accordance with all accounting standards that the Board considers applicable. The directors are responsible for ensuring that the accounts and records prepared by the Company reflect reasonably and accurately the financial position of the Company and that the financial statements are in compliance with the relevant accounting standards.

F. Domestic and overseas auditors

Current auditors

Name of domestic accounting firm	Ernst & Young Hua Ming LLP
Remuneration of domestic accounting firm	138
Audit period of domestic accounting firm	3
Name of certified public accountant of domestic accounting firm	Zhao Guohao, Zhao Wenjiao
Number of consecutive years of audit services provided by certified public accountants of domestic accounting firms	Zhao Guohao (2022, 2023, 2024), Zhao Wenjiao (2022, 2023, 2024)
Name of overseas accounting firm	Ernst & Young
Remuneration of overseas accounting firms	30
Audit period of overseas accounting firm	3

	Name	Remuneration
Internal control audit accounting firm	Ernst & Young Hua Ming LLP	30

Description of the appointment and dismissal of the accounting firm

The 2023 Annual General Meeting of Shareholders of our company approved the continued appointment of Ernst & Young Hua Ming LLP and Ernst & Young as our Chinese and overseas auditors for the year 2024. As of the reporting period, the accounting firm has provided audit services to the Company for 3 years.

Description of the change of accounting firm during the audit period

☐ Applicable ☒ Not applicable

Description of audit fees decreasing by more than 20% (including 20%) compared to the previous year

☐ Applicable ☒ Not applicable

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G. Remuneration of directors, supervisors and senior management personnel

During the reporting period, the total remuneration of directors, supervisors and senior managers is within the following range:

	Number of people
Nil to HK\$1,000,000	19

H. Risk management and internal control

In accordance with the provisions of the Basic Standards for Enterprise Internal Control and its supporting guidelines and other internal control regulatory requirements (hereinafter referred to as the Standard System for Enterprise Internal Control), the Company has established, improved and effectively implemented the risk management and internal control system. The objectives of the Company's risk management and internal control system are to reasonably ensure the legality and compliance of operation and management, the safety of assets, the authenticity and integrity of financial reports and related information, improve operational efficiency and effectiveness, and promote the realization of development strategies. Risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

1. Main features of risk management and internal control

The Board is responsible for the risk management and internal control systems of the Group and for reviewing their effectiveness. The board of supervisors shall supervise the establishment and implementation of internal control by the board of directors. Managers are responsible for organizing and leading the daily operation of internal control of enterprises.

Scope of responsibility:

Board of Directors

- be responsible for the risk management and internal control system and continuously review its effectiveness to ensure that the Group establishes and maintains an effective risk management and internal control system;
- to review the Group's risk management and internal control systems at least annually and to ensure that the resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting function are adequate during each review, and if there is an issue to be reported on an ad hoc basis, the chairman of the Board determines whether it should be reported to the Board;
- to oversee the management's design, implementation and monitoring of risk management and internal control systems.

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Audit Committee

- to review the Group's risk management and internal control systems;
- to evaluate the results of risk management and internal control evaluation and audit, and supervise the rectification of risk management and internal control defects;
- to discuss risk management and internal control systems with management to ensure that management has performed its duty to have effective systems;
- to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to such findings.

Management

- be responsible for the risk management and internal control, and manages the related work;
- to provide feedback to the Board and the Audit Committee on the progress of risk management and internal control.

The risk management and internal control department of the Group reports on the risk management and internal control of the Group to the Audit Committee and the Board at the annual meeting held every year, so that the Board can make judgments on the control of the Group and the effectiveness of risk management.

The Group has adopted relevant policies and procedures to review the effectiveness of the risk management and internal control systems and address serious internal control deficiencies, including requiring the management of the Group to regularly assess and keep abreast of relevant information. At the same time, the Group has established a complete set of integrity system to provide institutional guarantee for anti-corruption, prosecution and supervision.

2. Specific procedures used by the Company to identify, assess and manage material risks

(1) Risk identification

Determine risk measures and identify risks that may have a potential impact on the Group.

(2) Risk assessment

Evaluate the identified risks and classify them according to the degree of risk.

(3) Risk response

Select coping strategies according to the risk level, and the risk control department shall follow up whether the relevant coping strategies are effective; At the same time, relevant countermeasures should be formulated to avoid the recurrence of risks or reduce related risks.

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(4) Risk monitoring

Continuously and regularly monitor relevant risks, revise risk management and internal control procedures in a timely manner, and ensure that relevant monitoring procedures are appropriate and effective; Report the results of risk monitoring to the management and the Board on a regular basis.

In order to cope with changes in the external environment and continuously ensure the profitability of the Company, the Company optimizes business processes and implements business and management mode transformation through management innovation and business reform, and carries out work in the formulation of the Group's medium- and long term vision, the promotion of cost reduction, organizational and process optimization, and capacity improvement to ensure the implementation of the Group's strategies and annual policies.

3. Specific procedures used by the Company to review system effectiveness and address serious internal control deficiencies

(1) Internal control effectiveness test procedure

1. Purpose of internal control effectiveness test

To evaluate the effectiveness of the operation of internal control, the following aspects should be considered:

- (1) how the relevant controls operate during the evaluation period;
- (2) whether the relevant control has been operated consistently;
- (3) whether the personnel implementing the control have the necessary authority and ability.

2. Frequency of internal control effectiveness testing

From January to March 2025, the internal control working group tested the effectiveness of the internal control operation in 2024. For some sub-processes with high risks, determine whether to increase the test frequency according to actual needs

3. Identification of critical control points and determination of test draft template

The Company has determined the key control points to be tested in the process of internal control evaluation, and unified the working papers used in the test, requiring that the testers can not change at will in the process of testing.

Before the implementation of the test, the tester shall obtain the process documents, risk control matrix, test working paper and main rules and regulations of the test process, and understand the control objectives, control risks and main contents of corresponding critical control points of the whole process.

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4. *Internal control effectiveness test method*

The Company uses a combination of four methods to conduct internal control effectiveness testing, including inquiry (optional), observation (optional), review, inspection (required) and re-execution (optional).

The Company's internal control working group will select appropriate test methods from the above methods based on the evaluation results of risk factors related to control.

5. *Test sample selection and test conclusion*

Independently select samples for each critical control point, and the samples shall cover the tested critical control point, and shall not cover other non-critical control activities in the process; It must be selected randomly, and the method of statistical sampling shall be adopted if conditions permit.

There are two types of results of testing the critical control points after selecting samples:

- Control is effective. After testing, if a key control is effectively implemented in all samples, the test result is valid;
- Test differences. If the implementation of the sample is inconsistent with the description of the critical control point, it indicates that the control designed reasonably is not effectively implemented as expected, which belongs to the test difference. For test differences, the tester should communicate with the process owner to clarify the reasons for the differences.

6. *Internal control effectiveness test sample records*

Sample records shall be made using a uniform control test document template; Comprises the following steps of: truly filling in all characteristics (including abnormal parts) of each sample according to the contents listed in the template; It is necessary to briefly describe the cause of the sample exception in the draft; And form a test conclusion (valid control or invalid control) on each draft.

7. *Identification of internal control defects*

The Company's identification of internal control defects is based on daily supervision and special supervision, combined with the results of annual internal control evaluation, and the internal control working group conducts comprehensive analysis and puts forward identification opinions, which are reviewed in accordance with the prescribed authority and procedures. Material defects are finally determined by the Board of Directors.

In accordance with the provisions of the Guidelines for the Evaluation of Enterprise Internal Control, the Company distinguishes internal control defects in financial reports and internal control defects in non-financial reports according to the specific manifestations of the impact of internal control defects on the realization of financial reporting objectives and other internal control objectives.

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(2) *Specific procedures to address serious internal control deficiencies*

1. *Formulate defect rectification plan*

The internal control working group of the Company is responsible for supervising the person in charge of the rectification of each control defect to formulate the corresponding defect rectification plan according to the nature of the identified defect and the actual situation of the company. The rectification plan shall include the following contents: department/individual responsible for rectification, rectification steps, rectification schedule, etc. The rectification plan shall not be implemented until it is approved by the management of the appraised object.

2. *Defect rectification method*

For the internal control design defects that have been confirmed and need to be rectified, it is necessary to supplement relevant provisions or modify the original provisions in the existing internal control management system, and approve the supplement or modification in accordance with the company's established management system approval procedures; For the internal control execution defects that have been confirmed to be rectified, it is necessary to strengthen the enforcement of internal control and require the control executors to strictly comply with the relevant provisions.

The corresponding relationship among the severity of internal control defects, identification institutions and corrective measures is shown in the following table:

Influence degree of defects	Coping style	Accreditation body	Responsible for correcting the deviation	Countermeasures
General defects	Slight Lighter Medium	Concern Follow and test To make amends or corrections	Internal control evaluation department (manager level)	Internal Control Evaluation Department
Important defects	Amendment	Management (Board of Directors)	Managers	Managers should take action or urge relevant departments to take action to solve existing problems and prevent the occurrence of events that have a greater negative impact on control objectives; If the defect belongs to the design link, the internal control system should be revised while taking corrective measures.
Major defects	Amendment	Board of directors	Board of directors	The board of directors shall pay attention to it and urge the relevant departments to immediately analyze the causes and take corrective actions; If the defect belongs to the design link, the internal control system should be revised while taking corrective measures.

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3. *Monitoring of defect rectification progress*

The internal control working group of the Company is responsible for supervising the rectification of defects and coordinating the solution of problems arising in the rectification process. The monitoring method is mainly to regularly review the rectification progress reports reported by the persons in charge of rectification.

4. *Report on the progress of defect rectification*

In the process of defect rectification, the Company's internal control working group is responsible for regularly reporting the progress of defect rectification to the management. Major rectification matters shall be reported to the Board of Directors (Audit Committee) in a timely manner. In the report, the measures taken for rectification and the completion of rectification steps shall be briefly described, and the problems arising in the rectification process that need the attention of the management (such as difficulties, matters that need to be coordinated with other departments, etc.) shall be listed and explained.

The Board has completed the annual review of the risk management and internal control system of the Group in accordance with the requirements of the enterprise internal control standard system, in combination with the internal control system and evaluation methods of the Company, and on the basis of daily supervision and special supervision of internal control: on January 2024 the Company collected the risk information and its subordinate units from both qualitative and quantitative aspects, analyzed the causes of risks and assessed their impact on the Company through various ways and means such as issuing risk questionnaires, preparing internal control risk identification forms for business processes, and combining with the internal control evaluation results and internal audit findings of the Company in this year. From January to March 2025, the company tested the effectiveness of internal control operation in 2024. The Board confirms that the risk management and internal control systems of the Group are effective and adequate for the year ending 31 December 2024, and no material control errors or material control weaknesses were identified during the reporting period. The Board is of the view that, for the year ending 31 December 2024, the internal control system of the Group has been operating effectively, and has played a good management and control role in all key aspects of the operation and management of the Group, which can provide protection for the healthy operation of various business and the control of operational risks of the Group. Be able to reasonably ensure the reliability of financial reports, the legitimacy of business operations, and the efficiency and effectiveness of operations; The resources, qualifications and experience of the staff of the Group's accounting, internal audit and financial reporting function, as well as the training courses and budget received by the staff are adequate. In addition, the Group's procedures in relation to financial reporting and compliance with the requirements of the Listing Rules are effective.

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4. Internal audit function

The internal audit department is responsible for the internal audit work of the Group and reports directly to the Audit Committee. The internal audit department plays an important role in assessing the effectiveness of the Group's risk management and internal control systems and is responsible for reporting directly to the Audit Committee on a regular basis.

I. Company secretary training

Mr. Lee Chung Shing (李忠成), was appointed as the company secretary of the Company on 30 June 2022. Mr. Lee Chung Shing is a vice president in the Entity Solutions of Computershare Hong Kong Investor Services Limited. Mr. Lee was admitted as an associate of the Hong Kong Institute of Certified Public Accountants in March 1999 and a fellow member of the Association of Chartered Certified Accountants in July 2003. During the reporting period, the Company Secretary's primary corporate contact person is Ms. Ding Yu, secretary to the Board. With the assistance of Ms. Ding Yu, the Company Secretary provided assistance to the Board and the Directors had access to the advice and services of the Company Secretary on corporate governance and Board practices and matters.

During the year ended 31 December 2024, Mr. Lee Chung Shing received no less than 15 hours of relevant professional training to refresh his skills and knowledge.

J. The manner in which a general meeting, an extraordinary general meeting convened by the shareholders and proposals put forward at a general meeting

Pursuant to Article 89 of the Articles of Association, if more than half of the independent directors, shareholders individually or jointly holding more than 10% of the total voting rights of the Company (the "Proposing Shareholders") or the supervisory committee request the Board of Directors to convene an extraordinary general meeting or a class meeting, the following procedures shall be followed:

- (1) Where more than half of the independent directors propose to convene an extraordinary general meeting, the board of directors shall, in accordance with the laws, administrative regulations and the articles of association of the company, give a written feedback on whether or not to convene an extraordinary general meeting within 10 days after receiving the proposal.

If the board of directors agrees to convene an extraordinary general meeting of shareholders, the notice of convening the general meeting of shareholders shall be issued within 5 days after the resolution of the board of directors is made; If the board of directors does not agree to convene an extraordinary general meeting, it shall explain the reasons and make an announcement.

- (2) The proposing shareholders or the board of supervisors may sign one or more written requests in the same form and content (including the agenda of the meeting and the proposals with complete contents, and the proposing shareholders or the board of supervisors shall ensure that the contents of the proposals comply with the provisions of laws, regulations and the articles of association of the company) to request the board of directors to convene an extraordinary shareholders' general meeting or a class shareholders' meeting, and state the agenda of the meeting.

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- (3) The Board of Directors shall, within 15 days after receiving the aforesaid written request from the supervisory committee, issue a notice to convene an extraordinary general meeting or a class meeting, and the convening procedures shall comply with the provisions of the articles of association.
- (4) The Board of Directors shall decide whether to convene a shareholders' general meeting in accordance with the laws, regulations and the articles of association of the company for the written proposal of the proposing shareholders to convene a shareholders' general meeting or a class meeting. The resolution of the Board of Directors shall be fed back to the proposing shareholder within 15 days from the date of receipt of the aforesaid written proposal.

If the Board of Directors agrees to convene an extraordinary shareholders' general meeting or a class shareholders' meeting, the notice of convening the meeting shall be issued within 15 days after the resolution of the Board of Directors is made, and the change of the original proposal in the notice shall be approved by the proposing shareholders. After the notice is issued, the Board of Directors shall not put forward any new proposal, nor shall it change or postpone the time of the meeting without the consent of the proposing shareholders.

If the Board of Directors considers that the proposal of the Proposing Shareholders is in violation of laws, regulations and the Articles of Association, it shall make a decision not to agree to convene a shareholders' general meeting or a class meeting, and shall notify the Proposing Shareholders in writing of its feedback within 15 days after the Board of Directors makes the decision. The Proposing Shareholders may, within 15 days from the date of receipt of the notice, decide to abstain from convening the extraordinary general meeting or the class meeting, or issue the notice of convening the extraordinary general meeting or the class meeting by themselves.

- (5) If the Board of Directors fails to issue a notice to convene a meeting within 30 days after receiving the aforesaid written request, the shareholder who made the request may convene a meeting on his own within four months after the Board of Directors receives the request; The procedure for convening the meeting shall be the same as the procedure for convening the shareholders' meeting by the Board of Directors as far as possible.

Any reasonable expenses incurred by the shareholders in convening and holding the meeting due to the failure of the Board of Directors to hold the meeting upon the aforesaid request shall be borne by the Company and shall be deducted from the amount owed by the Company to the directors in default.

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- (6) If the board of supervisors or the proposing shareholders decide to convene an extraordinary general meeting or a class meeting on their own, they shall notify the board of directors in writing and file with the local office of the CSRC and the stock exchange at the place where the company is located, and then issue a notice of convening the meeting. The contents of the notice shall comply with the following provisions:
 - (1) No new content shall be added to the proposal, otherwise the board of supervisors or the proposing shareholders shall submit a new request for convening a meeting to the board of directors in accordance with the procedures prescribed in this article;
 - (2) The venue of the meeting shall be the place where the Company is located.
- (7) The board of directors and the secretary of the board of directors shall earnestly perform their duties in respect of the extraordinary general meeting or class meeting convened by the board of supervisors or the proposing shareholders. The board of directors shall ensure the normal procedures of the meeting, and the reasonable expenses of the meeting shall be borne by the company.
- (8) If the board of directors fails to designate a director to preside over the shareholders' general meeting, the board of supervisors or the proposing shareholder shall preside over the meeting in accordance with the provisions of the Articles of Association; The secretary of the board of directors shall earnestly perform his duties, and other convening procedures shall comply with the laws, regulations and the Articles of Association.
- (9) The proposing shareholders shall submit relevant certification materials to the local office of the CSRC and the stock exchange where the company is located when issuing the notice of the shareholders' general meeting and the announcement of the resolutions of the shareholders' general meeting.

In addition, according to Article 66 of the Articles of Association, when the Company convenes a shareholders' general meeting, the board of directors, the board of supervisors and shareholders who individually or jointly hold more than 3% (including 3%) of the total voting shares of the Company shall have the right to put forward new proposals in writing to the Company, and the Company shall include the matters within the scope of duties of the shareholders' general meeting in the agenda of the meeting. Shareholders who individually or jointly hold more than 3% of the Company's shares may put forward interim proposals and submit them in writing to the convener 10 days before the convening of the shareholders' general meeting. The convener shall, within 2 days after receiving the proposal, issue a supplementary notice of the shareholders' general meeting and announce the contents of the interim proposal. Except as provided above, the convener shall not modify the proposals listed in the notice of the shareholders' general meeting or add new proposals after issuing the notice of the shareholders' general meeting. Proposals that are not listed in the notice of the shareholders' general meeting or that do not comply with the provisions of Article 99 of the Articles of Association shall not be voted and resolved at the shareholders' general meeting.

Section IV Corporate Governance

K. Manner of making enquiries to the Board

Shareholders may write to the Company if they have any enquiries. For the address of the Company, please refer to Section II “Company Profile and Major Financial Indicators” of this annual report. The addressee shall be the company secretary of the Company.

L. Investor Relations

1. Significant changes to the articles of association

During the reporting period, in order to further improve the corporate governance structure and enhance the level of corporate governance, in accordance with the requirements of laws, regulations, and normative documents such as the Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises, the Measures for the Administration of Independent Directors of Listed Companies, and the Listing Rules of the Shanghai Stock Exchange (Revised in August 2023), the Company revised the Articles of Association and its attachments, the Rules of Procedure for Shareholders’ Meetings, the Regulations on the Work of the Board of Directors, the Regulations on the Work of the Supervisory Committee, and the powers of the three professional committees of the Board of Directors, and formulated the Independent Director Work System based on the actual situation. The Articles of Association and its attachments, as well as the Independent Director Work System, have been reviewed and approved by the board of directors and Supervisory Committee meetings, and will officially take effect after being reviewed and approved by the shareholders’ meeting; During the reporting period, based on the evaluation of authorized matters by the Board of Directors in 2023 and in combination with the “Three Major and One Large” decision-making matters list, the company also revised the provisions of the “Board of Directors Authorization Management Measures” authorizing the General Manager’s matters list.

During the reporting period, there was no difference between the actual governance status of our company and the requirements of the China Securities Regulatory Commission’s Code of Governance for Listed Companies and relevant laws and regulations, and we have fully adopted all provisions of the Code of Corporate Governance.

Section IV Corporate Governance

2. Shareholders' communication policy

The management of the Company has always attached great importance to active shareholder and investor relations management, and improved investor relations management from the management structure and internal system of the Company through the Investor Relations Management System. Shareholders of the Company can communicate their views on various matters affecting the Company via channels such as the general meeting, telephone hotlines, the SSE network platform, the Company's website and email, and letters to the Company.

During the reporting period, the Company mainly carried out investor relations activities in the following ways to solicit and understand the views of shareholders and stakeholders:

- ◇ Respond to investors' inquiries in a timely manner through the E interactive platform of the Shanghai Stock Exchange, investor hotline, company website and e-mail.
- ◇ Daily reception of investors and analysts to the company's on-site research, take the initiative to "go out" for on-site roadshows, visit investors, understand shareholder demands, and eliminate information barriers.
- ◇ The annual, interim and third-quarter performance presentations were held respectively to fully communicate with investors on the company's operating conditions, investor protection, sustainable development and other issues, so as to facilitate the majority of investors to have a more comprehensive and in-depth understanding of the company's situation, and achieved good publicity results.

During the reporting period, the Company has reviewed the implementation of the Shareholders' communication policy and, based on the good results achieved from the above investor relationships activities, was of the view that the implementation of the shareholders' communication policy is effective.

Section V Environmental and Social Responsibility

I. ENVIRONMENTAL INFORMATION

Whether relevant mechanisms for environmental protection is established	Yes
Investment in environmental protection during the Reporting Period (Unit: RMB10,000)	5,144.11

(I) Description of the environmental protection situation of the Company and its major subsidiaries that belong to the key pollutant discharge units announced by the environmental protection department

☐ Applicable ☒ Not applicable

(II) Description of the Company's environmental protection outside the key pollutant discharge unit

☒ Applicable ☐ Not applicable

1. Administrative penalties for environmental problems

☐ Applicable ☒ Not applicable

2. Disclosure of other environmental information with reference to key pollutant discharge units

☒ Applicable ☐ Not applicable

During the Reporting Period, The Company strictly abided by the national regulations on the emission of noise, waste gas, waste water and greenhouse gases generated in the course of business operation. Relevant regulations on the disposal of hazardous and non-hazardous wastes (including the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Air Pollution, and the Company's Measures for the Management of Highway Greening Maintenance, the Record Form of Ecological Environment Inspection and Assessment, the Technical Guidelines for Environmental Risk Assessment of Construction Projects, and the Soil Pollution Risk Assessment of Construction Land Technical Guidelines) were complied with. The Company and its subsidiaries do not belong to the key pollutant discharge units announced by the environmental protection department, and there are no cases of illegal pollutant discharge and administrative penalties due to environmental problems.

3. Reasons for not disclosing other environmental information

☐ Applicable ☒ Not applicable

Section V Environmental and Social Responsibility

(III) Relevant information conducive to protecting the ecology, preventing and controlling pollution, and fulfilling environmental responsibilities

☒ Applicable ☐ Not applicable

1. Green maintenance

The Group has always adhered to the green and low-carbon development philosophy, vigorously promoted energy-saving, emission-reduction, highly efficient, and intelligent green maintenance technologies, and thoroughly practiced the “prevention-first, combined prevention and treatment” full lifecycle maintenance concept. Through continuously driving technological innovation and green practices, the Company has successfully transformed into one centered on core technologies such as environmentally friendly noise-reducing and drainage thin-layer overlays, anti-skid protective layers, sand-containing fog seal coats, and trenchless grouting.

2. Green Office

To implement water conservation policies, the Company has formulated and improved a water resource management system including the “Water Use Planning and Conservation Management System”, “Water Conservation Reward and Penalty System”, and “Water Quantity Measurement Management System”, actively advocating and advancing water conservation. The Company strengthens daily maintenance management of water supply systems and equipment in office areas, regularly inspects and replaces aging faucets, pipes, and valves to avoid water waste caused by equipment failures. Simultaneously, the Company continuously promotes water conservation awareness through posting water-saving signs and conducting water-saving campaigns, encouraging employees to drink boiled water from tea boilers according to needs, turn off faucets tightly after use, and eliminate “long-running water” phenomena. In 2024, the Company water consumption was 109,200 tons, saving 27,200 tons compared to the previous year, achieving the goal of reducing water usage by 10,000 tons compared to 2023.

In office supplies management, the Company adheres to the “designated responsibility, centralized procurement, and usage registration” system, promotes paperless office operations, and reduces the use of disposable office supplies. The Company standardizes processes for office supplies allocation, procurement, and distribution, prioritizing environmentally friendly, high-quality, and low-energy-consumption office equipment. Additionally, the company strictly controls the distribution scope of printed documents, accurately verifies printing quantities, implements double-sided printing, further reduces paper consumption, and ensures the practical implementation of green office principles.

3. Energy Conservation and Environmental Protection

To deepen energy conservation and consumption reduction efforts, the Company further improved the “Regular Maintenance System”, “Quota Management System with Rewards for Savings and Penalties for Exceeding Limits”, and “Power Supply and Distribution Management System”, ensuring energy-saving measures align more closely with actual needs and effectively enhance the execution efficiency and outcomes of energy conservation. During the reporting period, the Company electricity consumption in its campus decreased to 6.0895 million kWh, a reduction of 136,600 Kwh year-on-year, achieving the energy-saving goal of reducing electricity usage by 100,000 Kwh compared to the previous year.

Section V Environmental and Social Responsibility

4. Wastewater Discharge Management

The Company strictly complies with wastewater discharge regulations, continuously advances the upgrade of sewage facilities in station campuses and the connection to municipal sewage networks, and comprehensively enhances wastewater treatment capacity and environmental management standards. To ensure efficient operation of wastewater treatment facilities, we engage third-party environmental technology consultants to test drainage quality, provide on-site ecological and environmental technical support to operational units, and propose rectification measures for environmental risk points through technical training, seminars, and risk assessments. Meanwhile, we continuously strengthen daily operation and maintenance management of sewage equipment, intensify supervision of maintenance contractors, conduct irregular water quality self-inspections, ensure compliance of discharge water quality, and safeguard the stability and harmony of the surrounding ecological environment.

5. Waste Gas Emission Management

The Company remains committed to waste gas emission management, strictly adheres to domestic and international air pollution emission standards, and actively advances dust control at maintenance and construction sites. Furthermore, the Company regularly maintains and services kitchen exhaust systems in canteens to ensure efficient operation, effectively purifies oil fume and fire smoke emissions, minimizes environmental impact, and provides robust support for achieving green and low-carbon development goals.

(IV) Measures taken to reduce their carbon emissions during the reporting period and their results

Whether carbon reduction measures are taken	Yes
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Carbon dioxide equivalent emission reduction (in tonnes)	343.22
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Types of carbon reduction measures (such as the use of clean energy for power generation, the use of carbon reduction technologies in the production process, the development and production of new products that help reduce carbon, etc.)	Utilizing Clean Energy for Power Generation. In 2024, to deepen energy conservation and emission reduction efforts, we actively advanced the Company energy-saving upgrades, prioritized the adoption of environmentally friendly and energy-efficient equipment, gradually phased out high-energy-consumption facilities, and fully completed the replacement of outdated lighting fixtures; simultaneously, we continued to advance the construction of the photovoltaic power generation system in the campus, installing solar power generation components in parking lots and rooftops of comprehensive buildings, with an installed capacity of 586.09 KW. It is estimated that the annual power generation will reach 586,100 kilowatt-hours, which can reduce carbon emissions by 343.22 tons.
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Section V Environmental and Social Responsibility

Specific Explanation

☒ Applicable ☐ Not applicable

The Company actively responded to the national “Action Plan for Carbon Dioxide Peaking Before 2030” and Anhui Province’s carbon peaking and carbon neutrality arrangements, deeply integrating the green and low-carbon philosophy into the entire management process. Centered on core businesses such as maintenance management, toll operations, and control and dispatch, the Company advanced energy conservation and carbon reduction efforts through scientific planning and targeted measures, comprehensively implemented all objectives and tasks, and earnestly fulfilled its corporate social responsibility in addressing climate change.

During the reporting period, the Company focused on themes such as “Energy Conservation Follows Principles, Frugality Embodies Virtue” and “Low-Carbon Living, Livable Sustainability”, and conducted energy conservation promotion weeks and low-carbon day activities based on the campus’s actual conditions. Through disseminating energy conservation and emission reduction management systems and organizing thematic learning sessions, the Company comprehensively enhanced employees’ awareness of resource risks and responsibility for energy conservation, creating a strong atmosphere for energy conservation.

II. FULFILLMENT OF SOCIAL RESPONSIBILITY

(I) Whether there is a separate disclosure of social responsibility report, sustainability report or ESG report

☒ Applicable ☐ Not applicable

The Company has continuously disclosed the social responsibility report since 2010, and officially issued the environmental, social and governance report with higher disclosure standards in 2018. The 2024 environmental, social and governance report of the Company will be released on 31 March 2025.

(II) Specific situation of social responsibility work

☒ Applicable ☐ Not applicable

External donations and public welfare projects

	Quantity/content	Information note
Total investment (RMB’0,000)	0.26	Anqing Bridge Company Visits and Comforts Disabled Children
Of which: capital (RMB’0,000)		
Material discount RMB’0,000)	0.26	Anqing Bridge Company Visits and Comforts Disabled Children
Number of people benefited (person)		

Section V Environmental and Social Responsibility

Specific Explanation

☒ Applicable ☐ Not applicable

In 2024, Anqing Bridge Company visited the “Muyang Home” Disabled Children Rehabilitation Center in Anqing City to carry out the public welfare activity titled “Walking with Love, Warming Young Hearts.” They donated rice, flour, cooking oil, and school supplies worth RMB2,600. The initiative garnered widespread social attention, with an article published in Anqing Daily and full coverage by Anqing Television Station.

Over the years, the group has consistently adhered to party-building as its guide, bravely shouldering the responsibilities of a state-owned enterprise. They have deeply engaged in youth volunteer service activities such as “Delivering Warmth and Offering Love,” dedicating their hearts, emotions, and efforts to support local development. Together, they strive to foster a positive and virtuous social atmosphere.

III. CONSOLIDATE AND EXPAND THE ACHIEVEMENTS OF POVERTY ALLEVIATION AND RURAL REVITALIZATION

☒ Applicable ☐ Not applicable

Poverty alleviation and rural revitalization projects	Quantity/content	Information note
Total investment (RMB'0,000)	73.13	<ol style="list-style-type: none"> Xinjiang and Tibet Regional Assistance Program Taihu County Mamiao Village Assistance Program Yingshang County Assistance Program Taihu County Liufan Township Lishu Village Assistance Program
Of which: Capital (RMB'0,000)		
Material discount (RMB'0,000)	73.13	
Number of people benefited (person)		
Forms of assistance (such as industrial poverty alleviation, employment poverty alleviation, education poverty alleviation, etc.)		

Specific Explanation

☒ Applicable ☐ Not applicable

The group has actively responded to the National Rural Revitalization Strategy, closely focusing on key tasks such as responsibility implementation, baseline objectives, sustained income growth, industrial development, employment support, rural construction, and rural governance. Leveraging its strengths, the group has driven economic development and social progress in rural areas through targeted assistance and industrial empowerment. In 2024, the group's annual assistance expenditure reached RMB731,300.

Section VI Major Events

I. FULFILLMENT OF COMMITMENTS

(I) Commitments made by the Company's actual controllers, shareholders, related parties, acquirers, the Company and other related parties during the reporting period or continuing to the reporting period

☒ Applicable ☐ Not applicable

Background of Commitment	Type of commitment	Commitment party	Content of commitment	Time of commitment	Whether there is time limit for performance	Term of commitment	Whether strictly comply in a timely manner	Specific reasons for the non-completion of the performance (if failure to comply in a timely manner)	Next steps (if failure to comply in a timely manner)
Commitment related to the share reform	Other	Anhui Transportation Holding Group	Continue to support the Company's acquisition of the good road assets owned by the Anhui Transportation Holding Group in the future and focus on the protection of shareholders' interests as always.	13 February 2006	No	Long term	Yes		
	Other	Anhui Transportation Holding Group, China Merchants Highway	After the completion of the split-equity reforming, the Board of Directors are recommended to develop a long term incentive plan with equity incentive structure included. In accordance with the relevant provisions of the State, the Board of Directors or after approved at the General Meeting of Shareholders, the long-term incentive plan shall be implemented.	13 February 2006	No	Long term	Yes		
Commitment related to IPO	Solve the competition within the industry	Anhui Transportation Holding Group	Promise not to participate in any of the Company's actual businesses or other business activities from time to time which may constitute direct or indirect competition to the Company.	12 October 1996	No	Long term	Yes		

(II) The Company's assets or projects are subject to profit forecast, and the reporting period is still in the period of profit forecast.

Explain whether the original profit forecast has been achieved and the reasons.

☐ Achieved ☐ Unachieved ☒ Not applicable

(III) Fulfillment of performance commitment and its impact on goodwill impairment test

☒ Applicable ☐ Not applicable

Section VI Major Events

II. APPROPRIATION OF FUNDS BY CONTROLLING SHAREHOLDERS AND OTHER RELATED PARTIES FOR NON-OPERATIONAL PURPOSE DURING THE REPORTING PERIOD

☒ Applicable ☐ Not applicable

Unit: yuan Currency: RMB

Name of shareholder or related party	Affiliations	Appropriation time	Reasons for occurrence	Opening balance	Amount of new appropriated fund in the reporting period	Total amount repaid during the reporting period	Closing balance	Balance as at the date of disclosure of the annual report	Expected repayment method	Expected repayment amount	Estimated time of repayment
ATHC	Controlling Shareholder	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	-
Total	/	/	/	0.00	0.00	0.00	0.00	0.00	/	0.00	/

The ratio of the total value at the end of the period to the latest audited net assets

Decision-making procedures for appropriation of funds by controlling shareholders and other related parties for non-operational purpose

Reasons for appropriation of funds by new controlling shareholders and other related parties for non-operational purpose in the current period, investigation on accountability of responsible person and the measures to be taken by the Board of Directors

Reasons for the failure to settle the appropriation of funds for non-operational purpose as planned, investigation on accountability of responsible person and description of measures to be taken by the Board of Directors

Section VI Major Events

Certified Public Accountant's Special Audit Opinion on Fund Occupation (if any)

Special explanation on the appropriation of non-operating funds and other related fund transactions

Ernst & Young Hua Ming (2025) Zhuan Zi No. 70043213_B02
Anhui Expressway Company Limited

Board of Directors of Anhui Expressway Company Limited:

We have audited the financial statements of Anhui Expressway Company Limited for the year 2024, including the consolidated and company balance sheet as of December 31, 2024, the consolidated and company income statement, statement of changes in shareholders' equity, cash flow statement, and related notes to the financial statements for the year 2024. On March 28, 2025, we issued an unqualified audit report with the number Ernst & Young Hua Ming (2025) Shen Zi No. 70043213_B01.

In accordance with the requirements of the "Guidelines for the Supervision of Listed Companies No. 8-Regulatory Requirements for Financial Transactions and External Guarantees of Listed Companies", Anhui Expressway Company Limited has prepared the attached summary table of non operating fund occupation and other related fund transactions for the year 2024 (hereinafter referred to as the "Summary Table").

It is the responsibility of Anhui Expressway Company Limited to truthfully prepare and disclose the summary table to the public, and ensure its authenticity, legality, and completeness. We have checked the information presented in the summary table with the accounting information reviewed during our audit of Anhui Expressway Company Limited's 2024 financial statements and the relevant content of the audited financial statements, and found no inconsistencies in all significant aspects. We did not perform any additional audit procedures on the information presented in the summary table, except for the audit procedures performed on the financial statements of Anhui Expressway Company Limited for the year 2024.

In order to better understand the non operating fund occupation and other related fund transactions of Anhui Expressway Company Limited in 2024, the summary table should be read together with the audited financial statements. This special explanation is only for the disclosure of Anhui Expressway Company Limited's 2024 annual report and is not applicable for other purposes.

Explanation of the reasons for the inconsistency between the non operating occupation of funds by controlling shareholders and other related parties disclosed in the annual report and the special audit opinion (if any)

III. ILLEGAL GUARANTEE

☐ Applicable ☒ Not applicable

IV. EXPLANATION OF THE BOARD ON THE “NON-STANDARD AUDIT REPORT” OF THE ACCOUNTING FIRM

☐ Applicable ☒ Not applicable

V. THE COMPANY’S ANALYSIS AND EXPLANATION OF THE REASONS AND EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES OR THE CORRECTION OF MAJOR ACCOUNTING ERRORS

(I) Analysis and explanation of the Company on the reasons for and effects of changes in accounting policies and accounting estimates

☐ Applicable ☒ Not applicable

(II) The Company’s analysis and explanation of the reasons and effects of the correction of major accounting errors

☐ Applicable ☒ Not applicable

(III) Communication with the former accounting firm

☐ Applicable ☒ Not applicable

(IV) Approval procedure and other explanations

☐ Applicable ☒ Not applicable

VI. THE SITUATION OF FACING DELISTING RISK

(I) Causes of delisting risk warnings

☐ Applicable ☒ Not applicable

(II) Measures to be taken by the Company

☐ Applicable ☒ Not applicable

(III) Circumstances and reasons for termination of listing

☐ Applicable ☒ Not applicable

VII. MATTERS RELATED TO BANKRUPTCY REORGANIZATION

☐ Applicable ☒ Not applicable

Section VI Major Events

VIII. MAJOR LITIGATION AND ARBITRATION MATTERS

- ☐ The Company has major litigation and arbitration events during the year.
- ☒ The Company has no major litigation and arbitration events during the year.

IX. LISTED COMPANIES AND THEIR DIRECTORS, SUPERVISORS, SENIOR MANAGERS, CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLERS ARE SUSPECTED OF VIOLATING LAWS AND REGULATIONS, BEING PUNISHED AND RECTIFIED

- ☐ Applicable ☒ Not applicable

X. STATEMENT ON THE INTEGRITY OF THE COMPANY AND ITS CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLERS DURING THE REPORTING PERIOD

- ☐ Applicable ☒ Not applicable

XI. SIGNIFICANT RELATED PARTY/CONNECTED TRANSACTIONS

(I) Continuing connected transactions

1. Matters that have been disclosed in the interim announcement and have no progress or change in subsequent implementation

Related party transactions or continuing related party transactions of the Group for the year ending 31 December 2024 are disclosed in Note 38 to the consolidated financial statements in Section IX of this annual report. Some of the listed company related party transactions or continuing related party transactions constitute continuing connected transactions as defined in Chapter 14A of the Hong Kong Stock Exchange Listing Rules, details of which are set out below:

Date of agreement	Connected party	Connected relationship between connected party and the Company	Nature of interest of connected party in connected transaction	Content and purpose of connected transaction	Duration of agreement	Pricing principle of connected transaction	Actual Amount of connected transaction (RMB'000)
20-Dec-16	Expressway Petrochemical	Subsidiary of substantial shareholder	tenant	To lease gas station of the Company	From 1 January 2016 to 31 December 2045	To recognize on a straight-line basis over the lease period	1,492
31-Dec-22	Expressway Petrochemical	Subsidiary of substantial shareholder	tenant	To lease gas station of the Company	From 1 January 2023 to 31 December 2025	To recognize on a straight-line basis over the lease period	28,997
29-Apr-22	Yida Company	Subsidiary of substantial shareholder	tenant	To lease service areas	From 1 May 2022 to 30 April 2025	To recognize on a straight-line basis over the lease period	9,831
19-Jan-23	AERC	Subsidiary of substantial shareholder	service provider	To accept the testing service of road sections	From January 2023 to May 2025 (the estimated construction period are 28 months)	Tender price of tender agreement	6,222
19-Jan-23	ATMT	Subsidiary of substantial shareholder	service provider	To procure of engineering materials	From January 2023 to May 2025	Tender price of tender agreement	73,694

Section VI Major Events

Date of agreement	Connected party	Connected relationship between connected party and the Company	Nature of interest of connected party in connected transaction	Content and purpose of connected transaction	Duration of agreement	Pricing principle of connected transaction	Actual Amount of connected transaction (RMB'000)
19-Jan-23	ATEGC	Subsidiary of substantial shareholder	service provider	To accept the engineering construction management services	From the time noticed by the supervision unit to 2024 (the construction period are 12 months)	Tender price of tender agreement	76,590
17-Mar-23	ATEGC	Subsidiary of substantial shareholder	service provider	To accept the engineering construction management services	From the time of which is subject to the construction commencement order issued by the Company (or the supervising engineer) to 2025 (the estimated construction period are 28 months)	Tender price of tender agreement	165,631
28-Sep-23	ATCG	Subsidiary of substantial shareholder	service provider	To accept the testing and planning service of road sections	From the time of which is subject to the construction commencement order issued by the Company (or the supervising engineer) to 2024 (the estimated construction period are 6 months)	Tender price of tender agreement	434
06-Nov-23	ATCD	Subsidiary of substantial shareholder	service provider	To accept the testing and planning service of road sections	From the time of which is subject to the construction commencement order issued by the Company (or the supervising engineer) to 2024 (the estimated construction period are 5 months)	Tender price of tender agreement	4,313
13-Nov-23	ATEGC	Subsidiary of substantial shareholder	service provider	To accept road maintenance service	From the time of which is subject to the construction commencement order issued by the Company (or the supervising engineer) to 2024 (the estimated construction period are 8 months)	Tender price of tender agreement	2,640
29-Nov-23	ATCD	Subsidiary of substantial shareholder	service provider	To accept the testing and planning service of road sections	From the time of which is subject to the construction commencement order issued by the Company (or the supervising engineer) to 2024 (the estimated construction period are 8 months)	Tender price of tender agreement	523
29-Nov-23	ATEGC	Subsidiary of substantial shareholder	service provider	To accept the engineering construction management services	From the time of which is subject to the construction commencement order issued by the Company (or the supervising engineer) to 2024 (the estimated construction period are 8 months)	Tender price of tender agreement	21,278
29-Nov-23	ATII	Subsidiary of substantial shareholder	service provider	To accept the IT operation and maintenance services	From the time of which is subject to the construction commencement order issued by the Company (or the supervising engineer) to 2024 (the estimated construction period are 8 months)	Tender price of tender agreement	10,651
02-Jan-24	ATHC	Substantial shareholder	service recipient	To provide road sections entrustment management	From 1 January 2024 to 31 December 2026	Determination through negotiation with reference to cost	11,080
02-Jan-24	ALEC	Subsidiary of substantial shareholder	service recipient	To provide road sections entrustment management	From 1 January 2024 to 31 December 2026	Determination through negotiation with reference to cost	620
02-Jan-24	AYHEC	Subsidiary of substantial shareholder	service recipient	To provide road sections entrustment management	From 1 January 2024 to 31 December 2026	Determination through negotiation with reference to cost	521

Section VI Major Events

Date of agreement	Connected party	Connected relationship between connected party and the Company	Nature of interest of connected party in connected transaction	Content and purpose of connected transaction	Duration of agreement	Pricing principle of connected transaction	Actual Amount of connected transaction (RMB'000)
02-Jan-24	Wangqian Company	Subsidiary of substantial shareholder	service recipient	To provide road sections entrustment management	From 1 January 2024 to 31 December 2026	Determination through negotiation with reference to cost	145
02-Jan-24	ATMT	Subsidiary of substantial shareholder	service recipient	To procure of engineering materials	From 1 January 2024 to 31 December 2026	Determination through negotiation with reference to cost	49
02-Jan-24	Liguang Company	Subsidiary of substantial shareholder	service recipient	To accept the engineering construction management services	From 1 January 2024 to 31 December 2026	Determination through negotiation with reference to cost	113
02-Jan-24	Yangji Company	Subsidiary of substantial shareholder	service recipient	To provide road sections entrustment management	From 1 January 2024 to 31 December 2026	Determination through negotiation with reference to cost	221
04-Jan-24	ATITC	Subsidiary of substantial shareholder	service provider	To accept toll collection service	From 1 January 2024 to 31 December 2026	Determination through negotiation with reference to cost	12,877
13-Mar-24	ATCG	Subsidiary of substantial shareholder	service provider	To accept construction services	From the time noticed by the supervision unit to 2025 (the construction period are 18 months)	Tender price of tender agreement	223,783
18-Mar-24	ATEGC	Subsidiary of substantial shareholder	service provider	To accept electrical and mechanical engineering services	From the time noticed by the supervision unit to 2025 (the construction period are 11 months)	Tender price of tender agreement	24,698
09-May-24	A consortium of ATCD, ATEGC, ATRMC	Subsidiary of substantial shareholder	service provider	To accept road maintenance service	From the time of which is subject to the construction commencement order issued by the Company (the estimated construction period are 12 months)	Tender price of tender agreement	146,919
13-Jun-24	A consortium of ATCD, AERC, ATEGC, ATRMC	Subsidiary of substantial shareholder	service provider	To accept bridge maintenance engineering services	From the time of which is subject to the construction commencement order issued by the Company (or the supervising engineer) to 2024 (the estimated construction period are 18 months)	Tender price of tender agreement	10,921
28-Jun-24	Network Company	Subsidiary of substantial shareholder	service provider	To accept toll collection service	From 1 January 2024 to 31 December 2026	Determination through negotiation with reference to cost	12,877
17-Jul-24	ATEGC	Subsidiary of substantial shareholder	service provider	Accepting maintenance services for security facilities	From the time noticed by the supervision unit to 2025 (the construction period are 6 months)	Tender price of tender agreement	7,919
20-Aug-24	A consortium of ATCD, AERC, ATEGC	Subsidiary of substantial shareholder	service provider	To accept the engineering construction management services	From the time noticed by the supervision unit to 2025 (the construction period are 5 months)	Tender price of tender agreement	17,719
28-Oct-24	Network Company	Subsidiary of substantial shareholder	service provider	Share the costs of CPC card procurement	From 1 January 2023 to 31 December 2023	Determination through negotiation with reference to cost	836
28-Oct-24	ATITC	Subsidiary of substantial shareholder	service provider	Share the issuance cost of the ETC card	From 1 January 2024 to 31 December 2024	Determination through negotiation with reference to cost	3,537
06-Dec-24	A consortium of ATCD, ATEGC, ATII	Subsidiary of substantial shareholder	service provider	To accept video inspection optimization to enhance design and construction services	From the time noticed by the supervision unit to 2025 (the construction period are 4 months)	Tender price of tender agreement	5,773
06-Dec-24	ATCG	Subsidiary of substantial shareholder	service provider	To accept construction services	From the time of which is subject to the construction commencement order actually issued (the estimated construction period are 1 months)	Tender price of tender agreement	1,086

Section VI Major Events

The independent non-executive directors of the Company have reviewed the above continuing connected transactions and confirm as follows:

- (1) The Group has entered into various continuing connected transactions in the ordinary and usual course of business of the Group;
- (2) The above continuing connected transactions were entered into on normal commercial terms (as compared to transactions of a similar nature by similar entities in the PRC) and on terms that are fair and reasonable and in the interest of the shareholders of the Company as a whole; and
- (3) The above continuing connected transactions were conducted in accordance with the terms of the relevant agreements governing the transactions.

The Company confirms that the above continuing connected transactions have been disclosed in accordance with the disclosure requirements under Chapter 14A of the Listing Rules of the Hong Kong Stock Exchange. The Board appointed the Company's auditors to perform work on the above continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Hong Kong Institute of Certified Public Accountants. In accordance with Rule 14A.56 of the Listing Rules of the Hong Kong Stock Exchange, the auditor has issued a letter confirming its findings and conclusions on the continuing connected transactions of the Group required to be disclosed in this section:

- (1) Nothing has come to their attention that causes them to believe that the aforesaid continuing connected transactions have not been approved by the Board;
- (2) Where the transactions involve the provision of goods or services by the Group, nothing has come to their attention that would cause them to believe that the aforesaid continuing connected transactions were not conducted, in all material respects, in accordance with the pricing policies of the Group;
- (3) Nothing has come to their attention that causes them to believe that the aforesaid continuing connected transactions were not carried out, in all material respects, in accordance with the agreement for the transactions in question; and
- (4) Nothing has come to their attention which causes them to believe that the said continuing connected transactions exceed the annual caps.

Section VI Major Events

2. Matters that have been disclosed in the interim announcement but have subsequent progress or changes in implementation

On January 4, 2024, each of the Company and its wholly-owned/controlled subsidiaries (Namely Xuanguang Company, Guangci Company, Ningxuanhang Company and Anqing Bridge Company) entered into expressway network operation services agreement for the year 2024–2026 (the “original service agreements”) with AENO and Anhui Transportation United Card Holding Co., Ltd., with an estimated total fee of RMB34.47 million to be paid to AENO for the years 2024–2026.

On June 28, 2024, according to the minutes of the first meeting of the Anhui Provincial Expressway Network Toll Management Committee in 2024, each of the Company and its wholly-owned/controlling subsidiaries signed a supplementary agreement with AENO to adjust the service fee rate and other related clauses of the original service agreement entered into with AENO in 4 January 2024. The expected total fees to be paid to AENO for 2024–2026 will be approximately RMB49.53 million after the adjustment. This adjustment is in line with the interests of the highway operating entities, will not harm the interests of the Company and shareholders, especially small and medium-sized shareholders, and will not have adverse effects on the Company’s production and operation. For details, please refer to the Company’s announcement “Resolution Announcement of the Second Meeting of the Tenth Board of Directors”* (《第十屆董事會第二次會議決議公告》) (Lin 2024-018) and the H-share announcement “CONTINUING CONNECTED TRANSACTIONS: SUPPLEMENTAL AGREEMENTS TO THE NEW NETWORK SERVICES AGREEMENTS AND REVISION OF ANNUAL CAPS”.

3. Matters not disclosed in the interim announcement

☐ Applicable ☒ Not applicable

(II) Connected transactions arising from the acquisition or sale of assets or equity

1. Matters that have been disclosed in the interim announcement and have no progress or change in subsequent implementation

☐ Applicable ☒ Not applicable

2. Matters that have been disclosed in the interim announcement but have subsequent progress or changes in implementation

To promote the Company’s focus on the main business of expressways and achieve growth, strength and sustainable development, and to enhance the profit level through expanding effective investment, the Company signed the Agreement regarding the cash purchase of 100% equity interests in Anhui Fuzhou Company and Sixu Company with its controlling shareholder, Anhui Transportation Holding Group on 31 December 2024. The Company intends to use its own and/or self-raised funds of RMB 4,770,800,000 to acquire 100% equity of Fuzhou Company and 100% equity of Si Xu Company held by Anhui Transportation Holding Group. After the transaction is completed, Fuzhou Company and Si Xu Company will become wholly-owned subsidiaries of the Company.

Section VI Major Events

The Company respectively held the sixth meeting of the tenth Board of Directors on 31 December 2024, and the first extraordinary general meeting of shareholders in 2024 on 27 February 2025 to consider and pass the Proposal on the Company's cash purchase of 100% equity and connected transactions of Anhui Fuzhou Expressway Co., LTD and Anhui Sixu Expressway Co., LTD. Please refer to the Announcement of the Company "Announcement of the Resolution of the Sixth Meeting of the Tenth Board of Directors" (Lin 2024-031), "Announcement on the Resolution of the Fifth Meeting of the Tenth Board of Supervisors" (Lin 2024-032), "Announcement of Connected Transactions on the Purchase of 100% equity of Anhui Fuzhou Expressway Co., LTD and 100% Equity of Anhui Sixu Expressway Co., LTD"(Lin 2024-033) , "Announcement on the purchase of the Company by the Shanghai Stock Exchange Notice of Response to the Regulatory Work Letter on the Asset Matters of the United Party" (Lin 2025-001) .

As of the date of disclosure of the Report, the Company has completed the registration of industrial and commercial changes of Fuzhou Company and Sixu Company. For details, please refer to the "Progress Announcement of Connected Transactions on the Purchase of 100% equity of Anhui Fuzhou Expressway Co., LTD and 100% Equity of Anhui Sixu Expressway Co., LTD" (Lin 2025-014).

3. Matters not disclosed in the interim announcement

☐ Applicable ☒ Not applicable

4. If the performance agreement is involved, the performance realization during the reporting period shall be disclosed

☐ Applicable ☒ Not applicable

(III) Major connected transactions of joint external investment

1. Matters that have been disclosed in the interim announcement and have no progress or change in subsequent implementation

☐ Applicable ☒ Not applicable

2. Matters that have been disclosed in the interim announcement but have subsequent progress or changes in implementation

Participate in the second phase investment of Anhui Transportation China Merchants Industrial Fund

On 7 April 2022, the Company entered into a supplementary agreement to the limited partnership agreement of Anhui Transportation China Merchant Industry Investment Fund (Limited Partnership)* (《安徽交控招商產業投資基金（有限合夥）之有限合夥協議之補充協議》) with Transportation Holding Capital ALEC, and China Merchants Zhiyuan, confirming the investment in the second phase of Transportation Holding China Merchant Industry Fund. For details, please refer to the Company's announcement "Progress Announcement on Participating in Anhui Transportation Holding Investment Promotion Industry Fund Phase II Investment and Signing Supplementary Agreements"* (《關於參與安徽交控招商產業基金二期出資暨簽訂補充協議的進展公告》) (Lin 2022-015). During the Reporting Period, the Company completed a capital contribution of RMB 13,283,300.

Section VI Major Events

Investment and participation in the establishment of Anhui Transportation Goldstone Emerging Industry Fund

On 2 November 2023, the Company signed the “Anhui Transportation Goldstone Emerging Industry Equity Investment Fund Partnership Enterprise (Limited Partnership) Partnership Agreement” with Transportation Holding Capital, ATHC Fund Management Company, Goldstone Investment, and Goldstone Runze, investing and participating in the establishment of Anhui Transportation Goldstone Emerging Industry Equity Investment Fund Partnership Enterprise (Limited Partnership) (tentative name, subject to registration). For details, please refer to the Company’s announcement dated 2 November 2023 and headed “CONNECTED TRANSACTION: ESTABLISHMENT OF FUND PARTNERSHIP”. In May 2024, Goldstone Emerging Industry Fund completed the registration of private investment funds with the Asset Management Association of China. For details, please refer to the Company’s announcement “Announcement on Completion of Private Equity Investment Fund Registration of Goldstone Emerging Industry Fund”* (《關於安徽交控金石新興產業股權投資基金完成私募投資基金備案登記的公告》) (Lin 2024-014). During the Reporting Period, the Company completed a capital contribution of RMB 30,000,000.

Participate in the issuance of A shares subscription project to specific investors of Shenzhen Expressway

In order to further focus on the main business of the expressway and promote the high-quality development of the company, the Company participated in the issuance of A shares subscription project to specific investors of Shenzhen Expressway, which has been reviewed and approved at the eighth meeting of the tenth Board of Directors of the Company. The Company has entered into the Subscription Agreement between Shenzhen Expressway Corporation Limited and the Company regarding the issuance of A shares by Shenzhen Expressway Corporation Limited to specific investors with Shenzhen Expressway to confirm the issues related to the issuance of A shares to specific investors. The subscription price is RMB13.17 per Subscription Share for a total consideration of RMB 502,820,011.32 and the number of shares of 38,179,196. After the completion of this issue, the Company has hold approximately 1.50% of the total number of issued shares of Shenzhen Expressway, making it one of the top ten shareholders of Shenzhen Expressway.

3. Matters not disclosed in the interim announcement

☐ Applicable ☒ Not applicable

(IV) Transactions of related creditor’s rights and debts

1. Matters that have been disclosed in the interim announcement and have no progress or change in subsequent implementation

☐ Applicable ☒ Not applicable

2. Matters that have been disclosed in the interim announcement but have subsequent progress or changes in implementation

☐ Applicable ☒ Not applicable

Section VI Major Events

3. Matters not disclosed in the interim announcement

☒ Applicable ☐ Not applicable

Unit: RMB'000 Currency: RMB

Related parties	Associative relationship	Provision of funds to related parties			Listed company in the affiliated direction Provide funds		
		Opening balance	Amount incurred	Ending balance	Opening balance	Amount incurred	Ending balance
Anhui Transportation Holding Group	Controlling shareholder	0	0	0	7,756	0	7,756
Total		0	0	0	7,756	0	7,756

Reasons for the formation of related creditor's rights and debts

The part of the total investment of Anhui Transportation Holding Group that exceeds the project capital of Ningxuanhang Company is included in the long-term payables and repaid according to the agreed period.

Impact of Related Creditor's Rights and Liabilities on the Company

(V) Financial business between the Company and the affiliated financial company, the Company's holding financial company and the affiliated party

☐ Applicable ☒ Not applicable

(VI) Other

☐ Applicable ☒ Not applicable

XII. MAJOR CONTRACTS AND THEIR PERFORMANCE

(I) Trusteeship, contracting and leasing matters

1. Trusteeship status

☐ Applicable ☒ Not applicable

2. Contracting status

☐ Applicable ☒ Not applicable

3. Lease status

☐ Applicable ☒ Not applicable

Section VI Major Events

(II) Guarantee status

☐ Applicable ☒ Not applicable

(III) Entrusting others to manage cash assets

1. Entrusted wealth management

(1) Overall situation of entrusted wealth management

☐ Applicable ☒ Not applicable

Other circumstances

☐ Applicable ☒ Not applicable

(2) Individual entrusted wealth management

☐ Applicable ☒ Not applicable

Other circumstances

☐ Applicable ☒ Not applicable

(3) Provision for impairment of entrusted wealth management

☐ Applicable ☒ Not applicable

2. Entrusted loans

(1) General entrusted loans

☒ Applicable ☐ Not applicable

Unit: '0,000 Currency: RMB

Type	Source of funds	Amount incurred	Outstanding balance	Overdue and unrecovered amount
Bank	Own funds	-13,200	30,384	0.00

Other circumstances

☐ Applicable ☒ Not applicable

Section VI Major Events

(2) Single Entrusted Loans

☒ Applicable ☐ Not applicable

Unit: '0,000 yuan Currency: RMB

Trustee	Type of entrusted loans	Entrusted loan amount	Commencement date of entrusted loan	Entrusted loan termination date	Funds Source	Funds Investment Target	Method to determine return	Annualized rate of return	Expected earnings (if any)	Actual Gain or loss	Actual recovery	Whether it has gone through legal procedures	Planned entrusted loans in the future	Amount of provision for impairment (if any)
Everbright Bank Hefei Daoxianglou Sub-branch	Bank	3,825	14 June 2016	14 June 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	168.68	168.68	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Sub-branch	Bank	1,428	24 August 2016	14 June 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	62.97	62.97	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Sub-branch	Bank	3,213	18 September 2016	14 June 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	141.69	141.69	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Sub-branch	Bank	1,989	17 November 2016	14 June 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	87.71	87.71	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Sub-branch	Bank	3,009	20 December 2016	14 June 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	132.70	132.70	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Sub-branch	Bank	368	9 February 2017	14 June 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	16.23	16.23	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Sub-branch	Bank	6,069	13 April 2017	14 June 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	267.64	267.64	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Sub-branch	Bank	1,683	9 May 2017	14 June 2026	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.41%	74.22	74.22	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Sub-branch	Bank	6,477	31 August 2017	31 August 2027	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.90%	317.37	317.37	Not due	Yes	No	
Everbright Bank Hefei Daoxianglou Sub-branch	Bank	2,323.00	19 December 2017	31 August 2027	Own funds	Ningxuanhang Company	Collect interest on a quarterly basis and recover the principal in a lump sum at maturity	4.90%	113.83	113.83	Not due	Yes	No	

Other circumstances

☐ Applicable ☒ Not applicable

(3) Provision for impairment of entrusted loans

☐ Applicable ☒ Not applicable

Section VI Major Events

3. Other circumstances

☐ Applicable ☒ Not applicable

(IV) Other major contracts

☐ Applicable ☒ Not applicable

XIII. EXPLANATION ON THE PROGRESS OF UTILIZATION OF RAISED FUND

☐ Applicable ☒ Not applicable

XIV. EXPLANATION OF OTHER SIGNIFICANT MATTERS THAT HAVE A SIGNIFICANT IMPACT ON INVESTORS' VALUE JUDGMENTS AND INVESTMENT DECISIONS

☒ Applicable ☐ Not applicable

Change of Board of Directors and Board of Supervisors of the Company

The term of office of the members of the ninth session of the board and the supervisory committee of the Company has expired. The Company held the 2023 annual general meeting on June 6, 2024 to elect the members of the tenth session of the Board of Directors and the Supervisory Committee of the Company, and elected Mr. Wang Xiaowen, Mr. Yu Yong, Mr. Chen Jiping and Mr. Wu Changming as the executive directors of the tenth session of the Board; Mr. Yang Xudong and Mr. Du Jian as the non-executive directors of the tenth session of the Board; Mr. Zhang Jianping, Mr. Lu Taiping and Ms. Zhao Jianli as independent non-executive directors of the tenth session of the Board; Mr. Guo Xiaoze and Mr. Jiang Yue were elected as the shareholder representative supervisors of the tenth session of the supervisory committee of the Company (Ms. Li Huairu was elected as the employee representative supervisor of the tenth session of the supervisory committee at the employee representative meeting of the Company). The term of office of the above persons shall be three years commencing from 6 June 2024. For details, please refer to the announcement of the Company in relation to change of directors, supervisors, members of the board committees and authorized representative published on the website of the Hong Kong Stock Exchange on 6 June 2024, and the announcements of the Company titled "Announcement of Resolutions of the 45th Meeting of the Ninth Board of Directors of Anhui Expressway" (Lin 2024-009), "Announcement of Resolutions of the 32nd Meeting of the Ninth Supervisory Committee of Anhui Expressway" (Lin 2024-010), "Announcement of Anhui Expressway on the Election of Employee Representative Supervisors" (Lin 2024-011) and "Announcement on Resolutions of the First Extraordinary General Meeting of Shareholders of Anhui Expressway in 2024" (Lin 2024-023) published on the website of the Shanghai Stock Exchange, and the explanation of changes in directors, supervisors and senior management in Section IV "Corporate Governance" of this report.

Section VI Major Events

Public issuance of corporate bonds to professional investors

In order to further broaden financing channels, reduce financing costs, satisfy the Company's development capital requirements and optimize the debt structure, the Company intends to apply for registration with the China Securities Regulatory Commission ("CSRC") and publicly issue corporate bonds with a scale of not more than RMB5 billion (including RMB5 billion) and a term of not more than 5 years (including 5 years) to professional investors on the Shanghai Stock Exchange. The use of funds raised by bonds includes but is not limited to project construction, equity contribution, repayment of corporate debts and replenishment of working capital. The matter was considered and approved at the second meeting of the tenth session of the Board and the second meeting of the tenth session of the Supervisory Committee of the Company held on 28 June 2024 and the first extraordinary general meeting of 2024 held on 25 July. In November 2024, the issuance of corporate bonds was registered with the CSRC (Zheng Jian Xu Ke [2024] No.1496). From December 10 to December 11, 2024, the Company publicly issued corporate bonds (high-growth industrial bonds) (Phase I). The issuance scale of the first type of bonds was RMB1.5 billion, the coupon rate was 1.65%, and the subscription multiple was 3.89 times; the issuance of the second type of bonds was cancelled. From February 28, 2025 to March 3, 2025, the Company publicly issued the Rural Revitalization Corporate Bonds (the first tranche). The issuance scale of the first tranche of the bonds was RMB1.3 billion, with a coupon rate of 1.99% and a subscription multiple of 4.49 times; the issuance scale of the second tranche of the bonds was RMB700 million, with a coupon rate of 2.15% and a subscription multiple of 4.53 times. For details, please refer to the announcements in relation to issuance of corporate bonds published on the website of the Hong Kong Stock Exchange on 28 June 2024, 7 November 2024, 6 December 2024, 11 December 2024, 26 February 2025 and 3 March 2025, respectively, and the announcements of the Company titled "Announcement on the Application for Registration for Public Issuance of Corporate Bonds" (Lin 2024-020), "Announcement on the Approval for Registration from the CSRC for Public Issuance of Corporate Bonds to Professional Investors" (Lin 2024-029) published on the website of the Shanghai Stock Exchange, and the contents in Section IX "Relevant Information on Bonds" of this report.

Reconstruction and Expansion Project Station Toll Operation of Guangde-Xuancheng Section of G50 Huyu Expressway

The reconstruction and expansion project of Xuanguang Expressway has been completed. On January 26, 2025, the People's Government of Anhui Province issued the "Approval of the People's Government of Anhui Province on the Toll Collection Operation of the Reconstruction and Expansion Project of Guangde-Xuancheng Section of G50 Huyu Expressway" (No.11 of Anhui Zhengmi in 2025), according to which, it agreed to the setting up of toll collection stations for the reconstruction and expansion project of Guangde-Xuancheng Section of G50 Shanghai-Chongqing Expressway, to be operated by Guangxuan Company. The Guangxuan reconstruction and expansion project will be charged from the date of opening, and the operation period will not be determined for the time being. After five years of operation, it will be evaluated and determined according to the latest relevant policies of the country and the province.

Section VI Major Events

Invest in the reconstruction and expansion project of G50 Huyu Expressway from Gezidun Junction to the boundary between Anhui and Hubei

In order to further improve the traffic capacity and service level of the national expressway, enhance the competitiveness of the G50 Huyu Expressway from Gezidun Hub to the boundary between Anhui and Hubei (hereinafter referred to as “Gaojie Expressway”) in the road network, and promote the high-quality economic and social development of the areas along the line and the healthy and sustainable development of the Company, the Company intends to invest in the reconstruction and expansion project of Gaojie Expressway. The total investment of the project is estimated to be RMB12.303 billion, of which the capital is about RMB2.461 billion, accounting for 20% of the investment, which is the Company’s own funds, and the remaining RMB9.842 billion is financed by bank loans and other financing methods. The matter was considered and approved at the seventh meeting of the tenth session of the Board of the Company. For details, please refer to the announcement of the Company published on the website of the Hong Kong Stock Exchange on 28 June 2024 and the announcements of the Company titled “Announcement on the Resolutions of the Seventh Meeting of the Tenth Session of the Board of Directors” (Lin 2025-002) and “Announcement on the Investment in the Reconstruction and Expansion Project of G50 Huyu Expressway from Gezidun Junction to the Boundary between Anhui and Hubei” (Lin 2025-003) published on the website of the Shanghai Stock Exchange. As of the date of this announcement, the preliminary design of the reconstruction and expansion project has been approved by the Ministry of Transport, and the next step is to refine the construction drawing design and strive to obtain the approval of the construction drawing by the end of April.

Payment of toll for Wan R and Wan H licenses small passenger cars Passing Through Anqing Yangtze River Highway Bridge

On January 24, 2022, Chizhou Municipal People’s Government, Anqing Municipal People’s Government (hereinafter referred to as the “two municipal governments”), Anhui Traffic Control Group and Anqing Bridge Company signed the “Cooperation Agreement on Toll Reduction and Exemption for Small Passenger Cars through Financial Subsidies for Anqing Yangtze River Highway Bridge”. By means of financial subsidies, the two municipal governments provide financial subsidies to small passenger cars with “Wan R, Wan H” license plates with 9 seats or less for ETC users who pass through ETC lanes and only travel between Anqing Bridge Toll Station and Dadukou Toll Station. The subsidy standard is RMB21 per vehicle, and preferential treatment is given in accordance with the relevant policies of expressway tolls in Anhui Province. Vehicles that meet the subsidy conditions can pass through the Anqing Yangtze River Highway Bridge free of charge. It will be implemented from 0:00 on January 25, 2022, with a tentative validity period of three years.

On January 17, 2025, the Transportation Bureau of Anqing City and the Transportation Bureau of Chizhou City issued the “Announcement on the Adjustment of the Local Small Bus Toll Subsidy Mode of Anqing Yangtze River Highway Bridge”, which will adjust the local small bus toll financial subsidy mode of Anqing Yangtze River Highway Bridge from 0:00 on January 25, 2025. For small passenger cars that meet the subsidy conditions, “first deduction, then return, full subsidy” will be implemented, and after the vehicle passes through the Anqing Yangtze River Highway Bridge, it can apply for the toll subsidy through the “Anqing Yangtze River Highway Bridge Toll Subsidy” WeChat mini program.

Events after the reporting period

Save as disclosed in this report, there were no important events affecting the Group that have occurred after the end of the Reporting Period and up to the date of this report.

XIV. PRE-EMPTIVE RIGHTS

Neither the Company’s articles of association nor the PRC laws require the Company to offer preemptive rights to its existing shareholders for subscription of new shares according to the proportion of their shareholdings.

XV. TAX RELIEF

The shareholders of the Company shall pay the relevant taxes in accordance with the following provisions and the tax regulations as updated from time to time, and may enjoy tax relief according to the actual situation. Shareholders should consult their professional tax and legal advisers on specific tax payment matters or implications if necessary:

Holders of A Shares:

According to the Notice on the Policy of Differentiated Individual Income Tax on Dividends and Dividends of Listed Companies (Fiscal and Tax [2015] 101), if an individual obtains shares of a listed company from the public offering and transfer market for a period of more than one year, the income from dividends and dividends shall be temporarily exempted from individual income tax. If an individual obtains the shares of a listed company from the public offering and transfer market and holds the shares for a period of less than one month (including one month), the dividend and bonus income shall be included in the taxable income in full. If the holding period is more than one month to one year (including one year), 50% of the taxable income shall be temporarily reduced. Individual income tax shall be levied at a uniform rate of 20% on the above-mentioned income.

According to the Notice on Issues Concerning Withholding and Payment of Enterprise Income Tax on Dividends, Bonuses and Interests Paid by Chinese Resident Enterprises to QFIIs (Guo Shui Han [2009] No.47), the Company shall withhold and pay enterprise income tax at the rate of 10% for qualified foreign institutional investors. If the relevant shareholders consider that the dividends they receive need to enjoy the treatment of tax agreements (arrangements), they may apply to the competent tax authorities for tax refund after receiving the dividends in accordance with the regulations.

H share holders:

According to the Enterprise Income Tax Law of the People's Republic of China and its implementing rules implemented in 2008, PRC domestic enterprises are required to withhold enterprise income tax at a uniform rate of 10% when distributing dividends to non-resident enterprise holders of overseas H shares. Pursuant to the Notice on Issues Concerning the Levy and Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No.045 (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) (GuoShuiHan [2011] No. 348) and the Letter of the Hong Kong Stock Exchange dated 4 July 2011 on Tax Arrangements for Dividends Paid by Hong Kong Residents to Mainland Enterprises, Domestic non-foreign-invested enterprises that issue shares in Hong Kong may generally withhold individual income tax at a rate of 10% when distributing dividends and bonuses, unless otherwise stipulated by tax regulations and relevant tax agreements.

Based on the current practice of the relevant Inland Revenue Department, no tax is payable in Hong Kong on the dividends distributed by the Company.

Investors of Shanghai-Hong Kong Stock Connect:

Tax matters concerning mainland individual investors investing in H shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect and Hong Kong market investors investing in a shares listed on the Shanghai Stock Exchange through the Shanghai-Hong Kong Stock Connect. Please refer to the Notice of the Ministry of Finance (MOF), the State Administration of Taxation (sat) and the China Securities Regulatory Commission (CSRC) on Relevant Tax Policies for the Pilot Program of the Shanghai Hong Kong Stock Connect (《關於滬港股票市場交易互通機制試點有關稅收政策的通知》) (CaiShui [2014] No. 81)

Section VII Change of Ordinary Shares and Shareholders

I. CHANGE OF ORDINARY SHARE CAPITAL

(I). Change of ordinary shares

1. Change of ordinary shares

During the reporting period, the total number of ordinary shares and capital structure of the Company's ordinary shares was not changed. The Company has issued 1,658,610,000 shares of common stock, of which 1,165,600,000 A shares are listed on the SSE accounting for about 70.28% of the Company's total shares and 493,010,000 H shares are listed on the SEHK accounting for about 29.72% of the total share capital.

2. Explanation of change of ordinary share capital

☐ Applicable ☒ Not applicable

3. The effect on of the financial indicators like earnings per share and net assets per share in recent year from change of ordinary shares (If any)

☐ Applicable ☒ Not applicable

4. Other disclosures that the Company deems necessarily or required by the Securities Regulatory Authority

☐ Applicable ☒ Not applicable

(II). Change of restricted shares

☐ Applicable ☒ Not applicable

II. ISSUE OF SHARES AND LISTING

(I) Issue of securities during the Reporting Period

☐ Applicable ☒ Not applicable

Information of issue of securities during the Reporting Period (Please explain separately the bonds of different rates within the duration):

☐ Applicable ☒ Not applicable

(II) Changes in the number of ordinary shares of the Company, shareholder structure and corporate assets and liability structure of the Company

☐ Applicable ☒ Not applicable

(III) Existing internal employees' shares

☐ Applicable ☒ Not applicable

Section VII Change of Ordinary Shares and Shareholders

III. SHAREHOLDERS AND ACTUAL CONTROLLER

(I) Total number of shareholders

Total number of holders of ordinary shares as at the end of the Reporting Period	16,542
Total number of holders of ordinary shares at the end of the previous month before the disclosure date of the annual report	14,863
Total number of preferred shareholders with restored voting rights at the end of the reporting period	0
Total number of preferred shareholders with restored voting rights as of the last month-end prior to the disclosure date of the annual report	0

(II) Shareholdings of the top ten shareholders and the top ten circulating shareholders (or shareholders without selling restrictions) as of the end of the Reporting Period

Unit: shares

Shareholdings of top ten shareholders (excluding shares lent through refinancing)							
Name of shareholder (Full Name)	Increase or decrease during the reporting period	Number of shares held at the end of the period	Proportion	Number of shares held with selling restrictions	Pledged, marked or frozen Share status	Quantity	Shareholder Nature
Anhui Communications Holding Group Company Limited	0	524,644,220	31.63	0	None		State
HKSCC NOMINEES LIMITED	105,980	489,009,879	29.49	0	Unknown		Foreign legal person
China Merchants Highway	0	404,191,501	24.37	0	None		State-owned legal person
China Life Insurance Company Limited – Dividend – Individual Dividend – 005L – FH002 Shanghai	14,663,065	14,663,065	0.88	0	None		Other
China Life Insurance Company Limited – Traditional – General Insurance Product – 005L – CT001 Shanghai	7,746,120	12,026,120	0.73	0	None		Other
China Life Insurance Company Limited – Universal – Guoshou Rui'an	10,753,200	10,753,200	0.65	0	None		Other
Ping An Life Insurance Company Limited – Self-owned Funds	7,737,794	8,338,094	0.50	0	None		Other
Agricultural Bank of China Co., Ltd. – China Post Core Growth Mixed Securities Investment Fund	7,680,013	7,680,013	0.46	0	None		Other
Hong Kong Securities Clearing Company Limited	-11,674,450	7,356,123	0.44	0	None		Other
Bank of China Co., Ltd. – E Fund CSI Dividend ETF	2,586,270	5,820,770	0.35	0	None		Other

Section VII Change of Ordinary Shares and Shareholders

Shareholdings of the top ten shareholders without selling restrictions (excluding shares lent through refinancing)

Name of shareholder	Number of unrestricted tradable shares held	Class and number of shares	
		Species	Quantity
Anhui Communications Holding Group Co., Ltd.	524,644,220	RMB ordinary shares	524,644,220
HKSCC NOMINEES LIMITED	489,009,879	Overseas listed foreign shares	489,009,879
China Merchants Highway	404,191,501	RMB ordinary shares	404,191,501
China Life Insurance Co., Ltd. – Dividend – Individual Dividend – 005L – FH002 Shanghai	14,663,065	RMB Ordinary Shares	14,663,065
China Life Insurance Company Limited – Traditional – General Insurance Product – 005L – CT001 Shanghai	12,026,120	RMB Ordinary Shares	12,026,120
China Life Insurance Company Limited. – Universal – Guoshou Rui'an	10,753,200	RMB Ordinary Shares	10,753,200
Ping An Life Insurance Company Limited – Self-owned Funds	8,338,094	RMB Ordinary Shares	8,338,094
Agricultural Bank of China Company Limited– China Post Core Growth Mixed Securities Investment Fund	7,680,013	RMB Ordinary Shares	7,680,013
Hong Kong Securities Clearing Company Limited	7,356,123	RMB Ordinary Shares	7,356,123
Bank of China Company Limited. – E Fund CSI Dividend ETF	5,820,770	RMB Ordinary Shares	5,820,770
Description of the repurchase accounts of the top ten shareholders	None		
Explanation on the voting right entrusted, voting right entrusted and waiver of voting right by the aforesaid shareholders	None		
Description of the connected relationship or concerted action of the above shareholders	There are no affiliated relationships between the state-owned shareholders and corporate shareholders listed in the table. Furthermore, the Company is not aware of whether any associations exist among the aforementioned other shareholders, nor is it aware of whether they constitute acting-in-concert parties as defined in the Information Disclosure Measures for Changes in Shareholdings of Listed Company Shareholders.		
Description of the preferred shareholders whose voting rights are restored and the number of shares they hold	None		

Note:

- As at the end of the reporting period, the total number of holders of A shares was 16,481, and the total number of holders of H shares was 61;
- As at the end of the month prior to the date of disclosure of the annual report, the total number of holders of A shares was 14,803, and the total number of holders of H shares was 60;
- The H Shares held by the HKSCC NOMINEES LIMITED (HKSCC Nominees Limited) were held on behalf of a number of clients.

Section VII Change of Ordinary Shares and Shareholders

Status of Share Lending via Securities Refinancing Business by Shareholders Holding 5% or More of Shares, Top Ten Shareholders, and Top Ten Shareholders of Unrestricted Tradable Shares

☒ Applicable ☐ Not applicable

Unit: Shares

Status of Share Lending via Securities Refinancing Business by Shareholders Holding 5% or More of Shares, Top Ten Shareholders, and Top Ten Shareholders of Unrestricted Tradable Shares								
Name of shareholder (full name)	Shares held in general account and credit account at the beginning of the period		Shares lent by refinancing at the beginning of the period and not yet returned		Shares held in general account and credit account at the end of the period		Shares lent by refinancing at the end of the period and not yet returned	
	Total		Total		Total		Total	
	amount	Percentage	amount	Percentage	amount	Percentage	amount	Percentage
Bank of China Limited-E Fund CSI Dividend Trading Open- end Index Securities Investment Fund	3,234,500	0.20	795,400	0.0480	0	0	0	0

The top ten shareholders and the top ten unrestricted tradable shareholders have changed compared to the previous period due to securities lending/return activities under the securities margin trading mechanism.

☐ Applicable ☒ Not applicable

Number of shares held by the top ten shareholders with selling restrictions and selling restrictions

☐ Applicable ☒ Not applicable

(III) Strategic investors or general legal persons become the top 10 shareholders due to the placement of new shares.

☐ Applicable ☒ Not applicable

Section VII Change of Ordinary Shares and Shareholders

(IV) Persons with discloseable interests or short positions under Divisions 2 and 3 of Part XV of the SFO

As at 31 December 2024, so far is known to, or can be ascertained after reasonable enquiry by the Directors, the persons (other than Directors, Supervisors and chief executives of the Company) who, directly or indirectly, were interested or had short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the SEHK under the provisions of section 336 of Part XV of the SFO are as follows:

Name of shareholder	Identity	Number of shares	Class of Shares	Proportion to H shares	Whether pledged or frozen
China Merchants Highway Network Technology Holdings Co., Ltd	Interest of corporation under control	92,396,000 (long position)	H shares	18.74%	Pledge
HSBC Holdings plc	Interest of corporation under control	98,525,221 (long position)	H shares	19.98%	Don't know
		99,825,933 (short position)		20.25%	
China Post Life Insurance Company Limited	Interest of corporation under control	24,828,000 (short position)	H shares	5.04%	Don't know

Name of shareholder	Identity	Number of shares	Class of Shares	Proportion of A shares	Whether pledged or frozen
Anhui Transportation Holding Group Co., Ltd.	Beneficial owner	524,644,220	A shares	45.01%	No
China Merchants Highway Network Technology Holdings Co., Ltd	Beneficial owner	404,191,501	A shares	34.68%	No

Note: Save as disclosed in this report, as at 31 December 2024, the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company as at 31 December 2024 as shown in the register required to be kept under section 336 of Part XV of the SFO.

Section VII Change of Ordinary Shares and Shareholders

IV. CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLERS

(I) Information about the controlling shareholder

1 Legal Person

☒ Applicable ☐ Not applicable

Name	Anhui Transportation Holding Group Co., Ltd.
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Person in charge of the unit or legal representative	Xiang Xiaolong
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Date of establishment	27 April 1993
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Main business	Highway and related infrastructure construction, supervision, inspection, design, construction, technical consultation and services; investment and asset management; real estate development and operation; road transportation; logistics services; operation and management of service areas along the expressway; toll collection, maintenance, road property right protection and other operation management; advertising production and release.
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Shareholdings of other domestic and overseas listed companies controlled and participated in during the reporting period	As at the end of the reporting period, Anhui Transportation Holding Group directly and indirectly held 708,649,600 shares in Huishang Bank, representing 5.10% of its total shares, and directly held 265,238,400 shares in Anhui General Institute of Communications Planning and Design, representing 47.28% of its total shares. It indirectly holds 161,628,200 shares in Hua'an Securities, representing 3.44% of its total shares.
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Other information notes

2 Natural person

☐ Applicable ☒ Not applicable

3 Special statement that the Company has no controlling shareholder

☐ Applicable ☒ Not applicable

4 Explanation of the change of the controlling shareholder during the Reporting Period

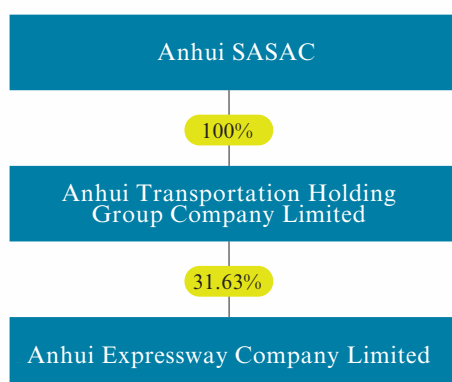
☐ Applicable ☒ Not applicable

Section VII Change of Ordinary Shares and Shareholders

- 5 **Block diagram of the ownership and control relationship between the Company and the controlling shareholder**

☒ Applicable ☐ Not applicable

The controlling shareholder of the Company – Anhui Transportation Holding Group Company Limited is a state-owned Company and is under the control of Anhui Provincial State-owned Assets Supervision and Administration Commission (“Anhui SASAC”).



(II) Information of actual controller

- 1 **Legal Person**

☒ Applicable ☐ Not applicable

Name **State-owned Assets Supervision and Administration Commission of Anhui Province**

Person in charge of the unit or legal representative
Date of establishment
Main business
Shareholdings of other domestic and overseas listed companies controlled and participated in during the Reporting Period
Other information notes

- 2 **Natural person**

☐ Applicable ☒ Not applicable

- 3 **Special statement that there is no actual controller in the Company**

☐ Applicable ☒ Not applicable

- 4 **Explanation of the change of the control of the Company during the Reporting Period**

☐ Applicable ☒ Not applicable

Section VII Change of Ordinary Shares and Shareholders

- 5 Block diagram of the property right and control relationship between the Company and the actual controller

☒ Applicable ☐ Not applicable

The controlling shareholder of the Company – Anhui Transportation Holding Group Company Limited is a state-owned Company and is under the control of Anhui SASAC.



- 6 The actual controller controls the Company through trust or other asset management methods

☐ Applicable ☒ Not applicable

(III) Other information of the controlling shareholder and effective controller

☐ Applicable ☒ Not applicable

V. THE TOTAL NUMBER OF SHARES PLEDGED BY THE CONTROLLING SHAREHOLDER OR THE LARGEST SHAREHOLDER OF THE COMPANY AND THE PERSON(S) ACTING IN CONCERT ACCOUNTS FOR MORE THAN 80% OF THE NUMBER OF SHARES OF THE COMPANY HELD BY THEM

☐ Applicable ☒ Not applicable

Section VII Change of Ordinary Shares and Shareholders

VI. OTHER LEGAL PERSON & SHAREHOLDERS WHO HOLD MORE THAN 10% OF THE SHARE CAPITAL

☒ Applicable ☐ Not applicable

Unit: '00,000,000 Currency: RMB

Name of legal person shareholder	Person in charge of the unit or legal representative	Date of establishment	Organization Code	Registered capital	Main business or management activities, etc.
China Merchants Highway	Bai Jingtao	18 December 1993	91110000101717000C	61.78	General operation projects: investment, development, construction and operation management of roads, bridges, wharves, harbors and sea lanes; investment management; development and research of new technologies, new products and new materials for transportation infrastructure facilities and sale of products; sales of building materials, mechanical and electrical equipment, automobiles and fittings, metal and daily necessities; economic information consultation and talent training. (Businesses that must be approved according to law can only be carried out after being approved by relevant departments)

Information note

VII. EXPLANATION ON THE RESTRICTION ON REDUCING SHARES

☐ Applicable ☒ Not applicable

VIII. SPECIFIC IMPLEMENTATION OF SHARE REPURCHASE DURING THE REPORTING PERIOD

☐ Applicable ☒ Not applicable

IX. CONVERTIBLE SECURITIES

During the Reporting Period, the Group had not issued or granted any convertible securities, options, warrants or similar rights, and there was no exercise of such conversion or subscription rights.

X. PURCHASE, SALE AND REPURCHASE OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company, its subsidiaries or joint ventures has purchased, sold or repurchased any listed securities of the Company.

XI. SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best of the Directors' knowledge, as at the end of the Reporting Period and the date of this annual report, there was a sufficient prescribed public float of the issued shares of the Company under the Listing Rules.

Section VIII Report of the Supervisory Committee

In 2024, in accordance with the provisions and requirements of the Company Law, the Articles of Association and the Regulations on the Work of the Board of Supervisors, the Board of Supervisors of the Company conscientiously performed its duties, exercised its powers in accordance with the law, effectively completed the work objectives of the Board of Supervisors, guaranteed the standardized operation of the Company and effectively safeguarded the interests of investors.

The main work of the Board of Supervisors during the reporting period includes: understanding and supervising the legality and rationality of the directors and senior management in business decision-making and daily management by convening meetings of the Board of Supervisors, attending general meetings of shareholders and meetings of the Board of Directors; carefully reviewing the operating results and financial status of the Company, and discussing and reviewing the financial report to be submitted to the general meeting of shareholders by the Board of Directors; Supervise, inspect and coordinate the construction and implementation of the Company's internal control, and supervise the improvement. The details are as follows:

I. CONVENING OF THE MEETING OF THE BOARD OF SUPERVISORS IN 2024

In 2024, the Board of Supervisors held 7 meetings, and the notice, convening, holding and resolution of the meetings of the Board of Supervisors were in compliance with the requirements of relevant regulations and the Articles of Association. Supervisors of the Company attended 10 board meetings and 2 general meetings of shareholders. During the reporting period, there was no matter that the supervisor representative negotiated with the director of the company or sued the director.

II. CHANGES IN THE BOARD OF SUPERVISORS

The term of office of the members of the ninth session of the Supervisory Committee of the Company has expired. The Company convened the 2023 annual general meeting on 6 June 2024 and elected Mr. Guo Xiaoze and Mr. Jiang Yue as the shareholder representative supervisors of the tenth session of the Supervisory Committee. The first meeting of the tenth session of the Supervisory Committee was held on the same day, and Mr. Guo Xiaoze was elected as the chairman of the tenth session of the Supervisory Committee of the Company.

The Company held the employee representative meeting on April 25, 2024 and elected Ms. Li Huairu as the employee representative supervisor of the tenth session of the Supervisory Committee of the Company.

The change of the members of the Supervisory Committee is in compliance with the requirements of the Company Law and the Articles of Association. The relevant personnel are qualified as supervisors and have the necessary professional competence and professionalism to perform their duties.

III. REVISE THE REGULATIONS ON THE WORK OF THE BOARD OF SUPERVISORS

In order to further improve the corporate governance structure and enhance the level of corporate governance, the Regulations on the Work of the Board of Supervisors were revised in accordance with the requirements of laws, regulations and normative documents such as the Measures for the Compliance Management of Anhui Provincial Enterprises (Wan Guo Zi Fa [2023] No.103) and in combination with the actual situation of the Company. It has been approved by the annual shareholders' meeting of the company in 2023 and has come into effect.

Section VIII Report of the Supervisory Committee

IV. SUPERVISION OPINIONS ISSUED BY THE BOARD OF SUPERVISORS IN 2024

In 2024, the Board of Supervisors supervised and inspected the periodic reports deliberated by the Board of Directors and the General Meeting of Shareholders, the standardized management of internal control and other important matters, and expressed its opinions on the following matters:

(1) Operation according to law

During the reporting period, the supervisors of the Company attended all the general meetings of shareholders and the meetings of the board of directors, carefully supervised and inspected the convening procedures, resolutions and the signing of written resolutions of the above meetings, and effectively supervised the whole process of the operation and management of directors and senior management and the implementation of the Company's decisions.

The Supervisory Committee is of the view that the Company has made business decisions and standardized operations in strict accordance with relevant laws and regulations, continuously improved the internal control system, and further improved the level of corporate governance. The directors and senior management of the Company have performed their duties in good faith and diligently in accordance with the relevant laws and regulations and from the perspective of safeguarding the interests of the Company and its shareholders as a whole, and have implemented the resolutions and authorizations of the shareholders' general meeting. There is no violation of laws and regulations, nor is there any abuse of power or damage to the interests of the Company, its shareholders and employees.

(2) Financial Situation

During the reporting period, the board of supervisors conscientiously performed the function of financial inspection, and inspected, supervised and reviewed the implementation of the company's financial system and business activities. Upon review of the financial report for 2024 prepared by the Company, the Supervisory Committee is of the view that the financial report truly reflects the financial position, operating results and cash flow for 2024 and is in compliance with the relevant laws, regulations and the Articles of Association.

(3) Connected transactions

The Supervisory Committee reviewed all the connected transactions of the Company during the year and considered that the daily connected transactions of the Company during the year were approved and executed in strict accordance with the statutory procedures. The connected directors of the relevant transactions abstained from voting, and the actual amount of the daily connected transactions of the Company in 2024 was within the scope of approval. The above related party transactions belong to the normal business operation of the Company and are necessary for the production and operation of the Company. The prices of the related party transactions are fair and reasonable, the transaction decision-making procedures are legal and compliant, the transaction prices reflect the principles of fairness and fairness, and there is no situation that damages the interests of the listed company and all shareholders.

In 2024, the Supervisory Committee of the Company considered and approved the "Resolution on the Acquisition of 100% Equity Interests in Anhui Fuzhou Expressway Co., Ltd. and Anhui Sixu Expressway Co., Ltd. by the Company in Cash and Connected Transaction". It is believed that this transaction will help to further expand and strengthen the company's main business, increase the company's operating income, enhance the company's overall competitiveness and profitability, and meet the company's long-term development goals. The relevant transactions follow the principle of equal negotiation, the price is fair, and the interests of the company and all shareholders are not harmed.

Section VIII Report of the Supervisory Committee

(IV) Opinions on the internal control self-assessment report

After careful review of the Internal Control Assessment Report for 2024 issued by the Board of Directors, the Supervisory Committee is of the view that: the existing internal control system of the Company is sound and in compliance with the requirements of the relevant national laws and regulations, the regulatory requirements of the securities regulatory authorities on the management of the internal control system of listed companies and the actual operation of the Company, and the implementation is effective. The report truly and objectively reflects the establishment, improvement and operation of the company's internal control system. No major defects in the design or implementation of internal control were found.

V. KEY POINTS OF WORK IN 2025

In 2025, the Supervisory Committee of the Company will strictly comply with the requirements of relevant laws, regulations and rules, strengthen the implementation of supervisory functions, fulfill its duties, further promote the improvement of the corporate governance structure and the standardization of operation and management, and earnestly safeguard the legitimate rights and interests of the Company and its shareholders. Details are as follows:

- (1) **Do a good job of daily supervision.** Convene the meeting of the board of supervisors according to the actual needs of the Company, and do a good job in the deliberation of various topics; through attending the meeting of the board of directors, conduct serious investigation and research on various topics, and timely put forward reasonable suggestions; in accordance with the relevant requirements of the regulatory authorities of listed companies, conscientiously complete various special audit, inspection and supervision and evaluation activities, and issue special verification opinions.
- (2) **Strengthen supervision over major matters such as property disposal, acquisition and merger, and related party transactions.** Take financial supervision as the core, inspect the relevant acquisition matters and related transactions of the company in accordance with the law, timely understand and grasp the company's operation and financial situation, and effectively prevent and resolve risks.
- (3) **Strengthen the organizational structure of the board of supervisors.** The tenth session of the Board of Supervisors of the Company shall be renewed in accordance with the laws, regulations and procedures, so as to ensure the continuity and stability of the work of the Board of Supervisors and continuously improve the corporate governance structure of the Company.
- (4) **Strengthen the self-construction of the board of supervisors.** Earnestly study relevant laws and regulations, actively participate in the training organized by regulatory bodies, improve professional quality, constantly improve supervision methods, enhance the effectiveness of supervision, and escort the sustainable and healthy development of the company.

Chairman of the Supervisory Committee
Guo Xiaoze

March 28, 2025
Hefei, Anhui Province, China

Section IX Relevant Information on Bonds

I. CORPORATE BONDS (INCLUDING CORPORATE BONDS) AND DEBT FINANCING INSTRUMENTS OF NON-FINANCIAL ENTERPRISES

(I) Corporate bonds (including enterprise bonds)

1. Basic Information of Corporate Bonds

Unit: 100 million yuan Currency: RMB

Name of the bond	Short name	Code	Issue date	Value date	Latest Resale Date after April 30, 2025	Due date	Bond balance	Interest rate (%)	Method of repayment of principal and interest	Trading place	Lead underwriter	Trustee	Investor suitability arrangements (if any)	Trading mechanism	Risk of termination of listing?
Public Issuance of Corporate Bonds (High-growth Industrial Bonds) by Anhui Expressway Co., Ltd. to Professional Investors in 2024 (Phase I) (Type I)	24 Wantong 01	242121.SH	December 11, 2024	December 11, 2024		December 11, 2027	15.00	1.65	The Bonds bear simple interest on an annual basis without compound interest. The interest is paid once a year, the principal is repaid at maturity, and the last interest is paid together with the payment of the principal.	Shanghai Stock Exchange	CITIC Securities, Guotai Junan Securities, Huatai United Securities and CITIC Construction Investment Securities	CITIC Securities	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

The Company's response measures to the risk of termination of listing and trading of bonds

☐ Applicable ☒ Not applicable

Bond interest payment during the reporting period

☐ Applicable ☒ Not applicable

2. Triggering and implementation of company or investor option clauses and investor protection clauses

☐ Applicable ☒ Not applicable

3. Intermediaries providing services for bond issuance and duration business

Name of the intermediary	Office address	Name of the signing accountant	Contact person	Contact number
Ernst & Young Hua Ming LLP	16/F, Ernst & Young Tower, Oriental Plaza, No.1 Chang'an Avenue, Dongcheng District, Beijing	Zhao Guohao, Zhao Wenjiao	Zhao Wenjiao	+86 10 5815 3000

Section IX Relevant Information on Bonds

Changes in the above intermediary agencies

☐ Applicable ☒ Not applicable

4. Adjustment of credit rating results

☒ Applicable ☐ Not applicable

Evaluated object	Name of rating agency	Rating adjustment time	Rating level changes	Change in rating outlook	Reasons for changes in rating results
Anhui Expressway Company Limited	China Chengxin International Credit Rating Co., Ltd.	2024-4-29	Yes, subject rating changed from AA + to AAA	None	The issuer's main rating in 2014 was AA +, and after ten years of stable development, the issuer's main rating in 2024 was upgraded to AAA.

Other notes:

☐ Applicable ☒ Not applicable

5. Changes, changes and implementation of guarantees, debt repayment plans and other debt repayment guarantee measures during the reporting period and their impacts

☐ Applicable ☒ Not applicable

(II) Funds raised by corporate bonds

☒ The Company's bonds involve the use or rectification of the raised funds during the reporting period

☐ All corporate bonds of the Company do not involve the use of raised funds or rectification during the reporting period

1. Basic information

Unit: 100 million yuan Currency: RMB

Bond Code	Bond Abbreviation	Whether it is a special bond or not	Specific types of special bonds	Total amount of funds raised	Balance of raised funds at the end of the reporting period	Balance of special account for raised funds at the end of the reporting period
242121.SH	24 Wantong 01	No		15.00	0.50	0.50

2. Change and adjustment of the use of raised funds

☐ Applicable ☒ Not applicable

Section IX Relevant Information on Bonds

3. Use of raised fund

(1). Actual service condition (excluding temporary current supplement)

Unit: 100 million yuan Currency: RMB

Bond Code	Bond Abbreviation	Actual use amount of raised funds during the reporting period	Repayment of interest-bearing debts (excluding corporate bonds) and the amount involved	Repayment of corporate bonds and the amount involved	Replenishment of working capital and the amount involved	Investment in fixed assets projects and the amount involved	Other purposes and amounts involved
242121.SH 01	24 Wantong	14.50	The proceeds of 1.3 billion yuan raised by the current bonds have been used to repay the issuer's existing bank loans.	0.00	The proceeds of 150 million yuan raised by the current bonds have been used to supplement the issuer's liquidity, including the payment of staff salaries and maintenance expenses.	0.00	0.00

(2). Raise funds for specific projects

☐ Applicable ☒ Not applicable

(3). Temporary flow supplement

☐ Applicable ☒ Not applicable

4. Compliance of the use of raised funds

Bond Code	Bond Abbreviation	Actual use of raised funds as of the end of the reporting period (including actual use and temporary replenishment)	Whether the actual use is consistent with the agreed use (including the use agreed in the prospectus and the use after compliance change)	Whether the use of raised funds and the management of special accounts for raised funds are in compliance during the reporting period	Does the use of raised funds conform to the local government debt management regulations?
242121.SH	24 Wantong 01	As at the end of the reporting period, the proceeds from the issuance of the Bonds were used in accordance with the provisions of the Prospectus.	Yes	Yes	Yes

There are violations of laws and regulations in the use of raised funds and the management of raised funds accounts

☐ Applicable ☒ Not applicable

Section IX Relevant Information on Bonds

Being punished for the illegal use of raised funds

☐ Applicable ☒ Not applicable

(III) Other matters that shall be disclosed for special bonds

☐ Applicable ☒ Not applicable

(IV) Important matters related to corporate bonds during the reporting period

1. Non-operating current accounts and capital lending

(1). *Balance of non-operating transactions and capital lending*

At the beginning of the reporting period, the balance of current accounts and capital lending to other parties not directly arising from production and operation (hereinafter referred to as non-operating current accounts and capital lending) receivable by the Company on a consolidated basis: RMB0.00 (100 million yuan);

During the reporting period, whether there is any violation of the relevant agreements or commitments in the prospectus in the case of non-operating transactions or capital lending.

☐ Yes ☒ No

At the end of the reporting period, the total amount of unrecovered non-operating transactions and capital lending: RMB0.00 (100 million yuan)

(2). *Details of non-operating transactions and capital borrowing and lending*

At the end of the reporting period, the proportion of the company's unrecovered non-operating transactions and capital lending to the consolidated net assets: 0.00%

Whether it exceeds 10% of the consolidated net assets: ☐ Yes ☒ No

(3). *Implementation of the payment collection arrangement disclosed in the previous reporting period*

☐ Full execution ☒ incomplete execution

Reasons for incomplete execution

No bonds were issued in previous years.

Section IX Relevant Information on Bonds

2. Indebtedness

(1). Interest-bearing debt and its changes

1.1 Debt structure of the Company

At the beginning of the reporting period and the end of the reporting period, the balance of interest-bearing debts of the Company (not within the scope of consolidation of the Company) was RMB2.321 billion and RMB1.770 billion. Year-on-year change was in balance of interest-bearing debt during the reporting period.-23.74%.

Unit: 100 million yuan Currency: RMB

Interest-bearing debt category	Overdue	Expiration time		Total amount	Amount as a percentage of interest-bearing debt (%)
		Within 1 year (inclusive)	More than 1 year (exclusive)		
Corporate credit bonds	0.00	0.01	14.99	15.00	84.75
Bank loan	0.00	0.83	1.87	2.70	15.25
Loans from non-bank financial institutions	0.00	0.00	0.00	0.00	0.00
Other interest-bearing debts	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.84	16.86	17.70	—

Balance of corporate bonds among the existing corporate credit bonds of the Company at the end of the reporting period was RMB1.50 billion; Balance of corporate bonds was RMB0.00 (100 million yuan); Balance of debt financing instruments of non-financial enterprises was RMB0.00 (100 million yuan), and RMB1 million corporate credit bonds will mature or be sold back within 5 to 12 months of 2025.

Section IX Relevant Information on Bonds

1.2 Structure of consolidated interest-bearing debt of the Company

At the beginning of the reporting period and the end of the reporting period, the balance of interest-bearing debts of the Company within the scope of the consolidated statements of the Company was RMB6.589 billion and RMB8.250 billion. Year-on-year change in balance of interest-bearing debt during the reporting period is 25.21%.

Unit: 100 million yuan Currency: RMB

Interest-bearing debt category	Overdue	Expiration time		Total amount	Amount as a percentage of interest-bearing debt (%)
		Within 1 year (inclusive)	More than 1 year (exclusive)		
Corporate credit bonds	0.00	0.01	14.99	15.00	18.18
Bank loan	0.00	2.32	61.70	64.02	77.60
Loans from non-bank financial institutions	0.00	0.36	2.12	2.48	3.01
Other interest-bearing debts	0.00	0.22	0.78	1.00	1.21
Total	0.00	2.91	79.59	82.50	—

As at the end of the reporting period, among the existing corporate credit bonds of the Company on a consolidated basis, the balance of corporate bonds was RMB1.50 billion. Balance of corporate bonds was RMB0.00 (100 million yuan); balance of debt financing instruments of non-financial enterprises was RMB0.00 (100 million yuan), and RMB1 million corporate credit bonds will mature or be sold back within 5 to 12 months of 2025.

1.3 Information on overseas bonds

Balance of overseas bonds issued within the scope of the consolidated financial statements of the Company as at the end of the reporting period was RMB0.00 (100 million yuan) and the balance of overseas bonds due from May to December 2025 was RMB0.00 (100 million yuan).

(2). **At the end of the reporting period, the company and its subsidiaries have interest-bearing debts or corporate credit bonds with overdue amounts exceeding RMB10 million.**

☐ Applicable ☒ Not applicable

Section IX Relevant Information on Bonds

(3). Main liabilities and reasons for changes

Unit: 100 million yuan Currency: RMB

Liability items	Balance at end of period	Balance in 2023	Percentage of change (%)	If the proportion of change exceeds 30%, the reasons shall be explained.
Corporate credit bonds	15.00	0.00	–	Anhui Expressway Co., Ltd. will publicly issue corporate bonds (high-growth industrial bonds) (Phase I) (Type I) of RMB1.5 billion to professional investors in 2024.
Bank loan	64.02	59.15	8.23	

(4). Preferential payment of liabilities against a third party

As of the end of the reporting period, there are preferential liabilities against third parties within the scope of the company's consolidated statements:

☐ Applicable ☒ Not applicable

(V) Debt financing instruments of non-financial enterprises in the interbank bond market

☐ Applicable ☒ Not applicable

(VI) The loss within the scope of the consolidated statement of the Company during the reporting period exceeds 10% of the net assets at the end of last year.

☐ Applicable ☒ Not applicable

(VII) Overdue interest-bearing debts other than bonds at the end of the reporting period

☐ Applicable ☒ Not applicable

(VIII) The impact on the rights and interests of bond investors caused by the violation of laws and regulations, the articles of association of the company, the provisions of the information disclosure management system and the agreements or commitments in the bond prospectus during the reporting period

☐ Applicable ☒ Not applicable

Section IX Relevant Information on Bonds

(IX) Accounting data and financial indicators of the Company for the past two years as of the end of the reporting period

Unit: yuan Currency: RMB

Key indicators	2024	2023	Increase/decrease of the current period over the same period of last year (%)	Reason for change
Net profit attributable to shareholders of the listed company after deduction of non-recurring profit and loss	1,676,722,328.59	1,735,620,350.12	-3.39	
Current ratio	3.60	2.92	23.29	
Quick ratio	3.60	2.92	23.29	
Asset-liability ratio (%)	39.13	35.07	Increase by 4.06 percentage points	
EBITDA Total Debt Ratio	0.40	0.52	-23.08	
Interest coverage ratio	10.68	10.38	2.89	
Cash interest coverage ratio	11.70	11.11	5.31	
EBITDA interest coverage ratio	14.61	14.24	2.60	
Loan repayment rate (%)	100	100	/	
Interest coverage ratio (%)	100	100	/	

II. INFORMATION ON CONVERTIBLE CORPORATE BONDS

☐ Applicable ☒ Not applicable

None of the bonds which remain outstanding during the Reporting Period are convertible into Shares or equity securities of the Company.

Section X Independent Auditor's Report

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)



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Quarry Bay, Hong Kong

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To the shareholders of Anhui Expressway Company Limited
(Established in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of Anhui Expressway Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 150 to 239, which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) as issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Section X Independent Auditor's Report (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

KEY AUDIT MATTERS (Continued)

Key audit matter	How our audit addressed the key audit matter
Accounting treatments for concession intangible assets	
As at 31 December 2024, total concession intangible assets recorded in the consolidated financial statements of the Group amounted to approximately RMB16,422,105,000, which accounted for approximately 67% of the Group's total assets.	The following procedures were performed to address the identified key audit matter:
The Group recognised construction costs, including borrowing costs capitalised, less identifiable cash (or other financial assets) the Group had right to receive as concession intangible assets in the consolidated financial statements.	<ul style="list-style-type: none">– We obtained an understanding, evaluated and tested management controls in connection with the accounting treatments for concession intangible assets;– We obtained external confirmation, on a sample basis, of significant construction transactions and balances due to suppliers, and performed alternative procedures for non-replied items;
The Group amortised concession intangible assets when the respective underlying toll roads commenced operation using the straight-line method over concession periods granted. Significant judgements and assumptions are required to determine concession periods and related amortisation methods.	<ul style="list-style-type: none">– We inspected, on a sample basis, the accuracy of additions in concession intangible assets by examining documents of construction settlement;– We searched for unrecorded liabilities by inspecting subsequent payments and invoices;
We identified the accounting treatments for concession intangible assets as a key audit matter because of the significance of such assets to the consolidated financial statements and the involvement of significant management judgements and assumptions.	<ul style="list-style-type: none">– We assessed the reasonableness of amortisation periods;– We recalculated the amortisation charges of concession intangible assets for the year; and
Please refer to Note 2.4 "Service concession arrangements", Note 3 "Significant accounting judgements and estimates" and Note 13 "Concession intangible assets" to the consolidated financial statements.	<ul style="list-style-type: none">– We assessed the adequacy of the Group's disclosures of concession intangible assets in the consolidated financial statements.

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Section X Independent Auditor's Report (continued)

*For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)*

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Section X Independent Auditor's Report (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Lau Kwok Wa Lawrence.

Ernst & Young
Certified Public Accountants
Hong Kong
28 March 2025

Consolidated Income Statement

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

	Notes	2024 RMB'000	2023 RMB'000
REVENUE	5	7,091,833	6,631,337
Cost of sales		(4,675,228)	(4,037,700)
Gross profit		2,416,605	2,593,637
Other income and gains – net	5	165,387	59,191
Administrative expenses		(191,535)	(183,578)
Net impairment losses on financial assets		176	(393)
Operating profit		2,390,633	2,468,857
Finance costs	7	(174,490)	(213,627)
Share of gain of associates		10,634	8,596
PROFIT BEFORE INCOME TAX	6	2,226,777	2,263,826
Income tax expense	10	(533,069)	(587,659)
PROFIT FOR THE YEAR		1,693,708	1,676,167
Attributable to:			
Owners of the Company		1,670,667	1,657,726
Non-controlling interests		23,041	18,441
		1,693,708	1,676,167
Basic and diluted earnings per share (expressed in RMB per share)	12	1.0073	0.9995

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

	Note	2024 RMB'000	2023 RMB'000
Profit For The Year		1,693,708	1,676,167
Other Comprehensive Income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Change in value of financial assets at fair value through other comprehensive income ("FVOCI"), net of tax	21	2,212	(15,594)
Total Comprehensive Income For The Year		1,695,920	1,660,573
Attributable to:			
Owners of the Company		1,672,879	1,642,132
Non-controlling interests		23,041	18,441
		1,695,920	1,660,573

Consolidated Balance Sheet

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

	Notes	2024 RMB'000	2023 RMB'000
ASSETS			
NON-CURRENT ASSETS			
Concession intangible assets	13	16,422,105	15,024,602
Right-of-use assets	14	54,069	56,633
Property, plant and equipment	15	1,280,669	1,208,764
Investment properties	16	325,236	296,972
Intangible assets	17	2,915	634
Investments in associates	19	165,856	155,221
Deferred tax assets	33	85,277	83,021
Financial assets at fair value through profit or loss ("FVPL")	20	745,487	678,660
Financial assets at fair value through other comprehensive income	21	7,800	4,850
Total non-current assets		19,089,414	17,509,357
CURRENT ASSETS			
Inventories	22	4,437	4,458
Receivables and prepayments	23	756,512	457,629
Time deposits with original maturity over three months	24	2,486,783	2,842,728
Cash and cash equivalents	24	2,115,494	962,380
Total current assets		5,363,226	4,267,195
TOTAL ASSETS		24,452,640	21,776,552
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Ordinary share capital	25	1,658,610	1,658,610
Share premium		1,415,593	1,415,593
Reserves	26	(647,552)	(649,724)
Retained earnings		10,937,452	10,263,570
Non-controlling interests		13,364,103	12,688,049
Total equity		14,889,568	14,145,291

Consolidated Balance Sheet (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

	Notes	2024 RMB'000	2023 RMB'000
NON-CURRENT LIABILITIES			
Long-term payables	28	77,560	77,560
Borrowings	29	6,382,091	5,959,721
Bonds payable	30	1,498,802	—
Deferred tax liabilities	34	28,256	32,528
Deferred income	31	87,992	100,922
Total non-current liabilities		8,074,701	6,170,731
CURRENT LIABILITIES			
Trade and other payables	32	1,071,389	842,815
Current income tax liabilities		100,680	38,423
Provision	33	57,253	61,606
Borrowings	29	259,049	517,686
Total current liabilities		1,488,371	1,460,530
Total liabilities		9,563,072	7,631,261
TOTAL EQUITY AND LIABILITIES		24,452,640	21,776,552

Wang Xiaowen
Director

Yu Yong
Director

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

	Notes	Attributable to owners of the Company					Total RMB'000
		Share capital RMB'000	Share premium RMB'000	Reserves RMB'000	Retained earnings RMB'000	Non-controlling interests RMB'000	
At 31 December 2023 and 1 January 2024		1,658,610	1,415,593	(649,724)	10,263,570	1,457,242	14,145,291
<i>Comprehensive income</i>							
Profit for the year		–	–	–	1,670,667	23,041	1,693,708
Other comprehensive income:							
– Fair value loss on financial assets at FVOCI, net of tax	21	–	–	2,212	–	–	2,212
Total comprehensive income for the year		–	–	2,212	1,670,667	23,041	1,695,920
Transactions with owners							
Dividends relating to 2023	11	–	–	–	(996,825)	–	(996,825)
Dividends paid to non-controlling interests of subsidiaries relating to 2023		–	–	–	–	(107,159)	(107,159)
Acquisition of non-controlling interests		–	–	–	–	152,341	152,341
Others	26	–	–	(40)	40	–	–
As at 31 December 2024		1,658,610	1,415,593	(647,552)	10,937,452	1,525,465	14,889,568
At 31 December 2022 and 1 January 2023		1,658,610	1,415,593	(727,940)	9,611,890	1,579,019	13,537,172
<i>Comprehensive income</i>							
Profit for the year		–	–	–	1,657,726	18,441	1,676,167
Other comprehensive loss:							
– Fair value loss on financial assets at FVOCI, net of tax	21	–	–	(15,594)	–	–	(15,594)
Total comprehensive income for the year		–	–	(15,594)	1,657,726	18,441	1,660,573
Transactions with owners							
Dividends relating to 2022	11	–	–	–	(912,236)	–	(912,236)
Dividends paid to non-controlling interests of subsidiaries relating to 2022		–	–	–	–	(150,218)	(150,218)
Acquisition of non-controlling interests		–	–	–	–	10,000	10,000
Transfer of fair value reserve upon the disposal of equity investments at FVOCI		–	–	93,850	(93,850)	–	–
Others	26	–	–	(40)	40	–	–
As at 31 December 2023		1,658,610	1,415,593	(649,724)	10,263,570	1,457,242	14,145,291

Consolidated Statement of Cash Flows

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

	Notes	2024 RMB'000	2023 RMB'000
Cash flows from operating activities			
Cash generated from operations	35	3,108,640	3,217,802
Interest paid		(219,009)	(233,356)
Income tax paid		(502,480)	(584,371)
Net cash generated from operating activities		2,387,151	2,400,075
Cash flows from investing activities			
Purchases of property, plant and equipment		(200,923)	(116,330)
Additions of intangible assets		(2,027)	(292)
Additions of concession intangible assets		(2,145,348)	(1,947,206)
Additions of right-of-use assets		–	(52,668)
Net decrease/(increase) in time deposits		336,167	(1,076,931)
Purchases of financial assets at FVPL	40	(113,283)	(213,133)
Proceeds from disposal of financial assets at FVOCI	40	–	89,867
Proceeds from disposal of financial assets at FVPL	40	14,612	137,317
Proceeds from disposal of property, plant and equipment		7,517	3,779
Proceeds from disposal of concession intangible assets		6,730	–
Interest received		100,579	28,254
Dividends received from associates	19	7,455	7,480
Dividends received from financial assets at FVPL	20	50,520	42,347
Dividends received from financial assets at FVOCI	21	500	–
Net cash used in investing activities		(1,937,501)	(3,097,516)
Cash flows from financing activities			
Proceeds from bank borrowings and bonds payable	35	4,148,015	480,000
Repayments of bank borrowings	35	(2,492,909)	(652,067)
Repayments of long-term payables	28	–	(19,500)
Capital injection by non-controlling interests		72,293	10,000
Dividends paid to non-controlling interests		(27,111)	(150,218)
Dividends paid to the Company's shareholders	11	(996,825)	(912,236)
Net cash generated from/(used in) financing activities		703,463	(1,244,021)
Net increase/(decrease) in cash and cash equivalents		1,153,113	(1,941,462)
Cash and cash equivalents at beginning of the year		962,380	2,903,848
Exchange gains/(losses) on cash and cash equivalents		1	(6)
Cash and cash equivalents at end of the year	24	2,115,494	962,380

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

1. GENERAL INFORMATION

Anhui expressway company limited (the “Company”) was established in the People’s Republic of China (the “PRC”) on 15 August 1996 as a joint stock limited company. The Company and its subsidiaries (the “Group”) are principally engaged in the construction, operation, management and development of the toll roads and associated service sections in the Anhui Province.

The Company’s H shares and A shares have been listed on the Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange since November 1996 and January 2003 respectively. The address of its registered office is No. 520, West Wangjiang Road, Hefei, Anhui, the PRC.

These consolidated financial statements are presented in thousand of Renminbi (“RMB’000”), unless otherwise stated. These consolidated financial statements have been approved for issue by the board of directors on 28 March 2025.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.1 Basis of Preparation (Continued)

Basis of consolidation (Continued)

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, and any non-controlling interest; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Changes in Accounting Policies and Disclosures

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the "2020 Amendments")
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i> (the "2022 Amendments")
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The nature and the impact of the revised HKFRS Accounting Standards are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.2 Changes in Accounting Policies and Disclosures (Continued)

The nature and the impact of the revised HKFRS Accounting Standards are described below: (Continued)

- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of *Supplier Finance Arrangements* and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.3 Issued But Not Yet Effective HKFRS Accounting Standards

The Group has not applied the following new and revised HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ³
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i> ³
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ²
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
Amendments to HKAS 21	<i>Lack of Exchangeability</i> ¹
Annual Improvements to HKFRS Accounting Standards – Volume 11	<i>Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7</i> ²

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual/reporting periods beginning on or after 1 January 2027

⁴ No mandatory effective date yet determined but available for adoption

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within income statement, including specified totals and subtotals. Entities are required to classify all income and expenses within income statement into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.3 Issued But Not Yet Effective HKFRS Accounting Standards (Continued)

HKFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other HKFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in HKFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with HKFRS Accounting Standards. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply HKFRS 19. Some of the Company's subsidiaries are considering the application of HKFRS 19 in their specified financial statements.

Amendments to HKFRS 9 and HKFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group's financial statements.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.3 Issued But Not Yet Effective HKFRS Accounting Standards (Continued)

Annual Improvements to HKFRS Accounting Standards – Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- **HKFRS 7 *Financial Instruments: Disclosures*:** The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing HKFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- **HKFRS 9 *Financial Instruments*:** The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- **HKFRS 10 *Consolidated Financial Statements*:** The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- **HKAS 7 *Statement of Cash Flows*:** The amendments replace the term “cost method” with “at cost” in paragraph 37 of HKAS 7 following the prior deletion of the definition of “cost method”. Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies

Investment in associates

An associate is an entity in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Group's investment in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates is included in the consolidated income statement and consolidated statement of comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's investment in the associate, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Fair value measurement

The Group measures its investment properties, derivative financial instruments and equity investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Fair value measurement (Continued)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets, financial assets, investment properties and non-current assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;
- or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	2.11% to 19.4%
Safety, communication and signalling equipment	9.7%
Toll stations and ancillary equipment	13.9%
Motor vehicles	10.8%
Other machinery and equipment	10.8% to 16.2%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Investment properties

Investment properties are interests in buildings (including the leasehold property held as a right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any impairment losses. Depreciation is calculated on the straight-line method to write off the cost of each investment property over its estimated useful life from 25 to 45 years.

A transfer should be made from property, plant and equipment to investment properties when owner-occupation ceases. A transfer should be made from investment properties to property, plant and equipment at the commencement of owner-occupation.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Service concession arrangements

The Group has entered into contractual service arrangements with local government authorities (“the Grantor”) for its participation in the construction, development, financing, operation and maintenance of various toll road and bridge infrastructure. Under these arrangements, the Group carries out the construction or upgrade work of toll roads and bridge for the granting authorities from the Grantor and receives in exchange of a right to operate the toll roads and the bridge concerned and entitlement to the toll collection from users of the toll road and bridge services (the “Service Concessions”). The Group recorded the assets under the Service Concessions, including toll roads, the bridge and the associated land use rights, as “concession intangible assets” on the consolidated balance sheet, to the extent that it received a right to charge users of the public service. The Group does not have obligation to return the assets other than toll roads, the bridge and the associated land use rights to the Grantor at the end of concession period.

The Group account for revenue and costs relating to construction or upgrade work and operation services under the Service Concessions in accordance with HKFRS 15. Please refer to Note 2.4 revenue recognition for details.

Concession intangible assets are stated at cost, that is, the fair value of the consideration in exchange for the construction services provided under the service concession arrangements, less accumulated amortisation and impairment losses.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Service concession arrangements (Continued)

The amortisation of concession intangible assets is calculated using the straight-line method to allocate cost over the concession periods granted.

Where the carrying amount of the concession intangible assets is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

The concession periods are approved by the Grantor therefore the Group does not have renewal or termination option for the concession periods granted. At the end of a concession period, the Group has to return these concession intangible assets to the Grantor at specific conditions required by the law for toll roads and bridge. The Group does not have rights to receive specified assets at the end of concession period.

The pricing right of above toll roads and bridge is owned by the Grantor.

As part of its obligations under the respective Service Concessions, the Group assumes responsibility for maintenance and resurfacing of the toll roads and bridge it manages. Other than the aforementioned, the Group does not have obligations to acquire or build items of property, plant and equipment for toll road and bridge services.

Software

Software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 2 years.

Data resources

Data resources are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 2 years.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) *Right-of-use assets*

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land

30 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) *Lease liabilities*

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing bank and other borrowings.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Leases (Continued)

Group as a lessee (Continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue in the income statement due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the income statement.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated balance sheet) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Notes to the Consolidated Financial Statements (continued)

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2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the income statement.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and comprises purchase cost, processing cost and other cost. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

As part of its obligations under the respective service concession arrangements, the Group assumes responsibility for the maintenance and resurfacing of the toll roads it operates during the concession periods. Provisions for maintenance and resurfacing are recognised when the Group has a present obligation, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

Provision for maintenance and resurfacing obligations is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors surrounding a contingency, such as the risks, uncertainties, and the time value of money, if any, are taken into account as a whole in reaching the best estimate of the provision.

The carrying amount of provisions is reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Income tax (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

(a) *Toll income from toll road operation*

Toll income from toll road operation is recognised when the vehicles is passing through and the Group receives the payment or has the right to receive payment.

(b) *Revenue from construction and upgrade work under the Service Concessions*

For participation in public infrastructure construction business in the form of Public-Private Partnership (“PPP”) arrangements, the Group accounts for the construction phase of the project in accordance with HKFRS 15 to determine the Group’s status as the principal versus agent. The revenue is recognised over time and a contractual asset is recognised. The Group recognises the amount of consideration, or the amount of construction revenue recognised for the relevant PPP project assets, less the amount of identifiable cash (or other financial assets) that have right to receive as an intangible asset, and the contractual assets recognised during the relevant construction period are presented in the balance sheet under “Concession intangible assets”. The progress towards complete satisfaction of the performance obligation for each contract is measured by reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated costs.

(c) *Service income*

Service income is recognised when the service has been rendered.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Revenue recognition (Continued)

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Operating lease rental income is recognised on a straight-line basis over the lease period.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Employee benefits

Defined contribution pension schemes

Each company of the Group contributes on a monthly basis to defined contribution pension schemes in the PRC based on a percentage of the relevant employee's monthly salaries. The Group's contributions to defined contributions pension schemes are charged to profit or loss as they become payable to the schemes. The Group has no legal or constructive obligations to pay further contributions even if the schemes do not hold sufficient assets to pay all employees the benefits relating to employee in the current and prior periods.

As stipulated by the laws and regulations in the PRC, the Group contributes to the state-sponsored retirement schemes for its employee in the PRC (i.e., pension insurance). The Group's employees make monthly contributions to the schemes at approximately 8% of the relevant income (comprising wages, salaries and bonuses), and the Group contributes 16% of such relevant income since May 2019, subject to certain ceiling. The state-sponsored retirement schemes are responsible for the entire post-retirement benefit obligations payable to the retired employees.

In addition to the government-sponsored defined contribution pension schemes, the Group operates an additional employee pension scheme. All employees are entitled to an additional pension each year aggregating to 8% of the previous year's salaries.

Housing fund

According to the relevant rules and regulations of the Anhui Province, the Group and its employees are each required to make contributions, which are in proportion to the employees' salaries or wages of the prior year, to a housing fund. Contributions to a housing fund administered by the Public Accumulation Funds Administration Centre are charged to profit or loss as incurred.

Borrowings costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

2. ACCOUNTING POLICIES (Continued)

2.4 Material Accounting Policies (Continued)

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Foreign currencies

These financial statements are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Estimation of amortisation periods of concession intangible assets

The Group amortises the concession intangible assets using the straight-line method over the concession periods granted. The concession periods are approved by the Grantor therefore the Group does not have renewal or termination option for the concession periods. For those toll roads without formal concession period granted, the Group's management determines the estimated granted concession periods based on the historical experience.

If the Grantor requires to extend or shorten the concession periods, management will revise the amortisation charges which are different to previously calculated, or recognise an impairment loss, if any.

4. OPERATING SEGMENT INFORMATION

The Group's revenue and contribution to the consolidated results are mainly derived from the management and operation of expressways, which is regarded as a single reportable segment. Segment performance reported internally to the Group's directors for the purposes of resource arrangement and performance assessment is consistent with the measurement of the Group's revenue and results presented in the consolidated income statement and the consolidated statement of other comprehensive income. In addition, all of the Group's operations are located in Mainland China. Accordingly, no operating segment information is presented, other than the entity-wide disclosures.

Entity-wide disclosures

Geographical information

All of the Group's external revenue is derived from customers based in Mainland China, and all of the non-current assets of the Group are located in Mainland China. Accordingly, no further geographical information is presented.

Information about major customers

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

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024 RMB'000	2023 RMB'000
Toll income	3,830,215	4,041,761
Service income from management of toll roads	15,489	14,992
Revenue from construction or upgrade work under Service Concessions	3,133,523	2,475,491
Rental income	79,948	72,924
– from toll gas stations	41,752	38,870
– from toll road service sectors	13,415	12,963
– from other investment properties	24,781	21,091
Service income from road emergency assistance	30,576	25,977
Others	2,082	192
Total	7,091,833	6,631,337

	2024 RMB'000	2023 RMB'000
Other income and gains – net		
Interest income	114,150	109,170
Dividend income (Notes 19, 20 and 21)	58,475	49,827
Government grants relating to profits	730	487
Amortisation of government grants relating to assets (Note 31)	12,930	12,930
Fair value losses on financial assets at FVPL (Note 20)	(31,845)	(108,755)
Net gains/(losses) from disposal of property, plant and equipment	1,661	(6,431)
Net gains/(losses) from disposal of concession intangible assets	5,685	(240)
Others	3,601	2,203
Other income and gains	165,387	59,191

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

6. PROFIT BEFORE INCOME TAX

The Group's profit before income tax is arrived at after charging/(crediting):

	Notes	2024 RMB'000	2023 RMB'000
Costs for outsourced construction or upgrade work under the Service Concessions		3,133,523	2,475,491
Repair and maintenance expenses		194,880	201,103
Taxes and surcharges		32,260	26,284
Auditor's remuneration		3,895	3,380
Employee benefit expense including directors' and chief executive's remuneration:			
Wages, salaries and allowances, social security and benefits		420,006	386,675
Defined contribution pension schemes		60,842	60,025
		480,848	446,700
Depreciation in respect of:			
– property, plant and equipment	15	150,720	149,481
– investment properties	16	23,556	16,191
Amortisation in respect of:			
– concession intangible assets	13	699,636	751,414
– right-of-use assets	14	2,530	2,080
– intangible assets	17	9,553	5,337
Net (gains)/losses from disposal of property, plant and equipment	5	(1,661)	6,431
Net (gains)/losses from disposal of concession intangible assets	5	(5,685)	240
Net impairment (gains)/losses on financial assets		(176)	393
Foreign exchange differences, net		3,860	919
Finance costs	7	174,490	213,627
Interest income	5	(114,150)	(109,170)
Dividend income from financial assets at FVPL	20	(50,520)	(42,347)
Dividend income from equity investments at FVOCI	21	(500)	–
Fair value losses from financial assets at FVPL	20	31,845	108,755

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

7. FINANCE COSTS

An analysis of finance costs is as follows:

	2024 RMB'000	2023 RMB'000
Interest expenses of borrowings	216,125	230,254
Interest expenses of bonds payable	1,378	—
Interest expenses of long-term payables	7,135	8,680
Less: Capitalised interest expenses	50,148	25,307
Total	174,490	213,627

8. DIRECTORS' AND SUPERVISORS' REMUNERATION

	2024 RMB'000	2023 RMB'000
Fees	331	280
Other emoluments:		
Salaries, allowances, and benefits in kind	6,446	5,154
Defined contribution pension schemes	945	780
Total	7,722	6,214

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

8. DIRECTORS' AND SUPERVISORS' REMUNERATION (Continued)

The names of the directors, supervisors and chief executives and their remuneration during the year are as follows:

	Notes	Fees RMB'000	Salaries RMB'000	Contribution to retirement benefit scheme RMB'000	Discretionary bonus and other benefits RMB'000	Total RMB'000
2024						
<i>Executive directors:</i>						
Mr. Wang Xiaowen	ii	–	369	87	–	456
Mr. Xiang Xiaolong (resigned)	i	–	–	–	–	–
Mr. Chen Jiping		–	650	86	–	736
Mr. Yu Yong	ii	–	182	60	–	242
Mr. Wu Changming	ii	–	700	86	–	786
<i>Non-executive directors:</i>						
Mr. Du Jian		–	–	–	–	–
Mr. Yang Xudong		–	–	–	–	–
<i>Supervisors:</i>						
Mr. Cheng Xijie (resigned)	i	–	462	14	–	476
Mr. Guo Xiaoze	ii	–	175	62	–	237
Ms. Li Huairu		–	638	87	–	725
Mr. Jiang Yue		–	–	–	–	–
<i>Chief executives:</i>						
Mr. Ling Lang (resigned)	i	–	378	28	–	406
Mr. Zhang Jinlin		–	312	88	–	400
Mr. Huang Yu		–	650	87	–	737
Mr. Zhang Xianxiang		–	646	88	–	734
Mr. Wu Jianmin		–	312	90	–	402
Mr. Shen Zhixiang	ii	–	532	42	–	574
Ms. Ding Yu	ii	–	440	40	–	480
<i>Independent non-executive directors:</i>						
Mr. Liu Hao (resigned)	i	35	–	–	–	35
Mr. Zhang Jianping		93	–	–	–	93
Ms. Fang Fang (resigned)	i	52	–	–	–	52
Ms. Zhao Jianli	ii	93	–	–	–	93
Mr. Lu Taiping	ii	58	–	–	–	58
Total		331	6,446	945	–	7,722

Notes:

- (i) Mr. Ling Lang resigned on 6 May 2024. Mr. Xiang Xiaolong, Mr. Cheng Xijie, Mr. Liu Hao and Ms. Fang Fang resigned on 6 June 2024.
- (ii) Mr. Wang Xiaowen, Mr. Yu Yong and Mr. Wu Changming were appointed as executive directors on 6 June 2024. Mr. Guo Xiaoze was appointed as a supervisor on 6 June 2024. Mr. Shen Zhixiang and Ms. Ding Yu were appointed as chief executives on 6 June 2024. Ms. Zhao Jianli and Mr. Lu Taiping were appointed as independent non-executive directors on 6 June 2024.

Notes to the Consolidated Financial Statements (continued)

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(All amounts in Renminbi thousand unless otherwise stated)

8. DIRECTORS' AND SUPERVISORS' REMUNERATION (Continued)

The names of the directors, supervisors and chief executives and their remuneration during the year are as follows: (continued)

	Notes	Fees RMB'000	Salaries RMB'000	Contribution to retirement benefit scheme RMB'000	Discretionary bonus and other benefits RMB'000	Total RMB'000
2023						
<i>Executive directors:</i>						
Mr. Xiang Xiaolong		—	—	—	—	—
Mr. Yang Xiaoguang (resigned)	<i>i</i>	—	—	—	—	—
Mr. Tao Wensheng (resigned)	<i>i</i>	—	603	75	—	678
Mr. Chen Jiping		—	554	88	—	642
<i>Non-executive directors:</i>						
Mr. Du Jian		—	—	—	—	—
Mr. Yang Xudong		—	—	—	—	—
<i>Supervisors:</i>						
Mr. Cheng Xijie		—	558	77	—	635
Ms. Li Huairu		—	554	80	—	634
Mr. Jiang Yue		—	—	—	—	—
<i>Chief executives:</i>						
Mr. Wang Xiaowen	<i>ii</i>	—	63	21	—	84
Ms. Deng Ping (resigned)	<i>i</i>	—	554	83	—	637
Mr. Ling Lang		—	544	82	—	626
Mr. Zhang Jinlin	<i>ii</i>	—	42	14	—	56
Mr. Wu Changming		—	554	84	—	638
Mr. Huang Yu		—	549	82	—	631
Mr. Zhang Xianxiang		—	558	81	—	639
Mr. Wu Jianmin	<i>ii</i>	—	21	13	—	34
<i>Independent non-executive directors:</i>						
Mr. Liu Hao		80	—	—	—	80
Mr. Zhang Jianping		80	—	—	—	80
Ms. Fang Fang		120	—	—	—	120
Total		280	5,154	780	—	6,214

Notes:

- (i) Mr. Yang Xiaoguang and Mr. Tao Wensheng resigned on 28 September 2023. Ms. Deng Ping resigned on 21 November 2023.
- (ii) Mr. Wang Xiaowen, Mr. Zhang Jinlin and Mr. Wu Jianmin were appointed as chief executives on 28 September 2023, 21 November 2023 and 21 November 2023, respectively.

Notes to the Consolidated Financial Statements (continued)

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(All amounts in Renminbi thousand unless otherwise stated)

8. DIRECTORS' AND SUPERVISORS' REMUNERATION (Continued)

Those directors and supervisors who did not receive any remuneration from the Group during 2024 and 2023 have positions in the Company's two largest shareholders (ATHC and China Merchants Expressway Network Technology Holdings Co., Ltd. ("ENTH")) that borne all of their remuneration and did not recharge any amount to the Group. Save as disclosed above, there was no arrangement under which a director or supervisor has waived or agreed to waive any emoluments.

9. FIVE HIGHEST PAID EMPLOYEES

The five higher paid individuals in the Group for 2024 include two executive directors, one supervisor and two chief executives (2023: two executive directors and three chief executives), whose emoluments are shown in Note 8.

10. INCOME TAX

The amount of taxation charged to the consolidated income statement represents:

	2024 RMB'000	2023 RMB'000
Current taxation – Corporate Income Tax ("CIT") (a)	540,334	621,523
Deferred taxation charged to the consolidated income statement (Note 34)	(7,265)	(33,864)
Total	533,069	587,659

(a) Hong Kong profits tax and the PRC CIT

The Company and its subsidiaries determine and pay the PRC CIT in accordance with the PRC Corporate Income Tax Law ("PRC CIT Law") as approved by the National People's Congress on 16 March 2007. Under the PRC CIT Law, the CIT rate applicable to the Company and its subsidiaries (except for Anhui Expressway (H.K.) Limited ("安徽皖通高速公路股份(香港)有限公司", "AEHK")) is 25%. The CIT rate applicable to AEHK is 16.5%.

(b) Withholding tax ("WHT") for dividend paid to foreign investors

Pursuant to the PRC CIT Law, a 10% WHT is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower WHT rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group has fulfilled the obligation of WHT in 2024 for dividends related to 2023 which was paid to foreign shareholders.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

10. INCOME TAX (Continued)

- (c) A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdiction in which the Company and its subsidiaries are domiciled and operate to the tax expense at the effective tax rate is as follows:

	2024 RMB'000	2023 RMB'000
Profit before tax	2,226,777	2,263,826
Tax at the statutory tax rate at 25%	556,694	565,956
Effect of different tax rate of a subsidiary	—	(3)
Expenses not deductible for tax purpose	1,600	1,646
Income not subject to tax	(11,009)	(14,606)
Utilisation of previously unrecognised deductible temporary differences and tax losses	(5,032)	(1,041)
Tax losses not recognised as deferred tax assets during the year	—	47,090
Others	(9,184)	(11,383)
Tax charge at the Group's effective tax rate	533,069	587,659

11. DIVIDENDS

The dividends paid during the years ended 31 December 2024 and 2023 were RMB996,825 thousand (RMB0.601 per share) and RMB912,236 thousand (RMB0.55 per share) respectively. A final dividend for the year ended 31 December 2024 of RMB0.604 per share, amounting to a total of RMB1,001,800 thousand, was proposed at the meeting of the board of directors on 28 March 2025. These consolidated financial statements do not reflect this proposed final dividend and the amount of which is as below:

	2024 RMB'000	2023 RMB'000
Final dividend of RMB0.601 (2023: RMB0.55) per ordinary share approved and paid during the year	996,825	912,236

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,658,610,000 (2023: 1,658,610,000) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the two years ended 31 December 2024 and 2023.

	2024	2023
Profit attributable to equity holders of the Company (RMB'000)	1,670,667	1,657,726
Weighted average number of ordinary shares outstanding (thousand)	1,658,610	1,658,610
Basic and diluted earnings per share (expressed in RMB per share)	1.0073	0.9995

13. CONCESSION INTANGIBLE ASSETS

	2024 RMB'000	2023 RMB'000
Cost	28,723,483	26,653,151
Accumulated amortisation	(12,301,378)	(11,628,549)
Net book amount	16,422,105	15,024,602

	2024 RMB'000	2023 RMB'000
Opening net book amount	15,024,602	13,497,875
Additions	2,414,737	2,278,381
Transfer in from property, plant and equipment (Note 15)	3,458	—
Transfers and adjustments of cost	(316,644)	—
Disposals	(4,412)	(240)
Amortisation charges (Note 6)	(699,636)	(751,414)
Closing net book amount	16,422,105	15,024,602

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

13. CONCESSION INTANGIBLE ASSETS (Continued)

In February 2022, Anhui Guang Xuan Expressway Company Limited (“安徽省廣宣高速公路有限責任公司”, “Guang Xuan”) entered into a “PPP” arrangement with Xuancheng Transportation Bureau, pursuant to which the total investment amount was agreed to be RMB13.778 billion, with a three-year construction period and a 30 year operation period. Guang Xuan is responsible for the construction, operation and transfers of the project, and entitled to the concession right of the underlying expressway during the project period. Xuancheng Transportation Bureau and the local government have obligations to make investments of RMB1.379 billion (subject to final approval) and RMB300 million to the project, respectively. In 2024, Xuancheng Transportation Bureau paid RMB679 million for the project on behalf of Guang Xuan relating to above government investment. The concession intangible assets of the Group of RMB5,682,480 thousand were still under construction at 31 December 2024. In line with above transaction, the Group recognised an investment cash outflow of RMB2,097,368 thousand relating to the construction costs of the project for the year ended 31 December 2024.

Borrowing costs of RMB49,993 thousand have been capitalised in 2024 (2023: RMB24,962 thousand).

As at 31 December 2024, land use right certificates for one toll station in Guangde and the expansion part of Guangde to Xuancheng Expressway have not yet been obtained.

As at 31 December 2024, there was no indication of impairment of the Group’s intangible assets and no provision for impairment of intangible assets was required (31 December 2023: Nil).

14. RIGHT-OF-USE ASSETS

The Group’s right-of-use assets represented leasehold land, and its net book value is analysed as follows:

	2024 RMB'000	2023 RMB'000
Cost	74,181	74,707
Accumulated amortisation	(20,112)	(18,074)
Net book amount	54,069	56,633
Opening net book amount	56,633	6,045
Additions	–	52,668
Disposals	(34)	–
Amortisation charges (Note 6)	(2,530)	(2,080)
Closing net book amount	54,069	56,633

All of the Group’s right-of-use assets are located in Anhui Province, the PRC and are held on lease terms of 30 years from the dates of acquisition, expiring in 2053.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

15. PROPERTY, PLANT AND EQUIPMENT

	Buildings RMB'000	Safety, communication and signalling equipment RMB'000	Toll stations and ancillary equipment RMB'000	Motor vehicles RMB'000	Other machinery and equipment RMB'000	Construction in progress RMB'000	Total RMB'000
31 December 2024							
At 1 January 2024:							
Cost	941,886	1,252,046	399,128	81,453	392,581	128,220	3,195,314
Accumulated depreciation	(361,187)	(946,792)	(282,381)	(63,368)	(332,822)	–	(1,986,550)
Net carrying amount	580,699	305,254	116,747	18,085	59,759	128,220	1,208,764
At 1 January 2024,							
Net of accumulated depreciation	580,699	305,254	116,747	18,085	59,759	128,220	1,208,764
Additions	1,779	1,577	2,021	5,512	3,392	186,642	200,923
Disposals	(22)	(683)	(1,198)	(62)	(492)	–	(2,457)
Depreciation provided during the year (<i>Note 6</i>)	(27,986)	(69,960)	(32,225)	(4,635)	(15,914)	–	(150,720)
Transfers and adjustments of cost	7,007	20,829	10,968	1,387	(1,091)	(2,472)	36,628
Transfers	5,196	36,782	11,409	–	1,843	(55,230)	–
Transfer out to concession intangible assets (<i>Note 13</i>)	–	–	–	–	–	(3,458)	(3,458)
Transfer out to intangible assets (<i>Note 17</i>)	–	–	–	–	–	(9,011)	(9,011)
At 31 December 2024,							
Net of accumulated depreciation and impairment	566,673	293,799	107,722	20,287	47,497	244,691	1,280,669
At 31 December 2024:							
Cost	955,765	1,288,487	404,987	86,283	380,808	244,691	3,361,021
Accumulated depreciation and impairment	(389,092)	(994,688)	(297,265)	(65,996)	(333,311)	–	(2,080,352)
Net carrying amount	566,673	293,799	107,722	20,287	47,497	244,691	1,280,669

Notes to the Consolidated Financial Statements (continued)

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15. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Buildings RMB'000	Safety, communication and signalling equipment RMB'000	Toll stations and ancillary equipment RMB'000	Motor vehicles RMB'000	Other machinery and equipment RMB'000	Construction in progress RMB'000	Total RMB'000
31 December 2023							
At 1 January 2023:							
Cost	760,805	1,212,261	392,868	85,043	390,697	260,278	3,101,952
Accumulated depreciation	(305,189)	(914,054)	(263,068)	(66,878)	(336,290)	–	(1,885,479)
Net carrying amount	455,616	298,207	129,800	18,165	54,407	260,278	1,216,473
At 1 January 2023,							
Net of accumulated depreciation	455,616	298,207	129,800	18,165	54,407	260,278	1,216,473
Additions	–	1,409	4,112	4,302	3,909	104,101	117,833
Disposals	(7,602)	(1,145)	(478)	(279)	(705)	–	(10,209)
Depreciation provided during the year (Note 6)	(27,688)	(64,689)	(34,675)	(4,103)	(18,326)	–	(149,481)
Adjustment of cost	–	–	–	–	–	(4,978)	(4,978)
Transfers	121,249	71,470	17,988	–	20,474	(231,181)	–
Transfer from investment properties (Note 16)	39,124	2	–	–	–	–	39,126
At 31 December 2023,							
Net of accumulated depreciation and impairment	580,699	305,254	116,747	18,085	59,759	128,220	1,208,764
At 31 December 2023:							
Cost	941,886	1,252,046	399,128	81,453	392,581	128,220	3,195,314
Accumulated depreciation and impairment	(361,187)	(946,792)	(282,381)	(63,368)	(332,822)	–	(1,986,550)
Net carrying amount	580,699	305,254	116,747	18,085	59,759	128,220	1,208,764

Notes to the Consolidated Financial Statements (continued)

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16. INVESTMENT PROPERTIES

	2024 RMB'000	2023 RMB'000
Cost at 1 January, net of accumulated depreciation	296,972	352,289
Depreciation provided during the year (Note 6)	(23,556)	(16,191)
Transfers and adjustments of cost	51,820	–
Transfer out to property, plant and equipment (Note 15)	–	(39,126)
Cost at 31 December, net of accumulated depreciation	325,236	296,972
At 31 December:		
Cost	612,037	560,217
Accumulated depreciation	(286,801)	(263,245)
Net carrying amount	325,236	296,972

The Group's investment properties are leased to other parties under operating leases to earn rental income, which are measured using the cost model and are classified and accounted for as investment properties.

Amounts recognised in consolidated income statement for investment properties:

	2024 RMB'000	2023 RMB'000
Rental income (Note 5)	79,948	72,924
Direct operating expenses from property that generated rental income	(23,806)	(16,441)
Total	56,142	56,483

Notes to the Consolidated Financial Statements (continued)

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17. INTANGIBLE ASSETS

	Acquired computer software licences RMB'000	Data resources RMB'000	Total RMB'000
31 December 2024			
Cost at 1 January 2024, net of accumulated amortisation	634	–	634
Additions	2,027	–	2,027
Internal development	–	796	796
Transfer in from property, plant and equipment (Note 15)	9,011	–	9,011
Amortisation provided during the year (Note 6)	(9,520)	(33)	(9,553)
At 31 December 2024	2,152	763	2,915
At 31 December 2024:			
Cost	60,455	796	61,251
Accumulated amortisation and impairment	(58,303)	(33)	(58,336)
Net carrying amount	2,152	763	2,915
31 December 2023			
Cost at 1 January 2023, net of accumulated amortisation	5,679	–	5,679
Additions	292	–	292
Amortisation provided during the year (Note 6)	(5,337)	–	(5,337)
At 31 December 2023	634	–	634
At 31 December 2023:			
Cost	49,735	–	49,735
Accumulated amortisation and impairment	(49,101)	–	(49,101)
Net carrying amount	634	–	634

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18. SUBSIDIARIES

The following is a list of the subsidiaries at 31 December 2024:

Name	Place of establishment and kind of legal entity	Principal activities and place of operation	Issued and fully paid capital (‘000)	Proportion of equity interest directly held by the Company and the Group (%)	Proportion of equity interest held by non-controlling interests (%)
Xuan Guang Expressway Company Limited (“宣廣高速公路有限責任公司”, “Xuan Guang”)	The PRC, limited liability company	Management and operation of expressway in Anhui province, the PRC	RMB111,760	55.47	44.53
Ningxuanhang	The PRC, limited liability company	Management and operation of expressway in Anhui province, the PRC	RMB300,000	51.00	49.00
Guangci	The PRC, limited liability company	Management and operation of expressway in Anhui province, the PRC	RMB56,800	55.47	44.53
AEHK	Hong Kong, limited company	Management and operation of expressway outside Mainland China	HKD2,400	100.00	–
AQDQ	The PRC, limited liability company	Management and operation of expressway in Anhui province, the PRC	RMB150,000	100.00	–
Guang Xuan	The PRC, limited liability company	Management and operation of expressway in Anhui province, the PRC	RMB400,000	54.92	45.08

(a) Material non-controlling interests

	2024 RMB’000	2023 RMB’000
Non-controlling interests attributable to:		
Xuan Guang	1,391,151	1,310,244
Ningxuanhang	38,675	34,478
Guangci	95,639	112,520
Total	1,525,465	1,457,242

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18. SUBSIDIARIES (Continued)

(a) Material non-controlling interests (Continued)

Summarised financial information on subsidiaries with material non-controlling interests

Set out below is the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before intercompany eliminations.

Summarised balance sheet

	Xuan Guang		Ningxuanhang		Guangci	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Current						
Assets	1,060,900	460,751	169,606	154,276	147,014	163,236
Liabilities	(717,130)	(207,478)	(271,274)	(269,215)	(10,411)	(5,376)
Total current net assets/(liabilities)	343,770	253,273	(101,668)	(114,939)	136,603	157,860
Non-current						
Assets	5,991,942	3,658,688	3,599,470	3,764,300	79,217	96,169
Liabilities	(3,152,417)	(1,106,102)	(3,447,933)	(3,608,057)	(1,020)	(1,319)
Total non-current net assets	2,839,525	2,552,586	151,537	156,243	78,197	94,850
Net assets	3,183,295	2,805,859	49,869	41,304	214,800	252,710

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18. SUBSIDIARIES (Continued)

(a) Material non-controlling interests (Continued)

Summarised financial information on subsidiaries with material non-controlling interests (Continued)

Summarised statement of comprehensive income

	Xuan Guang		Ningxuanhang		Guangci	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Revenue	3,319,949	2,892,488	450,642	291,323	49,932	98,869
Profit/(loss) before income tax	26,085	239,953	4,909	(179,829)	30,631	81,177
Income tax charged	(6,739)	(60,190)	3,655	(1,228)	(7,658)	(20,294)
Profit/(loss) for the year	19,346	179,763	8,564	(181,057)	22,973	60,883
Total comprehensive income/(loss)	19,346	179,763	8,564	(181,057)	22,973	60,883
Total comprehensive income/(loss) allocated to non controlling interests	8,615	80,048	4,196	(88,718)	10,230	27,111
Dividends paid to non-controlling interests	80,048	118,486	–	–	27,111	31,732

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
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18. SUBSIDIARIES (Continued)

(a) Material non-controlling interests (Continued)

Summarised financial information on subsidiaries with material non-controlling interests (Continued)

Summarised statement of cash flows

	Xuan Guang		Ningxuanhang		Guangci	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Cash flows from operating activities						
Cash generated from operations	200,438	313,969	287,344	155,775	4,366	64,377
Interest paid	(48,692)	(23,992)	(176,763)	(143,450)	–	–
Income tax paid	(8,612)	(65,511)	–	–	(9,972)	(21,841)
Net cash generated from/(used in) from operating activities	143,134	224,466	110,581	12,325	(5,606)	42,536
Net cash (used in)/generated from investing activities	(2,094,989)	(1,879,062)	(25,320)	(22,880)	603	1,729
Net cash generated from/(used in) financing activities	2,408,090	673,028	(104,620)	(30,567)	(60,883)	(71,261)
Net increase/(decrease) in cash and cash equivalents	456,235	(981,568)	(19,359)	(41,122)	(65,886)	(26,996)
Cash and cash equivalents at beginning of the year	27,584	1,009,152	42,005	83,127	99,833	126,829
Cash and cash equivalents at end of the year	483,819	27,584	22,646	42,005	33,947	99,833

Notes to the Consolidated Financial Statements (continued)

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19. INVESTMENT IN ASSOCIATES

	2024 RMB'000	2023 RMB'000
Beginning of the year	155,221	146,625
Share of associates' results:		
Profit before income tax	23,351	22,647
Income tax expense	(5,261)	(6,571)
Dividends declared	(7,455)	(7,480)
End of the year	165,856	155,221

The Group's receivable balances and trade payable balances with the associate are disclosed in Note 38 to the financial statements.

Particulars of the Group's associates are as follows:

Name	Particulars of capital invested	Principal place of business/country of establishment	Percentage of interest held
Anhui Expressway Advertisement Co., Ltd. ("安徽高速傳媒有限公司", "AEAC") (a)	Equity capital	Mainland China/PRC	38%
Anhui Transportation Information Industry Co., Ltd. ("安徽交控信息產業有限公司", "ATII") (b)	Equity capital	Mainland China/PRC	10%

Notes to the Consolidated Financial Statements (continued)

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19. INVESTMENT IN ASSOCIATES (Continued)

(a) Set out below is the summarised financial information of AEAC.

	2024 RMB'000	2023 RMB'000
Current		
Assets	355,145	268,625
Liabilities	(128,477)	(121,238)
Total current net assets	226,668	147,387
Non-current		
Assets	194,185	245,939
Liabilities	(5,665)	(5,995)
Total non-current net assets	188,520	239,944
Net assets	415,188	387,331
Beginning of the year	387,331	364,229
Profit for the year	47,443	42,283
Dividend distribution	(19,586)	(19,181)
End of the year	415,188	387,331
The Group's share in percentage	38%	38%
Equity interests in associates	157,771	147,186
Revenue	189,922	155,985
Profit for the year	47,443	42,283
Total comprehensive income for the year	47,443	42,283
Dividends	19,586	19,181

- (b) ATII was established by the Company, ATHC, China Merchants New Intelligence Technology Co., Ltd. (“招商新智科技有限公司”), Shanghai Unionpay Enterprise Investment Co., Ltd. (“上海銀聯創業投資有限公司”), Anhui Expressway Network Operations Co., Ltd. (“安徽省高速公路聯網運營有限公司”, “AENO”) and Anhui Transport Consulting & Design Institute Co., Ltd. (“安徽省交通規劃設計研究總院股份有限公司”, “ATCD”) in June 2019. The total registered capital of ATII was RMB60,000 thousand.

As at 31 December 2024, the Company invested RMB6,000 thousand and held 10% equity interest in ATII. One of the seven directors of the board of directors of ATII is nominated by the Company, thereby the Company is able to exercise significant influence over ATII.

Notes to the Consolidated Financial Statements (continued)

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20. FINANCIAL ASSETS AT FVPL

	2024 RMB'000	2023 RMB'000
Non-current assets		
Investments in limited partnerships (“LP”s)		
Anhui Transportation Goldstone Buy-out Fund LP (“ATGBF”)	70,082	104,764
Anhui Transportation Zhaoshang Industry Investment Fund LP (“ATZIIF”)	138,833	124,875
Anhui Transportation Goldstone Equity Investment Fund LP (“ATGEIF”)	105,607	100,785
Anhui Conch Goldstone Innovation Development Investment Fund LP	123,680	50,026
Anhui Transportation Holding Goldstone Emerging Industry Equity Investment Fund LP (“ATGEEF”)	39,769	10,000
Others		
CICC Anhui Transportation Holding Expressway Closed-end Infrastructure Securities Investment Fund	267,516	288,210
Total	745,487	678,660

(a) Amounts recognised in profit or loss

During the year, the following gains were recognised as “other income and gains – net” in profit or loss:

	2024 RMB'000	2023 RMB'000
Fair value losses on financial assets at FVPL (Note 5)	(31,845)	(108,755)
Dividends from investments at FVPL recognised in profit or loss in other gains – related to investments held at the end of the year	50,520	42,347

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21. FINANCIAL ASSETS AT FVOCI

Financial assets at FVOCI comprise equity investments which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in the category. These are strategic investments and the Group considers this classification to be more relevant.

Equity investments at FVOCI comprise the following individual investments:

	2024 RMB'000	2023 RMB'000	Cumulative fair value change recognised in other comprehensive income RMB'000
Anhui Transportation Zhaoshang Private Fund Management Co., Ltd. ("ATZFM")	1,251	1,428	876
Anhui Transportation Goldstone Private Fund Management Co., Ltd. ("ATGFM")	6,549	3,422	6,174
Total	7,800	4,850	7,050

On disposal of these equity investments, any related balance within the financial assets at FVOCI reserve is reclassified to retained earnings.

(a) Amounts recognised in profit or loss and OCI

During the year, the following gains were recognised in profit or loss and OCI:

	2024 RMB'000	2023 RMB'000
Gains/(losses) recognised in OCI – related to equity investments	2,950	(20,792)
Dividends from equity investments at FVOCI recognised in profit or loss in other gains – related to investments held at the end of the year	500	–

(b) Fair value, impairment and risk exposure

Information about the methods and assumptions used in determining fair value is provided in Note 2.4.

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22. INVENTORIES

	2024 RMB'000	2023 RMB'000
Materials and spare parts	4,437	4,458

23. RECEIVABLES AND PREPAYMENTS

	2024 RMB'000	2023 RMB'000
Receivables:		
– Toll road income receivables (a)	76,547	56,784
– Interest receivable	175,620	142,426
– Receivables for construction	30,051	30,051
– Pawn loans to customers	19,643	19,643
– Toll road income compensation receivable	43,263	39,208
– Input tax deduction	427,594	185,023
– Others	10,555	11,615
	783,273	484,750
Less: Provision for impairment of pawn loans (b)	13,750	13,750
Provision for impairment of others (c)	15,864	16,041
	753,659	454,959
Prepayments:		
Prepaid expenses	2,853	2,670
Total	756,512	457,629

The ageing analysis of the receivables is as follows:

	2024 RMB'000	2023 RMB'000
Within 1 year	730,156	426,619
Between 1 and 2 years	1,054	5,783
Between 2 and 3 years	318	1,479
Over 3 years	51,745	50,869
Total	783,273	484,750

Notes to the Consolidated Financial Statements (continued)

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23. RECEIVABLES AND PREPAYMENTS (Continued)

- (a) As at 31 December 2024, toll road income receivables mainly represented receivables from AENO of RMB76,547 thousand (31 December 2023: toll revenue receivables from AENO of RMB56,648 thousand).

- (b) Reconciliation of provision account for loss on pawn loans is as follows:

	2024 RMB'000	2023 RMB'000
Beginning of the year	(13,750)	(13,750)
Impairment loss reversed	—	—
Receivables written off as uncollectible	—	—
End of the year	(13,750)	(13,750)

- (c) Reconciliation of provision account for loss on receivables is as follows:

	2024 RMB'000	2023 RMB'000
Beginning of the year	(16,041)	(15,685)
Impairment loss recognised	(2)	(405)
Impairment loss reversed	179	11
Receivables written-off as uncollectible	—	38
End of the year	(15,864)	(16,041)

The Group recognises lifetime ECLs for receivables and measures the lifetime ECLs on a specific basis according to management's assessment of the recoverability of the individual receivables, are as follows:

	2024				2023	
	Book value RMB'000	Provision for impairment RMB'000	Provision ratio	Reason for impairment	Book value RMB'000	Provision for impairment RMB'000
Receivables for construction	30,051	(15,026)	50%	Continuous uncollected receivables	30,051	(15,026)
Pawn loans to customers	19,643	(13,750)	70%	Continuous uncollected receivables	19,643	(13,750)
Total	49,694	(28,776)			49,694	(28,776)

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

23. RECEIVABLES AND PREPAYMENTS (Continued)

(c) Reconciliation of provision account for loss on receivables is as follows: (Continued)

Set out below is the information about the credit risk exposure on the Group's receivables using a provision matrix:

As at 31 December 2024

	12-month ECLs	Lifetime ECLs		
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Total RMB'000
Beginning of the year	1,015	–	28,776	29,791
Impairment loss recognised	2	–	–	2
Impairment loss reversed	(179)	–	–	(179)
Receivables written-off as uncollectible	–	–	–	–
End of the year	838	–	28,776	29,614

24. CASH AND CASH EQUIVALENTS

	2024 RMB'000	2023 RMB'000
Cash and bank balances	4,602,277	3,805,108
Time deposits	(2,486,783)	(2,842,728)
Cash and cash equivalents	2,115,494	962,380

At the end of the reporting period, cash and bank balances were denominated in RMB and HKD. At the end of the reporting period, the cash and bank balances of the Group denominated in HKD amounted to RMB2,570,069.07 (31 December 2023: RMB2,474,669.09).

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods depending on the immediate cash requirements of the Group, and earn interest at the deposit rates of the respective periods. The bank balances are deposited with creditworthy banks with no recent history of default. The Group expects no significant credit risk associated and that there would not be any significant losses due to non-performance by these counterparties.

The weighted average interest rate per annum on cash at bank in the year ended 31 December 2024 was approximately 2.45% (31 December 2023: 3.19%).

As at 31 December 2024, the Group's restricted bank deposits amounted to RMB28,497,891.19 and HKD4,017.20 (equivalent to RMB3,719.93), of which RMB26,785,868.00 was released on 30 December 2024 and the restriction was subsequently released by the bank in January 2025.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

25. SHARE CAPITAL

	2024 RMB'000	2023 RMB'000
Issued and fully paid	1,658,610	1,658,610

A summary of the Company's share capital is as follows:

	Number of shares in issue thousand	Share capital RMB'000
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	1,658,610	1,658,610

26. RESERVES

	Capital surplus RMB'000	Statutory surplus reserve fund RMB'000	Discretionary surplus reserve fund RMB'000	Enterprise safety fund RMB'000	Merger reserve RMB'000	Excess of the consideration over carrying amount of the non- controlling interests acquired RMB'000	Fair value change of financial assets at FVOCI, net of tax RMB'000	Total RMB'000
Balance at 1 January 2023	2,243	955,881	658	46,637	(948,061)	(710,116)	(75,182)	(727,940)
Usage of enterprise safety fund	-	-	-	(40)	-	-	-	(40)
Changes in fair value of financial assets at FVOCI, net of tax (Note 21)	-	-	-	-	-	-	78,256	78,256
Balance at 31 December 2023	2,243	955,881	658	46,597	(948,061)	(710,116)	3,074	(649,724)
Usage of enterprise safety fund	-	-	-	(40)	-	-	-	(40)
Changes in fair value of financial assets at FVOCI, net of tax (Note 21)	-	-	-	-	-	-	2,212	2,212
Balance at 31 December 2024	2,243	955,881	658	46,557	(948,061)	(710,116)	5,286	(647,552)

The Company appropriates discretionary surplus reserve after the approval of the Board of Directors' proposal by shareholders in the shareholders' meeting. The discretionary surplus reserve can be used to make up for the loss or increase capital after approval.

Notes to the Consolidated Financial Statements (continued)

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27. APPROPRIATION

(a) Statutory surplus reserve fund

In accordance with the PRC Company Law, the Company and its subsidiaries shall appropriate 10% of their annual statutory net income (after offsetting any prior years' loss) to the statutory surplus reserve fund. When the balance of such reserve reaches 50% of a company's share capital or registered capital, any further appropriation is optional. The statutory surplus reserve fund can be utilised to offset prior years' loss or to issue bonus shares/paid-in capital. However, such statutory surplus reserve fund must be maintained at a minimum of 25% of share capital/registered capital after such utilisation.

The balance of statutory surplus reserve has reached 50% of the Company's share capital. As a result, the Company did not appropriate statutory surplus reserve fund in the years ended 31 December 2024 and 2023 in accordance with the PRC Company Law.

(b) Dividends distribution

According to the Articles of Association of the Company, the dividends distributed by the Company to its shareholders are based on the lower of the profit available for distribution to the Shareholders in the Company's statutory financial statements and those in the Company's financial statements prepared in accordance with HKFRS Accounting Standards. As at 31 December 2024, the profit available for distribution to the Shareholders in the Company's financial statements prepared in accordance with HKFRS Accounting Standards amounted to RMB1,523,992 thousand, which was lower than the profit available for distribution to the Shareholders reflected in the Company's statutory financial statements.

28. LONG-TERM PAYABLES

	2024 RMB'000	2023 RMB'000
Long-term payables to ATHC		
Beginning of the year	77,560	97,060
Repayments	–	(19,500)
End of the year	77,560	77,560
Total long-term payables	77,560	77,560
Less: Current portion of long-term payables	–	–
Total	77,560	77,560

The principal of the payables was repayable from 2025 to 2028 (2023: 2024 to 2028) with the interest rate of 4.90% (2023: 4.90%).

The carrying amounts and fair values of long-term payables (including current portion) are as follows:

	Carrying amounts		Fair values	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Long-term payables to ATHC	77,560	77,560	77,560	77,560

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

28. LONG-TERM PAYABLES (Continued)

The undiscounted amounts of long-term payables (including current portion) are as follows:

	2024 RMB'000	2023 RMB'000
Long-term payables to ATHC	77,560	77,560

29. BORROWINGS

	2024			2023		
	Effective interest rate	Maturity	RMB'000	Effective interest rate	Maturity	RMB'000
Long-term bank borrowings						
Denominated in RMB						
Guaranteed and unsecured (a)	2.29%-3.05%	2025-2052	3,200,000	2.90%-3.45%	2024-2052	3,119,000
Pledged (b)	1.20%-3.17%	2025-2040	3,441,140	1.20%-4.55%	2024-2040	3,358,407
			6,641,140			6,477,407
Less: Current portion						
Denominated in RMB						
Guaranteed and unsecured (a)	2.29%-3.05%	2025-2052	(5,286)	2.90%-3.45%	2024-2052	(330,761)
Pledged (b)	1.20%-3.17%	2025-2040	(253,763)	1.20%-4.55%	2024-2040	(186,925)
			(259,049)			(517,686)
Total			6,382,091			5,959,721

	2024 RMB'000	2023 RMB'000
Analysed into:		
Bank loans repayable:		
Within 1 year	259,049	517,686
Between 1 and 2 years	307,581	655,444
Between 2 and 5 years	773,673	1,926,664
Over 5 years	5,300,837	3,377,613
Total	6,641,140	6,477,407

Notes to the Consolidated Financial Statements (continued)

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29. BORROWINGS (Continued)

- (a) As at 31 December 2024, no bank credit loan was borrowed by the Group for the acquisition of equity and related claims of AQDQ (2023: RMB1,969,000 thousand).

The bank credit loan of RMB50,000 thousand was borrowed by the Group for the reconstruction and expansion project of the Guangde to Xuancheng section of the G50 Shanghai-Chongqing Expressway, with interest paid quarterly, and the principal will be repaid between 2025 and 2042. The above-mentioned long-term borrowing interest rate is adjusted annually in accordance with the loan market quotation rate (“LPR”) published by the National Interbank Lending Center in accordance with the provisions of the loan contract (2023: RMB50,000 thousand).

The bank credit loan of RMB3,150,000 thousand was borrowed by the Group for the reconstruction and expansion project of G50 Shanghai-Chongqing Expressway Guangde to Xuancheng Section, with interest paid quarterly, and the principal will be repaid between 2025 and 2052. The above-mentioned long-term borrowing interest rate is adjusted annually in accordance with the loan market quotation rate (“LPR”) published by the National Interbank Lending Center in accordance with the provisions of the loan contract (2023: RMB1,100,000 thousand).

- (b) As at 31 December 2024, bank borrowings of RMB220,000 thousand were pledged by estimated future toll road cash inflow from the completion of reform and expansion of Hening Expressway, with interest paid quarterly, and the principal will be repaid between 2025 and 2027 (2023: RMB300,000 thousand).

The bank borrowings of RMB683,778 thousand were pledged by estimated future toll road cash inflow from Liqiao to Xuancheng Section of Ningxuanhang Expressway, with interest paid quarterly, and the principal will be repaid between 2025 and 2035 (2023: RMB730,356 thousand). The bank borrowings of RMB1,714,800 thousand were pledged by estimated future toll road cash inflow from Xuancheng to Ningguo Section of Ningxuanhang Expressway, with interest paid quarterly, and the principal will be repaid between 2025 and 2040 (2023: RMB1,759,491 thousand). The bank borrowings of RMB822,562 thousand were pledged by estimated future toll road cash inflow from Ningguo to Qianqiuguan Section of Ningxuanhang Expressway with interest paid quarterly or semi-annually, and the principal will be repaid between 2025 and 2039 (2023: RMB568,560 thousand).

As at 31 December 2024 and 2023, the fair values of current and non-current borrowings approximated their carrying amounts as the discounting impact is not significant.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
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30. BONDS PAYABLE

	<i>RMB'000</i>
Principal amount	1,500,000
Transaction cost	(1,220)
Total	1,498,780

The movement of the corporate bonds is set out below:

	<i>RMB'000</i>
At the date of issue	1,498,780
Interest charged (<i>Note 7</i>)	1,378
Less: Current portion of bonds payables	(1,356)
As at December 31, 2024	1,498,802

On 11 December 2024, the Company issued 3-year unsecured corporate bonds for a total amount of RMB1.50 billion. The corporate bonds carry a coupon interest rate of 1.65% with bond interest payable annually.

31. DEFERRED INCOME

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Government grants	87,992	100,922

Deferred income represents government grants relating to assets and is amortised over 7 to 30 years (*Note 2.4*).

Amortisation of RMB12,930 thousand (2023: RMB12,930 thousand) has been charged in “other income and gains – net” (*Note 5*).

Notes to the Consolidated Financial Statements (continued)

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32. TRADE AND OTHER PAYABLES

	2024 RMB'000	2023 RMB'000
Trade payables	864,245	627,853
Deposits for construction projects	40,123	42,549
Advance rent receipts	46,656	39,064
Staff salaries and welfare	29,334	28,181
Interest payable	32,480	34,280
Other taxation payables	18,586	18,268
Service fee payable for collection of toll roads income	6,990	9,082
Others	32,975	43,538
Total	1,071,389	842,815

As at 31 December 2024, trade and other payables of RMB216,323 thousand (2023: RMB211,927 thousand) were aged over one year. These payables were mainly payables on acquisition of concession intangible assets which will be settled after the completion of construction.

As at 31 December 2024 and 2023, the fair values of trade and other payables, except for staff salaries and welfare, other taxation payables and advance from customers, approximated their carrying amounts.

33. PROVISIONS

31 December 2024

	RMB'000
At 1 January 2024	61,606
Additional provisions	194,880
Amounts utilised during the year	(199,233)
At 31 December 2024	57,253

31 December 2023

At 1 January 2023	71,005
Additional provisions	201,103
Amounts utilised during the year	(210,502)
At 31 December 2023	61,606

Notes to the Consolidated Financial Statements (continued)

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34. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

	Accounting for government grants RMB'000	Provision RMB'000	Accrued bonus RMB'000	Accounting for Interest- bearing shareholder's loans RMB'000	Fair value change of financial assets at FVOCI RMB'000	Fair value change of financial assets at FVPL RMB'000	Provision for impairment of other receivables RMB'000	Amortisation difference between accounting and tax regulations RMB'000	Tax loss carried forward RMB'000	Total RMB'000
At 1 January 2023	26,223	16,940	6,341	14,477	25,061	3,705	160	19,428	6,552	118,887
Deferred tax charged to the income statement (Note 10)	(2,819)	(1,723)	–	(655)	–	30,051	89	(845)	(4,531)	19,567
Deferred tax charged to the statement of other comprehensive income	–	–	–	–	(25,061)	–	–	–	–	(25,061)
Gross deferred tax assets at 31 December 2023 and 1 January 2024	23,404	15,217	6,341	13,822	–	33,756	249	18,583	2,021	113,393
Deferred tax charged to the income statement (Note 10)	(2,819)	(978)	–	(655)	–	5,173	(42)	(845)	1,456	1,290
Deferred tax charged to the statement of other comprehensive income	–	–	–	–	–	–	–	–	–	–
Gross deferred tax assets at 31 December 2024	20,585	14,239	6,341	13,167	–	38,929	207	17,738	3,477	114,683

Notes to the Consolidated Financial Statements (continued)

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34. DEFERRED TAX (Continued)

The movements in deferred tax assets and liabilities during the year are as follows: (Continued)

Deferred tax liabilities

	Valuation of assets and depreciation of toll roads RMB'000	Valuation and amortisation of toll roads related land use rights RMB'000	Accounting for interest- free long-term payables RMB'000	Amortisation difference between accounting and tax regulations RMB'000	Fair value change of financial assets at FVPL RMB'000	Difference between accounting and tax regulations of borrowings and bonds RMB'000	Fair value adjustments of equity investments at FVOCI RMB'000	Others RMB'000	Total RMB'000
At 1 January 2023	(12,727)	(1,994)	(6,671)	(36,798)	(12,893)	(4,766)	–	(323)	(76,172)
Deferred tax charged to the income statement (Note 10)	634	91	267	4,270	6,293	2,731	–	11	14,297
Deferred tax charged to the statement of other comprehensive income	–	–	–	–	–	–	(1,025)	–	(1,025)
Gross deferred tax liabilities at 31 December 2023 and 1 January 2024	(12,093)	(1,903)	(6,404)	(32,528)	(6,600)	(2,035)	(1,025)	(312)	(62,900)
Deferred tax charged to the income statement (Note 10)	634	91	267	4,270	(623)	1,325	–	11	5,975
Deferred tax charged to the statement of other comprehensive income	–	–	–	–	–	–	(737)	–	(737)
Gross deferred tax liabilities at 31 December 2024	(11,459)	(1,812)	(6,137)	(28,258)	(7,223)	(710)	(1,762)	(301)	(57,662)

Notes to the Consolidated Financial Statements (continued)

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34. DEFERRED TAX (Continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated balance sheet. The following is an analysis of the deferred tax balances of the Group for reporting purposes:

	2024 RMB'000	2023 RMB'000
Net deferred tax assets recognised in the consolidated balance sheet	(29,406)	(30,372)
Net deferred tax liabilities recognised in the consolidated balance sheet	29,406	30,372

The net carrying amounts of deferred assets and liabilities taking into consideration the offsetting of balances are set out as follows:

	2024 RMB'000	2023 RMB'000
Deferred tax assets	85,277	83,021
Deferred tax liabilities	(28,256)	(32,528)

The unrecognised deferred tax losses and deductible temporary differences are set out as follows:

	2024 RMB'000	2023 RMB'000
Deductible temporary differences	20,989	23,085
Tax losses	1,217,624	1,512,852
Total	1,238,613	1,535,937

Deferred tax assets are not recognised for tax losses that the realisation of the related tax benefit through future taxable profits is not probable. The expire dates of the carryforward of these tax losses are set out as follows:

	2024 RMB'000	2023 RMB'000
2024	—	305,912
2025	340,252	340,252
2026	308,803	308,803
2027	369,525	369,525
2028	199,044	188,360
Total	1,217,624	1,512,852

Notes to the Consolidated Financial Statements (continued)

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35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Cash generated from operating activities

	Notes	2024 RMB'000	2023 RMB'000
PROFIT BEFORE INCOME TAX		2,226,777	2,263,826
ADJUSTMENTS FOR:			
Amortisation of concession intangible assets	13	699,636	751,414
Depreciation of property, plant and equipment	15	150,720	149,481
Depreciation of investment properties	16	23,556	16,191
Amortisation of right-of-use assets	14	2,530	2,080
Amortisation of intangible assets	17	9,553	5,337
Impairment losses for receivables		(176)	393
Net gains on disposal of property, plant and equipment	5	(1,661)	6,431
Gains on disposal of concession intangible assets	5	(5,685)	240
Share of gain of associates		(10,634)	(8,596)
Dividend income	5	(58,475)	(49,827)
Fair value losses on financial assets at FVPL	5	31,845	108,755
Interest income	5	(114,150)	(109,170)
Interest expenses	7	174,490	213,627
Others		1,676	3,475
		3,130,002	3,353,657
Decrease in inventories	22	21	248
Increase in receivables and prepayments		(22,479)	(49,472)
Increase/(decrease) in other operating liabilities		5,449	(77,232)
Decrease in provision	33	(4,353)	(9,399)
Cash generated from operating activities		3,108,640	3,217,802
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,153,113	(1,941,462)
Cash and cash equivalents at beginning of year		962,380	2,903,848
Effect of foreign exchange rate changes, net		1	(6)
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	2,115,494	962,380
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	24	4,602,277	3,805,108
Time deposits	24	2,486,783	2,842,728
Cash and cash equivalents as stated in the consolidated balance sheet	24	2,115,494	962,380
Cash and cash equivalents as stated in the consolidated statement of cash flows		2,115,494	962,380

Notes to the Consolidated Financial Statements (continued)

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35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Changes in liabilities arising from financing activities

	Borrowings RMB'000	Bonds payable RMB'000	Long-term payables RMB'000
At 1 January 2024	(6,477,407)	–	(77,560)
Changes from financing cash flows	(156,329)	(1,498,777)	–
Interest expenses	(220,743)	(25)	(3,870)
Interest paid classified as operating cash flows	163,191	–	3,870
Capitalised interest expenses	50,148	–	–
At 31 December 2024	(6,641,140)	(1,498,802)	(77,560)
At 1 January 2023	(6,643,748)	–	(97,060)
Changes from financing cash flows	172,067	–	19,500
Interest expenses	(234,898)	–	(4,036)
Interest paid classified as operating cash flows	203,865	–	4,036
Capitalised interest expenses	25,307	–	–
At 31 December 2023	(6,477,407)	–	(77,560)

36. CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any significant contingent liabilities.

37. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	2024 RMB'000	2023 RMB'000
Contracted, but not provided for:		
– Concession intangible assets	1,941,903	4,291,806
– Property, plant and equipment	7,698	45,766
Total	1,949,601	4,337,572

Notes to the Consolidated Financial Statements (continued)

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38. RELATED PARTY TRANSACTIONS

The Company's parent company is ATHC, a state-owned enterprise established in Anhui Province, the PRC, and is controlled by the PRC government. It owns a significant portion of the expressway assets in Anhui Province.

In accordance with HKAS 24 (Revised), "Related Party Disclosures", government related entities and their subsidiaries, directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are defined as related parties of the Group. On that basis, related parties include ATHC and its subsidiaries (other than the Group), other government-related entities and their subsidiaries, other entities and corporations in which the Company is able to control or exercise significant influence and key management personnel of the Company and ATHC as well as their close family members. The Group believes that these transactions are carried out on terms that are similarly and consistently applied to all other customers or suppliers. However, due to the complex ownership structure, the PRC government may hold indirect interests in many companies. Some of these interests may, in themselves or when combined with other indirect interests, be controlling interests which may not be known to the Group. As a result, these transactions with other government-related entities and their subsidiaries are exempted from the related party transaction disclosure requirements as set out in HKAS 24 (Revised).

The Company's directors believe that information in respect of related party transactions has been adequately disclosed in the consolidated financial statements and are of the view that the following companies are related parties that had material transactions or balances with the Group during the period.

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38. RELATED PARTY TRANSACTIONS (Continued)

(a) Information about related parties

Name	Relationships with the Group
ATHC	Parent company
AEPC	Subsidiary of ATHC
YTMC	Subsidiary of ATHC
WTMC	Subsidiary of ATHC
AENO	Subsidiary of ATHC
ATCD	Subsidiary of ATHC
ATZFM	Significantly influenced by ATHC
ATGFM	Significantly influenced by ATHC
ATZHF	Significantly influenced by ATHC
ATGEIF	Significantly influenced by ATHC
ATGEEF	Significantly influenced by ATHC
XCIC	Non-controlling interest of Xuan Guang, Ningxuanhang and Guangci
AEAC	Associate
ATII	Associate
Anhui Anlian Expressway Co., Ltd. ("安徽安联高速公路有限公司", "ALEC")	Subsidiary of ATHC
Anhui Transportation Construction Management Co., Ltd. ("安徽省交控建设管理有限公司", "ATCMC")	Subsidiary of ATHC
Anhui Transportation Material Technology Co., Ltd. ("安徽交控材料科技有限公司", "ATMT")	Subsidiary of ATHC
Anhui Transportation Property Management Co., Ltd. ("安徽交控物业服务有限公司", 原名"合肥市邦宁物业管理 有限公司", "ATPMC")	Subsidiary of ATHC
Anhui Expressway Experiment Research Centre Co., Ltd. ("安徽省高速公路试验检测科研中心有限公司", "AERC")	Subsidiary of ATHC
Anhui Transportation Engineering Group Co., Ltd. (formerly named Anhui Gaolu Construction Co., Ltd.) ("安徽交控工程集团有限公司", 原名"安徽省高路建设有 限公司", "ATEGC")	Subsidiary of ATHC
Anhui Expressway Finance Lease Co., Ltd. ("安徽高速融资租赁有限公司", "AWFC")	Subsidiary of ATHC
Anhui Qixing Project Testing Co., Ltd. ("安徽省七星工程测试有限公司", "AQPT")	Subsidiary of ATHC
Anhui Huanyu Highway Construction Development Co., Ltd. ("安徽交控道路养护有限公司", 原名"安徽省环宇公路建设 开发有限责任公司", "ATRCM")	Subsidiary of ATHC
Anhui Zhongxing Project Management Co., Ltd. ("安徽省中兴工程监理有限公司", "AZPMC")	Subsidiary of ATHC
Anhui Transportation Group Co., Ltd. ("安徽省交运集团有限公司", "ATGC")	Subsidiary of ATHC

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38. RELATED PARTY TRANSACTIONS (Continued)

(a) Information about related parties (Continued)

Name	Relationships with the Group
Anhui Traffic Intelligence Technology Co., Ltd. ("安徽交通數智科技有限公司", 原名"安徽交通一卡通控制有限公司", "ATITC")	Subsidiary of ATHC
Anhui Wangqian Expressway Co., Ltd. ("安徽望潛高速公路有限公司", "AWQEC")	Subsidiary of ATHC
Anhui Yangji Expressway Co., Ltd. ("安徽省揚績高速公路有限公司", "AYEC")	Subsidiary of ATHC
Anhui Liguang Expressway Co., Ltd. ("安徽省溧廣高速公路有限公司", "ALGEC")	Subsidiary of ATHC
Anhui Wuyan Expressway Co., Ltd. ("安徽省蕪雁高速公路有限公司", "AWEC")	Subsidiary of ATHC
Anhui Shengxuan Municipal Garden Engineering Co., Ltd. ("安徽省盛軒市政園林工程有限公司", "ASGEC")	Subsidiary of ATHC
Anhui Traffic Survey and Design Institute Co., Ltd. ("安徽省交通勘察設計院有限公司", "ATSDC")	Subsidiary of ATHC
Anhui Transportation Resource Co., Ltd. ("安徽交控資源有限公司", "ATRC")	Subsidiary of ATHC
Anhui High-way Real Estate Group Co., Ltd. ("安徽省高速地產集團有限公司", "AHREC")	Subsidiary of ATHC
Anhui Hezong Expressway Co., Ltd. ("安徽省合縱高速公路有限責任公司", "AHEC")	Subsidiary of ATHC
Anhui Jinggong Materials Co., Ltd. ("安徽省經工物資有限公司", "AJQMC")	Subsidiary of ATHC
Anhui Bihao Ecology Technology Co., Ltd. ("招商智廣科技(安徽)有限公司", "ABETC")	Subsidiary of ENTH
Anhui Transportation Construction Group Co., Ltd. ("安徽交控建設工程集團有限公司", 原名"安徽省經工建設集團有限公司", "ATCG")	Subsidiary of ATHC
Anhui High Speed Land Property Management Service Co., Ltd. ("安徽省高速地產物業管理服務有限公司", "AHLPS")	Subsidiary of ATHC
Anhui Yuehuang Expressway Co., Ltd. ("安徽省嶽黃高速公路有限責任公司", "AYHEC")	Subsidiary of ATHC
Anhui Transportation Capital Investment Management Co., Ltd. ("安徽交控資本投資管理有限公司", "ATCIM")	Subsidiary of ATHC
Anhui Jiaokong Business Factoring Co., Ltd. ("安徽交控商業保理有限公司", "AJBF")	Subsidiary of ATHC
Laizhou Beihai Real Estate Development Co., Ltd. ("萊州北海房地產開發有限公司", "LBREDC")	Subsidiary of ATHC
Anhui Transportation Huifeng Wanyun Hotel Management Group Co., Ltd. ("安徽交控徽風皖韻酒店管理集團有限公司", "ATHWC")	Subsidiary of ATHC

Notes to the Consolidated Financial Statements (continued)

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(All amounts in Renminbi thousand unless otherwise stated)

38. RELATED PARTY TRANSACTIONS (Continued)

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

	2024 RMB'000	2023 RMB'000
Service income from management of toll roads:		
ATHC	10,453	10,453
ALEC	585	585
AHEC	1,509	1,509
AYEC	209	208
AWQEC	137	142
ALGEC	106	104
AYHEC	491	140
AWEC	46	47
	13,536	13,188
Rental income from:		
AEPC	33,023	31,125
YTMC	11,845	12,850
ATHC	3	6
ATRC	–	12
AWFC	–	211
WTMC	–	106
ABETC	768	768
AWQEC	27	27
ATEGC	34	27
ATGC	8	9
AHEC	735	489
ATMT	788	394
ATRCMC	2,241	1,676
AJBF	180	90
ATII	2,130	703
	51,782	48,493

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38. RELATED PARTY TRANSACTIONS (Continued)

- (b) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year: (Continued)

	Note	2024 RMB'000	2023 RMB'000
Purchases, construction, testing services and property management from:	(i)		
ATCD		69,821	162,671
ATEGC		411,977	253,262
ATCG		279,880	38,804
ATII		24,548	16,315
YTMC		14,559	1,095
ATGC		8,415	3,246
ATPMC		6,210	5,064
AEAC		6,784	6,258
ASGEC		—	2,345
AQPT		396	2,292
AERC		12,014	7,704
AZPMC		86	1,067
AJQMC		1,473	1,878
AHREC		378	27
ATRMC		55,308	17,196
ATMT		420,876	58,871
AHLPS		—	2
LBREDC		226	—
ATHWC		745	—
		1,313,696	578,097

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38. RELATED PARTY TRANSACTIONS (Continued)

(b) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year: (Continued)

	Note	2024 RMB'000	2023 RMB'000
Rental expenses from: XCIC		750	500
Toll road income received on behalf of the Group: AENO		3,902,107	4,123,519
Service fees for the collection of toll road income: ATITC		16,822	14,474
AENO		14,340	10,037
		31,162	24,511
Interest expenses for interest-bearing long-term payables: ATHC		3,864	4,036
Key management compensation: Salaries and other short-term employee benefits		7,722	6,214

Note:

- (i) It mainly represented payable to these related parties for the purchases, construction and testing services in connection with expressway and service areas and the property management service in connection with High-tech Park, which is owned by the Company.

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

38. RELATED PARTY TRANSACTIONS (Continued)

(c) Outstanding balances with related parties

	2024 RMB'000	2023 RMB'000
Trade payables		
ATCD	13,575	28,781
ATEGC	79,127	17,985
ATCG	67,039	8,869
ATRCM	2,059	786
ATII	3,450	1,902
AQPT	1,563	1,586
AZPMC	626	675
AEAC	878	879
ASGEC	–	139
AERC	1,048	1,716
YTMC	577	260
ATGC	1,232	200
AJQMC	5	24
ATMT	21,336	–
	192,515	63,802
Other payables		
AEP	35,162	34,375
XCIC	9,356	10,885
ATHC	12,883	12,883
YTMC	7,930	1,072
ATITC	3,672	5,833
ATCG	–	62
AENO	3,436	3,479
ATEGC	1,144	2,327
ATCD	587	713
ABETC	300	367
ATGC	68	–
AZPMC	21	30
ATPMC	50	20
ATII	180	144
AWQEC	8	8
ALEC	–	61
AERC	145	168
ATRCM	191	764
ATMT	42	42
AHEC	94	94
AJBF	30	125
	75,299	73,452

Notes to the Consolidated Financial Statements (continued)

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38. RELATED PARTY TRANSACTIONS (Continued)

(c) Outstanding balances with related parties (Continued)

	2024 RMB'000	2023 RMB'000
Prepayments for construction		
ATEGC	—	14,210
ATMT	—	3,991
	—	18,201
Long-term payables (including current portion)		
ATHC	77,560	77,560

As at 31 December 2024 and 2023, amounts due from and due to the aforementioned related parties, except for long-term payables to ATHC as disclosed in Note 28, mainly arose from the above transactions and payments made by the Group and related parties on behalf of each other. These amounts are unsecured, interest-free and are repayable within one year.

In addition, during the year ended 31 December 2024, the Group's bank balances and borrowings of approximately RMB1,399,822,500 and RMB6,248,291,287 (2023: approximately RMB599,370,532 and RMB5,354,205,588) were deposited with state-owned banks respectively.

(d) Receivables

	2024		2023	
	Book value RMB'000	Provision for impairment RMB'000	Book value RMB'000	Provision for impairment RMB'000
AENO	76,547	(765)	56,648	(799)
YTMC	60	(1)	8	—
ATEGC	5	—	—	—
	76,612	(766)	56,656	(799)

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

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38. RELATED PARTY TRANSACTIONS (Continued)

(e) Commitments with related parties

	2024 RMB'000	2023 RMB'000
Provision of lease of service sectors:		
AEPC	76,383	111,775
YTMC	12,664	25,944
AWQEC	24	53
ATRCM	2,946	5,299
AHEC	1,029	1,801
ATII	305	484
ATEGC	44	10
AJBF	277	462
ATMT	1,242	2,070
ABETC	—	671
Purchases, construction, testing services and property management:		
ATMT	124,829	534,289
ATCD	169,078	130,705
ATII	3,910	2,439
ATCG	167,215	281
ATRCM	15,103	3,043
ATEGC	302,135	470,573
AZPMC	—	485
AERC	6,079	12,806
AQPT	—	58
ATPMC	—	2,061
AENO	34,180	—
ATITC	34,180	—
Provision of administration service for toll roads:		
ATHC	23,190	—
ALEC	1,240	—
AYEC	443	—
AWQEC	290	—
ALGEC	225	—
AWEC	98	—
AHEC	3,200	—
AYHEC	1,041	—
Investments:		
ATZIF	33,208	46,492
ATGEEF	160,000	190,000

Notes to the Consolidated Financial Statements (continued)

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39. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2024

Financial assets

	Financial assets at amortised cost <i>RMB'000</i>
Receivables and prepayments	323,592
Cash and cash equivalents	2,115,494
Time deposits with original maturity over three months	2,486,783
Total	4,925,869
Financial assets at FVOCI	7,800
Financial assets at FVPL	745,487

Financial liabilities

	Financial liabilities at amortised cost <i>RMB'000</i>
Trade and other payables	976,813
Borrowings	6,641,140
Bonds payable	1,498,802
Long-term payables (including current portion)	77,560
Total	9,194,315

Notes to the Consolidated Financial Statements (continued)

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(All amounts in Renminbi thousand unless otherwise stated)

39. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

2023

Financial assets

	Financial assets at amortised cost RMB'000
Receivables and prepayments	267,539
Cash and cash equivalents	962,380
Time deposits with original maturity over three months	2,842,728
Total	4,072,647
Financial assets at FVOCI	4,850
Financial assets at FVPL	678,660

Financial liabilities

	Financial liabilities at amortised cost RMB'000
Trade and other payables	757,302
Borrowings	6,477,407
Long-term payables (including current portion)	77,560
Total	7,312,269

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Financial liabilities				
Borrowings (Note 29)	6,641,140	6,477,407	6,643,574	6,475,349
Bonds payable (Note 30)	1,498,802	–	1,498,802	–
Long-term payables (Note 28)	77,560	77,560	77,560	77,560

Notes to the Consolidated Financial Statements (continued)

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(All amounts in Renminbi thousand unless otherwise stated)

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Management has determined that the carrying amounts of cash and cash equivalents, receivables and prepayments, other financial assets at amortised cost, trade and other payables based on their notional amounts, reasonably approximate to their fair values because these financial instruments are mostly short term in nature.

The Group invests in unlisted investments, which represent wealth management products issued by banks in Mainland China. The Group has estimated the fair value of the unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The fair values of the interest-bearing banks and other borrowings and the non-current portion of other payables have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk, and remaining maturities. The changes in fair value because of the Group's own-performance risk for borrowings and the non-current portion of other payables as of 31 December 2024 and 31 December 2023 were assessed to be insignificant.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2024

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable input (Level 3) RMB'000	
Financial assets at FVPL	267,516	—	477,971	745,487
Financial assets at FVOCI	—	—	7,800	7,800
Total	267,516	—	485,771	753,287

As at 31 December 2023

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable input (Level 3) RMB'000	
Financial assets at FVPL	288,210	—	390,450	678,660
Financial assets at FVOCI	—	—	4,850	4,850
Total	288,210	—	395,300	683,510

Notes to the Consolidated Financial Statements (continued)

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40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The following table presents the changes in level 3 instruments for the year ended 31 December 2024 and 2023:

	Financial assets at FVOCI RMB'000	Financial assets at FVPL RMB'000	Total RMB'000
Year ended 31 December 2023			
Opening balance	115,509	303,188	418,697
Acquisitions	–	213,133	213,133
Disposals	(89,867)	(137,317)	(227,184)
Gains recognised in profit or loss	–	11,446	11,446
Losses recognised in OCI	(20,792)	–	(20,792)
Closing balance	4,850	390,450	395,300
Year ended 31 December 2024			
Opening balance	4,850	390,450	395,300
Acquisitions	–	113,283	113,283
Disposals	–	(14,612)	(14,612)
Losses recognised in profit or loss	–	(11,150)	(11,150)
Gains recognised in OCI	2,950	–	2,950
Closing balance	7,800	477,971	485,771

Financial assets at FVPL are the fund shares of ATGBF, ATZIIF, ATGEIF, ATGEF, and Anhui Conch Goldstone Innovation Development Investment Fund LP subscribed by the Company. The fair values of such investments were determined by reference to the net assets of ATGBF, ATZIIF, ATGEIF, ATGEF and Anhui Conch Goldstone Innovation Development Investment Fund LP as of 31 December 2024, which have applied the HKFRS 9 *Financial Instruments*, based on the proportion of fund shares to which the Company is entitled.

The nominal value less impairment provision of receivables, trade and other payables and current borrowings is assumed to approximate their fair value due to short period of maturity dates. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Notes to the Consolidated Financial Statements (continued)

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41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings, financial assets at fair value through profit or loss and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade and bills receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

The following table demonstrates the sensitivity to a reasonably possible change in RMB interest rate, with all other variables held constant, of the Group's profit after tax (through the impact on floating rate borrowings) and the Group's equity.

	Increase/(decrease) in basis points	(Decrease)/increase in profit after tax RMB'000	(Decrease)/increase in equity RMB'000
2024			
RMB	50	(24,079)	(24,079)
RMB	(50)	24,079	24,079
2023			
RMB	50	(23,165)	(23,165)
RMB	(50)	23,165	23,165

Foreign currency risk

The Group principally operates in Mainland China and RMB is the currency of the primary economic environment in which the Group operates. However, upon the initial listing of H shares, proceeds from the IPO are in HKD. Foreign exchange risk arises from cash and cash equivalents denominated in a currency other than the functional currency of the Group.

The Group currently does not have a foreign currency hedging policy and manages its foreign currency risk by closely monitoring the movements of the foreign currency rates.

The Group does not have any significant exposure to the risk of fluctuation in the exchange rate between HKD and RMB.

Notes to the Consolidated Financial Statements (continued)

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41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

The Group's credit risk mainly arises from cash and other financial assets. The carrying amounts of financial assets represented the Group's maximum exposure in relation to financial assets.

The Group's cash are mainly bank deposits deposited with reputable state-owned banks and other large and medium-sized listed banks with high credit ratings, which the Group believes does not have significant credit risk and will hardly incur significant losses due to bank defaults.

Other financial assets at amortised cost include receivables (including pawn loans to customers). Except for pawn loans and the receivable due from Xuancheng People's Government, receivables are mainly due from related parties and government, and are considered be low credit risk where they have a low risk of default and the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term. Please refer to Note 23 for details.

Except for the cash and receivables as mentioned above, the Group does not have any significant concentration of credit risk exposure associated with a particular single counterparty or a particular group of counterparties having similar characteristics.

Notes to the Consolidated Financial Statements (continued)

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41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

The Group's toll road income is settled in cash.

The liquidity risk of the Group is controlled by maintaining sufficient cash and cash equivalents, together with adequate bank borrowing facilities disclosed in Note 29.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated balance sheet and balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

	2024				Total RMB'000
	Within 1 year RMB'000	1 to 2 years RMB'000	2 to 5 years RMB'000	Over 5 years RMB'000	
Bank borrowings, including interest	396,640	441,534	968,723	6,460,524	8,267,421
Bonds payable, including interest	24,750	24,750	1,524,750	–	1,574,250
Trade and other payables, excluding other taxation payables, staff salaries and welfare, advance rent receipts, current portion of long term payables and interest payable	944,329	–	–	–	944,329
Long-term payables, including interest and current portion	26,040	3,800	79,517	–	109,357
Total	1,391,759	470,084	2,572,990	6,460,524	10,895,357

	2023				Total RMB'000
	Within 1 year RMB'000	1 to 2 years RMB'000	2 to 5 years RMB'000	Over 5 years RMB'000	
Bank borrowings, including interest	731,741	855,143	2,362,134	4,226,533	8,175,551
Trade and other payables, excluding other taxation payables, staff salaries and welfare, advance rent receipts, current portion of long term payables and interest payable	723,022	–	–	–	723,022
Long-term payables, including interest and current portion	27,579	3,800	83,318	–	114,697
Total	1,482,342	858,943	2,445,452	4,226,533	9,013,270

Notes to the Consolidated Financial Statements (continued)

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41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual equity investments included in financial assets at FVPL (Note 20) and equity investments at FVOCI (Note 21) as at 31 December 2024.

The following table demonstrates the sensitivity to every 10% change in the fair values of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period. For the purpose of this analysis, for the equity investments at fair value through other comprehensive income, the impact is deemed to be on the fair value reserve.

	Carrying amount of equity investments RMB'000	Increase/ (decrease) in OCI after tax RMB'000	Increase/ (decrease) in equity RMB'000
2024			
Unlisted investments at fair value			
– Financial assets at FVOCI	7,800	585/(585)	585/(585)
2023			
Unlisted investments at fair value			
– Financial assets at FVOCI	4,850	364/(364)	364/(364)

Capital management

The Group's objectives for managing capital are to safeguard the Group's ability to continue as a going concern to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Similar to the others in the industry, the Group monitors capital using the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the consolidated balance sheet, bonds payable and long-term payables) less cash and cash equivalents. Total capital is calculated as "equity" as shown in the consolidated balance sheet plus net debt.

Notes to the Consolidated Financial Statements (continued)

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41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Capital management (Continued)

The gearing ratios as at the end of the reporting period were as follows:

	2024 RMB'000	2023 RMB'000
Borrowings (Note 29)	6,641,140	6,477,407
Bonds payable (Note 30)	1,498,802	—
Long-term payables (Note 28)	77,560	77,560
Less: Cash and cash equivalents (Note 24)	(2,115,494)	(962,380)
Net debt	6,102,008	5,592,587
Total equity	14,889,568	14,145,291
Total capital	20,991,576	19,737,878
Gearing ratio	29.07%	28.33%

Deposits with banks

The table below shows the cash at bank balances (including time deposits with original maturity over three months) of the Group as at 31 December 2024 and 2023:

Counterparties	2024 RMB'000	2023 RMB'000
Major financial institutes	4,602,277	3,805,108

The Group has policies to place its deposits only with major financial institutions. As at 31 December 2024 and 2023, most of cash was deposited with major financial institutions in Mainland China and Hong Kong. The Group's management does not expect any material loss from non-performance by these counterparties.

Notes to the Consolidated Financial Statements (continued)

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(All amounts in Renminbi thousand unless otherwise stated)

42. BALANCE SHEET OF THE COMPANY

Information about the balance sheet of the Company at the end of the reporting period is as follows:

	2024 RMB'000	2023 RMB'000
NON-CURRENT ASSETS		
Property, plant and equipment	910,353	842,666
Investment properties	260,061	228,389
Intangible assets	2,914	633
Right-of-use assets	54,069	56,633
Investments in subsidiaries	4,263,693	3,888,817
Concession intangible assets	4,657,029	5,304,382
Loans to subsidiaries	1,125,084	1,625,032
Investments in associates	165,856	155,221
Deferred tax assets	42,731	41,129
Financial assets at FVPL	745,487	678,660
Financial assets at FVOCI	7,800	4,850
Total non-current assets	12,235,077	12,826,412
CURRENT ASSETS		
Inventories	1,690	1,776
Receivables and prepayments	535,521	534,785
Time deposits with original maturity over three months	2,485,000	2,841,000
Cash and cash equivalents	1,563,918	741,144
Total current assets	4,586,129	4,118,705
Total assets	16,821,206	16,945,117

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

42. BALANCE SHEET OF THE COMPANY (Continued)

	2024 RMB'000	2023 RMB'000
EQUITY		
Equity attributable to owners of the parent		
Share capital	1,658,610	1,658,610
Share premium	1,415,593	1,415,593
Reserves	38,159	35,987
Retained earnings	11,000,485	10,473,278
Total equity	14,112,847	13,583,468
NON-CURRENT LIABILITIES		
Borrowings	187,067	1,908,229
Bonds payable	1,498,802	—
Deferred income	30,849	37,499
Total non-current liabilities	1,716,718	1,945,728
CURRENT LIABILITIES		
Trade and other payables	794,830	931,081
Current income tax liabilities	57,908	14,336
Provisions	55,970	59,733
Borrowings	82,933	410,771
Total current liabilities	991,641	1,415,921
Total liabilities	2,708,359	3,361,649
TOTAL EQUITY AND LIABILITIES	16,821,206	16,945,117

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024

(All amounts in Renminbi thousand unless otherwise stated)

42. BALANCE SHEET OF THE COMPANY (Continued)

Note:

A summary of the Company's reserves is as follows:

	Attributable to owners of the parent	
	Retained earnings RMB'000	Other reserves RMB'000
At 1 January 2023	9,865,178	(42,229)
Profit for the year	1,614,144	—
Dividends paid relating to 2022	(912,236)	—
Usage of enterprise safety fund	40	(40)
Transfer of fair value reserve upon the disposal of equity investments at FVOCI	(93,848)	—
Changes in fair value of financial assets at FVOCI, net of tax	—	78,256
At 31 December 2023	10,473,278	35,987
At 31 December 2023 and 1 January 2024	10,473,278	35,987
Profit for the year	1,523,992	—
Dividends paid relating to 2023	(996,825)	—
Usage of enterprise safety fund	40	(40)
Changes in fair value of financial assets at FVOCI, net of tax	—	2,212
At 31 December 2024	11,000,485	38,159

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2024
(All amounts in Renminbi thousand unless otherwise stated)

43. EVENTS AFTER THE BALANCE SHEET DATE

Pursuant to a resolution of the meeting of board of directors on 28 March 2025, a cash dividend of RMB1,001,800 thousand was proposed for the year ended 31 December 2024. Please refer to Note 11 for details.

On 27 February 2025, the Extraordinary General Meeting of 2025 of the Company considered and approved the resolution in relation to the Company's acquisition of 100% equity interests in Anhui Sixu Expressway Co., Ltd. and Anhui Fuzhou Expressway Co., Ltd. held by Anhui Transportation Holding Group pursuant to the acquisition agreement dated 31 December 2024 entered into with Anhui Transportation Holding Group at a consideration of RMB4,770,800,000 to be settled by cash.

On 3 March 2025, the Company successfully issued 2025 rural revitalisation corporate bonds to professional investors (phase 1) (2025年面向專業投資者公開發行鄉村振興公司債券(第一期)) in an amount of RMB2 billion, referred to as "25 Wantong V1" and "25 Wantong V2", with a maturity of 3-5 years.

On 18 March 2025, the Board considered and approved the subscription agreement between Shenzhen Expressway Corporation Limited ("Shenzhen Expressway") and the Company. Pursuant to the subscription agreement, the Company agreed to subscribe 38,179,196 "A" shares to be issued by Shenzhen Expressway at a price of RMB13.17 per "A" shares for a total consideration of RMB502,820,011.32. Upon completion of the transaction, the Company will hold approximately 1.50% of the issued share capital of Shenzhen Expressway.

On 27 March 2025, the Board announced that the Company has received confirmation of the bid-winning of the Public-Private-Partnership (PPP) project relating to the construction of the S62 Bozhou to Dancheng Expressway Bozhou Section (S62亳州至鄆城高速公路亳州段). The consortium led by ATHC and consisting of the Company, ATEGC, ATCG and ATII will form the joint venture company to implement the PPP Project. The total investment for the PPP Project will amount to RMB3.08 billion. The registered capital of the joint venture company will amount to RMB616 million, of which cash contribution of RMB215.6 million will be made by the Company, representing 35% shareholding.

44. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board on 28 March 2025.

Section XI Documents Available for Inspection

Directory of documents Available for Inspection	The original copy of the annual report signed by the Chairman;
Directory of documents Available for Inspection	The accountant's report, signed by the legal representative, director in charge of accounting work, and director in charge of accounting firm and stamped with corporate seal;
Directory of documents Available for Inspection	The original copy of auditor's report, sealed by Ernst & Young Hua Ming LLP, signed by the registered accountant; the financial statement prepared in accordance with the PRC Accounting Standards; the original copy of auditor's report signed by Ernst & Young and the financial statement prepared in accordance with the Hong Kong Accounting Standards;
Directory of documents Available for Inspection	The original copies of corporate documents and announcements published in the Shanghai Securities News and China Securities Journal;
Directory of documents Available for Inspection	The annual report disclosed in the stock market of Hong Kong.

Chairman: Wang Xiaowen

The date of the approval of the board: 28 March 2025

I. PROFILE OF THE HIGHWAYS

Name of roads	Length (km)	Number of lanes	Number of toll stations	Number of service areas	Terms of operation
Hening Expressway	134	8	12	4	Commencing from 16 August 1996 to 15 August 2026 (the toll collection period for the Reconstruction and Expansion of Hening Expressway Anhui Section be tentatively fixed at five years from the expiry date of toll collection period of Hening Expressway Anhui Section. The formal period for toll collection shall be determined according to assessment and relevant provisions.)
New Tianchang Section of National Trunk 205	30	4	1	–	Commencing from 1 January 1997 to 31 December 2026
Gaojie Expressway	110	4	3	4	Commencing from 1 October 1999 to 30 September 2029
Xuanguang Expressway	84	4	6	1	Commencing from 1 January 1999 to 31 December 2028 (South Ring Road: Commencing from 1 September 2003 to 31 December 2028)
Lianhuo Expressway Anhui Section	54	4	3	1	Commencing from 1 January 2003 to 30 June 2032
Guangci Expressway	14	4	–	1	Commencing from 20 July 2004 to 20 July 2029
Ninghuai Expressway Tianchang Section	14	6	1	1	Commencing from 18 December 2006 to 17 June 2032
Ningxuanhang Expressway (Anhui Section)	117	4	6	3	On 8 September 2013, the section of Xuancheng to Ningguo of Ningxuanhang Expressway Anhui Section was officially opened to traffic and the temporary granted concession period is starting from 8 September 2013 and ending to 7 September 2043; In December 2015, the section of Ningguo to Qianqiuguan of Ningxuanhang Expressway was officially opened to traffic and the temporary granted concession period is starting from 19 December 2015 to 18 December 2045; In December 2017, the section of Liqiao to Xuancheng of Ningxuanhang Expressway was officially opened to traffic and the temporary granted concession period is starting from 30 December 2017 to 29 December 2047.
Anqing Yangtze River Expressway Bridge	6	4	1	0	Commencing from 26 December 2004 to 25 December 2033
Yuewu Expressway Anhui section	46	4	2	1	Commencing from 31 December 2015 to 30 December 2045

Note: According to the “Approval of the People’s Government of Anhui Province on the Toll Collection Operation of the Reconstruction and Expansion Project of Guangde-Xuancheng Section of G50 Huyu Expressway” (No.11 of Anhui Zhengmi in 2025), the toll collection for the reconstruction and expansion project of Guangde-Xuancheng Section of G50 Shanghai-Chongqing Expressway commenced on 27 January 2025, and the operation period will not be determined for the time being. And it will be evaluated and determined according to the latest relevant policies of the country and the province.

Appendix

Hening Expressway (G40 Hushan Expressway Hening Section)

Hening Expressway is a 134km long dual carriageway eight-lane expressway owned by the Company in Anhui Province linking Dashushan and Zhouzhuang. This expressway forms an integral part of the “Two Verticals and Two Horizontals” National Trunk Highway from Shanghai to Chengdu in Sichuan Province, which also forms part of the National Trunk 312 linking Shanghai and Yining in Xinjiang. It is currently a major source of profit and cash flow for the Company.

The New Tianchang Section of National Trunk 205

The New Tianchang Section of National Trunk 205 is a dual carriageway four-lane vehicular highway of Class I standard of 30km long situated in Tianchang in Anhui Province. Tianchang Section is a part of National Trunk 205, which starts in Shanhaiguan, Hebei Province and ends in Guangzhou, Guangdong Province. This national trunk also forms part of the highway linking Lianyungang and Nanjing in Jiangsu Province.

Ninghuai Expressway Tianchang Section

Ninghuai Expressway Tianchang Section is an important road section of Ninghuai Expressway, with a whole length of 13.989km, and has the standard of dual carriageway six-lane expressway. It was completed and opened to traffic on 18 December 2006. The road runs through Tianchang city east of Anhui Province, starting from the terminal of the Jiangsu Nanjing Section of Ninghuai Expressway in Tianchang city, and ending at the Jiangsu Huaian Section of the Ninghuai Expressway. It is an important part in the key highway and national “7918” expressway network from Changchun to Shenzhen and an important highway driving the economic development of the eastern Anhui and the whole of northern Jiangsu, at the same time is also an important part in the key backbone in the trunk road network in Anhui Province. It directly or indirectly links various National Trunks of Hurong, Jinghu, Tongshan, Lianhuo, Ninghang and national key planned highway constructions of Jiayin to Nanping, Shanghai to Luoyang.

Gaojie Expressway (G50 Huyu Expressway Gaojie Section)

The Gaohe to Jiezidun Expressway, with a length of approximately 110km, is a dual carriageway four-lane expressway that forms part of the “Two Verticals and Two Horizontals” National Trunk System between Shanghai to Chengdu in Sichuan. The expressway, originating from Gaohe Town, Huaining County, Anhui Province, links up with the Hening Expressway, operated by the Company, through Hefei-Anqing Highway and terminates at the border between Hunan and Anhui at Jiezidun, Susong County, Anhui Province. It further runs westward to link up with cities like Wuhan, Chongqing and Chengdu and is an important trunk road that links up the central and western region with the southeastern coastal region.

Xuanguang Expressway (G50 Huyu Expressway Xuanguang Section)

The Xuanzhou to Guangde Expressway is an existing dual carriageway four-lane expressway located in the south-eastern part of Anhui Province with total mileage of 84km constructed in two phases. The Xuanzhou-Guangde section, which is about 67km long, was opened to traffic in September 1997. Xuanzhou south ring road is a 17km long expressway, which links Xuanguang Expressway near Shuangqiao, Xuanzhou, and was opened to traffic in July 2001 and merged into the Company in August 2003. This expressway starts from Xuanzhou in Anhui Province and ends near Jiepai, Guangde in Anhui Province, linking the coastal regions with the inland and the western boarder of the PRC.

Guangci Expressway (G50 Huyu Expressway Guangci Section)

Guangci Expressway is an important part of Hefei-Hangzhou Highway, as well as a significant component of “one of the horizontal roads” designed in the highway network of Anhui province - “two roads along the rivers, three vertical roads, six horizontal roads and nine roads between cities”. The 14km-long route starts from Xuanguang Expressway, and stretches all the way to Cishangang-Jiepai Expressway which has been open to traffic with its whole length within the territory of Guangde County. Guangci Expressway is an inter-provincial highway connecting Hefei to Hangzhou, Shanghai, Jiangsu to Mount Huangshan and Hangzhou, which plays an important role in promoting the opening up and development as well as the economic growth of southern region of Anhui province, and in strengthening the cooperation and exchange among Anhui, Jiangsu, Zhejiang and Shanghai provinces.

Lianhuo Expressway Anhui Section (G30 Lianhuo Expressway Anhui Section)

Lianhuo Expressway Anhui Section is a 54km long dual carriage four-lane expressway, part of the “Two Verticals and Two Horizontals” National Trunk between Lianyungang in Jiangsu and Korgas in Xinjiang. Connecting with the highways located in Henan and Jiangsu Province and the expressways between Beijing and Fuzhou, it plays an important role in China’s politics, economy, military affairs and National Truck Networks.

Ningxuanhang Expressway Anhui Section

Ningxuanhang Expressway is a 117km long dual carriage four-lane expressway with asphalt concrete road surface, which starts at Jinshankou at the border between Anhui and Jiangsu, passing through Xuancheng and Ningguo, terminates at Qianqiuguan at the boarder between Anhui and Zhejiang. This expressway forms an important part of the “Four Verticals and Eight Horizontals” of expressway network in Anhui Province, which is the tie communicating Anhui and Zhejiang and linking two big economic regions of Nanjing and Hangzhou. This expressway is planned to be constructed by three sections, the first is Xuancheng to Ningguo section with a total length of 46km, the second is Gaochun to Xuancheng section with a total length of 31 km and the third is Ningguo to Qianqiuguan section with a total length of 40km.

Anqing Yangtze River Expressway Bridge

Anqing Yangtze River Expressway Bridge starts from the Dadukou interchange hub in the south, crossing the Yangtze River waterway and ends at Longmianshan South Road in the north. The total length of the line is 5,985.66 metres, and the main bridge is 1,040 metres. The bridge is designed as a two-way four-lane highway. It is one of the important projects listed in the Plan for Layout of Pathways Crossing the Mainline of Yangtze River (2020–2035) by the National Development and Reform Commission of the PRC. The Anqing Bridge connects Dongzhi County of Chizhou City and Yixiu District of Anqing City. The Anqing Bridge borders Anqing-Dongzhi Expressway (S27 in the Anhui expressway network) to the south, Hefei-Anqing Expressway (G42 in the national expressway network) to the north, with Shanghai-Chongqing Expressway (G50 in the national expressway network) passing through. The Anqing Bridge is an important part of the “four lengthwise expressways (四縱)” of the “four lengthwise and eight transverse (四縱八橫)” expressway network in Anhui Province as well as the transportation hub of He’an Expressway and Anjing Expressway (Anqing-Jingdezhen), connecting the Beijing-Tianjin-Hebei region, the Central Henan City Cluster, the middle reaches of Yangtze River City Cluster, the Pearl River Delta City Cluster and the Western Taiwan Straits City Cluster.

Appendix

Yuewu Expressway Anhui section

Yuewu Expressway Anhui section begins at the Liuqian Expressway with the total length of 46.26 kilometres, ending at the Dafengshu Mountain at the provincial boundary between Anhui Province and Hubei Province, bridging the Wuying Expressway in Hubei Province. It adopts a two-way four-lane expressway standard. Passing through the hinterland of Dabie Mountain, there are 10 tunnels and 33 bridges, with a bridge-to-tunnel ratio of 57.2%. This project was appraised as the 2015 “Green Highway” thematic project by the Ministry of Transport of the PRC. Yuewu Expressway is an important part of the Lishui-Wuhan Expressway as planned by the Central Government of the PRC. It is an express route connecting the central and eastern regions of China, and also one of the most convenient inter-provincial regional main lines connecting Anhui Province and Hubei Province. It was awarded the title of “Safe Transportation” demonstration project in 2015.

II. TOLL RATES FOR EXPRESSWAYS

(I) Toll Rates for Expressways (Ninghuai Expressway Tianchang Section excluded)

1. Toll Rates for Passenger Vehicles

Use the current toll rates for passenger vehicles. In accordance with the relevant regulations on the classification of passenger vehicles in “Vehicle classification of the toll for highway”, the 8 and 9 passenger vehicles had been adjusted from “type 2” to “type 1”, and had implemented the charging standard of class 1 buses.

Passenger Vehicles type	Vehicles classification	Approved passengers capacity	Toll rates (RMB / vehicle km)
Type 1	Microbus, minibus	≤9	0.45
Type 2	medium bus	10-19	0.8
	passenger/car trailer combination	—	
Type 3	motorbus	≤39	1.1
Type 4		≥40	1.3

2. Toll Rates for Goods vehicles

Vehicle type classification	JT/T489-2019 Standard of Classification	Toll rates (RMB / km)
Type 1	With 2 axles, the vehicles length is less than 6,000mm and the maximum allowable total mass is less than 4,500kg	0.45
Type 2	With 2 axles, the vehicles length is not less than 6,000mm or the maximum allowable total mass is not less than 4,500kg	0.90
Type 3	With 3 axles	1.35
Type 4	With 4 axles	1.70
Type 5	With 5 axles	1.85
Type 6	With 6 axles	2.20

For goods vehicles with more than six axles, on the basis of the toll rates for goods vehicles of type 6, the toll rates shall be determined according to a factor of 1.1 for each additional axle; the toll rates for goods vehicles with 10 axles and above shall be implemented according to the toll rates for goods vehicles with 10 axles.

3. Toll Rates for Special Motor Vehicle

The toll rates for expressway special motor vehicle shall be charged according to the toll rates for the same type of goods vehicles.

(II) Toll Rates for Ninghuai Expressway Tianchang Section (charged according to the toll rates of Jiangsu Province)

1. Toll Rates for Passenger vehicles

Passenger Vehicles type	Approved passengers capacity	Toll rates (RMB / vehicle km)
Type 1	≤9	0.45
Type 2	10-19	0.675
Type 3	20-39	0.90
Type 4	≥40	0.90

2. Toll Rates for Goods vehicles

Goods vehicles type	Total axles (including suspension axle)	Length and maximum allowable total mass	Toll rates (RMB / vehicle km)
Type 1	2	The vehicle length is less than 6,000mm and the maximum allowable total mass is less than 4,500kg	0.45
Type 2	2	The vehicle length is not less than 6,000mm or the maximum allowable total mass is not less than 4,500kg	1.05
Type 3	3		1.57
Type 4	4		1.90
Type 5	5		1.94
Type 6	6		2.32

Appendix

(III) Toll Rates for Standard Highways

1. Toll Rates for Passenger Vehicles of the New Tianchang Section of National Trunk 205

Passenger Vehicles	Vehicles classification	Approved passengers capacity	Toll rates (RMB /vehicle km)
Type 1	Microbus, minibus	≤9	10
Type 2	medium bus	10-19	
	passenger/car trailer combination	—	
Type 3	motorbus	≤39	12
Type 4		≥40	24

2. Toll Rates for Goods vehicles of the New Tianchang Section of National Trunk 205

Vehicle type classification	JT/T489-2019 Standard of Classification	Toll rates (RMB/vehicle per trip)
Type 1	With 2 axles, the vehicle length is less than 6,000mm and the maximum allowable total mass is less than 4,500kg	10
Type 2	With 2 axles, the vehicle length not be less than 6,000mm or the maximum allowable total mass not be less than 4,500kg	20
Type 3	With 3 axles	30
Type 4	With 4 axles	40
Type 5	With 5 axles	50
Type 6	With 6 axles	60

For goods vehicles with more than six axles, on the basis of the toll rates for goods vehicles of type 6, the toll rates shall be RMB10 per vehicle per trip; the toll rates for goods vehicles with 10 axles and above shall be implemented according to the toll rates for goods vehicles with 10 axles.

(IV) Additional toll standards for extra-large bridges/tunnels (charged according to vehicle (axle) type classification, effective from 0:00 a.m 1 January 2020)

According to the Notice of the Anhui Department of Transport, Anhui Development and Reform Commission and Anhui Department of Finance on the Issuance of the Adjustment Plan of Vehicle Toll Method for Toll Roads in Anhui Province (Wan Jiao Lu [2019] No. 144), “Grand bridges and tunnels on motorways with bridge lengths greater than 1,000 metres and tunnel lengths greater than 3,000 metres will be subject to additional tolls. The additional charge is calculated by the proportion of the actual mileage of the vehicle in that motorway project to the total mileage of the road, and is collected per vehicle per trip by type together with the motorway toll.” Taking into account the actual tolling of the project, the Lixuan Expressway and the Anhui section of the Yuewu Expressway are each subject to an additional toll for one grand bridge and tunnel.

— **The additional toll rates applicable to Lixuan Expressway and Yuewu Expressway Anhui Section**

Vehicle type classification	JT/T489-2019 Standard of Classification			Additional Toll Rates (RMB/vehicle per trip)
	Passenger Vehicles (Vehicles classification and Approved passengers capacity)		Goods vehicles	
Type 1	Microbus minibus	≤9	With 2 axles, the vehicle length is less than 6,000mm and the maximum allowable total mass is less than 4,500kg	10
Type 2	medium bus passenger/car trailer combination	10-19	With 2 axles, the vehicle length is not less than 6,000mm or the maximum allowable total mass is not less than 4,500kg	15
Type 3	motorbus	≤39	3 axles	20
Type 4		≥40	4 axles	25
Type 5	—	—	5 axles	30
Type 6	—	—	6 axles	30

Goods vehicles of type 5 or above shall be implemented to charge according to the additional toll rates for type 5.

Appendix

(V) Toll Rates for the Yangtze river highway bridges

— Toll Rates for Passenger Vehicles of Anqing Yangtze River Highway Bridges

Passenger Vehicles	Vehicles classification	Approved passengers capacity	Toll rates (RMB/vehicle km)
Type 1	Microbus, minibus	≤9	20
		10-19	40
Type 2	Medium bus	—	
Type 3	Passenger/car trailer combination	≤39	60
Type 4	Motorbus	≥40	80

— Toll Rates for Goods vehicles of Anqing Yangtze River Highway Bridges

Vehicle type classification	JT/T 489-2019 Standard of Classification	Toll rates (RMB/vehicle km)
Type 1	With 2 axles, the vehicle length is less than 6,000mm and the maximum allowable total mass is less than 4,500kg	20
Type 2	With 2 axles, the vehicle length not be less than 6,000mm or the maximum allowable total mass not be less than 4,500kg	30
Type 3	With 3 axles	45
Type 4	With 4 axles	70
Type 5	With 5 axles	75
Type 6	With 6 axles	100

For goods vehicles with more than six axles, on the basis of the toll rates for goods vehicles of type 6, the toll rates shall be determined according to a factor of 1.1 for each additional axle; the toll rates for goods vehicles with 10 axles and above shall be implemented according to the toll rates for goods vehicles with 10 axles.

DOCUMENTS AVAILABLE FOR INSPECTION

Bulletin number	Matters	Name and layout of newspapers and periodicals published	Date of publication	Internet sites published and a retrieval path
	H Share Announcement-Continuing Connected Transaction: Entrustment Agreement		January 2, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Continuing Connected Transaction: Signing of the New Interconnection Agreement		January 4, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Continuing Connected Transaction: Building Construction Agreement		March 13, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Date of Board Meeting		March 13, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-001	Announcement of Resolutions of the 43rd Meeting of the 9th Board of Directors of Anhui Expressway	China Securities Journal Shanghai Securities News	March 14, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Continuing Connected Transaction: Electrical and Mechanical Engineering Agreement		March 18, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-002	Announcement of Anhui Expressway on Holding Performance Explanation Meeting	China Securities Journal Shanghai Securities News	March 27, 2024	Shanghai Stock Exchange website www.sse.com.cn. Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-2023 Annual Results Announcement		March 28, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-003	Announcement of Resolutions of the 44th Meeting of the Ninth Board of Directors of Anhui Expressway	China Securities Journal Shanghai Securities News	March 29, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-004	Announcement of Resolutions of the 31st Meeting of the Ninth Supervisory Committee of Anhui Expressway	China Securities Journal Shanghai Securities News	March 29, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-005	Announcement of Anhui Expressway on the Profit Distribution Plan for 2023	China Securities Journal Shanghai Securities News	March 29, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk

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Bulletin number	Matters	Name and layout of newspapers and periodicals published	Date of publication	Internet sites published and a retrieval path
Lin 2024-006	Announcement of Anhui Expressway on Re-appointment of Domestic Auditor for 2024	China Securities Journal and Shanghai Securities News	March 29, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-007	Announcement of Anhui Expressway on Projected Daily Connected Transactions in 2024	China Securities Journal and Shanghai Securities News	March 29, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-008	Announcement of Anhui Expressway on the Convening of the Performance Presentation Meeting	China Securities Journal and Shanghai Securities News	April 8, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Date of Board Meeting		April 15, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-009	Announcement of Resolutions of the 45th Meeting of the Ninth Board of Directors of Anhui Expressway	China Securities Journal and Shanghai Securities News	April 27, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-010	Announcement of Resolutions of the 32nd Meeting of the Ninth Supervisory Committee of Anhui Expressway	China Securities Journal and Shanghai Securities News	April 27, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-011	Announcement of Anhui Expressway on the Election of Employee Representative Supervisors	China Securities Journal and Shanghai Securities News	April 27, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Shares Announcement-Notice of 2023 Annual General Meeting		May 6, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Final Dividend for the Year Ended 31 December 2023		May 6, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Resignation of Deputy General Manager		May 6, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-012	Notice of the 2023 Annual General Meeting of Shareholders of Anhui Expressway	China Securities Journal and Shanghai Securities News	May 7, 2024	Website of Shanghai Stock Exchange www.sse.com.cn

Bulletin number	Matters	Name and layout of newspapers and periodicals published	Date of publication	Internet sites published and a retrieval path
Lin 2024-013	Announcement of Anhui Expressway on Resignation of Deputy General Manager	China Securities Journal and Shanghai Securities News	May 7, 2024	Website of Shanghai Stock Exchange www.sse.com.cn
	H Share Announcement-Continuing Connected Transaction: Maintenance Works Contract		May 9, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-014	Announcement of Anhui Expressway on Completion of Private Investment Fund Filing and Registration of Anhui Jiaotong Goldstone Emerging Industry Equity Investment Fund	China Securities Journal and Shanghai Securities News	May 10, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-(1) Poll Results of the Annual General Meeting Held on 6 June 2024; (2) Change of Directors, Supervisors, Members of Board Committees and Authorized Representatives; (3) Change of General Manager and Deputy General Manager; and (4) Retention of Company Secretary and Change of Secretary to the Board		June 6, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Final Dividend for the Year Ended 31 December 2023		June 6, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-015	Announcement of Resolutions of 2023 Annual General Meeting of Shareholders of Anhui Expressway	China Securities Journal and Shanghai Securities News	June 7, 2024	Website of Shanghai Stock Exchange www.sse.com.cn
Lin 2024-016	Announcement of Resolutions of the First Meeting of the Tenth Board of Directors of Anhui Expressway	China Securities Journal and Shanghai Securities News	June 7, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-017	Announcement of Resolutions of the First Meeting of the Tenth Supervisory Committee of Anhui Expressway	China Securities Journal and Shanghai Securities News	June 7, 2024	Website of Shanghai Stock Exchange www.sse.com.cn
	H Share Announcement-Continuing Connected Transactions: Supplemental Agreement to the Bridge Maintenance Engineering Contract and Revision of Annual Caps		June 13, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Proposed Issuance of Corporate Bonds		June 28, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk

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Bulletin number	Matters	Name and layout of newspapers and periodicals published	Date of publication	Internet sites published and a retrieval path
	H Share Announcement-Continuing Connected Transaction: G50 Survey and Design Contract for Reconstruction and Expansion Project of Anqing Gezidun to Anhui-Hubei Section of Shanghai-Chongqing Expressway		June 28, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Continuing Connected Transactions: Supplemental Agreement to the New Network Access Services Agreement and Revision of Annual Caps		June 28, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-018	Announcement of Resolutions of the Second Meeting of the Tenth Board of Directors of Anhui Expressway	China Securities Journal and Shanghai Securities News	June 29, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-019	Announcement of Resolutions of the Second Meeting of the Tenth Supervisory Committee of Anhui Expressway	China Securities Journal and Shanghai Securities News	June 29, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-020	Announcement of Anhui Expressway on Application for Registration and Public Issuance of Corporate Bonds	China Securities Journal and Shanghai Securities News	June 29, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-021	Announcement on the Implementation of 2023 Annual Equity Distribution of Anhui Expressway	China Securities Journal and Shanghai Securities News	July 5, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement – (1) Proposed Issuance of Corporate Bonds; and (2) Notice of the EGM		July 8, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Notice of EGM		July 8, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-022	Notice of the First Extraordinary General Meeting of Shareholders of Anhui Expressway in 2024	China Securities Journal and Shanghai Securities News	July 9, 2024	Website of Shanghai Stock Exchange www.sse.com.cn
	H Share Announcement-Connected Transaction: General Contracting Agreement for Expressway Traffic Safety Facilities Maintenance and Improvement Project		July 17, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk

Bulletin number	Matters	Name and layout of newspapers and periodicals published	Date of publication	Internet sites published and a retrieval path
	H Share Announcement-Voting Results of the Extraordinary General Meeting Held on 25 July 2024		July 25, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-023	Announcement on Resolutions of the First Extraordinary General Meeting of Shareholders of Anhui Expressway in 2024	China Securities Journal and Shanghai Securities News	July 25, 2024	Website of Shanghai Stock Exchange www.sse.com.cn
Lin 2024-024	Announcement of Anhui Expressway on Holding Performance Explanation Meeting	China Securities Journal and Shanghai Securities News	August 30, 2024	Website of Shanghai Stock Exchange www.sse.com.cn
Lin 2024-025	Announcement of Anhui Expressway on the Convening of the Performance Presentation Meeting	China Securities Journal and Shanghai Securities News	September 6, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Date of Board Meeting		October 14, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-026	Announcement of Anhui Expressway on Holding Performance Explanation Meeting	China Securities Journal and Shanghai Securities News	October 24, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-(1) Connected Transaction: CPC Sharing Agreement; and (2) Continuing Connected Transaction: ETC Sharing Agreement		October 28, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-027	Announcement of Resolutions of the Fourth Meeting of the Tenth Board of Directors of Anhui Expressway	China Securities Journal and Shanghai Securities News	October 29, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-028	Announcement of Anhui Expressway on the Convening of the Performance Presentation Meeting	China Securities Journal and Shanghai Securities News	October 31, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
Lin 2024-029	Announcement of Anhui Expressway on Obtaining the Registration Approval of China Securities Regulatory Commission for the Public Issuance of Corporate Bonds to Professional Investors	China Securities Journal and Shanghai Securities News	November 07, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Change of Hong Kong Branch Share Registrar		November 27, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk

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Bulletin number	Matters	Name and layout of newspapers and periodicals published	Date of publication	Internet sites published and a retrieval path
Lin 2024-030	Announcement of Resolutions of the Fifth Meeting of the Tenth Board of Directors of Anhui Expressway	China Securities Journal and Shanghai Securities News	December 06, 2024	Website of Shanghai Stock Exchange www.sse.com.cn Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	Announcement of H Shares-Prospectus for Public Issuance of Corporate Bonds (High-growth Industrial Bonds) (First Tranche) to Professional Investors in 2024		December 06, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	Announcement on H Shares-Announcement on the Public Issuance of Corporate Bonds (High-growth Industrial Bonds) (First Tranche) to Professional Investors in 2024		December 06, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Continuing Connected Transaction: Video Surveillance General Contracting Agreement		December 06, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-(1) Continuing Connected Transaction: Upgrading Construction Contract; and (2) Continuing Connected Transaction: Housing Reconstruction Project Contract		December 06, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Continuing Connected Transaction: G30 Anhui Section of Lianhuo Expressway Reconstruction and Expansion Feasibility Study Contract		December 06, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Issue of Corporate Bonds in the PRC		December 06, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	Announcement on H Shares-Announcement on Coupon Rate of Corporate Bonds (High-growth Industrial Bonds) (First Tranche) to be Publicly Issued to Professional Investors in 2024		December 09, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	Announcement on H Shares-Announcement on the Results of the Public Issuance of Corporate Bonds (High-growth Industrial Bonds) (First Tranche) to Professional Investors in 2024		December 11, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk
	H Share Announcement-Results of the Issue of Corporate Bonds in the PRC		December 11, 2024	Stock Exchange of Hong Kong Limited Company website www.hkex.com.hk

National Trunk Highways



Appendix

The Map of the Highway Network of Anhui Province





Anhui Expressway Company Limited

