



廣東粵運交通股份有限公司

GUANGDONG YUEYUN TRANSPORTATION COMPANY LIMITED*

(A JOINT STOCK LIMITED COMPANY INCORPORATED IN THE PEOPLE'S REPUBLIC OF CHINA WITH LIMITED LIABILITY)

STOCK CODE : 03399

* For identification purposes only



2025 Annual Report



COMPANY PROFILE

Guangdong Yueyun Transportation Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is an integrated transportation service provider. The Company was established in 1999 and was listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 03399) in 2005. Currently, the total share capital of the Company is 799,847,800 shares, with approximately 74.12% being held by its controlling shareholder, Guangdong Provincial Communication Group Company Limited (廣東省交通集團有限公司) (“**GCGC**”), and approximately 25.88% being held by H shareholders.

The Group is principally engaged in the transportation services business which is categorized into:

- Energy Business
- Retail Trade Business
- Commercial Development Business
 - › Merchant Solicitation Business
 - › Advertising Business
- Other Businesses
 - › Road Passenger Transportation Business
 - › Expressway Vehicle Rescue Business
 - › Taiping Interchange Operation

The strategic positioning of the Company’s “15th Five-Year” Development Plan is to become a leading green and smart highway transportation and energy integration commercial operation platform in China, with a view to establishing itself as a comprehensive transportation services group with benchmark influence in the transportation industry. Externally, the Company is committed to providing the public with high-quality, one-stop travel services and ancillary commercial offerings. Internally, it serves as a key platform for the Group to enhance synergy across its core businesses, explore integrated energy services as a second growth driver, and strengthen its capital market financing capabilities.



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COMPANY INFORMATION

LEGAL NAME OF THE COMPANY

Guangdong Yueyun Transportation Company Limited

STOCK CODE

03399

REGISTERED OFFICE

8th Floor,
No. 1731-1735 Airport Road,
Baiyun District,
Guangzhou,
Guangdong Province,
People's Republic of China

PLACE OF BUSINESS IN HONG KONG

Rooms 3108 – 3112,
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Hong Kong Plaza,
188 Connaught Road West,
Hong Kong

BOARD OF DIRECTORS

Executive Directors

Zhu Fang
Huang Wenban
Hu Xianhua

Employee Director

Hu Jian

Non-Executive Directors

Yuan Dengping
Cai Fen

Independent Non-Executive Directors

Su Wujun
Huang Yuan
Zhang Xiangfa
Mu Huihua

COMPANY SECRETARY

Zhang Li

AUTHORISED REPRESENTATIVES

Zhu Fang
Huang Wenban

AUDITOR

BDO CHINA Shu Lun Pan
Certified Public Accountants LLP
(Public Interest Entity Auditor recognised in accordance
with the Financial Reporting Council Ordinance)
4th Floor,
No. 61 Nanjing East Road,
Shanghai

LEGAL ADVISER AS TO HONG KONG LAW

Haiwen & Partners
Suites 601-602 & 610-616, 6/F,
One International Finance Centre,
1 Harbour View Street,
Central, Hong Kong

HONG KONG H SHARE REGISTRAR AND TRANSFER OFFICE

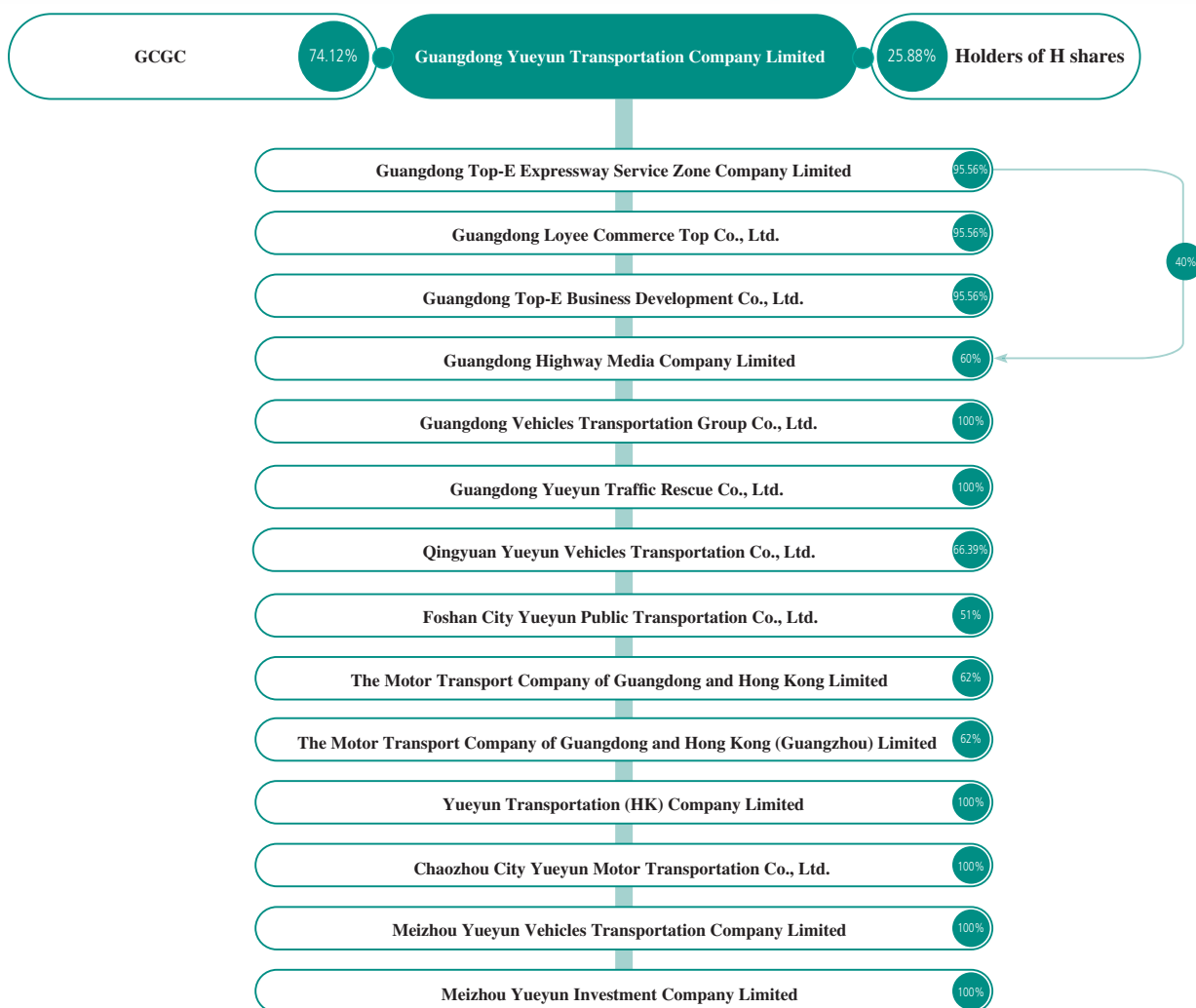
Tricor Investor Services Limited
17/F, Far East Finance Centre,
16 Harcourt Road,
Hong Kong

PRINCIPAL BANKS

Industrial and Commercial Bank of China
China CITIC Bank
China Merchants Bank
China Guangfa Bank
Agricultural Bank of China
China Construction Bank

COMPANY STRUCTURE

THE COMPANY STRUCTURE AS AT 31 DECEMBER 2025:



FINANCIAL HIGHLIGHTS

	2025 RMB'000	2024 RMB'000	Change
Results highlights			
Operating income			
Energy business	4,929,836	4,336,355	14%
Retail trade business	613,417	530,906	16%
Commercial development business	399,154	366,144	9%
Road transportation and auxiliary business	1,400,368	1,834,359	(24%)
Other businesses	115,077	132,574	(13%)
Total operating income	7,457,852	7,200,338	4%
Gross profit			
Energy business	431,769	539,891	(20%)
Retail trade business	83,176	68,852	21%
Commercial development business	41,101	(26,060)	(258%)
Road transportation and auxiliary business	34,669	(34,365)	(201%)
Other businesses	94,873	101,632	(7%)
Total gross profit	685,588	649,950	5%
Taxes and surcharges	(38,752)	(46,387)	(16%)
Selling and distribution expenses	(43,897)	(64,062)	(31%)
General and administrative expenses, and research and development expenses	(388,267)	(476,479)	(19%)
Finance expenses	(153,451)	(199,982)	(23%)
Other income	213,465	343,126	(38%)
Investment income	79,706	95,945	(17%)
Loss of credit impairment	(18,625)	(5,062)	268%
Loss of asset impairment	(4,191)	(11,121)	(62%)
Gains from asset disposals	8,652	23,510	(63%)
Operating profit (losses)	340,228	309,438	10%
Non-operating income and expenses	(2,690)	(1,350)	99%
Total profit (losses)	337,538	308,088	10%
Income tax expenses	(71,852)	(78,795)	(9%)
Net profit (losses)	265,686	229,293	16%
Of which: Net profit (losses) attributable to shareholders of the Company	235,400	236,508	0%
Profit and loss attributable to minority interests	30,286	(7,215)	(520%)
Basic earnings (losses) per share (RMB)	0.29	0.30	0%
Diluted earnings (losses) per share (RMB)	0.29	0.30	0%

FINANCIAL HIGHLIGHTS

	31 December 2025 RMB'000	31 December 2024 RMB'000	Change
Results highlights			
Total assets	6,917,156	8,724,060	(21%)
Total net assets	2,686,598	2,605,861	3%
Equity attributable to shareholders of the parent company	2,278,776	2,086,140	9%
Net assets per share attributable to owners of the Company (RMB)	2.85	2.61	9%
Ratio			
Gross profit margin (%)	9.19%	9.03%	2%
Interest coverage ratio (times)	3.3	2.79	18%
Gearing ratio (%)	61.16%	70.13%	(13%)
Current ratio (times)	1.17	0.98	19%

Gross profit margin = Gross profit/Revenue

Interest coverage ratio = Profit before interest and tax/
(Interest expenses + capitalised interest)

Gearing ratio = Total liabilities/Total assets

Current ratio = Total current assets/Total current liabilities

MAJOR EVENTS

On 12 January 2025, a western fast-food project (KFC brand) in Changsha Bay Service Area was officially opened for business.

On 21 January 2025, Qingyuan Yueyun Vehicles Transportation Co., Ltd. (清遠市粵運汽車運輸有限公司) launched a special line for employees of the Guangqing Industrial Park to return home, providing point-to-point shuttle service to Guangzhou North Railway Station and Qingyuan High-speed Railway Station.

On 22 January 2025, the Company issued an announcement in relation to the related party transactions on disposal of Zhuhai Gongyun Coach Terminal Co., Ltd. (珠海市拱運汽車客運站有限公司), and sold 100% equity of Zhuhai Gongyun to Kee Kwan Motor Road Co., Ltd. at a consideration of RMB25,096,100.

On 26 January 2025, the Company obtained operating authorizations for Shuiche Service Area along the Shantou-Kunming Expressway, Huangzhuping Service Area and Beidou Service Area along the Shantou-Meizhou Expressway.

On 5 March 2025, Yiliu Service Area along the Lechang-Guangzhou Expressway, managed by Guangdong Top-E Expressway Service Zone Company Limited (廣東通驛高速公路服務區有限公司) (“Top-E Company”), was awarded the title of “National Women’s Civilization Post” by the All-China Women’s Federation.

On 13 March 2025, the Group disclosed its 2024 annual results, with operating income of approximately RMB7,200 million, net profit of approximately RMB229 million, and net profit attributable to shareholders of the parent company of approximately RMB237 million, and basic earnings per share of RMB0.30.

On 24 March 2025, Top-E Company was awarded the “National Franchisee Development Award”, “Franchisee Golden Shield Award for Food Safety Management” and “Franchisee Annual Store Opening Pioneer Award” at the KFC National Franchisee Conference.

On 10 April 2025, the project of “innovative application of intelligent dispatching technology in expressway vehicle rescue” submitted by Guangdong Yueyun Traffic Rescue Co., Ltd. (廣東粵運交通拯救有限公司) (“Yueyun Rescue Company”) won the first prize in the second session of Expressway Rescue Management and Service Innovation Competition of the China Highway & Transportation Society.

On 16 April 2025, Top-E Company signed a contract for the operation rights of Shatian Service Area and Gas Station along the Shenzhen-Shantou West Expressway.

On 18 April 2025, Xiaolan Service Area (formerly known as Dongsheng Service Area) along the Zhongshan-Jiangmen Expressway, a new modern landmark integrating transportation, agriculture, culture, tourism and commerce in Guangdong-Hong Kong-Macao Greater Bay Area, has been upgraded and renovated and put into operation.

On 23 April 2025, Dianbai Service Area along the Maoming-Zhanjiang Expressway, a demonstration service area that deeply integrates cultural heritage and green development under the dual-core driving model of “intangible cultural heritage + ecology”, has been upgraded and renovated and put into operation.

On 30 April 2025, the Company announced its Annual Report and ESG Report for 2024.

On 30 April 2025, Wanlv Lake Service Area with the theme of green and low-carbon, and Taimei Service Area with the theme of Xiangtoushan elements, completed their quality upgrades and were put into operation.

On 20 May 2025, Baiqiao Service Area, the first lychee culture-themed open-style service area in Guangdong, was put into operation.

MAJOR EVENTS

From 7 to 9 June 2025, the Group formed a caring fleet, deploying over 210 special vehicles to escort more than 9,400 candidates to the examination room on the first day of the college entrance examination.

On 9 June 2025, the demonstration project of DC mutual assistance in photovoltaic, storage and charging desktop of expressway service area in Dahuai Service Area was included in the provincial energy industry science and technology innovation project database.

On 20 June 2025, Huizhou West Service Area with the theme of “Book of Enlightenment” was officially put into operation.

On 30 June 2025, the Company convened the 2024 Annual General Meeting, at which, the directors’ report for 2024, the supervisors’ report for 2024, the annual dividend plan for 2024 and the payment of cash dividend of RMB0.09 per share (tax inclusive) were considered and approved.

On 30 June 2025, the micro-renovation project of Xincheng Service Area along the Jiangmen-Luoding Expressway was completed and business was resumed.

On 1 July 2025, two KFC franchised stores in Waxi Service Area, the western fast-food projects, were officially opened for business.

On 10 July 2025, the project of “promotion and application of the provincial intelligent video surveillance and alarm technology for ‘two passenger, one hazardous material and one heavy-loaded transportation (兩客一危一重)’ vehicles”, jointly developed by the Company and the Guangdong Road Transport Affairs Center (廣東省道路運輸事務中心), was selected as one of the Top Ten Typical Cases of Smart Transportation in Guangdong for 2025.

On 17 July 2025, the Company signed a letter of intent for cooperation with CDF (Beijing) Trading Co., Ltd. (中免(北京)商貿有限公司), with a view to introducing duty-free retail business in the service area.

On 1 August 2025, Top-E Company signed a letter of intent for cooperation with Guangzhou Taotaoju Co., Ltd. (廣州陶陶居有限公司), with a view to introducing a Cantonese cuisine and cultural experience project in the service area.

On 12 August 2025, the Company signed a strategic cooperation agreement with Beijing Sankuai Technology Co., Ltd. (Meituan) to promote the application of Meituan’s food delivery, retail technology and SaaS systems in the service area.

On 15 August 2025, the Company announced its interim results for 2025. Operating income for the first half of 2025 was approximately RMB3,770 million; net profit was approximately RMB134 million; net profit attributable to shareholders of the parent company amounted to approximately RMB142 million; basic earnings per share were RMB0.18.

On 29 August 2025, the Company announced its interim report for 2025.

On 2 September 2025, the first self-operated gourmet restaurant of Guangdong Top-E Business Development Co., Ltd. (“Business Development Company”), “Sisters On the Go” self-operated gourmet restaurant in Xinxu Service Area, was put into operation.

On 24 September 2025, the Company successfully completed the compliance management system certification audit and obtained the certificate (Certificate No. CSCA25C0050R0M) by improving the compliance management system, establishing a team of compliance administrators, compiling a compliance risk list, and implementing internal audits and management reviews.

On 29 September 2025, the Company held the 2025 second extraordinary general meeting, which considered and approved the proposal for re-election of the Board of the Company, and elected a total of 10 members of the ninth session of the Board of the Company; authorized the Board to determine directors’ remuneration; amended the Articles of Association of the Company and abolished the Supervisory Committee, amended the rules of procedure for the general meeting, the rules of procedure for the Board. On the same day, the new session of the Board convened its first meeting to elect the chairman of the Board and confirm the members of each professional committee of the Board.

On 29 September 2025, Shuiche Service Area with the theme of Chaoshan culture and Hakka customs was put into operation.

On 29 September 2025, the upgrading and reconstruction of Lixi Service Area was completed and business was resumed.

On 29 September 2025, the relocation and reconstruction of Fogang Service Area was completed and business was resumed. It adopted the model of “intensive land use + functional integration”, with a total land area of over 10,000 sq.m., which was nearly three times that of the original parking area.

MAJOR EVENTS

On 28 October 2025, the first self-built and self-operated offline gas station, Yunfu Chengxi Gas Station, was put into operation.

On 10 November 2025, Baiqiao Service Area and Changsha Bay Service Area launched AI-enabled aerial photography smart low-altitude cultural tourism services.

On 28 November 2025, the Company held a joint exhibition for the 20th anniversary of its listing and the practice of the “Urban and Rural Coordinated Development Project” in Baiqiao Service Area along the Baotou-Maoming Expressway, and signed a letter of intent for cooperation with Gaozhou Municipal Government and Guangzhou Academy of Fine Arts.

On 28 November 2025, the Company issued an announcement in relation to the transaction on disposal of Shaoguan Yueyun Vehicles Transportation Co., Ltd. (韶關市粵運汽車運輸有限公司) (“Shaoguan Yueyun”), and sold 59.694% equity of Shaoguan Yueyun to Xiake Zhixing (Guangzhou) Technology Co., Ltd. (霞客智行(廣州)科技有限公司) at a consideration of RMB134 million.

On 1 December 2025, Yueyun Rescue Company hosted the “2025 Air-Ground Coordination Expressway Vehicle Rescue Emergency Drill”, which was the first time that drones were used in expressway rescue operations in Guangdong Province.

On 5 December 2025, the Company issued an announcement on the renewal of continuing related party transactions, in which the annual transaction caps for 2026-2028 were determined under the Tai Ping Interchange Master Agreement and the Information Systems Services Master Agreement.

On 9 December 2025, a drone delivery drill was held in Changsha Bay Service Area to verify the feasibility of the “online platform + service area merchants + low-altitude delivery” model.

On 12 December 2025, the digital energy integrated management platform was launched and put into operation, and applied to the integrated source-grid-load-storage charging facility and distributed photovoltaic project in Dahuai Service Area; the project was selected as one of the second batch of zero-carbon pilot projects for typical highway and waterway transportation and facilities by the Ministry of Transport of the People’s Republic of China.

On 18 December 2025, the Company held the 2025 third extraordinary general meeting, which considered and approved that the annual caps of related party transactions for the contracting fees of expressway service areas for 2026, 2027 and 2028 were RMB376 million, RMB426 million and RMB436 million, respectively; the annual caps of related party transactions under the Rescue Services Entrustment Master Agreement for 2026, 2027 and 2028 were RMB314 million, RMB316 million and RMB318 million, respectively.

On 24 December 2025, Yueyun Energy’s 19 gas stations were awarded the title of “Guangdong Model Gas Station” for 2025.

On 24 December 2025, the agriculture, culture and tourism integration project of Baiqiao Service Area along the Baotou-Maoming Expressway was awarded the title of “2025 Guangdong Excellent Project for Integrated Development of Agriculture, Culture and Tourism”.

On 25 December 2025, the service areas of Huangmaohai, Hengshan, Kuidong, Xuwen and Dahuai were recognized by the Guangdong Provincial Federation of Trade Unions as provincial-level “Driver’s Home” construction sites.

On 28 December 2025, a “Wheat Field Cat” self-operated light meal store in Longmen Service Area was opened for business.

On 30 December 2025, the upgrading and reconstruction of Wayaogang Service Area was completed and business was resumed; 6 self-operated stores (including two “Sisters On the Go”, two “Wheat Field Cat” and two KFCs) were opened for business simultaneously.

On 30 December 2025, two “Sisters On the Go” self-operated gourmet restaurants in Xincheng Service Area were opened for business.

On 31 December 2025, two “Wheat Field Cat” self-operated light meal stores in Luhe Service Area were opened for business.

On 31 December 2025, Xiaqiao Parking Area and Mazhang Parking Area on Zhanxu section along the Shenhai Expressway were officially opened for business; Xiaoyaokou Parking Area, Gaoliang Parking Area and Bincun Parking Area were slightly renovated and resumed operation.

INVESTMENT VALUE OF THE COMPANY

ENERGY BUSINESS

- By focusing on the development of self-built and self-operated gas stations under “Yueyun Energy,” the Company had established, by the end of 2025, a sales network of such gas stations across expressway service areas. Revenue from these self-operated gas stations is expected to continue growing through the end of the “15th Five-Year Plan” period, making this business the Company’s primary core support operation.
- The Company continuously strengthened its capital and operational cooperation with major energy companies such as Sinopec and PetroChina, promoted large-scale energy business collaboration projects, and explored the layout of hydrogen refueling services in service areas to enhance the influence of “Yueyun Energy” within the province. At certain gas stations, self-pickup and transportation of refined oil products have been implemented, freeing the Company from the transportation capacity constraints of fuel suppliers. This has further improved the supply security of fuel resources at self-operated gas stations, reduced transportation costs, and increased fuel sales profitability.
- The Company actively promoted new expressway gas station projects and successfully completed the construction and commissioning of 12 stations. It also actively expanded the expressway-derived economic zones, with the first self-built and self-operated offline expressway station, Yunfu Chengxi Gas Station, officially opened to the public. The network layout of Yueyun Energy continued to expand, and its brand influence kept growing.
- The Company cooperated with branded enterprises (NIO) to expand the battery swapping station business. Currently, 10 battery swapping stations are in operation, jointly forming a province-wide network for charging and battery swapping services.

- Marketing and service efforts were targeted and precise. The Company carried out special labor competitions, implemented targeted marketing programs, strengthened brand promotion, and continuously developed and expanded its fueling customer base. A total of 1.84 million Yueyun Energy electronic membership cards have been issued.
- Top-E Company fully completed the high-reliability disaster recovery upgrade of the Yueyun Energy gas station retail management system, providing robust technical support to cope with peak periods during holidays and the Spring Festival travel season.
- Six gas stations invested and operated by Yueyun Energy in Shatian, Xuwen, and Yangjiang Service Zones were awarded the title of “Model Gas Station of Guangdong Province in 2025”.

RETAIL TRADE BUSINESS

- “Loyee”, a well-known convenience store brand in the expressway service zones, operates 522 outlets. While maintaining a certain number of stores, the outlets were classified into three categories—“flagship stores,” “standard stores,” and “regular stores” in light of the differences in each store’s operating environment, thereby promoting standardized and regulated store operations. By continuously optimizing staff deployment and adjusting business models, the Company steadily improved both service quality and the economic performance of each store.
- The convenience store retail business spans service areas across the entire province, offering both a province-wide network advantage and a certain scale advantage.
- The Company innovatively developed “Guangdong Pass” mall, which established a comprehensive digital centralized procurement platform to pool massive commodity resources so as to comprehensively meet the diversified procurement needs of the Company; we developed the video account of “Loyee” convenience stores and the online sales platform of micro-stores to carry out live commerce activities.

INVESTMENT VALUE OF THE COMPANY

- Focusing on consumer demand and in collaboration with 66 partner suppliers, the Company carried out nine themed marketing campaigns, including “New Year Blessings on the Road,” “Summer Travel Season, Special Offers on the Go,” and “Loyee Gift Benefits, Mid-Autumn and National Day Promotions.” These campaigns achieved record highs in total revenue, sales per store, and daily sales.
- Focus on rural revitalization and promote new models for rural revitalization to assist in the sales of agricultural products. A total of 71 pairs of service zones were awarded the plaque of “Guangdong Rural Revitalization and High-quality Agricultural Products Station” by the Provincial Department of Agriculture and Rural Affairs. The “Guangdong Rural Revitalization and High-quality Agricultural Products Counters” have been set up in 211 self-operated “Loyee” convenience stores. By actively communicating with multiple channels such as local governments, agriculture and rural bureaus, supply and marketing cooperatives, local leading agricultural and sideline products enterprises, industry associations and provincial enterprises in the locations where the service zones are located, we promoted the introduction of products with local characteristics.
- In 2025, the “Loyee” brand was consecutively selected into the List of 2024 and 2025 Guangdong Chain Store TOP 100.
- Strengthening strategic cooperation, we signed a strategic cooperation agreement with the Guangdong Tobacco Monopoly Administration to promote the issuance and upgrading of tobacco licenses for stores. Targeted tobacco distribution was completed for 10 convenience stores in Maoming, and Alipay “tap-to-pay” was deployed in stores across the province to innovate payment methods. We optimized product selection strategies by applying the “choose four out of nine” model, completing four rounds of systematic investment promotion and two rounds of special promotion for candied and dried fruits, introducing a total of 285 new product barcodes. Product recruitment and evaluation methods were adjusted, combining lowest-price evaluation with business negotiations in merchant solicitation system, resulting in year-on-year procurement price reductions. Group purchase channels were expanded, focusing on 142 internal and external cooperative units, including Guangdong Nanyue Transportation Petrochemical Energy Co., Ltd. (廣東省南粵交通石化能源有限公司), Guangdong Nanyue Transportation China Offshore Oil Co., Ltd. (廣東省南粵交通中海油能源有限公司), Guangdong Zhong Yue Tong Oil Products Operation Co., Ltd. (廣東省中粵通油品經營有限公司), and the Beijing-Zhuhai Expressway. Assistance was provided to 78 group system units in purchasing 38.42 tons of lychees, totaling RMB1.23 million. Supply chain optimization and upgrading were promoted, successfully transferring the “Sweetheart’s House” brand of candied fruits to direct factory sales, achieving a 5% reduction in supply price. A tiered “100 for 8” discount was also implemented for urea supplied by Kelas Company, reducing procurement costs by 7.3% compared with the original tender price.

COMMERCIAL DEVELOPMENT BUSINESS

1 MERCHANT SOLICITATION BUSINESS

- As of December 2025, the commercial development company has a total of 1,645 shops for lease, with a total leasable area of approximately 202,500 square meters. There were 114 cooperating tenants, including 52 brand tenants. The Company operated a total of 35 self-managed catering outlets.

INVESTMENT VALUE OF THE COMPANY

- In November 2025, the Company held its annual merchant solicitation promotion conference at the Yueyun Transportation Building on Airport Road, showcasing its high-quality resources covering 116 pairs of service zones, 171 projects, and 208 shops across Guangdong Province to attendees and cooperative merchants. Representatives from over 30 leading enterprises and regional brands from various regions were invited to attend the conference.
- Focusing on the differentiated development of “one line, one policy (一線一策), one zone, one specialty (一區一品), one place, one standard (一地一標)”, the Company promoted the commercial planning of characteristic service zones. Among 27 pairs of characteristic service zones of the Group that the Company was responsible for planning, the Company has completed the commercial planning for 22 pairs. The commercial planning for five pairs of service zones, namely Yinghong, Haimen, Jiancheng, Fengkai, and Liangcun, has passed review. Among the 14 pairs of characteristic service zones which have completed merchant solicitation, 8 pairs including Changshawan, Sihui, and Baiqiao are for overall leasing, and 6 pairs including Longtou, Pingtian, Jixiang, and Jiuling are for decentralized leasing.
- To drive business breakthroughs and overcome development bottlenecks, the Company adopted a diversified model of “own brands + cooperative brands + franchise brands,” focusing on building capabilities across the entire business chain, cultivating a professional operations team, and promoting the implementation of self-operated projects. This aims to solidify the integrated commerce operational advantages in service zones and expand the commerce operational benefits of service zones. Throughout the year, 27 self-operated stores were newly established.
- To assist in the rural revitalization, we introduced various landmark cuisines such as Hakka and Chaoshan and turned service zones into a special display window for gourmet food on the road. We set up food areas with local specialties in 182 service areas including Liangjinshan, offering a total of 330 gourmet items, and established exhibition and sales areas for local agricultural products in 96 Chinese restaurants, including Yuantan service zone. Centering on the theme of “fishing season”, the seafood restaurants in the Changshawan, Shenshan and Yangjiang service zones served a variety of fresh seafood, allowing travelers to taste the “fresh food” on the expressway while enjoying the sea view along the way.
- A variety of marketing campaigns were launched in the service zones throughout the year, covering service zones such as Baiqiao, Liangjinshan, Shengtang, Yangjiang, Changshawan, Shenshan, Sihui, Huangmaohai and Danxiashan, reaching a total audience of 18,235,700 people. First, for live streaming in service zones, six commercial live streaming events have been launched since 2025, involving Baiqiao, Changshawan, Sihui, Huangmaohai, Danxiashan and other service zones, with cumulative viewership exceeding 500,000. Second, for self-driving tour activities, self-driving tour activities from the “Qiaoxiang Line in Western Guangdong (粵西僑鄉線)” to the “Shanwei Coastal Intangible Cultural Heritage Route (汕尾濱海非遺線)” and then to the “Northern Guangdong Ginkgo Golden Route (粵北銀杏黃金線)” during the summer holiday jointly promoted the transformation of service zones from simple “stopover points” to richly featured “destinations,” reaching 110,000 people. Third, for themed marketing activities, themed marketing campaigns such as “Enjoying Baiqiao, Prospering All Things (悅通柏橋, 興泊萬象)” and “Inheriting the Charm of Baiqiao, Conveying Affection Along the Post Road (柏韻承風, 驛路傳情)” were carried out in Baiqiao service zone, a public welfare art performance activity called “Protecting the Spoon-billed Sandpiper (守護勺嘴鸕)” was launched in Yangjiang service zone as well as a photography competition was held in Changshawan service zone, attracting approximately 1.326 million participants.

INVESTMENT VALUE OF THE COMPANY

- We actively promoted breakthroughs in the commercial development of the service zones. Yueyun Transportation Company signed a letter of intent for cooperation with CDF (Beijing) Trading Co., Ltd. (中免(北京)商貿有限公司) in Guangzhou. Under the background of the intensive promotion of the “Urban and Rural Coordinated Development Project” in Guangdong Province, the Company will continue to improve quality and efficiency of commercial development, and continue to explore business model innovation and development.

2 ADVERTISING BUSINESS

- We have coordinated and integrated the advertising resources of expressways and passenger transportation terminals. We are currently responsible for managing a total of 533 advertising facilities on expressways, covering various types of billboards: 338 pillar billboards, 3 gantry billboards, 59 overpass billboards, 71 ground-standing billboards, 49 toll station rooftop billboards, and 13 service zone rooftop billboards, with a total advertising area of over 130,000 square meters.
- Throughout the year, we continued to expand our advertising resources reserve. A total of 15 new advertising facilities were added, including 10 pillar billboards, 3 overpass billboards, and 2 toll station rooftop billboards, with a total additional advertising area of 4,688 square meters, achieving steady year-on-year growth in advertising resource scale.
- In the engineering construction and facility operation and maintenance phases, we actively tackled difficulties and developed multiple feasible implementation plans for several key and challenging projects. Through multiple rounds of in-depth communication and coordination with road owners, we finally gained their recognition and support, and promoted the smooth implementation of projects on multiple road sections such as the South Second Ring Road, Xinbo Road, Meihe Road, and Jiangzhao Road.

OTHER BUSINESS

1 Road Passenger Transportation Business

- Each transportation company continued to implement a series of reforms under the “one enterprise, one policy” approach, promoting equity transfers and asset disposals, and ensuring a smooth transition of personnel, receivables and payables, assets, and business operations. Steady progress was made in the exit of passenger transportation business, and the phased target was successfully achieved. By the end of 2025, the Group had completed the divestment of its equity in six passenger transport companies, including Zhuhai Gongyun Coach Terminal Co., Ltd. and Shaoguan Yueyun Vehicles Transportation Co., Ltd.

2 Expressway Vehicle Rescue Business

- Yueyun Rescue Company has established an efficient road rescue service monitoring and command system, serving 84 expressway sections with total mileage of 7,524 kilometres, representing approximately 65% of the expressway mileage in Guangdong Province. With 217 permanent rescue points and 744 pieces of various rescue equipment, it is the largest professional vehicle rescue company in Guangdong Province and ranks among the top in the country

CHAIRMAN'S STATEMENT

In 2025, the global economic recovery continued to be constrained by factors such as geopolitical conflicts and adjustments in the supply chain landscape, resulting in slightly insufficient growth momentum and increasing uncertainties, while the PRC economy showed strong resilience in a complex environment due to the precise and synergetic macro policies bringing stable impetus for the high-quality development of the real economy, the gradually recovered consumer market, the continuously optimized and upgraded industrial structure, the more and more distinct orientation of high-quality development, the wave of consumption upgrading and acceleration of industrial transformation and iteration, which have brought opportunities for structural adjustment as well as profound changes and challenges to the transportation service industry.

Guangdong Province thoroughly followed the decisions and arrangements of the Central Committee of the Party, adhered to the overall goal of "being at the forefront", made solid progress in major strategies such as the development of the Guangdong-Hong Kong-Macau Greater Bay Area and the "Urban and Rural Coordinated Development Project", continued to optimize the business environment, promoted the networked, intelligent and green development of transportation infrastructure, providing a broad space for the quality and efficiency improvement of the expressway transportation service industry.

In 2025, in the face of the complex and volatile external environment and the inherent requirements of profound changes in the industry, the Group took the "Year of Management Improvement" as its core theme and the deepening and upgrading of state-owned enterprise reform as an important driver to unswervingly promote strategic transformation and structural optimization, achieving breakthroughs in both reform initiatives and business development. During the year, the Group satisfactorily completed the professional business restructure of Guangdong Top-E Expressway Service Zone Company Limited, realized the orderly separation and efficient connection of its businesses, assets and personnel and established a "3+4" management structure, i.e. three major specialized operating subsidiaries in energy, retail trade and commercial development, together with four regional management branches, realizing the precise deployment and professional operation of the three core businesses and the efficient coordination and synergy of



CHAIRMAN'S STATEMENT

regional resources. Meanwhile, the Group pushed forward the strategic exit from the domestic road passenger transportation business in an orderly manner, concentrated its resources on the core business of expressway travel services and made breakthroughs in key areas such as industrial structure optimization, business model innovation, digital transformation and empowerment as well as emerging industry development. During the year, the Group recorded a stable and improving business performance with significantly enhanced core competencies and remarkable achievements in reform and development, laying a solid foundation for the high-quality development during the "15th Five-Year Plan" period.

2026 is the first year of the "15th Five-Year Plan" and is also a crucial year for the Group to consolidate the achievements of reform, accelerate industrial upgrading and cultivate new quality productive forces. Standing at a new starting point for development, the Group will adhere to the overall positioning of "green and smart expressway commercial operation platform", continue to deepen its presence in core business, accelerate its layout in emerging industries, promote the in-depth development of digital transformation, fully activate the high-quality development of its principal businesses, comprehensively enhance its core competitiveness and strive to build a leading green and smart expressway commercial operation platform in China.



CHAIRMAN'S STATEMENT

The Group's major investment plans and key business development priorities for 2026 are as follows:

ENERGY BUSINESS

Constructing an integrated energy ecosystem and activating the driving forces for green development

1. Deepening the consolidation of traditional energy foundation and continuing to expand the brand influence and market share of "Yueyun Energy". In addition, the Group will deepen the strategic synergies with state-owned oil companies, reshape the operating capabilities and business model of the joint ventures, integrate the resource advantages of both parties, create a replicable and scalable expressway energy "Guangdong Model", gradually expand the diversified integrated energy businesses such as gas, electricity and hydrogen and realize the transformation from a single oil product supplier to an integrated energy service provider. Moreover, the Group will accelerate the optimization of gas station network layout. In 2026, the Group will focus on its layout in the Guangdong-Hong Kong-Macau Greater Bay Area and the transportation hubs in eastern, western and northern Guangdong to fill the gap in regional energy services; complete the reconstruction and operation of the reclaimed Chaozhou gas station, enhance its disposal capacity of energy waste and improve the energy service industry chain; promote the upgrade and reconstruction of a batch of key gas stations such as Huanggang and Lianhuashan gas stations, optimize the service functions and consumption scenarios of the stations, enhance the terminal service quality and brand image, further expand the terminal coverage and strengthen market share position.
2. Continuing to optimize the oil procurement and supply chain management system to strengthen cost control. In particular, the Group will deepen the synergies of leading oil suppliers, establish a price monitoring mechanism to reduce costs, accurately anticipate the fluctuation trend of oil prices through big data analytics, optimize the procurement timing and volume and improve bargaining power; comprehensively promote the self-pickup business model for oil products and expand its coverage to further reduce transportation costs and continuously improve the profitability of the traditional energy business. Moreover, the Group will expand high-quality supplier base, build a diversified supply system of "primary suppliers + alternative suppliers" and strengthen oil quality control and supply guarantee capabilities to ensure a stable and orderly energy supply even under extreme conditions.

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3. Accelerating layout in comprehensive energy industry and creating a benchmark for green transformation. Seizing the opportunities arising from the "dual carbon" goals and green transformation in the transportation sector, the Group will make every effort to build a clean energy channel in Guangdong Province and promote the large-scale application of heavy-duty truck supercharging and distributed photovoltaic power generation. By the end of 2026, a number of photovoltaic projects, such as the distributed photovoltaic power generation project in service zones and the PV power project (Phase 2) in Dahuai zero-carbon service zone will have been successfully commissioned. The megawatt super charging stations for heavy-duty truck on G4, G15 and other national expressways will be in operation, and through reasonable layout and effective operation, the Group will have initially established the basic prototype of "zero-carbon transportation corridors" and nurtured new profit growth points. The Group will firmly promote the pilot operation of LNG refilling stations, explore the "self-built and self-operated" model with the Zhongxin and Yangxi service zones as the core pilot project, optimize the operation and management process, enhance the service capability and accumulate experience for the large-scale promotion of the LNG business.
4. Deepening the application of digital energy integrated management platform, improving the real-time monitoring and intelligent dispatching functions of equipment status and operation indicators of energy stations; expanding the application scenarios of AI intelligent monitoring in safety management, equipment operation and maintenance, energy consumption control and other fields and deploying AI-enabled behavior recognition function in the surveillance systems of gas stations to form a "identifying-warning-handling" closed-loop, promote the transformation of energy management from "passive response and manual dispatch" to "proactive prevention and intelligent dispatch" and enhance the operational efficiency and safety management of the energy business.



CHAIRMAN'S STATEMENT

RETAIL TRADE BUSINESS

Upgrading the retail industry structure and deepening the integration of transportation, agriculture, culture and tourism

1. Expanding store network and business layout to strengthen the foundation for business growth. In 2026, the Group will promote the renovation and construction of 82 Loyee convenience stores with high standards, with a focus on optimizing store spatial layout, accelerate the construction of "aging-friendly" facilities, improve accessibility service functions and simultaneously update the store VI logo system to enhance brand recognition and consumption experience. In addition, the Group will focus on exploring local specialties, establish a new standard for the operation of specialty stores, innovatively redefine the relationship among consumers, products, and spaces ("people, goods, and place"). Immersive, scenario-based specialty shopping spaces will be created in key service zones, cultivating a "one specialty per service zone" operating model and promoting the deep integration of local specialty products with expressway consumption scenarios, laying the groundwork for subsequent scalable replication.
2. Continuing to enrich merchandise offerings and strengthen the cultivation of self-owned brands. Focusing on the diversified needs of consumers, the Group will expand popular categories such as best-selling trendy toys, educational and popular science toys, IP co-branded figures and outdoor travel, and launch cooked food categories such as oden, so as to build a three-tier merchandize matrix of "traffic-driving best-sellers, profit-generating staple products, and experience-enhancing items", enhancing product competitiveness and premium potential. In addition, the Group will deepen the development and application of the "Deer (鹿)" IP on expressways and launch a series of cultural and creative products and daily necessities to reinforce brand recall; deepen the cooperation with CDFG to pilot duty-free shopping services in Zhongshan service zones, thereby addressing the gap in high-end expressway retailing and expanding into high-end consumption; and enhance partnerships with high-quality local enterprises to develop self-branded products with regional characteristics, boosting differentiated competitiveness and targeting a 15% increase in core category sales.
3. Deepening digitalization and upgrading the supply chain to improve operational efficiency. In particular, the Group will accelerate the integrated operation of "Guangdong Pass Mall", enhancing stores' digital capabilities in purchase, sales, inventory management, warehouse management, and supplier collaboration through multi-modal POS, IOT and mobile store technologies. The online supply chain system will be optimized, and diversified service scenarios such as corporate group purchasing, O2O self-pickup, online ordering with offline delivery will be expanded to achieve integrated online and offline business development. In addition, the Group will optimize the logistics and distribution model, expand the efficient coverage of the "one hub, multiple routes" distribution system, dynamically adjust distribution routes and frequencies using big data analytics, expand direct procurement channels for specialty products, and reduce procurement and distribution costs for core categories. Moreover, the Group will innovate internal collaboration models to achieve resource sharing and channel complementarity, jointly creating an efficient and collaborative retail ecosystem.

4. Deeply integrating into the “Urban and Rural Coordinated Development Project” to deepen the integrated development of transportation, agriculture, culture and tourism. In particular, the Group will continue to carry out live streaming marketing campaigns to help farmers and plan to carry out no less than eight campaigns throughout the year, focusing on the featured agricultural products in eastern, western and northern Guangdong, to build a “expressway + live streaming” bridge to help farmers, reduce intermediate circulation and improve farmers’ income and consumer experience. In addition, the Group will expand the coverage of special counters for rural revitalization, comprehensively implement relevant policies on special counters for rural revitalization in its self-operated stores, promote local specialty products to gain wider recognition both locally and beyond, thereby facilitating the revitalization of rural industries. Moreover, the Group will explore the development direction of themed self-driving tour by combining local cultural and tourism resources, hold special cultural and tourism-themed marketing activities and turn the stores in service zones into display windows for local culture and tourism, so as to achieve a win-win situation in both economic and social benefits.

COMMERCIAL DEVELOPMENT BUSINESS

Improving merchant solicitation and operation efficiency and creating diversified consumption scenarios

1. *Merchant solicitation business*

- (1) Focusing on quality merchant solicitation and ecosystem optimization. The Group will closely follow the requirements of high-quality development to promote the transformation of merchant solicitation from “scale growth” to “quality improvement”, using the development of characterized service zones as a leverage to optimize the commercial structure through precise merchant solicitation. In addition, the Group will innovate the overall leasing model, revitalize the idle resources on the second floor of service zones, introduce suitable business formats and reduce the vacancy rate of leasing spaces. Moreover, the Group will establish a dynamic adjustment mechanism for rent per floor area and property management fee based on operating data to improve the efficiency of resource utilization. The Group will also strictly follow the open leasing process, strengthen the supervision over contract performance and credit management of tenants and establish a “blacklist” for leasing, so as to create a healthy business ecosystem.

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- (2) Deepening the integrated development of "transportation+". With characterized service zones as carriers, the Group will promote the in-depth integration of "transportation + rural revitalization", "transportation + cultural tourism" and "transportation + commerce", build a benchmark for "one specialty for one service zone" and reinforce the demonstration effect of service zones such as Baiqiao and Changsha Bay service zones to promote the transformation of its service zones from "functional stations" to "cultural tourism attractions" and "consumption nodes". Moreover, the Group will complete the commissioning of characteristic service zones, service zones for helping farmers and promoting industry and intensive service zones as scheduled, optimize the layout of special counters for rural revitalization, introduce local specialty products, expand the cooperation model of "service zones + local industries" and establish a demonstrative model for integrated development.
- (3) Expanding diversified scenarios and strengthening operations. The Group will innovate its business cooperation model, steadily promote the layout of branded food and beverage brands operations, focus on building an integrated ecological business model of "investment + operation + management output + supply chain", accelerate the incubation of self-owned food and beverage IPs like "Sisters On the Go" and "Wheat Field Cat" through the coordinated layout of "own brand + partner brand + franchise brand", and deepen its strategic cooperation with leading brands such as KFC. In addition, the Group will improve its operation and service system by formulating standardized management measures to incorporate on-site merchant management, marketing and operation coordination into its system to achieve full supervision over both self-operated stores and leased/franchised merchants and creating model stores based on the "one specialty for one service zone" philosophy in combination with local culture. The Group will also strengthen supervision, inspection, and closed-loop rectification to improve service quality and passenger experience.

2. Advertising business

- (1) Integrating internal and external advertising resources to build a diversified media resource network. The Group will conduct a comprehensive review on its advertising resources, covering various types including expressway pillars, gantries, overpass bridges and billboards above service zones, to establish an advertising resource matrix covering major expressways in the province. It will also strengthen cooperation with external advertising platforms and media agencies to fully leverage each party's advantages, achieving resource complementarity and customer sharing. The Group will conduct in-depth development for clients with national or regional resources, facilitating multi-dimensional connections between resources and clients, and enhancing the monetization capability of advertising resources.
- (2) Promoting the digital transformation of advertising business and innovating marketing models. The Group will establish an advertising digital management platform to implement end-to-end digital management of the lifecycle and marketing processes of media resources, achieving fully online advertising placement, performance monitoring, and expense settlement, thereby improving operational efficiency. Through cross-media expansion and innovation in cooperation forms, the Group will address gaps in media coverage and build a diversified media resource network to create greater media value. In addition, by coordinating with commercial marketing activities, the Group will carry out themed advertising promotions in specialized service zones, achieving coordinated growth between the advertising business and the commercial development business, and enhancing the added value of advertising resources.

OTHER BUSINESSES

1. Road passenger transportation business

The Group will push forward the strategic exit from domestic road passenger transportation business in a stable and orderly manner. In particular, the Group will complete the equity transfer of Meizhou Yueyun Vehicles Transportation Co., Ltd. as planned, promote the equity transfer of Foshan Yueyun Public Transportation Co., Ltd. and strive to substantially achieve the exit target of passenger transportation business during the year. In addition, the Group will realize intensive management of assets of non-principal businesses through asset transfer so as to operate on a light-asset basis. Meanwhile, the Group will focus on staff placement and debt settlement, protect the rights and interests of employees through multiple channels, optimize debt disposal plans, prevent and mitigate risks and ensure the smooth and orderly business exit process, so as to lay a solid foundation for the development of the principal businesses.

2. Expressway vehicle rescue business

(1) Strengthening the operation standardization and safety guarantee system to consolidate the foundation of rescue services. With "safety, efficiency and quality" as the core target, the Group will gradually promote the collaborative operation mechanism of "main vehicles for rescue + pickup trucks for protection", strictly implement the "two-person and two-vehicle" collaboration standard and use pickup trucks with sound and light warning functions to achieve the integration of "alert + transfer" and enhance professional rescue equipment and safety protection equipment to systematically improve the safety level of on-site operations and effectively reduce operation risks. Moreover, the Group will replace anti-collision and buffer vehicles with pickup trucks on a pilot basis, particularly in key bridges and tunnels, and realize safety closed-loop through

standardized operation procedures; integrate millimeter-wave radars, directional horns and vehicle-mounted LED arrow lights to build an "alarmable, visual and audible" multi-channel sound and light early warning system and improve the technology-empowered active safety protection capabilities.

(2) Deepening digital empowerment and process optimization and building an intelligent and transparent rescue service system. The Group will continue to promote the construction of the second phase of the "digital rescue" platform, optimize AI intelligent dispatch algorithms and integrate multi-dimensional data such as real-time traffic flow, road condition information and rescue resource distribution to realize scientific and intelligent dispatch of rescue forces and further reduce response time. Moreover, the Group will rely on the "5G+AI" vehicle-mounted video system and safety helmet system to build a fully visual command network, realize the supervision over the whole process from alarm reception to operation completion as well as real-time intervention and remote collaboration; proactively promote the application of "Yangguang Rescue (陽光救援)" service platform throughout the province, advance the openness and transparency of the rescue prices, procedures and results throughout the whole process, enhance service reliability and vehicle owner satisfaction and strive to build "Guangdong Rescue (粵救援)" into a benchmark brand in the province's road rescue field.

3. Taiping Interchange operation

In order to optimize the allocation of internal resources and improve professional management, the Company intends to adjust its business structure and entrust Guangdong Humen Bridge Co., Ltd. with the full responsibility for the operation, maintenance, repair and renovation and project management of Taiping Interchange.

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)



BUSINESS REVIEW

In 2025, China's economy continued to maintain a stable and progressive development momentum with steady growth in GDP and gradual recovery in the consumer market, providing a favorable macroeconomic environment for the development of the transportation industry. The transportation sector in Guangdong Province presented a new landscape of high-quality development, characterized by continuous expansion of the expressway network, the prominent efficiency of cross-sea and cross-river corridors in the Guangdong-Hong Kong-Macao Greater Bay Area and the deepened implementation of the "Urban and Rural Coordinated Development Project", creating great opportunities for enterprise development and strategic transformation. In light of the new situation and opportunities in industry development, the Group adhered to the overall concept of "promoting transformation and quality improvement to achieve industrial reform" and closely followed the theme of "Year for Improving Management" to unswervingly promote strategic transformation by successfully completing the professional business division restructuring of Guangdong Top-E Expressway Service Zone Company Limited (廣東通驛高速公路服務區有限公司), orderly withdrawing from the road passenger transport business, and successfully establishing a business layout centered on energy, trade,

and business development, with a focus on the expressway transportation service business. Leveraging the synergy of the three core businesses, the in-depth advancement of digital transformation and the accelerated implementation of emerging industry layouts, the Group fostered a sound development trend marked by steady growth in operational efficiency, continuous optimization of asset quality and a significant improvement in core competencies, contributing to a dual success in both reform and development.

ENERGY BUSINESS

In 2025, as the core growth driver of the Group, the energy business achieved coordinated development between traditional and new energy sectors under the strategy of "enhancing quality and efficiency in traditional energy while accelerating the deployment of new energy". By the end of 2025, the Group had 233 gas stations with operating rights, accounting for approximately 50% of the total expressway gas stations in Guangdong province, including 119 owned and operated gas stations, which contributed to the continuous expansion of its terminal network coverage. There were 380 service zones with charging stations, providing 5,421 charging parking spaces, along with 10 battery replacement stations, 4 gas stations, and 1 photovoltaic installation, through which an integrated energy service system was initially established, laying a solid foundation for the Group's revenue growth.

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(all amounts are presented in RMB unless otherwise stated)



1. The traditional energy business expanded steadily with continuous improvement in operation quality and efficiency. During the year, 10 self-operated gas stations, including Chengnan, were commissioned and two gas stations, including Lankou, were reclaimed, thereby continuously densifying the network of the “Yueyun Energy” brand. Remarkable results were achieved in cost control, which effectively increased the profitability of traditional energy business. Through multiple measures such as optimizing procurement system, innovating transportation mode and expanding supplier resources, the Group consistently reduced its overall costs. The Group also deepened its cooperation with state-owned oil companies by engaging two high-quality refined oil suppliers to establish a “primary + alternative” supply system. The weighted average purchase unit price of diesel and gasoline were lower than those of industry peers, representing a significant cost advantage. Furthermore, the Group innovated the transportation mode of oil products by piloting a “selection through bidding + self-delivery” mode to effectively save transportation costs. Driven by the dual strategy of “self-construction + recovery”, the network coverage continued to expand and the market influence was further enhanced.
2. Strengthening comprehensive energy and building a new energy management platform. The Group has laid a solid foundation for future growth by establishing a new energy branch company and formulating its “15th Five-Year Plan” for new energy strategic development. The pilot project of digital direct current micro-grid mutual benefit zero-carbon service zone in Dahuai Service Area was smoothly completed and put into operation, which was successfully included in the provincial energy industry science and technology innovation project database and the second batch of Ministry of Transport’s zero-carbon pilot and demonstration project database. The digital integrated energy management platform of the project has been included in the “Demonstration Corridors and Networks for Digital Transformation and Upgrading of Transportation Infrastructure with One-axis and Two Grids in Guangdong Province (廣東省一軸兩網交通基礎設施數字化轉型升級示範通道及網絡)” and was one of the first batch of demonstration projects in the PRC to be granted special awards and subsidies from the Ministry of Finance and the Ministry of Transport. The investment, construction and operation of new energy projects such as PV power, energy storage and heavy-duty truck supercharging in expressway service zones under the Group’s management were

MANAGEMENT DISCUSSION AND ANALYSIS

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fully commenced. The digital integrated energy management platform was put into use to achieve intelligent management of diversified energy systems in the service zones and the interconnection of charging services with traditional commercial services. At the same time, the Group's diversified layout achieved multiple breakthroughs: LNG refueling station pilots were launched at four pairs of service zones, namely Yiliu, Gaogang, Zhongxin and Yangxi, and explorations into diversified clean energy service models were initiated, thereby continuously enhancing the ecosystem of its new energy business.

3. Optimizing brand operation and implementing all-employee marketing. Focusing on marketing innovation and brand upgrading, we strengthened all-employee marketing initiatives, and launched four special labor competitions, driving a 34.65% growth in oil product sales during the labor competition period. We deepened our presence in the customer market by successfully onboarding 41 new major customers, raising the sales contribution from fleet customers to 17.82%. A total of 1.84 million digital membership cards were issued, and a co-branded credit card was jointly launched with China Minsheng Bank, achieving the integration of transportation and financial scenarios. Through coordinated online and offline promotional efforts, the official WeChat account achieved over 290,000 article views, continuously enhancing brand influence. Online functions and the digital electronic invoice experience were upgraded to improve customer satisfaction, thereby boosting brand value. Additionally, the Group built the "Love Station" service system, providing convenient services such as charging and laundry for truck drivers, enhancing the competitiveness of gas stations.

RETAIL TRADE BUSINESS

In 2025, with the core focus of "expanding scale, improving quality and strengthening synergy" for the retail trade business, we continuously optimized store layout, enriched the product portfolio, innovated marketing models and advanced digital transformation. This led to simultaneous growth in revenue and profitability, with notable improvements in core competitiveness and brand influence. By the end of 2025, the Group operated 522 convenience stores, with its network covering major expressway service areas across the province, demonstrating a clear trend of synchronized growth in both scale and efficiency.

1. Our store network and business formats have been continuously expanded, with ongoing enhancements to the consumer experience. Throughout the year, we opened 40 new Loyee convenience stores in service zones such as Luhe and Longmen, while 40 underperforming or loss-making stores were closed, further optimizing our terminal network layout.

Additionally, we launched five specialty stores in service zones including Waxi, Danxiashan, and Yiliu, introducing a new retail format centered on local specialty products to create immersive shopping experiences, which has enriched the commercial offerings at service zones and strengthened brand appeal. Meanwhile, we continued to optimize store operation and management, advancing standardization across all stores by unifying service procedures, product displays and visual branding to elevate the overall customer experience. The highway-exclusive "Deer" IP has been widely leveraged to develop composite consumption scenarios such as pet product zones, curated snack shelves, and freshly ground coffee corners, effectively meeting consumers' diversified and personalized needs and boosting store foot traffic and sales volume. Furthermore, we upgraded the store image and optimized in-store circulation paths, creating a dedicated "check-in" zone for drivers. Furthermore, themed displays were refreshed quarterly to optimize the consumer experience.

2. The product portfolio has been continuously enriched, with significant achievements in cultivating self-owned brands. Focusing on the consumption upgrading trend, we accurately grasped the market demand, and developed 66 self-branded products such as poker cards for the card game Guandan, freshly ground coffee, cultural and creative products, and lighters, covering snack food, daily necessities, cultural and creative products and other categories, which has further enhanced the differentiated competitiveness and premium capacity of our products. Meanwhile, the product structure was optimized by introducing trendy internet-famous trendy items, local specialty products and convenient daily necessities to build a diversified product matrix and meet the needs of different consumer groups. During the summer transportation period, through precise marketing and product optimization, the sales of ice cream and cooked food increased by over 30% as compared with the same period of last year, becoming an important driver for revenue growth. Focusing on the IP of Baiqiao mascot, 41 cultural and creative products were developed, such as hand-made toys and refrigerator magnets, enriching the connotation of cultural consumption on expressways.
3. Marketing and supply chain management capabilities have been continuously enhanced, with a notable improvement in operational efficiency. We collaborated with 66 partner suppliers and launched 9 themed marketing campaigns across different promotional periods. Through online-offline integration and cross-industry cooperation, we expanded brand influence and stimulated consumption potential, successfully achieving historical highs in total operating income, single-store sales and daily sales. We further advanced agricultural support initiatives and deeply integrated

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(all amounts are presented in RMB unless otherwise stated)

into the “Urban and Rural Coordinated Development Project”, setting up rural revitalization counters in 211 self-operated stores and implementing a “zero gross profit margin” policy, which reduced supply costs by 30% directly. A total of 1,200 featured products were introduced, driving direct assistance worth RMB17.84 million; 5 agricultural support live-streaming events were held, accumulating over 500,000 views and generating consumption-based assistance exceeding RMB32.78 million. We established specialty stores for local products in 57 key service zones and launched 11 “Yipinhui” direct-operated stores for high-quality agricultural products under the rural revitalization initiative, with the total amount of agricultural assistance surpassing RMB100 million, delivering both commercial and social value. We implemented the “one hub, multiple routes” collaborative distribution model, optimized distribution routes, expanded distribution coverage and improved distribution efficiency. By introducing a market-oriented competition mechanism, optimizing the supplier structure and promoting factory-direct supply for some brands, we reduced intermediate circulation steps, effectively lowering costs and increasing gross profit margins.

4. Digital transformation and innovative partnership models have achieved breakthroughs, continuously strengthening growth momentum. We built the digital centralized procurement platform of Guangdong Pass Mall, aggregating a massive pool of commodity resources and launching business services including corporate group purchasing and O2O self-pickup. This has realized the integrated development of online and offline businesses and expanded revenue channels. The “Guangdong Pass Mall” currently offers 496 SKUs, of which 181 are dedicated to rural revitalization. We deepened cross-industry cooperation by signing a strategic cooperation agreement with Guangdong Tobacco Monopoly Administration, facilitating the application for tobacco retail licenses and the upgrade of store tiers, and completing the targeted tobacco distribution to 10 pairs of convenience stores in Maoming. We also expanded group purchasing channels to 142 internal and external cooperative entities. A partnership was established with Meituan to launch a pilot project of food delivery services in service zones, exploring the instant retail model, which has further extended our service boundaries and enhanced brand influence. We rolled out the Alipay “Tap to Pay” service across all our stores in the province, innovating payment methods. Additionally, we successfully obtained the exclusive operation rights for two leading preserved fruit and candied fruit brands, and expanded wholesale and distribution cooperation with multiple channel partners.

COMMERCIAL DEVELOPMENT BUSINESS

In 2025, the commercial development business focused on the strategy of “stabilizing leasing through merchant solicitation, achieving breakthroughs in self-operated business, and empowering operations through digitalization”, driving the coordinated development of merchant solicitation and advertising businesses, optimizing the allocation of commercial resources and improving operational management capabilities. We achieved a steady improvement in operational quality and efficiency, with the continuous release of the value of commercial resources.

1. Merchant Solicitation Business

Centering on quality improvement, the merchant solicitation business has continuously optimized its business format, innovated merchant solicitation models and strengthened operational management, achieving a simultaneous increase in occupancy rate and operational efficiency. As of the end of 2025, the Group had 394 service zones with commercial resources, featuring 1,645 commercial shops available for operation and a leasable commercial area of approximately 202,500 square meters. The occupancy rate, calculated by commercial floor area, reached 75.68%, representing a year-on-year increase of 2.18 percentage points, demonstrating a sustained improvement in the utilization of commercial resources.

- (1) Remarkable results have been achieved in the merchant solicitation for distinctive service zones, with continuous enhancement of brand influence. We completed the commercial planning for 3 pairs of service zones including Yuantan, Zhangxi and Mianyang, clarifying the three differentiated thematic positioning: “Expressway Agricultural Expo” at Yuantan Service Zone on Guangzhou-Lechang Expressway, “Hakka Style & Tea Charm” at Mianyang Service Zone on Shantou-Zhanjiang Expressway, and “First Gateway Between Fujian and Guangdong • Fragrant Dancong Tea” at Zhangxi Service Zone on Ningbo-Dongguan Expressway. We promoted the opening and operation of 13 pairs of distinctive service zones such as Henghe, Changshawan and Baiqiao, building a number of demonstration carriers for the integrated development of “transportation + cultural tourism” and “transportation + rural revitalization”. Among them, Baiqiao Service Zone with the theme of “Lychee Village & Water Charm” was praised in the National Day special report of CCTV’s News Broadcast and won the “2025 Excellent Case of Cultural Tourism Promoting Consumption in Guangdong Province”, with a peak daily passenger flow of 92,000 people after opening. We innovated the

MANAGEMENT DISCUSSION AND ANALYSIS

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overall leasing model, which was successfully implemented in key service zones such as Baiqiao, Taimei, Shenshan and Xiaolan. By adopting an integrated and bundled leasing approach, we attracted high-quality operators to settle in, realized the overall upgrading of commercial formats, and improved the commercial appearance of service zones and customer experience.

- (2) The business format structure has been continuously optimized, with high-end partnerships steadily advancing. We introduced well-known auto repair brands such as "Tmall Auto Care", "SUREMOOV" and "Baiyuan Jingyang", completing the branded leasing of auto repair projects in 21 pairs of service zones, which has improved the quality and standardization level of auto repair services. We focused on introducing local specialty brands, chain catering brands and cultural and creative brands: Taimei Service Zone introduced "Liyin Rice Roll Master", Xiaolan Service Zone introduced "NewYoBo" and "THEMIDI.", Shenshan Service Zone launched "Baozhe" brand, and Sihui Service Zone and Taimei Service Zone introduced "He De Ji", which have optimized the business format structure, met the diversified consumption needs of consumers, and enhanced the commercial attractiveness and competitiveness of service zones.
- (3) The self-operated business has achieved leapfrog growth through diversified efforts. With the core path of "private brands + top-tier franchising + strategic cooperation", the self-operated business has accelerated large-scale layout and standardized construction, and gradually built differentiated competitive advantages. In 2025, this business contributed 66% of the revenue increment of the commercial development business, becoming the primary engine driving performance growth. In terms of brand building, we steadily built a private brand matrix, successfully incubating four major brands: "Sisters On the Go" (local delicacies), "Wheat Field Cat" (light meals & coffee), "Dashihui" (specialty dining), and "Letuhui" (themed general merchandise). These brands cover diversified consumption scenarios such as high-frequency rigid demand, regional characteristics and fashionable leisure, initially generating brand synergy effects. In terms of cooperation and expansion, we deepened cooperative relations with top partners. The strategic cooperation with KFC was continuously implemented, with 4 new stores opened throughout the year and the total number of stores reaching

12, further developing our competitive edge in Western fast-food offerings within service zones. Additionally, in collaboration with "Joyin Coffee", we successfully rolled out self-service coffee terminals across four pairs of service zones, effectively filling the gap in ready-to-drink beverage consumption (the behavior of consumers purchasing and consuming beverages on the spot in ready-to-drink scenarios) in non-core zones. In terms of operation and management, we continuously consolidated standardized operation capabilities, formulated the Operational Management Guidelines for Self-operated Stores, and promoted the implementation of "three standardizations" in respect of store construction, services and management. A total of 27 new self-operated stores were opened throughout the year, with the total number of self-operated stores reaching 35, indicating a significant improvement in scalable replication capabilities.

2. Advertising Business

In 2025, the advertising business focused on the core strategy of "resource integration, business model innovation and efficiency improvement". By fully exploring the value of the Group's internal and external advertising resources, advancing digital transformation and strengthening business synergy, it achieved steady revenue growth and sustained enhancement of brand influence, emerging as an important complementary segment of the commercial development business. As of the end of 2025, the Group was responsible for managing 533 billboards across 81 expressways, covering a total display area of over 130,000 square meters, maintaining a steady development momentum for the business.

- (1) Remarkable results have been achieved in resource integration and digital transformation. Through a comprehensive sorting and integration of internal and external resources, we have established a province-wide advertising matrix covering major expressways and key service zones, with premium advertising resources on core road sections accounting for over 40% of the portfolio, and strategic partnerships have been formed with multiple external advertising agencies, achieving synergy and complementation of resources. Meanwhile, we actively promoted innovation in marketing approaches and digital transformation: an advertising digital management system was launched, enabling online display, inquiry and reservation of core advertising spaces, with the proportion of online business rising to 15%; official promotional accounts were built on new media platforms, and themed live streaming events and immersive scene

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

advertising packages were planned, generating a cumulative exposure of over 5 million views and significantly boosting market attention to resources and advertising delivery effectiveness.

- (2) Customer structure optimization and revenue resilience have been enhanced simultaneously. Focusing on core industries such as transportation, fast-moving consumer goods (FMCG), cultural tourism and automotive, we actively expanded cooperation with regional leading brands and national chain brands, resulting in a more balanced and diversified customer portfolio. Through a dedicated “one-on-one” service mechanism, customized advertising delivery solutions were provided for customers, driving the repeat purchase rate up to 68%. In addition, we integrated the rights and interests of multiple internal businesses of the Group to create benefits package products, expanded cooperative sales channels and enriched profit models, effectively enhancing the comprehensive competitiveness and risk resistance capacity of the advertising business.

OTHER BUSINESSES

1. Road Passenger Transportation Business

The Group implemented the strategy for the orderly exit from domestic passenger transportation business, advanced equity transfer and asset disposal in accordance with the basis of “one enterprise, one policy”, and achieved a smooth transition of personnel, liabilities and receivables, assets and business operations. The results of streamlining operations and improving efficiency were remarkable, freeing up resources for the Group to focus on its core businesses. The exit from domestic passenger transportation business advanced steadily, with the phased goals successfully achieved. As of the end of 2025, the Group had completed the equity exit from 6 passenger transportation enterprises including Zhuhai Gongyun Coach Terminal Co., Ltd. and Shaoguan Yueyun Vehicles Transportation Co., Ltd., and the exit from the domestic passenger transport business entered the final stage.

2. Expressway Vehicle Rescue Business

The Group strengthened its rescue service capabilities, promoted digital transformation and improved service quality and efficiency to ensure smooth traffic flow on expressways and uphold a strong industry reputation. As of the end of 2025, the Group had set up 3 rescue centers and 217 rescue stations in the province, providing vehicle rescue services on 84 road sections covering 7,524 kilometers of expressways. It was equipped with 744 various types of rescue equipment and completed 249,100 rescue operations throughout the year, with the coverage and capability of rescue services continuously improved.

- (1) The service standardization system has been gradually improved. We fully implemented the “two-person, two-vehicle” cooperative operation mechanism, with rescue equipment and personal protective gear fully equipped and enhanced. A total of 15 rescue vehicles have been upgraded, and 30 new sets of specialized rescue equipment have been added, significantly improving on-site operational safety and rescue capabilities. We strengthened the construction of the rescue team and carried out skill training and emergency drills, which significantly improved the professional competence of the teams. Furthermore, a rescue service evaluation system has been established. By conducting customer satisfaction surveys and on-site supervision inspections and timely service improvements, service quality is enhanced and customer experience is optimized.

- (2) Digital empowerment has yielded remarkable results. Relying on the “5G+AI” in-vehicle video system and safety helmet system, we built a full-domain visual command platform, realizing real-time supervision and remote collaboration throughout the entire process of rescue task assignment, on-site operations and follow-up disposal, with the dispatch efficiency improved by 30%. The AI-powered intelligent dispatch algorithm has been further optimized by integrating real-time traffic flow data, road condition information, and the distribution of rescue standby stations, enabling smarter allocation of rescue resources, significantly reducing response times, and enhancing emergency response capabilities. We collaborated with the Provincial Department of Transport to promote the pilot application of the “Sunshine Rescue” platform, ensuring full transparency in rescue service pricing, procedures and results, thereby proactively accepting public oversight and strengthening service credibility. At the same time, we applied for the “Guangdong Rescue” trademark to build a provincial road rescue service brand.

3. Taiping interchange operation

Affected by the traffic diversion of the Shenzhen-Zhongshan Bridge, the Taiping Interchange project had a cumulative toll traffic volume of 30.57 million vehicles in 2025, with an average of 83,700 vehicles per day, representing a year-on-year decrease of 13.41%. To improve its management, the Group optimized the daily inspection and maintenance management mechanism to ensure safe and smooth traffic flow. At the same time, it explored measures to better utilize existing resources to mitigate the impact of traffic diversion.

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

FINANCIAL REVIEW

The Group's Annual Results for the year ended 31 December 2025

For the year ended 31 December 2025, operating income of the Group amounted to RMB7,457,852,000 (2024: RMB7,200,338,000), representing a year-on-year increase of RMB257,514,000 or 4%, which was mainly due to the expansion of the energy business scale, leading to a year-on-year increase in revenue; gross profit amounted to RMB685,588,000 (2024: RMB649,950,000), representing a year-on-year increase of RMB35,638,000 or 5%, which was mainly due to the orderly exit from the domestic passenger transportation business with higher gross loss margin.

For the year ended 31 December 2025, the Group's cumulative net profit attributable to shareholders of the parent company (the "Shareholders") was RMB235,400,000 (2024: RMB236,508,000), representing a year-on-year decrease of RMB1,108,000 or 0.47%; basic earnings per share was RMB0.29 (2024: RMB0.30), representing a year-on-year decrease of RMB0.01 per share.

SEGMENT INFORMATION

Operating Income

Operating income of the Group in 2025 amounted to RMB7,457,852,000 (2024: RMB7,200,338,000), representing a year-on-year increase of RMB257,514,000 or 4%.

Operating income by business segment:

	For the year ended 31 December 2025		For the year ended 31 December 2024	
	RMB'000	Percentage	RMB'000	Percentage
Energy business	4,929,836	66%	4,336,355	60%
Retail trade business	613,417	8%	530,906	8%
Commercial development business	399,154	6%	366,144	5%
Road transportation and auxiliary business	1,400,368	19%	1,834,359	25%
Other businesses	115,077	1%	132,574	2%
Total	7,457,852	100%	7,200,338	100%

1. Energy business

The energy business recorded operating income of RMB4,929,836,000 (2024: RMB4,336,355,000) in 2025, representing a year-on-year increase of RMB593,481,000 or 14%, which was mainly due to the increase in revenue as a result of the steady expansion of the energy business.

2. Retail trade business

The retail trade business recorded operating income of RMB613,417,000 (2024: RMB530,906,000) in 2025, representing a year-on-year increase of RMB82,511,000 or 16%, which was mainly due to, first, the optimization of store layouts during the year, and second, minor renovations at some service areas during the previous year leading to temporary suspensions of convenience store operations. Those convenience stores have gradually resumed operation during the year, resulting in an increase in revenue.

3. Commercial development business

The commercial development business mainly consists of merchant solicitation business and advertising business, and recorded operating income of RMB399,154,000 (2024: RMB366,144,000) in 2025, representing a year-on-year increase of RMB33,010,000 or 9%, which was mainly due to the increase in revenue from self-operated catering.

4. Road transportation and auxiliary business

The road passenger transportation and auxiliary business recorded operating income of RMB1,400,368,000 (2024: RMB1,834,359,000) in 2025, representing a year-on-year decrease of RMB433,991,000 or 24%, which was mainly due to the optimization of capital layout and the exit from the domestic passenger transportation business.

5. Other businesses

Other businesses are mainly engaged in the operation of Taiping Interchange, and recorded operating income of RMB115,077,000 (2024: RMB132,574,000) in 2025, representing a year-on-year decrease of RMB17,497,000 or 13%, which was mainly due to the diversion effect of the Shenzhen-Zhongshan Link, resulting in a year-on-year decrease in average daily traffic volume.

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

Gross profit

The gross profit of the Group in 2025 was RMB685,588,000 (2024: RMB649,950,000), representing a year-on-year increase of RMB35,638,000 or 5%, with a gross profit margin of 9% (2024: 9%).

Gross profit by business segments:

	For the year ended 31 December 2025		For the year ended 31 December 2024	
	RMB'000	Percentage	RMB'000	Percentage
Energy business	431,769	63%	539,891	83%
Retail trade business	83,176	12%	68,852	11%
Commercial development business	41,101	6%	(26,060)	(4%)
Road transportation and auxiliary business	34,669	5%	(34,365)	(5%)
Other businesses	94,873	14%	101,632	15%
Total	685,588	100%	649,950	100%

1. Energy Business

Energy business generated gross profit of RMB431,769,000 in 2025 (2024: RMB539,891,000), representing a year-on-year decrease of RMB108,122,000 or approximately 20%, and the gross profit margin was 9% (2024: 13%). It was mainly due to, first, adjustments in the price of refined oil products leading to a decrease in the comprehensive selling price of oil products, and second, a year-on-year increase in depreciation and amortisation.

2. Retail Trade Business

Retail trade business generated gross profit of RMB83,176,000 in 2025 (2024: RMB68,852,000), representing a year-on-year increase of RMB14,324,000 or 21%. The gross profit margin was 14% (2024: 13%). Such increase in gross profit was mainly due to the decrease in the impact of micro renovation of certain service zones on convenience stores.

3. Commercial Development Business

Commercial development business mainly consists of the merchant solicitation business and the advertising business. It generated gross profit of RMB41,101,000 in 2025 (2024: gross loss of RMB26,060,000), representing a year-on-year increase in gross profit of RMB67,161,000 or a change of 258%. The gross profit margin was 10% (2024: gross loss margin of 7%). It was mainly due to the year-on-year increase in the occupancy rate of shop areas of the Company.

4. Road Transportation and Auxiliary Business

Road passenger transportation and auxiliary business generated gross profit of RMB34,669,000 in 2025 (2024: gross loss of RMB34,365,000), representing a year-on-year increase in gross profit of RMB69,034,000 or a change of 201%, and the gross profit margin was 2% (2024: gross loss margin of 2%). It was mainly due to orderly exit from the domestic passenger transportation business with higher gross loss margin.

5. Other Businesses

Other businesses mainly represent Taiping Interchange operation. It generated gross profit of RMB94,873,000 in 2025 (2024: RMB101,632,000), representing a year-on-year decrease of RMB6,759,000 or 7%. It was mainly because the year-on-year decrease of revenue. The gross profit margin was 82% (2024: 77%), the increase in gross profit margin was mainly due to the decrease in maintenance costs as compared with the corresponding period of last year.

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

ADMINISTRATIVE AND R&D EXPENSES

In 2025, the Group incurred administrative and research and development expenses of RMB388,267,000 in total (2024: RMB476,479,000), representing a year-on-year decrease of RMB88,212,000 or 19%, which was mainly due to the orderly exit from the domestic passenger transportation business and effective cost control.

FINANCE EXPENSES

In 2025, the Group incurred finance expenses of RMB153,451,000 (2024: RMB199,982,000), representing a year-on-year decrease of RMB46,531,000 or 23%, mainly due to orderly exit from the domestic passenger transportation business and decrease in interest-bearing liabilities resulted from the repayment of borrowings.

OTHER INCOME

In 2025, the Group incurred other income of RMB213,465,000 (2024: RMB343,126,000), representing a year-on-year decrease of RMB129,661,000 or 38%, which was mainly due to and a year-on-year decrease in government subsidies resulted from orderly exit from the domestic passenger transportation business.

INVESTMENT GAIN

In 2025, the Group incurred investment gain of RMB79,706,000 (2024: RMB95,945,000), representing a year-on-year decrease of gain of RMB16,239,000 or a decrease of 17%, which was mainly due to the year-on-year difference in gains on disposal of equity interests.

CREDIT IMPAIRMENT LOSSES

Credit impairment losses of the Group in 2025 were RMB18,625,000 (2024: RMB5,062,000), representing a year-on-year increase of losses of RMB13,563,000 or 268%, which was mainly due to changes in the aging of receivables resulting in corresponding changes in the provision for credit impairment losses.

IMPAIRMENT LOSSES OF ASSETS

Impairment losses of assets of the Group in 2025 was RMB4,191,000 (2024: RMB11,121,000), representing a year-on-year decrease of losses of RMB6,930,000 or 62%, which was mainly due to the decrease in losses from disposal of assets.

GAINS ON DISPOSAL OF ASSETS

In 2025, the Group recorded gains on disposal of assets of RMB8,652,000 (2024: RMB23,510,000), representing a year-on-year decrease of RMB14,858,000 or 63%, which was mainly due to the year-on-year decrease in disposal of assets for the year.

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

NON-OPERATING INCOME AND EXPENDITURE

The net amount of non-operating income and expenditure in 2025 incurred a net expenditure of RMB2,690,000 (2024: a net expenditure of RMB1,350,000), representing a year-on-year increase of RMB1,340,000 or 99%, which was mainly due to a year-on-year increase in losses on scrapping of non-current assets.

LIQUIDITY AND CAPITAL STRUCTURE

The Group implements a prudent financial management policy to enforce strict budget management and control over the use of funds. The Group primarily relies on cash generated from operating activities and bank credit resources to meet fund requirements for contract fulfilment and daily operations, among which all bank borrowings are denominated in Renminbi with no foreign currency borrowings. Meanwhile, the Group continues to optimize its capital structure and reduce comprehensive financing costs.

Upon assessment, the Group has sufficient funds and financing capacity to meet its fund requirements as a going concern for the next 12 months. The Group comprehensively considered factors including cash flow from operating activities, available monetary funds, secured financing arrangements, bank borrowings, and available credit facilities during assessment. As of 31 December 2025, the Group had available credit facilities from banks and other financial institutions amounting to RMB3,202.5 million. The relevant credit line can provide sufficient support for daily business turnover and debt principal and interest repayment, and the overall liquidity risk is controllable.

Items	31 December 2025	31 December 2024
	RMB'000	RMB'000
Borrowings (banks and other financial institutions)	124,818	1,183,416
Less: Cash and cash equivalents	1,131,067	1,425,057
Net debt	(1,006,249)	(241,641)
Total liabilities	4,230,558	6,118,199
Total shareholders' equity	2,686,598	2,605,861
Total equity	1,680,349	2,364,220
Total assets	6,917,156	8,724,060
Gearing ratio	(59.88%)	(10.22%)
Asset to liability ratio	61.16%	70.13%

Gearing ratio = Net debt/Total equity

Total equity = Net debt + Total shareholders' equity

Asset to liability ratio = Total liabilities/Total assets

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

CASH FLOWS

In 2025, the Group satisfied its requirements for payment obligations under contracts and general working capital mainly through cash generated from operating activities and long-term debt with low interest rates. Cash and cash equivalents of the Group were mainly denominated in RMB. Cash and cash equivalents (after excluding the effect of exchange rate movements) were as follows:

	For the year ended 31 December		
	2025	2024	Change
	RMB'000	RMB'000	RMB'000
Cash generated from/(used in)			
Operating activities	858,907	1,152,440	(293,533)
Investing activities	(77,566)	(38,508)	(39,058)
Financing activities	(1,073,995)	(776,302)	(297,693)

OPERATING ACTIVITIES

The Group's net cash inflow from operating activities amounted to RMB858,907,000 in 2025 (2024: net cash inflow of RMB1,152,440,000), representing a year-on-year decrease of net cash inflow of RMB293,533,000 or 25%, which was mainly due to the year-on-year increase in cash used for purchase of goods and payment for labor services for the period.

INVESTING ACTIVITIES

In 2025, the net cash outflow from investing activities was RMB77,566,000 (2024: net cash outflow of RMB38,508,000), representing a year-on-year increase in net cash outflow of RMB39,058,000 or 101%, which was mainly due to the year-on-year decreases in net cash received from disposal of subsidiaries.

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

FINANCING ACTIVITIES

The net cash outflow from financing activities in 2025 was RMB1,073,995,000 (2024: net cash outflow of RMB776,302,000), representing a year-on-year increase of RMB297,693,000 or 38% in net cash outflow, which was mainly due to the year-on-year decrease in proceeds from borrowings.

BORROWINGS

As of 31 December 2025, outstanding loans of the Group amounted to RMB124,631,000 (31 December 2024: RMB1,183,416,000), comprising (i) unsecured short-term loans of RMB10,000,000 (31 December 2024: RMB214,840,000); (ii) secured short-term loans of RMB21,950,000 (31 December 2024: RMB127,211,000); (iii) pledged short-term loans: nil (31 December 2024: RMB26,500,000); (iv) unsecured long-term loans of RMB44,751,000 (31 December 2024: RMB300,597,000); (v) secured long-term loans of RMB47,930,000 (31 December 2024: RMB222,397,000); (vi) financing leases payable: nil (31 December 2024: RMB291,871,000). As of 31 December 2025, the Group's borrowings were denominated in RMB and were subject to floating or fixed interest rates, of which borrowings with fixed interest rate accounted for approximately 36%.

MATERIAL SUBSEQUENT EVENTS

Nil.

MAJOR INVESTMENTS HELD

Nil.

MAJOR ACQUISITIONS, DISPOSALS AND ESTABLISHMENT OF NEW COMPANIES

On 22 January 2025, the Company entered into an equity transaction agreement with Kee Kwan Motor Road Co., Ltd., pursuant to which the Company transferred its 100% equity interests in its subsidiary, Zhuhai Gongyun Coach Terminal Co., Ltd., to Kee Kwan Motor Road Co., Ltd.. The consideration for the equity transfer was RMB25.0961 million. For details, please refer to the announcement of the Company dated 22 January 2025.

On 28 November 2025, the Company entered into an equity transaction agreement with Xiake Zhixing (Guangzhou) Technology Co. Ltd. (霞客智行(廣州)科技有限公司), pursuant to which Xiake Zhixing (Guangzhou) Technology Co. Ltd. agreed to purchase and the Company agreed to sell 59.694% equity interests held in Shaoguan Yueyun Vehicles Transportation Co., Ltd. (韶關市粵運汽車運輸有限公司) ("Shaoguan Yueyun") at a consideration of RMB134,610,300.00. Following the completion of the disposal, the Company has ceased to hold any equity interests in Shaoguan Yueyun, and the financial results of Shaoguan Yueyun are no longer consolidated into the Company's financial statements. For details, please refer to the announcement of the Company dated 28 November 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

MAJOR PROPERTIES HELD FOR INVESTMENT

Set out below are the major properties held for investment by the Group as at 31 December 2025:

Name of property	Address	Usage	Types of lease
Hong Kong Plaza	Unit 13-14, 24/F Hong Kong Plaza, 188 Connaught Road West, Sai Wan, Hong Kong	Operating lease	Short-term (within 10 years)
No. 2 office, 1/F, King's Court, Wai Ching Street, Jordan Road, Kowloon	No. 1-2 office, 1/F, King's Court, No. 65, 67, 69, 71, 73, 75, Wai Ching Street, Jordan Road, Kowloon, Hong Kong	Operating lease	Short-term (within 10 years)
Underground Shop, Hang On Building, 159A Sai Yeung Choi Street North, Mongkok, Kowloon	Underground Shop, Hang On Building, 159A Sai Yeung Choi Street North, Mongkok, Kowloon	Operating lease	Short-term (within 10 years)
Passenger Traffic Center Building in Lianzhou*	No. 136, Beihu Road, Lianzhou City	Operating lease	Short-term (within 10 years)

* The Group has no freehold interest in this property.

PLEDGE OF ASSETS

As at 31 December 2025, fixed assets at the net value of approximately RMB67,434,000 (31 December 2024: RMB270,189,000) and land use rights at the net value of approximately RMB8,688,000 (31 December 2024: RMB58,207,000) of the Group were pledged as security for borrowings.

FOREIGN EXCHANGE RISK AND HEDGING

Most of the operating income and expenditure of the Group are settled or denominated in RMB, except for the revenue and expenditure related to cross-border transportation services. In 2025, the impact of exchange rate fluctuations on the working capital and liquidity of the Group was small. The Directors of the Company believe that the Group has sufficient foreign currency to meet its demand. During the reporting period, The Group has not used any financial instruments for hedging foreign exchange risk purposes or hedged its net foreign currency investments through currency borrowings and other hedging instruments. The Group will continue to pay close attention to the exchange rate fluctuations of RMB, and will adopt proper measures to reduce the currency risk exposures of the Group based on its operating needs.

CONTINGENT LIABILITIES

As of 31 December 2025, the Group had no material contingent liabilities.

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

POTENTIAL RISK EXPOSURE

The Group's scope of business includes various other business segments, including energy business, retail trade business, commercial development business operating within the expressway service zones, road passenger transportation, expressway vehicle rescue and operation of Taiping Interchange, with relatively strong resistance against risks as a whole.

Major risk exposures to the Group include:

1. Fluctuations in international oil prices

Oil business is an important part of the Group's energy business. Oil prices are determined comprehensively based on factors such as the oil prices in the international market and the national control policies on oil prices. The future price trend is subject to certain uncertainties. Fluctuations in international oil prices will directly affect the operating costs of the Group's energy business. If the oil prices continue to rise in the future, it will affect the stability of the profitability of the Group's energy business to a certain extent.

The Group achieved the intensive and large-scale development of oil business through its subsidiary "Yueyun Energy", to improve the premium capacity of external cooperation for expressway gas stations and refined oil products; established long-term and stable cooperative relations with suppliers to ensure the quality and stability of fuel supply, while strengthening the risk assessment and monitoring of the supply chain to detect and respond to potential risks in a timely manner; reduced dependence on fuel by increasing the investment and use of other energy sources such as natural gas, hydrogen and solar energy, to reduce the impact of price fluctuations; paid close attention to the dynamics of government policies and adjusted the business model and operation strategies in a timely manner to adapt to the challenges and opportunities presented by policy changes.

2. Risks arising from profitability of new energy business

New energy business is one of the key development goals of the Company in the future. The characteristics are the business include large scale of investments and long cycle of return. The risks in the new energy market are diversified and scenario-based, and can be classified into two types of core risks. Firstly, risks arising from the regional supply-demand mismatch. Charging facilities, photovoltaics and energy storage projects shall be constructed based on regional traffic density, new energy vehicle ownership, absorption capacity and other actual needs. Currently, there is a huge shortage of high-power charging facilities for electric heavy trucks in certain road sections, while the charging piles for ordinary passenger vehicles are over-saturated, resulting in a structural waste of power. Secondly, risks arising from mismatch between policy orientation and market demand. In order to implement the national "dual carbon" goal of "carbon peaking and carbon neutrality", the policy sets clear requirements for the construction of charging facilities for electric heavy trucks in service zones. However, end-users such as logistics and transportation enterprises pay more attention to cycle cost, battery life, and reliability of power replenishment network when making operational decisions. If the pace of infrastructure construction does not match actual market demand, it could lead to waste of resources and inefficient investment.

To address such risks, the Group conducted precise market research, proactively cooperated with freight enterprises to form strategic cooperation. The Group formulated differentiated construction targets based on vehicle flow forecast and capacity demand by reserving expansion space for popular routes, and reducing the construction scale in remote areas with high risk of supply and demand imbalance with meeting their basic charging needs as priority; increasing the ratio of super-fast charging terminals deployed in areas with high charging demand in a "moderately advanced" principle to improve charging efficiency; and encouraging the exploration of diversified profit models, expanding energy storage peak shaving, virtual power plants and other businesses, and reducing the dependence on single charging service fees.

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

3. Stability maintenance risks arising from the exit of domestic traditional road transport enterprises

Road passenger transportation is one of the businesses of the Group. With increasing efforts in economic development and transportation infrastructure investment, high-speed railway and inter-city rail transportation will have increasing impact on road transportation, and the domestic traditional road passenger transportation market is shrinking further. Therefore, the Group has determined the strategic adjustment to gradually exit the domestic traditional road passenger transportation business in a comprehensive and orderly manner. The domestic traditional road passenger transportation business involves a large number of employees. If mass incidents occur, the reputation and normal operations of the Group will be negatively affected.

In order to avoid mass incidents due to the overall exit from the domestic traditional passenger transport business, the Group formulated the “one enterprise, one policy” plan for passenger transport enterprises to carry out classified management according to the actual situation of the enterprises, supervise the remuneration payment of the passenger transport enterprises with serious losses, and make good capital raising plans to maintain the stability of the workforce; urged the passenger transport enterprises to formulate comprehensive staff placement plans; prepared a list of responsibilities to resolve by hierarchy based on the principle of “territorial management and hierarchical responsibility”, and designated personnel to follow up and supervise the handling, so as to resolve conflicts and eliminate hidden dangers in a timely manner.

4. Inclement weather and natural disasters

Guangdong Province is located at the southeast coastal region of China, it is in the sub-tropical climatic and monsoon wind region with abundant annual rainfall. Active warm and wet air currents blowing from the southwest is a usual phenomenon in late spring and early summer days each year, heavy rainfall or continuous rainstorms may be resulted, it is also affected by typhoons in the summer season. Regions with strong rainstorms may occur geological disasters easily, such as mountain collapse, landslide, mudflow or ground collapse. The characteristics of sudden occurrence and beyond control of these disasters may have direct impact on the energy business, retail trade business, commercial development business and road passenger transportation business of the Company.

The Company has established an emergency response mechanism of “combination of normalization and emergency”: conducting regular drills on typhoon and flood control; reinforcing key facilities (such as energy storage cabinets and power distribution rooms) in accordance with the disaster prevention standards; reserving emergency supplies and backup power sources; establishing a joint response plan with highway administration and traffic police authorities to minimize the post-disaster recovery time.

MANAGEMENT DISCUSSION AND ANALYSIS

(all amounts are presented in RMB unless otherwise stated)

5. Epidemic disease

The expressway service zones are important places for drivers and passengers to rest, eat, refuel and use the toilet during long-distance travel. Therefore, the mobility of people is large and it is easy for people to gather. During a pandemic outbreak, the service zones may become a high risk area for disease spread. During the pandemic period, in order to control the spread of the epidemic, the service zones may adjust their business operations based on the epidemic situation. The service zones in high-risk areas may close some unnecessary operations, which may negatively affect the related business.

To effectively address the potential impact of epidemic diseases on the operation of expressway service zones, the Company has established a normalized prevention and control mechanism: formulating a special emergency plan to respond with local health authorities; enhancing regular disinfection and ventilation management of high-frequency contact areas such as convenience stores, restrooms, charging piles, fuel dispensers; reserving masks, disinfectants and other anti-pandemic materials, implementing the health monitoring of employees and practicing "AB role" rotation to ensure the attendance rate of key positions; guaranteeing the continuous provision of oil product supply, new energy charging, vehicles rescue and essential retail services, and promoting contactless payments and emergency guidance.

SIGNIFICANT INVESTMENT PLANS IN 2026

For the Group's significant investment and business development plans in 2026, please refer to the Chairman's Statement in this annual report. The Group expects to meet the funding requirements for these plans, as well as for supporting daily operations and fulfilling financial commitments such as debt repayment, through a combination of internally generated funds and bank borrowings. The Group currently has adequate cash reserves and committed banking facilities to cover these requirements. While no definite fundraising activities are planned at this stage, the Group will continue to assess financing options should additional funds be required.

FIVE-YEAR FINANCIAL SUMMARY

(Amounts are presented in RMB'000)

For the year ended 31 December	2025	2024	2023	2022	2021 (restated)
Operating income	7,457,852	7,200,338	7,227,231	5,819,528	6,271,137
Total profit	337,538	308,088	298,565	(18,030)	(241,874)
Income tax expenses	(71,852)	(78,795)	(84,738)	(190,950)	(81,467)
Net profit/net (loss)	265,686	229,293	213,827	(208,980)	(323,341)
Of which: Net profit attributable to shareholders of the Company	235,400	236,508	201,888	(150,423)	(220,312)
Profit and loss attributable to minority interests	30,286	(7,215)	11,939	(58,557)	(103,029)

ASSETS AND LIABILITIES

As at 31 December	2025	2024	2023	2022	2021 (restated)
Total assets	6,917,156	8,724,060	8,603,368	9,215,602	10,554,449
Total liabilities	4,230,558	6,118,199	5,986,463	6,733,847	7,801,241
Net assets	2,686,598	2,605,861	2,616,905	2,481,755	2,753,208

DIRECTORS AND SENIOR MANAGEMENT

As at the date of this report, the Company has ten directors and three senior management members. There is no relationship (including financial, business, family or other material/relevant relationship(s)) between any of the directors of the Company or the senior management members.

DIRECTORS

As at the date of this report, the Company has three executive directors, one employee representative director, two non-executive directors and four independent non-executive directors. All Directors sitting on the Board were appointed for a term of office until the expiration of ninth session of the Board.

EXECUTIVE DIRECTORS

Mr. Zhu Fang (朱方), aged 53, joined the Group in 2022 and is currently the Party committee secretary, an executive director, the chairman of the Board and the general manager of the Company. Main positions previously held by Mr. Zhu include: an officer of the Audit Department of Guangdong Province, a staff member of the investment fund department of Guangdong Investment and Development Company (廣東投資開發公司), the deputy manager and manager of the capital operation department of Guangdong Guangye Investment Group Co., Ltd. (廣東廣業投資集團有限公司), the head of the financial department and deputy general manager of Dongguan Jiufeng Energy Co., Ltd. (東莞九豐能源有限公司), a member of the Party committee and the deputy general manager of Guangdong Guangye Investment Group Co., Ltd. (廣東廣業投資集團有限公司), a member of the Party committee, a director and the deputy general manager of Nanyue Transportation Investment and Construction Co., Ltd. (南粵交通投資建設有限公司). Mr. Zhu obtained an on-the-job postgraduate degree from Guangdong Academy of Social Sciences (廣東省社科院) and possesses the title of auditor.

Mr. Huang Wenban (黃文伴), aged 53, joined the Group in 2020 and is currently a member of the Party committee, an executive director and the chief accountant of the Company. Mr. Huang held positions within the Group from 1997 to 2000. Main positions previously held by Mr. Huang include: an accountant of Kwong Fat Transport Limited (廣發運輸有限公司), the finance manager of Guangdong Vehicles Transportation Group Company Limited Transportation Branch (廣東省汽車運輸集團有限公司貨運分公司), the deputy business supervisor of the financial audit department of GCGC, the manager of the finance department, a director and the chief accountant of Kee Kwan Motor Road Limited (岐關車路有限公司), a

member of the Party committee, a director and the chief accountant of Guangdong Gongbei Vehicles Transportation Company Limited (廣東省拱北汽車運輸有限公司). Mr. Huang obtained a bachelor's degree in accounting and a bachelor's degree in economics from Xi'an Highway University (西安公路交通大學) and a master of business administration from Jinan University (暨南大學), and obtained a doctoral degree in accounting from Dalian University of Technology (大連理工大學), and he possesses the title of senior economist and accountant.

Mr. Hu Xianhua (胡賢華), aged 51, joined the Group in 2016 and is currently a member of the Party committee, an executive director and the deputy general manager of the Company. Mr. Hu previously served as the chairman of the Supervisory Committee of the Company and held positions within the Group from 2004 to 2005. Main positions previously held by Mr. Hu include: serving in the finance division of Guangzhou Bonded Zone Guangda Technology Co., Ltd. (廣州保稅區廣大科技有限公司), manager of the finance department of Guangshan Highway Huizhou Section Co. Ltd. (廣汕公路惠州段有限公司), project manager of Xin Yue Company Limited (新粵有限公司), serving in Guangdong Nan Yue Logistics Company Limited (廣東南粵物流股份有限公司) (and was temporarily dispatched to engage in audit work in the financial audit department of GCGC during his service period), grade one staff member (一級職員) of the financial audit department and the audit and supervision department, deputy business supervisor and business supervisor of the audit and supervision department as well as the dispatched supervisory committee chairman of GCGC. Mr. Hu obtained a bachelor's degree in auditing and a bachelor's degree in economics from Wuhan University (武漢大學) and possesses the title of senior accountant.

DIRECTORS AND SENIOR MANAGEMENT

EMPLOYEE REPRESENTATIVE DIRECTOR

Mr. Hu Jian (胡健), aged 45, joined the Group in 2023 and is currently the dedicated deputy secretary of the Party Committee, an employee representative director and the chairman of the labour union of the Company. Main positions previously held by Mr. Hu include: a staff member of Guangdong Chenyun Information Technology Co., Ltd. (廣東晨韻信息科技有限公司), a staff member of Guangdong Provincial Transportation Archives Information Management Centre (廣東省交通檔案信息管理中心), a staff member of the Office of Guangdong Provincial Department of Transportation, the deputy chief staff member and chief staff member of the Office of Guangdong Provincial Department of Transportation, head of the Comprehensive Affairs Department, Secretary of the board of directors, employee representative director, and head of the human resources department of Guangdong Nanyue Transportation Investment and Construction Co., Ltd. (廣東省南粵交通投資建設有限公司). Mr. Hu obtained his undergraduate degree in law profession and a bachelor's degree in law from Sun Yat-sen University and possesses the title of political engineer.

NON-EXECUTIVE DIRECTORS

Mr. Yuan Dengping (袁登平), aged 59, joined the Group in 2025 and is currently a non-executive director of the Company, is currently the general counsel of Guangdong Provincial Communication Group Company Limited. Main positions previously held by Mr. Yuan include: secretary of the administration department, secretary of the general manager, and deputy director of the office of Guangdong Provincial Freeway Company (廣東省高速公路公司); director of the office and head of the general affairs department of Guangdong Provincial Expressway Company Limited (廣東省高速公路有限公司); deputy head of the general affairs department (concurrently serving as deputy head of the legal affairs department of Guangdong Provincial Communication Group Company Limited), head of the general affairs department, and secretary of the board

of directors of Guangdong Provincial Communication Group Company Limited. Mr. Yuan obtained his bachelor's degree in political education from Jiangxi Normal University and a master's degree in logic from South China Normal University (華南師範大學). He holds the titles of senior economist and senior political instructor, as well as a qualification as a corporate legal advisor.

Mr. Cai Fen (蔡奮), aged 43, joined the Group in 2025 and is currently a non-executive director of the Company and the deputy director of the investment management department of Guangdong Provincial Communication Group Company Limited. Main positions previously held by Mr. Cai include: grade one staff member, supervisor, deputy manager (during which he also served as a director of Huizhou Yuehui Road and Bridge Development Co., Ltd. (惠州市粵惠路橋發展有限公司)), and manager of the finance department of Xin Yue Company Limited (during which he also served as chief accountant of Guangdong Yuedong Expressway Industrial Development Co., Ltd. (廣東粵東高速公路實業發展有限公司)); director of project companies including Guangzhou Xinyue Asphalt Co., Ltd. (廣州新粵瀝青有限公司), Guangdong Kaiyang Expressway Co., Ltd. (廣東開陽高速公路有限公司) and Guangdong South China Logistics Enterprise Co., Ltd. (廣東南粵物流實業有限公司); supervisor of companies including Xin Yue (Guangzhou) Financial Leasing Co., Ltd (新粵(廣州)融資租賃有限公司) and Guangdong Changxin Asphalt Concrete Co., Ltd. (廣東長新瀝青混凝土有限公司)). He concurrently served as an external director at Guangdong Urban Transportation Investment Co., Ltd. (廣東城市交通投資有限公司), Guangdong Litong Development Investment Co., Ltd. (廣東利通發展投資有限公司) and Kee Kwan Motor Road Company Limited, among others. Mr. Cai graduated from Jinan University and obtained a graduate degree in accounting and a master's degree in management. He holds the titles of senior accountant, auditor and economist, and is among the first batch of leading management accounting talent in Guangdong Province.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Su Wujun (蘇武俊), aged 61, joined the Group in 2022 and is currently a professor of Guangdong University of Finance & Economics (廣東財經大學), and once was concurrently an expert consultant on legislation of the Standing Committee of the People's Congress of Guangdong Province (廣東省人大常委會), an evaluation expert of the "Zhujiang Talent Plan – Entrepreneur Leaders (珠江人才計劃 – 創業領軍人才)" of Guangdong Province, chairman of the Education Accounting Society of Guangdong Province (廣東省教育會計學會), argumentation expert on significant administrative policies of Guangzhou and argumentation expert on consultation of significant administrative decisions of Shaoguan City. Mr. Su has served in Hunan University of Finance and Economics (湖南財經學院) and Hunan University (湖南大學) engaging in teaching and scientific research. Mr. Su has obtained a bachelor's degree in economics, a master's degree in management and a doctoral degree in economics from Hunan University of Finance and Economics (湖南財經學院), Shaanxi Institute of Finance & Economics (陝西財經學院) and Fujian Normal University (福建師範大學), respectively.

Ms. Huang Yuan (黃媛), aged 49, joined the Group in 2022 and is currently an associate professor and supervisor of doctoral students in the School of Accounting and Finance of The Hong Kong Polytechnic University. Ms. Huang is currently a lecturer in the courses of financial accounting, management accounting, financial management and accounting research methods for undergraduates and postgraduate students in master and doctoral programmes, many of her research projects receive funding from the University Grants Committee in Hong Kong, and the research results have been published in a number of international renowned journals. Ms. Huang successively obtained a bachelor's degree and a master's degree from the School of Economics of Wuhan University (武漢大學經濟學院), and obtained a doctoral degree from the Business School of The Hong Kong University of Science and Technology (香港科技大學商學院).

Mr. Zhang Xiangfa (張祥發), aged 50, joined the Group in 2022 and is currently a senior partner/director of the board of Beijing Dentons Law Offices LLP (Guangzhou) (北京大成(廣州)律師事務所), and a registered foreign

lawyer of Wong Poon Chan Law & Co., a law firm in Hong Kong. Mr. Zhang served as a teacher for higher education in Jiaying University (廣東嘉應學院), and he has been a practicing lawyer in both Mainland China and Hong Kong after obtaining the legal practitioner qualification as a professional lawyer with in-depth knowledge on the legal rules of both places. He has accumulated abundant experience in providing legal services for a large volume of offshore IPOs (in US and Hong Kong) of China enterprises and cross-border financing, merger and acquisitions. Mr. Zhang graduated from the Faculty of Foreign Languages of South China Normal University (華南師範大學) with a bachelor's degree in English and obtained a master's degree in international law from Sun Yat-Sen University (中山大學), he is the deputy director of the One Belt One Road Professional Committee of the Law Society of Guangzhou (廣州律協一帶一路專業委員會), and a pioneer in the Pool of Leading Talents of Foreign Lawyers of the Law Society of Guangdong Province (廣東省律協涉外律師領軍人才庫).

Ms. Mu Huihua (母慧華), aged 48, joined the Group in 2025 and is currently the vice president and secretary-general of the Guangdong Energy Association (廣東省能源協會). She concurrently serves as a council member of the Integrated Smart Energy Professional Committee of the China Electricity Technology Market Association (中國電力技術市場協會綜合智慧能源專業委員會), an expert at the Guangdong Social Organization Evaluation Center (廣東省社會組織評估中心) and a supervisor for the assessment of skilled personnel in the electric power industry under the China Electricity Council (中國電力企業聯合會). Ms. Mu has previously worked in the corporate culture department of Shenzhen Petrochemical Group Co., Ltd. (深圳石化集團有限公司), and served as a journalist and editor at Shenzhen Legal News (《深圳法制報》), industry director and general manager assistant at the Shenzhen Branch of Nanfang Daily (《南方日報》), director of the public affairs department of LingYa Energy (Shenzhen) Co., Ltd. (菱亞能源(深圳)股份公司) in Shenzhen, and secretary-general of the Guangdong Energy Association. Ms. Mu obtained a bachelor's degree in laws from Hebei University (河北大學), a master's degree in management from Temple University in the United States (美國天普大學), and a master's degree of business administration from Macau University of Science and Technology (澳門科技大學).

DIRECTORS AND SENIOR MANAGEMENT

OTHER SENIOR MANAGEMENT

Mr. Xu Dongpeng (許東鵬), aged 56, joined the Group in 2022 and is a member of the Party committee and deputy general manager of the Company. Mr. Xu's other major work experience include, among others, an accountant of the finance and audit department of Guangdong Expressway Co., Ltd. (廣東省高速公路有限公司), director, deputy general manager and general manager of the finance department of Guangdong Expressway Co., Ltd., full-time external director of Guangdong Litong Real Estate Investment Co., Ltd. (廣東利通置業投資有限公司), Guangdong Expressway Co., Ltd. (廣東省高速公路有限公司) and Guangdong Nanyue Transportation Investment and Construction Co., Ltd. (廣東省南粵交通投資建設有限公司). Mr. Xu obtained a bachelor's degree in administration and management from Lanzhou University (蘭州大學) and holds the title of senior political worker and accountant.

Mr. Guan Zhong (關眾), aged 56, joined the Group in 2023 and is currently a member of the Party Committee and secretary of the Discipline Inspection Commission of the Company. His other main work experience includes: serving as a clerk in the accounting department of the Dalian Economic and Technological Development Zone Branch of the People's Bank of China, a clerk in the Accounting Department of the Jinzhou Branch of the People's Bank of China, and a cooperative deputy section chief of the Financial Institution Management Section, deputy section chief of the Money and Credit Management Section, deputy manager of the general department and director of the Party and Mass Department (Director of the Supervision Office) of Guangdong United Electronic Toll Collection Co., Ltd. (廣東聯合電子收費股份有限公司), director of the Party and Mass Department (Director of the Supervision Office), deputy secretary of the Commission for Discipline Inspection (Director of the Supervision Office), assistant to the general manager and director of the office, member of the Commission for Discipline Inspection, assistant to the general manager and director of the General Affairs Department of Guangdong United Electronic Services Co., Ltd. (廣東聯合電子服務股份有限公司). Mr. Guan obtained bachelor's degrees in accounting and economics from Anhui University of Finance and Economics (安徽財貿學院), a master's degree in public administration from Central University of Finance and Economics (中央財經大學), and holds the titles of senior political engineer and accountant.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Qin Jinsong (秦勁松), aged 56, joined the Group in 2000 and is the deputy general manager of the Company. Mr. Qin has held various major positions such as a teacher of the First Education and Training Center of Baling Petrochemical Company (巴陵石油化工公司第一教育培訓中心), a teacher of the Mathematics Department of Hunan Yueyang Normal College (湖南岳陽師範專科學校), a staff member of the business department, a head of the investment and operation department and a manager of the investment and operation department of Guangdong Nanyue Logistics Co., Ltd. (廣東南粵物流股份有限公司), an executive director and general manager of Guangdong Weisheng International Freight Forwarding Co., Ltd. (廣東威盛國際貨運代理有限公司), a manager of the Taiping Interchange Network Charging Project Department of Guangdong South China Logistics Enterprise Limited (廣東南粵物流股份有限公司), manager of the investment

development department of Guangdong South China Logistics Enterprise Limited (廣東南粵物流股份有限公司) (concurrently serving as the chairman of Guangdong Oriental Thought Technology Company Limited (廣東東方思維科技有限公司)), manager of the investment development department of Guangdong Yueyun Transportation Company Limited (廣東粵運交通股份有限公司), secretary of the Party committee, chairman and general manager of Qingyuan Yueyun Vehicles Transportation Co., Ltd. (清遠市粵運汽車運輸有限公司). Mr. Qin has successively obtained a bachelor's degree in mathematics and a bachelor's degree in science from Peking University (北京大學), a postgraduate degree in finance and a master's degree in economics from Hunan University (湖南大學), and holds the title of senior economist.

CORPORATE GOVERNANCE REPORT

The Company believes that stringent corporate governance practices could enhance its credibility and transparency and are in the interests of the Shareholders. Accordingly, the Company has been making continuous efforts in enhancing its standard of corporate governance with reference to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the articles of association of the Company (the “Articles of Association”) and other applicable laws and regulations.

The Company has complied with all of the code provisions set out in Part 2 of the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules for the year ended 31 December 2025, except for code provisions B.2.2 and C.2.1.

Code provision B.2.2 provides that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. The Company’s articles of association also stipulate that the directors elected at general meeting shall be for a term of three years. As approved by the Company’s shareholders at the 2022 first extraordinary general meeting held on 31 August 2022, the term of the eighth session of the Board of the Company expired on 31 August 2025. The election of the members of the ninth session of the Board of the Company was completed on 29 September 2025, resulting in a temporary deviation of the Company from code provision B.2.2 of the CG Code set out in Appendix C1 to the Listing Rules. Nevertheless, the Company does not consider that the delay in board succession had any adverse impact on the formulation and execution of the Company’s strategy or on the Company’s operations. The Company has since restored compliance with the relevant requirements of code provision B.2.2. of the CG Code.

Pursuant to code provision C.2.1, the role of chairman and the chief executive officer should be separate and should not be performed by the same individual. Mr. Guo Junfa, the former chairman of the Board, resigned as an executive director, chairman of the Board of the Company and chairman of the Nomination Committee and Strategy Committee on 29 December 2023. In order to ensure the normal operation of the Board and the subordinate Board committees of the Company, Mr. Zhu Fang was appointed as the new chairman of the Board, chairman of the Nomination Committee and chairman of the Strategy Committee with effect from 21 March 2024. Mr. Zhu Fang continues to serve as the general manager of the Company upon his appointment as the chairman of the Board of the Company. However, the Board is of the view that despite deviating from code provision C.2.1 of the Listing Rules, Mr. Zhu Fang has provided and will continue to provide strong and consistent leadership to the Group with his extensive experience and knowledge in management and the support of other members of the Board. Moreover, the Board is of the view that having the same person as the chairman and general manager can facilitate the execution of the Group’s business strategies and enhance its operational efficiency before the Company identifies a suitable candidate for the position of general manager. Under the supervision of other existing members of the Board, the Board is appropriately structured with a balance of power and authority to provide sufficient checks to protect the interests of the Company and the Shareholders. As such, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in the said situation. In addition, the Board will periodically review the effectiveness of this arrangement and identify suitable candidates for a general manager and/or director as soon as possible and separate the roles of chairman of the Board and chief executive officer of the Company when it considers appropriate, for the purpose of re-complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

BOARD OF DIRECTORS

1. COMPOSITION OF THE BOARD OF DIRECTORS

As at the date of this report, the Directors in office of the ninth session of the Board were as follows:

Name	Date of Appointment as a Director
Executive Directors	
Mr. Zhu Fang (Chairman of the Board and General Manager)	31 August 2022
Mr. Huang Wenban	22 December 2020
Mr. Hu Xianhua	31 August 2022
Employee Representative Director	
Mr. Hu Jian	23 December 2025
Non-executive Directors	
Mr. Yuan Dengping	29 September 2025
Mr. Cai Fen	29 September 2025
Independent Non-executive Directors	
Mr. Su Wujun	31 August 2022
Ms. Huang Yuan	31 August 2022
Mr. Zhang Xiangfa	31 August 2022
Ms. Mu Huihua	29 September 2025

The following individuals served as directors of the Company during the financial year but had resigned as at the date of this report:

Name	Date of Appointment as Director
Mr. Chen Chuxuan	17 June 2019
Mr. Shen Jialong	31 August 2022

The biographies of the current Directors are set out in the section headed “Directors and Senior Management” of this Annual Report.

The Board considers that during the Reporting Period, the composition of the Board with three executive directors, one employee representative director, two non-executive directors and four independent non-executive directors is reasonably balanced. The two non-executive directors and four independent non-executive directors have participated actively in the formulation of the Company’s policies to represent the interests of Shareholders as a whole.

2. INDEPENDENCE AND THE INDEPENDENT VIEWS MECHANISMS

The Company has established a comprehensive Board independence assessment mechanism to ensure that the Board has strong independence, which enables it to exercise independent judgement and protect the interests of the Shareholders. To further enhance the independence of the Board, the Company has adopted various measures to ensure that the independent non-executive directors can provide valuable independent views and suggestions without interference and play an active role in the decision-making process.

CORPORATE GOVERNANCE REPORT

Firstly, to ensure that independent non-executive directors can fully exert their independence, the Company has set up dedicated channels for independent non-executive directors to present their independent views to the Board directly and transparently. These channels include but not limited to regular Board meetings, individual meetings between the Directors and management and communication meetings between independent non-executive directors. Independent non-executive directors may, based on their professional judgment, make suggestions to the management or raise doubts as necessary, so as to further improve the Company's governance structure.

In relation to the election and appointment of independent non-executive directors and the protection of their rights, the Company ensures that independent non-executive directors represent more than one-third of the Board, and requires them to have sufficient professional knowledge and experience to discharge their independent functions. This proportion helps to ensure that the independent non-executive directors are fully represented by the Board in all major decisions and protects the Board of Directors' decision-making process from being influenced by any single interest group.

In addition, the Company has established an independence review mechanism and regularly assess the independence of each independent non-executive director. This assessment is based on whether the independent non-executive directors have any interest that may affect their independent judgment, including but not limited to factors such as relationship with management and past business dealings. This review is conducted by the Nomination Committee of the Board, and requires each independent non-executive director to clarify in the independence confirmation submitted each year whether he or she meets the relevant independence standards and undertake to complying with the corporate governance requirements.

To further ensure that the independent non-executive directors can perform their functions without interference, the Company also arranges regular "Independent Non-executive Directors' Meeting", which is only attended by the independent non-executive directors, without management or other non-independent non-executive directors. Such meetings provide a platform for the independent non-executive directors to fully discuss issues such as business development, risk management and internal control, and to ensure that the independent non-executive directors' professional advices are fully considered by the Board when making major decisions.

In conclusion, the Company has adopted multi-channel independence protection mechanisms to ensure that the views of the independent non-executive directors can be effectively incorporated into the Board, and that the independence and transparency of the Board operations can be maintained. The Board will review the implementation of such mechanism annually and make adjustments based on the results of the assessment to ensure its continued effectiveness, thereby improving corporate governance and protecting the interests of Shareholders.

For the year ended 31 December 2025, the Board has reviewed the implementation and effectiveness of the assessment mechanism for Board independence and is satisfied with the assessment results and considers that the mechanism has operated smoothly and has achieved the expected results.

According to Rule 3.10A of the Hong Kong Listing Rules, independent non-executive directors should represent at least one third of the board of listed companies, according to which the Company has appointed adequate number of independent non-executive directors. The Board has received the annual confirmation of each of the independent non-executive directors' independent capacity for the year 2025 and has recognized the independency of each of the independent non-executive directors.

All Directors sitting on the Board were appointed for a term of office until the expiration of ninth session of the Board and are eligible for re-election upon the expiry of their terms.

3. INFORMATION IN RESPECT OF AND PROVIDED BY DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE OFFICER

Mr. Wang Qingwei resigned as a Shareholder representative Supervisor of the Company due to work relocation on 3 January 2025. The Company appointed Ms. Wang Xiaobing as the Company's Shareholder representative Supervisor at the 2025 first extraordinary general meeting of the Company held on 23 January 2025. For details, please refer to the Company's announcements published on 3 January 2025 and 29 January 2025.

At the 2025 second extraordinary general meeting held on 29 September 2025 by the Company, a resolution in relation to the abolition of the Supervisory Committee and amendments to the Articles of Association was approved. With effect from the conclusion of the extraordinary general meeting, the Company will no longer maintain a Supervisory Committee or supervisors. The powers and duties of the Supervisory Committee under the amended Company Law will be assumed by the Audit & Corporate Governance Committee. With effect from the conclusion of the extraordinary general meeting, all supervisors shall cease to serve as supervisors of the Company. For details, please refer to the Company's circular and announcement published on 9 September 2025 and 29 September 2025.

Mr. Chen Chuxuan has resigned as a non-executive director of the eighth session of the Board of the Company and from all positions held by him in the committees under the eighth session of the Board, with effect from 29 September 2025. For details, please refer to the Company's circular and announcement published on 9 September 2025 and 29 September 2025.

Mr. Shen Jialong has resigned as an independent non-executive director of the eighth session of the Board of the Company and from all positions held by him in the committees under the eighth session of the Board, with effect from 29 September 2025. For details, please refer to the Company's circular and announcement published on 9 September 2025 and 29 September 2025.

The Company elected and appointed the members of the ninth session of the Board of the Company at the 2025 second extraordinary general meeting held on 29 September 2025, and re-appointed the authorized representative of the Company, the members and chairmen of the committees under the Board and the chairman of the Company at the Board meeting held immediately after the conclusion of the 2025 second extraordinary general meeting on that day. For details, please refer to the Company's circular and announcement published on 9 September 2025 and 29 September 2025.

Mr. Hu Jian resigned as an executive director of the Company due to the adjustment of corporate governance structure on 23 December 2025. On the same date, the employee representatives of the Company voted to approve the appointment of Mr. Hu Jian as an employee representative director of the Company. For details, please refer to the Company's announcement published on 23 December 2025.

Mr. Yuan Dengping, Mr. Cai Fen, and Ms. Mu Huihua have each obtained, on 29 September 2026, the legal opinions referred to in Rule 3.09D of the Listing Rules and confirmed that they understand their responsibilities as directors of the Company.

CORPORATE GOVERNANCE REPORT

4. RECORD OF ATTENDING BOARD MEETINGS AND GENERAL MEETINGS

Apart from the regular Board meetings, the Board met on other occasions when a board-level decision on a particular matter was required. The Chairman also had meetings with the independent non-executive directors, without the presence of the other Directors, to consider issues. This mechanism ensured that the Board had access to independent views and opinions. The Board has reviewed the implementation of the mechanism and considered that the mechanism was more effective for the Board to obtain independent views and opinions on corporate matters during the year ended 31 December 2025. For the year ended 31 December 2025, the Company held a total of 25 Board meetings with an average attendance rate of 100%. The Directors received details of agenda items in advance of each Board meeting. The Company kept detailed minutes for the business considered and approved on such meetings. The minutes are filed and kept by the Secretary to the Board.

The Secretary to the Board is responsible for distributing detailed documents to the Directors prior to the Board meeting to ensure that the Directors are able to make informed decisions regarding the matters discussed in the meetings. All Directors have access to the advice and services of the Secretary to the Board with a view to ensuring that the Board procedures and all applicable laws and regulations are followed.

For the year ended 31 December 2025, the Company held four general meetings.

The table below sets forth the details of attendance records of the Directors at Board meetings and general meetings in the year of 2025.

	Board meetings attendance/ number of meetings eligible to attend	General meetings attendance/ number of meetings eligible to attend
Executive Directors		
Mr. Zhu Fang	25/25	4/4
Mr. Huang Wenban	25/25	4/4
Mr. Hu Xianhua	25/25	4/4
Mr. Hu Jian (resigned as a director with effect from 23 December 2025)	25/25	4/4
Employee Representative Director		
Mr. Hu Jian (appointed as an employee representative director on 23 December 2025)	N/A	N/A
Non-executive Directors		
Mr. Chen Chuxuan (resigned as a director with effect from 29 September 2025)	19/19	0/3
Mr. Yuan Dengping (appointed as a director on 29 September 2025) (Note)	4/4	N/A
Mr. Cai Fen (appointed as a director on 29 September 2025) (Note)	4/4	N/A
Independent Non-executive Directors		
Mr. Su Wujun	25/25	4/4
Ms. Huang Yuan	25/25	4/4
Mr. Shen Jialong (resigned as a director with effect from 29 September 2025)	19/19	3/3
Mr. Zhang Xiangfa	25/25	4/4
Ms. Mu Huihua (appointed as a director on 29 September 2025)	6/6	1/1

CORPORATE GOVERNANCE REPORT

Note:

Mr. Yuan Dengping serves as the general counsel of GCGC and Mr. Cai Fen serves as the deputy director of the investment management department of GCGC. Therefore, in 2025, as each of them during their term of office as director was deemed to have a material interest in the following connected transactions agreements and respective transactions thereunder, respectively, and as such they had abstained from voting at the following Board meetings held to approve the related connected transactions agreements and respective transactions contemplated thereunder and were not counted in the quorum present at the meetings:

- (1) At the extraordinary Board meeting held on 21 October 2025, for the purpose of considering and approving the resolution on renewal of the First Right of Operation Agreement and the Rescue Services Entrustment Master Agreement between the Company and GCGC for a term of three years from 1 January 2026 to 31 December 2028 and the transactions thereunder (including the proposed annual caps for the three years ending 31 December 2028), Mr. Yuan Dengping and Mr. Cai Fen abstained from voting and were not counted in the quorum present at the meeting. The foregoing matters were approved by shareholders at the extraordinary general meeting of the Company held on 18 December 2025. For details, please refer to the announcement dated 21 October 2025, the circular dated 27 November 2025 and the announcement dated 18 December 2025 of the Company.
- (2) At the extraordinary Board meeting held on 5 December 2025, for the purpose of considering and approving the resolutions on (1) renewal of the Tai Ping Interchange Master Agreement between the Company and GCGC for a term commencing from 1 January 2026 and ending on 31 December 2027 and the transactions thereunder (including the proposed annual caps for the two years ending 31 December 2027) and (2) renewal of the Information Systems Services Master Agreement between the Company and GCGC for a term commencing from 1 January 2026 and ending on 31 December 2028 and the transactions thereunder (including the proposed annual caps for the three years ending 31 December 2028), Mr. Yuan Dengping and Mr. Cai Fen abstained from voting and were not counted in the quorum present at the meeting. The foregoing matters were approved at the Board meeting of the Company held on 5 December 2025. For details, please refer to the announcement dated 5 December 2025 of the Company.



CORPORATE GOVERNANCE REPORT

5. RESPONSIBILITY AND OPERATION OF THE BOARD

The Directors shall perform their duties in accordance with the relevant laws and regulations in a diligent manner. Board members connectively and individually accept the responsibility for the management and control of the Company for the interests of the Shareholders.

The main duties of the Board (among others) are: determining the business strategy of the Company, approving the operating plans and investment proposals of the Company, making out annual financial budget of the Company, bringing out profit distribution plan of the Company, ensuring and implementing prudent and effective internal control system as well as overseeing the performance of the management, convening general meetings and executing the resolutions passed in general meetings of the Company. The interests of Shareholders and the Company are the primary concern for every member of the Board.

Moreover, the Board is also responsible for reporting an accurate and objective assessment of the Company's performance and prospects. The Directors acknowledge their responsibilities for the preparation of the Group's financial statements, ensure that the financial statements are prepared in accordance with the requirements of laws and regulations and applicable accounting standards, give a true and fair view of the Company's financial position on a going concern basis, and ensure the timely publication of the Group's financial statements. As of the date of this report, the Company is not aware of any material uncertainty or condition that may materially and adversely affect the Company's ability to continue as a going concern. The Directors are also responsible for the disclosure of inside information announcements.

The independent non-executive directors appointed by the Company have professional backgrounds in new energy, accounting, finance and law with extensive and professional experience. The participation of the independent non-executive directors in the Board brings independent judgment on issues relating to the Company's strategies, performance, conflicts of interest, connected transactions, significant events and management system, and also provides professional advice for the long-term stable development of the business of the Company in order to ensure that the interests of all Shareholders of the Company have been duly considered.

The Articles of Association explicitly provides the rights of the Directors, including the right to attend, receive notices of, and to vote in Board meetings and the rules of procedure for the Board meetings were specifically formulated and implemented to regulate the conduct and procedures of the Board meetings.

The division of power between the Board and management strictly complies with the Company's Articles of Association and relevant regulations. The management is responsible for implementing the policies and strategies of the Board, and is delegated with the daily operations and administration of the Company, ensuring the effective operation and sustainable development of the Group.

6. MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding the securities transactions of Directors for the year ended 31 December 2025. The Company has made specific enquiries of all Directors and all of the Directors have confirmed that they had complied with the required standard as set out in the Model Code for the year ended 31 December 2025.

7. DIRECTORS’ TRAINING AND PROFESSIONAL DEVELOPMENT

In order to ensure that the Directors have the comprehensive information, knowledge and skills required to perform their duties, the Company has provided each newly appointed director with training regarding their roles of being a director, among which it summarized the duties and legal responsibilities for directors of Hong Kong listed companies, the Articles of Association and the Guidance of Directors’ Responsibilities issued by the Companies Registry in Hong Kong, to ensure that they have a comprehensive understanding of their duties and obligations under the Listing Rules and other regulatory requirements.

The Company has distributed relevant information and/or provided training to Directors from time to time for communicating the relevant requirements in the aspects of laws and regulations and the Listing Rules to the Directors.

Directors are encouraged to participate in professional development courses and seminars to develop and refresh their knowledge and skills. According to the records maintained by the Company and after making specific enquiries of the Directors, the Directors received the following training with an emphasis on the roles, functions and duties of a director of a listed company in compliance with the requirements of the CG Code on continuous professional development during the year:

Name of Directors	Reading materials	Participation in training
Mr. Zhu Fang	√	√
Mr. Huang Wenban	√	√
Mr. Hu Xianhua	√	√
Mr. Hu Jian	√	√
Mr. Chen Chuxuan (resigned as a director with effect from 29 September 2025)	√	–
Mr. Yuan Dengping (appointed as a director on 29 September 2025)	√	√
Mr. Cai Fen (appointed as a director on 29 September 2025)	√	√
Mr. Su Wujun	√	√
Ms. Huang Yuan	√	√
Mr. Shen Jialong (resigned as a director with effect from 29 September 2025)	√	√
Mr. Zhang Xiangfa	√	√
Ms. Mu Huihua (appointed as a director on 29 September 2025)	√	√

CORPORATE GOVERNANCE REPORT

8. COMMITTEES OF THE BOARD

In accordance with the requirements under the Listing Rules, the Company has established an audit and corporate governance committee (the “Audit and Corporate Governance Committee”), a remuneration committee (the “Remuneration Committee”) and a nomination committee (the “Nomination Committee”). Meanwhile, the Company has also established a strategy committee (the “Strategy Committee”) and a compliance committee (the “Compliance Committee”) in accordance with its own requirements for governance.

Each of the Audit and Corporate Governance Committee, the Remuneration Committee and the Nomination Committee under the Board has its specific terms of reference, stipulating the power and responsibilities of the respective committee. All the committees report their decisions or submit their proposals to the Board within their authorities. Under certain circumstances, they have to request for the Board’s approval before taking any actions.

(1) Audit and Corporate Governance Committee

The primary duties of the Audit and Corporate Governance Committee are (among others): to provide advice to the Board regarding the appointment, re-appointment and dismissal of the external auditors; to review and monitor the external auditors as to whether they are independent and objective and whether their auditing procedures are valid in accordance with applicable standards; to formulate and implement policies on the engagement of external auditors to provide non-audit services; to monitor the completeness of the financial statements, annual reports and accounts, half-yearly reports of the Company, and review the material advice in respect of financial reporting as set out in the financial statements and reports; to review the financial control of the Company and review the risk management and internal control systems of the Company; to discuss the risk management and internal control systems with management to ensure that management has fulfilled its responsibilities in establishing effective systems; to conduct investigation, on its own or as delegated by the Board, on important findings of investigation on risk management and internal control matters and management’s responses to the findings; to ensure that the work of the internal and external auditors are coordinated; to ensure that the internal audit function is adequately resourced and has an appropriate status within the issuer; to review and monitor its effectiveness; to review the financial and accounting policies and practices of the Company; to review the external auditor’s management letter, any material queries raised by the auditor to management about the accounting records, financial accounts or systems of control and management’s response; to ensure that the Board will provide a timely response to the issues raised in the external auditor’s management letter; to report to the Board on the aforementioned matters; and to study other topics defined by the Board; to formulate the Company’s corporate governance policies and practices, to perform corporate governance functions, to review and monitor the corporate governance of the Company and make suggestions to the Board; to review and monitor the training and continuous professional development of Directors and the senior management personnel; to review and monitor the policies and practices of the Company in complying with laws and regulatory regulations; to develop, review and monitor codes of conduct for employees and Directors; to review the compliance with the Corporate Governance Code and disclosures in the Corporate Governance Report. In addition, the Audit and Corporate Governance Committee shall ensure that appropriate arrangements are in place for employees of the Company to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other aspects, so that the Company can conduct fair and independent investigations into such matters and take appropriate actions. At the same time, the Audit and Corporate Governance Committee serves as the principal representative between the Company and the external auditors and is responsible for overseeing the relationship between the two. The detailed terms of reference of the Audit and Corporate Governance Committee are set out in the Working Rules for the Audit and Corporate Governance Committee of the Board published on the websites of the Stock Exchange and the Company.

CORPORATE GOVERNANCE REPORT

The corporate governance policy of the Company is contained in the Articles of Association, the rules of procedure for the general meeting and the rules of procedure for the Board and other internal rules and regulations of the Company. During the year of 2025, the Audit and Corporate Governance Committee reviewed and monitored the training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, and compliance by the employees and Directors of the Company with their respective applicable code of conduct. In addition, the Audit and Corporate Governance Committee reviewed the disclosures in the corporate governance report of the Company for the year ended 31 December 2025 and reviewed the corporate governance of the Company according to its responsibilities.

In the year of 2025, the members of the Audit and Corporate Governance Committee met regularly with the senior management of the Company and external auditors and reviewed the audit reports and financial statements of the Group, and listened to the work reports from the management, financial management department, disciplinary inspection and audit department and securities legal department, and provided advice and recommendations to the management. The Audit and Corporate Governance Committee has reviewed the audited financial statements of the Group for the year ended 31 December 2025 and recommended their adoption by the Board.

In the year of 2025, the members of the Audit and Corporate Governance Committee reviewed the effectiveness of the internal control systems (including measures on financial, operational, compliance control and risk management) of the Group by reviewing the work of the internal auditing departments of the Company and the external auditors and the report by the Company on risk management and internal auditing as well as reviewing the internal audit plan of the Company, ensuring the efficiency of the business operation of the Company and achieving the goal and strategy of the Company.

As of 31 December 2025, the Audit and Corporate Governance Committee of the ninth session of the Board of the Company consisted of two independent non-executive Directors (namely Mr. Su Wujun and Ms. Mu Huihua) and one non-executive Director (namely Mr. Cai Fen). Mr. Su Wujun is the chairman of the Audit and Corporate Governance Committee. The attendance records of the members of the Audit and Corporate Governance Committee at the meetings of the Audit and Corporate Governance Committee for the year ended 31 December 2025 are as follows:

Committee members	Number of meetings entitled to attend	Attendance	Attendance rate
Mr. Su Wujun	4	4	100%
Mr. Chen Chuxuan (resigned as Director with effect from 29 September 2025)	3	3	100%
Mr. Cai Fen (appointed as Director with effect from 29 September 2025)	1	1	100%
Mr. Shen Jialong (resigned as Director with effect from 29 September 2025)	3	3	100%
Ms. Mu Huihua (appointed as Director with effect from 29 September 2025)	1	1	100%

CORPORATE GOVERNANCE REPORT

(2) Remuneration Committee

The primary duties of the Remuneration Committee are (among others): to advise the Board in respect of the remuneration policy and structure of all the Directors and senior management; to review and approve the remuneration recommendations by the management according to the corporate policies and objectives set by the Board; to recommend to the Board the remuneration packages of Directors and senior management; to assess the performance of the executive Directors; to recommend and establish annual and long-term performance criteria and targets as well as to review and supervise the implementation of all executive compensation packages and employee benefit plans of the Company; to make recommendations to the Board on the remuneration of non-executive Directors; to consider the remuneration paid by similar companies, the time commitment and responsibilities and terms of employment elsewhere within the Group; to review and approve compensation payable to executive Directors and senior management for their loss or termination of office or appointment to ensure that such compensation is consistent with the contractual terms, or, if not, it is fair and reasonable and not excessive; to review and approve compensation arrangements in respect of a director being dismissed or removed for misconduct, to ensure that such arrangements are consistent with the contractual terms; if not, such compensation is reasonable and appropriate; to ensure that any Director or any of his or her associates are not involved in deciding his or her own remuneration; and to review and/or approve matters relating to share schemes as set out in Chapter 17 of the Listing Rules. The detailed terms of reference of the Remuneration Committee are set out in the Working Rules for the Remuneration Committee of the Board published on the websites of the Stock Exchange and the Company.

As of 31 December 2025, the Remuneration Committee of the ninth session of the Board of the Company consisted of two independent non-executive Directors (namely Mr. Zhang Xiangfa and Mr. Su Wujun) and one non-executive Director (namely Mr. Yuan Dengping). Mr. Zhang Xiangfa is the chairman of the Remuneration Committee. During the year ended 31 December 2025, the Remuneration Committee convened two meetings, and mainly reviewed the implementation of the Directors' remuneration policy, the performance of the Executive Directors and the Directors' remuneration recommendations of the ninth session of the Board of the Company. During the Reporting Period, the Remuneration Committee adopted model (ii) described in provision E.1.2(c) of the CG Code, i.e. to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including non-monetary interests, pension rights and fees (including compensation for loss or termination of services or appointments).

The attendance records of the members of the Remuneration Committee at meetings of the Remuneration Committee for the year ended 31 December 2025 are as follows:

Committee members	Number of meetings entitled to attend	Attendance	Attendance rate
Mr. Zhang Xiangfa	2	2	100%
Mr. Su Wujun	2	2	100%
Mr. Chen Chuxuan (resigned as Director with effect from 29 September 2025)	2	2	100%
Mr. Yuan Dengping (appointed as Director with effect from 29 September 2025)	0	0	N/A

(3) Nomination Committee

The primary duties of the Nomination Committee are (among others): to review the structure, size and composition of the Board (including in terms of skills, knowledge and experience) at least annually and make recommendation on any proposed changes to the Board to complement the issuer's corporate strategy; to identify individuals with suitable qualifications to be director and to select or make recommendations to the Board on nominations for directorship; to assess the independence of independent non-executive Directors; and to make recommendations to the Board on the appointment or re-appointment of directors and succession plans for directors (in particular the Chairman and the Chief Executive Officer). The detailed terms of reference of the Nomination Committee are set out in the Working Rules for the Nomination Committee of the Board published on the websites of the Stock Exchange and the Company.

Factors to be considered by the Nomination Committee of the Company in searching for and screening candidates for directorship are set out as follows:

- (1) the composition and diversity of the Board, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service;
- (2) candidates' commitment in devoting sufficient time to the Board and diligent discharge of duties;
- (3) potential or actual conflict of interest if the candidates were to be appointed; and
- (4) length of the service and independence of the candidates to be re-elected as independent non-executive directors.

Procedures to be followed by the Nomination Committee of the Company in proposing nominees for directorship are set out as follows:

- (1) The Nomination Committee shall conduct personal interviews with candidates who possess adequate qualifications for holding the office of director and background check (if necessary);
- (2) The Nomination Committee shall evaluate the candidates based on the written information provided by the candidates, board diversity policy of the Company, and the Nomination Committee shall meet to discuss the nomination, put it to vote and submit the resolutions to the Board of the Company for further action;
- (3) The Board appoints directors as per the resolutions of the general meetings.

As of 31 December 2025, the Nomination Committee under the ninth session of the Board of the Company consisted of one executive Director, Mr. Zhu Fang and two independent non-executive Directors, namely Ms. Huang Yuan and Mr. Zhang Xiangfa. Mr. Zhu Fang was the chairman of the Nomination Committee. During the year ended 31 December 2025, the Nomination Committee convened one meeting to conduct a comprehensive assessment of each candidate mainly in accordance with the Company's policy on director nomination and the policy on diversity of Board members, and for the Board to recommend the Shareholders for election at the extraordinary general meeting.

CORPORATE GOVERNANCE REPORT

The attendance records of the members of the Nomination Committee at meetings of the Nomination Committee for the year ended 31 December 2025 are as follows:

Committee members	Number of meetings entitled to attend	Attendance	Attendance rate
Mr. Zhu Fang	1	1	100%
Ms. Huang Yuan	1	1	100%
Mr. Zhang Xiangfa	1	1	100%

(4) Strategy Committee

As of 31 December 2025, the Strategy Committee consisted of Mr. Zhu Fang (the chairman of the Strategy Committee), Mr. Hu Xianhua as executive Directors, and Mr. Su Wujun as independent non-executive Director.

The Strategy Committee established according to the Company's management and control requirements is mainly responsible for researching and making recommendations on the long-term development strategy and major investment decisions of the Company.

(5) Compliance Committee

The primary duties of the Compliance Committee are (among others): The Compliance Committee established according to the Company's management and control requirements is mainly responsible for supervising the compliance of the connected transactions of the Group, and making relevant recommendations in relation to the improvements to the Board; reviewing the basic compliance management system; reviewing the compliance management organization and its duties setting plan; studying major issues related to compliance management, and giving opinions or making recommendations to the Board on compliance management; providing guidance, supervision and evaluation on compliance management; supervising the development of compliance culture and implementation of compliance training of the Company; reviewing the Company's annual report on compliance management and the management review report on compliance management system; coordinating and leading the handling and rectification of major compliance risk events.

As of 31 December 2025, the Compliance Committee consisted of Mr. Zhu Fang (the chairman of the Compliance Committee) as an executive Director, Mr. Huang Wenban as an executive Director and Mr. Hu Xianhua as an executive Director. During the year ended 31 December 2025, the Compliance Committee convened two meetings, and mainly revised the working rules of the Compliance Committee and the interim measures for compliance management, and considered the management review report on compliance management system of the Company in 2025.

The Compliance Committee members' attendance records of the Compliance Committee's meetings for the year ended 31 December 2025 are as follow:

Committee members	Number of meetings entitled to attend	Attendance	Attendance rate
Mr. Zhu Fang	2	2	100%
Mr. Huang Wenban	2	2	100%
Mr. Hu Xianhua	2	2	100%

9. BOARD DIVERSITY

The Company is committed to providing equal opportunities to and does not discriminate against candidates for directorship on grounds of gender, family status, disability, nationality, race, ethnicity, age or any other factor.

The Board has adopted a board diversity policy, and the Board reviews the implementation and effectiveness of the policy annually and firmly recognizes the benefits of having a diverse Board to enhance the quality of its performance. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. Members of the Nomination Committee consider the Board diversity in accordance with the board diversity policy from several aspects, including but not limited to gender, age, educational background, professional experience, skills, knowledge and length of service. The ultimate recommendation on appointments will be made by the Nomination Committee to the Board based on the merits of candidates and contributions that the selected candidates will bring to the Board and then the Board will submit relevant proposals on the recommended appointments to general meetings for approval.

Currently, the Company already has two female Directors sitting on the Board and has achieved gender diversity on the Board level. Nonetheless, the Board has set down its goals to appoint more females in the coming future as Board members as part of its effort to achieve diversity, subject to our business development needs and merits of the candidates. The Nomination Committee will continue to monitor and actively consider different aspects of diversity in the boardroom and recommend further actions or plans to the Board when necessary.

10. STAFF DIVERSITY

The Group operates in a historically male-dominated industry. As of 31 December 2025, the Group had 6,860 employees, of which approximately 25.04% were female employees and all senior management were male. Taking into account the characteristics of the industry in which the Group operates and the operational needs of the Group, the Board considers that the current gender ratio of the Group's staff is appropriate. Although this is common in the industry, the Group attaches great importance to the issue of gender diversity among employees and has taken active measures to promote related work. The Group always adheres to the principles of fairness and impartiality in employment, ensuring that all employees have equal opportunities in recruitment, promotion and other aspects. The selection criteria are strictly based on their capabilities, skills and work experience, while also valuing the alignment between employees' values and our corporate culture. The Group is committed to creating a more inclusive and diverse work environment and provides more flexible work schedules specifically for employees who need to take care of their families to support them in achieving a balance between work and family. The Group currently does not have any plans or measurable targets to further expand gender diversity at the employee level, but the Directors will regularly reflect on the Company's employment culture and review whether it remains in line with the Company's mission, values and strategies in the ever-changing environment. In the future, the Group will continue to strive to increase the proportion of female employees, ensure that they have equal opportunities for career growth and promotion and further promote gender diversity within the Group. As of the date of this report, the Group is not aware of any factors and circumstances that make achieving gender diversity among its workforce, including senior management, more challenging or irrelevant.

CORPORATE GOVERNANCE REPORT

SUPERVISORY COMMITTEE

Resolutions in relation to the abolition of the Supervisory Committee and amendments to the Articles of Association were passed at the 2025 second extraordinary general meeting of the Company convened on 29 September 2025, and with effect from the conclusion of the extraordinary general meeting, the Company no longer maintains a Supervisory Committee or Supervisors, and all Supervisors ceased to serve as Supervisors of the Company.

FEES OF THE EXTERNAL AUDITOR

The Company has appointed BDO CHINA Shu Lun Pan Certified Public Accountants LLP as the independent auditor of the Company. The fees for the audit and non-audit services provided by the above auditor to the Group for the year ended 31 December 2025 amounted to RMB4,176,000 (tax inclusive), including audit service fees of RMB3,550,000 and non-audit service fees of RMB626,000 (including interim review fees and professional service fees relating to the circular).

The statement of the Company's auditor concerning its responsibilities in the financial statements of the Company is set out in the Auditor's Report of this annual report.

The Company has received confirmation of independence from the external auditor. The Board and the Audit and Corporate Governance Committee have no disagreement with respect to the appointment of external auditor.

COMPANY SECRETARY

As at 31 December 2025 and the date of this report, Ms. Zhang Li served as the company secretary of the Company and was responsible for, amongst other things, ensuring that the Group complied with all obligations imposed by the Listing Rules and the Code on Takeovers and Mergers and Share Buy-backs.

Ms. Zhang currently serves as the general counsel, the manager of the securities and legal department (Board Office) of the Company. Ms. Zhang is also a director of Yueyun Transportation (HK) Company Limited (粵運交通股份(香港)有限公司). Ms. Zhang joined the Company in March 2001 and has worked as the deputy manager of the securities department. Prior to joining the Company, Ms. Zhang worked in the securities department of Guangzhou Economic and Technological Development Zone International Trust and Investment Company (廣州經濟技術開發區國際信託投資公司). Ms. Zhang obtained a bachelor's degree in economics from Huazhong University of Science and Technology (華中理工大學) in 1993 and obtained a master's degree in economics from Jinan University (暨南大學) in 2002. She has obtained professional qualification as a senior economist.

During the year, Ms. Zhang had complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

GENERAL MEETINGS

1. SHAREHOLDERS' RIGHTS

The general meeting is the highest authority of the Company. The general meetings of the Company have complied with the relevant legal formalities to ensure participation of Shareholders and the exercise of their powers. The Company highly values the functions of the general meetings and therefore encourages all Shareholders to attend the general meetings, which serve as a direct and effective communication channel between the Board and the investors of the Company. The Articles of Association expressly provides for the rights of the Shareholders, including the right to attend, to receive notices, and to vote in general meetings.

Shareholders who request to convene an extraordinary general meeting or class general meeting shall comply with the following procedures:

- (1) Shareholders individually or collectively holding more than 10% of the Company's shares (excluding treasury shares) may request the Board to convene an extraordinary general meeting, and such request shall be submitted to the Board in writing. In accordance with laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, the listing rules of the stock exchange where the Company's shares are listed and the provisions of these Articles of Association, the Board shall, within ten days upon receipt of the request, provide written feedback stating its agreement or disagreement to convene an extraordinary general meeting.

Where the Board agrees to convene an extraordinary general meeting, it shall issue a notice of the general meeting within five days after the Board resolution is made. Any changes to the original request in the notice shall be subject to consent of the relevant shareholders.

- (2) Where the Board disagrees to convene an extraordinary general meeting or fails to provide feedback within ten days upon receipt of the request, shareholder(s) individually or collectively holding more than 10% of the Company's shares (excluding treasury shares) may propose to the Audit and Corporate Governance Committee to convene an extraordinary general meeting, and such request shall be submitted to the Audit and Corporate Governance Committee in writing.

If the Audit and Corporate Governance Committee agrees to convene an extraordinary general meeting, it shall issue a notice of the extraordinary general meeting within five days upon receipt of the request. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

- (3) Failure of the Audit and Corporate Governance Committee to issue a notice of the general meeting within the specified period shall be deemed as the Audit and Corporate Governance Committee not convening and presiding over the general meeting. Shareholders individually or collectively holding more than 10% of the Company's shares (excluding treasury shares) for more than 90 consecutive days may convene and preside over the meeting on their own.

For Shareholders who convene a general meeting by themselves due to the failure of the Board to hold a general meeting in response to the aforesaid request, all reasonable expenses incurred consequently shall be borne by the Company.

CORPORATE GOVERNANCE REPORT

At the general meeting convened by the Company, Shareholders who individually or in aggregate hold more than 1% of the total number of shares of the Company with voting rights are entitled to propose new motions in writing to the Company, and the Company shall include proposed items within the terms of reference of a general meeting in the agenda of such meeting. However, such proposal is required to be duly served on the Company 10 days prior to the aforesaid meeting. Shareholders who submit the proposal shall comply with the following conditions: the content of the proposal shall not violate any requirements of laws and regulations and shall be within the scope of the operations of the Company and the terms of reference of the general meeting; the proposal shall contain explicit topics and specific resolutions; and the proposal shall be submitted to or duly served on the Board in writing. Shareholders may submit the above proposal by way of telephone at 8620-32318115, fax at 8620-32318150 or email at zqb@gdyueyun.com.

Voting shall be made by way of poll based on the number of shares at general meetings and the Company's Hong Kong Share Registrar shall act as the scrutinizer. Voting results shall be published on the websites of the Company and the Stock Exchange.

The Company attaches great importance to communication with Shareholders. Shareholders may submit questions and opinions to the Board through the Company Secretary of the Company by telephone at 8620-32318115, fax at 8620-32318150 or email at zqb@gdyueyun.com.

2. THE 2024 ANNUAL GENERAL MEETING HELD ON 30 JUNE 2025

On 30 June 2025, the Company held the 2024 Annual General Meeting, at which the Shareholders considered and approved six ordinary resolutions as follows:

- (1) the Directors' Report for the year ended 31 December 2024;
- (2) the Supervisors' Report for the year ended 31 December 2024;
- (3) the Auditor's Report and audited financial statements for the year ended 31 December 2024;
- (4) the payment of a final dividend of RMB0.09 per share (tax inclusive) for the year ended 31 December 2024;
- (5) the appointment of BDO CHINA Shu Lun Pan Certified Public Accountants LLP as the auditor of the Company, and grant of authorization to the Board to determine its remuneration; and
- (6) the grant of authorization to the Board to determine the remuneration of the Directors, Supervisors and management;

All resolutions proposed to the Shareholders have been passed. The full text of the aforesaid resolutions and the voting results have been published on the websites of the Company and the Stock Exchange.

3. EXTRAORDINARY GENERAL MEETING

On 23 January 2025, the Company held the 2025 first extraordinary general meeting, at which the Shareholders considered and approved one ordinary resolution as follows:

- (1) To consider and approve the appointment of Ms. Wang Xiaobing as a shareholder representative supervisor of the Company.

The resolution proposed to the Shareholders has been passed. The full text of the aforesaid resolution and the voting results have been published on the websites of the Company and the Stock Exchange.

On 29 September 2025, the Company held the 2025 second extraordinary general meeting, at which the Shareholders considered and approved two ordinary resolutions and one special resolution as follows:

- (1) To consider and approve the election of Directors of the ninth session of the Board of the Company;
- (2) To authorise the Board to determine the remuneration of the Directors; and
- (3) To abolish the Supervisory Committee and amend the Articles of Association and Rules of Procedure.

The resolution proposed to the Shareholders has been passed. The full text of the aforesaid resolution and the voting results have been published on the websites of the Company and the Stock Exchange.

On 18 December 2025, the Company held the 2025 third extraordinary general meeting, at which the Shareholders considered and approved two ordinary resolutions as follows:

- (1) THAT the Proposed Annual Caps relating to the transactions contemplated under the Subcontracting Arrangements entered into pursuant to the First Right of Operation Agreement between the Company and Guangdong Provincial Communication Group Company Limited in the respective amounts RMB376,307,000, RMB425,704,000, RMB436,333,000 for each of the three years ending 31 December 2026, 2027 and 2028, respectively, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and THAT any one Director be and is hereby authorised for and on behalf of the Company to execute and deliver all such documents, instruments and agreements and to take all such steps as he or she considers necessary, desirable or expedient to implement and/or give effect to the Subcontracting Arrangements and the transactions contemplated thereunder.
- (2) THAT the renewal of the Rescue Services Entrustment Master Agreement dated 30 September 2013 between the Company and Guangdong Provincial Communication Group Company Limited and the transactions contemplated under it be and are hereby approved, ratified and confirmed; and THAT the proposed annual caps of the transactions contemplated under the Rescue Services Entrustment Master Agreement in the respective amounts of RMB314,328,000, RMB316,117,000 and RMB317,924,000 for the three years ending 31 December 2026, 31 December 2027 and 31 December 2028, be and are hereby approved; and THAT any one Director be and is hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to take all steps as are necessary or expedient to implement and/or give effect to the Rescue Services Entrustment Master Agreement.

The resolution proposed to the Shareholders has been passed. The full text of the aforesaid resolution and the voting results have been published on the websites of the Company and the Stock Exchange.

RISK MANAGEMENT AND INTERNAL CONTROL

1. THE MANAGEMENT SYSTEM AND STRUCTURE

The Company and its subsidiaries have established a risk management system in accordance with the internal rules and regulations relating to risk prevention and management such as the Risk Management and Internal Control Management Measures. When performing their work duties, the management, each of the business departments and the staff are required to strictly comply with relevant corporate rules and workflows and shoulder responsibility for their conduct and performance. The Company's risk management and internal control systems are designed to manage significant risks rather than to eliminate risks of failure to achieve business objectives and can provide reasonable and not absolute assurance that the Company will not have material misstatement or significant losses.

The Board is the highest decision-making body for the Company's risk management work and is responsible for the development of the internal control system and the effective implementation of internal control rules; the Audit and Corporate Governance Committee is responsible for reviewing the corporate internal control and supervising the implementation of the internal control system, and supervising the establishment and implementation of internal control by the Board and the daily conduct of internal control by the management; the management of the Company is responsible for the daily conduct of internal control. The Company has established the Risk Control Office, which is responsible for taking the lead in advancing specific risk control works. The discipline inspection and audit department serves as the Company's internal control evaluation and audit function and is responsible for the deployment of monitoring, evaluation and services functions in respect of the effectiveness and efficiency of the Company and its units, such as subsidiaries, staff and their operational and administrative behaviors in the process of internal control, corporate governance and risk management.

The Audit and Corporate Governance Committee held four meetings in 2025 to hear reports on the Company's financial audit, financial analysis report, major contract performance management, summary of internal audit work for 2024 and work plan for 2025, internal control evaluation report of the Company for 2024, the five-year plan for the internal audit work of the Company (2026-2030), risk management and internal audit work for the period ended 31 December 2024 and 30 June 2025. It also reported to the Board on the design and operational effectiveness of the Company's internal control systems. The Board conducts at least one comprehensive annual review of the Company's overall risk management and internal control systems, covering all material controls, including financial, operational and compliance controls, for the entire year of 2025. The Directors consider that the Company has established a sound internal control system with sufficient and effective measures to monitor its operations and mitigate potential risks.

Having considered the resources, qualifications and experience of the staff and staff training of the Company's accounting and financial reporting functions, internal control functions and the performance in environmental, social and governance, the Directors consider that the Company's internal control system is adequate and effective, with sufficient measures in place to monitor and manage the Company's business and mitigate potential risks, covering all material controls, including financial, operational and compliance controls.

2. FINANCIAL CONTROL

According to the actual operating environment and business conditions, the Company focused its efforts on the development of the overall risk management system in respect of its financial control and carried out strict and effective control and management in combination of external auditor and internal financial risk control.

The Company is responsible for the truthfulness and completeness of the financial statements. In addition, the Company has engaged external auditors with a good reputation and strong professionalism through a public tender to audit its financial statements. The auditor has issued standard unqualified audit reports over the years.

The auditor engaged by the Company conducted the audit in accordance with the professional standards and proposed management recommendations on their observations during the course of audit. With these management recommendations, the Company took measures to improve business operation, enhance risk control and prevent risk.

The Company attaches great importance to its financial internal control, formulates an optimized financial rule and system and developed a financial system mechanism. The Company fully implements the financial control requirements through various aspects such as risk identification, risk measurement and risk control.

Through comprehensive budget management, the Group arranges to adjust its operation plan in due time by comparing its operating results with the budget targets to improve the operational efficiency of its funds and reduce its operation and management risks. The Company carries out various processes towards investment projects, such as feasibility studies, tender and settlement upon completion to strictly control the lawfulness and reasonableness of fund usage. It also established a specific ledger to control the budget of fund management and its usage.

3. LEGAL AFFAIRS MANAGEMENT AND COMPLIANCE CONTROL

In the ordinary course of the Company's operations, external expansion and information disclosure, the Company strictly abides by relevant laws and regulations and regulatory requirements to have legal affairs management and compliance and regulation go through all processes of the Company from decision, execution to supervision and cover or even permeate all procedures and all aspects of the Company's operation and management. In addition to the engagement of its standing legal advisors, the Company also has in place a legal affairs department and designated legal personnel to provide compliance opinions on its significant operational decisions and the entering into of contracts. In 2025, the legal review rate of business contracts, management rules and major events was 100%. With regards to significant investment and operation decisions, the Group engages specialized legal advisor to perform due diligence with the aim of giving legal opinions to ensure compliance with laws and regulations of the Company's operation and management, safety of its assets, truthfulness and completeness of its financial reports and the relevant information.

CORPORATE GOVERNANCE REPORT

4. RISK MANAGEMENT

The Company comprehensively tests out and optimizes important procedures in accordance with the Risk Management and Internal Control Management Measures, including but not limited to the Group's funding activities, purchasing business, asset management, sales business, research and development, engineering project, guarantee business, business outsourcing, financial report and overall budget; manages and controls key points of risk; proposes rectification opinions on the existing problems found during the process of risk inspection and follows the rectification for ensuring that the problems can be rectified effectively; meanwhile, the Company continues to update "risk events database" for controlling the risk from the origin.

The Company has formulated the Internal Guidance on Information Disclosure and the Management Measures for Confidentiality and Registration of Inside Information. The Company handles and disseminates inside information according to the procedures stipulated in the Internal Guidance on Information Disclosure and manages information insiders to cause them to comply with their confidentiality obligations according to the Management Measures for Confidentiality and Registration of Inside Information.

In order to achieve risk transfer, the Company has made appropriate insurance arrangements for relevant businesses and assets and maintains responsibility insurance for directors and senior management pursuant to the Listing Rules, so as to safeguard the potential personal legal liabilities of the Company's directors and senior management.

Acting on the Provincial SASAC's call to advance compliance management and in line with the Provincial Transportation Group's 2025 compliance work plan, the Group has commenced the standards certification of its compliance management system in accordance with ISO 37301:2021 and GB/T 35770-2022 standards. Throughout the year, the Group revised, formulated, and issued more than 50 policies, including the Interim Measures for Compliance Management. It conducted a thorough review of compliance obligations and risk registers across all departments, defined key positions and their corresponding compliance responsibilities, and compiled and issued the Compliance Manual. These efforts have strengthened the institutional foundation and clarified accountability boundaries. By convening a compliance certification kick-off meeting, delivering tailored compliance training, and facilitating the study of compliance documentation, the Group actively promoted compliance management standards, corporate compliance policies, and a culture of compliance, thereby fostering a company-wide atmosphere of compliance. Furthermore, a 22-member compliance management team was established, with every member qualifying as an internal compliance auditor. Following the successful completion of the internal audit and management review of the compliance management system, the Group underwent an on-site audit by a third-party certification body on 24 September 2025, and was formally awarded compliance management system certification. This milestone signifies that the Group has established a fully operational, effective compliance management system encompassing all business areas and processes, thereby laying a solid foundation for lawful and compliant operations.

5. INTERNAL AUDIT

In 2025, in line with the development requirements of the Company's "14th Five-Year Plan" strategic plan, the Company continued to increase audit supervision around annual work goals set by the party committee and the Board of the Company and the five-year plan for internal audit work. The Group completed a total of 26 audit projects throughout the year, including 9 economic responsibility audits, 15 special audits, 2 internal control evaluations, achieving full coverage of audit supervision. Meanwhile, the Group also made great efforts to carry out audit rectifications, promoted the transformation of audit results, linked the completion rate of audit rectification of affiliated entities in 2024 with business performance assessment, incorporated it into evaluation and control indicators for deduction of points and improved the effectiveness of audit rectification through assessment, forming a long-term mechanism for audit rectification. In 2025, deduction of points was made in respect of two enterprises under assessment whose completion rate of audit rectification did not reach 100%.

INFORMATION DISCLOSURE AND INVESTOR RELATIONS

As disclosed above, the Company reviewed and approved the resolution to amend the Articles of Association at the 2025 second extraordinary general meeting held on 29 September 2025. These amendments are to ensure that the Articles of Association complies with the latest regulatory requirements and internal governance requirements. During the year ended 31 December 2025, the major amendments were as follows:

To comply with the relevant requirements under the laws and regulations, the amendments also include: (i) the abolition of the Supervisory Committee together with the clarification of the functional role of the Audit and Corporate Governance Committee; (ii) further clarification of the roles and authorities of the Directors and the Board; and (iii) other minor amendments to the Articles of Association to update outdated references and to correct inconsistencies with the wording of relevant PRC laws and administrative regulations. The amendments also include other revisions to the existing articles based on the Company's actual operational needs. Details of the amendments are set out in the announcement dated 9 September 2025 and circular of the Company dated 29 September 2025.

Shareholders and investors are advised to note that the currently effective Articles of Association of the Company has been uploaded on the website of the Stock Exchange on 29 September 2025.

In respect of any disclosable and significant event (including inside information of the Company), the Company makes accurate and complete information disclosure through publication of announcements, notices, circulars, interim and annual reports in a timely manner on the websites of the Stock Exchange and the Company under the disclosure requirements of the Listing Rules to ensure the right to information of the Shareholders.

The Company has established a dedicated team responsible for investor relations to maintain communication with investors and review the implementation and effectiveness of the Shareholder Communication Policy of the Company in a timely manner. The Company places strong emphasis on communication with investors and considers that maintaining on-going and open communications with investors could enhance investors' understanding of and confidence in the Company as well as improving its corporate governance standards. The Company actively strengthens the investor relationship management and constantly communicates with investors and analysts admittedly and sufficiently as well as maintains close communications with analysts, fund managers and investors through different channels, such as results press conferences, non-deal roadshows, strategic conferences, company research and teleconference, so that investors can have a better understanding of the Company's management philosophy, operating environment and development strategies. As such, the Board believes that the Company's shareholder communication policy is effective.

DIRECTORS' REPORT

The Board presents the Directors' Report for the year ended 31 December 2025 together with the audited financial statements of the Group for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Group is principally engaged in the transportation services business. The Company is an investment holding company and details of the principal activities of its principal subsidiaries are set out in Note VII 1 to the financial statements.

BUSINESS REVIEW

A fair review of the Group's business, which includes a performance analysis of the Group during the year, a description of the principal risks and uncertainties facing the Group, events that have significant effects on the Group, and indication of likely future development in the Group's business, is set out in the sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Investment Value of the Company" of this annual report.

RESULTS AND CONSOLIDATED FINANCIAL STATEMENTS

The Group's results for the year ended 31 December 2025 are set out in the consolidated income statement. The financial highlights of the Group for the year ended 31 December 2025 are set out on pages 5 to 6 of this annual report, and the results and financial position for the year ended 31 December 2025 prepared in accordance with the Accounting Standard for Business Enterprises issued by the Ministry of Finance of the PRC and the relevant regulations (the "ASBE") are set out on pages 98 to 113 in the audited financial statements of this annual report.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the year ended 31 December 2025 as well as the past five financial years are set out on page 38 of this annual report.

DIVIDEND POLICY

The Company is committed to realizing long-term and sustainable development. After taking into comprehensive consideration of factors including the Company's actual conditions, development planning, Shareholders' requirements and intentions, social capital cost and external financing conditions, as well as taking into full account of factors such as current and future profitability, cash flow position, current stage of development, funding needs and financing planning, the Company shall establish a continuous, stable and scientific return planning and mechanism for investors, and thereby formulating institutional arrangements for dividend distribution to ensure the continuity and stability of the dividend distribution policies.

The specific amount and ratio for the dividend payout of the Company are subject to shareholder's approval, current and future funding needs of the Company, corporate plans, cash flow, financial position and dividends received from subsidiaries and restrictions of the relevant laws and regulations.

DIVIDEND

On 12 March 2026, the Board proposed the payment of a final dividend for 2025 of RMB0.09 per ordinary share (tax inclusive). As of the date of this report, the total number of issued shares of the Company was 799,847,800 shares. Based on this, the total proposed cash dividend is RMB71.99 million (tax inclusive), representing 30.58% of the consolidated net profit attributable to the shareholders of the parent company for the year 2025. The proposed 2025 final dividend is subject to approval by the shareholders at the 2025 annual general meeting of the Company ("2025 AGM"), which is expected to be held before the end of June 2026. If approved by the shareholders, the 2025 final dividend is expected to be paid to the eligible shareholders on or before 30 September 2026 (excluding Saturdays, Sundays or public holidays in Hong Kong or China).

As the date of the Company's 2025 annual general meeting has not yet been determined, the record date for determining attendance and voting at the 2025 annual general meeting, as well as the record date for entitlement to the final dividend (the "Record Date for the Final Dividend") and the specific arrangements for the book closure period, will be set out in the notice of the 2025 annual general meeting to be published once such information is confirmed.

According to the provisions of Enterprise Income Tax Law of the People's Republic of China 《中華人民共和國企業所得稅法》 and the Regulations on the Implementation of the Enterprise Income Tax Law of the People's Republic of China 《中華人民共和國企業所得稅法實施條例》 adopted in 2008, the Company shall be obliged to withhold and pay 10% enterprise income tax when it distributes the 2025 Final Dividend to the non-resident enterprise shareholders of overseas H shares (including HKSCC Nominees Limited, other corporate nominees or trustees, or other entities and organisations) whose names appear on the Company's H share register of members on the Record Date for the Final Dividend.

According to the Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policy Issues Regarding Individual Income Tax (Cai Shui Zi [1994] No. 020) 《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》(財稅字[1994]020 號), individual shareholders of H shares whose names appear on the Company's H share register of members on the Record Date for the Final Dividend and whose registered addresses are located in Hong Kong or outside the PRC are exempt from individual income tax of the PRC when distribution of the 2025 Final Dividend is made.

According to Individual Income Tax Law of the People's Republic of China 《中華人民共和國個人所得稅法》 and its implementation regulations, the Company shall withhold and pay individual income tax of the PRC of 20% when it distributes the 2025 Final Dividend to individual shareholders of H shares whose names appear on the Company's H share register of members on the Record Date for the Final Dividend and whose registered addresses are located in the PRC.

The above-mentioned relevant taxation laws and regulations shall be interpreted by the relevant local taxation authority and shall be amended from time to time. Shareholders are advised to seek advice from their taxation consultants in relation to taxation impacts in the PRC and Hong Kong and other matters arising from the ownership and disposal of the H shares.

The directors of the Company are not aware of any circumstances in which shareholders have waived or agreed to waive any dividend arrangement.

MAJOR SUPPLIERS AND CUSTOMERS

For the year ended 31 December 2025, the Group's five largest suppliers accounted for 66% of the Group's total purchases, and the Group's five largest customers accounted for 7% of the Group's total sales.

For the year ended 31 December 2025, the largest supplier of the Group accounted for 23% of the Group's total purchases. For the year ended 31 December 2025, the largest customer of the Group accounted for 3% of the Group's total sales.

In 2025, none of the Directors, the Supervisors or their respective associates or any Shareholders of the Company who, to the best knowledge of the Directors, held more than 5% of the issued shares of the Company (excluding treasury shares), had any interest in the five largest suppliers or the five largest customers of the Group during the year.

DIRECTORS' REPORT

RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 December 2025 and details of the distributable reserves of the Company as at 31 December 2025 are set out in Note V 38 to the financial statements prepared in accordance with the ASBE.

STATUTORY RESERVE FUNDS

Details of the statutory reserve funds are set out in Note V 37 to the financial statements prepared in accordance with the ASBE.

INVESTMENT PROPERTIES AND FIXED ASSETS

Particulars of the movements in investment properties and fixed assets of the Group and the Company during the year ended 31 December 2025 are set out in Note V 10 and 11 to the financial statements.

RELATIONSHIP WITH EMPLOYEES

Upholding the “people-oriented” corporate culture, the Group respects every employee, advocates equal employment, offers reasonable remuneration and protects employees’ legitimate rights and interests in accordance with the laws.

Adhering to the talent concept of “talent-oriented, enabling talents to shine and achieving talents’ dreams”, the Company strives to provide every employee with a good working environment, a sound protective system for remuneration and benefits, a broad space for career development, multi-layer training sessions and rich recreational activities, enabling employees to work and live happily during their achievement of their own value.

To grow together with its employees, the Group has established a sound system and working mechanism for employees’ career development, and a professional selection and employment path for talents and reserve talents echelon.

While improving the Group’s performance continuously, we participate in social insurance and housing fund in accordance with relevant policies, deepen the reform on income allocation system according to the management concepts of “post-oriented salary, pay for performance, promotion of capability development and gradual integration with the market”, respect and promote personal development. The Group endeavours to raise employees’ remuneration and income level, with the growth of salary and income inclining to first-line positions and core key positions and boosts the simultaneous development of the Company and its employees.

RELATIONSHIP WITH SUPPLIERS AND CUSTOMERS

The Group values long-standing relationships with its suppliers and customers. The Group aims to deliver high quality services to its customers and fulfill promises faithfully. The Group develops mutual trust and enhances communication and commitment with its suppliers, regulates the supplier management system and improves the mechanism regarding access and exit of suppliers.

ENVIRONMENTAL POLICY AND PERFORMANCE

The Group is always committed to energy saving and consumption reduction, continues to enhance environmental protection performance, and accomplishes comprehensive planning, continued investment, structural adjustment, management intensification and the construction of a green and low-carbon transportation system and achieves the sustainable development of the enterprise.

The Group abides by laws, regulations, standards and other provisions relating to environmental protection. For achieving green and low-carbon transportation, we formulate an emission reduction system scientifically based on the green concept, keep optimizing our operation and management models and introducing advanced environmental-friendly technologies, and promote harmonious development between business operations and environment. Meanwhile, we regularly conduct publicity activities on energy-saving and environmental protection to enhance the awareness of environmental protection among employees.

We always believe that the biggest contribution to the environment is minimizing the impact of transportation vehicles operated by us, to reduce the emissions of pollutants. Therefore, we are committed to optimizing our management system, reforming and upgrading our technologies, with a view to lowering the emissions of exhaust gas and greenhouse gases generated from operation through proper emission controls and continuous upgrading of technologies. Adhering to the concept of minimizing the damage to the external environment and the impact on society, the Company endeavours to minimize the emissions into the environment generated from production and operation.

For details about the environmental policies and performance of the Group, please refer to the "2025 Environmental, Social and Governance Report" issued by the Company at the same time of the publication of the 2025 annual report of the Company. The Company's 2025 Environmental, Social and Governance Report was published in electronic form only under the Information Disclosure section of the Company's website at <http://www.gdyueyun.com> and is also available on the website of HKEX at www.hkexnews.hk.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

The Company is a joint stock limited company established under the Company Law of the People's Republic of China. The Group is principally engaged in the transportation services business. The Group is required to comply with the Company Law of the People's Republic of China, the Civil Code of the People's Republic of China, the Road Transportation Safety Law of the People's Republic of China, the Tendering and Bidding Law of the People's Republic of China and all other applicable laws and regulations during our normal operating activities. There was no material breach nor non-compliance with the applicable laws and regulations by the Group for the year ended 31 December 2025. The Company and its subsidiaries have obtained all significant licenses, approvals and permits for the operation of business from relevant regulatory authorities.

As the Company is listed on the Stock Exchange, and the Group operates cross-border transportation business between Guangdong Province and Hong Kong, as far as the Board and management are aware, for the year ended 31 December 2025, the Group has also complied with the Listing Rules, Hong Kong Companies Ordinance, the Securities and Futures Ordinance and applicable laws and regulations in Hong Kong.

The Group has established a relatively well-developed internal control mechanism and system to supervise and ensure compliance with laws and regulations of the business operations.

COMPETING INTEREST

None of the Directors has any interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

DIRECTORS' REPORT

DIRECTORS

The Directors who were in office during the year ended 31 December 2025 and up to the date of this report are as follows:

Name	Date of Appointment as Director	Date of Resignation as Director
Executive Directors		
Mr. Zhu Fang	31 August 2022	N/A
Mr. Huang Wenban	22 December 2020	N/A
Mr. Hu Xianhua	31 August 2022	N/A
Mr. Hu Jian	15 June 2023	23 December 2025
Employee Directors		
Mr. Hu Jian	23 December 2025	N/A
Non-executive Directors		
Mr. Chen Chuxuan	17 June 2019	29 September 2025
Mr. Yuan Dengping	29 September 2025	N/A
Mr. Cai Fen	29 September 2025	N/A
Independent Non-executive Directors		
Mr. Su Wujun	31 August 2022	N/A
Ms. Huang Yuan	31 August 2022	N/A
Mr. Shen Jialong	31 August 2022	29 September 2025
Mr. Zhang Xiangfa	31 August 2022	N/A
Ms. Mu Huihua	29 September 2025	N/A

INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received the letter of annual confirmation issued by each of the independent non-executive Directors as to his independence pursuant to Rule 3.13 of the Listing Rules. All of the four independent non-executive Directors are considered by the Company as independent parties.

During the period of their current term of office as independent non-executive Directors, Mr. Su Wujun, Ms. Huang Yuan, Mr. Zhang Xiangfa and Ms. Mu Huihua provided the Board with objective opinions and independent guidance, which indicated that they possessed the required experience and independence to discharge their responsibilities. The Board has evaluated and reviewed their annual confirmation of independence pursuant to the independence criteria as set out in Rule 3.13 of the Listing Rules, which confirmed that they have complied with the independence requirement.

BIOGRAPHIES OF DIRECTORS AND MEMBERS OF THE SENIOR MANAGEMENT

The biographies of Directors and members of the senior management of the Company as at the date hereof are set out on pages 39 to 43 in this annual report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, none of the directors or chief executive officer of the Company had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company or any of its associate corporations (within the definition of Part XV of the Securities and Futures Ordinance) which was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (including interest and short position which any such Director or chief executive officers is taken or deemed to have under such provisions of the Securities and Futures Ordinance) or which was required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the Securities and Futures Ordinance or which was otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code as contained in Appendix C3 to the Listing Rules.



DIRECTORS' REPORT

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year ended 31 December 2025 was the Company, its subsidiaries, its fellow subsidiaries or its holding company a party to any arrangements to enable the Directors, Supervisors or senior management officers of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

REMUNERATION OF THE DIRECTORS, SENIOR MANAGEMENT AND FIVE HIGHEST PAID INDIVIDUALS

Details of the remuneration of the Directors and Supervisors of the Company and the five highest paid individuals of the Group are set out in Note X 5 to the financial statements prepared in accordance with the ASBE. There were no arrangements under which a Director or Supervisor had waived or agreed to waive any remuneration in respect of the year ended 31 December 2025. Pursuant to E.1.5 of the CG Code, the range of remuneration of the members of the senior management (including the executive Directors) as of 31 December 2025 is set out below:

Range of Remuneration (RMB/year)	Number of persons
Below 300,000	2
300,000 to 500,000	2
500,000 to 700,000	7
700,000 above	1

SERVICE CONTRACTS OF DIRECTORS

The Company had entered into service contracts with each of the Directors.

As at 31 December 2025, no Director had entered into any service contract with the Company or any of its subsidiaries that is not terminable by the Company within one year without payment of compensation (other than statutory compensation).

Management Contracts

Reference is made to the announcement of the Company dated 20 December 2023 in relation to, among other things, the Taiping Interchange Management Agreement entered into between the Company and Guangdong Humen Bridge Co., Ltd. ("Humen Bridge Company", a joint venture of the Transportation Group in which the Transportation Group indirectly holds 50% equity interest). Pursuant to the Taiping Interchange Management Agreement, Humen Bridge Company agreed to provide entrusted toll collection and other operation and management services for the Taiping Interchange to the Company for a term of three years from 1 January 2024 to 31 December 2026.

Reference is made to the announcement of the Company dated 30 January 2026 in relation to, among other things, the supplemental agreement to the Taiping Interchange Management Agreement entered into between the Company and Humen Bridge Company. Pursuant to the supplemental agreement, Humen Bridge Company agreed to provide additional services to the Company from 30 January 2026 until the actual expiry date of the operation period of the Taiping Interchange project (being no later than 31 December 2027), including maintenance management, safety management, cost consulting for construction works, and the daily maintenance management of fixed assets and intangible assets of the Taiping Interchange.

Save that Mr. Yuan Dengping, a non-executive Director of the Company, serves as the chief legal counsel of the Transportation Group, and Mr. Cai Fen, a non-executive Director of the Company, serves as the deputy head of the investment management department of the Transportation Group, none of the Directors or shadow directors of the Company has any material interest in the above management contracts.

Save as disclosed above, no contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or subsisted during the year ended 31 December 2025.

INTERESTS OF DIRECTORS IN CONTRACTS

Except for service contracts entered into with the Company, and those set out in the section headed "Continuing Connected Transactions" and note X to the consolidated financial statements in this report, neither the Company nor any of its subsidiaries had any other transaction, arrangement, or contract of significance during the Reporting Period, and none subsisted at the end of the Reporting Period, in which any director of the Company or any entity connected with such directors had or has a material interest, whether directly or indirectly.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Continuing Connected Transactions" and note X to the consolidated financial statements in this report, there was no other contract of significance entered into between the Company or any of its subsidiaries and the controlling Shareholders or any of its subsidiaries during the year ended 31 December 2025, and no contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling Shareholder or any of its subsidiaries was entered into during the year ended 31 December 2025.

EQUITY-LINKED AGREEMENTS

The Company has not entered into any equity-linked agreements during the year ended 31 December 2025 or has entered into any equity-linked agreements which subsisted at the end of the year ended 31 December 2025.

PERMITTED INDEMNITY PROVISIONS

In 2025, the Company had made an appropriate insurance arrangement in respect of costs associated with legal proceedings that may be brought against its Directors, Supervisors and senior management arising from negligence in the course of performing their duties. These provisions are valid during the year ended 31 December 2025 and remain to be valid as at the date of this report.

BOARD COMMITTEES

The Company has established the Audit and Corporate Governance Committee, the Remuneration Committee, the Nomination Committee, the Strategy Committee and the Compliance Committee. For details of the board committees, please refer to the relevant contents of the section headed Corporate Governance Report as set out in this annual report.

DIRECTORS' REPORT

CONNECTED TRANSACTION

On 22 January 2025, the Company and Kee Kwan entered into the Equity Transaction Agreement, pursuant to which the Company conditionally agreed to sell and Kee Kwan Motor Road Co., Ltd. conditionally agreed to acquire 100% equity interest in Zhuhai Gongyun Coach Terminal Co., Ltd. held by the Company at a consideration of RMB25,096,100. GCGC is the controlling shareholder of the Company as it, directly and indirectly, holds approximately 74.12% of the total issued share capital of the Company. Therefore, GCGC is a connected person of the Company under the Listing Rules. Kee Kwan Motor Road Co., Ltd. is a wholly-owned subsidiary of GCGC and therefore is also a connected person of the Company. Prior to the completion of the disposal, the Company holds 100% of the equity interest in Zhuhai Gongyun Coach Terminal Co., Ltd.. Upon completion of the disposal, the Company ceases to have any interest in Zhuhai Gongyun Coach Terminal Co., Ltd.. Consequently, Zhuhai Gongyun Coach Terminal Co., Ltd. ceases to be a subsidiary of the Company and its financial results, assets and liabilities are no longer consolidated into the consolidated financial statements of the Group. Please refer to the announcement of the Company dated 22 January 2025 for details of the specific terms of the Equity Transaction Agreement and the transactions contemplated thereunder.

CONTINUING CONNECTED TRANSACTIONS

1. Pursuant to Chapter 14A of the Listing Rules, details of the following continuing connected transactions of the Group for the year ended 31 December 2025 which are required to be disclosed in the annual report of the Company are described below:

(1) Non-exempt continuing connected transactions approved by independent Shareholders:

	Annual Caps of Transactions Amount:
(a) On 15 September 2005, the Company and GCGC (the controlling Shareholder of the Company and thus a connected person of the Company under Chapter 14A of the Listing Rules) entered into a first right of operation agreement (the "First Right of Operation Agreement"), pursuant to which the Group has been granted preferential rights of operation by GCGC. When exercising such preferential rights, members of the Group entered into individual agreements with owners of each of the expressways, which were companies under GCGC. As the term of individual agreements entered into pursuant to the First Right of Operation Agreement would remain valid beyond 31 December 2022, the annual caps were renewed for three years until 31 December 2025 upon approval by the extraordinary general meeting held on 30 November 2022.	For the years ended 31 December 2023, 2024 and 2025, the annual caps shall be RMB277,270,000, RMB288,430,000 and RMB298,480,000, respectively.

Annual Caps of Transactions Amount:

Pursuant to the First Right of Operation Agreement, members of the Group may enter into, and have previously entered into, Expressway Service Subcontracting Arrangements with the owner of the relevant expressways (i.e. the GCGC Group), for the right to operate the expressway service zone by the Group in consideration of subcontracting fees payable by the Group to the GCGC Group. The contracting fee charged by the GCGC Group are determined with reference to the following principles:

- (1) the value of the right of operation of the relevant expressway service zones as appraised by an independent valuer;
- (2) the discounted value of the total contracting fee calculated in proportion to the investment amount for different facilities at the relevant expressway service zones (using a discount rate based on the bank loan interest rate for the same period); or
- (3) the contracting fee calculated at a certain percentage (usually at approximately 50%) of the net profits of the service zones as a whole.

Pursuant to the First Right of Operation Agreement, members of the Group may enter into, and have previously entered into Expressway Advertisement Subcontracting Arrangements with the owner of the relevant expressways (i.e. the GCGC Group) for the right to operate the expressway advertisement resources. The basis for determination of the advertisement subcontracting fees charged by the GCGC Group is with reference to approximately 30% of the operating revenue from the advertisements (the specific percentage is subject to the location of the expressways and determined after negotiations between the parties, usually at approximately 30%) shall be payable to the owner of the relevant expressways (i.e. the GCGC Group) as subcontracting fees.

Please refer to the announcements dated 17 October 2022 and 30 November 2022 and the circular dated 10 November 2022 of the Company for details of, among others, the major terms of the First Right of Operation Agreement and the transactions contemplated thereunder. The Company has confirmed that the specific agreements to be implemented under the First Right of Operation Agreement have been entered into and implemented in accordance with the pricing principles in relation to continuing connected transactions as stipulated in the First Right of Operation Agreement, during the Reporting Period.

Annual Caps of Transactions Amount:

- (b) On 30 September 2013, the Company and GCGC entered into a rescue services entrustment master agreement (the "Rescue Services Entrustment Master Agreement"), pursuant to which the Group provides rescue services to members of the GCGC pursuant to the execution agreements under the Rescue Services Entrustment Master Agreement, with an initial term of three years. Subject to the relevant requirements of the Listing Rules, the agreement shall be automatically renewed unless a notice of non-renewal was given by either party to the other party at least three months prior to the expiry of such initial term. The term of the Rescue Services Entrustment Master Agreement expired on 31 December 2022, the parties agreed to renew the agreement for a further term of three years commencing on 1 January 2023 and ending on 31 December 2025.

The annual caps for transactions for the years ended 31 December 2023, 2024 and 2025 shall be RMB168,780,000, RMB128,050,000 and RMB129,330,000, respectively.

Pursuant to the Rescue Services Entrustment Master Agreement, the Group has agreed to provide the GCGC Group with the rescue services as described below:

- (1) vehicles towing services in the event of traffic accidents and malfunction of vehicles within the service area as stipulated under the relevant individual implementation agreements;
- (2) cleaning-up services on accident sites within the service area, namely, clearing of debris and oil spills and transportation of goods and passengers;
- (3) assistance in the management of cordoning of roads and maintaining traffic flow at the request of the traffic police department and the service provider; and
- (4) assistance in the maintenance of safety on accident sites.

Annual Caps of Transactions Amount:

Service fees for the rescue services are determined based on the General Pricing Principles. According to the General Pricing Principles, such consideration shall be based on State-prescribed prices, State-referenced prices, market price, or if market-price is not available, based on the reasonable cost incurred for provision of the relevant services or products plus a reasonable profit margin. Reasonable cost for the relevant services or products is determined in accordance with industry norms and the historical cost incurred for similar types of services or products, and a reasonable profit margin is based on the nature of services or products provided and the scale of the business operations. The costs mainly include (i) labour costs; (ii) fuel expenses and (iii) depreciation charges, maintenance fee, production safety fees and administrative expenses. The Group may add a markup of 10% to 13% on the estimated cost. The GCGC Group and the Group may enter into individual implementation agreements from time to time in respect of the provision of the rescue services upon specific terms in compliance with those of the Rescue Services Entrustment Master Agreement as agreed between the relevant parties.

Please refer to the announcements dated 17 October 2022 and 30 November 2022 and the circular dated 10 November 2022 of the Company for details of, among others, the major terms of the Rescue Services Entrustment Master Agreement and the transactions contemplated thereunder. The Company has confirmed that the specific agreements to be implemented under the Rescue Services Entrustment Agreement have been entered into and implemented in accordance with the pricing principles in relation to continuing connected transactions as stipulated in the the Rescue Services Entrustment Agreement.



DIRECTORS' REPORT

- (2) Disclosable continuing connected transactions exempt from independent Shareholders' approval:

	Annual Caps:
(c) On 30 December 2014, the Company and Guangdong Humen Bridge Company Limited ("Humen Bridge Company", an associate of GCGC and therefore a connected person of the Company under Chapter 14A of the Listing Rules) entered into an entrusted operation management contract (the "Entrusted Operation Management Contract"). On 27 December 2017, the Company and Humen Bridge Company entered into a new entrusted operation management contract (the "Taiping Interchange Management Contract"), pursuant to which the Company engaged Humen Bridge Company in providing certain entrusted toll fee collection and other operation management services in relation to the operation of the Taiping Interchange for the period from 1 January 2018 to 31 December 2020. The term may be automatically renewed for approximately three years upon expiry on 31 December 2020 subject to compliance with the relevant requirements under the Listing Rules if there is no objection from any parties. As the term of the Taiping Interchange Management Contract expired on 31 December 2020, the parties agreed to renew the agreement for a further term of three years commencing from 1 January 2021 and ending on 31 December 2023. The term may be automatically renewed for three years upon expiry on 31 December 2023 subject to compliance with the relevant requirements under the Listing Rules if there is no objection from any parties. The term of the Taiping Interchange Management Contract expired on 31 December 2023, the parties agreed to renew the contract for a further term of three years commencing on 1 January 2024 and ending on 31 December 2026. Pursuant to the Taiping Interchange Management Contract, Humen Bridge Company shall provide entrusted toll fee collection and other operation management services at the Tai Ping Interchange to the Company. The annual service fee payable under the Tai Ping Interchange Management Agreement was agreed between the parties after arm's length negotiations with reference to, among other factors, the Group's expected toll fee entitlement and the actual management costs incurred for collection of toll fees.	The annual caps of transactions for the years ended or ending 31 December 2024, 2025 and 2026 were RMB5,000,000, RMB5,000,000 and RMB5,000,000, respectively.

Please refer to the announcement dated 20 December 2023 of the Company for details of, among others, the major terms of Taiping Interchange Management Contract and the transactions contemplated thereunder. The Company has confirmed that the specific agreements to be implemented under the Taiping Interchange Management Contract have been entered into and implemented in accordance with the pricing principles in relation to continuing connected transactions as stipulated in the Taiping Interchange Management Contract.

Annual Caps:

- (d) On 26 February 2015, The Motor Transport Company of Guangdong and Hong Kong Limited ("GD-HK Company", a non – wholly-owned subsidiary of the Company) and Weisheng Transportation Enterprises Company Limited ("Weisheng", a subsidiary of GCGC and a connected person of the Company under Chapter 14A of the Listing Rules) entered into the GDHK Transportation Branch Outsourcing Agreement. As the term of the GD-HK Transportation Branch Outsourcing Agreement expired on 31 December 2023, the parties agreed to renew the agreement for a further term of three years commencing from 1 January 2024 and ending on 31 December 2026. Pursuant to the Guangdong and Hong Kong Transportation Branch Outsourcing Agreement, Guangdong and Hong Kong Company agreed to outsource the business of Guangdong and Hong Kong Transportation Branch to Weisheng, which include among other things, 76 quotas for Guangdong - Hong Kong cross-border through lorries, 28 lorries, the Kwu Tung parking lot in New Territories and 24 drivers. The outsourcing fees payable under the Guangdong and Hong Kong Transportation Branch Outsourcing Agreement was agreed between the parties after arm's length negotiations with reference to, among other factors, the operating results and financial data of Guangdong and Hong Kong Transportation Branch for the recent three years.

The annual caps of transactions for the years ended or ending 31 December 2024, 2025 and 2026 were HK\$11,510,000, HK\$11,510,000 and HK\$11,510,000, respectively.

Please refer to the announcement dated 20 December 2023 of the Company for details of, among others, the major terms of the GDHK Transportation Branch Outsourcing Agreement and the transactions contemplated thereunder. The Company has confirmed that the specific agreements to be implemented under the Guangdong and Hong Kong Transportation Branch Outsourcing Agreement have been entered into and implemented in accordance with the pricing principles in relation to continuing connected transactions as stipulated in the Guangdong and Hong Kong Transportation Branch Outsourcing Agreement.

DIRECTORS' REPORT

Annual Caps:

- (e) On 26 February 2015, GD-HK Company and Weisheng entered into the Weisheng Bus Outsourcing Agreement, pursuant to which Weisheng outsourced the operation of Weisheng Bus to GD-HK Company. As the term of the Weisheng Bus Outsourcing Agreement expired on 31 December 2023, the parties agreed to renew the agreement for a further term of three years commencing from 1 January 2024 and ending on 31 December 2026. Pursuant to the Weisheng Bus Outsourcing Agreement, Weisheng will outsource the operation of Weisheng Bus to Guangdong and Hong Kong Company, which include among other things, 20 quotas for cross-border passenger transportation vehicles, 8 passenger transportation vehicles, 3 drivers and 3 routes for Hong Kong-PRC passenger transportation. The outsourcing fees payable under the Weisheng Bus Outsourcing Agreement was agreed between the parties after arm's length negotiations with reference to, among other things, the operating results and financial data of Weisheng Bus for the recent three years. The monthly outsourcing fees of HK\$250,000 shall be payable by Guangdong and Hong Kong Company to Weisheng before the 25th day of each month.

The annual caps of transactions for the years ended or ending 31 December 2024, 2025 and 2026 were HK\$4,200,000, HK\$4,200,000 and HK\$4,200,000, respectively.

Please refer to the announcement dated 20 December 2023 of the Company for details of, among others, the major terms of the Weisheng Bus Outsourcing Agreement and the transactions contemplated thereunder. The Company has confirmed that the specific agreements to be implemented under the Weisheng Bus Outsourcing Agreement have been entered into and implemented in accordance with the pricing principles in relation to continuing connected transactions as stipulated in the Weisheng Bus Outsourcing Agreement.

Annual Caps:

- (f) On 9 August 2006, the Company and GCGC entered into a Tai Ping Interchange repairs master agreement (the "Tai Ping Interchange Master Agreement"), pursuant to which GCGC Group provided repair and renovation services at the Tai Ping Interchange to the Group according to the execution agreements entered into under the Tai Ping Interchange Master Agreement. The agreement shall have an initial term of three years, which, subject to compliance with the relevant requirements under the Listing Rules, may be automatically renewed unless a notice of non-renewal is given by either party to the other party at least three months prior to the expiry of such term. On 17 October 2022, the parties agreed to renew the agreement for a further term of three years commencing on 1 January 2023 and ending on 31 December 2025. Service fees for the major repair and single item renovation services under the Tai Ping Interchange Master Agreement are determined based on the General Pricing Principles, and are payable in such manner and in accordance with such timetable as agreed by the parties in the relevant individual execution agreement. In particular, the service fees for relevant repair projects are determined based on the repair project budget determined in accordance with the applicable PRC regulations on project budget promulgated by the Ministry of Transport of the PRC and the Ministry of Housing and Urban-Rural Development of the PRC, and finally determined through open tender process conducted pursuant to the applicable PRC laws and regulations. For services where no open tender process is conducted due to small contractual sum, the Group will determine the service fees by taking into account the prices for comparable services offered by at least two independent third party service providers. The GCGC Group and the Group may enter into individual execution agreements from time to time in respect of the provision of major repair and single item renovation services upon specific terms in compliance with those of the Tai Ping Interchange Master Agreement as agreed between the relevant parties.
- The annual caps for the year ended 31 December 2023, 2024 and 2025 shall be RMB14,400,000, RMB10,600,000 and RMB10,710,000, respectively.

Please refer to the announcement dated 17 October 2022 of the Company for details of, among others, the major terms of the Tai Ping Interchange Master Agreement and the transactions contemplated thereunder. The Company has confirmed that the specific agreements to be implemented under the the Tai Ping Interchange Master Agreement have been entered into and implemented in accordance with the pricing principles in relation to continuing connected transactions as stipulated in the Tai Ping Interchange Master Agreement.

Annual Caps:

- (g) On 30 September 2013, the Company and GCGC entered into an information system services master agreement (the "Information Systems Services Master Agreement"), pursuant to which the GCGC Group provided information systems services to the Group, including construction of information systems, maintenance of information systems, software development and other informatization related services, according to the execution agreements entered into under the Information Systems Services Master Agreement. The agreement shall have an initial term of three years, which, subject to compliance with the relevant requirements under the Listing Rules, shall be automatically renewed unless a notice of non-renewal is given by either party to the other party at least three months prior to the expiry of such term. On 17 October 2022, the parties to the Information Systems Services Master Agreement agreed to renew the agreement for a further term of three years commencing on 1 January 2023 and ending on 31 December 2025.

The annual caps for the years ended 31 December 2023, 2024 and 2025 shall be RMB7,050,000, RMB6,100,000, and RMB5,500,000, respectively.

Service fees for the information systems services under the Information Systems Services Master Agreement are determined based on the General Pricing Principles, and are payable in such manner and in accordance with such timetable as agreed by the parties in the relevant individual execution agreement. In particular, the service fees are determined through public tender process conducted in accordance with the applicable PRC laws and regulations, and if no open tender process is conducted due to small contractual sum of the relevant services, the Group will determine the service fees by taking into account the prices for comparable services offered by at least two independent third party service providers.

Please refer to the announcement dated 17 October 2022 of the Company for details of, among others, the major terms of the Information Systems Services Master Agreement and the transactions contemplated thereunder. The Company has confirmed that the specific agreements to be implemented under the Information Systems Services Master Agreement have been entered into and implemented in accordance with the pricing principles in relation to continuing connected transactions as stipulated in the Information Systems Services Master Agreement.

Annual Caps:

- (h) On 13 August 2018, the Company (as lessee) and Guangdong Litong Properties Investment Company Limited (was renamed as Guangdong Litong Development and Investment Company Limited) ("GD Litong", a wholly subsidiary of GCGC and thus a connected person of the Company under the Chapter 14A of the Listing Rule) (as lessor) entered into a Property Leasing Framework Agreement for regulating the existing and future leasing agreements between the Group and GD Litong. The Group may extend, revise or renew the existing leasing contracts with GD Litong from time to time within the term of the Property Leasing Framework Agreement. The Property Leasing Framework Agreement was expired on 31 December 2023, the parties had agreed to renew the agreement for a further term of three years commencing on 1 January 2024 and ending on 31 December 2026. Pursuant to the Property Leasing Framework Agreement, the Company or its subsidiaries may lease the properties of GD Litong or its subsidiaries. The Company or its subsidiaries shall negotiate the monthly rent with GD Litong or its subsidiaries based on the actual area of the leased property, and settle the rental payment on a monthly basis. The deposit, rent, property management fees, cleaning fees, daily maintenance service fees, vehicle custody fees, air conditioning fees and other relevant charges and expenses in relation to the properties leased by the Company or its subsidiaries shall be determined between the parties after arm's length negotiations with reference to the market prices, being the relevant prices charged by independent third parties on normal commercial terms for comparable properties at the same or nearby locations. The water and electricity charges in relation to the properties leased by the Company or its subsidiaries shall be determined based on the relevant prices fixed by the water supply companies and the electricity supply companies.

The annual caps of transactions for the years ended or ending 31 December 2024, 2025 and 2026 are RMB40,720,000, RMB5,410,000 and RMB5,430,000, respectively.

Please refer to the announcement dated 30 December 2023 of the Company for details of, among others, the major terms of the Property Leasing Framework Agreement. The Company has confirmed that the specific agreements to be implemented under the Property Leasing Framework Agreement have been entered into and implemented in accordance with the pricing principles in relation to continuing connected transactions as stipulated in the Property Leasing Framework Agreement.

DIRECTORS' REPORT

Annual Caps:

- (i) On 5 July 2021, the Group and GCGC entered into the Transportation Service Framework Agreement, pursuant to which, the Group (as trustee) will provide GCGC and GCGC Group with vehicle rental, provincial and municipal charter and other relevant transportation services. The Transportation Service Framework Agreement commences from 5 July 2021 and ends on 31 December 2023, which, subject to compliance with the relevant requirements under the Listing Rules, may be automatically renewed unless a notice of non-renewal is given by either party to the other party at least three months prior to the expiry of such term. The Transportation Service Framework Agreement was expired on 31 December 2023, the parties had agreed to renew the agreement for a further term of three years commencing on 1 January 2024 and ending on 31 December 2026.
- The annual caps of transactions for the years ended or ending 31 December 2024, 2025 and 2026 are RMB8,260,000, RMB8,100,000 and RMB8,100,000.

Annual Caps:

Pursuant to the Transportation Service Framework Agreement, prices are determined based on the general pricing principles, and are payable in such manner and such timetable as agreed by the parties in the relevant individual agreements. The prices for providing the transportation services are primarily determined with reference to the mileage and market price of the services. General principles for determination of prices as follows:

- (1) state-prescribed prices, being the prices set by any relevant laws, regulations, decisions or orders issued by the relevant authorities of the Chinese government or set by such authorities in respect of the relevant types of services or products;
- (2) where there is no state-prescribed price, then may be based on state-reference prices, being prices determined by the parties within the price ranges set by any relevant laws, regulations, decisions or orders issued by the relevant authorities of the Chinese government or set by such authorities in respect of the relevant types of services or products; and
- (3) where there is no state-reference price, then may be based on relevant market prices, being prices at which comparable services or products are provided by independent third parties in the same or surrounding areas in the ordinary course of businesses.

GCGC Group and the Group may enter into individual implementation agreements from time to time in respect of the provision of the transportation services upon specific terms and other specific regulations in accordance with the principles of the Renewed Transportation Service Framework Agreement as agreed between the relevant parties.

Please refer to the announcement dated 20 December 2023 of the Company for details of, among others, the major terms of the Transportation Service Framework Agreement and the transactions contemplated thereunder. The Company has confirmed that the specific agreements to be implemented under the Transportation Service Framework Agreement have been entered into and implemented in accordance with the pricing principles in relation to continuing connected transactions as stipulated in the Transportation Service Framework Agreement.

DIRECTORS' REPORT

2. The Company's independent non-executive Directors, Mr. Su Wujun, Ms. Huang Yuan, Mr. Zhang Xiangfa and Ms. Mu Huihua have reviewed the above continuing connected transactions as set out in items (a) to (i) and confirmed that such transactions:
- (1) have been entered in the ordinary and usual course of business of the Company;
 - (2) are conducted on normal commercial terms or on terms no less favourable to the Company than terms provided to or available from (as appropriate) independent third parties;
 - (3) are conducted in accordance with the relevant agreements and the relevant terms are fair and reasonable and in the interest of the Shareholders as a whole; and
 - (4) are subject to internal control procedures established by the Company which are sufficient and effective.
3. The following table sets out the relevant annual caps and the actual transaction amounts of continuing connected transactions of the Company for the year ended 31 December 2025.

For the year ended 31 December 2025			
No.	Transactions	Actual amount RMB	Annual cap RMB
1	Management fees paid by the Group for toll fee collection services provided to the Company by Guangdong Humen Bridge Company	5,000,000.00	5,000,000.00
2	Services fees paid by the Group for repairment and single-project renovation services of the Taiping Interchange Bridge provided by GCGC and its subsidiaries	930,716.85	10,710,000.00
3	Services fees paid by the Group for information systems services provided by GCGC and its subsidiaries	514,336.04	5,500,000.00
4	Income from providing rescue services to GCGC and its subsidiaries by the Group	91,114,271.63	129,330,000.00
5	Contracting fees payable by the Group for expressway services zones operation rights granted by GCGC and its subsidiaries	259,793,416.34	298,480,000.00
6	Leasing commercial premises by the Group from Guangdong Litong Properties Investment Company Limited for office use	2,027,900.87	5,410,000.00
7	Total amount of freight transportation outsourcing income from Weisheng Freight Company Limited ("Weisheng Freight") and the freight transportation outsourcing disbursements paid by the Group on behalf of Weisheng Freight	8,619,457.32	HK\$11,510,000.00 (equivalent to RMB 10,527,391.30)

For the year ended 31 December 2025

No.	Transactions	Actual amount RMB	Annual cap RMB
8	Contracting fees paid by the Group for passenger transportation outsourcing expense to Weisheng Freight and the disbursements paid by Weisheng Freight on behalf of the Group	3,563,626.04	HK\$4,200,000.00 (equivalent to RMB 3,841,446.00)
9	Income from providing vehicle rental, provincial and municipal charter and other relevant transportation services for GCGC and its subsidiaries by the Group	8,031,223.26	8,100,000.00

4. The Company has followed the pricing policies and guidelines as disclosed in the relevant announcements and circulars when determining the prices and terms of the continuing connected transactions conducted during the year ended 31 December 2025.
5. The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Chinese Certified Public Accountants Standard on Other Assurance Engagements 3101 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this report in accordance with Rule 14A.56 of the Listing Rules.

In respect of the continuing connected transactions, the Company's auditor confirmed that:

- (1) nothing has come to its attention that causes it to believe that the disclosed continuing connected transactions have not been approved by the Board;
- (2) for transactions involving the provision of goods or services by the Group, nothing has come to its attention that causes it to believe that the disclosed continuing connected transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (3) nothing has come to its attention that causes it to believe that the disclosed continuing connected transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (4) with respect to the aggregate amount of each of the continuing connected transactions set out above, nothing has come to its attention that causes it to believe that the disclosed continuing connected transactions have exceeded the annual caps disclosed in the previous announcements made by the Company in respect of each of the disclosed continuing connected transactions.

DIRECTORS' REPORT

RELATED PARTY TRANSACTIONS

Details of material related party transactions of the Company which occurred during the ordinary course of business of the Company are contained in Note X to the consolidated financial statements, and whether such transactions fall under the definition of “connected transaction” or “continuing connected transaction” in Chapter 14A of the Listing Rules is specifically explained therein. Details of such related party transactions constituting “continuing connected transactions” or “connected transactions” under the Listing Rules have been set out in the section headed “Continuing Connected Transactions” above, and the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group had 6,860 employees and the staff costs (including remuneration of Directors) of the Group were RMB1,226,000,000 (2024: RMB1,552,000,000) for the year ended 31 December 2025.

The remuneration of the employees of the Group (including the executive Directors) comprises of basic salary, allowance and performance bonus. The basic salary is determined according to the position, work experience, academic background and capacities of the employees. The performance bonus is determined according to the performance assessment results and contribution of the employees. The remuneration of the independent non-executive Directors is determined with reference to the remuneration standards in the capital market for independent non-executive directors of companies with similar business scope and scale. The non-executive Director does not receive any remuneration as a non-executive Director.

EMPLOYEE TRAINING

The Group has always attached great importance to human resources training and development, strived to provide various training and education for employees, and conscientiously implemented various training and development expense budget standards and their implementation plans. The Company carried out a total of 361 training projects of various types throughout the year. The number of participants in training reached 53,211, with a total of 176,512 hours of various courses; 43 management skills training courses were held, accounting for 12% of the total number of training courses; 77 general skills training courses were held, accounting for 22% of the total number of training courses; 174 professional skills training courses were held, accounting for 49% of the total number of training courses; 67 other skills training courses were held, accounting for 19% of the total number of training courses. In independent internal and external training effect evaluations, the overall student satisfaction rate was above 90% or reached a satisfactory level.

In 2025, the Company continued to strengthen the professional training of financial staff of the Group and improved the business quality of financial management staff at all levels. The training method was a combination of internal training and external training. The training contents include training of financial sharing cost control system, the continued education of financial staff, newly revised and implemented accounting standards, new taxation policies, comprehensive budget management and financial analysis.

EMPLOYEE PENSION SCHEME

Defined contribution plans

(1) Employees of the Group in the PRC

In accordance with the relevant PRC regulations, employees of the Group and its subsidiaries in the PRC are required to participate in a basic pension insurance plan in the social insurance system established and managed by government organizations. The contribution amount for the basic pension insurance is based on the applicable benchmarks and rates stipulated by the government (generally approximately 15% of the average monthly salary of the employees in the previous year).

(2) Employees of the Group in Hong Kong

Meanwhile, pursuant to the relevant laws and regulations of Hong Kong, subsidiaries of the Company in Hong Kong make contributions to the Mandatory Provident Fund Schemes for all Hong Kong employees at the lower of 5% of the monthly employee benefits or the cap (which is adjusted annually). The contributions are charged to profit or loss or recognised as part of the cost of assets when incurred.

For the financial year ended 31 December 2025, no contributions to the above pension schemes have been forfeited that could be utilized by the Group to reduce the contributions payable in future years. Accordingly, no forfeited contributions were utilized during the financial year and there were no forfeited contributions as at 31 December 2025 that could be utilized to reduce the level of future contributions to be made by the Group to the pension schemes.

Defined benefit plans

The qualified retired employees and early retired employees (until formal retirement) of the Group are entitled to a certain amount of allowance for a period of time. According to the projected unit credit method, the Group measures the obligations under defined benefit plans using unbiased and mutually compatible actuarial assumptions to estimate related demographic variables and financial variables, and discount obligations under the defined benefit plans to determine the present value of the defined benefit liability. The retirement allowance for such employees will be determined based on a certain percentage (generally 1% to 18%) of the average monthly salary of their current positions as determined by the defined benefit plans. Before the end of each financial year, the Group assesses the balance of the defined benefit plans. As at 31 December 2025, the net liabilities under the defined benefit plans amounted to RMB105,240,000, and there was no material surplus or deficit.

The most recent actuarial valuation of the defined benefit plans and the present value of the defined benefit plan obligations was carried out with 31 December 2025 as the valuation reference date by 深圳品酷信諮詢有限公司, an independent qualified actuary. The present value of the defined benefit plan obligations and related current service costs and past service costs are measured using the projected unit credit method. The principal assumptions used in the actuarial valuation mainly include demographic assumptions and financial assumptions, details of which are set out in Note V 31 of the financial statements prepared in accordance with the Accounting Standards for Business Enterprises.

DIRECTORS' REPORT

REPURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year ended 31 December 2025 and at the end of the year ended 31 December 2025, the Company did not hold any treasury shares, including any treasury shares held or deposited in Central Clearing and Settlement System.

There was no purchase, sale and redemption of the Company's listed shares, including sale of any treasury shares, by the Company or any of its subsidiaries during the year ended 31 December 2025.

CORPORATE BONDS

Nil.

DONATIONS

No donations were made by the Group during the year ended 31 December 2025.

EQUITY-LINKED AGREEMENT

The Company did not enter into any equity-linked agreement in 2025 and no equity-link agreement subsisted at the end of 2025.

AUDITOR

BDO has audited the financial statements of the Group for the year ended 31 December 2025 prepared by the management of the Company in accordance with the China Accounting Standards for Business Enterprises. There has been no change in the auditors of Company in any of the preceding three years.

SHARE CAPITAL

Details of the share capital of the Company are set out in Note V 33 to the financial statements prepared in accordance with the Accounting Standards for Business Enterprises.

PRE-EMPTIVE RIGHTS

The Articles of Association and the laws of the PRC contain no provision for any pre-emptive rights, requiring the Company to offer new shares to Shareholders on a pro-rata basis to their shareholdings.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

To the best knowledge of the Directors, as at 31 December 2025, Shareholders who had interests or short positions in the shares and underlying shares of the Company required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO"), or required to be recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of Shareholder	Class of shares	Number of shares/ underlying shares held (Note 1)	Capacity	Approximate percentage in relevant class of share capital (%)	Approximate percentage in total share capital (%)
GCGC	Domestic shares	592,847,800	Beneficial owner	100	74.12
China Petrochemical Corporation	H shares	33,570,000 (Note 2)	Interests of controlled corporation	16.22	4.20
China Petroleum & Chemical Corporation	H shares	33,570,000 (Note 2)	Interests of controlled corporation	16.22	4.20
Sinopec Sales Company Limited	H shares	33,570,000 (Note 2)	Interests of controlled corporation	16.22	4.20
Sinopec (Hong Kong) Limited	H shares	33,570,000	Beneficial owner	16.22	4.20
Pope Asset Management, LLC	H shares	21,494,247	Investment manager	10.38	2.69
Shah Capital Management	H shares	18,040,000	Investment manager	8.71	2.26

(1) The number of H shares is based on records filed by the Shareholders and/or enquiries made by the Company with the Shareholders, taking into account the issue of bonus shares by the Company in 2015.

DIRECTORS' REPORT

- (2) Sinopec (Hong Kong) Limited is a wholly-owned subsidiary of Sinopec Sales Company Limited and China Petroleum & Chemical Corporation holds as to 70.42% of Sinopec Sales Company Limited while China Petrochemical Corporation holds as to 69.36% of China Petroleum & Chemical Corporation. Accordingly, China Petrochemical Corporation, China Petroleum & Chemical Corporation and Sinopec Sales Company Limited are deemed to be interested in 33,570,000 H shares of the Company held by Sinopec (Hong Kong) Limited respectively.

Save as disclosed above, as at 31 December 2025, the Company was not aware of any Shareholders who had interests or short positions in the shares or underlying shares of the Company required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

SUBSTANTIAL SHAREHOLDERS WITH A SHAREHOLDING OF 10% OR MORE IN THE COMPANY

The shareholding structure of the Company as at 31 December 2025 is as follows:

Shareholder	Class of shares	Number of shares (shares)	Percentage of shareholding (%)
GCGC	Domestic shares	592,847,800	74.12
Public Shareholders	H shares	207,000,000	25.88
Total		799,847,800	100

GCGC is a controlling Shareholder of the Company. Its legal representative is Liu Xiaohua and its registered capital as at 31 December 2025 was RMB26,800,000,000. It is principally engaged in the investment, construction and management of expressways in Guangdong Province, as well as logistics and transportation business.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and to the best knowledge of the Directors, as required by the Listing Rules, the percentage of public float exceeds 25% of the shares in issue of the Company as at the latest practicable date of this report.

AUDITOR'S REPORT

Xin Kuai Shi Bao Zi [2026] No. ZC10023

To the shareholders of Guangdong Yueyun Transportation Company Limited:

I. OPINION

We have audited the accompanying financial statements of Guangdong Yueyun Transportation Company Limited (the "Company"), which comprise the consolidated and company balance sheets as at 31 December 2025, the consolidated and company income statements, the consolidated and company cash flow statements, the consolidated and company statements of changes in shareholders' equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company financial position of the Company as at 31 December 2025, and the consolidated and company financial performance and cash flows of the Company for the year then ended in accordance with Accounting Standards for Business Enterprises.

II. BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with China Independence Standard for Certified Public Accountants No. 1 – Independence for Audit and Review Engagements and China Code of Ethics for Certified Public Accountants and have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

AUDITOR'S REPORT

Xin Kuai Shi Bao Zi [2026] No. ZC10023

III. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identify the following key audit matters during our audit:

Recognition of government subsidies

Please refer to note III 26 significant accounting policies and accounting estimates and notes V 32, 41, 46 and 53 to the consolidated financial statements.

The Key Audit Matter

The Group obtains various subsidies from government authorities in connection with its passenger transportation business, and the total amount of such government subsidies in 2025 is about RMB241 million. These subsidies principally comprise vehicles related subsidies, fuel subsidies and subsidies for public bus operations. Specific conditions are generally attached to the subsidies which are subject to formal application and approval procedures.

Management evaluates, on a periodic basis, whether the Group has complied with the relevant conditions attached to each subsidy and whether reasonable assurance has been obtained that the subsidies will be received, in order to determine the timing and amounts of subsidies to be recognised.

Management further assesses the terms and designated usage of each subsidy and classifies them either as asset related subsidies or subsidies to compensate for expenses incurred. Asset related subsidies are recognised as deferred income and are amortised over the useful lives of the related assets on a reasonable and systematic manner as other income. Subsidies to compensate for expenses or losses already incurred are offset against related expenses directly, or included in other income or non-operating income when the subsidies are received or when reasonable assurance has been obtained that the subsidies will be received.

How the matter was addressed in our audit

Our audit procedures to assess the recognition of government subsidies included the following:

- Inspecting, on a sample basis, documentation relating to the subsidies given by government authorities and identifying the specific conditions attached to the respective subsidies and respective application and approval procedures;
- Obtaining an understanding of the basis of management's judgement about whether the conditions attached to the subsidies have been met and whether reasonable assurance has been obtained that the subsidies will be received and evaluating, on a sample basis, management's judgement by examining the terms of the underlying documentation and by examining the information used by management to form such judgements, which included analyses of relevant operation data, application and approval documents and other correspondence with the government authorities;
- Assessing, on a sample basis, the classification of subsidies with reference to the terms of the underlying documentation;
- In respect of asset related subsidies, recalculating, on a sample basis, the amortisation charge for the current year and comparing our calculations with the amounts recorded by the Group;

III. KEY AUDIT MATTERS *(CONTINUED)*

Recognition of government subsidies *(continued)*

The Key Audit Matter

We identified the recognition of government subsidies as a key audit matter because the amount of subsidies is material to the consolidated financial statements and the exercise of significant management judgement is required in classifying by related to assets or related to income and assessing whether the conditions attached to the subsidies have been met and whether there is reasonable assurance that the subsidies will be received.

How the matter was addressed in our audit

- In respect of subsidies to compensate for expenses or losses incurred recorded during the current year, comparing, on a sample basis, costs actually incurred with the descriptions of expenses for which the subsidies are to compensate in the relevant documents and correspondence from the government authorities to assess whether the criteria for offsetting against related expenses, or including in other income or non-operating income have been met; and
- Inspecting bank-in slips, on a sample basis, for the subsidies which were received during the current year.

IV. OTHER INFORMATION

The Company's management ("management") is responsible for the other information. The other information comprises all the information included in 2025 annual report of the Company, other than the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

V. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises, and for the design, implementation and maintenance of such internal control necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

AUDITOR'S REPORT

Xin Kuai Shi Bao Zi [2026] No. ZC10023

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards 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 financial statements.

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

- (1) Identify and assess the risks of material misstatement of the 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.
- (2) 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 internal control.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (4) Conclude on the appropriateness of management's 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 Company'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 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 Company to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS *(CONTINUED)*

We communicate with those charged with governance 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year 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.

BDO CHINA Shu Lun Pan
Certified Public Accountants LLP

Certified Public Accountant of China
Jiang Gan (Engagement Partner)

Certified Public Accountant of China
Chang Yuying

Shanghai • China

12 March 2026

CONSOLIDATED BALANCE SHEET

As at 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

	Note V	31 December 2025	31 December 2024
Assets			
Current assets:			
Cash at bank and on hand	1	1,145,373,009.30	1,443,130,391.29
Bills receivable	2	500,000.00	400,000.00
Accounts receivable	3	252,078,733.86	258,821,081.03
Prepayments	4	198,742,172.67	200,945,440.05
Other receivables	5	310,206,675.01	592,661,831.54
Inventories	6	126,828,909.43	122,641,321.68
Other current assets	7	22,802,463.07	48,005,033.04
Total current assets		2,056,531,963.34	2,666,605,098.63
Non-current assets:			
Long-term equity investments	8	406,303,255.34	425,595,444.04
Investments in other equity instruments	9	361,107.69	194,401.33
Investment properties	10	68,913,667.07	266,068,070.27
Fixed assets	11	1,449,115,971.07	1,959,016,114.87
Construction in progress	12	28,281,589.42	31,939,629.08
Right-of-use assets	13	2,032,718,077.93	2,310,143,470.51
Intangible assets	14	394,621,427.50	617,479,697.12
Development expenditure	15	–	1,102,236.33
Goodwill	16	6,561,481.78	11,099,709.51
Long-term deferred expenses	17	212,373,457.79	204,904,105.42
Deferred tax assets	18	176,286,543.76	152,776,797.28
Other non-current assets	19	85,087,715.44	77,135,003.44
Total non-current assets		4,860,624,294.79	6,057,454,679.20
Total assets		6,917,156,258.13	8,724,059,777.83

The accompanying notes to the financial statements form part of the financial statements.

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

	Note V	31 December 2025	31 December 2024
Liabilities and shareholders' equity			
Current liabilities:			
Short-term loans	20	31,949,662.43	368,550,148.34
Accounts payable	21	702,788,948.92	676,079,874.58
Advances from customers	22	69,490,622.19	118,905,815.30
Contract liabilities	23	63,843,136.47	68,556,815.47
Employee benefits payable	24	150,277,332.56	209,816,524.65
Taxes payable	25	78,478,607.62	82,793,402.66
Other payables	26	438,001,782.46	694,955,680.63
Non-current liabilities due within one year	27	224,602,208.62	505,826,347.00
Total current liabilities		1,759,432,301.27	2,725,484,608.63
Non-current liabilities:			
Long-term loans	28	30,500,000.00	370,147,647.01
Lease liabilities	29	2,144,905,561.06	2,469,579,814.55
Long-term payables	30	1,000,000.00	34,599,960.41
Long-term employee benefits payable	31	96,780,817.30	139,841,506.26
Deferred income	32	193,608,669.46	341,725,565.04
Deferred tax liabilities	18	4,330,920.90	36,820,070.66
Total non-current liabilities		2,471,125,968.72	3,392,714,563.93
Total liabilities		4,230,558,269.99	6,118,199,172.56

The accompanying notes to the financial statements form part of the financial statements.

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

	Note V	31 December 2025	31 December 2024
Liabilities and shareholders' equity <i>(continued)</i>			
Shareholders' equity:			
Share capital	33	799,847,800.00	799,847,800.00
Capital reserve	34	21,781,436.03	21,781,436.03
Other comprehensive income	35	(14,601,681.25)	(33,666,160.93)
Specific reserve	36	47,014,154.65	36,096,290.62
Surplus reserve	37	259,176,302.97	259,176,302.97
Retained earnings	38	1,165,557,922.09	1,002,904,081.67
Total equity attributable to shareholders of the Company		2,278,775,934.49	2,086,139,750.36
Non-controlling interests		407,822,053.65	519,720,854.91
Total shareholders' equity		2,686,597,988.14	2,605,860,605.27
Total liabilities and shareholders' equity		6,917,156,258.13	8,724,059,777.83

The person in charge
of the Company
Zhu Fang

The person in charge
of accounting affairs
Huang Wenban

The head of the
accounting department
Zeng Mengyun

The accompanying notes to the financial statements form part of the financial statements.

COMPANY BALANCE SHEET

As at 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

	Note XV	31 December 2025	31 December 2024
Assets			
Current Assets:			
Cash at bank and on hand		587,862,282.17	872,853,135.03
Accounts receivable	1	221,862,320.39	12,605,951.73
Prepayments		6,692,260.05	3,136,256.55
Other receivables	2	266,529,459.19	217,981,638.66
Other current assets		91,613.92	97,938.75
Total current assets		1,083,037,935.72	1,106,674,920.72
Non-current assets:			
Long-term receivables		47,700,000.00	47,700,000.00
Long-term equity investments	3	939,252,025.21	1,589,840,653.92
Investments in other equity instruments		777,412.45	971,813.78
Fixed assets		36,748,231.38	2,905,872.72
Construction in progress		5,388,738.81	2,291,569.00
Right-of-use assets		158,797,052.99	98,386,945.17
Intangible assets		15,102,323.09	25,244,204.39
Long-term deferred expenses		4,353,663.44	498,224.34
Total non-current assets		1,208,119,447.37	1,767,839,283.32
Total assets		2,291,157,383.09	2,874,514,204.04

The accompanying notes to the financial statements form part of the financial statements.

COMPANY BALANCE SHEET (Continued)

As at 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

	Note XV	31 December 2025	31 December 2024
Liabilities and shareholders' equity			
Current liabilities:			
Accounts payable		55,712,216.19	20,616,555.34
Contract liabilities		8,167,364.06	6,833,884.05
Employee benefits payable		21,357,375.80	22,342,053.20
Taxes payable		9,251,355.42	5,900,148.26
Other payables		447,716,883.59	552,563,218.67
Non-current liabilities due within one year		17,915,126.07	18,896,854.90
Total current liabilities		560,120,321.13	627,152,714.42
Non-current liabilities:			
Long-term loans		–	243,500,000.00
Lease liabilities		147,918,770.00	87,005,437.78
Deferred income		3,957,383.33	–
Total non-current liabilities		151,876,153.33	330,505,437.78
Total liabilities		711,996,474.46	957,658,152.20
Shareholders' equity:			
Share capital		799,847,800.00	799,847,800.00
Capital reserve		117,238,669.53	117,238,669.53
Other comprehensive income		–	44,401.33
Surplus reserve		266,454,296.08	266,454,296.08
Retained earnings		395,620,143.02	733,270,884.90
Total shareholders' equity		1,579,160,908.63	1,916,856,051.84
Total liabilities and shareholders' equity		2,291,157,383.09	2,874,514,204.04

The person in charge
of the Company
Zhu Fang

The person in charge
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Huang Wenban

The head of the
accounting department
Zeng Mengyun

The accompanying notes to the financial statements form part of the financial statements.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	Note V	2025	2024
I. Total operating income	39	7,457,852,117.08	7,200,338,305.93
Including: Operating income	39	7,457,852,117.08	7,200,338,305.93
II. Total operating costs		7,396,631,046.77	7,337,298,365.24
Including: Operating costs	39	6,772,264,169.34	6,550,388,644.61
Taxes and surcharges		38,752,061.62	46,386,739.40
Selling and distribution expenses		43,897,555.19	64,062,426.65
General and administrative expenses		386,765,306.06	470,985,857.90
Research and development expenses		1,501,397.10	5,492,718.04
Financial expenses	40	153,450,557.46	199,981,978.64
Add: Other income	41	213,465,445.16	343,125,834.79
Investment income	42	79,705,887.43	95,945,365.18
Accrual of credit losses	43	(18,625,416.51)	(5,061,774.55)
Impairment losses	44	(4,190,591.69)	(11,120,671.80)
Gains from asset disposals	45	8,652,251.66	23,509,572.73
III. Operating profit		340,228,646.36	309,438,267.04
Add: Non-operating income	46	14,760,673.74	12,876,244.45
Less: Non-operating expenses	47	17,450,633.90	14,226,264.80

The accompanying notes to the financial statements form part of the financial statements.

CONSOLIDATED INCOME STATEMENT (Continued)

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	Note V	2025	2024
IV. Profit before income tax		337,538,686.20	308,088,246.69
Less: Income tax expenses	48	71,852,006.86	78,795,237.25
V. Net profit		265,686,679.34	229,293,009.44
(1) Net profit classified by continuity of operations			
1. Net profit from continuing operations		265,686,679.34	229,293,009.44
2. Net profit from discontinued operations		–	–
(2) Net profit/(loss) classified by ownership			
Attributable to:			
1. Shareholders of the Company		235,400,418.66	236,507,552.38
2. Non-controlling interests		30,286,260.68	(7,214,542.94)
VI. Other comprehensive income, net of tax		16,374,944.28	(1,092,016.38)
Other comprehensive income (net of tax) attributable to shareholders of the Company		16,063,817.18	(3,056,703.11)
(1) Items that will not be reclassified to profit or loss		17,521,079.77	(467,916.22)
1. Remeasurement of defined benefit plan		17,521,079.77	(439,044.57)
2. Changes in fair value of investments in other equity instruments		–	(28,871.65)
(2) Items that may be reclassified subsequently to profit or loss		(1,457,262.59)	(2,588,786.89)
1. Other comprehensive income that may be reclassified subsequently to profit or loss under the equity method		1,806,388.92	(4,036,848.21)
2. Translation differences arising from translation of foreign currency financial statements		(3,263,651.51)	1,448,061.32
Other comprehensive income (net of tax) attributable to non-controlling interests		311,127.10	1,964,686.73
VII. Total comprehensive income		282,061,623.62	228,200,993.06
Attributable to:			
Shareholders of the Company		251,464,235.84	233,450,849.27
Non-controlling interests		30,597,387.78	(5,249,856.21)
VIII. Earnings per share:			
(1) Basic earnings per share (RMB/share)	49	0.29	0.30
(2) Diluted earnings per share (RMB/share)	49	0.29	0.30

The accompanying notes to the financial statements form part of the financial statements.

The person in charge
of the Company
Zhu Fang

The person in charge
of accounting affairs
Huang Wenban

The head of the
accounting department
Zeng Mengyun

COMPANY INCOME STATEMENT

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	Note XV	2025	2024
I. Operating income	4	326,256,428.23	143,321,343.82
Less: Operating costs	4	194,819,144.40	36,388,277.41
Taxes and surcharges		903,696.61	706,762.18
Selling and distribution expenses		1,030.33	24,991.91
General and administrative expenses		80,482,245.13	80,351,003.49
Research and development expenses		100,968.59	–
Financial expenses		454,399.17	(3,714,516.25)
Add: Other income		59,062.42	–
Investment income	5	(440,201.31)	96,569,377.01
Accrual of credit losses		(51,701,881.68)	3,706,855.62
Impairment losses		(148,121,202.11)	(7,004,900.00)
Gains from asset disposals		(134,014.35)	61,690.95
II. Operating (loss)/profit		(150,843,293.03)	122,897,848.66
Add: Non-operating income		475,206.78	–
Less: Non-operating expenses		134,194.68	267,993.10
III. (Loss)/profit before income tax		(150,502,280.93)	122,629,855.56
Less: Income tax expenses		–	–
IV. Net (loss)/profit		(150,502,280.93)	122,629,855.56
1. Net (loss)/profit from continuing operations		(150,502,280.93)	122,629,855.56
2. Net profit from discontinued operations		–	–
V. Other comprehensive income, net of tax		–	(28,871.65)
(1) Items that will not be reclassified to profit or loss		–	(28,871.65)
1. Changes in fair value of investments in other equity instruments		–	(28,871.65)
(2) Items that may be reclassified subsequently to profit or loss		–	–
VI. Total comprehensive income		(150,502,280.93)	122,600,983.91

The accompanying notes to the financial statements form part of the financial statements.

The person in charge
of the Company
Zhu Fang

The person in charge
of accounting affairs
Huang Wenban

The head of the
accounting department
Zeng Mengyun

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	Note V	2025	2024
I. Cash flows from operating activities			
Proceeds from sale of goods and rendering of services		8,154,428,768.77	7,995,241,928.49
Cash received relating to other operating activities		214,396,188.67	359,815,725.64
Sub-total of cash inflows		8,368,824,957.44	8,355,057,654.13
Payment for goods and services		5,818,239,708.01	5,190,608,434.32
Payment to and for employees		1,223,559,318.42	1,527,658,281.77
Payment of various taxes		318,104,344.65	320,906,347.41
Payment relating to other operating activities		150,014,251.00	163,444,595.75
Sub-total of cash outflows		7,509,917,622.08	7,202,617,659.25
Net cash inflow from operating activities	51	858,907,335.36	1,152,439,994.88
II. Cash flows from investing activities			
Proceeds from disposal of investments		7,937,480.40	11,340,168.57
Proceeds from investment income		61,879,369.07	62,462,956.52
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets		74,991,195.86	48,092,244.65
Net cash received from disposal of subsidiaries and other business entities	51	92,925,289.40	163,849,825.23
Sub-total of cash inflows		237,733,334.73	285,745,194.97
Payment for acquisition of fixed assets, intangible assets and other long-term assets		315,299,073.98	313,124,603.85
Payment for acquisition of investments		-	11,128,276.59
Sub-total of cash outflows		315,299,073.98	324,252,880.44
Net cash outflow from investing activities		(77,565,739.25)	(38,507,685.47)

The accompanying notes to the financial statements form part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	Note V	2025	2024
III. Cash flows from financing activities			
Proceeds from borrowings		200,464,856.36	352,728,544.87
Sub-total of cash inflows		200,464,856.36	352,728,544.87
Repayments of borrowings		712,827,349.54	674,758,685.56
Payment for profit distributions or interest		201,174,281.07	165,554,682.36
Payments relating to other financing activities		360,458,335.54	288,717,482.71
Sub-total of cash outflows		1,274,459,966.15	1,129,030,850.63
Net cash outflow from financing activities		(1,073,995,109.79)	(776,302,305.76)
IV. Effect of foreign exchange rate changes on cash and cash equivalents		(1,336,908.51)	1,661,966.02
V. Net (decrease)/increase in cash and cash equivalents		(293,990,422.19)	339,291,969.67
Add: Cash and cash equivalents at the beginning of the year		1,425,056,954.63	1,085,764,984.96
VI. Cash and cash equivalents at the end of the year		1,131,066,532.44	1,425,056,954.63

The accompanying notes to the financial statements form part of the financial statements.

The person in charge
of the Company
Zhu Fang

The person in charge
of accounting affairs
Huang Wenban

The head of the
accounting department
Zeng Mengyun

COMPANY CASH FLOW STATEMENT

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	2025	2024
I. Cash flows from operating activities		
Proceeds from sale of goods and rendering of services	131,902,324.39	154,674,680.59
Cash received relating to other operating activities	28,164,570.60	17,782,864.70
Sub-total of cash inflows	160,066,894.99	172,457,545.29
Payment for goods and services	152,657,807.78	15,908,556.53
Payment to and for employees	63,351,047.72	47,629,265.40
Payment of various taxes	4,486,467.20	5,364,775.72
Payment relating to other operating activities	37,104,024.43	61,337,444.13
Sub-total of cash outflows	257,599,347.13	130,240,041.78
Net cash (outflow)/inflow from operating activities	(97,532,452.14)	42,217,503.51
II. Cash flows from investing activities		
Proceeds from disposal of investments	150,610,500.00	184,816,394.57
Proceeds from investment income	161,758,234.34	91,826,617.72
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	15,150.44	151,280.00
Sub-total of cash inflows	312,383,884.78	276,794,292.29
Payment for acquisition of fixed assets, intangible assets and other long-term assets	29,366,461.69	1,136,435.00
Sub-total of cash outflows	29,366,461.69	1,136,435.00
Net cash inflow from investing activities	283,017,423.09	275,657,857.29

The accompanying notes to the financial statements form part of the financial statements.

COMPANY CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	2025	2024
III. Cash flows from financing activities		
Cash received from other financing activities	–	143,256,171.07
Sub-total of cash inflows	–	143,256,171.07
Repayments of borrowings	245,500,000.00	150,000,000.00
Payment for profit distributions or interest	74,940,806.17	73,916,000.51
Payments relating to other financing activities	149,878,767.93	6,390,263.00
Sub-total of cash outflows	470,319,574.10	230,306,263.51
Net cash outflow from financing activities	(470,319,574.10)	(87,050,092.44)
IV. Effect of foreign exchange rate changes on cash and cash equivalents	(156,249.71)	(52,831.78)
V. Net (decrease)/increase in cash and cash equivalents	(284,990,852.86)	230,772,436.58
Add: Cash and cash equivalents at the beginning of the year	872,853,135.03	642,080,698.45
VI. Cash and cash equivalents at the end of the year	587,862,282.17	872,853,135.03

The accompanying notes to the financial statements form part of the financial statements.

The person in charge
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CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	2025								
	Attributable to shareholders of the Company						Sub-total	Non-controlling interests	Total shareholders' equity
	Share capital	Capital reserve	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings			
I. Balance as at 31 December 2024	799,847,800.00	21,781,436.03	(33,666,160.93)	36,096,290.62	259,176,302.97	1,002,904,081.67	2,086,139,750.36	519,720,854.91	2,605,860,605.27
II. Balance as at 1 January 2025	799,847,800.00	21,781,436.03	(33,666,160.93)	36,096,290.62	259,176,302.97	1,002,904,081.67	2,086,139,750.36	519,720,854.91	2,605,860,605.27
III. Changes in equity for the year	-	-	19,064,479.68	10,917,864.03	-	162,653,840.42	192,636,184.13	(111,898,801.26)	80,737,382.87
(I) Total comprehensive income	-	-	16,063,817.18	-	-	235,400,418.66	251,464,235.84	30,597,387.78	282,061,623.62
(II) Shareholders' contributions and reduction	-	-	-	-	-	-	-	(82,785,961.93)	(82,785,961.93)
1. Others	-	-	-	-	-	-	-	(82,785,961.93)	(82,785,961.93)
(III) Appropriation of profits	-	-	-	-	-	(71,986,302.00)	(71,986,302.00)	(60,671,643.66)	(132,657,945.66)
1. Distributions to shareholders	-	-	-	-	-	(71,986,302.00)	(71,986,302.00)	(60,671,643.66)	(132,657,945.66)
(IV) Internal transfer of equity	-	-	3,000,662.50	-	-	(760,276.24)	2,240,386.26	-	2,240,386.26
1. Other comprehensive income transfer to retained earnings	-	-	4,356,075.62	-	-	(4,356,075.62)	-	-	-
2. Others	-	-	(1,355,413.12)	-	-	3,595,799.38	2,240,386.26	-	2,240,386.26
(V) Specific reserve	-	-	-	10,917,864.03	-	-	10,917,864.03	961,416.55	11,879,280.58
1. Accrued	-	-	-	26,783,986.60	-	-	26,783,986.60	4,894,492.99	31,678,479.59
2. Utilised	-	-	-	15,866,122.57	-	-	15,866,122.57	3,933,076.44	19,799,199.01
IV. Balance as at 31 December 2025	799,847,800.00	21,781,436.03	(14,601,681.25)	47,014,154.65	259,176,302.97	1,165,557,922.09	2,278,775,934.49	407,822,053.65	2,686,597,988.14

The accompanying notes to the financial statements form part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	2024								
	Share capital	Capital reserve	Attributable to shareholders of the Company			Retained earnings	Sub-total	Non-controlling interests	Total shareholders' equity
			Other comprehensive income	Specific reserve	Surplus reserve				
I. Balance as at 31 December 2023	799,847,800.00	21,862,542.66	(30,609,457.82)	33,769,964.27	246,913,317.41	842,647,338.85	1,914,431,505.37	702,473,850.86	2,616,905,356.23
II. Balance as at 1 January 2024	799,847,800.00	21,862,542.66	(30,609,457.82)	33,769,964.27	246,913,317.41	842,647,338.85	1,914,431,505.37	702,473,850.86	2,616,905,356.23
III. Changes in equity for the year	-	(81,106.63)	(3,056,703.11)	2,326,326.35	12,262,985.56	160,256,742.82	171,708,244.99	(182,752,995.95)	(11,044,750.96)
(I) Total comprehensive income	-	-	(3,056,703.11)	-	-	236,507,552.38	233,450,849.27	(5,249,856.21)	228,200,993.06
(II) Shareholders' contributions and reduction	-	(81,106.63)	-	-	-	-	(81,106.63)	(134,741,874.33)	(134,822,980.96)
1. Others	-	(81,106.63)	-	-	-	-	(81,106.63)	(134,741,874.33)	(134,822,980.96)
(III) Appropriation of profits	-	-	-	-	12,262,985.56	(76,250,809.56)	(63,987,824.00)	(48,504,942.93)	(112,492,766.93)
1. Appropriations for surplus reserve	-	-	-	-	12,262,985.56	(12,262,985.56)	-	-	-
2. Distributions to shareholders	-	-	-	-	-	(63,987,824.00)	(63,987,824.00)	(48,504,942.93)	(112,492,766.93)
(IV) Internal transfer of equity	-	-	-	-	-	-	-	-	-
(V) Specific reserve	-	-	-	2,326,326.35	-	-	2,326,326.35	5,743,677.52	8,070,003.87
1. Accrued	-	-	-	39,283,649.42	-	-	39,283,649.42	17,542,862.64	56,826,512.06
2. Utilised	-	-	-	36,957,323.07	-	-	36,957,323.07	11,799,185.12	48,756,508.19
IV. Balance as at 31 December 2024	799,847,800.00	21,781,436.03	(33,666,160.93)	36,096,290.62	259,176,302.97	1,002,904,081.67	2,086,139,750.36	519,720,854.91	2,605,860,605.27

The accompanying notes to the financial statements form part of the financial statements.

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COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	2025						Total shareholders' equity
	Share capital	Capital reserve	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	
I. Balance as at 31 December 2024	799,847,800.00	117,238,669.53	44,401.33	-	266,454,296.08	733,270,884.90	1,916,856,051.84
Add: Others	-	-	-	-	-	(115,168,858.95)	(115,168,858.95)
II. Balance as at 1 January 2025	799,847,800.00	117,238,669.53	44,401.33	-	266,454,296.08	618,102,025.95	1,801,687,192.89
III. Changes in equity for the year	-	-	(44,401.33)	-	-	(222,481,882.93)	(222,526,284.26)
(I) Total comprehensive income	-	-	-	-	-	(150,502,280.93)	(150,502,280.93)
(II) Shareholders' contributions and reduction	-	-	-	-	-	-	-
(III) Appropriation of profits	-	-	-	-	-	(71,986,302.00)	(71,986,302.00)
1. Distributions to shareholders	-	-	-	-	-	(71,986,302.00)	(71,986,302.00)
(IV) Internal transfer of equity	-	-	(44,401.33)	-	-	6,700.00	(37,701.33)
1. Other comprehensive income transfer to retained earnings	-	-	(44,401.33)	-	-	44,401.33	-
2. Others	-	-	-	-	-	(37,701.33)	(37,701.33)
(V) Specific reserve	-	-	-	-	-	-	-
1. Accrued	-	-	-	2,511,355.24	-	-	2,511,355.24
2. Utilised	-	-	-	2,511,355.24	-	-	2,511,355.24
IV. Balance as at 31 December 2025	799,847,800.00	117,238,669.53	-	-	266,454,296.08	395,620,143.02	1,579,160,908.63

The accompanying notes to the financial statements form part of the financial statements.

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

Items	2024						Total shareholders' equity
	Share capital	Capital reserve	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	
I. Balance as at 31 December 2023	799,847,800.00	117,238,669.53	73,272.98	-	254,191,310.52	677,622,326.07	1,848,973,379.10
Add: Others	-	-	-	-	-	9,269,512.83	9,269,512.83
II. Balance as at 1 January 2024	799,847,800.00	117,238,669.53	73,272.98	-	254,191,310.52	686,891,838.90	1,858,242,891.93
III. Changes in equity for the year	-	-	(28,871.65)	-	12,262,985.56	46,379,046.00	58,613,159.91
(I) Total comprehensive income	-	-	(28,871.65)	-	-	122,629,855.56	122,600,983.91
(II) Shareholders' contributions and reduction	-	-	-	-	-	-	-
(III) Appropriation of profits	-	-	-	-	12,262,985.56	(76,250,809.56)	(63,987,824.00)
1. Appropriations for surplus reserves	-	-	-	-	12,262,985.56	(12,262,985.56)	-
2. Distributions to shareholders	-	-	-	-	-	(63,987,824.00)	(63,987,824.00)
(IV) Internal transfer of equity	-	-	-	-	-	-	-
(V) Specific reserve	-	-	-	-	-	-	-
1. Accrued	-	-	-	111,051.40	-	-	111,051.40
2. Utilised	-	-	-	111,051.40	-	-	111,051.40
IV. Balance as at 31 December 2024	799,847,800.00	117,238,669.53	44,401.33	-	266,454,296.08	733,270,884.90	1,916,856,051.84

The accompanying notes to the financial statements form part of the financial statements.

The person in charge
of the Company of
Zhu Fang

The person in charge
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Huang Wenban

The head of the
accounting department
Zeng Mengyun

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

I. COMPANY PROFILE

Guangdong Yueyun Transportation Company Limited (the “Company”) was established on 28 December 1999 as a limited company under the name of Guangdong Yuedi Communications Company Limited (“Yuedi Communications”) by Guangdong Provincial Highway Construction Company Limited, Guangdong Communication Enterprise Investment Company Limited, Guangdong Province Road & Bridge Construction Development Company Limited, Guangdong Weisheng Transportation Enterprise Company Limited and Guangdong Guantong Expressway Assets Management Company Limited. On 25 December 2000, Guangdong Yuedi Communications Company Limited was converted to a joint stock limited company under the approval of the People’s Government of Guangdong Municipality Yue Ban Han [2000] No. 685 and Economic and Trade Commission of Guangdong Province Yue Jing Mao Jian Du [2000] No. 1057. On 1 April 2002, under the approval of Administration of Industry and Commerce of Guangdong Province, Guangdong Yuedi Communications Company Limited was renamed as Guangdong South China Logistics Enterprise Limited. The registered capital of the Company was RMB292,187,322.00. On 5 August 2013, under the approval of Administration of Industry and Commerce of Guangdong Province, Guangdong South China Logistics Enterprise Limited was renamed as Guangdong Yueyun Transportation Company Limited.

In 2005, according to the shareholders’ resolution of year 2004 and the revised Company’s Memorandum and Articles, and being approved by State-owned Assets Supervision and Administration Commission of the State Council Guo Zi Gai Ge [2005] No. 62 and China Securities Regulatory Commission Zheng Jian Guo He Zi [2005] No. 21, the Company initially offered 138,000,000 H shares with a nominal value of RMB1 per H share on the Main Board of The Stock Exchange of Hong Kong Limited, including 125,454,545 new H shares, and 12,545,455 H shares converted from domestic shares. The registered capital of the Company was changed to RMB417,641,867.00 after the placing and public offer.

According to the resolution of the Annual General Meeting held on 11 June 2015, the Company issued two bonus shares for every 10 shares by way of the capitalisation of the retained earnings and three shares for every 10 shares by way of the capitalisation of the share premium based on the total share capital of 417,641,867 shares of the Company as at 31 December 2014. The registered capital of the Company was changed to RMB626,462,800.00 accordingly.

On 24 March 2016, Guangdong Provincial Communication Group Company Limited (“GCGC”) executed the conversion of the Perpetual Subordinated Convertible Securities (“PSCS”) held by it with a principal amount of RMB281,810,000.00 into domestic ordinary shares of the Company, which resulted in an increase of the Company’s ordinary shares of 173,385,000. The registered capital of the Company was changed to RMB799,847,800.00 accordingly.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

I. COMPANY PROFILE *(CONTINUED)*

The Company and its subsidiaries (the “Group”) is a comprehensive transportation service group in Guangdong Province. The principal business of the Group mainly includes expressway service zones operation, road passenger transportation and auxiliary services, Taiping Interchange operation and other business.

The parent of the Company and its ultimate holding company is GCGC. The registered office is 8th floor, No. 1731-1735 Airport Road, Guangzhou, the PRC. The legal representative of the Company is Mr. Zhu Fang.

These financial statements were approved by the board of directors of the Company on 12 March 2026.

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. Basis of preparation

The financial statements of the Group have been prepared in accordance with the requirements of Accounting Standard for Business Enterprises – Basic Standards and its relevant specific accounting standards, Application Guidance for Accounting Standards for Business Enterprises, Interpretation of Accounting Standards for Business Enterprises and other relevant requirements (collectively referred to as the “Accounting Standards for Business Enterprises”) issued by the Ministry of Finance (“MOF”) of the PRC. The financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the applicable disclosure requirements of the Hong Kong Companies Ordinance.

2. Going concern

The financial statements have been prepared on the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The Group's accounting policies for the recognition and measurement of allowance for expected credit loss for receivables, recognition of cost of inventories, depreciation of fixed assets and right-of-use assets, amortisation of intangible assets, recognition and measurement of government grant and revenue, are adopted according to the specific characteristics of the Group's operations. Please refer to the relevant notes to the accounting policies.

1. Statement of compliance

The financial statements have been prepared in accordance with the requirements of Accounting Standards for Business Enterprises issued by the MOF. These financial statements present truly and completely the consolidated financial position and financial position of the Company as at 31 December 2025, and the consolidated financial performance and financial performance of the Company and the consolidated cash flows and cash flows of the Company for the year then ended.

2. Accounting Year

The Group has adopted the calendar year as its accounting year, from 1 January to 31 December.

3. Operating cycle

The Group's operating cycle is 12 months.

4. Functional currency

Renminbi ("RMB") is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. Therefore, the Company and its domestic subsidiaries choose RMB as their functional currency. The Company's overseas subsidiaries choose Hong Kong dollar ("HK\$") as their functional currency on the basis of the primary economic environment in which it operates. The Company adopts RMB to present its financial statements, and the financial statements of foreign subsidiaries have been translated based on the accounting policy as set out in Note III. 9. Foreign Currency Transactions and Translation of Financial Statements denominated in Foreign Currencies.

5. Accounting treatments for business combinations under common control and not under common control

Business combinations involving entities under common control: The assets and liabilities acquired by the acquirer through business combination shall be measured at the carrying value of the assets, liabilities of the acquiree (including goodwill incurred in the acquisition of the acquiree by ultimate controlling party) in the financial statements of the ultimate controlling party at the date of combination. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or total nominal value of the issued shares) is adjusted to capital premium in capital reserve. If the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Business combinations not involving entities under common control: The cost of combination is the fair value of assets paid, liabilities incurred or committed and issued shares by the acquirer to obtain control. Where the cost of combination is higher than the fair value of the identifiable net assets acquired from the acquiree in business combination, the Company shall recognise such difference as goodwill; where the cost of combination is less than the fair value of the identifiable net assets acquired from the acquiree in business combination, such difference shall be charged to current profit or loss. The identifiable assets acquired from the acquiree in a business combination that meet the recognition criteria, liabilities and contingent liabilities are measured at the fair value at the acquisition date.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

5. Accounting treatments for business combinations under common control and not under common control *(Continued)*

The direct relevant expenses incurred for the business combinations are recognised as the profit or loss in the period when the costs are incurred; the transaction costs for the equity securities or debt securities issued for business combination shall be recognised as the initial recognition amount of equity securities or debt securities.

6. Judgment criteria of control and preparation of consolidated financial statements

1) *Judgment criteria of control*

The scope of consolidated financial statements is based on control and the consolidated financial statements comprise the Company and its subsidiaries. The Group controls an entity when has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

2) *Consolidation procedure*

The Company regards the entire enterprise group as an accounting entity and prepares consolidated financial statements in accordance with unified accounting policies to reflect the overall financial position, operating results and cash flow of the Group. The impact of internal transactions between the Company and its subsidiaries or between subsidiaries shall be offset. If internal transactions indicate that the relevant assets have suffered impairment losses, this part of losses shall be confirmed in full. If the accounting policies or accounting periods of a subsidiary are different from those of the Company, the consolidated financial statements of the subsidiary, upon preparation, will be adjusted according to the accounting policies and accounting periods of the Company.

The shareholders' equity, net profit or loss and other comprehensive income of subsidiaries for the period attributable to non-controlling shareholders are respectively and separately presented under the shareholders' equity in the consolidated balance sheet, the net profit in the consolidated income statement, and the total comprehensive income in the consolidated income statement. If the loss for the period shared by a non-controlling shareholder of a subsidiary exceeds the balances arising from the shares enjoyed by the non-controlling shareholder in the shareholders' equity of the subsidiary at the beginning of the period, non-controlling interest will be written down accordingly.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

6. Judgment criteria of control and preparation of consolidated financial statements *(Continued)*

2) Consolidation procedure *(Continued)*

(1) Increase of subsidiaries or business

During the reporting period, where the Company acquired subsidiaries or business from the business combination under common control, the operating results and cash flows of the newly acquired subsidiaries or business from the beginning of the period for business combination to the end of the reporting period are included in the consolidated financial statements; the beginning amount of the consolidated financial statements and relevant items in the comparative statements are adjusted accordingly, as if the reporting entity after the business combination exists as of the time when the ultimate controller has the control.

Where control can be exercised on the investee under the common control for additional investment or other reasons, equity investments held before the control over the combined party is obtained, the related profits or losses, other comprehensive income as well as other changes in net assets recognised from the later between the date when the original equity is obtained and the date when the acquirer and the acquiree are under common control to the combination date will respectively write down the opening retained earnings or the current profit or loss during the period for comparing financial statements.

During the reporting period, if the Company acquired subsidiaries or business from the business combination not under common control, all identifiable assets, liabilities and contingent liabilities will be included in the consolidated financial statements from the acquisition date based on their fair value determined on the acquisition date.

Where the Company can control the investee not under common control for additional investments, it shall re-measure equity of the acquiree held before the acquisition date at the fair value of such equity on the acquisition date and include the difference between the fair value and book value in the current investment income. Where equity of the acquiree held before the acquisition date involves in other comprehensive income that can be reclassified into profit or loss and other changes in shareholders' equity accounted for under the equity method shall be transferred to the investment income in the year which the acquisition date falls in.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Judgment criteria of control and preparation of consolidated financial statements (Continued)

2) Consolidation procedure (Continued)

(2) Disposal of subsidiaries

① General treatment methods

When the Company loses the control over the investee due to disposal of partial equity investment or other reasons, the remaining equity investment after the disposal should be re-measured by the Company at the fair value thereof on the date of losing the control. The difference of total amount of the consideration from disposal of equities plus the fair value of the remaining equities less the shares calculated at the original shareholding ratio in net assets and goodwill of the original subsidiary which are continuously calculated as of the acquisition date or combination date shall be included in the investment income of the period at the loss of control. Other comprehensive income that will be reclassified into profit or loss later associated with the equity investments of the original subsidiary, or the changes in other shareholders' equity calculated under the equity method, shall be transferred into investment income of the current period when control is lost.

② Disposal of subsidiaries by stages

If the control is lost due to disposal of the equity investments in subsidiaries through multiple transactions by stages, and the terms, conditions and economic impact of the transactions related to the disposal of equity investments in subsidiaries meet one or more of the following circumstances, it usually indicates that multiple transactions will be treated a package deal:

- i. The transactions are concluded at the same time or under the consideration of mutual effect;
- ii. These transactions as a whole can reach a complete business result;
- iii. The occurrence of a transaction depends on that of other transaction or more; and
- iv. A single transaction is uneconomical but it is economical when considered together with other transactions.

Where various transactions belong to a package deal, accounting treatment shall be made by the Company on the transactions as a transaction to dispose of subsidiaries and lose the control; the difference between each disposal cost and net asset share in the subsidiaries corresponding to each disposal of investments before loss of the control should be recognised as other comprehensive income in the consolidated financial statements and should be transferred into the current profit or loss at the loss of the control.

Where various transactions do not belong to a package deal, before the loss of the control, accounting treatment shall be made according to the partial disposal of equity investments in the subsidiary without losing control; at the loss of the control, accounting treatment shall be made according to general treatment methods for disposal of subsidiaries.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

6. Judgment criteria of control and preparation of consolidated financial statements *(Continued)*

2) Consolidation procedure *(Continued)*

(3) Purchase of non-controlling interests in a subsidiary

The share premium in the capital reserves under the consolidated balance sheet will be adjusted at the difference between the long-term equity investment acquired by the Company for the purchase of non-controlling interest and the share of net assets calculated constantly from the acquisition date (or combination date) according to the newly increased shareholding ratio. If the share premium is insufficient to offset, retained earnings will be adjusted.

(4) Partial disposal of equity investments in subsidiaries without losing control

The share premium of capital reserves in the consolidated balance sheet will be adjusted according to the difference between the disposal price and the share of net assets of subsidiaries calculated from the acquisition date or the combination date corresponding to the disposal of long-term equity investments; if the share premium of capital reserves is insufficient, the retained earnings will be adjusted.

7. Classification of joint arrangements and accounting treatment

Joint arrangements can be classified into joint operations and joint ventures.

When the Group is a party to a joint arrangement and has rights to the assets, and obligations for the liabilities, relating to such arrangement, the joint arrangement is classified as a joint operation.

The Group recognises the following items in relation to its share of benefits in joint operations:

- (1) the assets held solely by the Group and those jointly held on a pro-rata basis;
- (2) the liabilities assumed solely by the Group and those jointly assumed on a pro-rata basis;
- (3) the income generated from the sale of the products of the joint operation attributable to the Group;
- (4) the income generated by the joint operation from the sale of products on a pro-rata basis;
- (5) the expenses incurred solely by the Group and those incurred by the joint operation on a pro-rata basis.

The investments in joint ventures of the Group are accounted for under the equity method. For the details, please refer to Note III. 13. Long-term equity investments”.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

8. Cash and cash equivalent

Cash comprises cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are the Group's short-term and highly liquid investments, which are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

9. Foreign currency transactions and translation of financial statements denominated in foreign currencies

1) *Foreign currency transactions*

Foreign currency transactions shall be translated into RMB at the spot exchange rate on the day when the transactions occurred.

Balance sheet date foreign currency monetary items shall be translated using the spot exchange rate at the balance sheet date. The resulting exchange difference are recognised in profit or loss for the current period, except for those differences related to a specific-purpose borrowing denominated in foreign currency for acquisitions and construction of the qualified assets, which should be capitalised as cost of the borrowings.

2) *Translation of financial statements denominated in foreign currency*

The assets and liabilities in the balance sheets are translated at the spot exchange rate on the balance sheet date. Except for "Retained earnings", all items under owner's equity are translated at the spot exchange rates when incurred. The income and expenses items in the income statement are translated at the spot exchange rates on the transaction dates.

On disposal of a foreign operation, the translation difference of the financial statements in foreign currency relating to that foreign operation is transferred from shareholders' equity to profit or loss of the period during which the disposal occurs.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments

The Group recognises a financial asset, a financial liability or equity instrument when it becomes a party to the financial instrument contract.

1) *Classification of financial instruments*

The classification of financial assets is based on the business model in which a financial asset is managed and its contractual cash flow characteristics. At the initial recognition, a financial asset is classified as: financial assets at the amortised cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income (debt instruments) if it meets both of the following conditions and is not designated at fair value through profit or loss:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments *(Continued)*

1) **Classification of financial instruments** *(Continued)*

At initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (debt instruments). This designation is made on an investment-by-investment basis, and the related investment meets the definition of an equity instrument from the issuer's perspective.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

At initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

At the initial recognition, financial liabilities are classified as: financial liabilities measured at fair value through profit or loss and financial liabilities measured at amortised cost.

2) **Recognition basis and measurement method of financial instruments**

(1) Financial assets at amortised cost

Financial assets measured at amortised cost include bills receivable and accounts receivable, other receivables, long-term receivables, and debt investment, etc., of which initial measurement is made at fair value, and relevant transaction costs are included in the initially recognised amount; exclude accounts receivable with significant financing component and accounts receivable with the financing component not exceeding one year and not considered by the Company, of which initial measurement is made at the contract transaction price.

During the holding period, the interest calculated with the effective interest method should be included in the current profit or loss.

At recovery or disposal, the difference between the purchase price obtained and the book value of such financial assets is included in the current profit or loss.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments *(Continued)*

2) **Recognition basis and measurement method of financial instruments** *(Continued)*

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

Financial assets (debt instruments) measured at fair value through other comprehensive income include other debt investment, of which initial measurement is made at fair value, and relevant transaction costs are included in the initially recognised amount. The subsequent measurement of such financial assets is made at fair value. Changes in fair value are included in other comprehensive income except for the interest calculated by the effective interest method. The dividends received are included in the current profit or loss.

At derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred from the other comprehensive income to the retained earnings.

(3) *Financial assets measured at fair value through profit or loss*

Financial assets measured at fair value through profit or loss include trading financial assets, derivative financial assets and other non-current financial assets, of which initial measurement is made at fair value, and relevant transaction costs are included in the current profit or loss. The subsequent measurement of such financial assets is made at fair value, and changes in fair value are included in the current profit or loss.

(4) *Financial liabilities measured at fair value through profit or loss*

Financial liabilities measured at fair value through profit or loss include trading financial liabilities and derivative financial liabilities, of which initial measurement is made at fair value, and relevant transaction costs are included in the current profit or loss. The subsequent measurement of such financial liabilities is made at fair value, and changes in fair value are included in the current profit or loss.

At derecognition, the difference between the book value and the consideration paid of such financial liabilities is included in the current profit or loss.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments *(Continued)*

2) **Recognition basis and measurement method of financial instruments** *(Continued)*

(5) *Financial liabilities measured at amortised cost*

Financial liabilities measured at the amortised cost include short-term borrowings, accounts payable, other payables, long-term borrowings and long-term payables, of which initial measurement is made at fair value, and related transaction costs are included in the initially recognised amount.

During the holding period, the interest calculated by the effective interest method is included in the current profit or loss.

At derecognition, the difference between the consideration paid and the book value of such financial liabilities is included in the current period profit or loss.

(6) *Offsetting*

Financial assets and financial liabilities are generally presented separately in the balance sheet, and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both of the following conditions are satisfied:

- the Group currently has a legally enforceable right to set off the recognised amounts;
- the Group intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

3) **Derecognition and transfer of financial assets**

Where one of the following conditions is met, the Group shall derecognise financial assets:

- The contractual right of collecting cash flows of financial assets is terminated;
- The financial assets have been transferred, and nearly all of the risks and rewards related to the ownership of the financial assets have been transferred to the transferee;
- The financial assets have been transferred, and the Group does not retain the control over the financial assets through it has neither transferred nor retained nearly all risks and rewards related to the ownership of the financial assets.

NOTES TO THE FINANCIAL STATEMENTS

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments *(Continued)*

3) **Derecognition and transfer of financial assets** *(Continued)*

At the transfer of financial assets, where nearly all of the risks and rewards related to the ownership of the financial assets have been retained, such financial assets shall not be derecognised.

In determining whether the transfer of a financial asset meets the above derecognition criteria of financial assets, the principle of substance over form will be adopted.

The Group divides the transfer of financial assets into entire transfer and partial transfer. Where the entire transfer of financial assets meets the derecognition conditions, the difference of the following two amounts is included in the current period profit or loss:

- (1) The book value of the transferred financial asset;
- (2) The sum of consideration received from the transfer, and the accumulated change amount of fair value originally recorded in shareholders' equity (the financial assets involved in the transfer are financial assets (debt instruments) measured at fair value through other comprehensive income).

Where the partial transfer of a financial asset meets the derecognition criteria, the entire book value of the financial asset transferred shall be allocated between the derecognised part and the recognised part based on the relative fair value, and the difference between the following two amounts shall be included in the current profit or loss:

- (1) The book value of derecognised part;
- (2) The sum of the consideration for the derecognised part and the amount corresponding to the derecognition part in the accumulated change amount of fair value originally and directly included in shareholders' equity (where the financial assets transferred are the financial assets (debt instruments) measured at fair value through other comprehensive income).

Where the transfer of financial assets does not meet the derecognition criteria, the financial assets shall continue to be recognised, and the consideration received shall be recognised as a financial liability.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments *(Continued)*

4) *Derecognition of financial liabilities*

Where the present obligations of financial liabilities have been discharged in whole or in part, the financial liabilities or any part thereof shall be derecognised; if the Company signs an agreement with creditors to replace the existing financial liabilities by undertaking new financial liabilities, and the new financial liabilities are substantially different from the existing ones in terms of contract terms, the existing financial liabilities shall be derecognised, and at the same time, the new financial liabilities shall be recognised.

Where substantive changes are made to the contract terms of existing financial liabilities in whole or in part, the existing financial liabilities shall be derecognised in whole or in part, and the financial liabilities of which terms have been modified shall be recognised as the new financial liabilities.

Where financial liabilities are derecognised in whole or in part, the difference between the book value of the financial liabilities derecognised and the consideration paid (including non-cash assets surrendered and the new financial liabilities assumed) shall be included in current period profit or loss.

Where the Group redeems part of its financial liabilities, it shall, on the redemption date, allocate the entire book value of whole financial liabilities according to the relative fair value of the part that continues to be recognised and the derecognised part. The difference between the book value allocated to the derecognised part and the considerations paid (including non-cash assets surrendered and the new financial liabilities assumed) shall be included in the current period profit or loss.

5) *Determination of fair value of financial assets and financial liabilities*

Unless otherwise stated, the Group measures the fair value of financial assets and liabilities based on following principal:

Fair value refers to the price that market participants can receive for the sale of an asset or pay for the transfer of a liability in an orderly transaction that occurs on the measurement date.

When estimating the fair value, the Group considers the characteristics (including asset status and location, restrictions on the sale or use of assets, etc.) that market participants consider when pricing the relevant assets or liabilities on the measurement date, and adopts valuation techniques that are applicable to the current circumstance and is supported by sufficient available data and other information. The valuation techniques used mainly include market approach, income approach and cost approach.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments *(Continued)*

6) **Accounting treatment for impairment testing of financial assets**

The Group recognise loss allowances for expected credit loss (“ECL”) on:

- financial assets measured at amortised cost; and
- lease receivables.

Financial assets measured at fair value, including debt investments or equity securities at fair value through profit or loss, equity securities designated at fair value through other comprehensive income and derivative financial assets, are not subject to the ECL assessment.

(1) Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, which is the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive.

The maximum period considered when estimating ECLs is the maximum contractual period (including extension options) over which the group is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the balance sheet date (or a shorter period if the expected life of the instrument is less than 12 months).

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments *(Continued)*

6) **Accounting treatment for impairment testing of financial assets** *(Continued)*

(1) *Measurement of ECLs (Continued)*

Loss allowances for accounts receivable and lease receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the balance sheet date.

Except for accounts receivable and lease receivables, the Group measures loss allowance at an amount equal to 12-month ECLs for financial instruments which meet the following criteria, and at an amount equal to lifetime ECLs for all other financial instruments:

- If the financial instrument is determined to have low credit risk at the balance sheet date; or
- If the credit risk on a financial instrument has not increased significantly since initial recognition.

(2) *Financial instruments that have low credit risk*

The credit risk on a financial instrument is considered low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments *(Continued)*

6) **Accounting treatment for impairment testing of financial assets** *(Continued)*

(3) *Significant increases in credit risk*

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort, including forward-looking information. In particular, the following information is taken into account:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. Unless the Group is able to obtain reasonable and well-founded information at no cost or effort to demonstrate that credit risk has not increased significantly since the initial recognition, although it exceeded the payment term agreed upon in the contract for 30 days.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments *(Continued)*

6) **Accounting treatment for impairment testing of financial assets** *(Continued)*

(3) *Significant increases in credit risk (Continued)*

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

(4) *Credit-impaired financial assets*

At each balance sheet date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- for economic or contractual reasons relating to the borrower's financial difficulty, the Group having granted to the borrower a concession that would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments *(Continued)*

6) **Accounting treatment for impairment testing of financial assets** *(Continued)*

(5) *Presentation of allowance for ECL*

ECLs are remeasured at each balance sheet date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gains or loss for the financial assets at amortised cost with a corresponding adjustment to their carrying amount through a loss allowance account.

(6) *Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. A write-off constitutes a derecognition event. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

7) **Equity instruments**

The consideration received from the issuance of equity instruments net of transaction costs is recognised in shareholders' equity. Consideration and transaction costs paid by the Group for repurchasing self-issued equity instruments are deducted from shareholders' equity.

11. Inventories

1) **Classification and initial recognition**

The Group's inventories are categorised as goods on hand, construction materials, spare parts, low-value consumables and packaging materials.

Inventories are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of processing and other expenditures incurred in bringing the inventories to their present location and condition.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

11. Inventories *(Continued)*

2) **Cost of inventories transferred out**

Cost of inventories transferred out is calculated using the weighted average method.

3) **Basis for determining the net realisable value**

At the balance sheet date, inventories are carried at the lower of cost and net realisable value. If the net realisable value is below the cost of inventories, a provision for decline in value of inventories is made. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated costs necessary to make the sale and relevant taxes.

Net realisable values of merchandise inventories held directly for sale, such as finished goods, stock commodities, and available-for-sale materials, are measured at the estimated selling prices less estimated sales expenses and relevant taxes and surcharges in the normal production process. Net realisable values of material inventories which need further processing are measured at the estimated selling prices less the estimated costs of completion, estimated sales expenses and relevant taxes and surcharges in the normal production process. Net realisable values of inventories held for the purpose of fulfillment of sales contracts or service contracts are calculated on the basis of the contract prices; if the quantity of inventories held exceeds that stated in the contract, the net realisable values of the excessive part are calculated on the basis of normal selling prices.

When the provision for inventory impairment is made, where the previous factor rendering the write-down of the inventory value has been eliminated, for which the net realisable value of the inventory is higher than the book value of the same, the provision for inventory impairment shall be reversed from the amount of provision for inventory impairment originally made, and the reversed amount shall be included in the current profit or loss.

4) **Inventory count system**

The Group maintains a perpetual inventory system.

5) **Amortisation method of low-value consumables and packaging materials**

(1) Low-value consumables are amortised using one-off write-off method;

(2) Packaging materials are amortised using one-off write-off method.

NOTES TO THE FINANCIAL STATEMENTS

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

12. Contract assets

1) *Recognition and standard of contract assets*

The Group presents contract assets or contract liabilities in the balance sheet based on the relationship between performance obligations and customer's payments. The consideration that the Group has the right (and this right depends on factors other than passage of time) to receive for goods transferred to customers is listed as contract assets. Contract assets and contract liabilities under the same contract shall be shown on a net basis. The Group has the right (only depends on the passage of time) to receive the consideration for goods to customers is listed as trade receivables individually.

2) *Method of determination of expected credit loss of contract assets and accounting treatment*

For the method of determination of expected credit loss of contract assets and accounting treatment methods, please refer to the Note III. 10 6) "Accounting treatment for impairment testing of financial assets".

13. Long-term equity investments

1) *Joint control or significant influence criterion*

Joint control is the contractually agreed sharing of control of an arrangement, and exists only when decisions about the relevant activities of the arrangement require the unanimous consent of the parties sharing control. If the Group together with the other joint venture parties can jointly control over the investee and are entitled to the right of the net assets of the investee, the investee is joint venture of the Group.

Significant influence refers to the power to participate in making decisions on the financial and operating policies of an enterprise, but not the power to control, or jointly control, the formulation of such policies with other parties. Where the Group can exercise significant Influence over an investee, the investee is an associate of the Group.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

13. Long-term equity investments *(Continued)*

2) **Determination of initial investment cost**

(1) Long-term equity investments acquired through a business combination

For business combinations involving entities under common control, the initial investment cost of long-term equity investments is its share of the book value of the shareholders' equity of the acquiree in the financial statements of the ultimate controlling party on the date of combinations. The difference between initial investment cost of long-term equity investment and the carrying value of consideration paid is to adjust share premium. If the balance of share premium is insufficient, any excess is adjusted to retained earnings. In connection with imposing control over the investee under joint control as a result of additional investment and other reasons, on the combination date, the initial cost of long-term equity investments shall be determined based on share of the carrying amount of the net assets of the combined party in the consolidated financial statement of the ultimate controlling party after the combination. The difference between initial investment cost of long-term equity investment the date of combination and the sum of the carrying value of long-term equity investment before combination and the carrying value of newly paid consideration for additional shares acquired on the date of combination is to adjust share premium. If the balance of share premium is insufficient, any excess is adjusted to retained earnings.

Business combinations involving entities not under common control: the cost of the combination determined on the date of acquisition shall be taken as the initial investment cost of the long-term equity investment. In connection with imposing control over the investee not under joint control as a result of additional investment and other reasons, the initial investment cost when changing to the cost method shall be the sum of the carrying value of the equity investment originally held and the newly increased initial investment cost.

(2) Long-term equity investments acquired other than through a business combination

The initial investment cost of a long-term equity investment obtained by the Group by cash payment shall be the purchase cost which is actually paid.

The initial investment cost of a long-term equity investment obtained by the Group by means of issuance of equity securities shall be the fair value of the equity securities issued.

3) **Subsequent measurement and recognition of profit or loss**

(1) Long-term equity investments accounted for under cost method

Long-term equity investments of the Company in its subsidiaries are accounted for under cost method unless such investments meet the conditions of holding for sale. Under the cost method, except for the actual price paid for acquisition of investment or the cash dividends or profits contained in the consideration which have been declared but not yet distributed, the Company recognises the proportion it shall enjoy in the cash dividends or profits declared by the investee as its investment income.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

13. Long-term equity investments *(Continued)*

3) **Subsequent measurement and recognition of profit or loss** *(Continued)*

(2) *Long-term equity investments accounted for under equity method*

Long-term equity investments in associates and joint ventures are accounted for under equity method. Where the initial investment cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the initial investment cost. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is charged to profit or loss.

The Group recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by that amount attributable to the Group. The Group adjusts the carrying amount of the long-term equity investment for changes in shareholders' equity of the investee other than those arising from net profits or losses and other comprehensive income and distributions to shareholders ("other changes in shareholders' equity"), and recognises the corresponding adjustment in shareholders' equity.

In calculating its share of the investee's net profits or losses, other comprehensive income and other changes in owners' equity, the Group recognises investment income and other comprehensive income after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair value of the investee's identifiable net assets at the date of acquisition.

Unrealised profits and losses resulting from transactions between the Group and its associates or joint venture are eliminated to the extent of the Group's interest in the associates or joint venture, except for the invested or disposed of assets constituted a business. Unrealised losses resulting from transactions between the Group and its associates or joint ventures are eliminated in the same way as unrealised gains but only to the extent that there is no impairment.

The Group discontinues recognising its share of further losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the Group's net investment in the joint venture or associate is reduced to zero, except to the extent that the Group has an obligation to assume additional losses. If the joint venture or associate subsequently reports net profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

13. Long-term equity investments *(Continued)*

3) **Subsequent measurement and recognition of profit or loss** *(Continued)*

(3) Disposal of long-term equity investments

For disposal of long-term equity investments, the difference between the book value and the actual price shall be included in the current investment income.

For long-term equity investments with partial disposal accounting by the equity method, where the remaining equity is still accounted for by the equity method, other comprehensive income recognised originally upon the accounting by the equity method shall be carried forward at the corresponding proportion on the basis same with that for the direct disposal of relevant assets or liabilities by the investee, and other changes in shareholders' equity shall be carried forward to the current profit or loss in proportion.

Where the Group loses the joint control over or significant influence on the investee on account of the disposal of equity investment and any other reason, when the accounting by the equity method is terminated, other comprehensive income recognised upon the accounting by the equity method from the original equity investment shall be subject to the accounting treatment which is made on the basis same with that for the direct disposal of relevant assets or liabilities by the investee, and other changes in shareholders' equity shall be transferred to the current profit or loss in full.

Where the Group loses the control over the investee on account of the partial disposal and any other reason, at the preparation of any single financial statements, if the remaining equity has the joint control over or significant influence on the investee, the accounting shall be made by the equity method, and an adjustment shall be made as if the remaining equity was accounted for by the equity method at acquisition; other comprehensive income recognised before the control over the investee is obtained shall be carried forward on the basis same with that for the direct disposal of relevant assets or liabilities by the investee, and other changes in shareholders' equity recognised on account of the accounting by the equity method shall be carried forward to the current profit or loss in proportion; if the remaining equity has no joint control over or significant influence on the investee, relevant financial assets shall be recognised, the difference between the fair value on the day of losing control of such remaining equity and the book value of the same shall be included in the current profit or loss, and other comprehensive income and other changes in shareholders' equity which have been recognised before the control over the investee is obtained shall be carried forward in full.

Where the disposal of subsidiaries' equity investments till the loss of control by stages through multiple transactions belongs to a package deal, the accounting treatment shall be made by taking each transaction as the transaction where the subsidiaries' equity investments are disposed and the corresponding control is lost; before the loss of control, the difference between the disposal price and the book value of the long-term equity investment corresponding to the equity disposed shall be firstly recognised as other comprehensive income in the individual financial statements, and at the loss of control, all transferred to the profit or loss for the period when the control is lost. Where the aforesaid disposal does not belong to a package deal, the accounting treatment shall be made respectively for each transaction.

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For the year ended 31 December 2025

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

14. Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, which include a land use right that is leased out, a land use right held for transfer upon capital appreciation and a building that is leased out (including after the completion of self-construction or development activities and buildings under development for future rental purpose).

Subsequently expenditures incurred for such investment property are included in the cost of the investment property if it is probable that economic benefits associated with an investment property will flow to the Group and the subsequent expenditures can be measured reliably. Other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

Investment properties are accounted for using the cost model. The Group adopts a depreciation or amortisation policy for the investment properties which is consistent with that for buildings or land use rights.

For the impairment of the investment properties, please refer to Note III. 21. Impairment of long-term assets.

When an investment property is sold, transferred, disposed or damaged, the Group recognises the amount of any proceeds on disposal net of the carrying amount and related taxes in profit or loss.

15. Fixed assets

1) *Recognition and initial measurement of fixed assets*

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and have useful lives of over one accounting year. A fixed asset is recognised only when:

- (1) It is probable that economic benefits associated with the assets will flow into the Group; and
- (2) The costs of the asset can be measured reliably.

The fixed assets are initially measured at cost (and by taking the impact of expected disposal costs).

Subsequent expenditures incurred for the fixed asset are included in the cost of the fixed asset and if it is probable that economic benefits associated with the expenditures will flow to the Group and the subsequent expenditures can be measured reliably. Meanwhile the carrying amount of the replaced part is derecognised. Other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Fixed assets (Continued)

2) Depreciation method

Depreciation of the fixed assets is made using the straight-line method. The depreciation rates are determined according to the categories, estimated useful lives and estimated net residual rates of fixed assets. For fixed assets where the provision for impairment has been made, the depreciation amount in the future will be determined at the book value of the fixed assets where the provision for impairment has been deducted, based on the remaining useful life. Where various components of fixed assets are different in useful lives or bring economic benefits for the enterprise in different ways, then the Group should choose different depreciation rates or methods to separately provide for depreciation.

The depreciation methods, depreciation years, residual value rates and annual depreciation rates of fixed assets are presented by categories as follows:

Category	Useful lives (years)	Residual value rate (%)	Annual depreciation rate (%)
Building and structures	8-60	0-10	1.50-12.50
Building improvements	5-8	0-3	12.13-20.00
Transportation vehicles	3-8	0-5	11.88-33.33
Machinery and equipment	5-20	0-5	4.75-20.00
Electronic equipment, office equipment and others	3-10	0-5	9.50-33.33

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least once at each financial year end.

3) Disposal of fixed assets

The carrying amount of a fixed asset is derecognised when the fixed asset is on disposal or no future economic benefit is expected to be generated from its use or disposal. When a fixed asset is sold, transferred, disposed or damaged, the Group recognises the amount of any proceeds on disposal net of the carrying amount and related taxes in profit or loss for the period.

16. Construction in progress

Construction in progress is measured at its actual costs. The actual costs include construction costs, installation cost, borrowing costs capitalised which fulfill the capitalization criteria and other expenditures incurred before it is ready for intended use. Construction in progress is transferred to a fixed asset when it is ready for its intended use and the relevant fixed asset is depreciated starting from the following month after the transfer.

NOTES TO THE FINANCIAL STATEMENTS

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

17. Borrowing costs

1) *Recognition criteria of capitalisation of borrowing costs*

The borrowing costs incurred to the Group and directly attributable to the acquisition and construction or production of assets eligible for capitalisation should be capitalised and recorded into relevant asset costs; other borrowing costs should be recognised as costs according to the amount incurred and be included into the current profit or loss.

Assets eligible for capitalisation refer to fixed assets, investment properties, inventories and other assets which may reach their intended use or sale status only after long-time acquisition and construction or production activities.

2) *Capitalisation period for borrowing costs*

Capitalisation period refers to the period from the beginning of capitalisation to the cease of capitalisation, excluding the period of capitalisation suspension of borrowing costs.

Capitalisation shall start when the following conditions are satisfied simultaneously:

- (1) Asset expenditures, which include those incurred by cash payment, the transfer of non-cash assets or the undertaking of interest-bearing debts for acquiring and constructing or producing assets eligible for capitalisation, have already been incurred;
- (2) Borrowing costs have already been incurred;
- (3) The acquisition and construction or production activities which are necessary to prepare the assets for their intended use or sale have already been started.

Capitalisation of borrowing costs should be ceased when the acquired and constructed or produced assets eligible for capitalisation have reached their intended use or sale status.

3) *Capitalisation suspension period*

If the acquisition, construction or production activities of assets eligible for capitalisation are abnormally interrupted and such interruption lasts for more than 3 months, the capitalisation of borrowing costs should be suspended; if the interruption is necessary for the acquired, constructed or produced assets eligible for capitalisation to reach the working condition for their intended use or sale, the borrowing costs will continue to be capitalised. Borrowing costs incurred during the interruption are recognised in profit or loss, and capitalisation of borrowing costs shall not resume until the acquisition, construction or production of the assets restarts.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Borrowing costs (Continued)

4) *Measurement method of capitalisation rate and capitalised amounts of borrowing costs*

For specific borrowings for acquiring, constructing or producing assets eligible for capitalisation, borrowing costs actually incurred during the period for specific borrowings less the interest income from the unused borrowings deposited in the bank or investment income from temporary investment with the unused borrowings should be recognised as the capitalisation amount of borrowing costs.

For general borrowings used for acquiring and constructing or producing assets eligible for capitalisation, the amount borrowing costs of general borrowings to be capitalised should be calculated by multiplying the weighted average of asset expenditure of the part of accumulated asset expenditure exceeding specific borrowings by the capitalisation rate for the used general borrowings. The capitalisation rate is determined based on the weighted average effective interest rate for general borrowings.

During the period for capitalisation, the exchange differences arising from translation of the principal and interest of the specific borrowings denominated in foreign currency should be capitalised, and included in the cost of assets eligible for capitalisation. The exchange differences arising from translation of the principal and interest of borrowings denominated in foreign currency other than the specific borrowings denominated in foreign currency should be included in the current profit or loss.

18. Intangible assets

1) *Recognition and measurement of intangible assets*

Intangible assets are initially measured at cost, except for the toll bridge franchise operating rights are determined based on the price invested by the shareholders.

The cost of a purchased intangible asset, including the acquisition price, associated taxes, and other directly attributable expenses incurred to bring the asset to its intended use.

When an intangible asset with a finite useful life is available for use, its original cost less estimated residual value and any accumulated impairment losses is amortised over its estimated useful life using the straight-line method. The Group regards intangible assets with unforeseeable future economic benefits as intangible asset with an indefinite useful life, and such intangible asset is not amortised.

The Group reassesses the useful lives of intangible assets with indefinite useful lives in each accounting period. If there is evidence indicating that the useful life of that intangible asset is finite, the Group estimates its useful life and accounts for it in accordance with the same policy as intangible assets with finite useful lives described above.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

18. Intangible assets *(Continued)*

2) *Estimate of useful lives for intangible assets*

Category	Amortisation period (years)
Land use rights	30-80/uncertain
Joint operating earning rights	10-12
Software use right	3-10
Passenger service licenses	uncertain
Toll bridge franchise operating rights	28
Trademark rights	10
Line license use rights	6-12
Others	2-16.25

Useful lives and amortisation methods of intangible asset with finite useful life are reviewed at least at each year-end.

The joint operation earning rights held by the Group was the line operation earning right cooperated with third party.

The passenger service licenses held by the Group was the passenger transportation license bought from third party to provide passenger transportation service in Hong Kong area.

The toll bridge franchise operating rights held by the Group is Tai Ping Interchange franchise operating right which was injected by a shareholder and was granted to the shareholder by government authority previously. The Group is entitled to the right to charge toll fees to users of relevant public services; however, the right does not constitute an unconditional right to receive cash and the toll fee amounts to be received are not guaranteed. Therefore, the Group recognises the concession right as intangible asset and amortises it over the concession period of 28 years using straight-line method.

As at the balance sheet date, the Group reassesses the useful lives for intangible assets with indefinite useful lives.

NOTES TO THE FINANCIAL STATEMENTS

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

18. Intangible assets *(Continued)*

3) *Specific criteria for classifying research and development phases*

Expenditure on an internal research and development project of the Group is classified into expenditure on the research phase and expenditure on the development phase.

Research phase: Research phase is the stage when creative and planned investigation and research activities are conducted to acquire and understand new scientific or technological knowledge.

Development phase: Development phase is the phase when the research achievements and other knowledge are applied to a plan or design, prior to the commercial production or use, so as to produce any new or substantially improved material, device or product.

4) *Criteria for capitalisation of development expenditures*

The research expenditure is included in the current profit or loss when it incurred. The development expenditure is recognised as intangible assets when it meets the following conditions at the same time, and is included in the current profit or loss when it fails to meet the following conditions:

- (1) The product or process is technically and commercially feasible;
- (2) The Group has sufficient resources and intention to complete the development work;
- (3) The expenditure attributable to the intangible assets during its development phase can be measured reliably.

If it is impossible to distinguish between research expenditure and development expenditure, all expenditure incurred will be included in the current profit or loss.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

19. Goodwill

The initial cost of goodwill arising on a business combination not under common control, is the difference between the combination cost and the fair value share of the acquiree's identifiable net assets obtained in the combination.

Goodwill is transferred out when its related asset group or portfolio of asset group is disposed, and recognised in the profit and loss.

The Group does not amortise goodwill, regardless of whether there is indication of impairment, goodwill is tested for impairment at least annually at the end of each year.

20. Long-term deferred expenses

Expenditure incurred with beneficial period over one year is recognised as long-term deferred expenses. Long-term deferred expenses are stated in the balance sheet at cost less accumulated amortisation and impairment losses.

Long-term deferred expenses are amortised using the straight-line method within the benefit period. The respective amortisation periods for such expenses are as follows:

Category	Amortisation period (years)
Leasehold improvements	3-20
Others	2-23

21. Impairment of long-term assets

Long-term equity investment, investment properties measured using a cost model, fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, long-term deferred expenses and other non-current assets, are tested for impairment if there is any indication that an asset may be impaired at the balance sheet date. If the result of the impairment test indicates that the recoverable amount of the asset is less than its carrying amount, an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset. Provision for asset impairment is determined and recognised on the individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs to is determined. A group of assets is the smallest group of assets that is able to generate cash inflows independently.

NOTES TO THE FINANCIAL STATEMENTS

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

21. Impairment of long-term assets *(Continued)*

Goodwill through business combination with indefinite useful lives shall be subject to impairment test at each year end, irrespective of whether there is any indication of impairment.

When the Group performs impairment test on goodwill, the Group shall, as of the purchase day, allocate on a reasonable basis the carrying value of the goodwill through business combination to the relevant asset group, or if there is a difficulty in allocation, to allocate it to the set of asset groups. When the Group allocates the carrying value of goodwill, the allocation shall be made based on the relative benefits gained from the synergy of business combination by relevant asset group or set of asset groups, based on which impairment tests for goodwill shall be carried out.

For the purpose of impairment test on the relevant asset group or the set of asset groups containing goodwill, if any evidence shows that the impairment of asset group or set of asset groups related to goodwill is possible, an impairment test will be made firstly on the asset group or set of asset groups not containing goodwill, thus calculating the recoverable amount and comparing it with the relevant carrying value so as to recognise the corresponding impairment loss. Then the Group will perform an impairment test on the asset group or set of asset groups containing goodwill, and compare the carrying value of the asset group or set of asset groups (including the carrying value of the goodwill allocated thereto) with the recoverable amount. Where the recoverable amount of the relevant assets group or set of the asset groups is lower than the carrying value thereof, it shall recognise the impairment loss. The amount of the impairment loss shall first charge against the carrying value of any goodwill allocated to the asset group or set of asset groups, then charge it against the carrying value of other assets in proportion to the weight of other assets in the asset group or set of asset groups with goodwill excluded.

Once an impairment loss is recognised, it is not reversed in subsequent periods.

22. Contract liabilities

The Group has presented contract assets or contract liabilities in the balance sheet based on the connection between the fulfilment of performance obligations and payment of the customers. A contract liability represents the obligation to transfer goods or services to a customer for which the Group has received a consideration or an amount of consideration that is due from the customer. A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

23. Employee benefits

1) *Accounting treatment on short-term employee benefits*

In the accounting period in which employees provide service for the Group, short-term benefits actually incurred are recognized as liabilities and charged to profit or loss or cost of relevant assets.

With regard to contributions to social insurance schemes and housing funds and provision for labour union expenses and employee education expenses as required by regulations, the Group should calculate and recognize the corresponding employee benefits payables according to the appropriation basis and proportion as stipulated by relevant requirements in the accounting period in which employees provide service.

Welfare expenses incurred by the Group in profit or loss when incurred or costs related assets based on actual amount. Non-monetary employee benefits will be accounted for in accordance with their fair value if they can be measured reliably.

2) *Accounting treatment on post-employment benefits*

(1) *Defined contribution plans*

Pursuant to the relevant laws and regulations of the PRC, the Company and its domestic subsidiaries participated in a defined contribution basic pension insurance plan in the social insurance system established and managed by government organisations. The Company and its domestic subsidiaries make contributions to basic pension insurance plans based on the applicable benchmarks and rates stipulated by the government. Basic pension insurance contributions payable is recognised as a liability as the employee provides services, with a corresponding charge to profit or loss or included in the cost of assets where appropriate.

Pursuant to the relevant laws and regulations of Hong Kong, subsidiaries of the Company in Hong Kong make contributions to the Mandatory Provident Fund Schemes for all Hong Kong employees at the lower of 5% of the monthly employee benefits or the cap (which is adjusted annually). The contributions are recognised as part of the cost of assets or charged to profit or loss when incurred.

NOTES TO THE FINANCIAL STATEMENTS

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

23. Employee benefits *(Continued)*

2) **Accounting treatment on post-employment benefits** *(Continued)*

(2) *Defined benefit plans*

The qualified retired employees and early retired employees (until formal retirement) of the Group are entitled to certain amount of allowance for a period of time.

In accordance with the projected unit credit method, the Group measures the obligations under defined benefit plans using unbiased and mutually compatible actuarial assumptions to estimate related demographic variables and financial variables, and discount obligations under the defined benefit plans to determine the present value of the defined benefit liability.

The Group attributes benefit obligations under a defined benefit plan to periods of service provided by respective employees. Service cost and interest expense on the defined benefit liability are charged to profit or loss or recognised as part of the cost of assets, and remeasurements of the defined benefit liability are recognised in other comprehensive income.

3) **Accounting treatment on termination benefit**

When the Group terminates the employment with employees before the employment contracts expire, or provides compensation under an offer to encourage employees to accept voluntary redundancy, a provision is recognised with a corresponding expense in profit or loss at the earlier of the following dates:

- When the Group cannot unilaterally withdraw the offer of termination benefits because of an employee termination plan or a curtailment proposal;
- When the Group has a formal detailed restructuring plan involving the payment of termination benefits and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

When the provision is not expected to be settled wholly within twelve months after the end of the reporting period, and the financial impact is material, the obligation shall be measured on a discounted basis using an appropriate discount rate.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

24. Provision

A provision is recognised for an obligation related to a contingency if:

- (1) the Group has a present obligation;
- (2) it is probable that an outflow of economic benefits of the Group will be required to settle the obligation;
- (3) the amount of obligation can be estimated reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at initial recognition date.

When recognising the best estimate amount, the Group takes into account factors pertaining to a contingency such as the risks, uncertainties and time value of money. Where the effect of the time value of money is material, the amount of the provision is determined by discounting the related future cash outflows.

When all or some of the expenditure required to settle a provision is expected to be reimbursed by a third party, the reimbursement is recognised as a separate asset only when it is virtually certain that the reimbursement will be received, and the amount of reimbursement recognised does not exceed the carrying amount of the provisions.

The Group reviews the carrying amount of provision on the balance sheet date. If there is unambiguous evidence indicating that the carrying amount cannot reflect the current best estimate, such carrying amount will be adjusted based on the current best estimate.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

25. Revenue

Revenue is the gross inflow of economic benefits arising in the course of the Group's ordinary activities when the inflows result in increase in shareholders' equity, other than increase relating to contributions from shareholders.

1) *Accounting policies on revenue recognition and measurement*

Revenue is recognised when the Group satisfies the performance obligation in the contract by transferring the control over relevant goods or services to the customers. Control over relevant goods or services refers to the ability to direct the use of the goods or services to obtain almost all of the economic benefits from the goods or services.

Where a contract has two or more performance obligations, the Group determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. The Group recognises as revenue the amount of the transaction price that is allocated to each performance obligation.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and amounts expected to be returned to the customers. The Group determines the transaction price in accordance with the terms of the contract and together with its past customary practices. The Group considers the impact of variable consideration, significant financing components in the contract, non-cash consideration, consideration payable to customers and other factors. The Group recognises the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Where the contract contains a significant financing component, the Group recognises the transaction price at an amount that reflects the price that a customer would have paid for the promised goods or services if the customer had paid cash for those goods or services when (or as) they transfer to the customer. The difference between the amount of promised consideration and the cash selling price is amortised using an effective interest method over the contract term. The Group does not adjust the consideration for any effects of a significant financing component if it expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Group satisfies a performance obligation over time if one of the following criteria is met; or otherwise, a performance obligation is satisfied at a point in time:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the customer can control the asset created or enhanced during the Group's performance;
- the Group's performance does not create an asset with an alternative use to it and the Group has an enforceable right to payment for performance completed to date.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

25. Revenue *(Continued)*

1) **Accounting policies on revenue recognition and measurement** *(Continued)*

For performance obligation satisfied over time, the Group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation, except that the progress cannot be measured reasonably. The Group considers the nature of the goods or services to determine whether input method or output method shall be adopted to measure the progress towards complete satisfaction of the performance obligation. When the progress of the performance obligation cannot be measured reasonably, but the Group expects to recover the costs incurred in satisfying the performance obligation, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

For performance obligation satisfied at a point in time, the Group recognises revenue at the point in time at which the customer obtains control of relevant goods or services. To determine whether a customer has obtained control of goods or services, the Group considers the following indicators:

- the Group has a present right to payment for the goods or services, that is the customer has an obligation for a payment of goods or services;
- the Group has transferred the legal title of the goods to the customer, that is the customer has legal ownership of the goods;
- the Group has transferred physical possession of the goods to the customer, that is the customer has physical possession of the goods;
- the Group has transferred the significant risks and rewards of ownership of the goods to the customer, that is the customer bears the risks and rewards of the ownership of the goods; and
- the customer has accepted the goods or services.

The Group assesses whether it is a principal or an agent to a transaction according to whether the Group controls the goods or services before they are transferred to the customers. When the Group is able to control the goods or services before they are transferred to the customers, the Group is considered a principal and recognises the gross amount of the consideration received or receivable as revenue; Otherwise, the Group is considered an agent that revenue shall be recognised according to the amount of the commission or handling charge the Group expects to have the right to receive. Such received or receivable amount represents the net amount of the gross consideration after deducting the considerations payable to other parties in the transaction, or the pre-determined commission amount or an amount calculated based on a pre-determined percentage.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

25. Revenue *(Continued)*

2) ***The following is the description of accounting policies regarding revenue from the Group's principal activities***

(1) Road passenger transportation and auxiliary services

Road passenger transportation and auxiliary services include passenger transportation services and passenger and freight station services.

Passenger transportation services include urban passenger transportation services and public transportation services and those provided in cities in Guangdong Province and cross-border transportation between Guangdong Province and Hong Kong. The Group recognises revenue when transportation services provided to customers are completed.

Passenger and freight station services include services provided to transportation companies for ticket sales, vehicle parking and etc. The Group recognises revenue when the transportation companies have accepted the services and the Group has a present right to payment.

(2) Sales of convenience store goods, petroleum and gasoline

Customers obtain control of convenience store goods, petroleum and gasoline when the goods are delivered to and have been accepted by the customers, customers have a present obligation to payment. Revenue is recognised at that point in time.

(3) Taiping interchange assets operation revenue

Taiping interchange assets operation revenue represents the toll revenue recognised from Taiping interchange franchise operating right. The Group completes the provision of service when vehicle pay the fee and pass through Taiping interchange and revenue is recognised at the same time.

NOTES TO THE FINANCIAL STATEMENTS

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

26. Government grants

1) *Classification*

Government grants are non-reciprocal transfers of monetary or non-monetary assets which are classified as related to an asset or related to income.

Government grants related to an asset refer to government grants for acquiring, construction or other means to form a long-term asset. Government grants related to income refers to government grants other than those related to an asset.

2) *Point of recognition*

A government grant is recognised when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

3) *Accounting treatment*

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a non-monetary asset, it is measured at fair value.

A government grant related to an asset is recognised as deferred income and amortised over the useful life of the related asset on a reasonable and systematic manner as other income or non-operating income. A grant that compensates the Group for expenses or losses to be incurred in the future is recognised as deferred income, and included in other income, non-operating income, or offset against related expenses in the periods in which the expenses or losses are recognised. Otherwise, the grant is recognised as other income, non – operating income, or offset against related expenses directly.

A government grant related to the ordinary activities of the Group shall be included in other income or offset against related expenses; a government grant unrelated to the ordinary activities of the Group shall be included in non-operating income.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

27. Deferred tax assets and liabilities

The income tax expenses include current income tax and deferred income tax. Current and deferred tax expenses or income are recognised in profit or loss for the period, except when they arise from transactions or events that are directly recognised in other comprehensive income or in shareholders' equity, in which case they are recognised in other comprehensive income or in shareholders' equity.

At the balance sheet date, deferred tax liabilities (or assets) are measured at the applicable tax rates, according to tax laws, that are expected to apply in the period in which the liability is settled (or the asset is realised).

For temporary differences arise from the differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those items that are not recognised as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognised using the balance sheet liability method.

Under normal circumstances, deferred tax is recognised for all temporary differences. Deferred tax assets for deductible temporary differences are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. However, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction (not a business combination) that affects neither the accounting profit nor taxable profits (or deductible losses) at the time of transaction, no deferred tax asset or liability is recognized.

For deductible losses and tax credits that can be carried forward, deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible losses and tax credits can be utilised.

Taxable temporary differences arising on investments in subsidiaries, associates and joint ventures are recognised as deferred tax liabilities unless the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deductible temporary differences arising on investments in subsidiaries, associates and joint ventures are recognised as deferred assets when it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

At the balance sheet date, deferred tax assets and liabilities are measured at the applicable tax rates, according to tax laws, that are expected to apply in the period in which the asset is realised or the liability is settled.

At the balance sheet date, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilised. Such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

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(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

27. Deferred tax assets and liabilities *(Continued)*

When the Group has a legal right to settle current tax assets and liabilities on a net basis and it intends either to settle current tax assets and liabilities on a net basis or to realise the assets and liabilities simultaneously, current tax assets and liabilities are offset and presented on a net basis.

At the balance sheet date, deferred tax assets and liabilities can be offset and presented on a net basis if the following conditions are met:

- Taxpayers has a legal right to settle current tax assets and liabilities on a net basis; and
- 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 assets and liabilities on a net basis or to realise the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed.

28. Leases

A lease is a contract that conveys the right to use an asset for a period of time in exchange for consideration.

At inception of a contract, the Group assesses 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 of consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset. An identified asset may be specified explicitly or implicitly specified in a contract and should be physically distinct, or capacity portion or other portion of an asset that is not physically distinct but it represents substantially all of the capacity of the asset and thereby provides the customer with the right to obtain substantially all of the economic benefits from the use of the asset. If the supplier has a substantive substitution right throughout the period of use, then the asset is not identified;
- the lessee has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of uses; and
- the lessee has the right to direct the use of the asset.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

28. Leases *(Continued)*

For a contract that contains multiple lease components, the lessee and lessor separates and accounts for each lease component as a lease respectively. For a contract that contains lease and non-lease components, the lessee and lessor separates the lease and non-lease components. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. When separating the lease and non-lease components of a contract, the lessee allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The lessor allocates the consideration in the contract in accordance with the principles of transaction price allocation described in Note III. 25 Revenue

1) *The Group as a lessee*

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date (less any lease incentives received), plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is depreciated using the straight-line method. If it is reasonably certain that the lease will transfers ownership of the underlying asset to the lessee by the end of the lease term, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment losses are recognised in accordance with the accounting policy described in Note III. 21 Impairment of long-term assets.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Group's incremental borrowing rate.

The Group calculates interest expenses in each period during the lease term based on a constant periodic rate of interest, and recognizes the interest expenses in profit or loss or part of the cost of another related asset. Variable lease payments not included in the measurement of the lease liability are recognized in profit or loss or part of the cost of another related asset as incurred.

NOTES TO THE FINANCIAL STATEMENTS

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(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Leases (Continued)

1) The Group as a lessee (Continued)

After the commencement date, the Group remeasures the lease liability by discounting the revised lease payments, if either:

- there is a change in the amounts expected to be payable under a residual value guarantee;
- there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- there is a change in the assessment of whether the Group will exercise a purchase, extension or termination option, or there is a change in the exercise of the extension or termination option.

When the lease liability is remeasured, the Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (leases that have a lease term of 12 months or less) and leases of low-value assets, and recognized the lease payments associated with these leases in profit or loss or part of the cost of another related asset on a straight-line basis over the lease term.

If a lease changes and the following conditions are met, the Company shall treat the change of lease as a separate lease:

- the changes of lease expand the scope of the lease by adding the right to use one or more of the leased assets;
- the increased consideration is equivalent to the separate price for the extension of the lease, adjusted for the circumstances of the contract;

If the lease change is not accounted for as a separate lease, the company shall, on the effective date other lease change, re-measure the lease liability according to the present value calculated by the lease payment amount after the change and the revised discount rate, and adjust the carrying amount of the right to use assets accordingly.

If the lease change results in the narrowing of the lease scope or the shortening of the lease term, the Company shall correspondingly reduce the carrying amount of the right-of-use assets, and charge the gains or losses related to the partial or complete termination of the lease into the current profit or loss. If other lease changes result in the remeasurement of lease liabilities, the Company shall adjust the carrying amount of the right-of-use assets accordingly.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

28. Leases *(Continued)*

2) *The Group as a lessor*

At the lease inception date, the Group classifies each of its leases as either a finance lease or an operating lease. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

When the Group is an intermediate lessor, it assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

Under finance leases, at the commencement date, the Group recognises finance lease receivable and derecognises the underlying assets. The Group initially measures finance lease receivable in the amount of net investment in the lease. Net investment in the lease is the sum of present value of unguaranteed residual value and the lease payments receivable at the commencement date, discounted at the interest rate implicit in the lease.

The Group calculates and recognises finance income in each period during the lease term, based on a constant periodic rate of interest. The derecognition and impairment losses are recognised in accordance with the accounting policy described in Note III. 10 Financial instruments. Variable lease payments not included in the measurement of the net instruments in the lease are recognized in profit or loss as incurred.

Lease payments received under operating leases are recognised as lease income on a straight-line basis over the lease term. The Group capitalises the initial direct costs incurred in obtaining an operating lease and recognises those costs as expenses over the lease term on the same basis as the lease income. Variable lease payments not included in the measurement of the net investment in the lease are recognised in profit or loss as incurred.

29. Special reserve

The Group provided for safety expense according to the relevant regulations of the “Notice on Printing and Distributing the “Administrative Measures for the Provision and Utilisation of Safety production expenses” (Caiqi [2022] No. 136), issued by the MOF and the Ministry of Emergency Management.

Provisions for safety production expenses are included in the cost of related products or profit or loss of the current period and included in the “special reserve” account correspondingly.

When the provisions are utilised within the prescribed scope, if the expenditures are revenue in nature, those expenditures are offset directly against the special reserve; if the fixed assets are formed, the expenditures will be accumulated in “construction in progress” and transferred to fixed assets when the relevant safety project is completed and ready for its intended use. At the same time, the special reserve is reduced according to the cost of the fixed asset formed and the accumulated depreciation of the same amount is provided. The fixed asset will no longer be depreciated in future periods.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

30. Segment reporting

Reportable segments are identified based on operating segments which are determined based on the structure of the Group's internal organisation, management requirements and internal reporting system. Two or more operating segments may be aggregated into a single operating segment if the segments have the similar economic characteristics and are same or similar in respect of the nature of each segment's products and services, the nature of production processes, the types or classes of customers for the products and services, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. The Group determines the reporting segment based on the operating segment and considering the principle of materiality.

Inter-segment revenues are measured on the basis of the actual transaction prices for such transactions for segment reporting. The accounting policies adopted in the preparation of segment reports are consistent with those adopted in the preparation of the Group's financial statements.

31. Profit distributions

Dividends or profit distributions proposed in the profit appropriation plan, which will be approved after the balance sheet date, are not recognised as a liability at the balance sheet date but are disclosed in the notes separately.

32. Related parties

If a party has the power to control, jointly control or exercise significant influence over another party, or vice versa, or where two or more parties are subject to common control or joint control from another party, they are considered to be related parties. The related parties of the Group also include the joint venture(s) or associate(s) of the other members (including the parent and subsidiaries) in the same group that includes the entity, and the other joint venture(s) or associate(s) of the investors who exercise joint control over the entity, etc. Related parties may be individuals or enterprises. Enterprises with which the Company is under common control only from the State and that have no other related party relationships are not regarded as related parties.

33. Significant accounting judgements and estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates as well as underlying assumptions and uncertainties involved are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

33. Significant accounting judgements and estimates *(Continued)*

The following are the key assumptions and uncertainties in accounting estimates at the balance sheet date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future periods.

1) **Loss allowances for accounts receivable**

The Group recognises loss allowances for financial assets measured at amortised cost and lease receivables based on expected credit losses.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, which is the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive.

ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the balance sheet date. When estimating lifetime ECLs, significant judgments need to be made on the risk of default, all cash flows expected to be received, etc.

2) **Impairment of assets except for inventories and financial assets**

As described in Note III. 21 Impairment of long-term assets, assets other than inventories and financial assets are reviewed at each balance sheet date to determine whether the carrying amount exceeds the recoverable amount of the assets. If any such indication exists, an impairment loss is recognised.

The recoverable amount of an asset (or an asset group) is the greater of its fair value less costs to sell and its present value of expected future cash flows. Since a market price of the asset (or the asset group) cannot be obtained reliably, the fair value of the asset cannot be estimated reliably, the recoverable amount was calculated based on the present value of estimated future cash flows. In assessing value in use and the present value of estimated future cash flows, significant judgements are exercised over the asset's production, selling price, related operating expenses and discount rate to calculate the present value. All relevant materials which can be obtained are used for estimation of the recoverable amount, including the estimation of the production, selling price and related operating expenses based on reasonable and supportable assumptions.

Performing impairment test for goodwill requires a calculation of the present value of estimated future cash flows of the asset group or a set of asset groups related to the goodwill, and an estimation of the future cash flows expected to arise from such asset group or such a set of asset groups. It also requires determining a suitable interest rate before tax that reflects current market assessments of the time value of money and the risks specific to the asset.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

33. Significant accounting judgements and estimates *(Continued)*

3) ***Depreciation and amortisation of assets such as investment properties measured by cost model, fixed assets, intangible assets with limited useful life, right-of-use assets and long-term deferred expenses***

Assets such as investment properties measured by cost model, fixed assets, intangible assets with limited useful life, right-of-use assets and long-term deferred expenses are depreciated and amortised over their useful lives after taking into account residual value. The estimated useful lives of the assets are regularly reviewed to determine the depreciation and amortisation costs charged in each reporting period. The useful lives of the assets are determined based on historical experience of similar assets and the estimated technical changes. If there have been significant changes in the factors used to determine the depreciation or amortisation, the rate of depreciation or amortisation is revised prospectively.

4) ***Deferred tax assets***

When assessing whether there will be sufficient future taxable profits available against which the deductible temporary differences can be utilised, the Group recognises deferred tax assets to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised, using tax rates that would apply in the period when the asset would be utilised. In determining the amount of deferred tax assets, the Group exercises judgements about the estimated timing and amount of taxable profits of the following periods, and of the tax rates applicable in the future according to the existing tax policies and other relevant regulations. Differences between such estimates and the actual timing and amount of future taxable profits and the actual applicable tax rates affect the amount of deferred tax assets that should be recognised.

5) ***Liabilities of retirement benefits***

The Group recognises the defined benefit scheme provided to the retired and early retired employees in the future as a liability. The amount of the expenses and liabilities related to the scheme is calculated and paid based on various assumptions, including the discount rate, the growth rate of the salary during the retirement, the growth rate of medical expenses and other factors. Although management considers these assumptions to be reasonable, actual experience and changes in the assumptions will affect the expenses and liabilities related to the employee retirement benefits – defined benefit scheme of the Group.

6) ***Recognition of government subsidies***

Specific conditions are generally attached to various subsidies obtained by the Group, which are subject to formal application and approval procedures. Management classifies government subsidies related to assets or government subsidies related to income and evaluates, on a periodic basis, whether the Group has complied with the relevant conditions attached to each subsidy and whether reasonable assurance has been obtained that the subsidies will be received, in order to determine the timing and amounts of subsidies to be recognised. The aforementioned assessment process involves significant management judgement.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

34. Changes in significant accounting policies and accounting estimates

1) *Significant accounting policy changes*

There was no change in significant accounting policies of the Group during the year.

2) *Changes in significant accounting estimates*

There was no change in significant accounting estimates of the Group during the year.

IV. TAXATION

1. Main types of taxes and corresponding tax rates

Tax type	Tax basis	Tax rate
Cultural construction fee	Income from advertisements (Note 1)	3%
Corporate income tax	Taxable profit (Note 2)	25%, 20%
Hong Kong profits tax	Assessable profit (Note 3)	16.5%
Value added tax ("VAT")	Income from sale of goods (Note 4)	13%, 9%
VAT	Transportation income (Note 4, Note 5)	9%, 3% or 1%, 0%, exempted
VAT	Income from prier rescue service	6%
VAT	Service income derived from highway facilities and other auxiliary facilities (Note 4)	9%, 6%, 5%
VAT	Income from toll (Note 5)	3%
City maintenance and construction tax	VAT paid (Note 4)	7%, 5%
Education surcharge and local education surcharge	VAT paid (Note 4)	3%, 2%
Land appreciation tax	Appreciation amount on property sold and applicable tax rate	40%, 60%
Property tax	The taxable residual value of the property	1.2%
Property tax	Rental income	12%

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

IV. TAXATION (CONTINUED)

1. Main types of taxes and corresponding tax rates (Continued)

Taxpayers with different enterprise income tax rates are the disclosure as follows:

Name of the taxpayers	Income tax rate
Meizhou Vehicle Materials Supply Co., Ltd.	20%
Jiaoling Vehicles Transportation Co., Ltd.	20%
Xingning Vehicles Transportation Co., Ltd.	20%
Meizhou Vehicles Passenger Transportation Co., Ltd.	20%
Wuhua Vehicles Transportation Co., Ltd.	20%
Meizhou Yueyun Investment Co., Ltd.	20%
Meizhou Automobile Freight Co., Ltd.	20%
Shenzhen Yuegang Transport Company Limited	20%
Guangdong Yue Li Jia Passenger Transport Company (Guangzhou)	20%
Yangshan County Yueyun Motor Inspection Co., Ltd.	20%
Guangdong Gangtong Vehicles Transportation Company Limited	20%
Shenzhen City Shenwei Lighter Transportation Co., Ltd.	20%
Yueyun Transportation (HK) Company Limited	16.5%
The Motor Transport Company of Guangdong and Hong Kong Limited	16.5%
Guangdong Yue Li Jia Passenger Transport Company (Hong Kong)	16.5%
Gang Tong (HK) Motor Transport Company Limited	16.5%

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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IV. TAXATION (CONTINUED)

2. Tax incentives

Note 1: According to “The Announcement of Extension on Cultural Construction Fee Preferential Policy by MOF” (Cai shui [2025] No. 7), the payable amount of cultural construction fee belonging to the central revenue shall be reduced by 50%; for the cultural construction fee belonging to the local income, the financial and party committee propaganda departments of all provinces (districts and cities) can reduce the payable amount within the range of 50% in combination with the local economic development level, the development of propaganda, ideological and cultural undertakings and other factors, from 1 January 2025 to 31 December 2027.

According to “The Announcement of Extension on Cultural Construction Fee Preferential Policy” issued by Department of Finance of Guangdong Province and National Tax Bureau of Guangdong Provincial, the payable amount of cultural construction fee belonging to the local income shall be reduced by 50%, from 1 January 2025 to 31 December 2027.

Note 2: According to the “Announcement of MOF and the State Administration of Taxation on the Further Implementation of the Preferential Income Tax Policy for Small and Micro Enterprises” (Announcement No. 13, 2022 of the MOF and State Administration of Taxation), which released at 14 March 2022, promulgated by the MOF and State Administration of Taxation, the Small-scaled minimal profit enterprise with an annual taxable income between RMB1,000,000 and RMB3,000,000 (RMB3,000,000 included) is entitled to a preferential tax treatment of 25% exemption of taxable income and application of income tax rate as 20%, from 1 January 2022 to 31 December 2024;

According to the “Announcement of the MOF and State Administration of Taxation on Preferential Income Tax Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households” promulgated by the MOF and State Administration at 27 March 2023 (Announcement No. 6 [2023]), the Small-scaled minimal profit enterprise with an annual taxable income below RMB1,000,000 (RMB1,000,000 included) is entitled to a preferential tax treatment of 25% exemption of taxable income and application of income tax rate as 20%, from 1 January 2023 to 31 December 2024.

According to the “Announcement of the MOF and State Administration of Taxation on the Further Supporting the Development of Small and Micro Enterprises and Individual Industrial and Commercial Households” promulgated by the MOF and State Administration at 2 August 2023 (Announcement No. 12 [2023]), the policy of small-scaled minimal profit enterprise which is entitled to a preferential tax treatment of 25% exemption of taxable income and application of income tax rate as 20%, extends to 31 December 2027.

Certain subsidiaries of the Group meet the requirements of small-scaled minimal profit enterprise and subject to enterprise income tax calculated at a tax rate of 20%. Please refer to Note. “IV.1 Main types of taxes and corresponding tax rates for details”. Furthermore, the statutory tax rate of the Group’s other subsidiaries in Mainland China is 25% and the statutory tax rate was implemented during the year (the prior year: 25%).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

IV. TAXATION *(CONTINUED)*

2. Tax incentives *(Continued)*

Note 3: The applicable Hong Kong profits tax rate for the year is 16.5% for the subsidiaries: Yueyun Transportation (HK) Company Limited, The Motor Transport Company of Guangdong and Hong Kong Limited, Gang Tong (HK) Motor Transport Company Limited and Guangdong Yue Li Jia Passenger Transport Company (Hong Kong) (the prior year: 16.5%).

Pursuant to the Financial Budget Proposal announced by Hong Kong government on 26 February 2025, enterprises registered in Hong Kong are entitled to a one-off preferential tax treatment of 100% exemption of profit tax in 2025 with the maximum of HK\$1,500.

Pursuant to the Financial Budget Proposal announced by Hong Kong government on 28 February 2024, enterprises registered in Hong Kong are entitled to a one-off preferential tax treatment of 100% exemption of profit tax in 2024 with the maximum of HK\$3,000.

Note 4: On 2 August 2023, according to the Announcement on Individual Income Tax Preferential Policies for Small and Micro Enterprises and Individual Business Operators issued by the MOF and the State Taxation Administration (the Announcement No. 12 of the Ministry of Finance and the State Taxation Administration, 2023), from 1 January 2023 to 31 December 2027, the resource tax (excluding water resources tax), city maintenance and construction tax, property tax, city and town land use tax, stamp tax (excluding securities transaction stamp tax), farmland conversion tax, and education surcharge and local education surcharge shall be halved for value-added tax small-scale taxpayers, small and micro-profit enterprises and individual business operators.

Note 5: According to the provisions of the Announcement on Clarifying the Policy of VAT Reduction and Exemption for small-scale VAT Taxpayers promulgated by the MOF and the State Administration of Taxation on 9 January 2023 (Announcement No. 1[2023]), from 1 January 2023 to 31 December 2023, small-scale VAT taxpayers with monthly sales of less than RMB100,000 are exempt from VAT, and small-scale VAT taxpayers whose taxable sale income subject to 3% tax rate, VAT will be taxed at a reduced rate of 1%; for prepaid VAT items subject to 3% prepaid tax rate.

According to "The Announcement of VAT Reduction and Exemption for small-scale-VAT Taxpayers" promulgated by the MOF and the State Administration of Taxation on 1 August 2023 (Announcement No. 19[2023]), the policy of VAT reduction and exemption for small-scale VAT taxpayers extends to 31 December 2027.

NOTES TO THE FINANCIAL STATEMENTS

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Details of cash at bank and on hand

Items	31 December 2025	31 December 2024
Cash on hand	5,219,449.06	3,869,621.30
Deposits with bank	1,125,847,083.38	1,421,187,333.33
Other monetary funds (Note 1)	14,306,476.86	18,073,436.66
Total	1,145,373,009.30	1,443,130,391.29

Note 1: The details of other monetary funds that are restricted in use due to mortgage, pledge or freezing are as follows:

Items	31 December 2025	31 December 2024
Performance security deposits	1,586,272.92	1,127,000.00
Property maintenance funds	630,217.28	4,637,257.05
Tourism quality security deposits	350,000.00	650,000.00
Judicial freeze	11,739,986.66	11,659,179.61
Total	14,306,476.86	18,073,436.66

Note: As at 31 December 2025, the other monetary funds of the Group under judicial freeze included:
① Certain bank accounts of Guangdong Vehicles Transportation Group Co., Ltd., a subsidiary of the Company, were frozen in the total amount of RMB5,726,334.42, due to the subsidiary providing a joint liability guarantee for Heyuan City Yueyun Motor Transportation Co., Ltd., an associate of the Company, which failed to repay its overdue debts, leading to a lawsuit by its creditors and an application for asset preservation against the subsidiary; and Certain bank accounts of Guangdong Top-E Expressway Service Zone Company Limited, a subsidiary of the Company, were frozen in the total amount of RMB6,013,652.24, due to a tenant applying to the court for pre-suit asset preservation against it.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Bills receivable

1) Classification of bills receivable

Items	31 December 2025	31 December 2024
Bank acceptance bills	–	400,000.00
Commercial acceptance bills	500,000.00	–
Total	500,000.00	400,000.00

Note 1: As at 31 December 2025, the Group had no pledged bills receivable.

Note 2: As at 31 December 2025, the Group has no endorsed or discounted bills receivable that have not yet expired on the balance sheet date.

3. Accounts receivable

1) The aging analysis of accounts receivable is as follows:

Aging	31 December 2025	31 December 2024
Within 3 months (inclusive)	163,646,078.66	131,192,645.97
Over 3 months but within 6 months (inclusive)	32,385,967.26	38,340,384.58
Over 6 months but within 1 year (inclusive)	48,688,312.64	82,330,921.47
Over 1 year but within 2 years (inclusive)	19,802,006.61	19,113,279.43
Over 2 years but within 3 years (inclusive)	7,014,219.06	10,651,170.50
Over 3 years	23,939,764.74	25,491,579.91
Sub-total	295,476,348.97	307,119,981.86
Less: Provision for bad and doubtful debts	43,397,615.11	48,298,900.83
Total	252,078,733.86	258,821,081.03

Note: The aging is counted starting from the date when accounts receivable are recognised.

NOTES TO THE FINANCIAL STATEMENTS

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable (Continued)

2) Disclosure of accounts receivable by provision methods for bad debts

Category	31 December 2025					31 December 2024				
	Amount		Provision for bad and doubtful debts		Book value	Amount		Provision for bad and doubtful debts		Book value
	Amount	Percentage (%)	Amount	Provision ratio (%)		Amount	Percentage (%)	Amount	Provision ratio (%)	
Provision for bad debts is made on an individual basis	2,979,385.43	1.01	2,979,385.43	100.00	-	3,825,180.63	1.25	3,825,180.63	100.00	-
Provision for bad debts is made on a collective basis	292,496,963.54	98.99	40,418,229.68	13.82	252,078,733.86	303,294,801.23	98.75	44,473,720.20	14.66	258,821,081.03
Including:										
Aging portfolio	292,496,963.54	98.99	40,418,229.68	13.82	252,078,733.86	303,294,801.23	98.75	44,473,720.20	14.66	258,821,081.03
Total	295,476,348.97	100.00	43,397,615.11		252,078,733.86	307,119,981.86	100.00	48,298,900.83		258,821,081.03

Provision for bad debts is made on an individual basis:

Names	31 December 2025			Reasons for accruing
	Amount	Provision for bad and doubtful debts	Provision ratio (%)	
Yingde Baixiu Talent Brand Management Co., Ltd.	744,171.92	744,171.92	100.00	Not expected to be recovered
China Travel Service (Zhuhai) Haiquan Bay Co., Ltd.	600,000.00	600,000.00	100.00	Not expected to be recovered
Guangdong Yuechahui Cultural Communication Co., Ltd.	545,000.00	545,000.00	100.00	Not expected to be recovered
Changsha Sail Advertising Co., Ltd.	500,000.00	500,000.00	100.00	Not expected to be recovered
Others	590,213.51	590,213.51	100.00	Not expected to be recovered
Total	2,979,385.43	2,979,385.43		

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable (Continued)

2) Disclosure of accounts receivable by provision methods for bad debts (Continued)

Provision for bad debts is made on a collective basis:

Items	31 December 2025		Provision ratio (%)
	Amount	Provision for bad and doubtful debts	
Aging portfolio			
Service zone operation			
Within 1 year (inclusive)	131,586,041.27	6,579,302.32	5.00
Over 1 year but within 2 years (inclusive)	4,391,769.92	439,177.01	10.00
Over 2 years but within 3 years (inclusive)	868,657.14	260,597.14	30.00
Over 3 years	416,215.69	208,107.86	50.00
Sub-total	137,262,684.02	7,487,184.33	
Road transportation and other service			
Within 1 year (inclusive)	113,134,317.29	5,656,715.89	5.00
Over 1 year but within 2 years (inclusive)	14,909,094.32	5,218,183.04	35.00
Over 2 years but within 3 years (inclusive)	5,889,937.72	2,944,968.90	50.00
Over 3 years	16,921,424.86	16,921,424.86	100.00
Sub-total	150,854,774.19	30,741,292.69	
Other business			
Over 3 years	4,379,505.33	2,189,752.66	50.00
Sub-total	4,379,505.33	2,189,752.66	
Total	292,496,963.54	40,418,229.68	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable (Continued)

3) Movements of provision for bad and doubtful debts for the year is as follows:

Category	31 December 2024	Charge into income statement	Changes during the year		Foreign currency financial statement translation differences	31 December 2025
			Written-off	Disposal of subsidiaries		
Provision for bad debts is made on an individual basis	3,825,180.63	(35,653.69)	-	810,141.51	-	2,979,385.43
Provision for bad debts is made on a collective basis	44,473,720.20	9,883,788.66	438,120.23	13,479,385.44	(21,773.51)	40,418,229.68
Total	48,298,900.83	9,848,134.97	438,120.23	14,289,526.95	(21,773.51)	43,397,615.11

4) Accounts receivable of actual written-off during the year is as follows:

Item	Written-off amount
Accounts receivable of actual written-off	438,120.23

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Prepayments

1) The aging analysis of prepayments is as follows

Aging	31 December 2025			31 December 2024		
	Gross carrying Amount	Percentage (%)	Provision for bad and doubtful debts	Gross carrying Amount	Percentage (%)	Provision for bad and doubtful debts
Within 1 year (inclusive)	192,948,137.27	97.07	-	190,051,546.42	94.57	-
Over 1 year but within 2 years (inclusive)	3,212,694.76	1.62	-	6,244,294.85	3.11	-
Over 2 years but within 3 years (inclusive)	1,190,996.44	0.60	-	1,919,239.79	0.96	-
Over 3 years	1,390,344.20	0.71	-	2,730,358.99	1.36	-
Total	198,742,172.67	100.00	-	200,945,440.05	100.00	-

Note: The aging is counted starting from the date when prepayments are recognised.

5. Other receivables

Items	31 December 2025	31 December 2024
Dividends receivable	-	13,700,000.00
Others	310,206,675.01	578,961,831.54
Total	310,206,675.01	592,661,831.54

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

1) Dividends receivable

(1) Details of dividends receivable

Investees	31 December 2025	31 December 2024
Yangjiang Jiaotou Langri Company Limited	–	13,260,000.00
Shaoguan Libao Technology Company Limited	–	440,000.00
Sub-total	–	13,700,000.00
Less: Provision for bad and doubtful debts	–	–
Total	–	13,700,000.00

2) Others

(1) The aging analysis is as follows:

Aging	31 December 2025	31 December 2024
Within 1 year (inclusive)	189,899,487.27	293,001,282.20
Over 1 year but within 2 years (inclusive)	73,796,831.14	156,815,381.14
Over 2 years but within 3 years (inclusive)	31,174,316.69	42,316,818.70
Over 3 years	172,014,148.42	190,359,220.98
Sub-total	466,884,783.52	682,492,703.02
Less: Provision for bad and doubtful debts	156,678,108.51	103,530,871.48
Total	310,206,675.01	578,961,831.54

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

2) Others (Continued)

(2) Classified disclosure by bad debt provision method

Category	31 December 2025					31 December 2024				
	Gross carrying		Provision for bad and doubtful debts			Gross carrying		Provision for bad and doubtful debts		
	Amount	Percentage (%)	Amount	Provision ratio (%)	Book value	Amount	Percentage (%)	Amount	Provision ratio (%)	Book value
Provision for bad debts is made on an individual basis	152,411,044.56	32.64	141,801,195.20	93.04	10,609,849.36	86,679,434.83	12.70	86,314,217.91	99.58	365,216.92
Provision for bad debts is made on a collective basis	314,473,738.96	67.36	14,876,913.31	4.73	299,596,825.65	595,813,268.19	87.30	17,216,653.57	2.89	578,596,614.62
Including:										
Aging portfolio	150,662,326.03	32.27	14,876,913.31	9.87	135,785,412.72	96,664,111.56	14.16	17,216,653.57	17.81	79,447,457.99
Combination of security deposit and government subsidy	163,811,412.93	35.09	-	-	163,811,412.93	499,149,156.63	73.14	-	-	499,149,156.63
Total	466,884,783.52	100.00	156,678,108.51		310,206,675.01	682,492,703.02	100.00	103,530,871.48		578,961,831.54

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

2) Others (Continued)

(2) Classified disclosure by bad debt provision method (Continued)

Provision for bad debts is made on an individual basis:

Names	Amount	31 December 2025		Reasons for accruing
		Provision for bad and doubtful debts	Provision ratio (%)	
Shanwei City Public Transport Service Group Co., Ltd. (former name: Shanwei Yueyun Automobile Transportation Co., Ltd.)	41,320,474.74	41,320,474.74	100.00	Not expected to be recovered
Qingyuan Xinhongji Real Estate Development Co., Ltd.	32,421,057.34	32,421,057.34	100.00	Not expected to be recovered
Heyuan City Yueyun Motor Transportation Co., Ltd.	20,520,730.63	20,520,730.63	100.00	Not expected to be recovered
Fengshun Motor Transport Co., Ltd	14,494,472.82	14,494,472.82	100.00	Not expected to be recovered
Others	43,654,309.03	33,044,459.67	75.70	Not expected to be recovered
Total	152,411,044.56	141,801,195.20		

Provision for bad debts is made on a collective basis:

Items	Other receivables	31 December 2025	
		Provision for bad and doubtful debts	Provision ratio (%)
Provision for bad debts based on aging portfolio			
Within 1 year (inclusive)	124,134,348.14	6,206,717.44	5.00
Over 1 year but within 2 years (inclusive)	9,580,274.48	958,027.48	10.00
Over 2 years but within 3 years (inclusive)	3,808,417.26	1,142,525.19	30.00
Over 3 years	13,139,286.15	6,569,643.20	50.00
Sub-total	150,662,326.03	14,876,913.31	
Combination of security deposit and government subsidy	163,811,412.93	–	
Total	314,473,738.96	14,876,913.31	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

2) Others (Continued)

(3) Provision for bad and doubtful debts:

Provision for bad and doubtful debts	The first stage	The second stage	The third stage	Total
	Expected credit loss for the next 12 months	Expected credit loss for the entire duration (no credit impairment has occurred)	Expected credit loss for the entire duration (credit impairment already occurred)	
Balance at the end of the previous year	17,216,653.57	–	86,314,217.91	103,530,871.48
Provision for this year	6,701,268.56	–	64,668,623.79	71,369,892.35
Disposal of subsidiaries	9,026,361.02	–	9,181,646.50	18,208,007.52
Foreign currency financial statement translation differences	(14,647.80)	–	–	(14,647.80)
Closing balance	14,876,913.31	–	141,801,195.20	156,678,108.51

The changes in the book balance of other receivables are as follows:

Gross carrying amount	The first stage	The second stage	The third stage	Total
	Expected credit loss for the next 12 months	Expected credit loss for the entire duration (no credit impairment has occurred)	Expected credit loss for the entire duration (credit impairment already occurred)	
Balance at the end of the previous year	595,813,268.19	–	86,679,434.83	682,492,703.02
Provision for this year	42,151,491.62	–	74,793,318.23	116,944,809.85
Disposal of subsidiaries	323,460,348.82	–	9,061,708.50	332,522,057.32
Foreign currency financial statement translation differences	(30,672.03)	–	–	(30,672.03)
Closing balance	314,473,738.96	–	152,411,044.56	466,884,783.52

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

2) Others (Continued)

(4) Provisions for bad debts accrued, reversed or recovered during the current year

Category	31 December 2024	Changes during the year			31 December 2025
		Charge into income statement	Disposal of subsidiaries	Foreign currency financial statement translation differences	
Provision for bad debts is made on an individual basis	86,314,217.91	64,668,623.79	9,181,646.50	-	141,801,195.20
Provision for bad debts is made on a collective basis	17,216,653.57	6,701,268.56	9,026,361.02	(14,647.80)	14,876,913.31
Total	103,530,871.48	71,369,892.35	18,208,007.52	(14,647.80)	156,678,108.51

(5) Disclosure of other receivables by nature

Nature	31 December 2025	31 December 2024
Security deposits	26,368,992.43	50,923,416.31
Government grants	77,540,679.35	375,150,535.02
Staff advances	3,156,544.52	9,951,805.71
Insurance compensation relating to traffic accidents	9,604,643.17	12,461,778.78
Amount due from related parties	98,044,545.94	70,920,031.88
Amount due from third parties	142,194,936.22	110,163,295.44
Payments and receipts on behalf	7,245,307.03	11,839,258.89
Consideration receivables	72,276,385.13	16,009,915.43
Others	30,452,749.73	25,072,665.56
Total	466,884,783.52	682,492,703.02

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Inventory

1) Inventory classification

Items	31 December 2025			31 December 2024		
	Book balance	Provision for impairment of inventories	Book value	Book balance	Provision for impairment of inventories	Book value
Raw materials	6,392,814.23	565,850.02	5,826,964.21	9,051,915.62	565,850.02	8,486,065.60
Finished goods	118,828,225.35	-	118,828,225.35	113,820,164.63	-	113,820,164.63
Others	2,173,719.87	-	2,173,719.87	335,091.45	-	335,091.45
Total	127,394,759.45	565,850.02	126,828,909.43	123,207,171.70	565,850.02	122,641,321.68

2) Provision for impairment of inventories

Item	31 December 2024	Increase during this year	Decrease during this year	31 December 2025
Raw materials	565,850.02	-	-	565,850.02
Total	565,850.02	-	-	565,850.02

7. Other current assets

Items	31 December 2025	31 December 2024
Deductible and uncertified input VAT	19,119,397.03	42,990,470.11
Prepaid tax and surcharges	3,683,066.04	5,014,562.93
Total	22,802,463.07	48,005,033.04

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Long-term equity investments

Investee	Book balance as at 31 December 2024	Additional investment	Reduce investment	Changes during this period				Book balance as at 31 December 2025	Provision for impairment as at 31 December 2025
				Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Declaring cash dividends or profits	Disposals of subsidiaries Others		
1. Joint ventures									
Guangdong Yuehuahui Business Management Co., Ltd. (Note 1)	9,400,884.06	-	-	827,192.10	-	-	-	10,228,076.16	-
Zhuhai Yuegong Xinhai Transportation Co., Ltd. (Note 2)	138,234,061.61	-	-	55,810,589.34	1,806,388.92	30,058,264.69	(28,211,032.98)	137,581,742.20	-
Guangdong Zhongyou Top-E Energy Trading Company Limited (Note 3)	34,772,842.51	-	-	(1,700,975.94)	-	-	-	33,071,866.57	-
Guangdong Roadnet Innovalues Media Information Technology Co., Ltd.	2,068,988.89	-	-	(376,652.06)	-	-	(1,692,336.83)	-	-
Guangzhou Hehe Intelligent Technology Co., Ltd.	-	-	-	-	-	-	-	-	-
Shaoguan Yuehong Bus Station Company Limited	2,033,665.41	-	2,033,665.41	-	-	-	-	-	-
Chaozhou City Yueyun Public Transport Co., Ltd.	-	221,493.33	-	427,436.89	-	-	-	648,930.22	-
Guangdong Hong Kong Macau Port Service Company Limited	-	448,168.70	-	-	-	-	(5,590.90)	442,577.80	-
Sub-total	186,510,442.48	669,662.03	2,033,665.41	54,987,590.33	1,806,388.92	30,058,264.69	(28,211,032.98)	181,973,192.95	-
2. Associates									
Southern United Assets and Equity Exchange Co., Ltd.	49,124,514.41	-	-	8,714,982.65	-	13,043,972.71	-	44,795,524.35	-
Guangdong South Passenger Network Center Company Limited (Note 4)	5,724,739.54	-	-	5,755.17	-	-	(1,431,184.88)	4,299,309.83	-
Qingyuan Zhongguan Development Co., Ltd.	368,531.18	-	-	14,621.89	-	-	-	383,153.07	-
Zhuhai Wandatong Hongkong-Zhuhai- Macau Bridge Port Passenger Service Co. Ltd.	949,455.22	-	-	-	-	-	(949,455.22)	-	-
Lufeng Shen-Shan Expressway Services Company Limited	3,106,693.03	-	-	1,473,493.02	-	-	-	4,580,186.05	-
Shantou City Chaonan Yueyun Sky Island Transportation Co., Ltd.	-	-	-	-	-	-	-	-	-
Guangzhou City Tianhe Coach Terminal Co., Ltd.	33,052,141.18	-	-	449,032.87	-	-	-	33,501,174.05	-
Guangdong Guangye Yueyun Natural Gas Company Limited	2,843,762.81	-	-	(229,340.01)	-	-	-	2,614,422.80	-
CNPC Yueyun Natural Gas Co. Ltd.	7,224,731.75	-	3,088,800.00	(4,135,931.75)	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Long-term equity investments (Continued)

Investee	Book balance as at 31 December 2024	Additional investment	Changes during this period					Book balance as at 31 December 2025	Provision for impairment as at 31 December 2025	
			Reduce investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Declaring cash dividends or profits	Disposals of subsidiaries Others			
Shantou City Automobile Passenger Traffic Centre Co., Ltd.	20,003,019.34	-	-	(853,095.56)	-	-	-	19,149,923.78	-	
Shantou City Chaoyang Yueyun Sky Island Transportation Co., Ltd.	-	-	-	-	-	-	-	-	-	
Shenzhen Lihong Investment Development Co., Ltd.	47,354,182.65	-	-	225,757.94	-	-	-	47,579,940.59	-	
Hui Ke Tong Technology (Zhuhai) Company Limited	-	-	-	-	-	-	-	-	-	
Express Cross-Border Coach Management Company Limited	-	-	-	-	-	-	-	-	-	
Hong Kong-Zhuhai-Macao Bridge Shuttle Bus Company Limited	54,543,485.09	-	-	9,805,432.71	-	13,902,376.00	(1,292,982.01)	49,153,559.79	-	
Guangdong-Hong Kong-Macao System Technology Co., Ltd.	-	-	-	-	-	-	-	-	-	
Shaoguan Libao Technology Company Limited	1,886,293.31	-	-	549,251.32	-	1,280,000.00	(1,155,544.63)	-	-	
Shaoguan City Danxia Mountain Travel Bus Company Limited	7,123,038.04	-	7,123,038.04	-	-	-	-	-	-	
Hong Kong & Macao International Airport Transportation Service (HK) Co. Limited	3,307,726.51	-	-	1,032,649.00	-	94,755.67	(93,211.07)	4,152,408.77	-	
Hong Kong International Airport Passenger Service (Macao) Co., Ltd.	2,472,687.50	-	-	822,621.95	-	-	(71,195.55)	3,224,113.90	-	
Guangzhou City Zengcheng Automobile Passenger Traffic Station Co., Ltd. (Note 5)	-	11,701,216.79	-	(804,871.38)	-	-	-	10,896,345.41	-	
Guangzhou City Yueyun Motor Transportation Co., Ltd. (Note 5)	-	459,066.67	-	(459,066.67)	-	-	-	-	-	
Guangdong Yueyun Development Co., Ltd. (Note 5)	-	130,066.67	-	(130,066.67)	-	-	-	-	-	
Heyuan City Yueyun Motor Transportation Co., Ltd. (Note 5)	-	308,377.23	-	(308,377.23)	-	-	-	-	-	
Sub-total	239,085,001.56	12,598,727.36	10,211,838.04	16,172,849.25	-	28,321,104.38	(3,536,184.73)	(1,457,388.63)	224,330,062.39	-
Total	425,595,444.04	13,268,389.39	12,245,503.45	71,160,439.58	1,806,388.92	58,379,369.07	(31,747,217.71)	(3,155,316.36)	406,303,255.34	-

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(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

8. Long-term equity investments *(Continued)*

Note 1: The Group holds 50% equity of Guangdong Yuehuahui Business Management Co., Ltd. (hereinafter referred to as "Guangdong Yuehuahui"). According to the articles of association of Guangdong Yuehuahui, the shareholders of the company exercise their voting rights in proportion to their capital contributions. The board of directors consists of 5 directors, of which 3 are appointed by the Group and 2 are appointed by third-party shareholders. The resolutions of the board of directors must be unanimously approved by two-thirds of the directors. Therefore, Guangdong Yuehuahui is a joint venture of the Group.

Note 2: As at 22 January 2025, the Company transferred 100% equity of Zhuhai Gongyun Coach Terminal Co., Ltd. (hereinafter referred to as "Zhuhai Gongyun"). Before the equity transfer, Zhuhai Gongyun held 10% equity of Zhuhai Yuegong Xinhai Transportation Co., Ltd. (hereinafter referred to as "Yuegong Xinhai"). After the equity transfer above, the Group holds a 39% stake in Yuegong Xinhai. According to the company's articles of association of Yuegong Xinhai, the resolution of the shareholders' meeting of the company must be unanimously passed by the voting rights held by the shareholders. Therefore, Yuegong Xinhai is a joint venture of the Group.

Note 3: The Group holds 51% equity of Guangdong Zhongyou Top-E Energy Trading Company Limited. According to the company's articles of association of Guangdong Zhongyou Top-E Energy Trading Company Limited, the shareholders of the company exercise their voting rights in proportion to their capital contributions, and the special resolutions of the shareholders' meeting are adopted by voting by shareholders representing more than two thirds of the voting rights. Therefore, Guangdong Zhongyou Top-E Energy Trading Company Limited is a joint venture of the Group.

Note 4: As at 22 January 2025, the Company transferred 100% equity of Zhuhai Gongyun. Before the equity transfer, Zhuhai Gongyun held 4% equity in Guangdong Nanyuetong Passenger Transport Networking Center Co., Ltd. (hereinafter referred to as "Nanyuetong"). After the equity transfer of Zhuhai Gongyun, the Group holds 12% equity in Nanyuetong. According to the Articles of Association of Nanyuetong, resolutions of the company's shareholders' meeting must be passed by a majority of the voting rights held by the shareholders present at the meeting. According to the promoter agreement of Nanyuetong, the Company has appointed management personnel to serve as directors in Nanyuetong and enjoy the corresponding substantive right to participate in decision-making. Therefore, the Company has a significant influence on Nanyuetong, which is an associate of the Group.

Note 5: As Note VI.3 disclosed, the Company lost control of Guangzhou City Yueyun Motor Transportation Co., Ltd., Guangzhou City Zengcheng Automobile Passenger Traffic Station Co., Ltd., Guangdong Yueyun Development Co., Ltd and Heyuan City Yueyun Motor Transportation Co., Ltd., because of the disposal of investment in subsidiaries. Since the Company still has a significant influence on these companies above, they became the associates of the Company after the date of disposal.

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(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Investment in other equity instruments

1) Investment in other equity instruments

Items	31 December 2025	31 December 2024
Zhuhai Gongyun Automobile Transportation Co., Ltd. (Note 1)	–	–
Zhongdao Tourism Industry Development Co., Ltd. (Note 2)	–	194,401.33
Guangzhou Huadu Jindaoda expressway economic development Co., Ltd. (Note 3)	–	–
Shaoguan Libao Technology Company Limited. (Note 4)	361,107.69	–
Total	361,107.69	194,401.33

Note 1: As at 22 January 2025, the Company transferred 100% equity of Zhuhai Gongyun, which held 10% equity of Zhuhai Gongyun Automobile Transportation Co., Ltd. After the disposal of Zhuhai Gongyun, the Group no longer holds the equity of Zhuhai Gongyun Automobile Transportation Co., Ltd.

Note 2: As in January of 2025, the Company transferred the 1% equity of Zhongdao Tourism Industry Development Co., Ltd., and the consideration is RMB156,700.00. After the transaction, the Company no longer holds the equity of Zhongdao Tourism.

Note 3: As at 31 December 2025, the Group holds 10% equity interests in Guangzhou Huadu Jindaoda Expressway Economic Development Co., Ltd. Since Guangdong Huadu Jindaoda Expressway Economic Development Co., Ltd. has suffered losses all the year round, the fair value of the investment in other equity instruments was zero.

Note 4: As at 31 December 2025, the Group holds 10% equity interests in Shaoguan Libao Technology Company Limited. Since the Group does not have a significant impact on the business decisions of Shaoguan Libao Technology Company Limited, the Group accounts for the investment in Shaoguan Libao Technology Company Limited as an investment in other equity instruments.

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(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Investment properties

1) Investment properties using cost measurement model

Items	Buildings	Land use rights	Total
1. Cost			
(1) Balance as at 31 December 2024	243,218,097.85	99,529,081.52	342,747,179.37
(2) Additions during the year	49,710,653.65	29,810,325.86	79,520,979.51
– Transfer from fixed assets	49,710,653.65	–	49,710,653.65
– Transfer from intangible assets	–	29,810,325.86	29,810,325.86
(3) Decrease during the year	237,437,310.83	85,981,972.21	323,419,283.04
– Transfer to fixed assets	43,271,751.47	–	43,271,751.47
– Transfer to intangible assets	–	818,275.42	818,275.42
– Disposals of subsidiaries	194,079,694.32	84,494,500.30	278,574,194.62
– Foreign currency financial statement translation differences	85,865.04	669,196.49	755,061.53
(4) Balance as at 31 December 2025	55,491,440.67	43,357,435.17	98,848,875.84
2. Accumulated depreciation or amortisation			
(1) Balance as at 31 December 2024	45,998,042.93	30,681,066.17	76,679,109.10
(2) Additions during the year	14,729,095.62	14,616,052.35	29,345,147.97
– Accruals	5,452,281.66	3,241,083.82	8,693,365.48
– Transfer from fixed assets	9,276,813.96	–	9,276,813.96
– Transfer from intangible assets	–	11,374,968.53	11,374,968.53
(3) Decrease during the year	46,589,026.63	29,500,021.67	76,089,048.30
– Transfer to fixed assets	9,359,398.57	–	9,359,398.57
– Transfer to intangible assets	–	334,426.41	334,426.41
– Disposals of subsidiaries	37,144,990.01	28,906,482.48	66,051,472.49
– Foreign currency financial statement translation differences	84,638.05	259,112.78	343,750.83
(4) Balance as at 31 December 2025	14,138,111.92	15,797,096.85	29,935,208.77
3. Book value			
(1) As at 31 December 2025	41,353,328.75	27,560,338.32	68,913,667.07
(2) As at 31 December 2024	197,220,054.92	68,848,015.35	266,068,070.27

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Fixed assets

1) Fixed assets

Item	31 December 2025	31 December 2024
Fixed assets	1,449,115,971.07	1,959,016,114.87
Total	1,449,115,971.07	1,959,016,114.87

2) Fixed assets

Items	Buildings and structures	Buildings improvements	Machinery and equipment	Electronic equipment, office equipment and others	Transportation vehicles	Total
1. Cost						
(1) Balance as at 31 December 2024	1,773,563,141.99	233,457,733.93	100,528,879.95	364,377,672.10	2,740,739,081.78	5,212,666,509.75
(2) Additions during the year	109,892,638.53	-	31,653,496.56	53,427,049.57	31,141,100.29	226,114,284.95
- Purchases	59,718,759.62	-	31,653,496.56	32,580,040.80	31,141,100.29	155,093,397.27
- Transfer from construction in progress	6,902,127.44	-	-	20,847,008.77	-	27,749,136.21
- Transfer from investment properties	43,271,751.47	-	-	-	-	43,271,751.47
(3) Reductions during the year	364,222,603.59	9,184,942.03	34,459,293.57	74,347,194.49	1,142,705,830.71	1,624,919,864.39
- Disposals or discarding	63,616,771.45	9,184,942.03	6,954,098.53	22,065,400.64	370,004,599.08	471,825,811.73
- Transfer to investment properties	49,710,653.65	-	-	-	-	49,710,653.65
- Disposals of subsidiaries	249,896,083.14	-	27,497,546.48	52,244,074.42	767,422,833.33	1,097,060,537.37
- Foreign currency financial statement translation differences	999,095.35	-	7,648.56	37,719.43	5,278,398.30	6,322,861.64
(4) Balance as at 31 December 2025	1,519,233,176.93	224,272,791.90	97,723,082.94	343,457,527.18	1,629,174,351.36	3,813,860,930.31

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For the year ended 31 December 2025
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Fixed assets (Continued)

2) Fixed assets (Continued)

Items	Buildings and structures	Buildings improvements	Machinery and equipment	Electronic equipment, office equipment and others	Transportation vehicles	Total
2. Accumulated depreciation						
(1) Balance as at 31 December 2024	673,718,838.17	180,568,491.60	67,455,475.95	215,721,061.19	2,107,926,538.83	3,245,390,405.74
(2) Additions during the year	74,945,221.15	8,730,932.51	8,630,114.19	24,662,156.16	201,663,279.04	318,631,703.05
– Accruals	65,585,822.58	8,730,932.51	8,630,114.19	24,662,156.16	201,663,279.04	309,272,304.48
– Transfer from investment properties	9,359,398.57	–	–	–	–	9,359,398.57
(3) Reductions during the year	128,362,615.61	9,133,252.18	28,440,384.13	67,642,435.86	969,576,037.83	1,203,154,725.61
– Disposals or discarding	20,957,236.74	9,133,252.18	5,614,643.55	21,439,388.47	340,375,341.50	397,519,862.44
– Transfer to investment properties	9,276,813.96	–	–	–	–	9,276,813.96
– Disposals of subsidiaries	97,481,226.36	–	22,818,288.16	46,192,765.30	624,746,534.47	791,238,814.29
– Foreign currency financial statement translation differences	647,338.55	–	7,452.42	10,282.09	4,454,161.86	5,119,234.92
(4) Balance as 31 December 2025	620,301,443.71	180,166,171.93	47,645,206.01	172,740,781.49	1,340,013,780.04	2,360,867,383.18
3. Provision of impairment						
(1) Balance as at 31 December 2024	4,211,963.05	–	–	–	4,048,026.09	8,259,989.14
(2) Additions during the year	–	–	–	–	–	–
(3) Reductions during the year	4,211,963.05	–	–	–	170,450.03	4,382,413.08
– Disposals or discarding	–	–	–	–	170,450.03	170,450.03
– Disposals of subsidiaries	4,211,963.05	–	–	–	–	4,211,963.05
(4) Balance as at 31 December 2025	–	–	–	–	3,877,576.06	3,877,576.06
4. Book value						
(1) Book value as at 31 December 2025	898,931,733.22	44,106,619.97	50,077,876.93	170,716,745.69	285,282,995.26	1,449,115,971.07
(2) Book value as at 31 December 2024	1,095,632,340.77	52,889,242.33	33,073,404.00	148,656,610.91	628,764,516.86	1,959,016,114.87

Note: As at 31 December 2025, fixed assets of the Group with carrying amount of RMB67,434,267.99 (31 December 2024: RMB156,140,097.85) were pledged for bank loans, among which, RMB3,681,789.51 (31 December 2024: RMB144,314,101.68) were pledged for long-term loans, RMB63,752,478.48 (31 December 2024: RMB11,825,996.17) were pledged for short-term loans.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Fixed assets (Continued)

3) Fixed assets for which the certificate of title has not been obtained

Certain buildings and structures of the Group located in Guangzhou, Qingyuan, Foshan and Meizhou etc. have not yet obtained the certificate of title due to historical reasons. As at 31 December 2025, the book value of such buildings and structures was RMB24,187,401.08 (31 December 2024: RMB75,140,219.15).

12. Construction in progress

1) Construction in progress

Item	31 December 2025	31 December 2024
Construction in progress	28,281,589.42	31,939,629.08
Total	28,281,589.42	31,939,629.08

2) Movements of construction in progress

Items	31 December 2025			31 December 2024		
	Gross carrying amount	Provision for impairment	Book value	Gross carrying amount	Provision for impairment	Book value
Commercial transformation of service zones	9,835,649.47	-	9,835,649.47	20,982,038.20	-	20,982,038.20
Renovation of Changbang	6,964,387.72	-	6,964,387.72	-	-	-
Bus station reconstruction	1,300,000.00	-	1,300,000.00	3,646,796.36	206,275.47	3,440,520.89
Digital Media Project	699,933.07	-	699,933.07	892,102.89	-	892,102.89
Others	9,481,619.16	-	9,481,619.16	7,443,171.98	818,204.88	6,624,967.10
Total	28,281,589.42	-	28,281,589.42	32,964,109.43	1,024,480.35	31,939,629.08

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Right-of-use assets

Items	Buildings and structures	Lease of land	Transportation vehicles	Total
1. Cost				
(1) Balance as at 31 December 2024	3,574,999,551.00	88,879,146.68	247,814,049.60	3,911,692,747.28
(2) Additions during the year	63,530,757.51	–	–	63,530,757.51
– Additions of lease	63,530,757.51	–	–	63,530,757.51
(3) Reductions during the year	31,760,623.56	72,309,657.62	247,814,049.60	351,884,330.78
– Disposals or expiration	9,697,209.16	–	–	9,697,209.16
– Disposals of subsidiaries	22,019,476.10	72,309,657.62	247,814,049.60	342,143,183.32
– Foreign currency financial statement translation differences	43,938.30	–	–	43,938.30
(4) Balance as at 31 December 2025	3,606,769,684.95	16,569,489.06	–	3,623,339,174.01
2. Accumulated depreciation				
(1) Balance as at 31 December 2024	1,397,503,873.84	36,777,953.03	167,267,449.90	1,601,549,276.77
(2) Additions during the year	192,248,849.95	4,896,929.04	10,222,328.76	207,368,107.75
– Accruals	192,248,849.95	4,896,929.04	10,222,328.76	207,368,107.75
(3) Reductions during the year	14,442,180.66	26,364,329.12	177,489,778.66	218,296,288.44
– Disposals or expiration	7,839,208.64	–	–	7,839,208.64
– Disposals of subsidiaries	6,582,833.63	26,364,329.12	177,489,778.66	210,436,941.41
– Foreign currency financial statement translation differences	20,138.39	–	–	20,138.39
(4) Balance as 31 December 2025	1,575,310,543.13	15,310,552.95	–	1,590,621,096.08
3. Book value				
(1) As at 31 December 2025	2,031,459,141.82	1,258,936.11	–	2,032,718,077.93
(2) As at 31 December 2024	2,177,495,677.16	52,101,193.65	80,546,599.70	2,310,143,470.51

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Intangible assets

1) Details of intangible assets

Items	Land use rights	Computer software	Passenger service licenses	Station and toll bridge franchise operating rights	Line license use rights and route operation rights	Trademark rights and others	Total
1. Cost							
(1) Balance as at 31 December 2024	583,131,641.02	118,618,921.45	40,759,057.93	387,478,456.26	284,351,763.87	4,673,854.67	1,419,013,695.20
(2) Additions during the year	21,220,418.48	12,673,532.05	-	-	-	-	33,893,950.53
- Purchases	20,402,143.06	10,751,564.59	-	-	-	-	31,153,707.65
- Internal research and development	-	1,102,236.33	-	-	-	-	1,102,236.33
- Transfer from construction in progress	-	819,731.13	-	-	-	-	819,731.13
- Transfer from investment properties	818,275.42	-	-	-	-	-	818,275.42
(3) Reductions during the year	230,657,488.37	36,051,332.99	1,004,407.70	59,998,896.78	180,059,933.16	4,040,575.19	511,812,634.19
- Disposals or discarding	19,734,796.41	32,883,253.69	-	-	7,499,374.61	-	60,117,424.71
- Transfer to investment properties	29,810,325.86	-	-	-	-	-	29,810,325.86
- Disposals of subsidiaries	180,400,661.56	3,121,171.53	-	59,998,896.78	172,560,558.55	4,040,575.19	420,121,863.61
- Foreign currency financial statement translation differences	711,704.54	46,907.77	1,004,407.70	-	-	-	1,763,020.01
(4) Balance as at 31 December 2025	373,694,571.13	95,241,120.51	39,754,650.23	327,479,559.48	104,291,830.71	633,279.48	941,095,011.54
2. Accumulated amortization							
(1) Balance as at 31 December 2024	129,379,606.11	85,562,551.68	-	324,665,632.37	211,688,028.29	3,414,486.54	754,710,304.99
(2) Additions during the year	12,237,562.36	8,557,006.74	-	10,249,894.36	6,024,160.13	597,859.13	37,666,482.72
- Accruals	11,903,135.95	8,557,006.74	-	10,249,894.36	6,024,160.13	597,859.13	37,332,056.31
- Transfer from investment properties	334,426.41	-	-	-	-	-	334,426.41
(3) Reductions during the year	66,830,208.65	32,280,169.06	-	19,697,038.33	129,294,726.39	3,906,445.67	252,008,588.10
- Disposals or discarding	6,473,326.97	29,844,999.49	-	-	704,083.57	-	37,022,410.03
- Transfer to investment properties	11,374,968.53	-	-	-	-	-	11,374,968.53
- Disposals of subsidiaries	48,614,896.66	2,403,506.82	-	19,697,038.33	128,590,642.82	3,906,445.67	203,212,530.30
- Foreign currency financial statement translation differences	367,016.49	31,662.75	-	-	-	-	398,679.24
(4) Balance as at 31 December 2025	74,786,959.82	61,839,389.36	-	315,218,488.40	88,417,462.03	105,900.00	540,368,199.61

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Intangible assets (Continued)

1) Details of intangible assets (Continued)

Items	Land use rights	Computer software	Passenger service licenses	Station and toll bridge franchise operating rights	Line license use rights and route operation rights	Trademark rights and others	Total
3. Provision of impairment							
(1) Balance as at 31 December 2024	2,956,979.57	-	-	-	43,866,713.52	-	46,823,693.09
(2) Additions during the year	-	-	-	-	3,148,404.86	-	3,148,404.86
- Accruals	-	-	-	-	3,148,404.86	-	3,148,404.86
(3) Reductions during the year	-	-	-	-	43,866,713.52	-	43,866,713.52
- Disposals of subsidiaries	-	-	-	-	43,866,713.52	-	43,866,713.52
(4) Balance as at 31 December 2025	2,956,979.57	-	-	-	3,148,404.86	-	6,105,384.43
4. Book value							
(1) As at 31 December 2025	295,950,631.74	33,401,731.15	39,754,650.23	12,261,071.08	12,725,963.82	527,379.48	394,621,427.50
(2) As at 31 December 2024	450,795,055.34	33,056,369.77	40,759,057.93	62,812,823.89	28,797,022.06	1,259,368.13	617,479,697.12

Note 1: As at 31 December 2025, land use rights with carrying amount of RMB8,688,268.71 (31 December 2024: RMB40,397,549.17) were pledged for long-term loans.

Note 2: Certain pieces of land of the Group located in the cities of Meizhou have not yet obtained the certificates of ownership. As at 31 December 2025, the carrying amount of land use rights without certificate of the title for the Group was RMB nil (31 December 2024: RMB6,794,825.79).

Note 3: As at 31 December 2025, land use rights with carrying amount of RMB53,689,480.58 (31 December 2024: RMB82,578,261.92) were obtained through allocation.

15. Development expenditure

Project	31 December 2024	Additions during the year Internal development expenditure	Reductions during the year Recognized as intangible assets	Included in profit or loss	31 December 2025
"Digital rescue" highway vehicle rescue service platform phase I project	1,102,236.33	-	1,102,236.33	-	-
Total	1,102,236.33	-	1,102,236.33	-	-

NOTES TO THE FINANCIAL STATEMENTS

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(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

16. Goodwill

1) *Movements of goodwill*

Name of investee from which goodwill arising	31 December 2024	Additions during the year Accrual	Reductions during the year Disposal	31 December 2025
Cost				
Heyuan City Yueyun Motor Transportation Co., Ltd.	28,559,728.57	–	28,559,728.57	–
Qingyuan Yueyun Vehicles Transportation Co., Ltd.	35,402,088.43	–	–	35,402,088.43
Guangdong Zhong Yue Tong Oil Products Operation Co., Ltd.	1,641,316.22	–	–	1,641,316.22
Sub-total	65,603,133.22	–	28,559,728.57	37,043,404.65
Provision for impairment				
Heyuan City Yueyun Motor Transportation Co., Ltd.	24,021,500.84	–	24,021,500.84	–
Qingyuan Yueyun Vehicles Transportation Co., Ltd.	30,481,922.87	–	–	30,481,922.87
Sub-total	54,503,423.71	–	24,021,500.84	30,481,922.87
Book value	11,099,709.51	–	4,538,227.73	6,561,481.78

Note 1: As at 23 December 2025, the Company has disposed of its subsidiary Heyuan City Yueyun Motor Transportation Co., Ltd., and the related goodwill and provision for impairment of goodwill have been transferred to investment income.

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Goodwill (Continued)

2) Information of the goodwill related to asset group or portfolio of asset group

Goodwill is allocated to each asset group which is expected to benefit from the synergies of the combination. Details of each asset group are as follows:

Items	Note	2025	2024
Zhongyuetong Gas Station Assets Group	(a)	1,641,316.22	1,641,316.22
Heyuan City Yueyun Motor Transportation Co., Ltd. Bus Station Assets Group	(b)	–	4,538,227.73
Qingyuan Yueyun Vehicles Transportation Co., Ltd. Bus Station Assets Group	(b)	4,920,165.56	4,920,165.56
Total		6,561,481.78	11,099,709.51

(a) Gas Station Asset Group

For Zhongyuetong Gas Station Asset Group, the recoverable amount is determined based on the present value of expected future cash flows. The present value of expected future cash flows was projected based on the most recent five-year financial budgets approved by management and a discount rate of 9.95% (2024: 9.68%). The expected growth rate of cash flows beyond the five-year budget period were assumed to be 0%.

The calculation of present value of expected future cash flows of Zhongyuetong Gas Station Asset Group was based on operating income growth rate and profit margin as the key assumption, which was determined by management on the basis of past performance up to the budget period:

	Average income growth rate during the forecast period	Average profit margin during the forecast period
Zhongyuetong Gas Station Asset Group	-37.49%	7.49%

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

16. Goodwill *(Continued)*

2) **Information of the goodwill related to asset group or portfolio of asset group** *(Continued)*

(a) Gas Station Asset Group (Continued)

At 31 December 2025, based on the estimated recoverable amount, no impairment loss was recognised of Zhongyuetong Gas Station Asset Group. However, as key assumptions on which management has made in respect of future cash projections are subject to change, an adverse change in the assumptions could cause the carrying amount to exceed its recoverable amount.

(b) Bus Station Asset Group

For the above station asset group, the recoverable amount is determined by the fair value less costs of disposal. In the related asset group, the fair value of land and buildings is determined according to the bidding, auction and listing transaction price of similar lots or recent related evaluation reports; the fair value of other assets such as equipment is determined according to the replacement cost method. Disposal costs consider transaction listing costs, intermediary fees, and transaction taxes.

As at 31 December 2025, based on the Group's management's estimated recoverable amount of bus station assets group, no impairment loss was recognized. However, as key assumptions on which the management has made in respect of the net amount of fair value less disposal costs are subject to change, an adverse change in the assumptions could cause the carrying amount to exceed its recoverable amount.

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Long-term deferred expenses

Items	31 December 2024	Additions during the year	Decrease during the year	31 December 2025
Leasehold improvements	198,037,215.13	104,162,159.50	94,274,475.67	207,924,898.96
Others	6,866,890.29	807,224.07	3,225,555.53	4,448,558.83
Total	204,904,105.42	104,969,383.57	97,500,031.20	212,373,457.79

18. Deferred tax assets and deferred tax liabilities

1) Deferred tax assets that are not offset

Items	31 December 2025		31 December 2024	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for bad and doubtful debts of accounts receivable	26,893,298.45	6,667,684.51	27,373,659.84	6,639,536.74
Provision for bad and doubtful debts of other receivables	41,070,647.44	10,267,661.87	40,119,892.55	9,946,959.37
Deductible tax losses	3,436,379.09	859,094.77	26,990,566.96	4,402,299.79
Accrued Expenses	5,957,424.35	1,489,356.09	6,161,602.07	1,531,560.75
Employee benefits payable	17,191,224.93	4,297,806.23	22,654,889.58	5,663,722.40
Amortisation of intangible assets	528,133.45	132,033.37	655,141.52	163,785.38
Long-term employee benefits payable	195,992.66	48,998.17	782,582.29	195,645.57
Depreciation of fixed assets	14,858,910.64	3,714,727.66	14,798,595.92	3,699,648.98
Lease liabilities	2,486,667,407.04	621,666,851.77	2,566,768,306.21	641,692,076.55
Deferred revenue	21,538,644.04	5,384,661.02	37,661,599.82	9,415,399.96
Total	2,618,338,062.09	654,528,875.46	2,743,966,836.76	683,350,635.49

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Deferred tax assets and deferred tax liabilities (Continued)

2) Deferred tax liabilities that are not offset

Items	31 December 2025		31 December 2024	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Assets appreciation	40,969,418.02	10,242,354.50	93,671,236.32	23,417,809.09
Investment income	10,608,784.84	2,652,196.21	7,404,892.40	1,851,223.10
Government grants	–	–	61,150,112.65	15,287,528.16
Depreciation of fixed assets	15,177,343.16	2,930,708.76	56,356,015.27	13,113,267.58
Right-of-use assets	1,866,991,972.49	466,747,993.13	2,054,896,323.78	513,724,080.94
Total	1,933,747,518.51	482,573,252.60	2,273,478,580.42	567,393,908.87

3) Deferred tax assets or liabilities presented on a net basis after offset

Items	31 December 2025		31 December 2024	
	Deferred tax assets and liabilities offset	Balance of deferred tax assets or liabilities after offset	Deferred tax assets and liabilities offset	Balance of deferred tax assets or liabilities after offset
Deferred tax assets	478,242,331.70	176,286,543.76	530,573,838.21	152,776,797.28
Deferred tax liabilities	478,242,331.70	4,330,920.90	530,573,838.21	36,820,070.66

4) Details of unrecognized deferred tax assets

Items	31 December 2025	31 December 2024
Deductible temporary differences	334,623,553.83	242,227,589.58
Deductible tax losses	1,080,680,081.59	1,425,703,830.33
Total	1,415,303,635.42	1,667,931,419.91

Note: As certain of the Group's subsidiaries consider that it is not probable that sufficient taxable profits will be available in future periods to offset the above deductible temporary differences and deductible losses, no deferred tax assets are recognised on the above deductible tax losses and temporary differences.

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Deferred tax assets and deferred tax liabilities (Continued)

5) Deductible tax losses for unrecognized deferred tax assets will expire in the following years

Year	31 December 2025	31 December 2024
2025	–	50,286,048.17
2026	209,478,508.13	324,256,029.24
2027	526,316,378.78	623,679,335.52
2028	146,080,072.49	339,941,807.25
2029	26,479,987.77	87,540,610.15
2030	172,325,134.42	–
Total	1,080,680,081.59	1,425,703,830.33

Note: According to “The Announcement on tax revenue policies for supporting COVID-19 prevention and control” (Announcement [2020] No. 8) issued by MOF and National Tax Bureau, the tax loss carried forward can be extended from 5 years to 8 years for the enterprises affected by the epidemic seriously.

19. Other non-current assets

Items	31 December 2025			31 December 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Prepayments for land use rights (Note 1)	32,871,710.00	–	32,871,710.00	32,871,710.00	–	32,871,710.00
Prepaid taxes	5,542,609.23	–	5,542,609.23	6,377,113.48	–	6,377,113.48
Prepayment for long-term assets	43,325,434.74	–	43,325,434.74	33,725,851.51	–	33,725,851.51
Others	3,347,961.47	–	3,347,961.47	4,160,328.45	–	4,160,328.45
Total	85,087,715.44	–	85,087,715.44	77,135,003.44	–	77,135,003.44

Note 1: As at 31 December 2025, the prepayments for land use rights are paid by Qingyuan Yueyun Vehicles Transportation Co., Ltd., a subsidiary of the Company, for the land expropriation of Jiangnan Automobile Passenger Station.

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For the year ended 31 December 2025

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

20. Short-term loans

1) *Classification of short-term loans*

Items	31 December 2025	31 December 2024
Unsecured loans	10,000,000.00	214,839,500.00
Including: Loans from banks	10,000,000.00	214,839,500.00
Loans secured by mortgages (Note 2)	21,949,662.43	119,610,648.34
Pledged loan	–	12,700,000.00
Pledged and mortgaged loans	–	7,600,000.00
Pledged and guaranteed loans	–	13,800,000.00
Total	31,949,662.43	368,550,148.34

Note 1: As at 31 December 2025, the Group's short-term loans were borrowings from banks within 1 year, which bear interest rates ranging from 3.00% – 4.50% per annum (31 December 2024: 2.39% – 5.10%).

Note 2: For the details of assets mortgaged for secured loans as at 31 December 2025, please refer to Notes V.11.

2) *Overdue short-term loans*

As at 31 December 2025, the Group had no overdue short-term borrowings.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Accounts payable

1) *The nature analysis of accounts payable is as follows:*

Items	31 December 2025	31 December 2024
Materials payable	69,749,257.09	82,001,906.93
Transportation fee payable	58,034,187.10	62,736,080.67
Contract payments for cars	15,900,731.86	42,833,590.92
Progress payments for constructions	242,630,854.20	229,785,343.99
Expressway service zones contracts fee payable	231,731,810.40	147,723,720.64
Fuel expenses payable	10,394,572.71	19,256,129.09
Service fees payable	1,811,807.05	11,574,063.91
Others	72,535,728.51	80,169,038.43
Total	702,788,948.92	676,079,874.58

2) *The aging analysis of accounts payable according to the date of transaction is as follows:*

Items	31 December 2025	31 December 2024
Within 1 year (inclusive)	371,333,550.06	468,885,160.18
Over 1 year but within 2 years (inclusive)	215,926,931.87	66,825,658.78
Over 2 years but within 3 years (inclusive)	34,722,366.75	30,616,021.41
Over 3 years	80,806,100.24	109,753,034.21
Total	702,788,948.92	676,079,874.58

3) *Significant accounts payable with aging of more than one year:*

Items	31 December 2025	Nature and reasons for unsettlement
Guangdong Wuhua Erjian Engineering Co., Ltd.	12,151,253.51	Construction fee unsettled
Jiangxi Construction Engineering Construction And Installation Co. Ltd.	11,227,766.29	Construction fee unsettled
Total	23,379,019.80	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Advances from customers

1) *The nature of advances from customers is as follows:*

Items	31 December 2025	31 December 2024
Advances from contractors	58,192,691.70	96,602,845.86
Advances for advertising space rental fee	8,813,492.11	16,061,978.61
Other advances	2,484,438.38	6,240,990.83
Total	69,490,622.19	118,905,815.30

2) *The aging analysis of advances from customers is as follows:*

Items	31 December 2025	31 December 2024
Within 1 year (inclusive)	61,800,491.40	113,003,621.74
Over 1 year but within 2 years (inclusive)	4,000,528.47	3,725,382.66
Over 2 years but within 3 years (inclusive)	1,770,939.44	425,136.31
Over 3 years	1,918,662.88	1,751,674.59
Total	69,490,622.19	118,905,815.30

3) *Material advances from customers with aging over one year*

As at 31 December 2025, the Group had no advances from customers with aging over one year with individual amount over RMB10 million.

23. Contract liabilities

1) *Contract liabilities*

Items	31 December 2025	31 December 2024
Advances payments for transportation fees	6,602,445.28	16,121,009.35
Advances payments for goods	42,587,563.46	30,040,469.35
Advances payments for services fee	14,653,127.73	22,395,336.77
Total	63,843,136.47	68,556,815.47

2) *Amount and reasons for significant changes in book value during the reporting period*

The Group's contractual liabilities with carrying amount of RMB68,213,320.89 as of 31 December 2024 have been transferred into operating income in the current year, including passenger transportation income of RMB15,777,514.77 (2024: RMB15,410,740.21), commodity sales income of RMB30,040,469.35 (2024: RMB18,925,617.28), and other service income of RMB22,395,336.77 (2024: RMB22,033,854.08).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits payable

1) Employee benefits payable

Items	31 December 2025	31 December 2024
Short-term employee benefits	115,973,645.21	153,544,613.31
Post-employment benefits-defined contribution plans	22,979,157.95	34,857,867.10
Termination benefits	2,822,161.11	10,637,365.67
Long-term employee benefits due within one year (note V. 31)	8,502,368.29	10,776,678.57
Total	150,277,332.56	209,816,524.65

2) Short-term employee benefits

Items	31 December 2024	Additions during the year	Reductions during the year	31 December 2025
(1) Salaries, bonuses, allowances	131,866,145.60	850,254,677.83	877,459,337.31	104,661,486.12
(2) Staff welfare	–	40,090,427.90	40,090,427.90	–
(3) Social insurance	7,823,476.50	45,559,930.45	51,735,498.79	1,647,908.16
Including: Medical insurance and maternity insurance	6,985,180.79	41,143,092.04	46,635,223.53	1,493,049.30
Work-related injury insurance	838,188.67	4,416,838.41	5,100,275.26	154,751.82
Others	107.04	–	–	107.04
(4) Housing fund	6,465,317.54	56,417,266.57	62,685,996.11	196,588.00
(5) Labor union fee, staff and workers' education fee	7,189,427.79	16,360,110.43	18,104,846.81	5,444,691.41
(6) Other short-term employee benefits	200,245.88	19,827,535.86	16,004,810.22	4,022,971.52
Total	153,544,613.31	1,028,509,949.04	1,066,080,917.14	115,973,645.21

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits payable (Continued)

3) Defined contribution plans

Items	31 December 2024	Additions during the year	Reductions during the year	31 December 2025
Basic pension insurance	31,348,502.26	118,535,505.85	133,233,688.87	16,650,319.24
Unemployment insurance	986,461.81	5,290,422.11	5,945,649.29	331,234.63
Annuity payments	2,490,539.78	15,629,187.83	12,232,112.64	5,887,614.97
Mandatory provident fund	32,363.25	1,236,324.88	1,158,699.02	109,989.11
Total	34,857,867.10	140,691,440.67	152,570,149.82	22,979,157.95

Note: Pursuant to the relevant laws and regulations of the PRC, the Company and its domestic subsidiaries participated in defined contribution plans, including basic pension insurance, unemployment insurance and enterprise annuity plans, established and managed by government organisations. According to such plans, the Group makes contributions to those insurance plans based on the applicable benchmarks and rates stipulated by the government. Meanwhile, pursuant to the relevant laws and regulations of Hong Kong, subsidiaries of the Company in Hong Kong make contributions to the Mandatory Provident Fund Schemes for all Hong Kong employees at the lower of 5% of the monthly employee benefits or the cap (which is adjusted annually). Apart from the above monthly payment fee, the Group shall not undertake any further payment obligation and shall not use or withdraw the contributions already paid.

25. Taxes payable

Tax items	31 December 2025	31 December 2024
VAT	17,600,897.03	18,751,373.88
Corporate income tax	49,963,888.87	52,010,218.51
Individual income tax	1,072,628.73	1,521,749.36
Urban maintenance and construction tax	629,311.78	926,991.89
Property tax	5,587,197.43	5,007,575.43
Land appreciation tax	143,410.52	156,399.44
Education surcharges (including local education surcharges)	517,894.46	701,987.05
Land use tax	1,590,677.97	1,496,158.87
Others	1,372,700.83	2,220,948.23
Total	78,478,607.62	82,793,402.66

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Other payables

Items	31 December 2025	31 December 2024
Interests payable	–	11,345,224.29
Dividends payable	627,000.00	11,871,213.34
Others	437,374,782.46	671,739,243.00
Total	438,001,782.46	694,955,680.63

1) Interests payable

Items	31 December 2025	31 December 2024
Interest payable on long-term borrowings	–	4,202,179.71
Interest payable on short-term borrowings	–	7,143,044.58
Total	–	11,345,224.29

2) Dividends payable

Item	31 December 2025	31 December 2024
Common stock dividends	627,000.00	11,871,213.34
Total	627,000.00	11,871,213.34

3) Other payables

(1) Other payables by nature:

Items	31 December 2025	31 December 2024
Security deposits and other deposits	221,207,642.01	259,030,576.14
Deposits received from drivers for safety management purpose	5,741,887.90	8,642,748.33
Accidents compensation payables	5,894,971.93	5,850,016.03
Amount received paid on behalf	65,626,586.57	110,932,062.16
Amount due to third parties	47,924,452.91	107,475,236.33
Construction payables	12,947,318.88	22,960,619.47
Professional Service Fee	4,559,809.67	3,328,712.88
Water, electricity and fuel charges	9,587,078.13	10,322,763.28
Amount due to related parties	24,084,116.47	41,924,313.20
Others	39,800,917.99	101,272,195.18
Total	437,374,782.46	671,739,243.00

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Other payables (Continued)

3) Other payables (Continued)

(2) Material other payables with ageing over one year

Items	31 December 2025	Reasons for unsettlement
Qingyuan City Jiafu Investment Co., Ltd.	30,409,189.52	Construction in progress, unbilled
China Petrochemical Sales Co., Ltd. Guangdong Branch	17,000,000.00	Performance security deposit

27. Non-current liabilities due within one year

Items	Note V	31 December 2025	31 December 2024
Long-term loans due within one year	28	62,181,020.18	152,847,526.21
Long-term payables due within one year	30	3,951,700.00	153,959,092.13
Lease liabilities due within one year	29	158,469,488.44	199,019,728.66
Total		224,602,208.62	505,826,347.00

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Long-term loans

1) Classification of long-term loans

Items	31 December 2025	31 December 2024
Unsecured loans	44,750,000.00	300,597,625.00
Including: Loans from banks	13,250,000.00	268,000,000.00
Loans from Guangdong Provincial Communication Group Finance Company Limited ("GCG Finance")	31,500,000.00	32,597,625.00
Loans secured by mortgages (Note 2)	47,786,400.00	133,336,604.76
Mortgaged and guaranteed loans (Note 3)	144,620.18	41,941,817.27
Pledged and mortgaged loans	–	36,698,726.19
Including: Loans from banks	–	18,698,726.19
Loans from GCG Finance	–	18,000,000.00
Pledged, mortgaged and guaranteed loans	–	10,420,400.00
Total	92,681,020.18	522,995,173.22
Less: Long-term loans due within one year		
Including: Unsecured loans	14,250,000.00	6,097,625.00
Loans secured by mortgages	47,786,400.00	84,023,577.93
Mortgaged and guaranteed loans	144,620.18	41,797,197.09
Pledged and mortgaged loans	–	10,508,726.19
Pledged, mortgaged and guaranteed loans	–	10,420,400.00
Sub-total (Note V 27)	62,181,020.18	152,847,526.21
Long-term loans due after 1 year	30,500,000.00	370,147,647.01
Including: Due after 1 year but within 2 years	1,000,000.00	334,847,647.01
Due after 2 years but within 5 years	29,500,000.00	35,300,000.00

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Long-term loans (Continued)

1) Classification of long-term loans (Continued)

Note 1: As at 31 December 2025, all the Group's long-term loans were from banks and GCG Finance with interest rates ranging from 2.95% – 4.35% per annum (31 December 2024: 2.80% – 5.00%).

Note 2: For the details of assets mortgaged for secured loans as at 31 December 2025, please refer to Notes V 11 and 14.

Note 3: As at 31 December 2025, mortgaged and guaranteed loans held by the Group include the loans borrowed by Meizhou Yueyun Motor Transportation Co., Ltd., a subsidiary of the Company, with vehicles as collateral and Zhengzhou Anchi Bonding Co., Ltd., which is the third party, as joint liability guarantee.

2) Overdue long-term loans

As at 31 December 2025, the Group had no overdue long-term borrowings.

29. Lease liabilities

Items	31 December 2025	31 December 2024
Lease liabilities	2,303,375,049.50	2,668,599,543.21
Less: lease liabilities due within one year (Note V. 27)	158,469,488.44	199,019,728.66
Lease liabilities due after one year	2,144,905,561.06	2,469,579,814.55
Including: Due after 1 year but within 2 years	150,799,623.71	195,797,370.32
Due after 2 years but within 5 years	421,623,370.46	494,543,273.19
Due after 5 years	1,572,482,566.89	1,779,239,171.04

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For the year ended 31 December 2025
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Long-term payables

Items	31 December 2025	31 December 2024
Long-term payables	1,000,000.00	34,599,960.41
Total	1,000,000.00	34,599,960.41

1) Long-term payables

Items	31 December 2025	31 December 2024
Finance lease payable	–	170,857,345.57
Payables for vehicles purchase	3,951,700.00	16,010,585.70
Station construction fees and land transfer fee	1,000,000.00	1,000,000.00
Deposits	–	489,121.27
Others	–	202,000.00
Total	4,951,700.00	188,559,052.54
Less: Long-term payables due within one year		
Including: Finance lease payable	–	140,203,709.39
Payables for purchasing vehicles	3,951,700.00	13,755,382.74
Sub-total (Note V.27)	3,951,700.00	153,959,092.13
Long-term payables due after one year	1,000,000.00	34,599,960.41
Including: Due after 1 year but within 2 years	–	30,653,636.18
Due after 2 years but within 5 years	1,000,000.00	3,946,324.23

2) Overdue long-term payables

As at 31 December 2025, the Group does not has the outstanding balance of overdue long-term payables.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

31. Long-term employee benefits payable

1) *Details of long-term employee benefits payable*

Items	31 December 2025	31 December 2024
1. Post-employment benefits – defined benefit plan net liabilities	105,239,912.59	150,257,518.82
2. Termination benefits	43,273.00	360,666.01
Total	105,283,185.59	150,618,184.83
Less: Long-term employee benefits payable due within one year	8,502,368.29	10,776,678.57
Including: Post-employment benefits – defined benefit plan net liabilities (Note V.24)	8,502,368.29	10,776,678.57
Long-term employee benefits payable due after one year	96,780,817.30	139,841,506.26

2) *Movements in defined benefit plans are as follows*

(1) *Present value of defined benefit plans obligation*

Items	2025	2024
1. Balance at the beginning of the year	150,257,518.82	165,708,611.25
2. Included in profit or loss:	3,992,458.40	3,948,430.51
(1) Current cost	674,627.90	227,328.58
(2) Net interest	3,317,830.50	3,721,101.93
3. Included in other comprehensive income:	19,769,254.16	92,526.21
(1) Actuarial gain	19,769,254.16	92,526.21
4. Other movements	(29,240,810.47)	(19,306,996.73)
(1) Benefits paid	(18,198,632.30)	(19,306,996.73)
(2) Disposals of subsidiaries	(11,042,178.17)	–
5. Balance at the end of the year	105,239,912.59	150,257,518.82

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

31. Long-term employee benefits payable *(Continued)*

2) ***Movements in defined benefit plans are as follows*** *(Continued)*

(2) *Significant actuarial assumptions and sensitivity analysis for defined benefit plans*

① Actuarial assumptions

Actuarial assumptions include demographic and financial assumptions. Demographic assumptions include mortality, employee turnover, disability, and early retirement rates. Financial assumptions include discount rates, benefit levels and future compensation. Regarding the demographic assumptions of the Group, this report only considers mortality. In terms of financial assumptions, this report only considers the discount rate.

1) Mortality

Use the general life table of the insurance industry "China Life Insurance Industry Experience Life Table (2000-2003)" pension business mortality.

2) Interest rate

With reference to the interest rates of long-term treasury bonds and high-quality corporate bonds in recent years, the annual interest rate for the year ended 31 December 2025 is assumed to be 3.00%. ((31 December 2024: 4.00%)

② Explanation of the results of sensitivity analysis

1) Mortality sensitivity analysis results

When other factors remain constant and mortality increases, future subsidy payments are reduced, thereby reducing the present value of the defined benefit plan obligation at the end of each year. When mortality declines, future subsidy payments increase and the present value of defined benefit plan obligations increases. When the death rate is 5% higher than the benchmark level, the liabilities decrease by RMB1, 355,053.01 (31 December 2024: RMB1,153,686.82).

2) Interest rate sensitivity analysis results

When other factors remain unchanged and the interest rate is higher than the benchmark level, the present value of the defined benefit plan obligation at the end of each year decreases; when the interest rate is lower than the benchmark level, the annual present value of the defined benefit plan obligation at the end of each year increases. When interest rates rose 0.20% that year, the liabilities of defined benefit plans obligation fell by RMB1,942,834.87 (31 December 2024: RMB1,903,574.38) to the benchmark level.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Deferred income

Items	31 December 2025	31 December 2024
Government grant related to assets	74,539,991.55	200,013,585.66
Prepayments of contracts	114,503,980.81	130,602,628.44
Rental of stations and advertising sites	4,564,697.10	11,109,350.94
Total	193,608,669.46	341,725,565.04

33. Share capital

Item	31 December 2024	Issue new shares	Conversion of provident fund to shares			31 December 2025
			Bonus	Others		
Total shares	799,847,800.00	-	-	-	-	799,847,800.00

34. Capital reserve

Items	31 December 2024	Additions during the year	Reductions during the year	31 December 2025
Share premium	3,105,593.40	-	-	3,105,593.40
Other capital reserve	18,675,842.63	-	-	18,675,842.63
Total	21,781,436.03	-	-	21,781,436.03

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Other comprehensive income

Items	31 December 2024	Amount before income tax for the current year	Less: included in other comprehensive income in the previous period and transferred to profit or loss in the current period	Movements for the year		Less: income tax expense	Attributable to shareholders of the Company after tax	Attributable to non-controlling interest after tax	31 December 2025
				Less: included in other comprehensive income in the previous period and transferred to retained earnings in the current period	Attributable to shareholders of the Company after tax				
1. Other comprehensive income that cannot be reclassified to profit or loss	(16,227,119.41)	19,769,254.16	-	(4,356,075.61)	-	21,877,155.38	2,248,174.39		5,650,035.97
Including: Remeasurement of defined benefit plan liability	(13,191,520.76)	19,769,254.16	-	(1,520,476.96)	-	19,041,556.73	2,248,174.39		5,850,035.97
Changes in fair value gains or losses on investments in other equity instruments	(3,035,598.65)	-	-	(2,835,598.65)	-	2,835,598.65	-		(200,000.00)
2. Other comprehensive income to be reclassified to profit or loss	(17,439,041.52)	(3,394,309.88)	-	1,355,413.11	-	(2,812,675.70)	(1,937,047.29)		(20,251,717.22)
Including: Translation differences of foreign currency financial statements	(22,442,956.07)	(5,200,698.80)	-	-	-	(3,263,651.51)	(1,937,047.29)		(25,706,607.58)
Changes in fair value of investments in other equity instruments	5,003,914.55	1,806,388.92	-	1,355,413.11	-	450,975.81	-		5,454,890.36
Total	(33,666,160.93)	16,374,944.28	-	(3,000,662.50)	-	19,064,479.68	311,127.10		(14,601,681.25)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Specific reserve

Item	31 December 2024	Additions during the year	Reductions during the year	31 December 2025
Safety specific reserve	36,096,290.62	26,783,986.60	15,866,122.57	47,014,154.65
Total	36,096,290.62	26,783,986.60	15,866,122.57	47,014,154.65

Note: According to "The announcement of the administration instruction on using and provision of enterprises' safety specific reserve" (Cai Qi [2022] No. 136) issued by MOF and the Ministry of Emergency Management and Administration instruction of safely operation of Guangdong Yueyun Transportation Co., Ltd., transportation enterprises should provide safety reserve monthly based on last year's actual operating income, at the rates of 1% for ordinary freight transportation service and 1.5% for passengers transportation service, respectively. Enterprises serve for production and storage of hazardous goods should set provision of safety reserve monthly based on last year's actual operating income.

37. Surplus reserve

Item	31 December 2024	Additions during the year	Reductions during the year	31 December 2025
Statutory surplus reserve	259,176,302.97	–	–	259,176,302.97
Total	259,176,302.97	–	–	259,176,302.97

Note: Statutory surplus reserve can be used to make up for the losses, expand the production and operation or to be transferred to increase capital; when being transferred to capital, the statutory surplus reserve remained shall be no less than 25% of the Company's registered capital before the surplus reserve was transferred to increase capital.

38. Retained earnings

Items	2025	2024
Retained earnings at the beginning of the year	1,002,904,081.67	842,647,338.85
Add: Net profit for the year attributable to the shareholders of the Company	235,400,418.66	236,507,552.38
Less: Appropriation for statutory surplus reserve	–	12,262,985.56
Less: Final dividends in respect of the previous financial year, approved and declared during the year (Note)	71,986,302.00	63,987,824.00
Others	760,276.24	–
Retained earnings at the end of the year	1,165,557,922.09	1,002,904,081.67

Note: A final dividend of RMB0.09 per share (tax included) for the year ended 31 December 2024 were approved for distribution by shareholders at the Annual General Meeting held on 30 June 2025. The total amount of 2024 final dividend was RMB71,986,302.00, calculated based on the total number of shares of 799,847,800 (2024: RMB63,987,824.00). As at 31 December 2025, the above cash dividend has been paid.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Operating income and operating costs

1) Operating income and operating costs

Item	2025		2024	
	Operating income	Operating cost	Operating income	Operating cost
Operating income from principal activities	7,457,852,117.08	6,772,264,169.34	7,200,338,305.93	6,550,388,644.61
Total	7,457,852,117.08	6,772,264,169.34	7,200,338,305.93	6,550,388,644.61

Details of operating income are as follows:

Items	2025	2024
Expressway service zones operation	5,942,407,839.60	5,233,405,396.29
Road passenger transportation and auxiliary services (Note)	1,400,367,621.26	1,834,359,446.26
Taiping interchange assets operation services	115,076,656.22	132,573,463.38
Total	7,457,852,117.08	7,200,338,305.93
Including: Lease income	505,208,864.97	545,759,966.93

Note: Operating income of Foshan City Yueyun Public Transportation Company Limited and Guangzhou City Yueyun Motor Transportation Co., Ltd. includes income derived from their operations of public traffic community business (hereinafter referred to as "TC Business"). Pursuant to the Public Traffic Service Contracts signed by these companies and local transportation and city management bureau in Foshan and Zengcheng, these companies shall operate certain bus lines in designated areas and all fare income derived from routes operation shall be enjoyed by local transportation and city management bureau. The companies shall settle operating income with local transportation and city management bureau monthly based on actual operating mileages of each operating route under price per kilometer of each route method as agreed in the Public Traffic Service Contract. During the year, income derived from TC Business was RMB229,970,793.62, representing 3.08% of total operating income (2024: RMB338,209,397.14, representing 4.70% of total operating income).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

40. Financial expenses

Items	2025	2024
Interest expenses from loans	25,054,237.71	53,593,486.21
Interest income	(10,123,289.78)	(19,598,450.27)
Exchange gains	(713,015.32)	(142,455.23)
Interest expenses from lease liabilities	104,316,101.32	122,203,960.06
Others	34,916,523.53	43,925,437.87
Total	153,450,557.46	199,981,978.64

41. Other income

Items	2025	2024
Government grants related to assets	43,092,976.92	62,199,059.78
Government grants related to income	170,177,625.50	279,637,576.85
VAT reduction and exemption, etc. (Note)	194,842.74	1,289,198.16
Total	213,465,445.16	343,125,834.79

Note: Refer to Note IV 2 note 4 and note 5 for preferential policies of VAT reduction and exemption.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Investment income

Items	2025	2024
Income from long-term equity investments under equity method	71,160,439.58	77,029,797.89
Gains on disposal of subsidiaries (Note VI 3)	8,295,197.93	13,451,533.61
Others	250,249.92	5,464,033.68
Total	79,705,887.43	95,945,365.18

Note: There are no significant restrictions on remittance of the Group's investment income.

43. Accrual of credit loss

Items	2025	2024
Accounts receivable	(9,831,529.53)	(1,374,898.41)
Other receivables	(8,793,886.98)	(3,686,876.14)
Total	(18,625,416.51)	(5,061,774.55)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Impairment losses

Items	2025	2024
Impairment loss of intangible assets	(3,148,404.86)	(5,782,608.73)
Impairment loss of long-term equity investments	(1,042,186.83)	–
Impairment loss of inventory	–	(565,850.02)
Impairment loss of fixed assets	–	(4,772,213.05)
Total	(4,190,591.69)	(11,120,671.80)

45. Gains from asset disposals

Items	2025	2024
Gains from disposal of fixed assets	8,383,476.94	22,440,579.14
Gains from disposal of right-of-use assets	268,774.72	1,068,993.59
Total	8,652,251.66	23,509,572.73

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Non-operating income

Items	2025	2024
Gains on scrapping of non-current assets	4,676,840.06	2,459,020.77
Government grants	48,100.00	1,520.00
Compensations	319,748.96	2,113,352.32
Others	9,715,984.72	8,302,351.36
Total	14,760,673.74	12,876,244.45

47. Non-operating expense

Items	2025	2024
Losses on scrapping of non-current assets	10,646,884.83	4,670,550.35
Penalty expenses	2,812,194.73	3,081,607.31
Donations	914,630.00	–
Road accidents losses	–	1,175,280.00
Others	3,076,924.34	5,298,827.14
Total	17,450,633.90	14,226,264.80

48. Income tax expenses

1) Income tax expenses

Items	2025	2024
Current income tax expense	103,401,379.92	103,424,538.76
Deferred tax expense	(31,549,373.06)	(24,629,301.51)
Total	71,852,006.86	78,795,237.25

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Income tax expenses (Continued)

2) Reconciliation of income tax expenses to accounting profit is as follows

Items	2025
Profit before taxation	337,538,686.20
Income tax expense calculated at tax rate of 25%	84,384,671.55
Effect of different tax rates applied by certain subsidiaries	(4,396,526.45)
Adjustments of tax filing differences	511,605.38
Effect of non-taxable income	(49,356,609.92)
Effect of non-deductible expenses	5,688,244.91
Effect of utilisation of deductible tax losses of unrecognised deferred tax assets in previous years	(1,423,555.29)
Effect of unrecognised deductible temporary differences or tax losses	36,698,399.48
Tax rate adjustment leads to deferred income tax at the beginning of this year.	(254,222.80)
Income tax expenses	71,852,006.86

Note: The details of the Company and its subsidiaries' applicable income tax rates are set out in Note IV.

49. Earnings per share

1) Basic earnings per share

Basic earnings per share is calculated as dividing consolidated net profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding of the Company. The calculation is as follows:

Items	2025	2024
Consolidated net profit attributable to ordinary shareholders of the Company	235,400,418.66	236,507,552.38
Weighted average number of ordinary shares outstanding	799,847,800.00	799,847,800.00
Basic earnings per share (RMB/share)	0.29	0.30
Including: Basic earnings per share from continuing operations (RMB/share)	0.29	0.30

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Earnings per share (Continued)

1) Basic earnings per share (Continued)

Weighted average number of ordinary shares is calculated as follows:

Items	2025	2024
Issued ordinary shares at the beginning and the end of the year	799,847,800.00	799,847,800.00
Weighted average number of ordinary shares at the end of the year	799,847,800.00	799,847,800.00

2) Diluted earnings per share

Diluted earnings per share is calculated as dividing consolidated net profit attributable to ordinary shareholders of the Company (diluted) by the weighted average number of ordinary shares outstanding (diluted). The calculation result is the same as basic earnings per share.

50. Supplement to income statement

Operating costs, selling and distribution expenses, general and administrative expenses, research and development expenses and financial expenses and accrual of impairment losses and accrual of credit losses in the income statement are classified according to their nature and listed as follows:

Items	2025	2024
Changes in finished goods	4,357,179,396.01	3,728,374,775.83
Employee benefits expenses	1,226,164,216.45	1,553,947,663.10
Depreciation and amortization	429,712,379.82	528,337,758.27
Depreciation of right-of-use	207,368,107.75	246,921,457.02
Raw materials used	86,789,586.62	79,113,734.02
Rental expenses	161,105,459.72	115,844,901.41
Financial expenses	153,450,557.46	199,981,978.64
Accrual of impairment losses	4,190,591.69	11,120,671.80
Accrual of credit losses	18,625,416.51	5,061,774.55
Auditors' remuneration	3,550,000.00	4,120,000.00
Other expenses	732,559,281.32	834,269,357.55
Total	7,380,694,993.35	7,307,094,072.19

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. Supplement to cash flow statement

1) Supplement to cash flow statement

Supplement	2025	2024
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	265,686,679.34	229,293,009.44
Add: Provisions for credit loss	18,625,416.51	5,061,774.55
Provisions for impairment of assets	4,190,591.69	11,120,671.80
Depreciation of fixed assets and investment properties	317,965,669.96	412,441,011.83
Depreciation of right-of-use assets	207,368,107.75	246,921,457.02
Amortisation of intangible assets	37,332,056.31	44,927,085.16
Amortisation of long-term deferred expenses	74,414,653.55	70,201,102.36
Gains on disposal of fixed assets, intangible assets and other long-term assets	(8,652,251.66)	(23,509,572.73)
Losses on disposal of fixed assets	5,970,044.77	2,211,529.58
Financial expenses	144,425,728.85	204,212,768.95
Investment income	(79,705,887.43)	(95,945,365.18)
Increase in deferred tax assets	(23,721,067.40)	(19,964,469.02)
Decrease in deferred tax liabilities	(7,817,063.64)	(4,674,399.55)
increase in inventories	(7,667,180.99)	(11,039,136.09)
Increase in operating receivables	(133,710,070.31)	(102,589,345.85)
Increase in operating payables	35,563,118.75	173,458,173.69
Increase in specific reserve	8,638,789.31	10,313,698.92
Net cash inflow from operating activities	858,907,335.36	1,152,439,994.88
2. Change in cash and cash equivalents		
Cash and cash equivalents at the end of the year	1,131,066,532.44	1,425,056,954.63
Less: Cash and cash equivalents at the beginning of the year	1,425,056,954.63	1,085,764,984.96
Net increase in cash and cash equivalents	(293,990,422.19)	339,291,969.67

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. Supplement to cash flow statement (Continued)

2) Net cash received from disposal of subsidiaries during this year

Items	Amounts
Cash and cash equivalents received from disposal of subsidiaries	94,229,833.88
Including: Zhuhai Gongyun	25,096,100.00
Guangzhou City Yueyun Motor Transportation Co., Ltd.	250,400.00
Shaoguan Yueyun Vehicles Transportation Co., Ltd.	67,383,090.00
Shanwei City Public Transport Service Group Co., Ltd. (former name: Shanwei Yueyun Automobile Transportation Co., Ltd.)	811,410.00
Guangdong Yueyun Development Co., Ltd.	390,200.00
Heyuan City Yueyun Motor Transportation Co., Ltd.	68,100.00
Chaozhou City Yueyun Public Transportation Co., Ltd.	230,533.88
Less: Cash and cash equivalents held on the date of loss of control over subsidiaries	12,304,544.48
Including: Zhuhai Gongyun	2,149,433.32
Guangzhou City Zengcheng Automobile Passenger Traffic Station Co., Ltd.	1,778,595.87
Guangzhou City Yueyun Motor Transportation Co., Ltd.	21,145.85
Shaoguan Yueyun Vehicles Transportation Co., Ltd.	1,036,063.26
Shanwei City Public Transport Service Group Co., Ltd. (former name: Shanwei Yueyun Automobile Transportation Co., Ltd.)	1,915,185.86
Guangdong Yueyun Development Co., Ltd.	449,163.48
Heyuan City Yueyun Motor Transportation Co., Ltd.	3,171,408.69
Chaozhou City Yueyun Public Transportation Co., Ltd.	1,783,548.15
Add: Cash or cash equivalents received in the current year from the disposal of subsidiaries in prior periods.	11,000,000.00
Including: Foshan City Sanshui District Hengjing Urban Transportation Co., Ltd	11,000,000.00
Net cash received from disposal of subsidiaries	92,925,289.40

3) Details of cash and cash equivalents

Items	31 December 2025	31 December 2024
I. Cash at bank and on hand	1,131,066,532.44	1,425,056,954.63
Including: Cash on hand	5,219,449.06	3,869,621.30
Bank deposits available on demand	1,125,847,083.38	1,421,187,333.33
II. Closing balance of cash and cash equivalents available on demand	1,131,066,532.44	1,425,056,954.63

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

52. Assets with restricted ownership or right of use

Items	Book value at the end of the year	Restricted reason
Monetary funds	14,306,476.86	Performance security deposits, property maintenance funds, tourism quality deposits and judicial freeze
Fixed assets	67,434,267.99	Short-term loans mortgage; long-term loans mortgage
Intangible assets	8,688,268.71	Long-term loans mortgage
Total	90,429,013.56	

53. Government grants

1) Government grants included in current profit or loss

Items	2025	2024
Government grants related to assets	43,092,976.92	62,199,059.78
Government grants related to income	198,508,336.73	334,582,871.80
Total	241,601,313.65	396,781,931.58

2) Liability Items related to government grants

Liability items	31 December 2024	Additions during the year	Transferred to non-operating income	Transferred to other income	Other reductions	31 December 2025	Related to assets/Related to income
Deferred income	200,013,585.66	13,948,595.72	-	43,092,976.92	(96,329,212.91)	74,539,991.55	Related to assets

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For the year ended 31 December 2025
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Net current assets/(Liabilities)

Items	31 December 2025	31 December 2024
Current assets	2,056,531,963.34	2,666,605,098.63
Less: Current liabilities	1,759,432,301.27	2,725,484,608.63
Net current assets/(liabilities)	297,099,662.07	(58,879,510.00)

55. Total assets less current liabilities

Items	31 December 2025	31 December 2024
Total assets	6,917,156,258.13	8,724,059,777.83
Less: Current liabilities	1,759,432,301.27	2,725,484,608.63
Total assets less current liabilities	5,157,723,956.86	5,998,575,169.20

56. Lease

1) As a lessee

Items	2025	2024
Interest expense on lease liabilities	104,364,306.60	122,203,960.06
Short-term lease expenses applied the practical expedient	64,393,489.48	101,303,819.58
Variable lease payments not included in the measurement of lease liabilities	4,463,691.22	8,181,031.40
Income from sub-leasing right-of-use assets	424,281,079.62	485,303,712.43
Total cash outflow for leases	306,787,540.28	305,709,516.10

2) As a lessor

(1) Operating lease

Items	2025	2024
Lease income	505,208,864.97	545,759,966.93
Including: income related to variable lease payments not included in lease receipts	79,519,390.30	63,505,264.03

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Lease (Continued)

2) As a lessor (Continued)

(1) Operating lease (Continued)

The Group's undiscounted lease receipts to be received after the balance sheet date are as follows:

Remaining lease term	31 December 2025	31 December 2024
Within 1 year	418,667,941.41	466,167,281.03
Over 1 year but within 2 years	368,092,308.99	403,154,410.46
Over 2 years but within 3 years	314,785,775.92	337,607,201.63
Over 3 years but within 4 years	236,043,913.68	283,526,857.01
Over 4 years but within 5 years	214,817,141.21	204,390,022.58
Over 5 years	585,057,621.89	745,073,379.15
Total	2,137,464,703.10	2,439,919,151.86

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
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VI. CHANGES IN THE SCOPE OF CONSOLIDATION

1. Business combinations not under common control

The Group did not have any business combination not under common control during this year.

2. Business combinations under common control

The Group did not have any business combination under common control during this year.

3. Disposal of subsidiaries

1) Loss of control upon a single disposal of investment in subsidiaries

Name of subsidiaries	Consideration of disposal of equity	Percentage of disposal of equity (%)	Mode of disposal	Time of loss of control	Basis for determining the time of loss of control	The differences of consideration of disposal and shares in net assets of the original subsidiary at the consolidated financial statement level	Percentage of remaining equity at the date of loss of control	Carrying amount of remaining equity at the date of loss of control	Fair value of remaining equity at the date of loss of control	Gains or losses arising from the remeasurement of remaining equity at the date of loss of control	Determination method and major assumptions of the fair value of the remaining equity at the date of loss of control	The amount of other comprehensive income related to the equity investment of the original subsidiary transferred to the investment profit and loss
Zhuhai Gongyun	25,096,100.00	100.00	Publicly listed for sale	2025/2/17	Completion of equity transfer	39,900,820.10	-	N/A	N/A	N/A	N/A	N/A
Guangzhou City Zengcheng Automobile Passenger Traffic Station Co., Ltd.	-	15.00	Publicly listed for sale	2025/2/22	Completion of equity transfer	8,358,848.11	45.00	6,132,066.48	11,701,216.79	5,569,150.31	Evaluation by asset-based approach	N/A
Guangzhou City Yueyun Motor Transportation Co., Ltd.	250,400.00	18.00	Publicly listed for sale	2025/5/22	Completion of equity transfer	2,077,817.12	33.00	652,261.12	459,066.67	(193,194.45)	Evaluation by asset-based approach	N/A

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

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VI. CHANGES IN THE SCOPE OF CONSOLIDATION (CONTINUED)

3. Disposal of subsidiaries (Continued)

1) Loss of control upon a single disposal of investment in subsidiaries (Continued)

Name of subsidiaries	Consideration of disposal of equity	Percentage of disposal of equity (%)	Mode of disposal	Time of loss of control	Basis for determining the time of loss of control	The differences of consideration of disposal and shares in net assets of the original subsidiary at the consolidated financial statement level	Percentage of remaining equity at the date of loss of control	Carrying amount of remaining equity at the date of loss of control	Fair value of remaining equity at the date of loss of control	Gains or losses arising from remeasurement of remaining equity at the date of loss of control	Determination method and major assumptions of the fair value of the remaining equity at the date of loss of control	The amount of other comprehensive income related to the equity investment of the original subsidiary transferred to the investment profit and loss
Shaoguan Yueyun Vehicles Transportation Co., Ltd.	134,610,300.00	59.69	Publicly listed for sale	2025/12/31	Completion of equity transfer	(46,168,972.63)	-	N/A	N/A	N/A	N/A	N/A
Shanwei City Public Transport Service Group Co., Ltd. (former name: Shanwei Yueyun Automobile Transportation Co., Ltd.)	811,410.00	51.00	Publicly listed for sale	2025/12/23	Completion of equity transfer	3,472,165.28	-	N/A	N/A	N/A	N/A	N/A
Guangdong Yueyun Development Co., Ltd.	390,200.00	40.00	Publicly listed for sale	2025/12/10	Completion of equity transfer	(2,836,792.09)	20.00	-	130,066.67	130,066.67	Evaluation by income method	N/A
Heyuan City Yueyun Motor Transportation Co., Ltd.	68,100.00	10.00	Publicly listed for sale	2025/12/23	Completion of equity transfer	13,494,373.35	45.283	-	308,377.23	308,377.23	Evaluation by asset-based approach	N/A
Chaoshou City Yueyun Public Transportation Co., Ltd.	230,533.88	51.00	Publicly listed for sale	2025/12/4	Completion of equity transfer	(11,368,523.34)	49.00	4,670,431.07	221,493.34	(4,448,937.73)	Evaluation by asset-based approach	N/A

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VI. CHANGES IN THE SCOPE OF CONSOLIDATION (CONTINUED)

4. Other reasons for changes in the scope of consolidation

During this year, two subsidiaries, namely Guangdong Top-E Commercial Development Co., Ltd. and Guangdong Loyee Trading Co., Ltd. were newly established.

VII. INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

1) Composition of the Group

Full name of the subsidiary	Incorporation place	Registered place	Kind of legal entity	Business nature	Registered capital (RMB million)	Direct and indirect holdings (%)	Voting rights (%)	Established or acquired
Guangdong Highway Media Company Limited	Guangdong China	Guangdong China	Limited liability company	Expressway services	33.00	100.00	100.00	Established
Yueyun Transportation (HK) Company Limited	Hong Kong China	Hong Kong China	Incorporated corporation	Material Logistics services	HKD1.5	100.00	100.00	Established
Guangdong Top-E Expressway Service Zone Company Limited	Guangdong China	Guangdong China	Limited liability company	Expressway services	50.00	95.56	95.56	Business combinations involving enterprises under common control
Guangdong Top-E Ecological and Environmental Protection Construction Co., Ltd (Former name: Guangdong Top-E Landscape Co., Ltd.)	Guangdong China	Guangdong China	Limited liability company	Expressway services	20.00	100.00	100.00	Business combinations involving enterprises under common control
Guangdong Jindaoda Expressway Economic Development Company Limited	Guangdong China	Guangdong China	Limited liability company	Expressway services	10.00	100.00	100.00	Business combinations involving enterprises under common control
The Motor Transport Company of Guangdong and Hong Kong Limited (Note 1)	Hong Kong China	Hong Kong China	Incorporated corporation	Cross-border transportation services	HKD 9	62.00	71.43	Business combinations involving enterprises under common control
Gang Tong (HK) Motor Transport Company Limited	Hong Kong China	Hong Kong China	Limited liability company	Cross-border transportation services	HKD 0.01	100.00	100.00	Business combinations involving enterprises under common control
Guangdong Yue Li Jia Passenger Transport Company (Hong Kong)	Hong Kong China	Hong Kong China	Limited liability company	Cross-border transportation services	HKD 0.5	70.00	70.00	Business combinations involving enterprises under common control
The Motor Transport Company of Guangdong and Hong Kong (Guangzhou) Limited (Note 1)	Guangdong China	Guangdong China	Limited liability company	Cross-border transportation services	HKD 25	62.00	71.43	Business combinations involving enterprises under common control

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VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

1) Composition of the Group (Continued)

Full name of the subsidiary	Incorporation place	Registered place	Kind of legal entity	Business nature	Registered capital (RMB million)	Direct and indirect holdings (%)	Voting rights (%)	Established or acquired
Shenzhen Yuegang Transport Company Limited	Guangdong China	Guangdong China	Limited liability company	Cross-border transportation services	HKD 10.50	100.00	100.00	Business combinations involving enterprises under common control
Guangdong Yue Li Jia Passenger Transport Company (Guangzhou)	Guangdong China	Guangdong China	Limited liability company	Cross-border transportation services	HKD 3.5	70.00	70.00	Business combinations involving enterprises under common control
Guangdong Vehicles Transportation Group Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Investment and domestic transportation	68.00	100.00	100.00	Business combinations involving enterprises under common control
Foshan City Yueyun Public Transportation Co., Ltd. (Note 1)	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	78.00	51.00	100.00	Business combinations involving enterprises under common control
Guangdong Yueyun Traffic Rescue Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Traffic Rescue	60.00	100.00	100.00	Business combinations involving enterprises under common control
Shenzhen City Shenwei Lighter Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	12.00	55.00	55.00	Business combinations involving enterprises under common control
Foshan City Yueyun Hexing Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Station services	1.020408	51.00	51.00	Business combinations involving enterprises under common control
Guangdong Gangtong Vehicles Transportation Company Limited	Guangdong China	Guangdong China	Limited liability company	Cross-border transportation services	HKD 5	100.00	100.00	Established
Qingyuan Yueyun Vehicles Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	50.00	66.39	66.39	Business combinations involving enterprises not under common control
Yangshan County Yueyun Motor Inspection Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Vehicle Testing	0.40	100.00	100.00	Business combinations involving enterprises not under common control

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VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

1) Composition of the Group (Continued)

Full name of the subsidiary	Incorporation place	Registered place	Kind of legal entity	Business nature	Registered capital (RMB million)	Direct and indirect holdings (%)	Voting rights (%)	Established or acquired
Qingyuan City Yueyun Public Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	17.00	100.00	100.00	Business combinations involving enterprises not under common control
Meizhou City Yueyun Motor Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	38.00	100.00	100.00	Business combinations involving enterprises under common control
Meizhou Vehicles Passenger Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	4.50	100.00	100.00	Business combinations involving enterprises under common control
Xingning Vehicles Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	4.00	100.00	100.00	Business combinations involving enterprises under common control
Dapu Vehicles Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	3.20	100.00	100.00	Business combinations involving enterprises under common control
Wuhua Vehicles Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	4.50	100.00	100.00	Business combinations involving enterprises under common control
Pingyuan Vehicles Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	3.20	100.00	100.00	Business combinations involving enterprises under common control
Jiaoling Vehicles Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	12.60	100.00	100.00	Business combinations involving enterprises under common control
Meizhou Vehicle Materials Supply Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	1.00	100.00	100.00	Business combinations involving enterprises under common control
Chaozhou City Yueyun Vehicle Transportation Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	40.00	100.00	100.00	Business combinations involving enterprises under common control
Chaozhou Changyun Service Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Hotel service	0.887	100.00	100.00	Business combinations involving enterprises under common control

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VII. INTERESTS IN OTHER ENTITIES *(CONTINUED)*

1. Interests in subsidiaries *(Continued)*

1) *Composition of the Group (Continued)*

Full name of the subsidiary	Incorporation place	Registered place	Kind of legal entity	Business nature	Registered capital (RMB million)	Direct and indirect holdings (%)	Voting rights (%)	Established or acquired
Guangdong Zhong Yue Tong Oil Products Operation Company Limited	Guangdong China	Guangdong China	Limited liability company	Wholesale of oil	30.6123	51.00	51.00	Business combinations involving enterprises not under common control
Meizhou Yueyun Investment Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Investment Management	1.00	100.00	100.00	Business combinations involving enterprises under common control
Meizhou Automobile Freight Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Domestic transportation	0.50	100.00	100.00	Business combinations involving enterprises under common control
Guangdong Top-E Commercial Development Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Business services industry	10.00	95.56	95.56	Established
Guangdong Loyee Trading Co., Ltd.	Guangdong China	Guangdong China	Limited liability company	Retail industry	40.00	95.56	95.56	Established

Note 1: According to shareholders' agreements, the Group's percentage of voting right is more than the percentage of direct and indirect holdings.

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VII. INTERESTS IN OTHER ENTITIES *(CONTINUED)*

1. Interests in subsidiaries *(Continued)*

2) *Material non-wholly-owned subsidiaries*

Name of the subsidiary	Proportion of ownership interest held by non-controlling interest ("NCI")	Profit or loss allocated to NCI during the year	Dividends paid to NCI during the year	Accumulated NCI at the end of the year
The Motor Transport Company of Guangdong and Hong Kong Limited (Hong Kong)	38.00	14,518,797.88	–	90,759,970.59
Foshan City Yueyun Public Transportation Co., Ltd.	49.00	812,290.18	6,860,000.00	67,573,276.80
Guangdong Top-E Commercial Development Co., Ltd.	4.44	172,499.35	–	1,827,098.07
Qingyuan Yueyun Vehicles Transportation Co., Ltd.	33.61	(8,718,676.63)	–	108,263,723.07
Guangdong Loyee Trading Co., Ltd..	4.44	897,987.67	–	4,520,077.62
Guangdong Zhong Yue Tong Oil Products Operation Company Limited	49.00	28,039,340.72	49,000,000.00	80,543,694.28

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VII. INTERESTS IN OTHER ENTITIES *(CONTINUED)*

1. Interests in subsidiaries *(Continued)*

3) *Key financial information of material non-wholly-owned subsidiaries*

Name of the subsidiary	31 December 2025					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total Liabilities
The Motor Transport Company of Guangdong and Hong Kong Limited (Hong Kong)	168,269,252.83	202,511,455.91	370,780,708.74	126,343,870.79	1,676,452.51	128,020,323.30
Foshan City Yueyun Public Transportation Co., Ltd.	66,479,430.45	157,570,251.56	224,049,682.01	73,952,323.49	12,192,711.99	86,145,035.48
Guangdong Top-E Commercial Development Co., Ltd.	176,676,545.23	11,616,877.89	188,293,423.12	143,257,445.20	-	143,257,445.20
Qingyuan Yueyun Vehicles Transportation Co., Ltd.	185,204,313.12	296,504,925.23	481,709,238.35	92,642,225.05	62,825,998.37	155,468,223.42
Guangdong Loyee Trading Co., Ltd.	204,390,495.02	32,222,707.58	236,613,202.60	114,584,705.13	-	114,584,705.13
Guangdong Zhong Yue Tong Oil Products Operation Company Limited	179,506,994.39	38,199,687.39	217,706,681.78	33,469,616.00	6,945,612.33	40,415,228.33

Name of the subsidiary	As at 31 December 2024					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total Liabilities
The Motor Transport Company of Guangdong and Hong Kong Limited (Hong Kong)	128,105,687.82	204,498,474.30	332,604,162.12	120,795,228.56	2,350,259.87	123,145,488.43
Foshan City Yueyun Public Transportation Co., Ltd.	116,860,628.46	244,553,743.70	361,414,372.16	43,444,671.94	25,857,916.35	69,302,588.29
Qingyuan Yueyun Vehicles Transportation Co., Ltd.	146,041,936.70	401,701,472.09	547,743,408.79	95,076,359.20	107,895,251.99	202,971,611.19
Guangdong Zhong Yue Tong Oil Products Operation Company Limited	194,182,541.18	51,623,776.54	245,806,317.72	18,648,299.72	7,603,362.86	26,251,662.58

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VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

3) Key financial information of material non-wholly-owned subsidiaries (Continued)

Name of the subsidiary	2025				2024			
	Operating income	Net profit/(loss)	Total comprehensive income	Net Cash inflow/(outflow) from operating activities	Operating income	Net profit/(loss)	Total comprehensive income	Net Cash inflow/(outflow) from operating activities
The Motor Transport Company of Guangdong and Hong Kong Limited (Hong Kong)	245,872,548.85	38,076,830.51	32,514,761.31	57,392,761.69	201,314,497.57	23,951,870.98	28,163,194.89	42,189,714.15
Foshan City Yueyun Public Transportation Co., Ltd.	213,412,846.66	1,657,735.06	1,657,735.06	88,782,669.16	237,779,709.14	1,592,703.86	1,592,703.86	80,081,617.12
Guangdong Top-E Commercial Development Co., Ltd.	63,774,952.85	3,885,120.45	3,885,120.45	50,032,969.17	-	-	-	-
Qingyuan Yueyun Vehicles Transportation Co., Ltd.	209,339,708.48	(25,941,802.49)	(19,252,519.43)	22,084,369.68	244,036,431.15	1,523,526.91	(2,573,469.54)	42,593,450.62
Guangdong Loyee Trading Co., Ltd.	262,101,765.90	20,224,947.49	20,224,947.49	59,834,937.82	-	-	-	-
Guangdong Zhong Yue Tong Oil Products Operation Company Limited	836,562,423.29	57,223,144.35	57,223,144.35	83,616,293.56	975,502,339.39	257,173,149.16	253,573,149.16	90,574,747.96

Note: The key financial information of the above subsidiaries without offsetting intra-group transactions, but with adjustments made in light of the fair value at the consolidation date and difference in accounting policies.

2. Interests in joint arrangements or associates

1) Material joint ventures or associates

Name of enterprise	Incorporation place	Registered place	Business nature	Shareholding percentage (%)	Accounting for investments in joint ventures or associates	Strategic to the Group's activities
Guangdong Zhongyou Top-E Energy Trading Company Limited	Guangdong China	Guangdong China	Wholesale of oil	51.00	Equity method	Yes
Yuegong Xinhai	Guangdong China	Guangdong China	Road transportation	39.00	Equity method	Yes
Southern United Assets and Equity Exchange Company Limited	Guangdong China	Guangdong China	Property exchange	25.00	Equity method	Yes
Shenzhen Lihong Investment Development Co., Ltd.	Guangdong China	Guangdong China	Passenger terminal Operation	20.00	Equity method	Yes
Shantou City Automobile Passenger Traffic Centre Co., Ltd.	Guangdong China	Guangdong China	Passenger terminal Operation	35.00	Equity method	Yes
Guangzhou City Tianhe Coach Terminal Co., Ltd.	Guangdong China	Guangdong China	Station services	20.00	Equity method	Yes
Hong Kong-Zhuhai-Macao Bridge Shuttle Bus Co., Ltd.	Hong Kong China	Hong Kong China	Transportation	20.00	Equity method	Yes

Note: All joint ventures and associates of the Group are non-listed companies. As at 31 December 2025, the ability to transfer fund from the above joint ventures and associates to the Group is not restricted (31 December 2024: Nil).

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VII. INTERESTS IN OTHER ENTITIES *(CONTINUED)*

2. Interests in joint arrangements or associates *(Continued)*

2) Key financial information of material joint ventures

Items	Closing balance/current amount		Balance at the end of the previous year/ Amount of the previous year	
	Guangdong Zhongyou Top-E Energy Trading Company Limited	Yuegong Xinhai	Guangdong Zhongyou Top-E Energy Trading Company Limited	Yuegong Xinhai
Current assets	68,579,467.45	19,688,484.13	68,883,881.73	12,045,508.26
Including: Cash and cash equivalents	60,224,185.95	4,256,174.05	51,208,802.58	4,307,471.68
Non-current assets	24,105,652.17	333,234,609.21	29,691,354.46	270,216,071.56
Total assets	92,685,119.62	352,923,093.34	98,575,236.19	282,261,579.82
Current liabilities	3,113,172.79	149,395.42	1,891,353.19	151,250.03
Non-current liabilities	24,725,149.64	–	28,501,838.87	–
Total liabilities	27,838,322.43	149,395.42	30,393,192.06	151,250.03
Equity attributable to parent company's shareholders	64,846,797.19	352,773,697.92	68,182,044.13	282,110,329.79
Group's share of net assets	33,071,866.57	137,581,742.20	34,772,842.51	138,234,061.61
Book value of equity investments in joint ventures	33,071,866.57	137,581,742.20	34,772,842.51	138,234,061.61
Operating income	101,847,717.49	–	119,069,526.32	–
Financial expenses	381,199.83	(5,282.94)	670,498.40	(10,994.69)
Income tax expense	(77,939.90)	7,953,858.00	(127,518.51)	3,989,500.50
Net profit	(4,759,638.36)	135,631,885.72	(2,808,253.98)	110,161,372.45
Total comprehensive income	(4,759,638.36)	135,631,885.72	(2,808,253.98)	110,161,372.45
Dividends received from joint ventures in the current year	–	30,058,264.69	106,800.00	17,248,722.75

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VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint arrangements or associates (Continued)

3) Key financial information of material associates

Items	Closing balance/current amount				
	Southern United Assets and Equity Exchange Company Limited	Shenzhen Lihong Investment Development Co., Ltd.	Shantou City Automobile Passenger Traffic Centre Co., Ltd.	Guangzhou City Tianhe Coach Terminal Co., Ltd.	Hong Kong- Zhuhai-Macao Bridge Shuttle Bus Co., Ltd.
Current assets	136,549,180.02	49,645,368.93	5,358,504.86	126,751,381.94	2,092,217.25
Non-current assets	58,150,915.75	197,883,318.55	61,977,373.09	99,726,273.33	243,694,549.33
Total assets	194,700,095.77	247,528,687.48	67,335,877.95	226,477,655.27	245,786,766.58
Current liabilities	15,335,719.79	9,628,984.53	12,621,810.02	58,971,785.00	18,967.62
Non-current liabilities	182,278.58	-	-	-	-
Total liabilities	15,517,998.37	9,628,984.53	12,621,810.02	58,971,785.00	18,967.62
Equity attributable to parent company's shareholders	179,182,097.40	237,899,702.95	54,714,067.93	167,505,870.27	245,767,798.96
Group's share of net assets	44,795,524.35	47,579,940.59	19,149,923.78	33,501,174.05	49,153,559.79
Book value of equity investments in joint ventures	44,795,524.35	47,579,940.59	19,149,923.78	33,501,174.05	49,153,559.79
Operating income	98,685,538.71	23,782,435.35	5,184,840.37	-	-
Net profit	34,806,241.99	1,187,548.88	(2,449,316.41)	2,245,164.37	49,027,165.25
Total comprehensive income	34,806,241.99	1,187,548.88	(2,449,316.41)	2,245,164.37	49,027,165.25
Dividends received from joint ventures in the current year	13,043,972.71	-	-	-	13,902,376.00

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VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint arrangements or associates (Continued)

3) Key financial information of material associates (Continued)

Items	Balance at the end of the previous year/Amount of the previous year					
	Southern United Assets and Equity Exchange Company Limited	Shenzhen Lihong Investment Development Co., Ltd.	Shantou City Automobile Passenger Traffic Centre Co., Ltd.	Guangzhou City Tianhe Coach Terminal Co., Ltd.	Hong Kong-Zhuhai-Macao Bridge Shuttle Bus Co., Ltd.	CNPC Yueyun Natural Gas Co. Ltd.
Current assets	145,985,936.38	43,016,800.86	5,100,560.38	123,237,196.67	2,165,210.43	25,117,658.67
Non-current assets	66,699,986.76	204,389,993.24	64,712,444.37	100,959,842.09	270,571,660.07	11,303,606.38
Total assets	212,685,923.14	247,406,794.10	69,813,004.75	224,197,038.76	272,736,870.50	36,421,265.05
Current liabilities	14,851,372.17	10,694,640.03	12,661,520.93	58,936,332.86	19,446.84	5,234,525.22
Non-current liabilities	1,336,493.33	-	-	-	-	-
Total liabilities	16,187,865.50	10,694,640.03	12,661,520.93	58,936,332.86	19,446.84	5,234,525.22
Equity attributable to parent company's shareholders	196,498,057.64	236,712,154.07	57,151,483.82	165,260,705.90	272,717,423.66	30,103,048.97
Group's share of net assets	49,124,514.41	47,342,430.81	20,003,019.34	33,052,141.18	54,543,484.72	7,224,731.75
Book value of equity investments in joint ventures	49,124,514.41	47,342,430.81	20,003,019.34	33,052,141.18	54,543,485.09	7,224,731.75
Operating income	104,208,084.32	24,946,801.37	6,636,801.44	-	-	208,793.06
Net profit	34,014,286.60	1,843,621.29	(1,921,817.64)	2,856,379.51	85,455,626.95	(9,379,605.45)
Total comprehensive income	34,014,286.60	1,843,621.29	(1,921,817.64)	2,856,379.51	85,455,626.95	(9,379,605.45)
Dividends received from joint ventures in the current year	18,195,609.51	-	-	-	6,962,360.00	-

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VII. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint arrangements or associates (Continued)

4) Financial information of immaterial joint ventures and associates

	2025	2024
Joint ventures:		
Aggregate carrying amount of investments	11,319,584.18	13,503,538.36
Aggregate amount of share of		
– Net profit	(201,570.06)	(4,057,474.84)
– Total comprehensive income	(201,570.06)	(4,057,474.84)
Associates:		
Aggregate carrying amount of investments	30,149,939.83	27,794,678.98
Aggregate amount of share of		
– Net profit	(1,201,331.76)	9,614,250.28
– Total comprehensive income	(1,201,331.76)	9,614,250.28

5) Excessive losses incurred by joint ventures or associates

Name of joint ventures or associates	Accumulated unrecognised share of losses at the beginning of the year	Recognised share of net losses during the year	Accumulated unrecognised share of losses at the end of the year
Shantou City Chaoyang Yueyun Sky Island Transportation Co., Ltd.	2,898,818.39	244,131.31	3,142,949.70
Express Cross-Border Coach Management Company Limited	1,355,900.16	(148,345.26)	1,207,554.90
Guangzhou Hehe Intelligent Technology Co., Ltd.	2,333,671.39	252,354.89	2,586,026.28
Guangdong Yueyun Development Co., Ltd.	–	370,792.68	370,792.68
Guangzhou City Zengcheng Automobile Passenger Traffic Station Co., Ltd.	–	831,480.58	831,480.58
Heyuan City Yueyun Motor Transportation Co., Ltd.	–	887,399.25	887,399.25
Total	6,588,389.94	2,437,813.45	9,026,203.39

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For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

VIII. RISK RELATED TO FINANCIAL INSTRUMENTS

The Group has exposure to various financial risks in the course of operation: credit risk, liquidity risk and market risk (including exchange rate risk, interest rate risk and other price risks). The details of the above financial risks and the risk management policies adopted by the Group to reduce these risks are as follows:

The objective of the Group's risk management is to achieve an appropriate balance between risk and income, and strive to reduce the adverse impact of financial risks on the Group's financial performance. Based on this risk management objective, the Group has formulated risk management policies to identify and analyze the risks faced by the Group, set an appropriate risk acceptable level and design corresponding internal control procedures to monitor the risk level of the Group. The Group will regularly review these risk management policies and relevant internal control systems to adapt to market conditions or changes in the Group's business activities.

1. Credit risk

Credit risk refers to the risk of financial losses incurred by the Group due to the failure of counterparties to fulfill contractual obligations.

The Group's credit risk mainly comes from monetary funds and receivables. The management will continuously monitor the exposure of these credit risks.

The Group's monetary funds other than cash are mainly deposited in financial institutions with good credit. The management believes that there is no significant credit risk and is not expected to cause losses to the Group due to the other party's default.

The maximum credit risk exposure of the Group is the carrying amount of each financial asset in the consolidated balance sheet. The Group has not provided any guarantee that may expose the Group and the Company to credit risk.

In addition, for accounts receivables, the Group has formulated a credit policy according to the actual situation and conducted credit evaluation on customers to determine the credit limit and credit period. Credit evaluation is mainly based on the customer's financial status, external rating and bank credit record (if possible). The relevant accounts receivables are due within 30 to 90 days from the date of issuing the invoice. For debtors with overdue accounts receivable, the Group will urge collection from the debtors or negotiate with them to reschedule the payment term. Under normal circumstances, the Group will not require customers to provide collateral.

For other receivables, the Group monitors changes in credit risk by tracking the debtor's operating results and changes in the current economic environment. Credit evaluation is mainly based on the customer's financial status, external rating and bank credit record (if possible). For debtors whose other receivables are overdue, the Group will urge collection from them or negotiate with them to reschedule the payment term. Under normal circumstances, the Group will not require customers to provide collateral.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

VIII. RISK RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

2. Liquidity risk

Liquidity risk refers to the risk of capital shortage when an enterprise performs its obligation to settle by delivering cash or other financial assets.

The Company and its subsidiaries are responsible for their own cash management, including short-term investment of cash surplus and loan raising to meet the expected cash demand (if the loan amount exceeds some preset authorization limit, it needs to be approved by the board of directors of the Company). The Group's policy is to regularly monitor the short-term and long-term liquidity needs and whether they comply with the provisions of the loan agreement, so as to ensure the maintenance of sufficient cash reserves and marketable securities that can be realized at any time, and obtain the commitment of major financial institutions to provide sufficient standby funds to meet the short-term and long-term liquidity needs.

The Group's financial liabilities are listed as follows based on the undiscounted contract cash flow according to the maturity date:

Items	31 December 2025				Total
	Within 1 year or on demand	1-2 years	2-5 years	More than 5 years	
Short-term loans	32,541,966.02	-	-	-	32,541,966.02
Accounts payable	702,788,948.92	-	-	-	702,788,948.92
Other payables	438,001,782.46	-	-	-	438,001,782.46
Long-term loans	64,369,141.95	1,029,500.00	30,370,250.00	-	95,768,891.95
Long-term payables	3,951,700.00	-	1,000,000.00	-	4,951,700.00
Lease liabilities	255,098,587.65	241,012,011.56	662,512,985.64	1,945,631,730.45	3,104,255,315.30
Total	1,496,752,127.00	242,041,511.56	693,883,235.64	1,945,631,730.45	4,378,308,604.65

Items	31 December 2024				Total
	Within 1 year or on demand	1-2 years	2-5 years	More than 5 years	
Short-term loans	370,126,147.54	-	-	-	370,126,147.54
Accounts payable	676,079,874.58	-	-	-	676,079,874.58
Other payables	694,955,680.63	-	-	-	694,955,680.63
Long-term loans	165,791,658.28	339,188,559.67	36,753,359.90	-	541,733,577.85
Long-term payables	153,868,511.84	31,980,245.66	7,266,665.16	-	193,115,422.66
Lease liabilities	298,308,688.72	292,963,718.34	752,422,522.69	2,143,520,237.64	3,487,215,167.39
Total	2,359,130,561.59	664,132,523.67	796,442,547.75	2,143,520,237.64	5,963,225,870.65

Note: The non-current liabilities due within one year are included in the non-current liabilities above.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

VIII. RISK RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

3. Market risk

Market risk of financial instruments refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in market prices, including exchange rate risk, interest rate risk and other price risks.

1) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in market interest rates.

Interest-bearing financial instruments at floating rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest risk, respectively. The Group determines the appropriate weightings of the fixed and floating rate interest-bearing instruments based on the current market conditions and performs regular reviews and monitoring to achieve an appropriate mix of fixed and floating rate exposure. The Group does not enter into financial derivatives to hedge interest rate risk.

As at 31 December 2025, when other variables remain constant, if the interest rate of these borrowings at floating interest rate increases or decreases by 25 basis points, the net profit of the Company will decrease or increase by RMB148,933.16 (31 December 2024: RMB1,141,035.91). The management believes that 25 basis points reasonably reflects the reasonable range of possible changes in interest rates in the next year.

2) Exchange-rate risks

Exchange rate risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in foreign exchange rates.

The functional currency of the Group's Hong Kong subsidiaries is Hong Kong dollars (HKD), while, the functional currency of other subsidiaries of the Group is RMB. In respect of cash at bank and on hand, accounts receivable and payables, short-term loans and other assets and liabilities denominated in foreign currencies other than the functional currency, if there is a short-term imbalance, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The exchange rate risk faced by the Company mainly comes from financial assets denominated in US dollars (USD). The amount of foreign currency financial assets converted into RMB is listed as follows:

Items	31 December 2025		31 December 2024	
	USD	Total	USD	Total
Cash at bank and on hand	8,040,831.22	8,040,831.22	8,040,404.39	8,040,404.39
Total	8,040,831.22	8,040,831.22	8,040,404.39	8,040,404.39

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For the year ended 31 December 2025
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VIII. RISK RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

3. Market risk (Continued)

2) Exchange-rate risks (Continued)

As at 31 December 2025, with all other variables remain constant, if the RMB appreciates or depreciates by 5% against the USD, the net profit of the Group will decrease or increase by RMB301,531,17 (31 December 2024: RMB301,515.17). The management of the Company believes that 5% reasonably reflects the reasonable range of possible changes of RMB against USD in the next year.

3) Other price risk

Other price risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in market prices other than exchange rate risk and interest rate risk.

As at 31 December 2025, the Group has no such price risk.

IX. DISCLOSURE OF FAIR VALUE

1. Fair value measurement

As at 31 December 2025 and 2024, the Group did not hold significant financial instruments measured at fair value.

2. Others

As at 31 December 2025 and 2024, there was no significant difference between the book value and fair value of the Group's financial assets and financial liabilities.

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Information on the parent of the Company

Parent company	Registered place	Business nature	Registered capital	Shareholding percentage (%)	Voting rights percentage (%)
GCGC	Gudongdong province, the PRC	Investment management	26,800,000,000.00	74.12	74.12

The ultimate holding company of the Group is GCGC.

2. Information on the subsidiaries of the Company

Information on the subsidiaries of the Company is disclosed in Note VII Interests in other entities.

3. Information on joint ventures and associates

For information about the joint ventures and associates of the Group, refer to Note V.8 Long-term equity investments.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

4. Information on other related parties

Other related parties	Related party relationships
Guangdong Chao-Hui Expressway Company Limited	Controlled by the ultimate holding company
Guangdong Chaoshan Circle Line Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Dachao Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Oriental Thought Co., Ltd.	Controlled by the ultimate holding company
Guangdong Guangfozhao Expressway Company Limited	Controlled by the ultimate holding company
Guangdong Guanghui Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Guangle Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Guangzhu Expressway West Section Co., Ltd.	Controlled by the ultimate holding company
Guangdong Humen Bridge Co., Ltd.	Controlled by the ultimate holding company
Guangdong Jiangzhong Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Yunmao Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Jiaoke Testing Co., Ltd.	Controlled by the ultimate holding company
Guangdong Traffic Industry Investment Co., Ltd.	Controlled by the ultimate holding company
Guangdong Kaiyang Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Lea Top Technology Investment Co. Ltd.	Controlled by the ultimate holding company
Guangdong Lea Top Development Investment Co. Ltd.	Controlled by the ultimate holding company
Guangdong Union Electronic Services Co., Ltd.	Controlled by the ultimate holding company
Guangdong Maozhan Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Meihe Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Meiping Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Ninghua Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Pingxing Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Shanfen Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Provincial Expressway Development Co., Ltd.	Controlled by the ultimate holding company
Guangdong Provincial Freeway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Provincial Highway Construction Co., Ltd.	Controlled by the ultimate holding company
Guangdong Province Gongbei Vehicles Automobile Transportation Co., Ltd.	Controlled by the ultimate holding company

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

4. Information on other related parties *(Continued)*

Other related parties	Related party relationships
GCG Finance	Controlled by the ultimate holding company
Guangdong Province Road & Bridge Construction Development Co., Ltd.	Controlled by the ultimate holding company
Guangdong Taishan Coastal Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Xinyue Transportation Investment Co., Ltd.	Controlled by the ultimate holding company
Guangdong Yangmao Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Yuetongbao E-commerce Co., Ltd.	Controlled by the ultimate holding company
Guangdong Zhaoyang Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangdong Zihui Expressway Co., Ltd.	Controlled by the ultimate holding company
Guangfo Expressway Co., Ltd.	Controlled by the ultimate holding company
Guang-Shen-Zhu Expressway Co., Ltd.	Controlled by the ultimate holding company
Heyuan Helong Expressway Co., Ltd.	Controlled by the ultimate holding company
Jingzhu Expressway Guangzhu Section Co., Ltd.	Controlled by the ultimate holding company
Kee Kwan Motor Road Co., Ltd.	Controlled by the ultimate holding company
Shenzhen Lihong Investment Development Co., Ltd.	Controlled by the ultimate holding company
Weisheng Transportation Enterprises Co., Ltd.	Controlled by the ultimate holding company
Guangzhou Xinyue Asphalt Co., Ltd.	Controlled by the ultimate holding company
Yunfu City Guangyun Expressway Co., Ltd.	Controlled by the ultimate holding company
Dongguan Weisheng International Logistics Company Limited	Controlled by the ultimate holding company
Guangdong Lea Top Property Development Company Limited	Controlled by the ultimate holding company
Xin Yue (Guangzhou) Financial Leasing Co., Ltd.	Controlled by the ultimate holding company
Guangdong Lisheng Asset Operation Co., Ltd.	Controlled by the ultimate holding company
Guangdong Hualu Traffic Technology Co., Ltd.	Controlled by the ultimate holding company
Guangdong Provincial Transportation Development Co., Ltd.	Controlled by the ultimate holding company
Guangdong Traffic Industry Investment Co., Ltd.	Controlled by the ultimate holding company
Guangzhou Lulutong Co., Ltd.	Controlled by the ultimate holding company
Zhaoqing Yuezhaoh Highway Co., Ltd.	Joint venture of the ultimate holding company
Poly Changda Engineering Co., Ltd.	Associates of the ultimate controlling party
Guangdong Jingzhu Expressway Guangzhu North Section Co., Ltd.	Associates of the ultimate controlling party
Shenzhen Huiyan Expressway Co., Ltd.	Associates of the ultimate controlling party
Foshan Guangsan Expressway Co., Ltd.	Associates of the ultimate controlling party

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year

Transactions between the Group and its related parties for the year

Related party transactions that constitute to continuing connected transactions under Chapter 14A of the Listing Rules.

Ⓟ Related party transactions that constitute to connected transactions under Chapter 14A of the Listing Rules.

The following related party transactions are conducted based on normal commercial terms or according to relevant agreements.

1) *Purchases and rendering and receipt of services*

Purchases and receipt of services

Related parties	Caption	2025	2024
Guangdong Yuehuahui	Purchase of materials	51,595,376.14	47,806,366.40
Others	Purchase of materials	426,814.16	702,661.55
Total		52,022,190.30	48,509,027.95
Guangdong Humen Bridge Co., Ltd. #	Receipt of services	5,643,130.66	5,743,127.25
Guangzhou Hehe Intelligent Technology Co., Ltd. #	Receipt of services	6,468,929.90	5,525,439.49
Guangzhou Lulutong Co., Ltd. #	Receipt of services	15,004,012.04	263,436.90
Guangdong Lea Top Technology Investment Co. Ltd. #	Receipt of services	2,244,693.32	786,185.92
Others Ⓟ	Receipt of services	3,365,691.79	6,632,587.37
Total		32,726,457.71	18,950,776.93

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

1) *Purchases and rendering and receipt of services (Continued)*

Sales of goods and rendering of services

Related parties	Descriptions	2025	2024
Guangdong Zhongyou Top-E Energy Trading Company Limited	Expressway service operation income	1,656,304.92	1,742,185.23
Guangdong Yuehuahui	Expressway service operation income	1,573,490.61	2,556,575.49
Guangdong Provincial Transportation Development Co., Ltd	Expressway service operation income	11,764,408.71	4,780,485.18
Guangdong Roadnet Innovalues Media Information Technology Co., Ltd.	Expressway service operation income	335,530.34	1,194,412.95
Poly Changda Engineering Co., Ltd.	Expressway service operation income	–	2,458,600.14
Others	Expressway service operation income	2,358,208.10	3,672,817.12
Total		17,687,942.68	16,405,076.11
Express Cross-Border Coach Management Company Limited [#]	Logistics service income	4,742,521.79	4,315,376.19
Guangdong Lea Top Technology Investment Co. Ltd. [#]	Logistics service income	416,716.12	1,187,541.75
Guangdong Province Road & Bridge Construction Development Co., Ltd. [#]	Logistics service income	123,977.18	1,105,333.83
Others [#]	Logistics service income	2,748,008.17	4,286,853.20
Total		8,031,223.26	10,895,104.97
Others	Repairing income	–	594,208.30
Total		–	594,208.30
Guangdong Union Electronic Services Co., Ltd.	Rendering of other services income	10,736,689.24	2,841,850.00
Others [#]	Rendering of other services income	660,895.97	296,984.53
Total		11,397,585.21	3,138,834.53

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For the year ended 31 December 2025

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X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

1) *Purchases and rendering and receipt of services (Continued)*

Sales of goods and rendering of services (Continued)

Related parties	Descriptions	2025	2024
Guangdong Province Road & Bridge Construction Development Co., Ltd. #	Road rescue service income	20,001,173.26	19,897,136.59
Guangdong Provincial Freeway Co., Ltd. #	Road rescue service income	15,783,810.28	21,186,916.28
Guangdong Provincial Highway Construction Co., Ltd. #	Road rescue service income	9,907,852.83	9,907,853.06
Guangdong Chao-Hui Expressway Company Limited#	Road rescue service income	5,939,719.81	5,939,719.81
Guangdong Guangle Expressway Co., Ltd. #	Road rescue service income	4,763,219.71	4,763,205.36
Guangdong Guangfozhao Expressway Company Limited#	Road rescue service income	2,804,759.43	2,804,759.40
Guangdong Yunmao Expressway Co., Ltd. #	Road rescue service income	2,491,734.91	2,082,018.84
Guangdong Guanghui Expressway Co., Ltd. #	Road rescue service income	2,469,811.32	2,469,811.29
Guangdong Meihe Expressway Co., Ltd. #	Road rescue service income	2,313,764.15	2,299,881.58
Guang-Shen-Zhu Expressway Co., Ltd. #	Road rescue service income	2,241,198.75	1,973,384.31
Guangdong Kaiyang Expressway Co., Ltd. #	Road rescue service income	2,020,754.72	2,020,754.76
Guangdong Dachao Expressway Co., Ltd. #	Road rescue service income	1,936,845.28	1,936,845.24
Guangdong Zhaoyang Expressway Co., Ltd. #	Road rescue service income	1,894,890.26	1,894,890.60
Guangdong Maozhan Expressway Co., Ltd. #	Road rescue service income	1,693,472.64	1,302,509.64
Guangdong Pingxing Expressway Co., Ltd. #	Road rescue service income	1,580,422.64	1,580,422.64
Guangdong Taishan Coastal Expressway Co., Ltd. #	Road rescue service income	1,383,719.81	1,383,719.76
Guangdong Ninghua Expressway Co., Ltd. #	Road rescue service income	1,347,891.51	1,347,891.48
Guangdong Provincial Expressway Development Co., Ltd. #	Road rescue service income	1,283,018.83	1,283,018.88
Guangdong Yangmao Expressway Co., Ltd. #	Road rescue service income	1,279,169.81	1,279,169.76
Guangdong Chaoshan Circle Line Expressway Co., Ltd. #	Road rescue service income	1,242,812.26	1,192,886.78
Guangdong Zihui Expressway Co., Ltd. #	Road rescue service income	1,241,481.13	1,241,481.09
Guangdong Shanfen Expressway Co., Ltd. #	Road rescue service income	1,056,133.02	1,056,132.96
Others#	Road rescue service income	4,436,615.27	4,812,783.46
Total		91,114,271.63	95,657,193.57

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X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

2) *Entrusted management and outsourcing*

(1) *Entrusted management:*

Consignor	Contractor	Contract object	Start date	End date	Pricing basis	Contract cost for the year
Guangdong Provincial Freeway Co., Ltd.	Guangdong Yueyun Transportation Company Limited	Expressway services	2024-06-30	Termination date of the highway toll	Negotiated price	14,100,019.42
Jingzhu Expressway Guangzhu Section Co., Ltd.	Guangdong Top-E Expressway Service Zone Company Limited	Expressway services	2024-12-21	2027-12-20	Negotiated price	10,000,000.00
Guang-Shen-Zhu Expressway Co., Ltd.	Guangdong Highway Media Company Limited	Expressway advertisement resources operation	2010-12-01	2027-06-30	Negotiated price	4,537,565.22
Guangdong Provincial Freeway Co., Ltd.	Guangdong Highway Media Company Limited	Expressway advertisement resources operation	2008-08-22	Termination date of the highway toll	Negotiated price	1,189,736.92
Foshan Guangsan Expressway Co., Ltd.	Guangdong Highway Media Company Limited	Expressway advertisement resources operation	2012-10-10	Termination date of the highway toll	Negotiated price	1,713,379.38
Guangdong Humen Bridge Co., Ltd.	Guangdong Highway Media Company Limited	Expressway advertisement resources operation	2024-08-26	2025-08-25	Negotiated price	326,493.25
Guangdong Provincial Highway Construction Co., Ltd.	Guangdong Highway Media Company Limited	Expressway advertisement resources operation	2008-09-01	Termination date of the highway toll	Negotiated price	916,682.97
Guangdong Province Road & Bridge Construction Development Co., Ltd.	Guangdong Highway Media Company Limited	Expressway advertisement resources operation	2009-07-15	Termination date of the highway toll	Negotiated price	539,892.23
Others	Guangdong Highway Media Company Limited	Expressway advertisement resources operation			Negotiated price	3,098,449.99
Weisheng Transportation Enterprises Co., Ltd. [#]	The Motor Transport Company of Guangdong and Hong Kong Limited	Passenger transportation contracting fee	2024-01-01	2026-12-31	Negotiated price	2,743,890.00
Weisheng Transportation Enterprises Co., Ltd. [#]	The Motor Transport Company of Guangdong and Hong Kong Limited	Disbursements of passenger transportation contracting fee	2024-01-01	2026-12-31	Negotiated price	819,736.04

(2) *Outsourcing:*

Consignor	Contractor	Contract object	Start date	End date	Pricing basis	Contract expense for the period
The Motor Transport Company of Guangdong and Hong Kong Limited	Weisheng Transportation Enterprises Co., Ltd. [#]	Freight transportation outsourcing income	2024-01-01	2026-12-31	Negotiated price	5,034,489.37
The Motor Transport Company of Guangdong and Hong Kong Limited	Weisheng Transportation Enterprises Co., Ltd. [#]	Disbursements	2024-01-01	2026-12-31	Negotiated price	3,584,967.95

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X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

3) Lease

(1) *The Group as the lessor:*

Lessee	Type of assets leased	Lease income recognised in 2025	Lease income recognised in 2024
Express Cross-Border Coach Management Company Limited	Buildings and structures	370,856.86	353,052.11

(2) *The Group as the lessee:*

(i) The Group's acquisition of right-of-use assets:

Lessor	Type of assets leased	2025	2024
Guangdong Provincial Freeway Co., Ltd.	Buildings and structures	66,001,266.09	–
Guangdong Provincial Expressway Development Co., Ltd.	Buildings and structures	4,522,592.74	–
Guangdong Humen Bridge Co., Ltd.	Buildings and structures	6,577,559.61	–
Guangdong Kaiyang Expressway Co., Ltd.	Buildings and structures	–	604,901,164.87
Guangdong Provincial Freeway Co., Ltd.	Buildings and structures	–	111,710,720.30
Guangdong Lea Top Property Development Company Limited [#]	Buildings and structures	–	18,786,232.83
Guangdong Guangzhu Expressway West Section Co., Ltd.	Buildings and structures	–	8,155,389.60
Guangdong Provincial Transportation Development Co., Ltd	Buildings and structures	–	8,121,484.80

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X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

3) *Lease (Continued)*

(2) *The Group as the lessee: (Continued)*

(ii) Lease of expressway service zone

Lessor	Lessee	Type of assets leased	Start date	End date	Basis of pricing	Leasing expenses in 2025
Guangdong Kaiyang Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2020-07-09	2027-07-23	Negotiated price	50,641,127.23
Guangdong Provincial Freeway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2003-04-03	2045-09-25	Negotiated price	30,452,782.57
Guangdong Yunmao Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2021-06-11	2046-06-10	Negotiated price	27,348,270.96
Guangdong Humen Bridge Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2022-01-08	2029-05-08	Negotiated price	17,645,008.68
Guangdong Province Road & Bridge Construction Development Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2010-07-01	2040-12-31	Negotiated price	17,290,553.34
Guangdong Yangmao Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2004-12-01	2029-11-30	Negotiated price	14,826,643.77
Guangdong Zihui Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2020-12-28	Termination date of the highway toll	Negotiated price	13,883,584.92
Guangdong Chao-Hui Expressway Company Limited#	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2003-12-29	2045-06-17	Negotiated price	10,423,024.90
Guangdong Guangzhou Expressway West Section Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2013-01-25	2038-01-23	Negotiated price	10,053,852.13
Guangdong Guangle Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2014-09-27	2039-09-26	Negotiated price	9,690,051.62
Guangdong Guangfozhao Expressway Company Limited#	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2016-12-31	2041-12-31	Negotiated price	7,487,162.64
Guangdong Ninghua Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2020-07-30	2042-09-27	Negotiated price	6,202,822.08
Guangdong Provincial Highway Construction Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2019-12-03	2041-12-28	Negotiated price	4,589,635.67
Guangdong Meihe Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2005-11-30	2033-12-27	Negotiated price	3,024,364.68
Guang-Shen-Zhu Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2018-02-01	2027-06-30	Negotiated price	2,693,164.66
Guangdong Provincial Expressway Development Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2012-12-26	2036-03-14	Negotiated price	2,506,203.24
Guangdong Dachao Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2020-12-28	2045-12-29	Negotiated price	2,332,316.76

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(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

3) Lease *(Continued)*

(2) The Group as the lessee: *(Continued)*

(ii) Lease of expressway service zone *(Continued)*

Lessor	Lessee	Type of assets leased	Start date	End date	Basis of pricing	Leasing expenses in 2025
Guangdong Zhaoyang Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2011-01-01	2039-12-31	Negotiated price	2,133,280.20
Guangdong Maozhan Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2004-11-26	2040-12-29	Negotiated price	2,095,300.08
Guangdong Jiangzhong Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2016-01-01	2027-08-26	Negotiated price	1,785,782.88
Guangdong Pingxing Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2015-12-31	2040-12-30	Negotiated price	1,750,753.80
Guangdong Taishan Coastal Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2004-01-01	2028-12-31	Negotiated price	1,307,062.44
Guangdong Shanfen Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2018-01-01	2025-11-23	Negotiated price	1,268,209.14
Yunfu City Guangyun Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2019-01-01	2027-12-23	Negotiated price	1,179,862.86
Heyuan Helong Expressway Co., Ltd. #	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services	2005-06-08	2032-12-31	Negotiated price	1,126,155.84
Others#	Guangdong Top-E Expressway Service Zone Co., Ltd.	Expressway services			Negotiated price	11,723,108.46
Guangdong Provincial Freeway Co., Ltd. #	Guangdong Yueyun Transportation Company Limited	Expressway services	2024-05-01	2046-06-14	Negotiated price	16,188,586.92
Others#	Guangdong Yueyun Transportation Company Limited	Expressway services			Negotiated price	980,552.59
Guangdong Guangzhu Expressway West Section Co., Ltd. #	Guangdong Highway Media Company Limited	Expressway advertisement resources operation	2024-01-01	2026-11-30	Negotiated price	4,604,784.04
Others#	Guangdong Highway Media Company Limited	Expressway advertisement resources operation			Negotiated price	1,033,607.59

Note: The Group has applied CAS No. 21-Leases (Revised) ("new leases standard") since 1 January 2019. Under new leases standard, service area management contracting expenses include depreciation expense of right-of-use assets, interest expenses of lease liabilities, and variable lease payments not included in the measurement of lease liabilities.

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

3) Lease *(Continued)*

(2) The Group as the lessee: *(Continued)*

(iii) Others

Lessor	Type of assets leased	Leasing expenses in 2025	Leasing expenses in 2024
Guangdong Lea Top Property Development Company Limited [Ⓟ]	Buildings and structures	6,392,960.70	8,547,126.75
Guangdong Lisheng Asset Operation Co., Ltd. [Ⓟ]	Buildings and structures	6,874,631.83	6,919,619.86
Guangdong Province Gongbei Vehicles Automobile Transportation Co., Ltd. [Ⓟ]	Buildings and structures	–	1,160,621.20
Kee Kwan Motor Road Co., Ltd. [Ⓟ]	Buildings and structures	–	1,621,662.85
Others [Ⓟ]	Buildings and structures	507,669.91	523,652.16

The leasing expenses above include depreciation expense of right-of-use assets, interest expenses of lease liabilities, and short-term lease payments.

4) Guarantees

As at 31 December 2025, guarantees to related parties of the Group as follows:

Guaranteed party	Guarantee amount (Note)	Start date	End date	Type of guarantee	Whether the guarantee has been fulfilled
Heyuan City Yueyun Motor Transportation Co., Ltd.	43,696,320.32	2016-1-29	2028-1-27	Joint guarantee	No

Note: On January 8, 2016, Heyuan City Yueyun Motor Transportation Co., Ltd. entered into a Fixed Asset Loan Contract with Bank of Communications Co., Ltd. Guangzhou Tianhe Sub-branch. The contract stipulated a loan principal of RMB130 million, with the actual borrowed principal totaling RMB60,675,782.95, and a loan term from January 29, 2016 to January 27, 2028.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Transactions between the Group and its related parties for the year (Continued)

4) Guarantees (Continued)

The loan is secured by a mortgage over the real property (Certificate No.: Yue (2023) Heyuan City Real Property Right No. 0032586) owned by the debtor's subsidiary, Heyuan City Yueyun Chengnan Coach Terminal Co., Ltd. It was also agreed that the debtor's shareholders shall assume joint and several guarantee liability for the remaining debt after deducting the value of the mortgaged property, in proportion to their respective shareholdings. Among them, as one of the shareholders, Guangdong Provincial Automobile Transportation Group Co., Ltd., a subsidiary of our company, provided a related-party guarantee for the loan, specifically assuming joint and several guarantee liability for 51% of the aforesaid remaining debt.

As of December 31, 2025, Heyuan City Yueyun Motor Transportation Co., Ltd. has defaulted on the debt. The outstanding principal and interest arising from the actual borrowed principal under this loan total RMB43,696,320.32.

5) Borrowing from and lending to related parties

Related parties	Annual interest rate	As at 1		As at		Start date	End date
		January 2025	Loan amount	Repayment	31 December 2025		
GCG Finance	2.95%	12,500,000.00	-	1,000,000.00	11,500,000.00	2018-01-25	2028-01-24
GCG Finance	2.95%	5,000,000.00	-	-	5,000,000.00	2018-05-28	2028-05-27
GCG Finance	2.95%	15,000,000.00	-	-	15,000,000.00	2018-08-09	2028-08-08
Total		32,500,000.00	-	1,000,000.00	31,500,000.00		

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

6) *Interest expenses*

Related parties	Descriptions	2025	2024
GCG Finance	Loan interest expense	883,734.67	1,370,317.40
Total		883,734.67	1,370,317.40

7) *Cash pool arrangement*

Pursuant to the relevant agreements, the Group centrally collects and manages the funds from bank accounts (the "Cash Pool Accounts") of certain related party companies. The funds received are recorded as "other payables" and bear the same interest rate as demand deposit. In 2025, the above deposit interest rate is 0.05%-0.10%(2024: 0.10%-0.20%).

8) *Compensation for key management personnel*

Item	2025	2024
Compensation for key management personnel	6,452,817.37	6,375,231.42

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

8) *Compensation for key management personnel (Continued)*

Compensation for the directors and supervisors are as below:

2025

Title and name	Note	Board expenses	Basic salaries	Performance salaries	Retirement plan contributions	Total
Executive Director, Chairman of the Board, General Manager Zhu Fang	(2)	-	135,698.40	538,432.36	53,658.00	727,788.76
Executive Director, Financial Director Huang Wenban	(3)	-	111,672.00	430,177.14	53,658.00	595,507.14
Executive Director, Deputy General Manager Hu Xianhua	(4)	-	111,672.00	438,193.78	53,658.00	603,523.78
Executive Director, Full-time deputy Party Secretary, President of the trade union Hu Jian	(5)	-	111,672.00	429,861.92	53,658.00	595,191.92
Supervisor Li Xiangrong	(6)	-	23,772.60	138,110.82	14,010.48	175,893.90
Supervisor Zhen Jianhui	(7)	-	81,554.40	277,166.38	53,658.00	412,378.78
Supervisor Ou Lixu	(8)	-	92,496.00	342,926.58	53,658.00	489,080.58
Independent non-executive Director Su Wujun	(9)	60,000.00	-	-	-	60,000.00
Independent non-executive Director Shen Jialong	(10)	45,000.00	-	-	-	45,000.00
Independent non-executive Director Huang Yuan	(11)	60,000.00	-	-	-	60,000.00
Independent non-executive Director Zhang Xiangfa	(12)	60,000.00	-	-	-	60,000.00
Independent non-executive Director Mu Huihua	(13)	15,000.00	-	-	-	15,000.00
Independent Supervisor Meng Xue	(14)	36,000.00	-	-	-	36,000.00
Independent Supervisor Duan Xinhong	(15)	36,000.00	-	-	-	36,000.00
Total		312,000.00	668,537.40	2,594,868.98	335,958.48	3,911,364.86

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

8) *Compensation for key management personnel (Continued)*

2024

Title and name	Note	Board expenses	Basic salaries	Performance salaries	Retirement plan contributions	Total
Executive Director, Chairman of the Board, General Manager Zhu Fang	(2)	–	135,021.60	537,911.34	46,927.17	719,860.11
Executive Director, Financial Director Huang Wenban	(3)	–	111,672.00	440,119.52	46,927.17	598,718.69
Executive Director, Deputy General Manager Hu Xianhua	(4)	–	111,672.00	458,494.65	46,927.17	617,093.82
Executive Director, Full-time deputy Party Secretary, President of the trade union Hu Jian	(5)	–	111,672.00	401,874.14	46,927.17	560,473.31
Supervisor Li Xiangrong	(6)	–	95,090.40	350,715.16	46,927.17	492,732.73
Supervisor Zhen Jianhui	(7)	–	81,554.40	290,781.40	46,927.17	419,262.97
Supervisor Ou Lixu	(8)	–	92,383.20	345,762.60	46,927.17	485,072.97
Independent non-executive Director Su Wujun	(9)	60,000.00	–	–	–	60,000.00
Independent non-executive Director Shen Jialong	(10)	60,000.00	–	–	–	60,000.00
Independent non-executive Director Huang Yuan	(11)	60,000.00	–	–	–	60,000.00
Independent non-executive Director Zhang Xiangfa	(12)	60,000.00	–	–	–	60,000.00
Independent Supervisor Meng Xue	(14)	48,000.00	–	–	–	48,000.00
Independent Supervisor Duan Xinhong	(15)	48,000.00	–	–	–	48,000.00
Total		336,000.00	739,065.60	2,825,658.81	328,490.19	4,229,214.60

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For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

8) *Compensation for key management personnel (Continued)*

Note:

- (1) The compensation for the following key management personnel are not paid by the Company:

2025: non-executive Director Mr. Chen Chuxuan left the position at 29 September 2025. Mr. Yuan Dengping became non-executive Director at 29 September 2025; Mr. Cai Fen became non-executive Director at 29 September 2025. Supervisor Mr. Zhou Yihua left the position at 29 September 2025. Supervisor Mr. Wang Qingwei left the position at 3 January 2025. Supervisor Mr. Wang Xiaobing left the position at 29 September 2025.

2024: non-executive Director Mr. Chen Chuxuan, Supervisor Mr. Zhou Yihua, Supervisor Mr. Wang Qingwei.

- (2) The salaries of Mr. Zhu Fang included his salaries as Executive Director, Chairman of the Board, General Manager, and he became Executive Director and General Manager in July 2022.
- (3) The salaries of Mr. Huang Wenban included his salaries as both Executive Director and Financial Director of the Company. Mr. Huang Wenban became Executive Director and Financial Director in December 2020.
- (4) Mr. Hu Xianhua as Deputy General Manager of the Company from April 2022 to 31 August 2022, and he became executive Director and Deputy General Manager of the Company at 31 August 2022.
- (5) Mr. Hu Jian became Executive Director in June 2023, and he left the position at 23 December 2025. Mr. Hu Jian became Employee Director at 23 December 2025.
- (6) Ms. Li Xiangrong became Employee Supervisor in June 2016, and she left the position in September 2025.
- (7) Mr. Zhen Jianhui became Employee Supervisor in June 2016, and he left the position in September 2025.
- (8) Ms. Ou Lixu became Employee Supervisor in January 2024, and she left the position in September 2025.
- (9) Mr. Su Wujun became Independent non-executive Director at 31 August 2022.
- (10) Mr. Shen Jialong became Independent non-executive Director at 31 August 2022, and he left the position in October 2025.
- (11) Ms. Huang Yuan became Independent non-executive Director at 31 August 2022.
- (12) Mr. Zhang Xiangfa became Independent non-executive Director at 31 August 2022.
- (13) Mr. Mu Huihua became Independent non-executive Director at 29 September 2025.
- (14) Ms. Meng Xue became Independent Supervisor in September 2022, and she left the position in September 2025.
- (15) Mr. Duan Xinhong became Independent Supervisor in September 2022, and she left the position in September 2025.

During the year, the Company have neither made any payments that served as a motivation for Directors to join, nor paid any compensation for Director's resignation.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

5. Transactions between the Group and its related parties for the year *(Continued)*

8) *Compensation for key management personnel (Continued)*

Apart from the above directors and supervisors, the compensation for other key management personnel of the Company is as follows:

Item	2025	2024
Other key management personnel	2,541,452.51	2,146,016.82

Note: Key management personnel are those personnel having the authority and responsibility for planning, directing and controlling the activities of the entity, including director, general manager, chief accountant, financial director, vice general managers taking charge of each business unit, and personnel who perform similar strategic functions. The CEO of the Company is general manager.

4 (2024: 3) of the Group's top five highest paid people are directors. The compensation for the remaining 1 (2024: 2).

Items	2025	2024
Basic salaries	111,672.00	223,344.00
Bonus	427,920.80	870,286.25
Retirement plan contributions	53,658.00	93,854.34
Total	593,250.80	1,187,484.59

The emolument of each of the top five individuals was below HKD1 million in 2025 and 2024.

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For the year ended 31 December 2025

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X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

6. Amounts due from/to related parties

1) Amounts due from related parties

Items	Related parties	31 December 2025		31 December 2024	
		Amount	Provision for doubtful debts	Amount	Provision for bad and doubtful debts
Accounts receivable					
	Guangdong Provincial Transportation Development Co., Ltd	12,874,382.21	645,319.27	–	–
	Guangdong Humen Bridge Co., Ltd.	5,655,383.01	282,769.15	3,813,028.80	190,651.44
	Guang-Shen-Zhu Expressway Co., Ltd.	4,911,419.47	245,570.97	–	–
	Guangdong Province Road & Bridge Construction Development Co., Ltd.	3,024,306.66	153,002.39	3,216,727.97	160,538.55
	Guangdong Provincial Freeway Co., Ltd.	1,980,728.47	372,008.63	3,521,013.97	446,429.68
	Guangdong Meihe Expressway Co., Ltd.	1,816,435.00	810,864.94	1,825,135.00	811,299.94
	Express Cross-Border Coach Management Company Limited	1,679,450.87	83,972.54	509,322.00	53,247.30
	Guangdong Zhongyou Top-E Energy Trading Company Limited	1,641,724.26	82,367.02	–	–
	Dongguan Weisheng International Logistics Company Limited	1,519,059.60	548,671.61	1,519,059.60	372,188.45
	Guangdong Provincial Highway Construction Co., Ltd.	918,321.34	48,085.34	2,010,500.62	100,525.04
	Guangdong Zhaoyang Expressway Co., Ltd.	832,183.52	41,609.18	–	–
	GCGC	629,413.01	496,840.51	489,863.01	489,863.01
	Nanyuetong	627,884.87	31,394.23	1,020,395.87	51,019.81
	Poly Changda Engineering Co., Ltd.	602,222.98	34,130.95	802,110.02	40,105.50
	Guangdong Chao-Hui Expressway Company Limited	599,761.72	29,988.08	598,228.87	29,911.44
	Guangdong Guangle Expressway Co., Ltd.	524,163.65	31,318.08	534,906.74	30,151.93
	Guangdong Yunmao Expressway Co., Ltd.	381,703.32	19,085.17	381,703.32	19,085.17
	Guangdong Guanghui Expressway Co., Ltd.	372,401.19	56,246.00	372,401.19	18,620.06
	Guangdong Lea Top Technology Investment Co. Ltd.	336,848.40	117,896.94	336,848.40	16,842.42
	Guangdong Guangfozhao Expressway Company Limited	297,304.50	14,865.23	297,304.50	14,865.23
	Guangdong Kaiyang Expressway Co., Ltd.	214,200.00	10,710.00	214,200.00	10,710.00
	Guangdong Maozhan Expressway Co., Ltd.	179,508.10	8,975.41	91,800.00	4,590.00
	Guangdong Shanfen Expressway Co., Ltd.	90,499.35	4,524.98	90,499.35	4,524.97
	Zhuhai Wandatong Hongkong-Zhuhai-Macau Bridge Port Passenger Service Co., Ltd.	–	–	759,005.00	262,753.15
	Others	1,914,296.57	230,097.16	3,390,704.72	255,345.01
	Total	43,623,602.07	4,400,313.78	25,794,758.95	3,383,268.10

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For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

6. Amounts due from/to related parties *(Continued)*

1) Amounts due from related parties *(Continued)*

Items	Related parties	31 December 2025		31 December 2024	
		Amount	Provision for bad and doubtful debts	Amount	Provision for bad and doubtful debts
Prepayments					
	Guangdong Union Electronic Services Co., Ltd.	2,517,922.25	-	1,124,894.48	-
	Guangdong Province Road & Bridge Construction Development Co., Ltd.	956,664.19	-	-	-
	Guangdong Provincial Freeway Co., Ltd.	480,284.27	-	-	-
	Guangdong Provincial Highway Construction Co., Ltd.	413,331.18	-	382,926.00	-
	Guangdong Yuehuahui	374,445.72	-	-	-
	Guangdong Yueyun Development Co., Ltd.	266,118.31	-	-	-
	Guangdong Guangfozhao Expressway Company Limited	-	-	243,336.86	-
	Guangdong Lea Top Development Investment Co. Ltd.	-	-	201,161.79	-
	Shaoguan Libao Technology Company Limited	-	-	11,532.00	-
	Guangdong Jingzhu Expressway Guangzhu North Section Co., Ltd.	-	-	3,343.64	-
	Others	5,215.95	-	282,479.70	-
	Total	5,013,981.87		2,249,674.47	
Other receivables					
	Guangdong Lisheng Asset Operation Co., Ltd.	39,581,572.00	-	41,567,188.00	-
	Heyuan City Yueyun Motor Transportation Co., Ltd.	20,520,730.63	20,520,730.63	-	-
	Chaozhou City Yueyun Public Transportation Co., Ltd.	6,619,357.25	330,967.86	-	-
	Shantou City Automobile Passenger Traffic Centre Co., Ltd.	3,521,868.79	3,326,475.39	3,521,868.79	3,326,475.39
	Guangdong Provincial Freeway Co., Ltd.	3,055,913.95	60,231.48	3,002,095.81	35,487.67
	Guang-Shen-Zhu Expressway Co., Ltd.	3,045,600.00	630.00	3,563,000.00	-
	Shantou City Chaonan Yueyun Sky Island Transportation Co., Ltd.	3,005,433.26	3,005,433.26	3,005,433.26	3,005,433.26
	Weisheng Transportation Enterprises Co., Ltd.	2,741,771.78	401,554.29	2,759,820.19	137,991.01
	Guangdong Province Road & Bridge Construction Development Co., Ltd.	1,780,000.00	-	2,000,000.00	-
	Guangdong Provincial Highway Construction Co., Ltd.	1,635,000.00	-	1,635,000.00	-
	Guangdong Guangzhu Expressway West Section Co., Ltd.	1,628,300.00	-	1,628,300.00	-
	Guangdong Union Electronic Services Co., Ltd.	1,152,057.18	6.25	930,343.28	70.74
	Guangdong Kaiyang Expressway Co., Ltd.	1,066,000.00	-	-	-
	Guangdong Maozhan Expressway Co., Ltd.	1,000,000.00	-	1,000,000.00	-

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X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

6. Amounts due from/to related parties *(Continued)*

1) Amounts due from related parties *(Continued)*

Items	Related parties	31 December 2025		31 December 2024	
		Amount	Provision for bad and doubtful debts	Amount	Provision for bad and doubtful debts
	Lufeng Shen-Shan Expressway Services Company Limited	1,000,000.00	-	1,000,000.00	-
	Guangdong Guangfozhao Expressway Company Limited	900,000.00	-	900,000.00	-
	Heyuan City Yueyun Motor Transportation Co., Ltd.	734,800.00	734,800.00	-	-
	Guangdong Yangmao Expressway Co., Ltd.	500,000.00	-	500,000.00	-
	Guangzhou City Yueyun Motor Transportation Co., Ltd.	401,991.57	33,570.21	-	-
	Guangdong Chao-Hui Expressway Company Limited	401,000.00	-	401,000.00	-
	Guangdong Humen Bridge Co., Ltd.	334,000.00	-	-	-
	Guangdong Guangle Expressway Co., Ltd.	330,000.00	-	330,000.00	-
	Guangdong Provincial Transportation Development Co., Ltd	300,000.00	-	-	-
	Guangdong Yunmao Expressway Co., Ltd.	300,000.00	-	300,000.00	-
	Guangdong Guangye Yueyun Natural Gas Company Limited	204,782.53	123,653.47	204,782.53	42,524.40
	Others	2,284,367.00	119,180.21	2,671,200.02	79,811.90
	Total	98,044,545.94	28,657,233.05	70,920,031.88	6,627,794.37
	Dividends receivable				
	Shaoguan Libao Technology Company Limited	-	-	440,000.00	-
	Total	-	-	440,000.00	-

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X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

6. Amounts due from/to related parties *(Continued)*

2) Amounts due to related parties

Items	Related parties	31 December 2025	31 December 2024
Accounts payable			
	Guangdong Provincial Freeway Co., Ltd.	64,289,234.94	39,071,823.31
	Guangdong Yunmao Expressway Co., Ltd.	55,074,432.51	27,816,093.74
	Guangdong Yangmao Expressway Co., Ltd.	43,512,760.54	31,223,628.03
	Guang-Shen-Zhu Expressway Co., Ltd.	14,712,897.32	15,370,935.81
	Jingzhu Expressway Guangzhu Section Co., Ltd.	12,078,486.65	2,008,449.07
	Guangdong Province Road & Bridge Construction Development Co., Ltd.	9,946,648.35	7,514,748.57
	Guangdong Yuehuahui	6,314,916.49	6,381,574.16
	Guangdong Yueyun Development Co., Ltd.	2,067,038.23	–
	Guangdong Provincial Highway Construction Co., Ltd.	1,829,581.07	1,525,670.99
	Foshan Guangsan Expressway Co., Ltd.	1,743,619.72	3,321,862.10
	Guangdong Chao-Hui Expressway Company Limited	1,662,744.90	216,715.23
	Guangdong Guangzhu Expressway West Section Co., Ltd.	1,506,221.94	3,028,879.93
	Poly Changda Engineering Co., Ltd.	1,109,920.95	2,543,272.91
	Guangdong Maozhan Expressway Co., Ltd.	927,023.37	2,482,629.75
	Guangdong Humen Bridge Co., Ltd.	898,610.25	1,699,702.58
	Guangdong Xinyue Transportation Investment Co., Ltd.	800,000.00	2,148,124.11
	Guangfo Expressway Co., Ltd.	723,148.56	568,053.66
	Guangdong Union Electronic Services Co., Ltd.	635,159.79	1,099,715.60
	Heyuan City Yueyun Motor Transportation Co., Ltd.	579,192.37	–
	Guangdong Hualu Traffic Technology Co., Ltd.	359,282.00	359,282.00
	Yunfu City Guangyun Expressway Co., Ltd.	250,837.74	306,716.13
	Guangdong Guangle Expressway Co., Ltd.	162,823.07	258,070.33
	Guangdong Kaiyang Expressway Co., Ltd.	157,039.28	70,839.96
	Guangdong Taishan Coastal Expressway Co., Ltd.	89,669.74	46,546.94
	Shaoguan Libao Technology Company Limited	–	4,151,695.33
	Kee Kwan Motor Road Co., Ltd.	–	505,661.60
	Others	2,033,944.52	3,946,402.16
	Total	223,465,234.30	157,667,094.00
Advances from customers			
	Express Cross-Border Coach Management Company Limited	1,212,576.46	–
	Guangdong Chao-Hui Expressway Company Limited	465,493.57	465,493.57
	Guangdong Xinyue Transportation Investment Co., Ltd.	340,558.40	340,558.40
	Guangdong Provincial Highway Construction Co., Ltd.	217,890.00	–
	Others	998,940.80	135,109.85
	Total	3,235,459.23	941,161.82

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

6. Amounts due from/to related parties *(Continued)*

2) Amounts due to related parties *(Continued)*

Items	Related parties	31 December 2025	31 December 2024
Contract liabilities			
	Guangdong Province Road & Bridge Construction Development Co., Ltd.	3,446,841.31	3,660,593.12
	Guangdong Provincial Expressway Development Co., Ltd.	2,153,282.92	–
	Guangdong Provincial Freeway Co., Ltd.	1,047,721.57	–
	Guangdong Yangmao Expressway Co., Ltd.	606,092.39	646,068.39
	Guangdong Ninghua Expressway Co., Ltd.	206,362.90	206,362.90
	Guangdong Provincial Highway Construction Co., Ltd.	156,072.55	2,261,211.41
	Others	266,419.18	638,789.21
	Total	7,882,792.82	7,413,025.03
Other payables			
	Guangzhou Lulutong Co., Ltd.	8,626,536.04	–
	Guangdong Yueyun Development Co., Ltd.	5,242,308.51	–
	GCGC	2,944,346.83	2,944,346.83
	Guangdong Lea Top Property Development Company Limited	1,693,568.78	1,693,568.78
	Guangdong Lea Top Development Investment Co. Ltd.	1,565,843.20	1,565,843.20
	Weisheng Transportation Enterprises Co., Ltd.	733,217.07	710,917.15
	Heyuan City Yueyun Motor Transportation Co., Ltd.	606,951.48	–
	Guangdong Union Electronic Services Co., Ltd.	488,514.24	530,363.51
	Chaozhou City Yueyun Public Transportation Co., Ltd.	479,883.95	–
	Shenzhen Lihong Investment Development Co., Ltd.	359,840.92	359,840.92
	Guangdong Province Gongbei Vehicles Automobile Transportation Co., Ltd.	–	19,451,211.68
	Kee Kwan Motor Road Co., Ltd.	–	8,886,673.86
	Shaoguan Yuehong Bus Station Company Limited	–	2,026,990.00
	Shaoguan Libao Technology Company Limited	–	1,290,203.12
	Guang-Shen-Zhu Expressway Co., Ltd.	–	1,171,960.17
	Guangdong Roadnet Innovalues Media Information Technology Co., Ltd.	–	380,000.00
	Others	1,343,105.45	912,393.98
	Total	24,084,116.47	41,924,313.20
Long-term payables			
	Xin Yue (Guangzhou) Financial Leasing Co., Ltd.	–	2,200,000.00
	Total	–	2,200,000.00

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

6. Amounts due from/to related parties *(Continued)*

2) Amounts due to related parties *(Continued)*

Items	Related parties	31 December 2025	31 December 2024
Lease liabilities			
	Guangdong Kaiyang Expressway Co., Ltd.	569,755,791.06	661,467,155.25
	Guangdong Provincial Freeway Co., Ltd.	233,916,148.17	188,760,169.49
	Guangdong Provincial Highway Construction Co., Ltd.	151,667,480.85	190,125,633.34
	Guangdong Zihui Expressway Co., Ltd.	146,671,435.09	152,181,919.96
	Guangdong Province Road & Bridge Construction Development Co., Ltd.	94,070,718.05	105,168,256.81
	Guangdong Chao-Hui Expressway Company Limited	89,107,165.40	94,212,177.17
	Guangdong Guangle Expressway Co., Ltd.	79,616,167.34	83,556,598.62
	Guangdong Ninghua Expressway Co., Ltd.	60,616,934.95	64,569,855.39
	Guangdong Guangzhu Expressway West Section Co., Ltd.	46,775,564.80	49,298,954.91
	Guangdong Guangfozhao Expressway Company Limited	35,933,567.48	37,548,630.33
	Guangdong Dachao Expressway Co., Ltd.	30,918,985.86	29,802,078.75
	Guangdong Provincial Expressway Development Co., Ltd.	23,228,959.07	20,209,145.23
	Lufeng Shen-Shan Expressway Services Company Limited	21,232,440.12	27,691,087.27
	Guangdong Meihe Expressway Co., Ltd.	20,042,316.11	22,360,742.24
	Guangdong Zhaoyang Expressway Co., Ltd.	16,474,699.87	17,550,464.78
	Guangdong Pingxing Expressway Co., Ltd.	16,155,876.10	16,947,542.17
	Guang-Shen-Zhu Expressway Co., Ltd.	10,161,066.73	16,495,243.31
	Guangdong Yangmao Expressway Co., Ltd.	9,495,414.25	12,632,497.00
	Guangdong Maozhan Expressway Co., Ltd.	7,240,812.84	9,410,422.51
	Guangdong Provincial Transportation Development Co., Ltd.	6,502,178.99	7,660,541.95
	Heyuan Helong Expressway Co., Ltd.	6,303,412.71	7,245,907.26
	Guangdong Meiping Expressway Co., Ltd.	5,543,532.04	5,750,954.90
	Guangdong Humen Bridge Co., Ltd.	4,371,406.22	-
	Zhaoqing Yuezhao Highway Co., Ltd.	4,172,775.89	4,990,532.79
	Guangdong Taishan Coastal Expressway Co., Ltd.	2,383,109.38	3,733,028.41
	Jingzhu Expressway Guangzhu Section Co., Ltd.	2,210,848.78	1,687,816.34
	Guangdong Jiangzhong Expressway Co., Ltd.	2,196,956.92	6,977,648.03
	Guangdong Jingzhu Expressway Guangzhu North Section Co., Ltd.	1,719,599.67	1,719,599.67
	Yunfu City Guangyun Expressway Co., Ltd.	1,224,882.48	2,392,549.22
	Guangdong Lisheng Asset Operation Co., Ltd.	67,012.68	5,347.89
	Guangdong Lea Top Property Development Company Limited	-	6,321,677.20
	Total	1,699,777,259.90	1,848,474,178.19

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

X. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(CONTINUED)*

6. Amounts due from/to related parties *(Continued)*

2) Amounts due to related parties *(Continued)*

Items	Related parties	31 December 2025	31 December 2024
Non-current liabilities			
due within one year			
	Guangdong Provincial Freeway Co., Ltd.	24,477,947.31	20,831,617.46
	Guangdong Kaiyang Expressway Co., Ltd.	17,442,295.22	16,735,314.50
	Guangdong Province Road & Bridge Construction Development Co., Ltd.	11,097,538.54	10,601,126.81
	Guangdong Provincial Highway Construction Co., Ltd.	8,199,871.45	9,198,492.48
	Lufeng Shen-Shan Expressway Services Company Limited	6,458,647.10	6,171,664.69
	Guang-Shen-Zhu Expressway Co., Ltd.	6,354,353.81	5,775,123.50
	Guangdong Lea Top Property Development Company Limited	6,321,677.20	6,006,311.21
	Guangdong Guangzhu Expressway West Section Co., Ltd.	5,137,664.10	5,007,096.38
	Guangdong Chao-Hui Expressway Company Limited	5,105,011.82	4,496,417.51
	Guangdong Zihui Expressway Co., Ltd.	4,759,712.92	4,548,220.66
	Guangdong Guangle Expressway Co., Ltd.	3,940,431.31	3,698,199.25
	Guangdong Yangmao Expressway Co., Ltd.	2,704,394.48	2,548,430.53
	Guangdong Ninghua Expressway Co., Ltd.	2,579,566.23	2,464,946.23
	Guangdong Meihe Expressway Co., Ltd.	2,318,426.11	2,185,072.72
	Guangdong Jiangzhong Expressway Co., Ltd.	2,252,207.34	2,147,004.13
	Guangdong Maozhan Expressway Co., Ltd.	2,169,609.72	2,058,036.66
	Guangdong Humen Bridge Co., Ltd.	1,658,073.57	-
	Guangdong Guangfozhao Expressway Company Limited	1,615,062.70	1,541,234.86
	Guangdong Provincial Expressway Development Co., Ltd.	1,382,883.04	1,176,605.92
	Guangdong Taishan Coastal Expressway Co., Ltd.	1,349,919.03	1,289,936.96
	Yunfu City Guangyun Expressway Co., Ltd.	1,167,666.69	1,113,123.63
	Guangdong Zhaoyang Expressway Co., Ltd.	1,075,764.93	1,012,393.12
	Heyuan Helong Expressway Co., Ltd.	942,494.61	888,140.42
	Zhaoqing Yuezhaoh Highway Co., Ltd.	817,756.90	773,219.46
	Guangdong Dachao Expressway Co., Ltd.	814,608.40	778,412.23
	Guangdong Pingxing Expressway Co., Ltd.	791,665.93	754,686.30
	Guangdong Shanfen Expressway Co., Ltd.	-	2,738,931.85
	Xin Yue (Guangzhou) Financial Leasing Co., Ltd.	-	2,119,792.00
	Others	1,598,402.94	976,254.89
	Total	124,533,653.40	119,635,806.36

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XI. COMMITMENTS AND CONTINGENCIES

1. Significant commitments

At the balance sheet date, the Group has no significant commitments that need to be disclosed.

2. Contingency

At the balance sheet date, the Group has no significant contingencies that need to be disclosed.

XII. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

- On 31 December 2025, the Company entered into a contract with Guangdong Kaili Intelligent Transportation Technology Co., Ltd., the Company will transfer of 85% of equity interests in Meizhou City Yueyun Motor Transportation Co., Ltd. and 85% of equity interests in Meizhou Yueyun Investment Co., Ltd. to Guangdong Kaili Intelligent Transportation Technology Co., Ltd.. The total consideration for the equity transfer was RMB2,758,900. As at the date of approval of these financial statements by the Board of Directors of the Company, the above equity transfer has been completed.
- On 12 March 2026, the Board of Directors of the Company considered and approved the profit distribution plan for 2025, proposing to distribute a final dividend of RMB0.09 per ordinary share (tax inclusive) to the shareholders of the Company. This profit distribution plan is subject to approval at the shareholders' general meeting.

XIII. CAPITAL MANAGEMENT

Items	31 December 2025	31 December 2024
Total liabilities	2,428,005,732.11	3,560,144,864.77
Less: cash and cash equivalents	1,131,066,532.44	1,425,056,954.63
Adjusted net debt	1,296,939,199.67	2,135,087,910.14
Shareholders' equity	2,686,597,988.14	2,605,860,605.27
Adjusted capital	2,686,597,988.14	2,605,860,605.27
Adjusted net debt-to-capital ratio	48.27%	81.93%

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XIV. OTHER SIGNIFICANT MATTERS

1. Correction of prior years' accounting errors

During the reporting period, there was no correction of prior years' accounting errors.

2. Segment information

1) Determination basis and accounting policies of reportable segments

Based on the Group's internal organisation structure, management requirements and internal reporting system, the operations of the Group were classified into three segments, including expressway service zones operation (including energy business, retail trade business and commercial development business), road passenger transportation and auxiliary and other business (including Taiping Interchange operation and other business) Each reportable segment is a separate business unit which offers different products and services, and is managed separately because they require different technology and marketing strategies.

2) Segment reporting

2025

Items	Expressway service zones operation	Road passenger transportation and auxiliary	Other business	Inter-segment eliminations	Total
Operating income	5,949,109,207.63	1,407,423,412.00	115,076,656.22	(13,757,158.77)	7,457,852,117.08
Including: Operating income from external customers	5,942,407,839.60	1,400,367,621.26	115,076,656.22	-	7,457,852,117.08
Inter-segment operating income	6,701,368.03	7,055,790.74	-	(13,757,158.77)	-
Operating costs	5,392,179,482.01	1,365,701,356.66	20,203,775.74	(5,820,445.07)	6,772,264,169.34
Income from investments in associates and joint ventures	(604,134.98)	62,216,644.64	9,547,929.92	-	71,160,439.58
Credit impairment loss	(2,499,120.74)	(16,217,903.48)	91,607.71	-	(18,625,416.51)
Impairment losses on assets	(1,042,186.83)	(3,148,404.86)	-	-	(4,190,591.69)
Depreciation and amortisation	312,506,096.70	295,610,727.47	28,963,663.40	-	637,080,487.57
Profit/(Loss) before income tax	279,978,560.05	(36,149,680.47)	94,619,258.21	(909,451.59)	337,538,686.20
Income tax expenses	68,114,813.75	3,737,193.11	-	-	71,852,006.86
Net profit/(loss)	211,863,746.30	(39,886,873.58)	94,619,258.21	(909,451.59)	265,686,679.34
Total assets	4,619,920,388.24	2,078,997,789.25	2,291,157,383.09	(2,072,919,302.45)	6,917,156,258.13
Total liabilities	3,589,450,564.93	1,048,761,406.42	711,996,474.46	(1,119,650,175.82)	4,230,558,269.99
Other important non-cash items:					
- Long-term equity investments in associates and joint ventures	37,652,052.62	309,328,292.38	59,322,910.34	-	406,303,255.34
- The amounts of increase/(decrease) of non-current assets other than long-term equity investments	(123,519,715.15)	(478,567,963.36)	(556,223,793.16)	(42,736,470.52)	(1,201,047,942.19)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XIV. OTHER SIGNIFICANT MATTERS (CONTINUED)

2. Segment information (Continued)

2) Segment reporting (Continued)

2024

Items	Expressway service zones operation	Road passenger transportation and auxiliary	Other business	Inter-segment eliminations	Total
Operating income	5,234,085,620.07	1,838,727,985.30	132,573,463.38	(5,048,762.82)	7,200,338,305.93
Including: Operating income from external customers	5,233,405,396.29	1,834,359,446.26	132,573,463.38	-	7,200,338,305.93
Inter-segment operating income	680,223.78	4,368,539.04	-	(5,048,762.82)	-
Operating costs	4,653,347,243.76	1,870,491,153.00	30,941,888.12	(4,391,640.27)	6,550,388,644.61
Income from investments in associates and joint ventures	398,842.70	67,070,169.45	9,560,785.74	-	77,029,797.89
Credit impairment loss	4,807,823.36	(11,853,066.96)	1,983,469.05	-	(5,061,774.55)
Impairment losses on assets	-	(11,120,671.80)	-	-	(11,120,671.80)
Depreciation and amortisation	325,189,629.91	426,665,717.03	22,635,309.43	-	774,490,656.37
Profit/(Loss) before income tax	250,588,627.16	(46,368,059.91)	103,217,207.70	650,471.74	308,088,246.69
Income tax expenses	74,317,720.05	4,477,517.20	-	-	78,795,237.25
Net profit/(loss)	176,270,907.11	(50,845,577.11)	103,217,207.70	650,471.74	229,293,009.44
Total assets	4,572,808,854.47	3,703,151,328.32	2,874,514,204.04	(2,426,414,609.00)	8,724,059,777.83
Total liabilities	3,561,155,893.04	2,456,002,046.66	957,658,152.20	(856,616,919.34)	6,118,199,172.56
Other important non-cash items:					
- Long-term equity investments in associates and joint ventures	39,948,524.43	322,827,966.48	62,818,953.13	-	425,595,444.04
- The amounts of increase/(decrease) of non-current assets other than long-term equity investments	551,724,854.12	(640,154,061.06)	(38,889,644.81)	(14,228,655.04)	(141,547,506.79)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XV. NOTES TO THE KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

1. Accounts receivable

1) Disclosure of accounts receivable by aging

Aging	31 December 2025	31 December 2024
Within 3 months (inclusive)	210,876,286.29	8,921,336.80
Over 3 months but within 6 months (inclusive)	1,021,716.74	–
Over 6 months but within 1 year (inclusive)	7,401,735.01	–
Over 3 years	6,340,449.22	6,766,725.67
Sub-total	225,640,187.26	15,688,062.47
Less: Provision for bad and doubtful debts	3,777,866.87	3,082,110.74
Total	221,862,320.39	12,605,951.73

Note: The aging is counted starting from the date when accounts receivable are recognised.

2) Disclosure of accounts receivable by provision methods for bad debts

Items	31 December 2025					31 December 2024				
	Amount		Provision for bad and doubtful debts		Book value	Amount		Provision for bad and doubtful debts		Book value
	Amount	Percentage (%)	Amount	Percentage (%)		Amount	Percentage (%)	Amount	Percentage (%)	
Provision for bad debts is made on a collective basis	225,640,187.26	100.00	3,777,866.87	1.67	221,862,320.39	15,688,062.47	100.00	3,082,110.74	19.65	12,605,951.73
Including:										
Aging portfolio	26,834,390.95	11.89	3,777,866.87	14.08	23,056,524.08	9,082,781.59	57.90	3,082,110.74	33.93	6,000,670.85
Portfolio of the Group's scope of consolidation	198,805,796.31	88.11	–	–	198,805,796.31	6,605,280.88	42.10	–	–	6,605,280.88
Total	225,640,187.26	100.00	3,777,866.87		221,862,320.39	15,688,062.47	100.00	3,082,110.74		12,605,951.73

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XV. NOTES TO THE KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Accounts receivable (Continued)

2) Disclosure of accounts receivable by provision methods for bad debts (Continued)

Provision for bad debts is made on a collective basis:

Items	31 December 2025		
	Amount	Provision for bad and doubtful debts	Provision ratio (%)
Aging portfolio			
Service zone operation			
Within 1 year (inclusive)	16,346,631.60	817,331.65	5.00
Sub-total	16,346,631.60	817,331.65	
Road transportation and other service			
Within 1 year (inclusive)	5,618,391.01	280,919.55	5.00
Over 3 years	489,863.01	489,863.01	100.00
Sub-total	6,108,254.02	770,782.56	
Other business			
Over 3 years	4,379,505.33	2,189,752.66	50.00
Sub-total	4,379,505.33	2,189,752.66	
Portfolio of the Group's scope of consolidation	198,805,796.31	-	
Total	225,640,187.26	3,777,866.87	

3) Movements of provision for bad and doubtful debts for the year is as follows:

Category	31 December 2024	Changes during the year		31 December 2025
		Charge into income statement	Written-off	
Provision for bad debts is made on a collective basis	3,082,110.74	695,756.13	-	3,777,866.87
Total	3,082,110.74	695,756.13	-	3,777,866.87

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XV. NOTES TO THE KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables

Items	31 December 2025	31 December 2024
Dividends receivable	1,023,000.00	4,669,078.00
Others	265,506,459.19	213,312,560.66
Total	266,529,459.19	217,981,638.66

1) Dividends receivable

(1) Details of dividends receivable

Investees	31 December 2025	31 December 2024
The Motor Transport Company of Guangdong and Hong Kong Limited (Hong Kong)	1,023,000.00	4,669,078.00
Sub-total	1,023,000.00	4,669,078.00
Total	1,023,000.00	4,669,078.00

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XV. NOTES TO THE KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables (Continued)

2) Other receivables

(1) Disclosure of other receivables by aging

Aging	31 December 2025	31 December 2024
Within 1 year (inclusive)	167,925,367.49	63,907,505.02
Over 1 year but within 2 years (inclusive)	28,011,289.34	32,684,697.39
Over 2 years but within 3 years (inclusive)	32,684,697.39	4,877,831.73
Over 3 years	89,570,786.79	113,522,082.79
Sub-total	318,192,141.01	214,992,116.93
Less: Provision for bad and doubtful debts	52,685,681.82	1,679,556.27
Total	265,506,459.19	213,312,560.66

(2) Disclosure of accounts receivable by provision methods for bad debts

Category	31 December 2025					31 December 2024				
	Gross carrying		Provision for bad and doubtful debts		Book value	Gross carrying		Provision for bad and doubtful debts		Book value
	Amount	Percentage (%)	Amount	Percentage (%)		Amount	Percentage (%)	Amount	Percentage (%)	
Provision for bad debts is made on an individual basis	47,330,063.57	14.87	47,330,063.57	100.00	-	627,988.60	0.29	627,988.60	100.00	-
Provision for bad debts is made on a collective basis	270,862,077.44	85.13	5,355,618.25	1.98	265,506,459.19	214,364,128.33	99.71	1,051,567.67	0.49	213,312,560.66
Including:										
Aging portfolio	75,425,378.60	23.71	5,355,618.25	7.10	70,069,760.35	16,512,059.21	7.69	1,051,567.67	6.37	15,460,491.54
Portfolio of the Group's scope of consolidation	154,312,808.39	48.50	-	-	154,312,808.39	156,351,638.13	72.72	-	-	156,351,638.13
Combination of security deposit and government subsidy	41,123,890.45	12.92	-	-	41,123,890.45	41,500,430.99	19.30	-	-	41,500,430.99
Total	318,192,141.01	100.00	52,685,681.82		265,506,459.19	214,992,116.93	100.00	1,679,556.27		213,312,560.66

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XV. NOTES TO THE KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables (Continued)

2) Other receivables (Continued)

(2) Disclosure of accounts receivable by provision methods for bad debts (Continued)

Provision for bad debts is made on an individual basis:

Names	31 December 2025			Reasons for accruing
	Amount	Provision for bad and doubtful debts	Provision ratio (%)	
Shanwei City Public Transport Service Group Co., Ltd. (former name: Shanwei Yueyun Automobile Transportation Co., Ltd.)	36,107,278.65	36,107,278.65	100.00	Not expected to be recovered
Heyuan City Yueyun Motor Transportation Co., Ltd.	9,796,712.82	9,796,712.82	100.00	Not expected to be recovered
Heyuan City Chengnan Freight Station Co., Ltd.	734,800.00	734,800.00	100.00	Not expected to be recovered
Others	691,272.10	691,272.10	100.00	Not expected to be recovered
Total	47,330,063.57	47,330,063.57		

Provision for bad debts is made on a collective basis:

Items	31 December 2025		
	Other receivables	Provision for bad and doubtful debts	Provision ratio (%)
Provision for bad debts based on aging portfolio			
Within 1 year (inclusive)	67,416,446.69	3,370,822.34	5.00
Over 1 year but within 2 years (inclusive)	5,049,175.13	504,917.51	10.00
Over 3 years	2,959,756.78	1,479,878.40	50.00
Sub-total	75,425,378.60	5,355,618.25	
Portfolio of the Group's scope of consolidation	154,312,808.39	-	
Combination of security deposit and government subsidy	41,123,890.45	-	
Total	270,862,077.44	5,355,618.25	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XV. NOTES TO THE KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables (Continued)

2) Other receivables (Continued)

(3) Movements of provision for bad and doubtful debts for the year is as follows:

Category	31 December 2024	Changes during the year		31 December 2025
		Charge into income statement	Written-off	
Provision for bad debts is made on an individual basis	627,988.60	46,702,074.97	–	47,330,063.57
Provision for bad debts is made on a collective basis	1,051,567.67	4,304,050.58	–	5,355,618.25
Total	1,679,556.27	51,006,125.55	–	52,685,681.82

(4) Disclosure of other receivables by nature

Nature	31 December 2025	31 December 2024
Security deposits	1,575,487.77	511,550.00
Staff advances	133,635.70	38,498.01
Consideration receivables	72,276,385.13	16,009,915.43
Amount due from related parties	204,354,362.85	197,397,295.77
Others	39,852,269.56	1,034,857.72
Total	318,192,141.01	214,992,116.93

3. Long-term equity investment

Items	31 December 2025			31 December 2024		
	Book balance	Provision for bad and doubtful debts	Book value	Book balance	Provision for bad and doubtful debts	Book value
Investment in subsidiaries	1,028,050,316.98	148,121,202.11	879,929,114.87	1,558,048,101.63	31,026,400.84	1,527,021,700.79
Investment in associates and joint ventures	59,322,910.34	–	59,322,910.34	62,818,953.13	–	62,818,953.13
Total	1,087,373,227.32	148,121,202.11	939,252,025.21	1,620,867,054.76	31,026,400.84	1,589,840,653.92

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XV. NOTES TO THE KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investment (Continued)

1) Investments in subsidiaries

Investee	Book balance as at 31 December 2024	Additions during the year	Reductions during the year	Book balance as at 31 December 2025	Provision for impairment during this year	Closing balance of provision for impairment losses
Guangdong Yueyun Development Co., Ltd.	7,200,000.00	3,434,800.00	10,634,800.00	-	-	-
Chaozhou City Yueyun Vehicle Transportation Co., Ltd.	49,627,064.35	-	-	49,627,064.35	-	-
Foshan City Yueyun Public Transportation Co., Ltd.	128,000,000.00	-	71,400,000.00	56,600,000.00	-	-
Guangdong Highway Media Company Limited	19,800,000.00	-	-	19,800,000.00	-	-
Guangdong Vehicles Transportation Group Co., Ltd.	136,240,647.70	-	-	136,240,647.70	-	-
Guangdong Top-E Expressway Service Zone Company Limited	119,055,570.29	-	17,829,395.75	101,226,174.54	-	-
Guangdong Top-E Commercial Development Co., Ltd.	-	5,132,370.08	-	5,132,370.08	-	-
Guangdong Loyee Trading Co., Ltd	-	12,697,025.67	-	12,697,025.67	-	-
Guangdong Yueyun Traffic Rescue Co., Ltd.	60,000,000.00	-	-	60,000,000.00	-	-
Heyuan City Yueyun Motor Transportation Co., Ltd.	164,623,493.41	-	164,623,493.41	-	-	-
Meizhou City Yueyun Motor Transportation Co., Ltd.	143,779,032.69	-	-	143,779,032.69	143,779,032.69	143,779,032.69
Qingyuan Yueyun Vehicles Transportation Co., Ltd.	288,520,709.96	-	-	288,520,709.96	-	-
Shanwei City Public Transport Service Group Co., Ltd. (former name: Shanwei Yueyun Automobile Transportation Co., Ltd.)	67,334,634.63	-	67,334,634.63	-	-	-
Shaoguan Yueyun Vehicles Transportation Co., Ltd.	175,702,676.32	-	175,702,676.32	-	-	-
The Motor Transport Company of Guangdong and Hong Kong (Guangzhou) Limited	25,319,234.10	-	-	25,319,234.10	-	-
The Motor Transport Company of Guangdong and Hong Kong Limited	120,196,428.59	-	-	120,196,428.59	-	-
Yueyun Transportation (HK) Company Limited	1,323,750.00	-	-	1,323,750.00	-	-
Zhuhai Gongyun	43,736,980.29	-	43,736,980.29	-	-	-
Meizhou Yueyun Investment Co., Ltd.	7,587,879.30	-	-	7,587,879.30	4,342,169.42	4,342,169.42
Total	1,558,048,101.63	21,264,195.75	551,261,980.40	1,028,050,316.98	148,121,202.11	148,121,202.11

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XV. NOTES TO THE KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investment (Continued)

2) Interests in associates or joint ventures

Investee	Book balance as at 31 December 2024	Additional investment	Disposals	Changes during this year				Book balance as at 31 December 2025	Provision for impairment as at 31 December 2025
				Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Declaring cash dividends or profits		
1. Joint ventures									
Guangdong Yuehuahui	9,400,884.06	-	-	827,192.10	-	-	-	10,228,076.16	-
Sub-total	9,400,884.06	-	-	827,192.10	-	-	-	10,228,076.16	-
2. Associates									
Southern United Assets and Equity Exchange Co., Ltd.	49,124,514.41	-	-	8,714,982.65	-	-	13,043,972.71	44,795,524.35	-
Nanyuetong	4,293,554.66	-	-	5,755.17	-	-	-	4,299,309.83	-
Heyuan City Yueyun Motor Transportation Co., Ltd.	-	-	-	-	-	-	-	-	-
Guangdong Yueyun Development Co., Ltd.	-	-	-	-	-	-	-	-	-
Sub-total	53,418,069.07	-	-	8,720,737.82	-	-	13,043,972.71	49,094,834.18	-
Total	62,818,953.13	-	-	9,547,929.92	-	-	13,043,972.71	59,322,910.34	-

Note: All joint ventures and associates of the Group are non-listed companies. As at 31 December 2025, the ability to transfer fund from the above joint ventures and associates to the Group is not restricted (31 December 2024: Nil).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(Unless otherwise stated, all amounts are denominated in Renminbi Yuan)

XV. NOTES TO THE KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Operating income and operating costs

1) Operating income and operating costs

Items	2025		2024	
	Operating income	Operating cost	Operating income	Operating cost
Operating income from principal activities	326,256,428.23	194,819,144.40	143,321,343.82	36,388,277.41
Total	326,256,428.23	194,819,144.40	143,321,343.82	36,388,277.41

Detail of operating income:

Items	2025	2024
Service zone operation services	204,700,281.44	–
Road passenger transportation and auxiliary services	6,479,490.57	10,747,880.44
Taiping interchange assets operation services	115,076,656.22	132,573,463.38
Total	326,256,428.23	143,321,343.82

5. Investment income

Items	2025	2024
Income from long-term equity investments under cost method	143,568,183.63	61,020,766.87
Income from long-term equity investments under equity method	9,547,929.92	9,560,785.74
Gains on disposal of long-term equity investments	(155,056,314.86)	25,788,665.46
Dividend income earned during the holding period of other equity instrument investments	1,500,000.00	199,158.94
Total	(440,201.31)	96,569,377.01

Guangdong Yueyun Transportation Company Limited

12 March 2026



廣東粵運交通股份有限公司

GUANGDONG YUEYUN TRANSPORTATION COMPANY LIMITED