

Guangdong Provincial Expressway Development Co., Ltd.

The Semi-Annual Report 2022

August 2022

I. Important Notice, Table of Contents and Definitions

The Board of Directors, the Supervisory Committee as well as all directors, supervisors and senior management staff of the Company warrant that this Report is factual, accurate and complete without any false record, misleading statement or material omission. And they shall be jointly and severally liable for that.

Mr.Miao Deshan, Company principal , Mr. Wang Chunhua, General Manager, Mr. Lu Ming, Chief of the accounting work, Ms.Zhou Fang, Chief of the accounting organ (chief of accounting) hereby confirm the authenticity and completeness of the financial report enclosed in this Semi-annual report.

All the directors have attended the meeting of the board meeting at which this report was examined.
The Company has no plan of cash dividends carried out, bonus issued and capitalizing of common reserves either.

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Documents available for inspection

1. Accounting statements carried with personal signatures and seals of legal representative, Chief Financial officer and Financial Principal.
2. Original of Auditors' Report carried with the seal of Certified Public Accountants as well as personal signatures of certified Public accountants.

Definition

Terms to be defined	Refers to	Definition
Reporting period	Refers to	January 1, 2022 to June 30,2022
Reporting date	Refers to	The semi-annual report of the company was approved by the board of directors of 2022, that is, August 26, 2022
YOY	Refers to	Compared with January-June 2021
The Company /This Company	Refers to	Guangdong Provincial Expressway Development Co.,Ltd.
Fokai Branch	Refers to	Guangdong Provincial Expressway Development Co.,Ltd.Fokai Branch
Guangfo Company	Refers to	Guangdong Guangfo Expressway Co., Ltd.
Guanghui Company	Refers to	Guangdong Guanghui Expressway Co., Ltd.

II. Company Profile & Financial Highlights.

1. Company Profile

Stock abbreviation:	Expressway A, Expressway B	Stock code:	000429,200429
Stock exchange for listing	Shenzhen Stock Exchange		
Name in Chinese	广东省高速公路发展股份有限公司		
Abbreviation of Registered Company (if any)	粤高速		
English name (If any)	Guangdong Provincial Expressway Development Co.Ltd		
English abbreviation (If any)	GPED		
Legal Representative	Miao Deshan		

2. Contact person and contact manner

	Board secretary	Securities affairs Representative
Name	Yang Hanming	Liang Jirong
Contact address	46/F, Litong Plaza, No.32, Zhujiang East Road, Zhujiang New City, Tianhe District, Guangzhou	45/F, Litong Plaza, No.32, Zhujiang East Road, Zhujiang New City, Tianhe District, Guangzhou
Tel	020-29004619	020-29004523
Fax	020-38787002	020-38787002
E-mail	Hmy69@126.com	139221590@qq.com

3. Other

1). Way of contact

Whether registrations address, offices address and codes as well as website and email of the Company changed in reporting period or not

Applicable Not applicable

Registrations address, offices address and codes as well as website and email of the Company has no change in reporting period, found more details in annual report 2021.

2). Information inquiry

Whether information disclosure and preparation place changed in reporting period or not

Applicable Not applicable

None of the official presses, website, and place of enquiry has been changed in the semi report period. For details please find the Annual Report 2021.

3). Other relevant information

Did any change occur to other relevant information during the reporting period?

Applicable Not applicable

4. Summary of Accounting Data and Financial Indicators

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes No

	Reporting period	Same period of last year	YoY+/- (%)
Operating income (yuan)	2,057,420,809.68	2,488,474,669.81	-17.32%
Net profit attributable to the shareholders of the listed company (yuan)	773,786,851.68	848,860,350.64	-8.84%

Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (yuan)	743,090,095.19	842,743,158.64	-11.82%
Cash flow generated by business operation, net (yuan)	1,443,551,266.30	1,815,293,217.25	-20.48%
Basic earning per share(yuan/Share)	0.37	0.41	-9.76%
Diluted gains per share(yuan/Share)	0.37	0.41	-9.76%
Weighted average income/asset ratio (%)	8.45%	10.16%	-1.71%
	As at the end of the reporting period	As at the end of last year	YoY+/- (%)
Gross assets (yuan)	19,737,220,017.64	18,875,766,799.31	4.56%
Shareholders' equity attributable to shareholders of the listed company (yuan)	8,549,301,415.60	8,982,437,985.17	-4.82%

5. Differences between accounting data under domestic and overseas accounting standards

1). Simultaneously pursuant to both Chinese accounting standards and international accounting standards disclosed in the financial reports of differences in net income and net assets.

Applicable Not applicable

None

2). Differences of net profit and net assets disclosed in financial reports prepared under overseas and Chinese accounting standards.

Applicable Not applicable

None

6. Items and amount of non-current gains and losses

Applicable Not applicable

In RMB

Items	Amount	Note
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	447,880.54	
Government subsidies recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	7,349,285.08	
Net amount of non-operating income and expense except the aforesaid items	2,881,455.61	
Other non-recurring Gains/loss items	14,393,329.63	
Less :Influenced amount of income tax	-8,354,389.12	
Influenced amount of minor shareholders' equity (after tax)	2,729,583.49	
Total	30,696,756.49	

Details of other profit and loss items that meet the non-recurring profit and loss definition

Applicable Not applicable

None

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable Not applicable

None of Non-recurring gain /loss items recorgnized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non -recurring gain/loss in the report period.

III. Management Discussion & Analysis

I .Main Business the Company is Engaged in During the Report Period

The Company's main business in developing and operating expressway and big bridges. It is one of the main institutions of developing expressway and big bridge in Guangdong Expressway System. The expressway industry is the industry helped by government.

The Company is mainly engaged in tolling and maintenance of Guangfo Expressway, Fokai Expressway , Jingzhu Expressway Guangzhu Section and Guanghui Expressway investment in technological industries and provision of relevant consultation while investing in Shenzhen Huiyan Expressway Co., Ltd., Guangdong Jiangzhong Expressway Co., Ltd., Zhaoqing Yuezhao Expressway Co., Ltd., Ganzhou Kangda Expressway , Ganzhou Gankang Expressway Co., Ltd., Guangdong Yueke Technology Petty Loan Co., Ltd., Guangdong Guangle Expressway Co.,Ltd., Guoyuan Securities Co., Ltd., Hunan Lianzhi Technology Co., Ltd., SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd.and CMST Nanjing Intelligent Logistics Technology Co., Ltd.

As of the end of the reporting period, the company's share-controlled expressway is 306.78 km, and the share-participation expressway is 295.88 km.

II. Analysis On core Competitiveness

The toll revenue of expressway industry mainly depends on the regional economic development. The regional economy is the critical factor that influences the traffic volume. The Guangfo expressway and the Fokai expressway, controlled by the company, are part of the National Expressway Network Planning-“Five vertical and seven horizontal”, Jingzhu Expressway Guangzhu Section is a fast and convenient expressway, Guanghui Expressway is an important section of the national key highway-the 15th Hengshanwei to Yunnan Qingshuihe highway, And many of the company's equity-participation expressways that are part of the main skeleton of the Guangdong Provincial Expressway Planning-“Ten vertical and five horizontal”, which provides a strong guarantee for stable traffic volume. Meanwhile, the regional economy is the critical factor that influences the traffic volume, as Guangdong province is the economically developed region, with years' continuous high growth of GDP, so that provides the stable rising demand for the company.

III. Main business analysis

I . General

Whether the same as the main business disclosure engaged in the company during the reporting period

Yes No

	Volume of vehicle traffic in the first half year of 2022	Toll income in the first half year of 2022	Toll income in the first half year of 2022 (Ten thousand)	Increase /Decrease(%)
Guangfo Expressway	36,349,485	-4.69%	6,478.10	-69.88%
Fokai Expressway	37,500,754	-8.92%	63,696.56	-7.31%
Jingzhu Expressway Guangzhu East Section	27,536,144	-21.64%	43,747.12	-20.00%
Guanghui Expressway	36,098,312	-7.20%	88,041.38	-11.22%
Huiyan Expressway	21,272,389	-17.25%	9,689.71	-16.91%
Yuezhao Expressway	16,371,410	-11.35%	22,496.53	-14.39%
Jiangzhong	26,079,442	-20.08%	17,686.08	-24.39%

	Volume of vehicle traffic in the first half year of 2022	Toll income in the first half year of 2022	Toll income in the first half year of 2022 (Ten thousand)	Increase /Decrease(%)
Expressway				
Guangle Expressway	18,846,126	-4.96%	154,513.17	-5.50%
Kangda Expressway	590,955	-20.49%	13,786.32	-8.14%
Gangkang Expressway	1,917,372	-21.25%	9,019.62	-8.89%

Note: Guangfo Expressway stopped toll collection from 00:00 on March 3, 2022.

During the reporting period, the traffic flow from January to April declined by varying degrees due to the slowdown in economic growth, the epidemic prevention and control measures in Shenzhen, Dongguan and Zhuhai in Guangdong Province, the extreme weather and other factors. The traffic volume of Guanghui Expressway and Jingzhu Expressway Guangzhu Section that are the Company's holdings-are adjacent to Shenzhen and Dongguan decreased significantly. With the effective control to the epidemic in May, the Dragon Boat Festival holiday and the college entrance examination and the senior high school entrance examination ended, the willingness of the masses for travel has increased, and the traffic flow of various sections has shown a trend of recovery.

Year-on-year change of main financial data

In RMB

	This report period	Same period last year	YOY change (%)	Cause change
Operating income	2,057,420,809.68	2,488,474,669.81	-17.32%	Guangfo Expressway stopped toll collection from 00:00 on March 3, 2022, and the tolls decreased YOY; due to the impact of the epidemic, the traffic flow on the expressway decreased YOY, and the tolls decreased YOY.
Operating cost	696,143,722.50	889,127,742.43	-21.70%	Fokai Expressway had adjust extended the toll period since June last year, and in the first half of 2022, the depreciation of Fokai Expressway had decreased YOY; the decline in toll revenue had led to a decline in road depreciation.
Administrative expenses	85,773,267.04	93,357,035.39	-8.12%	
Financial expenses	87,302,056.62	120,868,584.07	-27.77%	The double impact of the YOY decline in borrowings and the decline in interest rates.
Income tax expenses	290,240,426.63	354,025,065.47	-18.02%	
R & D Investment	1,368,887.22			Mainly due to the labor costs and related expenses of project developers such as "Research on the Unattended System of Expressway Smart Toll Stations", "Research and Development of Key Technologies for Remixed In-Place Heat Regeneration in Expressway Covered and Overpaved Roads", etc.
Cash flow generated by business operation, net	1,443,551,266.30	1,815,293,217.25	-20.48%	Mainly due to the decline in toll revenue.
Net cash flow generated by investment	-274,972,125.19	-158,820,398.94	-73.13%	Dispose of 100% equity of Guangdong Expressway Technology Investment

				Co., Ltd., the cash dividends of the participating companies are distributed earlier than the same period and the new external equity investment in this period.
Net cash flow generated by financing	-80,767,682.59	-936,574,211.78	91.38%	Mainly due to the payment of the remaining 21% equity purchase payment of Guangdong Guanghui Expressway Co., Ltd. in the same period last year, but there was none of this in this year.
Net increasing of cash and cash equivalents	1,087,811,458.52	719,898,606.53	51.11%	The combined effect of operating activities, investment activities, and financing activities.

Major changes to the profit structure or sources of the Company in the reporting period

Applicable Not applicable

None.

Component of Business Income

In RMB

	This report period		Same period last year		Increase /decrease
	Amount	Proportion	Amount	Proportion	
Total operating revenue	2,057,420,809.68	100%	2,488,474,669.81	100%	-17.32%
Industry					
Highway transportations	2,019,631,631.41	98.16%	2,440,717,934.74	98.08%	-17.25%
Other	37,789,178.27	1.84%	47,756,735.07	1.92%	-20.87%
Product					
Highway transportations	2,019,631,631.41	98.16%	2,440,717,934.74	98.08%	-17.25%
Other	37,789,178.27	1.84%	47,756,735.07	1.92%	-20.87%
Area					
Guangfo Expressway	64,781,007.00	3.15%	215,068,229.34	8.64%	-69.88%
Fokai Expressway	636,965,610.55	30.96%	687,165,042.12	27.61%	-7.31%
Jingzhu Expressway Guangzhu Section	437,471,193.16	21.26%	546,816,777.61	21.98%	-20.00%
Guanghui Expressway	880,413,820.70	42.79%	991,667,885.67	39.85%	-11.22%
Other	37,789,178.27	1.84%	47,756,735.07	1.92%	-20.87%

Situation of Industry, Product and District Occupying the Company's Business Income and Operating Profit with Profit over 10%

Applicable Not applicable

In RMB

	Turnover	Operation cost	Gross profit rate(%)	Increase/decrease of revenue in the same period of the previous year(%)	Increase/decrease of business cost over the same period of previous year (%)	Increase/decrease of gross profit rate over the same period of the previous year (%)
Industry						
Highway transportations	2,019,631,631.41	678,568,987.99	66.40%	-17.25%	-21.12%	1.65%
Product						

Highway transportations	2,019,631,631.41	678,568,987.99	66.40%	-17.25%	-21.12%	1.65%
Area						
Fokai Expressway	636,965,610.55	248,227,488.15	61.03%	-7.31%	-31.90%	14.07%
Jingzhu Expressway Guangzhu Section	437,471,193.16	144,124,522.57	67.06%	-20.00%	-1.95%	-6.06%
Guanghui Expressway	880,413,820.70	269,464,772.31	69.39%	-11.22%	-11.66%	0.15%

Under circumstances of adjustment in reporting period for statistic scope of main business data, adjusted main business based on latest on year's scope of period-end.

Applicable Not applicable

Any over 30% YoY Movements in the data above and why

Applicable Not applicable

1. According to the informal letter No. 24-[2022] Yue Transportation Operation-"Notice of the Department of Transportation of Guangdong Province on Issues Concerning the Expiration of Toll Collection of Guangfo Expressway" issued by Guangdong Provincial Department of Transportation, Guangfo Expressway shall stop toll collection from 0:00 on March 3, 2022. The operating income of Guangfo Company had dropped by 69.88% YOY.

2. The toll period of Fokai Expressway has been extended since June last year. In the first half of 2022, the depreciation of Fokai Expressway decreased YOY. Meanwhile, the toll revenue declined and the road property depreciation also decreased. To sum up, the operating cost of Fokai Branch decreased by 31.90% YOY.

IV. Non-core business analysis

Applicable Not applicable

In RMB

	Amount	Ratio in total profit	Note	Whether be sustainable
Investment Income	162,384,354.53	12.01%	It is due to the operation accumulation of participant companies	Except for the disposal gains obtained from the disposal of subsidiaries, others were sustainable.
Non-operating income	5,821,631.65	0.43%	Mainly insurance claims and road property claims	Not sustainable
Non-operating expenses	2,955,659.39	0.22%	Mainly road property repair expenses	Not sustainable
Other income	8,178,352.38	0.61%	Mainly is amortization and cancellation of provincial boundary Toll station subsidies.	Sustainable

V. Condition of Asset and Liabilities

1. Condition of Asset Causing Significant Change

In RMB

	End of Reporting period		End of same period of last year		Change in percentage (%)	Reason for significant change
	Amount	As a percentage of total	Amount	As a percentage of		

		assets(%)		total assets(%)		
Monetary fund	4,044,215,849.07	20.49%	2,956,404,390.55	15.66%	4.83%	
Accounts receivable	125,230,522.84	0.63%	159,053,399.87	0.84%	-0.21%	
Contract assets			5,286,462.45	0.03%	-0.03%	
Inventories			640,079.66	0.00%	0.00%	
Investment real estate	2,778,704.17	0.01%	2,889,263.41	0.02%	-0.01%	
Long-term equity investment	2,820,130,077.40	14.29%	2,627,130,681.24	13.92%	0.37%	
Fixed assets	10,148,446,100.45	51.42%	10,639,272,192.02	56.36%	-4.94%	
Construction in process	475,554,879.75	2.41%	351,130,455.06	1.86%	0.55%	
Use right assets	8,937,861.63	0.05%	14,100,325.01	0.07%	-0.02%	
Shore-term loans	320,266,666.67	1.62%			1.62%	
Contract liabilities			22,000.00	0.00%	0.00%	
Long-term borrowing	4,534,385,100.00	22.97%	4,572,621,200.00	24.22%	-1.25%	
Lease liabilities	222,305.08	0.00%	2,773,459.76	0.01%	-0.01%	

2.Main assets overseas

Applicable Not applicable

3.Asset and Liabilities Measured by Fair Value

Applicable Not applicable

Items	Opening amount	Gain/Loss on fair value change in the reporting period	Cumulative fair value change recorded into equity	Impairment provisions in the reporting period	Purchased amount in the reporting period	Sold amount in the reporting period	Other change	Closing amount
Financial assets								
1. Trading financial assets (excluding derivative financial assets)					91,000,000.00			91,000,000.00
4. Other equity instrument investment	1,577,175,826.05		208,999,143.47					1,524,908,322.00
Subtotal of financial assets	1,577,175,826.05		208,999,143.47		91,000,000.00			1,615,908,322.00
Total of the above	1,577,175,826.05		208,999,143.47		91,000,000.00			1,615,908,322.00
Financial liabilities	0.00							0.00

Other change

Did any significant change occur to the attribute of the Company's main asset measurement during the reporting period?

Yes No

3. Assets right restriction till end of reporting period

The balance of restricted bank deposits at the end of the period was RMB 1,221,200.00, which was the land reclamation fund deposited into the fund custody account for the reconstruction and expansion project of sanbao to shuikou section of Fokai Expressway.

VI. Investment situation

1. General

Applicable Not applicable

Current Investment Amount(Yuan)	Same period of last year (Yuan)	Change rate
250,000,000.00	0.00	0.00%

2. Condition of Acquiring Significant Share Right Investment during the Report Period

Applicable Not applicable

3. Situation of the Significant Non-equity Investment Undergoing in the Report Period

Applicable Not applicable

4. Investment of Financial Asset

(1) Securities investment

Applicable Not applicable

In RMB

Security category	Security code	Stock Abbreviation:	Initial investment cost	Mode of accounting measurement	Book value balance at the beginning of the reporting period	Changes in fair value of the this period	Cumulative fair value changes in equity	Purchase amount in the this period	Sale amount in the this period	Gain/loss of the reporting period	Book value balance at the end of the reporting period	Accounting items	Sources of funds
Domestic and foreign stocks	601818	Everbright Bank	517,560,876.80	FVM	781,046,414.08		190,556,504.64			47,286,243.74	708,117,381.44	Other equity instrument investments	Self
Total			517,560,876.80	--	781,046,414.08	0.00	190,556,504.64	0.00	0.00	47,286,243.74	708,117,381.44	--	--
Disclosure Date of Announcement on Securities Investment Approved by the Board of Directors			July 22,2009										
Disclosure Date of Announcement on Securities Investment Approved by the Shareholders Meeting(If any)			August 7,2009										

(2) Investment in Derivatives

Applicable Not applicable

The Company had no investment in derivatives in the reporting period.

5.Application of the raised capital

Applicable Not applicable

The Company had no application of the raised capital in the reporting period.

VII. Sales of major assets and equity

1. Sales of major assets

Applicable Not applicable

The Company had no sales of major assets in the reporting period.

2.Sales of major equity

Applicable Not applicable

VIII. Analysis of the Main Share Holding Companies and Share Participating Companies

√ Applicable □ Not applicable

Situation of Main Subsidiaries and the Joint-stock Company with over 10% net profit influencing to the Company

In RMB

Company Name	Company type	Leading products and services	Registered capital	Total assets	Net assets	Operating Income	Operating profit	Net Profit
Jingzhu Expressway Guangzhu Section Co., Ltd.	Subsidiary	The operation and management of Guangzhu Expressway and provision of supporting services including fueling, salvage and supply of parts and components	RMB 580 million	2,193,057,129.55	850,830,359.39	452,938,785.68	259,757,572.13	193,087,643.23
Guangdong Guanghui Expressway Co., Ltd.	Sharing company	Investment in and construction of Guanghui Expressway Co., Ltd. and supporting facilities, the toll collection and maintenance management of Guanghui Expressway, The Guanghui Expressway's supporting gas station, salvation, vehicle maintenance, vehicle transport, catering, warehousing investment and development	RMB 2.352 billion	4,679,611,380.04	4,138,588,813.90	893,298,497.64	625,554,983.27	469,177,363.59

Subsidiaries obtained or disposed in the reporting period

Applicable Not applicable

Company name	Way of acquiring and disposing of subsidiary corporations within the reporting period	Impact on the whole producing operation and performance
Guangdong Expressway Technology Investment Co., Ltd.	Sales	This transaction does not have a significant impact on the overall production and operation of the company, and increases the company's current net profit by 24.89 million yuan.

Particulars about the Mutual holding companies

1. According to the informal letter No. 24-[2022] Yue Transportation Operation-"Notice of the Department of Transportation of Guangdong Province on Issues Concerning the Expiration of Toll Collection of Guangfo Expressway" issued by Guangdong Provincial Department of Transportation, Guangfo Expressway shall stop toll collection from 0:00 on March 3, 2022. Retain the existing toll facilities and operate as usual in a zero-rate manner, exempt vehicle tolls for all vehicles passing this road section, and collect vehicle tolls on behalf for other road sections. After the toll collection is stopped, Guangfo Expressway Co., Ltd shall continue to be responsible for the management and maintenance of Guangfo Expressway.

IX. Structured vehicle controlled by the Company

Applicable Not applicable

X. Risks facing the Company and countermeasures

The company's profits mainly come from the expressway tolls revenue and the toll charging standards shall be examined by the traffic authority of the provincial, autonomous region and the direct-controlled municipality people's governments together with the same-level pricing authority and then submitted to the same-level people's government for approval. Therefore, the charging price adjustment trend and the possibility of the charging price adjustment upon rising of the commodity price and the company cost in the future are still subject to relevant national policies and the approval of the governmental department. And the company can't adjust the charging standards promptly based on its own operation cost or the market supply-demand changes. In conclusion, the charging policies change and the charging standards adjustment have the influence on the expressway business of the company to some extent.

IV. Corporate Governance

I. Annual General Meeting and Provisional Shareholders' Meetings in the Reporting Period

1. Annual General Meeting

Meeting	Type	Investor participation ratio	Convened date	Disclosure date	Index to disclosed information
2021 Shareholders' general meeting	Annual Shareholders' General Meeting	66.50%	May 17,2022	May 18,2022	1.The meeting examined and adopted the Proposal Concerning Final Accounting Report for 2021.2.The meeting examined and adopted the Proposal Concerning Preplan for Profit Distribution for 2021.3. The meeting examined and adopted the Proposal Concerning Overall budget report of the Company for 2022.4.The meeting examined and adopted the Work Report of the Board of Directors for 2021.5.The meeting examined and adopted the Work Report of the supervisory Committee for 2021.6.The meeting examined and adopted Annual Report for 2021 and its summary.7. The meeting examined and adopted the Proposal for Hiring the 2022 Annual Financial Report Audit Agency.8. The meeting examined and adopted the Proposal for Hiring the 2022 Internal Control Audit Institution.9.The meeting examined and adopted the Proposal regarding the election of Mr. Kuang Yu as director of the ninth board of directors of the Company.10.The meeting examined and adopted the Proposal regarding the election of Ms. Wang Xiaobing as Supervisor of the ninth board of supervisors of the Company.

2. Preferred shareholders with the restoration of voting rights made a request for the Special Meeting of Shareholders

Applicable Not applicable

II. Change in shares held by directors, supervisors and senior executives

Applicable Not applicable

Name	Positions	Types	Date	Reason
Huang Hai	Director	Left	February 24,2022	Job change
Zheng Renfa	Chairman	Left	April 26,2022	Job change
Cheng Rui	Deputy General	Dismiss	June 17,2022	Job change
Kuang Yu	Director	Elected	May 17,2022	Elected by the shareholders' general meeting
Wang Xiaobing	Supervisor	Elected	May 17,2022	Elected by the shareholders' general meeting

III. Pre-plan for profit allocation and turning capital reserve into share capital for the reporting period

Applicable Not applicable

The Company planned not to distribute cash dividend and bonus share, and not to convert capital reserves into share capital in half year.

IV. Implementation of any equity incentive plan, employee stock ownership plan or other incentive measures for employees

Applicable Not applicable

None.

V. Environmental & Social Responsibility

I. Significant environmental issues

Whether the Company or any of its subsidiaries is identified as a key polluter by the environment authorities

Yes No

Administrative penalties for environmental problems during the reporting period

Company or subsidiary name	Reason of punishment	Violation of regulations	Punishment result	Impact on the production and operation of listed companies	Company's rectification measures
No	No	No	No	No	No

Other environmental information that should be disclosed

None

Measures and effects taken to reduce its carbon emissions during the reporting period

Applicable Not applicable

Reasons for not disclosing other environmental information

None

II. Social responsibilities

In the first half of 2022, the Company actively fulfilled its social responsibilities, strived to overcome the adverse impact of the epidemic, strictly implemented the requirements of local epidemic prevention and control, and did a good job in ensuring the safety of road sections.

1. In order to do well in epidemic prevention and control, the Company's participation and holding expressway companies actively responded to higher-level policies, and the Company's party committee and management team actively mobilized volunteers from the party and labor groups to participate in the epidemic prevention and control work, effectively promoted the normalized epidemic prevention and control work.
2. The policy of exempting tolls for passenger cars with less than seven seats and by intermittent free release, and the preferential policies for green passages will continue to be implemented on major holidays, and soundly implemented that "knowledge is in place, personnel are in place, responsibilities are in place, and measures are in place" to successfully complete the various tasks of ensuring safety and smooth flow.
3. Actively responded to government policies, provided preferential reduction and exemption of vehicle tolls in accordance with laws and regulations, for reducing corporate transportation costs and public travel costs.
4. Well performed in road condition detection, inquiries and responses from drivers and passengers, and smoothed road surface protection after the toll collection of Guangfo Expressway was stopped.

VI. Important Events

I. The fulfilled commitments in the reporting period and under-fulfillment commitments by the end of the reporting period made by the company, shareholder, actual controller, acquirer, director, supervisor, senior management personnel and other related parities.

Applicable Not applicable

There is no commitment that has not been fulfilled by actual controller, shareholders, related parties, acquirers of the Company

II. Particulars about the non-operating occupation of funds by the controlling shareholder

Applicable Not applicable

None

III. Illegal provision of guarantees for external parties

Applicable Not applicable

None

IV. Engagement and disengagement of CPAs firm

Whether the semi-annual financial report has been audited

Yes No

The semi-annual financial report of the Company has not been audited

V. Notes for “non-standard audit report” of CPAs firm during the Reporting Period by board of directors and supervisory board

Applicable Not applicable

VI. Notes for the related information of “non-standard audit reports” last year by board of directors

Applicable Not applicable

VII. Bankruptcy and restructuring

Applicable Not applicable

No such cases in the reporting period.

VIII. Litigations and arbitrations

Significant litigations and arbitrations

 Applicable Not applicable

No such cases in the reporting period.

Other lawsuits

 Applicable Not applicable**IX. Punishments and rectifications** Applicable Not applicable**X. Credit conditions of the Company as well as its controlling shareholder and actual controller** Applicable Not applicable**XI. Material related transactions**

1. Related transactions in connection with daily operation

 Applicable Not applicable

No such cases in the reporting period.

2. Related-party transactions arising from asset acquisition or sold

 Applicable Not applicable

No such cases in the reporting period.

3. Related-party transactions with joint investments

 Applicable Not applicable

No such cases in the reporting period.

4. Credits and liabilities with related parties

 Applicable Not applicable

No such cases in the reporting period.

5. Transactions with related finance company, especially one that is controlled by the Company

 Applicable Not applicable

Deposit business

Related party	Relationship	Maximum daily deposit limitd (Ten thousand yuan)	Deposit interest rate range	Beginning balance (Ten thousand yuan)	The amount incurred		Ending balance (Ten thousand yuan)
					Total deposit amount of the current period (Ten thousand yuan)	Total amount withdrawn in the current period (Ten thousand yuan)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	300,000	0.35%-2.85%	152,100.35	113,736.7	0	265,837.05

Loan business

Related party	Relationship	Loan limit (Ten thousand yuan)	Loant interest rate range	Beginning balance (Ten thousand yuan)	The amount incurred		Ending balance (Ten thousand yuan)
					Total loan amount for the current period (Ten thousand yuan)	Total repayment amount of this period (Ten thousand yuan)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	400,000	3%-3.75%	20,000	32,000	100	51,900

Credit extension or other financial services

Related party	Relationship	Business type	Total amount (Ten thousand yuan)	Actual amount incurred (Ten thousand yuan)
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	Credit extension	220,000	51,900

6. Transactions with related finance company controlled by the Company

Applicable Not applicable

No such cases in the reporting period.

7. Other significant related-party transactions

Applicable Not applicable

1. The "Proposal on the Transfer of 100% Equity of the Wholly-owned Subsidiary-Guangdong Expressway Technology Investment Co., Ltd" was reviewed and approved in the 27th meeting of the ninth board of directors of the Company. It's agreed that the Company will transfer 100% of the equity of Guangdong Expressway Technology Investment Co., Ltd to Guangdong Litong Technology Investment Co., Ltd by means of non-public agreement transfer based on the asset evaluation results that have been filed as the pricing basis. The transfer price is 50,623,900 yuan. It's authorized the management team of the Company to handle matters related to this equity transfer.

2. The "Proposal on the Company's Expected Routine Connected Transactions in 2022" was reviewed and approved in the twenty-seventh meeting of the ninth board of directors of the Company, and agreed to the Company's headquarters, branches and wholly-owned and controlled subsidiaries' expected routine connected transactions in 2022, with the transaction amount totaled in 69,034,100 yuan.

The website to disclose the interim announcements on significant related-party transactions

Description of provisional announcement	Date of disclosing provisional announcement	Description of the website for disclosing provisional announcements
Announcement of Resolutions of the 27th (Provisional) Meeting of the Ninth Board of Directors	March 16,2022	www.cninfo.com.cn
Estimates announcement of the Daily Related Party Transaction of 2022	March 16,2022	www.cninfo.com.cn
Announcement of related party transaction	March 16,2022	www.cninfo.com.cn

XII. Significant contracts and execution

1. Entrustments, contracting and leasing

(1) Entrustment

Applicable Not applicable

No such cases in the reporting period.

(2) Contracting

Applicable Not applicable

No such cases in the reporting period.

(3) Leasing

Applicable Not applicable

No such cases in the reporting period.

2. Significant Guarantees

Applicable Not applicable

No such cases in the reporting period.

3. Finance management on commission

Applicable Not applicable

No such cases in the reporting period.

4. Other significant contract

Applicable Not applicable

No such cases in the reporting period.

XIII. Explanation on other significant events

Applicable Not applicable

No such cases in the reporting period.

XIV. Significant event of subsidiary of the Company

Applicable Not applicable

Guangdong Provincial Expressway Development Co., Ltd received the informal letter No. 24-[2022] Yue Transportation Operation-"Notice of the Department of Transportation of Guangdong Province on Issues Concerning the Expiration of Toll Collection of Guangfo Expressway" issued by Guangdong Provincial Department of Transportation", with the main content as follows:

1. Guangfo Expressway shall stop toll collection from 0:00 on March 3, 2022, retain the existing toll facilities and operate as usual in a zero-rate manner, exempt vehicle tolls for all vehicles passing this road section, and collect vehicle tolls on behalf for other road sections.

2. After the toll collection is stopped, Guangfo Expressway Co., Ltd shall continue to be responsible for the management and maintenance of Guangfo Expressway.

Guangfo Expressway Co., Ltd is a holding subsidiary to the Company, and the Company holds 75% of its equity. The Company and Guangfo Company will conduct timely inspection, maintenance and management of Guangfo Expressway and its ancillary facilities, as well as communication, monitoring, network toll collection and other systems in strict accordance with the national and provincial standards and specifications, thus to ensure that they are in good technical conditions and to ensure the order of network toll collection operation. It

will do a good job in traffic flow monitoring and traffic guidance after the toll collection of Guangfo Expressway is stopped, and will provide high-quality services for passing vehicles and personnel.

Notice on Issues Concerning the Expiration of Toll Collection of Guangfo Expressway

Description of provisional announcement	Date of disclosing provisional announcement	Description of the website for disclosing provisional announcements
Notice on Issues Concerning the Expiration of Toll Collection of Guangfo Expressway	2022-02-23	www.cninfo.com.cn

VII. Change of share capital and shareholding of Principal Shareholders

I. Changes in share capital

1. Changes in share capital

	Before the change		Increase/decrease (+, -)				In shares After the Change		
	Amount	Proportion	Share allotment	Bonus shares	Capitalization of common reserve fund	Other	Subtotal	Quantity	Proportion
1. Shares with conditional subscription	439,254,717	21.01%				-421,322	-421,322	438,833,395	20.98%
1. State-owned shares	410,105,738	19.61%				0	0	410,105,738	19.61%
2. State-owned legal person shares	21,712,738	1.04%				0	0	21,712,738	1.04%
3. Other domestic shares	7,436,241	0.36%				-421,322	-421,322	7,014,919	0.33%
Including : Domestic Legal person shares	6,863,511	0.33%				-319,575	-319,575	6,543,936	0.31%
Domestic natural person shares	572,730	0.03%				-101,747	-101,747	470,983	0.02%
4. Foreign shares	0	0.00%				0	0	0	0.00%
Including: Foreign legal person shares	0	0.00%				0	0	0	0.00%
Foreign natural person shares	0	0.00%				0	0	0	0.00%
II. Shares with unconditional subscription	1,651,551,409	78.99%				421,322	421,322	1,651,972,731	79.02%
1. Common shares in RMB	1,302,902,734	62.32%				421,322	421,322	1,303,324,056	62.34%
2. Foreign shares in domestic market	348,648,675	16.68%				0	0	348,648,675	16.68%
3. Foreign shares in foreign market	0	0.00%				0	0	0	0.00%
4. Other	0	0.00%				0	0	0	0.00%
III. Total of capital shares	2,090,806,126	100.00%				0	0	2,090,806,126	100.00%

Reasons for share changed

Applicable Not applicable

Approval of Change of Shares

Applicable Not applicable

Ownership transfer of share changes

Applicable Not applicable

Influence on the basic EPS and diluted EPS as well as other financial indexes of net assets per share attributable to common shareholders of Company in latest year and period

Applicable Not applicable

Other information necessary to disclose for the company or need to disclosed under requirement from security regulators

Applicable Not applicable

Progress on any share repurchase:

Applicable Not applicable

Progress on reducing the repurchased shares by means of centralized bidding:

Applicable Not applicable

Influence on the basic EPS and diluted EPS as well as other financial indexes of net assets per share attributable

to common shareholders of Company in latest year and period

Applicable Not applicable

Other information necessary to disclose for the company or need to disclosed under requirement from security regulators

Applicable Not applicable

2. Change of shares with limited sales condition

Applicable Not applicable

In shares

Shareholder Name	Initial Restricted Shares	Number of Unrestricted Shares This Term	Number of Increased Restricted Shares This Term	Restricted Shares in the End of the Term	Reason for Restricted Shares	Date of Restriction Removal
Kong Lingbin and other 35 shareholders	99,797	99,797	0	0	Share reform restricted share	January 19,2022
Foshan Shunde Yunlong Development Co., Ltd.	319,575	319,575	0	0	Share reform restricted share	January 19,2022
Du Jun	7,800	1,950		5,850	Outgoing executives locked up shares	January 4,2022
Total	427,172	421,322	0	5,850	--	--

II. Securities issue and listing

Applicable Not applicable

III. Shareholders and actual controlling shareholder

1. Number of shareholders and shareholding

In Shares

Total number of common shareholders at the end of the reporting period		47,944		Total number of preferred shareholders that had restored the voting right at the end of the reporting period (if any) (note 8)		0		
Particulars about shares held above 5% by shareholders or top ten shareholders								
Shareholders	Nature of shareholder	Proportion of shares held (%)	Number of shares held at period -end	Changes in reporting period	Amount of restricted shares held	Amount of unrestricted shares held	Number of share pledged/frozen	
							State of share	Amount
Guangdong Communication Group Co.,Ltd	State-owned legal person	24.56%	513,485,480		410,105,738	103,379,742		
Guangdong Highway Construction Co., Ltd,	State-owned legal person	22.30%	466,325,020			466,325,020		
Shangdong Expressway Investment Development Co., Ltd.	State-owned legal person	9.68%	202,429,149			202,429,149		
Tibet Hetai Enterprise Management Co., Ltd.	State-owned legal person	4.84%	101,214,574			101,214,574		
Guangdong	State-	2.53%	52,937,491		19,582,228	33,355,263		

Provincial Freeway Co.,Ltd.	owned legal person							
Feng Wuchu	Domestic natural person shares	1.04%	21,646,105	58,134		21,646,105		
HKSCC	Overseas legal person	0.87%	18,112,455	-1,417,176		18,112,455		
Happy life insurance Co., Ltd.-Dividend	Other	0.81%	16,928,878	86,400		16,928,878		
China Life Insurance Co., Ltd. — Dividend — Personal dividend -005L-FH002 Shen	Other	0.75%	15,640,085	-222,080		15,640,085		
Xinyue Co., Ltd.	Overseas legal person	0.63%	13,201,086			13,201,086		
Strategic investor or general legal person becoming top-10 ordinary shareholder due to rights issue (if any) (see note 3)	None							
Related or acting-in-concert parties among shareholders above	Guangdong Communication Group Co., Ltd. is the parent company of Guangdong Highway Construction Co., Ltd., Guangdong Provincial Freeway Co.,Ltd. and Xinyue Co., Ltd., It is unknown whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies.							
Above shareholders entrusting or entrusted with voting rights, or waiving voting rights	None							
Top 10 shareholders including the special account for repurchase (if any) (see note 10)	None							
Shareholding of top 10 shareholders of unrestricted shares								
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type						
		Share type	Quantity					
Guangdong Highway Construction Co., Ltd.	466,325,020	RMB Common shares	466,325,020					
Shandong Expressway Investment Development Co., Ltd.	202,429,149	RMB Common shares	202,429,149					
Guangdong Communication Group Co.,Ltd	103,379,742	RMB Common shares	103,379,742					
Tibet Hetai Enterprise Management Co., Ltd.	101,214,574	RMB Common shares	101,214,574					
Guangdong Provincial Freeway Co.,Ltd.	33,355,263	RMB Common shares	33,355,263					
Feng Wuchu	21,646,105	RMB Common shares	19,187,242					
		Foreign shares placed in domestic	2,458,863					
HKSCC	18,112,455	RMB Common shares	18,112,455					
Happy life insurance Co., Ltd.-Dividend	16,928,878	RMB Common shares	16,928,878					
China Life Insurance Co., Ltd. — Dividend — Personal dividend - 005L-FH002 Shen	15,640,085	RMB Common shares	15,640,085					
Xinyue Co., Ltd.	13,201,086	Foreign shares placed in domestic	13,201,086					
Explanation on associated relationship or consistent action among the top 10 shareholders of non-restricted negotiable shares and that between the top 10 shareholders of non-restricted	Guangdong Communication Group Co., Ltd. is the parent company of Guangdong Highway Construction Co., Ltd. , Guangdong Provincial Freeway Co.,Ltd. and Xinyue Co., Ltd. ,It is unknown whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies.							

negotiable shares and top 10 shareholders	
Top 10 ordinary shareholders conducting securities margin trading (if any) (see note 4)	None

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period.

Yes No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy –back agreement dealing in reporting period.

IV. Changes in shareholdings of directors, supervisors and executive officers

Applicable Not applicable

There was no change in shareholding of directors, supervisors and senior management staffs, for the specific information please refer to the 2021 Annual Report

V. Change of the controlling shareholder or the actual controller

Change of the controlling shareholder in the reporting period

Applicable Not Applicable

There was no any change of the controlling shareholder of the Company in the reporting period.

Change of the actual controller in the reporting period

Applicable Not applicable

There was no any change of the actual controller of the Company in the reporting period.

VIII. Situation of the Preferred Shares

Applicable Not applicable

The Company had no preferred shares in the reporting period

IX. Corporate Bond

Applicable Not applicable

I. Enterprise bond

Applicable Not applicable

No such cases in the reporting period.

II. Corporate bond

Applicable Not applicable

No such cases in the reporting period.

III. Debt financing instruments of non-financial enterprises√Applicable Not applicable

1. Basic information

In RMB

Bond name	Bond short name	Bond code	Issue day	Value date	Due day	Bond balance	Interest rate	Servicing way	Trading
Guangdong Provincial Expressway Development Co., Ltd. 2019 first phase medium-term notes	19 Guangdong Expressway MTN001	101900252	February 27, 2019	March 1, 2019	March 1, 2024	679,249,314.45	4%	Due payments once a year, The principal and the last instalment interest are paid in one lump sum on the redemption date.	Interbank market
Guangdong Provincial Expressway Development Co., Ltd. 2020 first phase medium-term notes	20 Guangdong Expressway MTN001	102000367	March 13, 2020	March 17, 2020	March 17, 2025	748,654,443.53	3%	Due payments once a year, The principal and the last instalment interest are paid in one lump sum on the redemption date.	Interbank market

Overdue and unpaid bonds

 Applicable Not applicable

2. Trigger and implementation of option clauses and investor protection clauses of the issuer or investor

 Applicable Not applicable

3. Adjustment of credit rating results during the reporting period

 Applicable Not applicable

4 The implementation and changes of guarantee, debt repayment plan and other debt repayment guarantee measures during the reporting period and their impact on the rights and interests of bond investors

 Applicable Not applicable

IV. Convertible bond

Applicable Not applicable

No such cases in the reporting period

V. The loss within the scope of consolidated statements in the reporting period exceeded 10% of the net assets at the end of the previous year

Applicable Not applicable

VI. Main accounting data and financial indicators of the Company in recent two years by the end of the reporting period

In RMB10,000

Items	At the end of the reporting period	At the end of last year	At the same time rate of change
Current ratio	1.66	2.70	-38.52%
Debt ratio	44.89%	40.02%	4.87%
Quick ratio	1.66	2.70	-38.52%
	Amount of this period	Amount of last period	At the same time rate of change
Net profit after deducting non-recurring profit and loss	74,309.01	84,274.32	-11.82%
EBITDA total debt ratio	29.29%	30.89%	-1.60%
Time interest earned ratio	11.94	11.13	7.28%
Cash interest guarantee times	12.62	12.29	2.69%
EBITDA/Time interest earned ratio	15.96	15.46	3.23%
Repayment of debt (%)	100.00%	100.00%	—
Payment of interest (%)	100.00%	100.00%	—

X. Financial Report

I. Audit report

Has this semi-annual report been audited?

Yes No

The semi-annual report was not audited.

II. Financial statements

Currency unit for the statements in the notes to these financial statements: RMB

1. Consolidated balance sheet

Prepared by: Guangdong Provincial Expressway Development Co., Ltd.

June 30,2022

In RMB

Items	June 30,2022	January 1,2022
Current asset:		
Monetary fund	4,044,215,849.07	2,956,404,390.55
Settlement provision		
Outgoing call loan		
Transactional financial assets		
Derivative financial assets		
Notes receivable		
Account receivable	125,230,522.84	159,053,399.87
Financing of receivables		
Prepayments	5,721,764.07	5,227,647.09
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	13,847,533.70	13,761,124.23
Including: Interest receivable		
Dividend receivable	1,205,472.90	1,205,472.90
Other receivable	12,642,060.80	12,555,651.33
Repurchasing of financial assets		
Inventories		640,079.66
Contract assets		5,286,462.45
Assets held for sales		
Non-current asset due within 1 year	3,413,274.50	2,782,974.53
Other current asset	22,047,193.48	21,213.96
Total of current assets	4,214,476,137.66	3,143,177,292.34
Non-current assets:		
Loans and payment on other's behalf disbursed		
Creditor's right investment		
Other creditor's right investment		
Long-term receivable		
Long term share equity investment	2,820,130,077.40	2,627,130,681.24

Items	June 30,2022	January 1,2022
Other equity instruments investment	1,524,908,322.00	1,577,175,826.05
Other non-current financial assets	91,000,000.00	
Property investment	2,778,704.17	2,889,263.41
Fixed assets	10,148,446,100.45	10,639,272,192.02
Construction in progress	475,554,879.75	351,130,455.06
Production physical assets		
Oil & gas assets		
Use right assets	8,937,861.63	14,100,325.01
Intangible assets	256,314,659.97	268,504,176.43
Development expenses		
Goodwill		
Long-germ expenses to be amortized		2,103,750.00
Deferred income tax asset	170,626,707.99	225,243,885.27
Other non-current asset	24,046,566.62	25,038,952.48
Total of non-current assets	15,522,743,879.98	15,732,589,506.97
Total of assets	19,737,220,017.64	18,875,766,799.31
Current liabilities		
Short-term loans	320,266,666.67	
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Account payable	133,068,489.27	264,487,139.44
Advance receipts	3,744,384.23	10,660,208.51
Contract liabilities		22,000.00
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		
Entrusted selling of securities		
Employees' wage payable	19,696,314.69	19,213,631.91
Tax payable	136,183,035.82	164,612,512.99
Other account payable	1,454,190,361.08	177,970,483.76
Including: Interest payable		
Dividend payable	1,312,635,476.59	22,941,943.24
Other payable	141,554,884.49	155,028,540.52
Fees and commissions payable		
Reinsurance fee payable		
Liabilities held for sales		
Non-current liability due within 1 year	469,749,328.35	525,644,368.26
Other current liability	1,133,695.05	726,336.48
Total of current liability	2,538,032,275.16	1,163,336,681.35
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term loan	4,534,385,100.00	4,572,621,200.00
Bond payable	1,427,903,757.98	1,427,434,086.58
Including: preferred stock		
Sustainable debt		
Lease liability	222,305.08	2,773,459.76
Long-term payable	2,517,493.12	3,461,832.74
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	69,833,092.84	69,228,093.11
Deferred income tax liability	286,609,571.34	315,922,287.64
Other non-current liabilities		

Items	June 30,2022	January 1,2022
Total non-current liabilities	6,321,471,320.36	6,391,440,959.83
Total of liability	8,859,503,595.52	7,554,777,641.18
Owners' equity		
Share capital	2,090,806,126.00	2,090,806,126.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	733,168,659.66	713,460,518.49
Less: Shares in stock		
Other comprehensive income	157,305,395.74	192,177,466.34
Special reserve		
Surplus reserves	1,225,375,330.56	1,225,375,330.56
Common risk provision		
Retained profit	4,342,645,903.64	4,760,618,543.78
Total of owner's equity belong to the parent company	8,549,301,415.60	8,982,437,985.17
Minority shareholders' equity	2,328,415,006.52	2,338,551,172.96
Total of owners' equity	10,877,716,422.12	11,320,989,158.13
Total of liabilities and owners' equity	19,737,220,017.64	18,875,766,799.31

Legal Representative: Miao Deshan

General Manager: Wang Chunhua

Person in charge of accounting: Lu Ming

Accounting Dept Leader: Zhou Fang

2.Parent Company Balance Sheet

In RMB

Items	June 30,2022	January 1,2022
Current asset :		
Monetary fund	2,503,652,138.67	1,860,836,127.30
Transactional financial assets		
Derivative financial assets		
Notes receivable		
Account receivable	23,382,037.78	24,208,692.49
Financing of receivables		
Prepayments	1,513,664.00	4,311,419.00
Other account receivable	109,927,575.03	6,885,982.60
Including: Interest receivable		
Dividend receivable	103,205,472.90	1,205,472.90
Other receivable	6,722,102.13	5,680,509.70
Inventories		
Contract assets		
Assets held for sales		
Non-current asset due within 1 year	279,177,659.24	278,562,652.27
Other current asset	380,399.40	11,067.41
Total of current assets	2,918,033,474.12	2,174,815,941.07
Non-current assets :		
Creditor's right investment		
Other creditor's right investment		
Long-term receivable		
Long term share equity investment	5,973,677,507.66	5,792,610,802.46
Other equity instruments investment	1,524,908,322.00	1,577,175,826.05
Other non-current financial assets		
Property investment	2,526,565.92	2,637,125.16
Fixed assets	5,502,957,671.60	5,707,608,552.14
Construction in progress	71,591,095.39	43,594,243.12
Production physical assets		
Oil & gas assets		
Use right assets	7,840,662.26	12,611,748.50
Intangible assets	136,752,374.21	140,756,147.03
Development expenses		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	164,802,202.16	218,624,401.07
Other non-current asset		14,434,283.48
Total of non-current assets	13,385,056,401.20	13,510,053,129.01
Total of assets	16,303,089,875.32	15,684,869,070.08
Current liabilities		
Short-term loans		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Account payable	86,315,059.08	105,685,908.27
Advance receipts	752,954.28	250,984.75
Contract Liabilities		
Employees' wage payable	6,798,097.51	6,825,973.81
Tax payable	5,588,770.60	7,330,856.79
Other account payable	1,653,510,704.37	690,062,820.89
Including: Interest payable		
Dividend payable		

Items	June 30,2022	January 1,2022
Liabilities held for sales		
Non-current liability due within 1 year	401,413,978.99	456,996,690.91
Other current liability	638,149.43	37,299.97
Total of current liability	2,155,017,714.26	1,267,190,535.39
Non-current liabilities:		
Long-term loan	4,053,695,100.00	4,058,096,200.00
Bond payable	1,427,903,757.98	1,427,434,086.58
Including: preferred stock		
Sustainable debt		
Lease liability		2,445,724.58
Long-term payable	2,517,493.12	3,461,832.74
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	8,479,655.90	10,120,879.64
Deferred income tax liability	48,353,580.55	66,399,854.20
Other non-current liabilities		
Total non-current liabilities	5,540,949,587.55	5,567,958,577.74
Total of liability	7,695,967,301.81	6,835,149,113.13
Owners' equity		
Share capital	2,090,806,126.00	2,090,806,126.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	934,939,522.68	934,851,285.51
Less: Shares in stock		
Other comprehensive income	157,305,395.74	192,177,466.34
Special reserve		
Surplus reserves	1,045,403,063.00	1,045,403,063.00
Retained profit	4,378,668,466.09	4,586,482,016.10
Total of owners' equity	8,607,122,573.51	8,849,719,956.95
Total of liabilities and owners' equity	16,303,089,875.32	15,684,869,070.08

3.Consolidated Income statement

In RMB

Items	The first half year of 2022	The first half year of 2021
I. Income from the key business	2,057,420,809.68	2,488,474,669.81
Incl: Business income	2,057,420,809.68	2,488,474,669.81
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	879,520,254.68	1,114,434,707.99
Incl: Business cost	696,143,722.50	889,127,742.43
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net amount of withdrawal of insurance contract reserve		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	8,932,321.30	11,081,346.10
Sales expense		
Administrative expense	85,773,267.04	93,357,035.39
R & D costs	1,368,887.22	
Financial expenses	87,302,056.62	120,868,584.07
Including: Interest expense	123,517,238.10	149,343,110.61
Interest income	36,907,508.27	29,751,089.44
Add: Other income	8,178,352.38	9,922,369.03
Investment gain (“-”for loss)	162,384,354.53	172,050,127.56
Incl: investment gains from affiliates	101,624,848.46	122,646,589.32
Financial assets measured at amortized cost cease to be recognized as income		
Gains from currency exchange		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss		-1,310,999.95
Impairment loss of assets		-2,889,394.16
Assets disposal income	463,363.89	
III. Operational profit (“-”for loss)	1,348,926,625.80	1,551,812,064.30
Add : Non-operational income	5,821,631.65	4,011,220.05
Less: Non-operating expense	2,955,659.39	1,811,321.13
IV. Total profit (“-”for loss)	1,351,792,598.06	1,554,011,963.22
Less: Income tax expenses	290,240,426.63	354,025,065.47
V. Net profit	1,061,552,171.43	1,199,986,897.75
(I) Classification by business continuity		
1.Net continuing operating profit	1,061,552,171.43	1,199,986,897.75
2.Termination of operating net profit		
(II) Classification by ownership		
1.Net profit attributable to the owners of parent company	773,786,851.68	848,860,350.64
2.Minority shareholders’ equity	287,765,319.75	351,126,547.11
VI. Net after-tax of other comprehensive income	-34,872,070.60	-35,057,445.36
Net of profit of other comprehensive income attributable to owners of the parent company.	-34,872,070.60	-35,057,445.36
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	-34,035,245.89	-37,052,653.68
1.Re-measurement of defined benefit plans of changes in net debt or net assets		

2. Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	-34,035,245.89	-37,052,653.68
4. Changes in the fair value of the company's credit risks		
5. Other		
(II)		
Other comprehensive income that will be reclassified into profit or loss.	-836,824.71	1,995,208.32
1. Other comprehensive income under the equity method investee can be reclassified into profit or loss.	-836,824.71	1,995,208.32
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4. Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		
6. Translation differences in currency financial statements		
7. Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	1,026,680,100.83	1,164,929,452.39
Total comprehensive income attributable to the owner of the parent company	738,914,781.08	813,802,905.28
Total comprehensive income attributable minority shareholders	287,765,319.75	351,126,547.11
VIII. Earnings per share		
(I) Basic earnings per share	0.37	0.41
(II) Diluted earnings per share	0.37	0.41

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0.00, last period the combined party realized RMB0.00.

Legal Representative: Miao Deshan

General Manager: Wang Chunhua,

Person in charge of accounting: Lu Ming

Accounting Dept Leader: Zhou Fang

4. Income statement of the Parent Company

In RMB

Items	The first half year of 2022	The first half year of 2021
I. Income from the key business	642,655,502.74	692,634,698.13
Incl: Business cost	251,072,086.53	367,240,160.93
Business tax and surcharge	3,509,918.91	3,738,582.05
Sales expense		
Administrative expense	49,546,552.29	47,922,792.66
R & D expense		
Financial expenses	95,640,651.97	127,541,297.15
Including: Interest expenses	115,831,785.91	145,100,046.47
Interest income	20,217,007.24	17,596,981.65
Add: Other income	2,295,878.36	2,125,443.39
Investment gain ("-"for loss)	791,745,612.18	844,032,026.57
Including: investment gains from affiliates	98,424,039.92	119,611,129.91
Financial assets measured at amortized cost cease to be recognized as income		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss		
Impairment loss of assets		-2,889,394.16

Assets disposal income	463,363.89	
II. Operational profit (“-”for loss)	1,037,391,147.47	989,459,941.14
Add : Non-operational income	562,977.76	655,426.85
Less: Non -operational expenses		22,733.31
III. Total profit(“-”for loss)	1,037,954,125.23	990,092,634.68
Less: Income tax expenses	54,008,183.42	42,194,605.52
IV. Net profit	983,945,941.81	947,898,029.16
1.Net continuing operating profit	983,945,941.81	947,898,029.16
2.Termination of operating net profit		
V. Net after-tax of other comprehensive income	-34,872,070.60	-35,057,445.36
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	-34,035,245.89	-37,052,653.68
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	-34,035,245.89	-37,052,653.68
4. Changes in the fair value of the company’s credit risks		
5.Other		
(II)Other comprehensive income that will be reclassified into profit or loss	-836,824.71	1,995,208.32
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.	-836,824.71	1,995,208.32
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4.Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		
6.Translation differences in currency financial statements		
7.Other		
VI. Total comprehensive income	949,073,871.21	912,840,583.80
VII. Earnings per share		
(I) Basic earnings per share		
(II)Diluted earnings per share		

Legal Representative: Miao Deshan

General Manager: Wang Chunhua

Person in charge of accounting: Lu Ming

Accounting Dept Leader: Zhou Fang

5. Consolidated Cash flow statement

In RMB

Items	The first half year of 2022	The first half year of 2021
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,100,682,366.85	2,575,650,836.44
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Cash received from interest, commission charge and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Net cash received by agent in securities trading		
Tax returned		
Other cash received from business operation	67,435,536.39	62,165,772.17
Sub-total of cash inflow	2,168,117,903.24	2,637,816,608.61
Cash paid for purchasing of merchandise and services	131,225,559.09	153,110,239.80
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Net increase in financial assets held for trading purposes		
Net increase for Outgoing call loan		
Cash paid for interest, processing fee and commission		
Cash paid to staffs or paid for staffs	201,663,653.64	195,340,890.00
Taxes paid	344,543,903.69	448,200,872.16
Other cash paid for business activities	47,133,520.52	25,871,389.40
Sub-total of cash outflow from business activities	724,566,636.94	822,523,391.36
Net cash generated from /used in operating activities	1,443,551,266.30	1,815,293,217.25
II. Cash flow generated by investing		
Cash received from investment retrieving		22,500,000.00
Cash received as investment gains	114,163,108.50	51,523,258.20
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	522,436.84	9,900.00
Net cash received from disposal of subsidiaries or other operational units	28,514,496.27	
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	143,200,041.61	74,033,158.20
Cash paid for construction of fixed assets, intangible assets and other long-term assets	168,081,166.80	232,853,557.14
Cash paid as investment	250,091,000.00	
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	418,172,166.80	232,853,557.14
Net cash flow generated by investment	-274,972,125.19	-158,820,398.94
III. Cash flow generated by financing		
Cash received as investment		
Including: Cash received as investment from minor shareholders		
Cash received as loans	320,000,000.00	1,166,930,000.00
Other financing –related cash received	38,470,400.00	97,731,650.00
Sub-total of cash inflow from financing activities	358,470,400.00	1,264,661,650.00
Cash to repay debts	65,836,100.00	363,908,100.00
Cash paid as dividend, profit, or interests	367,159,468.70	609,553,626.92
Including: Dividend and profit paid by subsidiaries to minor	218,751,982.19	417,577,776.30

Items	The first half year of 2022	The first half year of 2021
shareholders		
Other cash paid for financing activities	6,242,513.89	1,227,774,134.86
Sub-total of cash outflow due to financing activities	439,238,082.59	2,201,235,861.78
Net cash flow generated by financing	-80,767,682.59	-936,574,211.78
IV. Influence of exchange rate alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	1,087,811,458.52	719,898,606.53
Add: balance of cash and cash equivalents at the beginning of term	2,955,183,190.55	2,846,176,803.89
VI ..Balance of cash and cash equivalents at the end of term	4,042,994,649.07	3,566,075,410.42

Legal Representative: Miao Deshan

General Manager: Wang Chunhua

Person in charge of accounting: Lu Ming

Accounting Dept Leader: Zhou Fang

6. Cash Flow Statement of the Parent Company

In RMB

Items	The first half year of 2022	The first half year of 2021
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	661,912,004.69	720,086,995.35
Tax returned		
Other cash received from business operation	24,521,728.95	44,973,397.60
Sub-total of cash inflow	686,433,733.64	765,060,392.95
Cash paid for purchasing of merchandise and services	13,570,674.87	17,069,701.31
Cash paid to staffs or paid for staffs	60,633,887.05	61,391,499.13
Taxes paid	23,470,841.12	27,826,685.08
Other cash paid for business activities	236,627,095.73	73,534,284.42
Sub-total of cash outflow from business activities	334,302,498.77	179,822,169.94
Net cash generated from /used in operating activities	352,131,234.87	585,238,223.01
II. Cash flow generated by investing		
Cash received from investment retrieving	60,623,900.00	37,500,000.00
Cash received as investment gains	693,296,160.51	707,197,026.42
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	517,888.00	2,600.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	754,437,948.51	744,699,626.42
Cash paid for construction of fixed assets, intangible assets and other long-term assets	43,488,728.78	94,360,520.74
Cash paid as investment	246,000,000.00	1,246,839,292.00
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	289,488,728.78	1,341,199,812.74
Net cash flow generated by investment	464,949,219.73	-596,500,186.32
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans		1,166,930,000.00
Other financing –related cash received		
Sub-total of cash inflow from financing activities		1,166,930,000.00
Cash to repay debts	32,001,100.00	322,573,100.00
Cash paid as dividend, profit, or interests	136,048,729.34	178,730,958.24
Other cash paid for financing activities	6,214,613.89	5,916,242.86
Sub-total of cash outflow due to financing activities	174,264,443.23	507,220,301.10
Net cash flow generated by financing	-174,264,443.23	659,709,698.90
IV. Influence of exchange rate alternation on cash and cash equivalents		
V. Net increase of cash and cash equivalents	642,816,011.37	648,447,735.59
Add: balance of cash and cash equivalents at the beginning of term	1,859,614,927.30	1,780,543,319.09
VI. Balance of cash and cash equivalents at the end of term	2,502,430,938.67	2,428,991,054.68

Legal Representative: Miao Deshan

General Manager: Wang Chunhua

Person in charge of accounting: Lu Ming

Accounting Dept Leader: Zhou Fang

7. Consolidated Statement on Change in Owners' Equity

Amount in this period

In RMB

Items	The first half year of 2022														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal		
Preferred stock		Sustainable debt	Other												
I. Balance at the end of last year	2,090,806,126.00				713,460,518.49		192,177,466.34		1,225,375,330.56		4,760,618,543.78		8,982,437,985.17	2,338,551,172.96	11,320,989,158.13
Add: Change of accounting policy															
Correcting of previous errors															
Merger of entities under common control															
Other															
II. Balance at the beginning of current year	2,090,806,126.00				713,460,518.49		192,177,466.34		1,225,375,330.56		4,760,618,543.78		8,982,437,985.17	2,338,551,172.96	11,320,989,158.13
III. Changed in the current year					19,708,141.17		-34,872,070.60				-417,972,640.14		-433,136,569.57	-10,136,166.44	-443,272,736.01
(1) Total comprehensive income							-34,872,070.60				773,786,851.68		738,914,781.08	287,765,319.75	1,026,680,100.83
(II) Investment or decreasing of capital by owners															
1. Ordinary Shares invested by shareholders															
2. Holders of other equity instrument															

Items	The first half year of 2022														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal		
	Preferred stock	Sustainable debt	Other												
Initial invested capital															
3. Amount of shares paid and accounted as owners' equity															
4. Other															
(III) Profit allotment											-		-	-316,751,982.19	-1,508,511,474.01
1. Providing of surplus reserves											1,191,759,491.82		1,191,759,491.82		
2. Providing of common risk provisions															
3. Allotment to the owners (or shareholders)											-		-	-316,751,982.19	-1,508,511,474.01
4. Other											1,191,759,491.82		1,191,759,491.82		
(IV) Internal transferring of owners' equity															
1. Capitalizing of capital reserves (or to capital shares)															
2. Capitalizing of surplus reserves (or to capital shares)															
3. Making up losses by surplus reserves.															

Items	The first half year of 2022													
	Owner's equity Attributable to the Parent Company												Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other		
	Preferred stock	Sustainable debt	Other											
4. Change amount of defined benefit plans that carry forward Retained earnings														
5. Other comprehensive income carry-over retained earnings														
6. Other														
(V). Special reserves														
1. Provided this year														
2. Used this term														
(VI) Other					19,708,141.17							19,708,141.17	18,850,496.00	38,558,637.17
IV. Balance at the end of this term	2,090,806,126.00				733,168,659.66		157,305,395.74		1,225,375,330.56		4,342,645,903.64	8,549,301,415.60	2,328,415,006.52	10,877,716,422.12

Legal Representative: Miao Deshan General Manager: Wang Chunhua Person in charge of accounting: Lu Ming Accounting Dept Leader: Zhou Fang

Amount in last year

In RMB

Items	The first half year of 2021														Minor shareholders' equity	Total of owners' equity
	Owner's equity Attributable to the Parent Company												Subtotal			
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other				
	Preferred stock	Sustainable debt	Other													
I. Balance at the end of last year	2,090,806,126.00				645,969,210.48		302,895,877.65		1,167,785,965.63		3,725,679,319.35	7,933,136,499.11	2,299,180,085.17	10,232,316,584.28		
Add: Change of accounting policy											-433,859.42	-433,859.42		-433,859.42		
Correcting of previous errors																
Merger of entities under common control																
Other																
II. Balance at the beginning of current year	2,090,806,126.00				645,969,210.48		302,895,877.65		1,167,785,965.63		3,725,245,459.93	7,932,702,639.69	2,299,180,085.17	10,231,882,724.86		
III. Changed in the current year					46,064,922.25		-35,057,445.36				240,435,767.97	251,443,244.86	-18,562,720.69	232,880,524.17		
(1) Total comprehensive income							-35,057,445.36				848,860,350.64	813,802,905.28	351,126,547.11	1,164,929,452.39		
(II) Investment or decreasing of capital by owners																
1. Ordinary Shares invested by shareholders																
2. Holders of																

Items	The first half year of 2021														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Comm on risk provision	Retained profit	Other	Subtotal		
Preferred stock		Sustainable debt	Other												
other equity instruments invested capital															
3. Amount of shares paid and accounted as owners' equity															
4. Other															
(III) Profit allotment											-608,424,582.67		608,424,582.67	-417,577,776.30	-1,026,002,358.97
1. Providing of surplus reserves															
2. Providing of common risk provisions															
3. Allotment to the owners (or shareholders)											-608,424,582.67		608,424,582.67	-417,577,776.30	-1,026,002,358.97
4. Other															
(IV) Internal transferring of owners' equity															
1. Capitalizing of capital reserves (or to capital shares)															
2. Capitalizing of surplus reserves (or to capital shares)															
3. Making up losses by															

Items	The first half year of 2021														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Comm on risk provision	Retained profit	Other	Subtotal		
Preferred stock		Sustainable debt	Other												
surplus reserves.															
4.Change amount of defined benefit plans that carry forward Retained earnings															
5. Other comprehensive income carry-over retained earnings															
6. Other															
(V). Special reserves															
1. Provided this year															
2. Used this term															
(VI) Other					46,064,922.25								46,064,922.25	47,888,508.50	93,953,430.75
IV. Balance at the end of this term	2,090,806,126.00				692,034,132.73			267,838,432.29		1,167,785,965.63		3,965,681,227.90	8,184,145,884.55	2,280,617,364.48	10,464,763,249.03

Legal Representative: Miao Deshan General Manager: Wang Chunhua Person in charge of accounting: Lu Ming Accounting Dept Leader: Zhou Fang

8. Statement of change in owner's Equity of the Parent Company

Amount in this period

In RMB

Items	The first half year of 2022											
	Share capital	Other Equity instrument			Capital reserves	Less : Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Retained profit	Other	Total of owners' equity
		Preferred stock	Sustainable debt	Other								
I. Balance at the end of last year	2,090,806,126.00				934,851,285.51		192,177,466.34		1,045,403,063.00	4,586,482,016.10		8,849,719,956.95
Add: Change of accounting policy												
Correcting of previous errors												
Other												
II. Balance at the beginning of current year	2,090,806,126.00				934,851,285.51		192,177,466.34		1,045,403,063.00	4,586,482,016.10		8,849,719,956.95
III. Changed in the current year					88,237.17		-34,872,070.60			-207,813,550.01		-242,597,383.44
(I) Total comprehensive income							-34,872,070.60			983,945,941.81		949,073,871.21
(II) Investment or decreasing of capital by owners												
1. Ordinary Shares invested by shareholders												
2. Holders of other equity instruments invested capital												
3. Amount of shares paid and accounted as owners' equity												
4. Other												

Items	The first half year of 2022											
	Share capital	Other Equity instrument			Capital reserves	Less : Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Retained profit	Other	Total of owners' equity
		Preferred stock	Sustainable debt	Other								
(III) Profit allotment												
1. Providing of surplus reserves												
2. Allotment to the owners (or shareholders)									-1,191,759,491.82			-1,191,759,491.82
3. Other												
(IV) Internal transferring of owners' equity												
1. Capitalizing of capital reserves (or to capital shares)												
2. Capitalizing of surplus reserves (or to capital shares)												
3. Making up losses by surplus reserves.												
4. Change amount of defined benefit plans that carry forward Retained earnings												
5. Other comprehensive income carry-over retained earnings												
6. Other												
(V) Special reserves												
1. Provided this year												
2. Used this term												
(VI) Other					88,237.17							88,237.17
IV. Balance at the end of this term	2,090,806,126.00				934,939,522.68		157,305,395.74		1,045,403,063.00	4,378,668,466.09		8,607,122,573.51

Legal Representative: Miao Deshan General Manager: Wang Chunhua Person in charge of accounting: Lu Ming Accounting Dept Leader: Zhou Fang

Amount in last year

In RMB

Items	The first half year of 2021											
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Retained profit	Other	Total of owners' equity
		Pref erred stock	Sustai nable debt	Ot her								
I. Balance at the end of last year	2,090,806,126.00				938,969,546.79		302,895,877.65		987,813,698.07	3,667,543,163.36		7,988,028,411.87
Add: Change of accounting policy										-433,859.42		-433,859.42
Correcting of previous errors												
Other												
II. Balance at the beginning of current year	2,090,806,126.00				938,969,546.79		302,895,877.65		987,813,698.07	3,667,109,303.94		7,987,594,552.45
III. Changed in the current year					-3,778,219.25		-35,057,445.36			339,473,446.49		300,637,781.88
(I) Total comprehensive income							-35,057,445.36			947,898,029.16		912,840,583.80
(II) Investment or decreasing of capital by owners												
1. Ordinary Shares invested by shareholders												
2. Holders of other equity instruments invested capital												
3. Amount of shares paid and accounted as owners' equity												
4. Other												
(III) Profit allotment										-608,424,582.67		-608,424,582.67
1. Providing of surplus reserves												
2. Allotment to the owners (or shareholders)										-608,424,582.67		-608,424,582.67
3. Other												
(IV) Internal transferring of owners' equity												
1. Capitalizing of capital reserves (or to capital shares)												
2. Capitalizing of surplus reserves (or to capital shares)												

Items	The first half year of 2021											
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Retained profit	Other	Total of owners' equity
		Pref erred stock	Sustai nable debt	Ot her								
3. Making up losses by surplus reserves.												
4. Change amount of defined benefit plans that carry forward Retained earnings												
5. Other comprehensive income carry-over retained earnings												
6. Other												
(V) Special reserves												
1. Provided this year												
2. Used this term												
(VI) Other					-3,778,219.25							-3,778,219.25
IV. Balance at the end of this term	2,090,806,126.00				935,191,327.54		267,838,432.29		987,813,698.07	4,006,582,750.43		8,288,232,334.33

Legal Representative: Miao Deshan General Manager: Wang Chunhua Person in charge of accounting: Lu Ming Accounting Dept Leader: Zhou Fang

III. Company Profile

1. Basic information of the IPO and share capital of the company

1. The Company was established in February 1993, which was originally named as Guangdong Fokai Expressway Co., Ltd. On June 30, 1993, it was renamed as Guangdong Provincial Expressway Development Co., Ltd. after reorganization pursuant to the approval of the Office of Joint Examination Group of Experimental Units of Share Holding System with YLSB (1993) No. 68 document. The share capital structure after reorganization is as follows:

Composition of state-owned shares: The appraised net value of state-owned assets of Guangdong Jiujiang Bridge Co. and Guangfo Expressway Co., Ltd. as of January 31, 1993 confirmed by Guangdong State-owned Asset Management Dept., i.e., RMB 418.2136 million, was converted into 155.025 million shares. Guangdong Expressway Co. invested cash of RMB 115 million to subscribe for 35.9375 million shares. Other legal persons invested cash of RMB 286.992 million to subscribe for 89.685 million shares. Staff of the Company invested RMB 87.008 million to subscribe for 27.19 million shares. The total is RMB 307.8375 million shares.

2. Pursuant to the approval of Guangdong Economic System Reform Committee and Guangdong Securities Regulatory Commission with YTG (1996) No. 67 document, part of the shareholders of non-state-owned legal person shares transferred 20 million non-state-owned legal person shares to Malaysia Yibao Engineering Co., Ltd. in June 1996.

3. Pursuant to the approval of Securities Commission under the State Council with WF (1996) No. 24 approval document and that of Guangdong Economic System Reform Committee with YTG (1996) No. 68 document, the Company issued 135 million domestically listed foreign investment shares (B shares) to overseas investors at the price of HKD 3.54 (equivalent to RMB 3.8) with the par value of each share being RMB 1 during June to July 1996.

4. Pursuant to the reply of the Ministry of Foreign Trade and Economic Cooperation of the People's Republic of China with (1996) WJMZYHZ No. 606 document, the Company was approved to be a foreign-invested joint stock company limited.

5. The Company distributed dividends and capitalized capital common reserve for the year 1996 in the following manner: The Company paid 1.7 bonus shares for each 10 shares and capitalized capital common reserve on 3.3-for-10 basis.

6. Pursuant to the approval of China Securities Regulatory Committee (CSRC) with ZJFZ (1997) No. 486 and No. 487 document, the Company issued 100 million public shares (A shares) at the price of RMB 5.41 in term of "payable in full on application, pro-rate placing and subject to refund" with the par value of each share being RMB 1 in January 1998.

7. In accordance with the Resolutions of the 1999 Shareholders' General Meeting of the Company and pursuant to the approval of Guangzhou Securities Regulatory Office under CSRC with GZZJH (2000) No. 99 and that of CSRC with ZJGSZ (2000) No. 98, the Company offered 3 Rights for every 10 shares of 764.256249 million shares at the price of RMB 11 per Right. 73,822,250 ordinary shares were actually placed to all.

8. Pursuant to the reply of the General Office of the People's Government of Guangdong Province with YBH (2000) No. 574 document, the state-owned shares were transferred to Guangdong Communication Group Co., Ltd. (Group Co.) for holding and management without compensation.

9. Pursuant to the approval of Shenzhen Stock Exchange, 53,0205 million staff shares of the Company (132,722 shares held by directors, supervisors and senior executives are temporarily frozen) were listed on February 5, 2001.

10. In accordance with the resolutions of 2000 annual shareholders' general meeting, the Company capitalized capital common reserve into 419,039,249 shares on 5-for-10 basis with the total share capital as of the end of 2000, i.e., 838,078,499 shares as base. The date of stock right registration was May 21, 2001. The ex-right date was May 22, 2001.

11. On March 8, 2004, As approved by China Securities Regulatory Commission by document Zheng-Jian-Gong-Si-Zi [2003]No.3, the 45,000,000 non-negotiable foreign shares were placed in Shenzhen Stock

12. On December 21, 2005, the Company's plan for share holding structure reform was voted through at the shareholders' meeting concerning A shares. On January 26 2006, The Ministry of Commerce of PRC issued "The approval on share converting of Guangdong Provincial Expressway Development Co., Ltd." to approve the share equity relocation and transformation. On October 9 2006, according to the "Circular about implementing of share equity relocation and relative trading" issued by Shenzhen Stock Exchange, the abbreviation ID of the Company's A shares was restored from "G-Expressway" "Expressway A".

Upon the approval document of CSRC No.230-2016 Zheng Jian Xu ke-Approval of the Share-Issuing to Parties such as Guangdong Provincial Expressway Co., Ltd to Purchase Assets and Raise Matching Funds by Guangdong Provincial Expressway Development Co., Ltd, in June 2016 the company issued 33,355,263 shares and paid RMB 803.50 million to Guangdong Provincial Expressway Co., Ltd for purchasing the 25% stake of Guangdong Provincial Fokai Expressway Co., Ltd held by Guangdong Provincial Expressway Co., Ltd; and issued 466,325,020 shares to Guangdong Provincial Highway Construction Co., Ltd for purchasing the 100% stake of Guangzhou Guangzhu Traffic Investment Management Co., Ltd held by Guangdong Provincial Highway Construction Co., Ltd. On June 21, 2016, the company directionally issued 334,008,095 A-shares to Yadong Fuxing Yalian Investment Co.,Ltd, Tibet Yinyue Investment Management Co.,Ltd and Guangfa Securities Co.,Ltd. The issuance of shares have been registered on July 7, 2016, the new shares will be listed on July 8, 2016.

1. Company's registered place and headquarters address

Company name: Guangdong Provincial Expressway Development Co., Ltd.

Registration place No.85, Baiyun Road, Yuexiu District, Guangzhou.

Headquarters Office : 45-46/F, Litong Plaza, No.32, Zhujiang East Road, Zhujiang New City, Tihe District , Guangzhou

2. Business nature and main business activities

Industry and main products of the company: highway management and maintenance.

General business items: investment, construction, charging, maintenance and service management of expressways, grade roads and bridges; Automobile rescue service, maintenance and cleaning; Parking lot charges; Design, production, release and agency of all kinds of advertisements at home and abroad; Land development along the highway; Warehousing business; Intelligent transportation technology research and development and service; Equity investment, management and consultation. (Projects that must be approved according to law can be operated only after being approved by relevant departments).

The Company is mainly engaged in tolling and maintenance of Guangfo Expressway, Fokai Expressway, Jingzhu Expressway Guangzhu Section and Guanghui Expressway investment in technological industries and provision of relevant consultation while investing in Shenzhen Huiyan Expressway Co., Ltd., Guangzhou Guanghui Expressway Co., Ltd., Guangdong Jiangzhong Expressway Co.Ltd., Zhaoqing Yuezhao Expressway Co., Ltd., Ganzhou Kangda Expressway , Ganzhou Gankang Expressway Co., Ltd., Guangdong Yueke Technology

Petty Loan Co., Ltd., Guangdong Guangle Expressway Co.,Ltd., Guoyuan Securities Co., Ltd, Hunan Lianzhi Technology Co., Ltd., SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd.and Shenzhen Garage Electric Pile Technology Co., Ltd.

3. Scope and changes of consolidated financial statements in the current period

(1) Scope of current consolidated financial statements

The consolidated scope of the current financial statements involves Guangdong Expressway Technology Investment Co., Ltd., Yuegao Capital Holding (Guangzhou) Co., Ltd., its holding subsidiaries Guangfo Expressway Co., Ltd., Jingzhu Expressway Guangzhu Section Co., Ltd. and Guanghui Expressway Co., Ltd..

(2) Changes in the scope of consolidated financial statements in the current period

In the current period, the 100% equity of Guangdong Expressway Technology Investment Co., Ltd-a wholly-owned subsidiary-was transferred to Guangdong Litong Technology Investment Co., Ltd, and the equity delivery date was March 29, 2022. Therefore, it will no longer be included in the scope of the consolidated financial statements at the end of the current period.

4. Approval and submission date of financial report

The financial statements have been authorized for issuance by the 32th(Provisional) meeting of the Ninth Board of Directors of the Group on August 26 ,2022.

(1) Scope of current consolidated financial statements

The consolidated scope of the current financial statements involves Guangdong Expressway Technology Investment Co., Ltd., Yuegao Capital Holding (Guangzhou) Co., Ltd., its holding subsidiaries Guangfo Expressway Co., Ltd., Jingzhu Expressway Guangzhu Section Co., Ltd. and Guanghui Expressway Co., Ltd..

(2) Changes in the scope of consolidated financial statements in the current period

In the current period, the 100% equity of Guangdong Expressway Technology Investment Co., Ltd-a wholly-owned subsidiary-was transferred to Guangdong Litong Technology Investment Co., Ltd, and the equity delivery date was March 29, 2022. Therefore, it will no longer be included in the scope of the consolidated financial statements at the end of the current period.

IV. Basis for the preparation of financial statements

1.Preparation basis

The financial statements of the Company have been prepared on basis of going concern in conformity with Chinese Accounting Standards for Business Enterprises and the Accounting Systems for Business Enterprises issued by the Ministry of Finance of People's Republic of China (Ministry of Finance issued order No.33, the Ministry of Finance revised order No.76) on February 15, 2006, and revised Accounting Standards (order 42 of the Ministry of Finance) and Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No.15 – General Provisions on Financial Reports (2014 Revision) issued by the China Securities Regulatory Commission (CSRC).

According to the relevant accounting regulations in Chinese Accounting Standards for Business Enterprises, the Company has adopted the accrual basis of accounting. Held-for-sale non-current assets are measured at the lower of its book value at its classification date and fair value minus expected disposal costs. Where assets are impaired, provisions for asset impairment are made in accordance with relevant requirements

2.Continuation

There will be no such events or situations in the 12 months from the end of the reporting period that will cause material doubts as to the continuation capability of the Company.

V. Significant Accounting Policies and Accounting Estimates

Specific accounting policies and accounting estimates are indicated as follows:

None

1. Statement of Compliance with the Accounting Standards for Business Enterprises

The financial statements of the Company are recognized and measured in accordance with the regulations in the Chinese Accounting Standards for Business Enterprises and they give a true and fair view of the financial position, business result and cash flow of the Company,. In addition, the financial statements of the Company comply, in all material respects, with the revised disclosing requirements for financial statements and the Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No.15—General Provisions on Financial Reports (2014 Revision) issued by China Securities Regulatory Commission (CSRC) in 2014.

2. Accounting period

The accounting period of the Company is classified as interim period and annual period. Interim period refers to the reporting period shorter than a complete annual period. The accounting period of the Company is the calendar year from January 1 to December 31.

3. Operating cycle

The normal operating cycle refers to the period from the time when the Group purchases assets for processing to the time when cash or cash equivalents are realized. The Company takes 12 months as a business cycle and uses it as a criterion for liquidity classification of assets and liabilities.

4. Standard currency for bookkeeping

The Company adopts CNY to prepare its functional statements.

5. Accountings for Business Combinations under the Same Control & Business Combinations not under the Same Control

1. Business Combinations under the Same Control

If business participating in the combination are ultimately controlled by the same party or parties before and after the combination, and the control is not temporary, it is an business combination under the same control. Usually, business combination under the same control refers to the combination between business within the same business, except which it is generally not regarded as business combination under the same control.

The assets and liabilities obtained by the Company as the combining party in the business combination shall be measured according to the book value of the combined party in the consolidated financial statements of the ultimate controlling party on the combination date. For the long-term equity investment formed by holding combination under the same control, the company takes the share of the book owner's equity of the combined party on the combination date as the initial investment cost for forming the long-term equity investment. See the long-term equity investment for relevant accounting treatment; The assets and liabilities obtained by absorption and combination under the same control shall be recorded by the Company according to the original book value of the related assets and liabilities in the combined party. The company adjusts the capital reserve according to the difference between the book value of the net assets obtained and the book value of the combination consideration paid (or the total par value of the issued shares); If the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

All directly related expenses incurred by the Company as a combining party for business combination, including audit fees, evaluation fees, legal service fees, etc., are included in the current profits and losses when

incurred.

Fees and commissions paid for bonds issued by enterprises or other debts shall be included in the initial measurement amount of bonds and other debts issued. Fees, commissions and other expenses incurred in issuing equity securities in business combination shall be offset against the premium income of equity securities, and if the premium income is insufficient to offset, the retained earnings shall be offset.

If the holding under the same control is combined to form a parent-subsidiary relationship, the parent company shall prepare consolidated financial statements on the consolidation date, including consolidated balance sheet, consolidated income statement and consolidated cash flow statement.

For the consolidated balance sheet, the book value of the combined party in the consolidated financial statements of the ultimate controlling party shall be incorporated into the consolidated financial statements, and the transactions between the combining party and the combined party on the consolidation date and the previous period shall be regarded as internal transactions and offset according to the relevant principles of "Consolidated Financial Statements"; The consolidated income statement and cash flow statement include the net profit and cash flow realized by the combining party and the combined party from the beginning of the current consolidation period to the consolidation date, and involve the cash flow generated by the transactions and internal transactions between the two parties in the current period, which shall be offset according to the relevant principles of the consolidated financial statements.

2. If the parties involved in the combination are not ultimately controlled by the same party or parties before and after the combination, it is a business combination not under the same control.

Business Combinations not under the Same Control

Determine the cost of business combination: the cost of business combination includes the fair value of cash or non-cash assets paid by the purchaser for business combination, debts issued or assumed, and equity securities issued on the purchase date.

In the business combination not under the same control, the intermediary expenses such as auditing, legal services, evaluation and consultation and other related management expenses incurred by the purchaser for the business combination shall be included in the current profits and losses when they occur; Transaction costs of equity securities or debt securities issued by the purchaser as combination consideration shall be included in the initial recognized amount of equity securities or debt securities.

For the long-term equity investment obtained by holding combination not under the same control, the company takes the combination cost determined on the purchase date (excluding cash dividends and profits that should be collected from the investee) as the initial investment cost for the long-term equity investment of the purchaser; All identifiable assets and liabilities obtained by absorption and combination under different control that meet the recognition conditions shall be recognized as assets and liabilities of the enterprise at fair value on the date of purchase. If the Company takes non-monetary assets as consideration to obtain the control right of the purchaser or various identifiable assets and liabilities, the difference between the fair value of the relevant non-monetary assets on the purchase date and their book value shall be taken as the disposal profit and loss of the assets and recorded in the income statement of the current consolidation period.

In a business combination not under the same control, the difference between the cost of business combination and the fair value share of identifiable net assets of the purchaser obtained in the combination is recognized as goodwill; In the case of absorption and combination, the difference is recognized as goodwill in the individual financial statements of the parent company; In the case of holding combination, the difference is listed as goodwill in the consolidated financial statements.

The cost of business combination is less than the difference between the fair value share of identifiable net assets acquired during the combination, which is included in the profits and losses (non-operating income) of the

current combination period after review by the Company. In the case of absorption and combination, the difference is included in the individual income statement of the parent company in the current combination period; In the case of holding combination, the difference is included in the consolidated income statement of the current combination period.

If the business combination not under the same control realized step by step through multiple exchange transactions is a package transaction, each transaction will be treated as a transaction to obtain control rights; If it is not a package transaction, the equity of the purchased party held before the purchase date shall be re-measured according to the fair value of the equity on the purchase date, and the difference between the fair value and its book value shall be included in the current investment income; If the equity of the purchased party held before the purchase date involves other comprehensive income, other comprehensive income related to it shall be converted into the investment income of the current period on the purchase date, except for other comprehensive income arising from the re-measurement of net liabilities or changes in net assets of the defined benefit plans by the invested party.

6. Compilation method of consolidated financial statements

(1) Consolidation scope

The consolidation scope of consolidated financial statements is determined on the basis of control. Control means that the Company has the power over the investee, is entitled to variable returns by participating in the related activities of the investee, and has the ability to use the power over the investee to influence its return amount. Subsidiaries refer to subjects controlled by the Company (including enterprises, divisible parts of investee(s), structured subjects, etc.).

(2) Compilation method of consolidated financial statements

The consolidated financial statements of the Company are based on the financial statements of the parent company and its subsidiaries, and are prepared according to other relevant information. When compiling, the important internal transactions between the parent company and its subsidiaries, such as investment, transactions, purchase and sale of inventories and their unrealized profits, are offset and combined item by item, and the minority shareholders' rights and interests and the current income of minority shareholders are calculated. If the accounting policies and accounting periods of subsidiaries are inconsistent with those of the parent company, the accounting statements of subsidiaries shall be adjusted according to the accounting policies and accounting periods of the parent company before combination.

(3) Increase and decrease the consolidated report processing of subsidiaries during the reporting period

During the reporting period, when preparing the consolidated balance sheet, the balance at the beginning of the consolidated balance sheet is adjusted for the subsidiaries added due to business combination under the same control. When preparing the consolidated balance sheet, the balance at the beginning of the year of the consolidated balance sheet is not adjusted for the subsidiaries added due to business combination not under the same control. During the reporting period, the subsidiaries are disposed of and the balance at the beginning of the consolidated balance sheet is not adjusted when the consolidated balance sheet is prepared.

During the reporting period, the income, expenses and profits of subsidiaries added by business combination under the same control from the beginning to the end of the reporting period are included in the consolidated income statement, and the cash flows from the beginning to the end of the reporting period are included in the consolidated cash flow statement. For subsidiaries added due to business combination not under the same control, the income, expenses and profits of such subsidiaries from the purchase date to the end of the reporting period are included in the consolidated income statement, and their cash flow from the purchase date to the end of the reporting period is included in the consolidated cash flow statement. During the reporting period, the subsidiary is disposed of, and the income, expenses and profits from the beginning of the period to the disposal date are

included in the consolidated income statement, and the cash flow from the beginning of the period to the disposal date is included in the consolidated cash flow statement.

When the control right of the original subsidiary is lost due to the disposal of part of the equity investment or other reasons, the remaining equity investment after disposal shall be re-measured according to its fair value on the date of loss of control right. The sum of the consideration obtained from the disposal of equity and the fair value of the remaining equity, minus the difference between the share of the original subsidiary's net assets calculated continuously from the purchase date and the sum of goodwill calculated according to the original shareholding ratio, is included in the investment income in the current period when the control right is lost. Other comprehensive income related to the original subsidiary's equity investment is converted into current investment income when the control right is lost, except for other comprehensive income generated by the investee's re-measurement of net liabilities or changes in net assets of the set income plan.

The difference between the newly acquired long-term equity investment due to the purchase of minority shares and the identifiable net assets share of subsidiaries calculated according to the increased shareholding ratio, and the difference between the disposal price obtained from partial disposal of equity investment in subsidiaries and the net assets share of subsidiaries corresponding to the disposal of long-term equity investment are used to adjust the equity premium in the capital reserve in the consolidated balance sheet. If the equity premium in the capital reserve is insufficient to offset, the retained earnings will be adjusted.

(4) Processing of consolidated statements from step-by-step disposal of equity to loss of control rights

If the transactions that dispose of the equity investment in subsidiaries until the loss of control rights are of a package transaction, the transactions shall be treated as transactions that dispose of subsidiaries and lose control rights; However, the difference between the disposal price and the share of the subsidiary's net assets related to the disposal investment before the loss of control right is recognized as other comprehensive income in the consolidated financial statements, which will be transferred to the current profit and loss when the control right is lost, except for other comprehensive income arising from the re-measurement of the net liabilities or changes in net assets of the set income plan by the investee. If it is not a package transaction, before the loss of control, the difference between the disposal price and the corresponding net assets continuously calculated by the subsidiary from the purchase date will be adjusted to the capital reserve, and if the capital reserve is insufficient to offset, the retained earnings will be adjusted; In case of loss of control right, the accounting treatment shall be carried out according to the above accounting policy when the control right over the original subsidiary is lost.

7. Recognition Standard of Cash & Cash Equivalents

Cash and cash equivalents of the Company include cash on hand, ready usable deposits and investments having short holding term (normally will be due within three months from the day of purchase), with strong liquidity and easy to be exchanged into certain amount of cash that can be measured reliably and have low risks of change.

8. Foreign Currency Transaction

(1) Foreign currency business

Foreign currency transactions of the Company are converted into the amount of bookkeeping base currency according to the spot rate on the transaction date.

On the balance sheet date, foreign currency monetary items and foreign currency non-monetary items shall be treated according to the following provisions: foreign currency monetary items shall be converted at the spot rate on the balance sheet date. Exchange differences arising from the difference between the spot rate on the balance sheet date and the spot rate at the time of initial recognition or the previous balance sheet date are

included in the current profits and losses; Foreign currency non-monetary items measured at historical cost are still converted at the spot rate on the transaction date, without changing their bookkeeping base currency amount; Foreign currency non-monetary items measured at fair value shall be converted at the spot rate on the fair value determination date, and the difference between the converted bookkeeping base currency amount and the original bookkeeping base currency amount shall be treated as changes in fair value (including exchange rate changes) and included in the current profits and losses; During the capitalization period, the exchange difference between the principal and interest of foreign currency special loans is capitalized and included in the cost of assets that meet the capitalization conditions.

(2) Translation of foreign currency financial statements

When converting foreign currency financial statements, the Company shall comply with the following regulations: assets and liabilities in the balance sheet shall be converted at the spot rate on the balance sheet date, and other items of owner's equity except "undistributed profits" shall be converted at the spot rate at the time of occurrence; The income and expense items in the income statement shall be converted at the spot rate on the transaction date (or at the exchange rate determined by a systematic and reasonable method and similar to the spot rate on the transaction date). The translation difference of foreign currency financial statements generated according to the above translation is recognized as other comprehensive income. The conversion of comparative financial statements shall be handled according to the above provisions.

9. Financial instruments

The Company recognizes the financial assets or liabilities when involved in financial instruments' agreements.

(1) Classification, recognition and measurement of financial assets

In accordance with the characteristics of business model for managing financial assets and the contractual cash flow of financial assets, the Company classifies financial assets into: financial assets measured in amortized cost; financial assets measured at fair value and their's changes are included in other comprehensive income; financial assets measured at fair value and their's changes are included in current profits and losses.

The initial measurement of financial assets is calculated by using fair value. For financial assets measured at fair value, whose changes are included in current profits and losses, relevant transaction costs are directly included in current profits and losses; For other types of financial assets, relevant transaction costs are included in the initial recognition amount.

① Financial assets measured at amortized cost

The business model of the Company's management of financial assets measured by amortized cost is aimed at collecting the contractual cash flow, and the contractual cash flow characteristics of such financial assets are consistent with the basic lending arrangements, that is, the cash flow generated on a specific date is only the payment of principal and interest based on the amount of outstanding principal. For such financial assets, the Company adopts the method of real interest rate and makes subsequent measurement according to the cost of amortization. The profits or losses resulting from amortization or impairment are included in current profits and losses.

② Financial assets measured at fair value and changes included in other comprehensive income

The Company's business model for managing such financial assets is to collect the contractual cash flow, and the contractual cash flow characteristics of such financial assets are consistent with the basic lending arrangements. The Company measures such financial assets at fair value and their changes are included in other comprehensive gains, but impairment losses or gains, exchange gains and losses and interest income calculated according to the actual interest rate method are included in current profits and losses.

In addition, the Company designated some non-trading equity instrument investments as financial assets measured at fair value with changes included in other comprehensive income. The Company includes the relevant dividend income of such financial assets in current profits and losses, and the changes in fair value in other comprehensive gains. When the financial asset ceases to be recognized, the accumulated gains or losses previously included in other comprehensive gains shall be transferred into retained income from other comprehensive income, and not be included in current profit and loss.

③ Financial assets measured at fair value and changes included in current profits and losses

The Company includes the above-mentioned financial assets measured at amortized cost and those measured at fair value and their's changes in financial assets other than financial assets of comprehensive income and classifies them as financial assets measured at fair value and their's changes that are included in current profits and losses. In addition, the Company designates some financial assets as financial assets measured at fair value and includes their changes in current profits and losses in order to eliminate or significantly reduce accounting mismatches during initial recognition. In regard with such financial assets, the Company adopts fair value for subsequent measurement, and includes changes in fair value into current profits and losses.

(2) Classification, recognition and measurement of financial liabilities

The Group's financial liabilities are, on initial recognition, classified into financial liabilities at fair value through profit or loss and other financial liabilities. For financial liabilities at fair value through profit or loss, relevant transaction costs are immediately recognized in profit or loss for the current period, and transaction costs relating to other financial liabilities are included in the initial recognition amounts.

① Financial liabilities measured by the fair value and the changes recorded in profit or loss

The classification by which financial liabilities held-for-trade and financial liabilities designed at the initial recognition to be measured by the fair value follows the same criteria as the classification by which financial assets held-for-trade and financial assets designed at the initial recognition to be measured by the fair value and their changes are recorded in the current profit or loss

Transactional financial liabilities (including derivatives belonging to financial liabilities) are subsequently measured according to fair value. Except for hedging accounting, changes in fair value are included in current profits and losses.

Financial liabilities designated as financial liabilities that are measured at fair value and their's changes are included in current profits and losses. The liabilities are included in other comprehensive gains due to changes in fair value caused by changes in the Company's own credit risk, and when the liabilities are terminated, the changes in fair value caused by changes in its own credit risk of other comprehensive gains are included in the cumulative changes in its fair value caused by changes in its own credit risk of other comprehensive gains. The amount is transferred to retained earnings. The remaining changes in fair value are included in current profits and losses. If the above-mentioned way of dealing with the impact of the changes in the credit risk of such financial liabilities will result in or expand the accounting mismatch in the profits and losses, the Company shall include all the profits or losses of such financial liabilities (including the amount of the impact of the changes in the credit risk of the enterprise itself) into the current profits and losses.

② Other financial liabilities

In addition to the transfer of a financial asset is not in conformity with the conditions to stop the recognition or formed by its continuous involvement in the transferred financial asset, financial liabilities and financial guarantee contract of other financial liabilities classified as financial liabilities measured at the amortized cost, measured at the amortized cost for subsequent measurement, recognition has been stopped or amortization of the profit or loss is included in the current profits and losses.

(3) Recognition basis and measurement methods for transfer of financial assets

Financial assets satisfying one of the following conditions shall be terminated and recognized: ①The contractual right to collect the cash flow of the financial asset is terminated; ②The financial asset has been transferred, and almost all the risks and rewards in the ownership of the financial asset have been transferred to the transferee; ③The financial asset has been transferred, although the enterprise neither transfers nor retains almost all the risks and rewards in the ownership of the financial asset, but it abandoned control of the financial assets.

In case that the enterprise does not transfer or retain almost all risks and rewards on financial assets ownership nor waive to control these assets, relevant financial assets shall be recognized in accordance with the degree for continued involvement of financial assets transferred and relevant liabilities shall be recognized correspondingly. The term "continuous involvement in the transferred financial asset" shall refer to the risk level that the enterprise faces resulting from the change of the value of the financial asset.

If the overall transfer of the financial assets satisfies the derecognition criteria, the difference between the book value of the transferred financial assets and the sum of the consideration received from transfer and cumulative change in fair value previously recognized in other comprehensive income is accounted into the current profit or loss.

In case that the partial transfer of financial assets meets de-recognition conditions, the book value of financial assets transferred shall be allocated as per respective fair value between de-recognized or not de-recognized parts, and the difference between the sum of the consideration received due to transfer with the accumulated amount of fair value changes that is previously included in other comprehensive income and shall be allocated to de-recognized parts and the aforesaid book amount allocated shall be included in the current profit or loss.

The Company shall determine whether almost all the risks and rewards of the ownership of the financial assets sold by means of recourse or endorsed to transfer the financial assets it holds have been transferred. If almost all the risks and rewards in the ownership of the financial asset have been transferred to the transferee, the confirmation of the financial asset shall be terminated; if almost all the risks and rewards in the ownership of the financial asset have been retained, the confirmation of the financial asset shall not be terminated; if neither the transfer nor the retention of almost all the risks and rewards in the ownership of the financial asset has been made. In case of remuneration, it shall continue to determine whether the enterprise has retained control over the assets and conduct accounting treatment in accordance with the principles described in the preceding paragraphs.

(4) Termination confirmation of financial liabilities

If the current obligation of a financial liability (or part thereof) has been discharged, the Company shall terminate the recognition of the financial liability (or part thereof). If the Company (the debtor) signs an agreement with the lender to replace the original financial liabilities by assuming new financial liabilities, and the contract terms of the new financial liabilities are substantially different from those of the original financial liabilities, it shall terminate the recognition of the original financial liabilities and at the same time confirm a new financial liabilities. If the Company substantially amends the contract terms of the original financial liabilities (or part thereof), it shall terminate the confirmation of the original financial liabilities and at the same time confirm a new financial liabilities in accordance with the revised terms.

If the financial liabilities (or part thereof) are terminated, the difference between their book value and the consideration paid (including the transferred non-cash assets or liabilities assumed) shall be included in the profits and losses of the current period.

(5) Offsetting financial assets and financial liabilities

When the Company has a legal right that is currently enforceable to set off the recognized financial assets and financial liabilities, and intends either to settle on a net basis, or to realize the financial asset and settle the

financial liability simultaneously, a financial asset and a financial liability shall be offset and the net amount is presented in the balance sheet. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet and shall not be offset.

(6) Method for determining the fair value of financial assets and financial liabilities

Fair value refers to the price that a market participant must pay to sell or transfer a liability in an orderly transaction that occurs on the measurement date. The fair value of financial instruments existing in an active market is determined by the Company according to its quoted price in this market. The quoted prices in the active market refer to the prices, which are easily available from the stock exchanges, brokers, industry associations, pricing service institutions and etc. at a fixed term, and which represent the prices at which actually occurred market transactions are made under fair conditions. If a financial instrument does not exist in active markets, its fair value shall be determined by the Company with assessment techniques. The value appraisal techniques mainly include the prices adopted by the parties, who are familiar with the condition, in the latest market transaction upon their own free will, the current fair value obtained by referring to other financial instruments of the same essential nature, the cash flow capitalization method and the option pricing model, etc. In valuation, the Company adopts valuation techniques that are applicable in the current situation and supported by sufficient data and other information to select input values consistent with the characteristics of assets or liabilities considered by market participants in the transactions of related assets or liabilities, and give priority to the use of relevant observable input values as far as possible. Unallowable values are used if the relevant observable input values are not available or are not practicable.

(7) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. The consideration received from issuing equity instruments, net of transaction costs, are added to shareholders' equity. All types of distribution (excluding stock dividends) made by the Company to holders of equity instruments are deducted from shareholders' equity.

The dividends (including "interest" generated by the tools classified as equity instruments) distributed by the Company's equity instruments during the period of their existence shall be treated as profit distribution.

10. Impairment of financial instruments

The Company requires to confirm that the financial assets lost by impairment are financial assets measured by amortized cost, investment in debt instruments and lease receivables which are measured at fair value and whose changes are included in other comprehensive gains, mainly including notes receivable, accounts receivable, other receivables, creditor's rights investment, other creditor's rights investment and long-term receivables and etc. In addition, provision for impairment and confirmation of credit impairment losses are also made for contract assets and some financial guarantee contracts in accordance with the accounting policies described in this section.

(1) Method of confirming impairment provision

Based on anticipated credit loss, the Company calculates impairment preparation and confirms credit impairment loss according to the applicable anticipated credit loss measurement method (general method or simplified method).

Credit loss refers to the difference between the cash flow of all contracts discounted according to the original real interest rate and the expected cash flow of all contracts receivable according to the contract, that is, the present value of all cash shortages. Among them, the Company discounts the financial assets purchased or originated with credit impairment at the actual interest rate adjusted by credit.

The general method of measuring anticipated credit loss is whether the credit risk of the Company's financial assets (including other applicable items such as contract assets, similarly hereinafter) has increased

significantly since the initial recognition on each balance sheet day. If the credit risk has increased significantly since the initial recognition, the Company shall measure the loss preparation according to the amount equivalent to the expected credit loss in the whole duration. If the credit risk has not increased significantly since the initial recognition, the Company shall measure the loss preparation according to the amount equivalent to the expected credit loss in the next 12 months. The Company shall consider all reasonable and evidenced information, including forward-looking information, when evaluating expected credit losses.

Assuming that their credit risk has not increased significantly since the initial recognition, the Company may choose to measure the loss reserve according to the expected credit loss in the next 12 months for financial instruments with low credit risk on the balance sheet date.

(2) Criteria for judging whether credit risk has increased significantly since the initial recognition

If the probability of default of a financial asset on the estimated duration of the balance sheet is significantly higher than the probability of default during the estimated duration of the initial recognition, the credit risk of the financial asset is significantly increased. Except for special circumstances, the Company uses the change of default risk in the next 12 months as a reasonable estimate of the change of default risk in the entire duration to determine whether the credit risk has increased significantly since the initial recognition.

(3) A portfolio-based approach to assessing expected credit risk

The Company shall evaluate the credit risk of financial assets with distinct differences in credit risk, such as the related party's receivables, the receivables in dispute with the other party or involving litigation and arbitration, and receivables that has been proved that the debtor may not be able to fulfill the obligation of repayment, etc.

In addition to the financial assets that assess credit risk individually, the Company shall divide financial assets into different groups based on common risk characteristics, and assess credit risk on the basis of portfolio.

(4) Accounting treatment of impairment of financial assets

At the end of the duration, the Company shall calculate the anticipated credit losses of various financial assets. If the anticipated credit losses are greater than the book value of its current impairment provision, the difference is deemed as impairment loss. If the balance is less than the book value of the current impairment provision, the difference is deemed as impairment profit.

(5) Method of determining credit losses of various financial assets

① Receivable Account and Contract assets

In regard to receivables without significant financing components, the Company shall measure loss preparation according to the amount of anticipated credit loss equivalent to the entire duration.

In regard to accounts receivable with significant financing components, the Company shall choose to measure loss preparation according to the amount equivalent to the expected credit loss within the duration all the time.

In addition to the accounts receivable that assesses the credit risk individually, receivables are divided into different portfolios based on their credit risk characteristics:

Items	Basis for determining combination:
Portfolio 1: Aging portfolio	This portfolio is characterized by the aging of receivables as a credit risk.
Portfolio 2 : Quality Guarantee portfolio	This portfolio is the contract quality guarantee fund and other funds

For the above portfolio 1, the measurement method of bad debts reserve is the aging analysis method, specifically as follows:

Aging	Proportion (%)
Within 1 year (Including 1 year)	0
1-2 years	10
2-3 years	30
3-4 years	50

4-5 years	90
Over 5 years	100

For the guarantee fund portfolio of portfolio 2, no provision for bad debts shall be made unless there is objective evidence that the money cannot be recovered according to the original terms of accounts receivable and contract assets.

② Other receivable

The Company has measured the impairment loss based on the amount of expected credit losses in the next 12 months or the entire duration, based on whether the credit risk of other receivables has increased significantly since the initial recognition. In addition to the other accounts receivable which assesses the credit risk individually, they are divided into different portfolios based on their credit risk characteristics:

Items	Basis for determining combination:
Portfolio 1	This portfolio is a collection of various deposits, advances, pledges and other receivables in daily activities.
Portfolio 2	This portfolio is a reserve fund borrowed by employees in their daily business activities.
Portfolio 3	Other receivables other than the above portfolio.

Combination of deposit, quality assurance fund and deposit and reserve fund combination except for objective evidence that the Group will not be able to recover the amount according to the original terms of receivables, will not normally be accrued for bad debt reserves. The measurement method of bad debt reserves for other combinations is aging analysis, and the accrual proportion is the same as accounts receivable.

③ Creditor's rights investment

Creditor's rights investment mainly accounts for bond investment measured by amortized cost, etc. The Company has measured the impairment loss based on the amount of expected credit losses in the next 12 months or the entire duration, based on whether the credit risk has increased significantly since the initial recognition. The Company adopts the method of evaluating credit risk with individual assets for creditor's rights investment.

11. Inventory

1. Inventories class:

The company's stocks can be classified as: raw materials, etc.

2. Valuation method of inventory issued :The company calculates the prices of its inventories according to the weighted averages method or the first-in first-out method.

3 Measurement of ending inventory

On the balance sheet date, inventory shall be measured at the lower of cost and net realizable value. If the cost of inventory is higher than its net realizable value, provision for inventory depreciation shall be accrued and recorded into the current profits and losses.

If the difference between the cost calculated by a single inventory item and its net realizable value is higher, the inventory depreciation reserve shall be accrued and recorded into the current profits and losses. Net realizable value refers to the estimated selling price of inventory in daily activities minus the estimated costs to be incurred upon completion, estimated sales expenses and related taxes and fees.

4. Physical inventories are managed by the perpetual inventory taking system.

12. Contract assets and Contract liabilities

In the contract between the Company and customers, the Company has the right to charge the contract price for the goods and related services that have been transferred to customers, and meanwhile undertake the performance obligation of transferring the goods or services to customers. When the customer actually pays the

contract consideration or the enterprise has transferred the goods or services to the customer before the consideration becomes due and payable, the right to receive the consideration due to the transferred goods or services shall be listed as contract assets, and recognized as accounts receivable or long-term receivables when the unconditional right of collection is obtained. `

13. Long-term equity investments

(1) Initial measurement

The Company makes initial measurement of long-term equity investment in the following two situations:

① The initial investment cost of long-term equity investment formed by business combination shall be determined in accordance with the following provisions:

A. In a business combination under the same control, if the combining party pays cash, transfers non-cash assets or assumes debts as the combination consideration, the share of the book value of the owner's equity of the merged party in the consolidated financial statements of the final controlling party shall be taken as the initial investment cost of long-term equity investment on the combination date. The difference between the initial investment cost of long-term equity investment and the cash paid, the transferred non-cash assets and the book value of the debts undertaken is adopted to adjust the capital reserve; If the capital reserve is insufficient to offset, the retained earnings shall be adjusted. All directly related expenses incurred for business combination, including audit fees, evaluation fees, legal service fees, etc., are included in the current profits and losses when they occur.

B. In the business combination not under the same control, the Company determines the combination cost by distinguishing the following situations:

a) For business combination realized by one exchange transaction, the cost of combination is the fair value of assets paid, liabilities incurred or assumed in order to gain control over the purchased party on the purchase date;

b) For business combination realized step by step through multiple exchange transactions, the sum of the book value of the equity investment of the purchased party held before the purchase date and the new investment cost on the purchase date shall be taken as the initial investment cost of the investment;

c) Intermediary expenses such as auditing, legal services, evaluation and consultation, and other related management expenses incurred for business combination are included in the current profits and losses when they occur;

d) If future events that may affect the combination cost are agreed in the combination contract or agreement, if it is estimated that the future events are likely to occur on the purchase date and the amount of impact on the combination cost can be reliably measured, they will be included in the combination cost.

② Except for the long-term equity investment formed by business combination, the initial investment cost of long-term equity investment obtained by other means shall be determined in accordance with the following provisions:

A. For the long-term equity investment obtained by cash payment, the actual purchase price shall be taken as the initial investment cost. Initial investment cost includes expenses, taxes and other necessary expenditures directly related to obtaining long-term equity investment.

B. For long-term equity investment obtained through exchange of non-monetary assets, the initial investment cost shall be determined according to Accounting Standards for Business Enterprises No.7-Exchange of Non-monetary Assets.

C. For long-term equity investment obtained through debt restructuring, the initial investment cost shall be determined according to Accounting Standards for Business Enterprises No.12-Debt Restructuring.

③ No matter how the long-term equity investment is obtained, when the investment is obtained, the cash dividends or profits included in the paid consideration that have been declared but not yet issued by the investee are separately accounted as receivable items, which does not constitute the initial investment cost of obtaining the

long-term equity investment.

(2) Subsequent measurement

Long-term equity investment that can be controlled by the investee shall be accounted by the cost method in individual financial statements. Long-term equity investments that have joint control or significant influence on the investee shall be accounted by equity method.

① Long-term equity investment accounted by cost method is priced according to the initial investment cost. Adjust the cost of long-term equity investment by adding or recovering investment. Cash dividends or profits declared and distributed by the investee shall be recognized as current investment income.

If the initial investment cost of long-term equity investment accounted by equity method is greater than the fair value share of identifiable net assets of the investee, the initial investment cost of long-term equity investment shall not be adjusted; If the initial investment cost of long-term equity investment is less than the fair value share of the identifiable net assets of the investee at the time of investment, the difference shall be included in the current profits and losses, and the cost of long-term equity investment shall be adjusted at the same time.

After obtaining the long-term equity investment, the investment income and other comprehensive income shall be recognized respectively according to the share of the net profit and loss and other comprehensive income realized by the invested unit, and the book value of the long-term equity investment shall be adjusted at the same time; According to the profit or cash dividend declared and distributed by the investee, the book value of long-term equity investment shall be reduced accordingly; The book value of the long-term equity investment is adjusted and included in the owner's equity for other changes in the owner's equity of the investee except net profit and loss, other comprehensive income and profit distribution. When recognizing the share of the net profit and loss of the investee, the net profit of the investee is recognized after adjustment based on the fair value of the identifiable net assets of the investee at the time of obtaining the investment. If the accounting policies and accounting periods adopted by the investee are inconsistent with those of the Company, the financial statements of the investee shall be adjusted according to the accounting policies and accounting periods of the Company, and the investment income and other comprehensive income shall be recognized accordingly. The net loss incurred by the investee is recognized to be written down to zero by the book value of long-term equity investment and other long-term interests that substantially constitute the net investment of the investee, unless the Company is obligated to bear additional losses. If the investee achieves net profit in the future, the Company will resume the recognition of the revenue sharing amount after its revenue sharing amount compensates for the unrecognized loss sharing amount.

When calculating and recognizing the net profit and loss that should be enjoyed or shared by the investee, the unrealized internal transaction profit and loss with the affiliated enterprise and the joint venture shall be calculated according to the proportion that should be enjoyed, and the part attributable to the Company shall be offset, and the investment income shall be recognized on this basis. Unrealized internal transaction losses between the Company and the investee are asset impairment losses, which shall be fully recognized.

Part of the company's equity investment in affiliated enterprises is indirectly held through venture capital institutions, mutual funds, trust companies or similar entities including investment-linked insurance funds. Regardless of whether the above entities have a significant impact on this part of investment, the Company chooses to measure this part of indirect investment at fair value and its change is included in profit or loss in accordance with the relevant provisions of Accounting Standards for Business Enterprises No.22-Recognition and Measurement of Financial Instruments, and the rest is accounted for by equity method.

② When the Company disposes of long-term equity investment, the difference between its book value and the actual purchase price shall be included in the current profits and losses. For long-term equity investment accounted by equity method, when disposing of the investment, it adopts the same basis as the investee's direct

disposal of related assets or liabilities, and accounts for the part originally included in other comprehensive income according to the corresponding proportion.

(3) Basis to determine joint control over and significant influence on the investee

Joint control refers to the common control of an arrangement in accordance with the relevant agreement, and the relevant activities of such arrangement must be unanimously agreed by the participants who share the control rights before making decisions. Significant influence means that the investor has the right to participate in the decision-making on the financial and operating policies of the investee, but cannot control or jointly control the formulation of these policies with other parties. When determining whether the investee can be controlled or exert significant influence, the potential voting rights factors such as current convertible bonds and current executable warrants of the investee held by the Company and other parties shall be considered at the same time.

14. Investment Property

The measurement mode of investment property

The measurement by the cost method

Depreciation or amortization method

Investment property is held to earn rentals or for capital appreciation or for both. Investment property includes leased or ready to transfer after capital appreciation land use rights and leased buildings.

(1) The measurement mode of investment property

① Depreciation or amortization method

The estimated service life, net salvage value rate and annual depreciation (amortization) rate of investment real estate are listed as follows:

Type	Estimated service life (years)	Estimated net salvage value rate	Annual depreciation (amortization) rate
Land use right	Remaining useful life		
Houses and buildings	20-30 years	3%-10%	3%-4.85%

② Impairment test method and accounting treatment method

See "30. Asset Impairment" for details of impairment test methods and impairment provision accrual methods of investment real estate.

(2) Conversion of investment real estate

The Company has conclusive evidence that the use of real estate has changed. When converting investment real estate into self-use real estate or inventory, the fair value on the day of conversion is taken as the book value of self-use real estate, and the difference between fair value and original book value is included in current profits and losses. When self-use real estate or inventory is converted into investment real estate measured by fair value model, the investment real estate is priced according to the fair value on the conversion day. If the fair value on the conversion day is less than the original book value, the difference is included in the current profits and losses; If the fair value on the conversion date is greater than the original book value, the difference shall be included in other comprehensive income.

15. Fixed assets

(1) Confirmation conditions

The Company's fixed assets refer to tangible assets held for the production of commodities, provision of labor services, leasing or operation management, which have a service life of more than one year, and whose economic benefits are likely to be included into the Company and whose costs can be reliably measured.

(2) Depreciation method

Type	Depreciation	Expected useful	Residual	Annual depreciation
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	method	life(Year)	rate (%)	rate(%)
Guangfo Expressway	Working flow basis	28 years	0%	
Fokai Expressway-Xiebian to Sanbao Section	Working flow basis	40 years	0%	
Fokai Expressway-Sanbao to Shuikou Section	Working flow basis	47.5 years	0%	
Jingzhu Expressway Guangzhu Section	Working flow basis	30 years	0%	
Guanghui Expressway Co., Ltd.	Working flow basis	23 years		0%
House Building	The straight-line method	20-30 years	3%-5%	3.17%-4.85%
Machine Equipment	The straight-line method	3-10 years	3%-5%	9.50%-32.33%
Transportation Equipment	The straight-line method	5-8 years	3%-5%	11.88%-19.40%
Other	The straight-line method	5 years	3%-5%	19.00%-19.40%

①The Company's fixed assets include roads and bridges, houses and buildings, machinery and equipment, electronic equipment, transportation tools and other equipment.

②For the fixed assets formed by special reserve expenditure, the special reserve shall be offset according to the cost to form the fixed assets, and the accumulated depreciation of the same amount shall be recognized. The fixed assets will not be depreciated in future periods.

According to the nature and usage of fixed assets, the Company determines the service life and estimated net salvage value of fixed assets. At the end of the year, the service life, estimated net salvage value and depreciation method of fixed assets shall be rechecked, and if there is any difference with the original estimate, corresponding adjustments shall be made.

16.Construction-in process

The construction in progress of the Company refers to the plant, equipment and other fixed assets under construction, which are accounted for in detail according to the project and recorded according to the actual cost, including direct construction and installation costs and borrowing costs that meet the capitalization conditions. When the construction in progress reaches the scheduled usable state, it will be carried over to fixed assets by temporary estimation, stop interest capitalization, and start to accrue depreciation according to the determined depreciation method of fixed assets. After the project is completed and final accounts are made, the original estimated amount will be adjusted according to the amount of final accounts, but the original accrued depreciation amount will not be adjusted.

17.Borrowing cost

(1) Recognition principle and capitalization period of borrowing cost capitalization

Borrowing costs incurred by the Company can be directly attributed to the purchase, construction or production of assets that meet the capitalization conditions, and shall be capitalized when the following conditions are met at the same time and included in the relevant asset costs:

- ① Production and expenditure have occurred;
- ② Borrowing costs have already occurred;
- ③ The purchase, construction or production activities required to make the assets reach the intended usable or saleable state have started.

Capitalization of borrowing costs shall be suspended if the assets that meet the capitalization conditions are abnormally interrupted in the process of purchase, construction or production, and the interruption time continuously exceeds 3 months. Borrowing costs incurred during the interruption period are recognized as

expenses and included in the current profits and losses until the purchase and construction of assets or the resumption of production activities. If the interruption is a necessary procedure for the purchased, built or produced assets that meet the capitalization conditions to reach the intended usable or saleable state, the capitalization of borrowing costs will continue.

Capitalization of borrowing costs shall be stopped when assets eligible for capitalization are purchased, built or produced to the intended usable or saleable state. Borrowing costs incurred in the future are recognized as expenses in the current period.

(2) Calculation method of capitalization amount of borrowing costs

Where a special loan is borrowed for the purpose of purchasing, building or producing assets that meet the capitalization conditions, it shall be determined by deducting the interest income obtained by depositing unused loan funds into the bank from the interest expenses actually incurred in the current period of special loan or by the investment income obtained by temporary investment.

If the general loan is occupied for the purpose of purchasing, building or producing assets that meet the capitalization conditions, the interest amount of the general loan that should be capitalized shall be calculated and determined according to the weighted average of the accumulated asset expenditure exceeding the special loan portion multiplied by the capitalization rate of the occupied general loan. Capitalization rate is calculated and determined according to the weighted average interest rate of general borrowings.

18. Intangible assets

(1) Pricing method, useful life and impairment test

The Company recognizes the identifiable non-monetary assets owned or controlled by the enterprise as intangible assets, which have no physical form, and the estimated future economic benefits related to the assets are likely to flow into the enterprise and the cost of the assets can be reliably measured.

The intangible assets of the Company are recorded according to the amount actually paid or the determined value.

(2) If the purchase price of intangible assets exceeds the normal credit conditions, which is of financing nature in essence, the cost of intangible assets is determined based on the present value of the purchase price. The difference between the actual paid price and the present value of the purchase price shall be included in the current profits and losses within the credit period, except that it should be capitalized according to the regulations.

(3) The intangible assets invested by investors shall be taken as the cost according to the value agreed in the investment contract or agreement, unless the value agreed in the contract or agreement is unfair.

(4) The expenditure of internal research and development projects of the Company is divided into research stage expenditure and development stage expenditure. Research refers to an original and planned investigation to acquire and understand new scientific or technical knowledge. Development refers to the application of research results or other knowledge to a plan or design to produce new or substantially improved materials, devices and products before commercial production or use.

Expenditures during the research phase of internal research and development projects are included in the current profits and losses when they occur. Expenditures in the development stage of internal research and development projects that meet the following conditions are recognized as intangible assets: it is technically feasible to complete the intangible assets so that they can be used or sold; Have the intention to complete the intangible assets and use or sell them; The ways in which intangible assets generate economic benefits, including those that can prove that there is a market for products produced by using the intangible assets or that the intangible assets themselves exist in the market, and that the intangible assets will be used internally, should prove their usefulness; Have sufficient technical, financial and other resources to complete the development of the

intangible assets and have the ability to use or sell the intangible assets; Expenditures attributable to the development stage of the intangible assets can be measured reliably.

Intangible assets with limited service life of the Company shall be amortized on average within the service life since the intangible assets are available for use. Intangible assets with uncertain service life are not amortized. The amortization amount of intangible assets is the amount after deducting the estimated salvage value from its cost. For intangible assets for which impairment provision has been made, the accumulated amount of impairment provision for intangible assets has to be deducted.

The amortization period of intangible assets with limited service life is as follows:

Type	Amortization period
Land use right	Remaining useful life
Software	3-5 years
Toll road franchises	Operating period for residual charges

19. Long-term amortizable expenses

Long-term deferred expenses are recorded according to the actual amount incurred, and are amortized equally in installments during the benefit period or within the prescribed period. If the long-term prepaid expense item cannot benefit the future accounting period, the amortized value of the item that has not been amortized will be transferred to the current profits and losses.

20. Employee Benefits

Employee compensation refers to various forms of remuneration or compensation given by the Company for obtaining services provided by employees or dissolving labor relations. Employee compensation includes short-term salary, post-employment benefits, dismissal benefits and other long-term employee benefits. Benefits provided by the Company to spouses, children, dependents, survivors of deceased employees and other beneficiaries of employees are also employee compensation.

(1) Accounting methods of short-term benefits

During the accounting period when employees provide services, the Company recognizes the actual short-term salary as a liability, which is included in the current profits and losses, except that other accounting standards require or allow it to be included in the cost of assets.

(2) Accounting methods for post-employment benefits

The Company classifies the post-employment benefit plan into defined contribution plan and defined benefit plans. Post-employment benefit plan refers to the agreement reached between the Company and employees on post-employment benefits, or the rules or measures formulated by the Company to provide post-employment benefits to employees, among which the set deposit plan refers to the post-employment welfare plan in which the Company no longer undertakes further payment obligations after paying a fixed fee to an independent fund; Defined benefit plans refers to the post-employment benefit plan except the set-up deposit plan.

(3) Accounting Treatment Method of Demission Welfare

If the Company provides dismissal benefits to employees, the employee compensation liabilities arising from the dismissal benefits shall be recognized as soon as possible and included in the current profits and losses: when the company cannot unnaturally withdraw the dismissal benefits provided by the termination of labor relations plan or reduction proposal; when the Company recognizes the costs or expenses related to the reorganization involving the payment of dismissal benefits.

(4) Other long-term employee benefits

If other long-term employee benefits provided by the Company to employees meet the conditions of the set deposit plan, they shall be handled according to the accounting policies of the set deposit plan mentioned above;

Otherwise, the net liabilities or net assets of other long-term employee benefits shall be recognized and measured in accordance with the accounting policies of defined benefit plans mentioned above.

21. Estimated liabilities

(1) Recognition criteria of estimated liabilities

If the obligations related to contingencies stipulated by the Company meet the following conditions at the same time, they are recognized as estimated liabilities:

- ① The obligations are the current obligations undertaken by the enterprise;
- ② Fulfilling the obligations is likely to cause economic benefits to flow out of the enterprise;
- ③ The amount of the obligations can be measured reliably.

(2) Measurement method of estimated liabilities

Estimated liabilities are initially measured according to the best estimate of expenditure required to fulfill relevant current obligations. There is a continuous range of required expenditure, and the possibility of occurrence of various results in this range is the same, and the best estimate is determined according to the intermediate value in this range. In other cases, the best estimates are treated as follows:

- ① Contingencies involving a single item shall be determined according to the most probable amount.
- ② Contingencies involving multiple items shall be calculated and determined according to various possible results and relevant probabilities.

When determining the best estimate, the risk, uncertainty and time value of money related to contingencies shall be considered comprehensively. If the time value of money has great influence, the best estimate is determined by discounting the related future cash outflow.

If all or part of the expenses required by the Company to pay off the estimated liabilities are expected to be compensated by a third party, the compensation amount can be recognized as an asset only when it is basically confirmed that it can be received. The recognized compensation amount shall not exceed the book value of the estimated liabilities.

The Company rechecks the book value of the estimated liabilities on the balance sheet date. If there is conclusive evidence that the book value cannot truly reflect the current best estimate, the book value shall be adjusted according to the current best estimate.

22. Revenues

Accounting policies adopted for income recognition and measurement

(1) Revenue recognition principle

Since the starting date of the contract, the company shall evaluate the contract, identifies each individual performance obligation contained in, and determines whether each individual performance obligation is performed within a certain period of time or at a certain point of time.

The performance obligation is defined as fulfillment within a certain period of time if one of the following conditions is met, otherwise, it is defined as fulfilled at a certain point in time: ① The customer obtains and consumes the economic benefits brought by the company's performance while the company performs the contract; ② The customer can control the goods under manufacturing or services during the company's performance; ③ The goods or services produced during the company's performance have irreplaceable uses, and the company has the right to accumulate for the completed performances during the entire contract period.

For obligations performed within a certain period of time, the company recognizes revenue in accordance with the performance progress in that period. If the performance progress cannot be reasonably determined, and

the cost incurred is expected to be compensated, the revenue shall be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined. For obligations performed at a certain point in time, revenue shall be recognized at the point when the customer obtains control of the relevant goods or services. When judging whether the customer has obtained control of the product, the company shall consider the following points: ① The company has the current right to receive payment for the product, that is, the customer has the current payment obligation for the product; ② The company has transferred the legal ownership of the product to the customer, that is, the customer has the legal ownership of the product; ③ The company has transferred the physical product to the customer, that is, the customer has physically taken possession of the product; ④ The company has transferred the main risks and rewards on the ownership of the product to the customer, that is, the customer has obtained the main risks and rewards on the ownership of the product; ⑤ The customer has accepted the product; ⑥ Other signs that the customer has obtained control of the product.

(2) Principle of revenue measurement

① The company shall measure revenue based on the transaction price allocated to each individual performance obligation. The transaction price is the amount of consideration that the company expects to be entitled to receive due to the transfer of goods or services to customers, while does not include payments received on behalf of third parties and payments expected to be returned to customers.

② If there is variable consideration in the contract, the company shall determine its best estimate according to the expected value or the most likely amount, but the transaction price including the variable consideration shall not exceed the accumulated amount that, if relevant uncertainty is eliminated, will most likely have no significant reversal.

③ If there is any significant financing component in the contract, the company shall determine the transaction price based on the amount payable in cash when the customer assumes control of the goods or services. The difference between transaction price and contract consideration shall be amortized through effective interest method during the contract period. On the starting date of contract, if the company expects that the customer will obtain control of the goods or services and pays the price within one year, the significant financing component in contract shall not be considered.

④ If the contract contains two or more performance obligations, the company shall, on date of the contract, allocate the transaction price to each individual obligation item in accordance with the relative proportion of the separate selling price of promised goods.

The adoption of different business models in similar businesses leads to differences in accounting policies for revenue recognition

(3) Specific methods of revenue recognition

① Toll service fee income

The toll income of roads and bridges is determined according to the amount collected and receivable by vehicles when passing through.

② Income from providing labor services

For services started and completed in the same fiscal year, income is recognized when the services are completed. If the beginning and completion of labor services belong to different fiscal years, the Company shall, on the balance sheet date, recognize the related labor income by the percentage of completion method, provided that the result of the labor service transaction can be reliably estimated. When the following conditions can be satisfied, the results of the transaction can be reliably estimated: ① the total income and total cost of labor services can be reliably measured; ② the economic benefits related to the transaction can flow into the enterprise; ③ the degree of completion of labor services can be reliably determined.

For services started and completed in the same fiscal year, income is recognized when the services are

completed. If the beginning and completion of labor services belong to different fiscal years, the Company shall, on the balance sheet date, recognize the related labor income by the percentage of completion method, provided that the result of the labor service transaction can be reliably estimated. When the following conditions can be satisfied, the results of the transaction can be reliably estimated: ① the total income and total cost of labor services can be reliably measured; ② the economic benefits related to the transaction can flow into the enterprise;

If the transaction result of providing labor services on the balance sheet date cannot be estimated reliably, the following situations shall be dealt with respectively:

④ If the labor cost already incurred is expected to be compensated, the income from the service shall be recognized according to the amount of the labor cost already incurred, and the labor cost shall be carried over at the same amount.

⑤ If the incurred labor cost is not expected to be compensated, the incurred labor cost shall be included in the profits and losses of the current period, and the income from the provision of labor service shall not be recognized.

When the contracts or agreements signed between the Company and other enterprises include selling goods and providing services, if the part for selling goods and the part for providing services can be distinguished and measured separately, the part for selling goods will be treated as goods sales and the part for providing services will be treated as service provision. Sales of goods and services can not be distinguished, or although they can be distinguished, they can not be measured separately. All parts for the selling goods and providing services will be treated as sales of goods.

The adoption of different business models in similar businesses leads to differences in accounting policies for income recognition

23. Government Grants

Government subsidies are recognized when they meet the conditions attached to government subsidies and can be received.

Government subsidies for monetary assets shall be measured according to the amount received or receivable. Government subsidies for non-monetary assets are measured at fair value; If the fair value cannot be obtained reliably, it shall be measured according to the nominal amount of 1 yuan.

Government subsidies related to assets refer to government subsidies obtained by the Company for purchasing and building or forming long-term assets in other ways; Otherwise, as a government subsidy related to income.

Where the government documents do not specify the object of the subsidy, and the subsidy can form long-term assets, the part of the government subsidy corresponding to the value of the assets shall be regarded as the government subsidy related to the assets, and the rest shall be regarded as the government subsidy related to the income; Where it is difficult to be distinguished, government subsidies as a whole are treated as income-related government subsidies.

Government subsidies related to assets offset the book value of related assets, or are recognized as deferred revenue and included in profits and losses by stages according to a reasonable and systematic method within the service life of related assets. Government subsidies related to income, which are used to compensate related costs or losses that have occurred, shall be included in current profits and losses or offset related costs; If they are used to compensate related costs or losses in later periods, they will be included in the deferred revenue, and they will be included in the current profits and losses or offset related costs during the recognition period of related costs or losses. Government subsidies measured in nominal amount are directly included in current profits and losses. The Company adopts a consistent approach to the same or similar government subsidy business.

Government subsidies related to daily activities, according to the essence of economic business, are included

in other income or offset related costs. Government subsidies irrelevant to routine activities shall be included into the non-operating receipt and disbursement.

When the recognized government subsidy needs to be returned, if the book value of related assets is offset during initial recognition, the book value of assets will be adjusted; If there is a relevant deferred revenue balance, the book balance of the relevant deferred revenue will be offset, and the excess will be included in the current profits and losses; In other cases, it is directly included in the current profits and losses.

24. Deferred income tax assets and deferred income tax liabilities

The Company adopts the balance sheet liability method for income tax accounting treatment.

(1) Deferred tax assets

① If there is a deductible temporary difference between the book value of an asset or liability and its tax basis, the deferred income tax assets generated by the deductible temporary difference shall be calculated and confirmed according to the applicable tax rate during the expected period of recovering the asset or paying off the liability.

② On the balance sheet date, if there is conclusive evidence that sufficient taxable income is likely to be obtained in the future period to offset the deductible temporary difference, the unrecognized deferred income tax assets in the previous period shall be recognized.

③ On the balance sheet date, the book value of deferred income tax assets shall be reviewed. If it is unlikely that enough taxable income will be obtained in the future period to offset the benefits of deferred income tax assets, the book value of deferred income tax assets will be written down. When sufficient taxable income is likely to be obtained, the written-down amount will be reversed.

(2) Deferred income tax liabilities

If there is a taxable temporary difference between the book value of assets and liabilities and their tax basis, the deferred income tax liabilities arising from the taxable temporary difference shall be recognized according to the applicable tax rate during the expected period of recovering the assets or paying off the liabilities.

25. Lease

(1) Identification of lease

On the commencement date of the contract, the Company, as the lessee or lessor, evaluates whether the customers in the contract have the right to obtain almost all economic benefits arising from the use of the identified assets during the use period, and has the right to lead the use of the identified assets during the use period. If one party to the contract transfers the right to control the use of one or multiple identified assets within a certain period of time in exchange for consideration, the Company will consider the contract as lease or lease-included.

(2) The Company as the lessee

On the start date of the lease term, the Company recognizes the right-to-use assets and lease liabilities for all leases, except for short-term leases and low-value asset leases that are simplified.

The accounting policy of the right-to-use assets is shown in Note V. 26.

Lease liabilities are initially measured according to the unpaid lease payment amount on the start date of the lease term and the present value calculated according to the implied interest rate of the lease or the incremental borrowing interest rate. The lease payment amount includes: fixed payment amount and substantial fixed payment amount. If there is lease incentive, the related amount of lease incentive shall be deducted; variable lease payments depending on index or ratio; the exercise price of the option, provided that the lessee reasonably determines that the option will be exercised; payment for exercising the option to terminate the lease, provided

that the lease period reflects that the lessee will exercise the option to terminate the lease; and the amount expected to be paid according to the residual guarantee value provided by the lessee. The interest expense of the lease liability in each period of the lease term shall be calculated subsequently according to the fixed periodic interest rate, and included in the current profit and loss. Variable lease payments that are not included in the measurement of lease liabilities are included in the current profits and losses when actually incurred.

Short-term lease

Short-term lease refers to the lease with a lease term of no more than 12 months on the start date of the lease term, except for the lease with purchase option.

The Company includes the lease payment of short-term lease into the related asset cost or current profit and loss according to the straight-line method in each period of the lease term.

Low-value asset lease

Low-value asset lease refers to the lease in which the value of a single leased asset is less than RMB 100,000 when it is brand new.

The Company includes the lease payment of low-value assets into the related asset cost or current profit and loss according to the straight-line method in each period of the lease term.

For the lease of low-value assets, the Company chooses to adopt the simplified treatment method mentioned above according to the specific conditions of each lease.

(3) The Company serves as the lessor

The Company, when as the lessor, recognizes the leases that have substantially transferred all risks and rewards related to asset ownership as financial leases, and other leases except financial leases as operating leases.

Accounting methods for operating leases

For the rent in the operating lease, the Company recognizes the current profits and losses according to the straight-line method in each period of the lease term. The initial direct expenses incurred in connection with the operating lease shall be capitalized, allocated on the same basis as the rental income recognition during the lease term, and included in the current profits and losses by stages. The variable lease payments obtained related to operating leases that are not included in the lease receipts are included in the current profits and losses when they actually occur.

Accounting treatment method of leasing

In financing lease, at the beginning of the lease term, Japanese companies take the net investment in leasing as the recorded value of the financing lease receivable, and the net investment in leasing is the sum of the unsecured residual value and the present value of the lease proceeds that have not yet been received on the start date of the lease term discounted according to the implied interest rate of the lease. As the lessor, the Company calculates and recognizes the interest income of each period in the lease term according to the fixed periodic interest rate. The variable lease payments obtained by the Company as the lessor that are not included in the measurement of net lease investment are recorded into the current profits and losses when they actually occur.

The derecognition and impairment of financial lease receivables shall be treated according to the provisions of Accounting Standards for Business Enterprises No.22-Recognition and Measurement of Financial Instruments and Accounting Standards for Business Enterprises No.23-Transfer of Financial Assets.

26.The right to use assets

(1) Conditions for recognition of the right-to-use assets

The Company's right-to-use assets refers to the right of the Company as the lessee to use the leased assets during the lease term.

On the start date of the lease term, the right-to-use assets are initially measured at cost. The cost includes:

The initial measurement amount of lease liabilities; if there is lease incentive for the lease payment issued on or before the start date of the lease term, the amount related to the lease incentive enjoyed shall be deducted; initial direct expenses incurred by the Company as the lessee; the estimated costs that the Company as the lessee will incur for dismantling and removing the leased assets, restoring the leased assets' site or restoring the leased assets to the state agreed in the lease terms. The Company, as the lessee, recognizes and measures the demolition and restoration costs in accordance with the *Accounting Standards for Business Enterprises No.13-Contingencies*. It makes subsequent adjustments to any remeasurement of lease liabilities.

(2) Depreciation method of right-to-use assets

The Company adopts the straight-line method to accrue depreciation. If the Company as the lessee can be reasonably determined that the ownership of the leased asset is acquired at the expiration of the lease term, it shall accrue depreciation within the remaining service life of the leased asset. If it is impossible to reasonably determine that the ownership of the leased asset can be acquired at the expiration of the lease term, it shall accrue depreciation within the shorter of the lease term and the remaining service life of the leased asset.

(3) See "27. Impairment of Assets" in "Section V Important Accounting Policies and Accounting Estimates" for the impairment test method and the provision method for impairment of right-to-use assets.

27. Impairment of assets

The following signs indicate that the assets may be impaired:

(1) The market price of assets fell sharply in the current period, which was significantly higher than the expected decline due to the passage of time or normal use.

(2) The economic, technical or legal environment in which the Company operates and the market in which the assets are located have undergone major changes in the current period or in the near future, which will have adverse effects on the Company.

(3) The market interest rate or other market return on investment has increased in the current period, which affects the discount rate used by enterprises to calculate the present value of the estimated future cash flow of assets, resulting in a significant decrease in the recoverable amount of assets.

(4) There is evidence that the assets are outdated or their entities have been damaged.

(5) Assets have been or will be idle, terminated or planned to be disposed of in advance.

(6) The evidence reported by the company shows that the economic performance of assets has been or will be lower than expected, such as the net cash flow created by assets or the realized operating profit (or loss) is far lower than the expected amount.

(7) Other indications that assets may have been impaired.

On the balance sheet date, the Company judges various assets that are applicable to the *Accounting Standards for Business Enterprises No.8-Impairment of Assets*, such as long-term equity investment, fixed assets, engineering materials, construction in progress, intangible assets (except those with uncertain service life), and conducts impairment test when there are signs of impairment-estimating their recoverable amount. The recoverable amount is determined by the higher of the net amount of the fair value of the asset minus the disposal expenses and the present value of the estimated future cash flow of the asset. If the recoverable amount of an asset is lower than its book value, the book value of the asset shall be written down to the recoverable amount, and the written-down amount shall be recognized as the asset impairment loss, which shall be included in the current profits and losses, and the corresponding asset impairment reserve shall be accrued at the same time.

If there are signs that an asset may be impaired, the Company usually estimates its recoverable amount on the basis of individual assets. When it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group is determined based on the asset group to which the asset belongs.

Asset group is the smallest asset portfolio that can be recognized by the Company, and its cash inflow is basically independent of other assets or asset groups. The asset group consists of assets related to cash inflow. The identification of asset group is based on whether the main cash inflow generated by asset group is independent of other assets or cash inflow of asset group.

The Company conducts impairment test every year for intangible assets with uncertain goodwill and service life formed by business combination and not yet in serviceable condition, regardless of whether there is any sign of impairment. The impairment test of goodwill is carried out in combination with its related asset group or combination of asset groups.

Once the asset impairment loss is confirmed, it will not be reversed in the following accounting period.

28. Fair value measurement

Fair value refers to the price that a market participant must pay to sell or transfer a liability in an orderly transaction that occurs on the measurement date.

The Company measures related assets or liabilities at fair value, assuming that the orderly transaction of selling assets or transferring liabilities is conducted in the main market of related assets or liabilities; If there is no major market, the Company assumes that the transaction will be conducted in the most favorable market of related assets or liabilities. The main market (or the most favorable market) is the trading market that the Company can enter on the measurement day. The Company adopts the assumptions used by market participants to maximize their economic benefits when pricing the assets or liabilities.

When measuring non-financial assets at fair value, the ability of market participants to use the assets for the best purpose to generate economic benefits or the ability to sell the assets to other market participants for the best purpose to generate economic benefits shall be considered.

The Company adopts the valuation technology which is applicable in the current situation and supported by sufficient available data and other information, and gives priority to the relevant observable input values, and only uses the unobservable input values when the observable input values are unavailable or impractical.

For assets and liabilities measured or disclosed at fair value in financial statements, it shall determine the fair value level according to the lowest level input value which is of great significance to fair value measurement as a whole: the first-level input value is the unadjusted quotation of the same assets or liabilities that can be obtained on the measurement date in an active market; The second-level input value is directly or indirectly observable input values of related assets or liabilities except the first-level input value; The third level input value is the unobservable input value of related assets or liabilities.

On each balance sheet date, the Company reassesses the assets and liabilities recognized in the financial statements that are continuously measured at fair value to determine whether there is a conversion between the fair value measurement levels.

29. Change of main accounting policies and estimations

(1) Change of main accounting policies

Applicable Not applicable

(2) Significant estimates changes

Applicable Not applicable

VI. Taxation

1. Major category of taxes and tax rates

Tax category	Tax basis	Tax rate
VAT	Taxable income	3%,5%,6%,9%,13%
City maintenance and construction tax	The actual payment of turnover tax	5%,7%
Enterprise income tax	Taxable income	25%
Education Fee Surcharge	The actual payment of turnover tax	3%
Local education surcharge	The actual payment of turnover tax	2%

2. Preferential tax

None

VII. Notes to the major items of consolidated financial statement

1. Monetary Capital

In RMB

Items	Amount in year-end	Balance Year-beginning
Cash	48,820.81	38,214.02
Bank deposit	3,996,364,772.14	2,955,850,944.81
Including: Money deposited with a finance Company	2,658,370,523.01	1,521,003,542.69
Other	47,802,256.12	515,231.72
Total	4,044,215,849.07	2,956,404,390.55

Other note

As of June 30,2022,The balance of restricted bank deposits at the end of the period was 1,221,200.00 yuan, which was the land reclamation fund deposited into the fund custody account for the reconstruction and expansion project of Sanbao to Shuikou section of Fokai Expressway.

2. Account receivable

1. Classification account receivables.

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Accrual of bad debt provision by single	6,259,752.00	4.88%	3,143,664.00	50.22%	3,116,088.00	12,268,880.60	7.44%	3,143,664.00	25.62%	9,125,216.60
Including:										
Other receivables for bad debt provision according to the combination of credit risk characteristics	122,114,434.84	95.12%			122,114,434.84	152,527,300.17	92.56%	2,599,116.90	1.70%	149,928,183.27
Including:										
Total	128,374,186.84		3,143,664.00		125,230,522.84	164,796,180.77		5,742,780.90		159,053,399.87

(1) Accrual of bad debt provision by single:

In RMB

Name	Balance in year-end			Reason
	Book balance	Bad debt provision	Withdrawal proportion	
Guangdong Taiheng Expressway Development Co., Ltd.	6,259,752.00	3,143,664.00	50.22	There is a dispute, in the second instance of litigation
Total	6,259,752.00	3,143,664.00	/	

Accounts receivables with bad debt provision are recognised by portfolio by age

In RMB

Aging	Balance in year-end		
	Account receivable	Bad debt provision	Expected credit loss rate (%)
Within 1 year	122,114,434.84		
Total	122,114,434.84		

Where the current bad debts back or recover significant amounts:None

Disclosure by aging

In RMB

Aging	Balance in year-end
Within 1 year	123,153,130.84
1-2 years	2,077,392.00
2-3 years	2,077,392.00
3-4 years	1,066,272.00
Subtotal	128,374,186.84
Bad debt provision	3,143,664.00
Total	125,230,522.84

(2) Accounts receivable withdraw, reversed or collected during the reporting period

The provision for bad debts in the current period is RMB 0.60; and the amount of bad debt reserve recovered or reversed in the current period is RMB0.

(3) The current accounts receivable write-offs situation

None

(4) The ending balance of other receivables owed by the imputation of the top five parties

In RMB

Name	Amount	Aging	Proportion(%)	Bad debt provision
Guangdong Union Electronic	74,737,143.16	Within 1 year	58.22%	

Services Co., Ltd.				
Guangdong Humen Bridge Co., Ltd.	20,346,943.38	Within 1 year	15.85%	
Guangdong Lulutong Traffic Development Co., Ltd.	19,458,333.31	Within 1 year	15.16%	
Guangdong Taiheng Expressway Development Co., Ltd.	1,038,696.00	Within 1 year	0.81%	
	2,077,392.00	1-2 years	1.62%	
	2,077,392.00	2-3 years	1.62%	2,077,392.00
	1,066,272.00	3-4 years	0.83%	1,066,272.00
Guangdong Jingzhu Expressway Guangzhu North Section Co., Ltd.	5,484,999.99	Within 1 year	4.27%	
Total	126,287,171.84		98.38%	

(5) Account receivable which terminate the recognition owing to the transfer of the financial assets

None

(6) The amount of the assets and liabilities formed by the transfer and the continues involvement of accounts receivable

None

3. Prepayments

(1) Aging analysis

In RMB

Aging	Balance in year-end		Balance Year-beginning	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	5,581,764.07	97.55%	5,087,647.09	97.32%
1-2 years	140,000.00	2.45%	140,000.00	2.68%
Total	5,721,764.07		5,227,647.09	

Notes of the reasons of the prepayment ages over 1 year with significant amount but failed settled in time:

None

(2) Top 5 of the closing balance of the prepayment collected according to the prepayment target

In RMB

Name	Relations with the Company	Amount	Aging	Reasons for non-settlement	Proportion %
Guangdong Lulutong Co., Ltd.	Related party	1,775,852.40	Within 1 year	No settlement conditions have been reached	31.04
China Ping An Property Insurance Co. Ltd. Guangdong Branch	Non- Related party	1,695,053.75	Within 1 year	No settlement conditions have been reached	29.62
Guangzhou Automobile Trading Co., Ltd.	Non- Related party	675,288.00	Within 1 year	No settlement conditions have been reached	11.80
China Insurance Guangdong Branch	Non- Related party	640,454.00	Within 1 year	No settlement conditions have been reached	11.19
Guangzhou Peak Grid Power Equipment Co., Ltd.	Non- Related party	523,717.92	Within 1 year	No settlement conditions have been reached	9.15

Total		5,310,366.07			92.80
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4. Other accounts receivable

In RMB

Items	Balance in year-end	Balance Year-beginning
Dividend receivable	1,205,472.90	1,205,472.90
Other receivable	12,642,060.80	12,555,651.33
Total	13,847,533.70	13,761,124.23

(1) Interest receivable: None

(2) Dividend receivable

1) Dividend receivable

In RMB

Items	Balance in year-end	Balance Year-beginning
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise	1,205,472.90	1,205,472.90
Total	1,205,472.90	1,205,472.90

2) Significant dividend receivable aged over 1 year

In RMB

Items	Balance in year-end	Aging	Reasons for non-recovery	Whether with impairment and the judgment basis
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise	1,205,472.90	3-4 years	The partnership agreement expires and can be recovered after the extension procedures are completed	No, it can be recovered in the future
Total	1,205,472.90			

3) The bad debt provision

 Applicable Not applicable

(3) Other accounts receivable

1) Other accounts receivable classified

In RMB

Category	Balance in year-end					Balance Year-beginning				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Other receivables for individual bad debt provision	30,844,110.43	70.93	30,844,110.43	100.00	0.00	51,535,736.09	80.37	51,535,736.09	100.00	0.00
Other receivables for bad debt provision according to the combination of credit risk characteristics	12,642,060.80	29.07			12,642,060.80	12,588,109.31	19.63	32,457.98	0.26	12,555,651.33
Total	43,486,171.23		30,844,110.43		12,642,060.80	64,123,845.40		51,568,194.07		12,555,651.33

Disclosure by aging

In RMB

Aging	Balance in year-end		
	Other receivable	Bad debt provision	Expected credit loss rate(%)
Within 1 year	4,932,468.66		
1-2 years	2,761,370.09		
2-3 years	3,465,247.71		
3-4 years	29,980.70		
4-5 years	575,651.76		
Over 5 years	31,721,452.31	30,844,110.43	97.23%
Total	43,486,171.23	30,844,110.43	

Accrual of bad debt provision by single:

In RMB

Bad Debt Reserves	Closing book balance			
	Book balance	Bad debt provision	Expected credit loss rate(%)	Reason
Kunlun Securities Co., Ltd (Note 1)	30,844,110.43	30,844,110.43	100.00%	Bad debts have been fully withdrawn in bankruptcy
Total	30,844,110.43	30,844,110.43	100.00%	

Disclosure by aging

In RMB

Aging	Balance in year-end			Balance Year-beginning		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year	3,829,032.21	100.00%		2,959,338.22	98.92%	
1-2 years						
2-3 years						
3-4 years						
4-5 years						
Over 5 years				32,457.98	1.08%	32,457.98
Total	3,829,032.21			2,991,796.20		32,457.98

In the portfolio, other receivables with bad debt provision by other methods:

In RMB

Name	Balance in year-end			Balance Year-beginning		
	Book balance	Bad debt provision	Expected credit loss rate(%)	Book balance	Bad debt provision	Expected credit loss rate(%)
Deposit money and quality guarantee fund combination	7,493,571.63			8,815,245.54		
Other	1,319,456.96			781,067.57		
Total	8,813,028.59			9,596,313.11		

2) The withdrawal amount of the bad debt provision:

In RMB

Bad Debt Reserves	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Expected credit loss over life (no credit impairment)	Expected credit losses for the entire duration (credit impairment)	

			occurred)	
Balance as at January 1,2022	32,457.98		51,535,736.09	51,568,194.07
Balance as at January 1,2022 in current				
Other change	-32,457.98		-20,691,625.66	-20,724,083.64
Balance as at June 30,2022			30,844,110.43	30,844,110.43

Note 1: The parent company once paid 33,683,774.79 yuan into Kunlun Securities Co., Ltd, Guangdong Expressway technology investment Co., Ltd once paid 18,000,000.00 yuan into Kunlun Securities Co., Ltd. Qinghai Province Xining City's intermediate people's court made a adjudication under law declared that Kunlun Securities Co., Ltd went bankrupt and repaid debt in November 11, 2006. On March 2007, The Company and Guangdong Expressway Technology Investment Co., Ltd had switched the money that paid into Kunlun Securities Co., Ltd to other account receivable, and follow the careful principle to doubtful debts provision. As of June 30,2022, The 2,839,664.36 yuan Credit was recovered, and the provision for had deb.

3) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision:

The provision for bad debts in the current period is RMB 0.00; and the amount of bad debt reserve recovered or reversed in the current period is RMB0.00.

4) The actual write-off other accounts receivable: None

5) Other receivables are classified according to the nature

In RMB

Nature	Closing balance	Balance Year-beginning
Securities trading settlement funds	30,844,110.43	47,528,056.18
Petty cash	5,069,923.89	4,538,885.93
Current account		4,007,679.91
Deposit	2,772,847.74	3,469,880.18
Other	4,799,289.17	4,579,343.20
Subtotal	43,486,171.23	64,123,845.40
Less: Bad debt provision	30,844,110.43	51,568,194.07
Total	12,642,060.80	12,555,651.33

6) Top 5 of the closing balance of the other accounts receivable collated according to the arrears party

In RMB

Name	Nature	Closing balance	Aging	Proportion of the total year end balance of the accounts receivable(%)	Closing balance of bad debt provision
Kunlun Securities Co.,Ltd	Securities trading settlement funds	30,844,110.43	Over 5 years	69.02%	30,844,110.43
Guangdong Litong Real Estates Investment Co., Ltd.	Vehicle parking deposit	22,980.00	1-2 years	3.70%	
		1,630,467.36	2-3 years		
China Railway No.18 Bureau Group Co., Ltd.	Surrogate payment	1,099,991.00	Within 1 year	2.46%	
China Railway Tunnel Group	Surrogate payment	559,388.80	Within 1 year	1.25%	
Guangdong	Current account	463,491.88	Over 5 years	1.04%	

Provincial Freeway Co.,Ltd.					
Total		34,620,429.47		77.47%	30,844,110.43

7) Accounts receivable involved with government subsidies

None

8) Other account receivable which terminate the recognition owing to the transfer of the financial assets None

9) The amount of the assets and liabilities formed by the transfer and the continues involvement of other accounts receivable

None

5. Inventories

Whether the company need to comply with the disclosure requirements of the real estate industry

No

(1) Category of Inventory

In RMB

Items	Closing book balance			Opening book balance		
	Book balance	Provision for inventory impairment	Book value	Book balance	Provision for inventory impairment	Book value
Raw materials				257,831.85		257,831.85
Stock goods				382,247.81		382,247.81
Total				640,079.66		640,079.66

(2) Inventory depreciation reserve

None

(3)Description of The closing balance of inventories contain the amount of borrowing costs capitalized

None

(4) Description of amortization amount of contract performance cost in the current period

None

6.Contract assets

(1) Situation

In RMB

Items	Year-end balance			Year-beginning balance		
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value
Quality guarantee				5,286,462.45		5,286,462.45
Total				5,286,462.45		5,286,462.45

Amount and reason of material change of book value of contract assets in the current period:None

The impairment provision of the contract assets in the current period

None

7.Non-current asset due within 1 year

In RMB

Items	Year-end balance	Year-beginning balance
Pre-payment of business tax before replacing business tax with VAT	402,370.32	51,745.32
7 days notice of deposit interest	3,010,904.18	2,731,229.21
Total	3,413,274.50	2,782,974.53

8. Other current assets

I n RMB

Items	Year-end balance	Year-beginning balance
Input tax to be certified	62,672.86	21,213.96
VAT retention tax credits	326,647.68	
Contract acquisition cost	20,706,348.52	
Advance payment of enterprise income tax	943,590.79	
Pay other taxes in advance	7,933.63	
Total	22,047,193.48	21,213.96

9. Long-term equity investment

In RMB

Investees	Opening balance	Increase/decrease								Closing balance	Closing balance of impairment provision
		Additional investment	Negative investment	Investment profit and loss recognized under the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash bonus or profits announced to issue	With drawal of impairment provision	Other		
I. Joint venture											
2. Affiliated Company											
Zhaoqing Yuezhao Highway Co., Ltd.	315,837,951.35			24,596,394.70			48,250,000.00			292,184,346.05	
Guangdong Jiangzhong Expressway Co., Ltd.	318,091,639.29	60,000,000.00		7,786,931.71		31,228.99				385,909,799.99	
Ganzhou Gankang Expressway Co., Ltd.	154,118,397.12			5,447,568.74						159,565,965.86	
Ganzhou Kangda Expressway Co., Ltd.	238,101,017.69			18,635,759.71						256,736,777.40	
Shenzhen Huiyan Expressway Co., Ltd.	320,966,384.17			18,574,112.50						339,540,496.67	
Guoyuan Securities Co., Ltd.	972,089,465.72			18,673,979.80	-836,824.71		18,626,864.76			971,299,756.05	
Guangdong Yuepu Small Refinancing Co., Ltd(Note)	216,343,601.27			4,709,292.76		57,008.18				221,109,902.21	
Hunnan Lianzhi Technology Co., .Ltd.	90,617,427.28			2,547,901.15						93,165,328.43	
SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd.	964,797.35	4,000,000.00		-221,892.64						4,742,904.71	
Shenzhen Garage Electric Pile Technology Co., Ltd		95,000,000.00		874,800.03						95,874,800.03	

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Subtotal	2,627,130,681.24	159,000,000.0 0		101,624,848.46	-836,824.71	88,237.17	66,876,864.76			2,820,130,077.40	
Total	2,627,130,681.24	159,000,000.0 0		101,624,848.46	-836,824.71	88,237.17	66,876,864.76			2,820,130,077.40	

Other note

10. Other Equity instrument investment

In RMB

Items	Closing balance	Opening balance
Guangle Expressway Co., Ltd.	766,790,940.56	746,129,411.97
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise	50,000,000.00	50,000,000.00
China Everbright Bank Co., Ltd.	708,117,381.44	781,046,414.08
Huaxia Securities Co., Ltd. (Notes1)		
Huazheng Asset Management Co., Ltd. (Notes2)		
Total	1,524,908,322.00	1,577,175,826.05

Breakdown disclosure of investment in non-tradable equity instruments in the current period

In RMB

Items	Dividend income recognized	Cumulative gain	Cumulative loss	Amount of other consolidated income transferred to retained earnings	Reasons for designation as measured at fair value and changes included in other comprehensive income	Reasons for other consolidated income transferred to retained earnings
Guangle Expressway Co., Ltd.		18,442,638.83			Non-transactional purpose for shareholding	
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise		8,455,606.40			Non-transactional purpose for shareholding	
China Everbright Bank Co., Ltd.	47,286,243.74	190,556,504.64			Non-transactional purpose for shareholding	
Huaxia Securities Co., Ltd.			5,400,000.00		Non-transactional purpose for shareholding	
Huazheng Asset Management Co., Ltd.			1,620,000.00		Non-transactional purpose for shareholding	
Total	47,286,243.74	217,454,749.87	7,020,000.00			

Note 1: The owner's equity of Huaxia Securities Co., Ltd. was negative and it entered liquidation procedure in December 2005. The Company made full provision for impairment in respect of this long-term equity investment of RMB 5.4 million.

Note 2: According to De Wei Ping Gu Zi 2005 No. 88 Appraisal Report issued by Beijing Dewei Appraisal Co., Ltd. As the June 30, 2005, the amount of net assets of Huazheng Asset Management Co., Ltd. in book was 279.132 million yuan and the appraised value was - 2299.5486 million yuan ,On October 14, 2005, Jianyin CITIC Asset Management Co., Ltd. issued the Letter of Soliciting Opinions on Equity Assignment to the Company. Jianyin CITIC Asset Management Co., Ltd. was willing to pay the price of not more than 42 million yuan to acquire 100% equity of Huazheng Asset Management Co., Ltd. and solicited the Company's opinions. The Company replied on December 5, 2005, abandoning the preemptive right under the same conditions. The Company made provision of 1.62 million yuan for impairment in respect of this long-term equity investment of 1.62 million yuan.

11. Other non-current financial assets

In RMB

Items	Closing balance	Opening balance
Classified as financial assets measured at fair value and whose changes are included in the current profit and loss	91,000,000.00	
Total	91,000,000.00	

Other note:

12. Investment property

(1) Investment property adopted the cost measurement mode

√ Applicable □ Not applicable

In RMB

Items	Houses and buildings	Land use right	Total
I. Original value			
1. Opening balance	12,664,698.25	2,971,831.10	15,636,529.35
2. Increased amount of the period			
(1) Outsourcing			
(2) Inventory, Fixed assets and Construction project into			
(3) Increased of Enterprise consolidation			
3. Decreased amount of the period			
(1) Disposal			
(2) Other Out			
4. Closing balance	12,664,698.25	2,971,831.10	15,636,529.35
II. Accumulated depreciation accumulated amortization			
1. Opening balance	10,842,190.02	1,905,075.92	12,747,265.94
2. Increased amount of the period	73,774.56	36,784.68	110,559.24
(1) Withdrawal or amortization	73,774.56	36,784.68	110,559.24
3. Decreased amount of the period			
(1) Disposal			
(2) Other Out			
4. Closing balance	10,915,964.58	1,941,860.60	12,857,825.18
III. Impairment provision			
1. Opening balance			

2.Increased amount of the period			
(1) Withdrawal			
3.Decreased amount of the period			
(1) Disposal			
(2) Other Out			
4.Closing balance			
IV. Book value			
1.Closing book value	1,748,733.67	1,029,970.50	2,778,704.17
2.Opening book	1,822,508.23	1,066,755.18	2,889,263.41

(2) Investment property adopted fair value measurement mode

Applicable Not applicable

(3) Details of investment property failed to accomplish certification of property

In RMB

Items	Book balance	Reason
Houses and Building	1,071,423.06	Transportation and other ancillary facilities, Not accreditation
Total	1,071,423.06	

Other note

13. Fixed assets

In RMB

Items	Year-end balance	Year-beginning balance
Fixed assets	10,148,415,374.03	10,639,272,192.02
liquidation of fixed assets	30,726.42	
Total	10,148,446,100.45	10,639,272,192.02

(1) List of fixed assets

In RMB

Items	Guangfo Expressway	Fokai Expressway	Guanghui Expressway	Jingzhu Expressway Guangzhu section	House and buildings	Machinery equipment	Transportation equipment	Electricity equipment and other	Total
I. Original price									
1. Opening balance	1,460,270,190.66	10,892,817,927.30	6,477,849,977.48	5,135,987,691.45	669,836,729.92	1,782,537,704.16	62,110,614.95	133,644,602.58	26,615,055,438.50
2. Increased amount of the period				483,543.00	383,593.00	1,556,245.00	507,923.49	1,608,988.10	4,540,292.59
(1) Purchase						991,499.00	507,923.49	1,608,988.10	3,108,410.59
(2) Transfer of project under construction					383,593.00	590,000.00			973,593.00
(3) Increased of Enterprise consolidation									
(4) Other				483,543.00		-25,254.00			458,289.00
3. Decreased amount of the period		147,662.97			19,524,138.58	22,418,321.27	1,685,667.76	2,704,496.12	46,480,286.70
(1) Disposal or scrap		147,662.97			249,936.00			869,052.96	1,266,651.93
(2) Disposition subsidiary					19,274,202.58	22,418,321.27	1,685,667.76	1,835,443.16	45,213,634.77
4. Closing balance	1,460,270,190.66	10,892,670,264.33	6,477,849,977.48	5,136,471,234.45	650,696,184.34	1,761,675,627.89	60,932,870.68	132,549,094.56	26,573,115,444.39
II. Accumulated depreciation									
1. Opening balance	1,460,270,190.66	5,486,082,815.59	3,950,515,659.85	3,164,580,817.91	461,466,902.63	1,313,881,686.26	49,780,181.86	85,083,678.62	15,971,661,933.38
2. Increased amount of the period		172,016,724.19	154,616,928.05	75,065,187.78	14,621,404.46	56,968,816.16	1,031,062.02	5,676,372.23	479,996,494.89
(1) Withdrawal		172,016,724.19	154,616,928.05	75,065,187.78	14,621,404.46	56,968,816.16	1,031,062.02	5,676,372.23	479,996,494.89

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(2) Other									
3.Decreased amount of the period		98,638.86			10,020,897.41	17,513,652.87	1,601,384.37	1,845,097.50	31,079,671.01
(1)Disposal or scrap		98,638.86			9,220.96			825,724.31	933,584.13
(2) Disposition subsidiary					10,011,676.45	17,513,652.87	1,601,384.37	1,019,373.19	30,146,086.88
4.Closing balance	1,460,270,190.66	5,658,000,900.92	4,105,132,587.90	3,239,646,005.69	466,067,409.68	1,353,336,849.55	49,209,859.51	88,914,953.35	16,420,578,757.26
III. Impairment provision									
1.Opening balance					2,889,394.16	1,231,918.94			4,121,313.10
2.Increased amount of the period									
(1) Withdrawal									
(2) Other									
3.Decreased amount of the period									
(1)Disposal or scrap									
(2) Disposition subsidiary									
4.Closing balance					2,889,394.16	1,231,918.94			4,121,313.10
IV. Book value									
1.Closing book value		5,234,669,363.41	2,372,717,389.58	1,896,825,228.76	181,739,380.50	407,106,859.40	11,723,011.17	43,634,141.21	10,148,415,374.03
2.Opening book		5,406,735,111.71	2,527,334,317.63	1,971,406,873.54	205,480,433.13	467,424,098.96	12,330,433.09	48,560,923.96	10,639,272,192.02

(2) Temporarily idle fixed assets

In RMB

Items	Original price	Accumulated depreciation	Impairment provision	Book value	Remark
House and buildings	6,176,339.21	4,523,128.50		1,653,210.71	
Machinery equipment	2,322,167.00	1,090,248.06	1,231,918.94		

(3) Fixed assets leased out from operation lease

None

(4) Details of fixed assets failed to accomplish certification of property

In RMB

Items	Book balance	Reason
House and buildings	174,825,065.82	Transportation and other ancillary facilities, Not accreditation.

Other note

None

(5) liquidation of fixed assets

In RMB

Items	Year-end balance	Year-beginning balance
Office equipment and other	30,726.42	
Total	30,726.42	

Other note

None

14. Project under construction

In RMB

Items	Year-end balance	Year-beginning balance
Project under construction	475,554,879.75	351,130,455.06
Total	475,554,879.75	351,130,455.06

(1) Project under construction

In RMB

Items	Year-end balance			Year-beginning balance		
	Book balance	Provision for devaluation	Book value	Book balance	Provision for devaluation	Book value
Gualvhu Interchange project	173,515,217.94		173,515,217.94	160,502,763.61		160,502,763.61
Huizhou North Interchange Project	164,750,114.70		164,750,114.70	105,046,556.00		105,046,556.00
Reconstruction and Expansion of Sanbao to Shuikou	70,055,555.39		70,055,555.39	42,058,703.12		42,058,703.12
Jiangxi-Shenzhen high-speed railway cross-section expansion project	14,800,073.98		14,800,073.98	14,470,943.98		14,470,943.98
Tanwei Bridge Ship Collision Prevention Project	1,749,246.00		1,749,246.00	1,749,246.00		1,749,246.00

Intelligent Transformation Project for Monitoring System of Foshan-Kaiping Expressway (Phase II)	1,535,540.00		1,535,540.00	1,535,540.00		1,535,540.00
Guangzhou-Shantou Railway Crossing project	10,573,552.43		10,573,552.43	700,943.43		700,943.43
Other	38,575,579.31		38,575,579.31	25,065,758.92		25,065,758.92
Total	475,554,879.75		475,554,879.75	351,130,455.06		351,130,455.06

(2) Changes of significant construction in progress

In RMB

Name of project	Budget	Opening balance	Increase	Transferred to fixed assets	Other decrease	End balance	Proportion %	Project process	Capitalization of interest	Including: capitalization of interest this period	Capitalization of interest rate (%)	Source of funding
Reconstruction and Expansion of Sanbao to Shuikou	3,426,210,000.00	42,058,703.12	27,996,852.27			70,055,555.39	76.95%	83.01	72,779,504.82			Other
Gualuhu Interchange project	203,460,000.00	160,502,763.61	13,012,454.33			173,515,217.94	85.28%	85.28				Other
Guangzhou-Shantou Railway Crossing project	18,811,100.00	700,943.43	9,872,609.00			10,573,552.43	56.21%	56.21				Other
Jiangxi-Shenzhen high-speed railway cross-section expansion project	15,730,000.00	14,470,943.98	329,130.00			14,800,073.98	94.09%	94.09				Other
Huizhou North Interchange Project	239,170,000.00	105,046,556.00	59,703,558.70			164,750,114.70	68.88%	68.88				Other
Tanwei Bridge Ship Collision Prevention Project	50,000,000.00	1,749,246.00				1,749,246.00	3.50%	3.50				Other
Total	3,953,381,100.00	324,529,156.14	110,914,604.30			435,443,760.44			72,779,504.82			

(3) Provision for impairment of construction projects in the current period

None

(4) Engineering Materials: None

15. Use right assets

In RMB

Items	House and buildings	Machinery equipment	Transportation equipment	Other	Total
I. Original price					
1. Opening balance	21,487,031.29	357,112.19	1,163,391.05	1,007,747.00	24,015,281.53
2. Increased amount of the period					
3. Decreased amount of the period			496,501.35		496,501.35
(1) Transfer or hold for sale					
(2) Disposal subsidiary			496,501.35		496,501.35
4. Closing balance	21,487,031.29	357,112.19	666,889.70	1,007,747.00	23,518,780.18
II. Accumulated depreciation					
1. Opening balance	9,208,727.65	71,422.44	527,788.99	107,017.44	9,914,956.52
2. Increased amount of the period	4,604,363.82	35,711.22	217,233.69	53,508.72	4,910,817.45
(1) Withdrawal	4,604,363.82	35,711.22	217,233.69	53,508.72	4,910,817.45
3. Decreased amount of the period			244,855.42		244,855.42
(1) Disposition					
(2) Disposal subsidiary			244,855.42		244,855.42
4. Closing balance	13,813,091.47	107,133.66	500,167.26	160,526.16	14,580,918.55
III. Impairment provision					
1. Opening balance					
2. Increased amount of the period					
(1) Withdrawal					
3. Decreased amount of the period					
(1) Disposition					
4. Closing balance					
IV. Book value					
1. Closing book value	7,673,939.82	249,978.53	166,722.44	847,220.84	8,937,861.63
2. Opening book value	12,278,303.64	285,689.75	635,602.06	900,729.56	14,100,325.01

16. Intangible assets

(1) List of intangible assets

In RMB

Items	Land use right	Software	The Turnpike franchise	Total
I. Original price				
1. Opening balance	1,311,658.00	42,063,790.16	318,348,741.86	361,724,190.02
2. Increased amount of the period		5,760.00		5,760.00
(1) Purchase		5,760.00		5,760.00
(2) Internal Development				
(3) Increased of Enterprise Combination				
3. Decreased amount of the period		1,537,371.23		1,537,371.23
(1) Disposal		58,000.00		58,000.00
(2) Government subsidies cut				
(3) Disposal subsidiary		1,479,371.23		1,479,371.23
4. Closing balance	1,311,658.00	40,532,178.93	318,348,741.86	360,192,578.79
II. Accumulated amortization				
1. Opening balance	1,311,658.00	34,803,392.38	57,104,963.21	93,220,013.59
2. Increased amount of the period		1,346,606.80	10,041,478.18	11,388,084.98
(1) Withdrawal		1,346,606.80	10,041,478.18	11,388,084.98
3. Decreased amount of the period		730,179.75		730,179.75
(1) Disposal		58,000.00		58,000.00
(2) Disposal subsidiary		672,179.75		672,179.75
4. Closing balance	1,311,658.00	35,419,819.43	67,146,441.39	103,877,918.82
III. Impairment provision				
1. Opening balance				
2. Increased amount of the period				
(1) Withdrawal				
3. Decreased amount of the period				
(1) Disposal				
4. Closing balance				
IV. Book value				
1. Closing book value		5,112,359.50	251,202,300.47	256,314,659.97
2. Opening book value		7,260,397.78	261,243,778.65	268,504,176.43

The intangible assets by the end of the formation of the company's internal R & D accounted 0.00% of the proportion of the balance of intangible assets

(2) Details of Land use right failed to accomplish certification of property

None

17. Long-term amortize expenses

In RMB

Items	Balance in year-begin	Increase in this period	Amortized expenses	Other loss	Balance in year-end
Prepaid business tax and surcharges before replacement of business tax with value-added tax	2,103,750.00			2,103,750.00	
Total	2,103,750.00			2,103,750.00	

18. Deferred income tax assets/deferred income tax liabilities

(1) Deferred income tax assets had not been off-set

In RMB

Items	Balance in year-end		Balance Year-beginning	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Assets impairment provisions	7,264,977.10	1,816,244.28	7,264,977.10	1,816,244.28
Deductible loss	506,439,537.12	126,609,884.28	671,918,486.05	167,979,621.51
Amortization of intangible assets	142,847,699.24	35,711,924.81	190,813,984.60	47,703,496.15
Deferred income	25,954,618.49	6,488,654.62	30,978,093.11	7,744,523.33
Total	682,506,831.95	170,626,707.99	900,975,540.86	225,243,885.27

(2) Deferred income tax liabilities had not been off-set

In RMB

Items	Balance in year-end		Balance Year-beginning	
	Deductible temporary difference	Deferred income tax liabilities	Deductible temporary difference	Deferred income tax liabilities
Changes in the fair value of other equity instruments	190,556,504.64	47,639,126.16	263,485,537.28	65,871,384.32
Deductible temporary differences in the formation of asset impairment	948,354,397.89	237,088,599.48	995,623,507.00	248,905,876.75
Difference of amortization method of franchise of toll road	7,527,382.78	1,881,845.70	4,580,106.28	1,145,026.57
Total	1,146,438,285.31	286,609,571.34	1,263,689,150.56	315,922,287.64

(3) Deferred income tax assets or liabilities listed as net after offset: None

(4) Details of unrecognized deferred tax assets

In RMB

Items	Balance in year-end	Balance Year-beginning
Deductible temporary difference	37,864,110.43	93,406,200.73
Deductible loss	16,491,381.27	15,342,382.11

Total	54,355,491.70	108,748,582.84
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(5) Deductible losses of the un-recognized deferred income tax asset will expire in the following years

In RMB

Year	Balance in year-end	Balance Year-beginning	Remark
2022		1,133,109.04	
2023	3,129,535.72	3,129,535.72	
2024	3,618,779.07	3,618,779.07	
2025	3,571,100.29	3,571,100.29	
2026	3,889,857.99	3,889,857.99	
2027	2,282,108.20		
Total	16,491,381.27	15,342,382.11	

Other note

19. Other Non-current assets

In RMB

Items	Balance in year-end			Balance Year-beginning		
	Book balance	Provision for devaluation	Book value	Book balance	Provision for devaluation	Book value
Prepaid fixed assets engineering fees	8,763,006.33		8,763,006.33	24,675,415.36		24,675,415.36
Prepaid business tax	2,317,847.28		2,317,847.28	415,282.44		415,282.44
Fixed deposit interest	13,368,083.33		13,368,083.33			
Less: Part due within 1 year	402,370.32		402,370.32	51,745.32		51,745.32
Total	24,046,566.62		24,046,566.62	25,038,952.48		25,038,952.48

20. Short-term Borrowing

(1) Short-term Borrowing

In RMB

Total	Balance in year-end	Balance Year-beginning
Credit Borrowing	320,000,000.00	
Interest accrued on short-term borrowing	266,666.67	
Total	320,266,666.67	

(2) Overdue short-term borrowings

None

21. Account payable

(1) List of account payable

In RMB

Items	Balance in year-end	Balance Year-beginning
Within 1 year (Including 1 year)	49,349,432.03	137,346,075.15
1-2 years (including 2 years)	22,596,734.53	32,260,718.56
2-3 years (including 3 years)	2,470,428.84	30,239,953.68
Over 3 years	58,651,893.87	64,640,392.05
Total	133,068,489.27	264,487,139.44

(2) Significant payable aging more than 1 year

In RMB

Items	Balance in year-end	Reason
Foshan Land and resources Bureau.	30,507,598.21	Unsettled
Guang Zhongjiang Expressway project Management Dept	17,466,700.00	Unsettled
Heshan Land and resources Bureau	9,186,893.60	Unsettled
Poly Changda Engineering Co., Ltd.	5,914,675.30	Unsettled
Foshan Chancheng District, Zhang Cha Sub-district Office	4,626,817.32	Unsettled
Total	67,702,684.43	

22. Prepayment received

(1) List of Prepayment received

In RMB

Items	Balance in year-end	Balance Year-beginning
Within 1 year (Including 1 year)	3,744,384.23	1,937,127.54
1-2 years (Including 2 years)		2,777.78
2-3 years (Including 3 years)		
Over 3 years		8,720,303.19
Total	3,744,384.23	10,660,208.51

(2) Significant advance from customers aging over one year

None

23.Contract liabilities

In RMB

Items	Balance in year-end	Balance Year-beginning
Advances on sales		22,000.00
Total		22,000.00

24. Payable Employee wage

(1) Payable Employee wage

In RMB

Items	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance
I. Short-term compensation	19,213,631.91	179,052,323.99	180,498,035.02	17,767,920.88
II. Post-employment benefits - defined contribution plans		32,990,072.18	31,061,678.37	1,928,393.81
III. Dismissal benefits		319,422.79	319,422.79	
Total	19,213,631.91	212,361,818.96	211,879,136.18	19,696,314.69

(2) Short-term Remuneration

In RMB

Items	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance

1. Wages, bonuses, allowances and subsidies	505,563.47	131,722,644.01	131,763,143.99	465,063.49
2. Employee welfare		10,930,352.42	10,930,352.42	
3. Social insurance premiums		13,198,412.76	13,198,412.76	
Including : Medical insurance		8,684,902.55	8,684,902.55	
Work injury insurance		391,109.89	391,109.89	
Maternity insurance		858,405.91	858,405.91	
Other		3,263,994.41	3,263,994.41	
4. Public reserves for housing		18,335,320.08	18,335,320.08	
5. Union funds and staff education fee	16,483,121.80	4,123,622.20	5,528,833.25	15,077,910.75
6. Other	2,224,946.64	741,972.52	741,972.52	2,224,946.64
Total	19,213,631.91	179,052,323.99	180,498,035.02	17,767,920.88

(3) Defined contribution plans listed

In RMB

Items	Balance Year-beginning	Increase in this period	Payable in this period	Balance in year-end
1. Basic old-age insurance premiums		19,423,171.07	19,423,171.07	
2. Unemployment insurance		545,032.26	545,032.26	
3. Enterprise annuity payment		13,021,868.85	11,093,475.04	1,928,393.81
Total		32,990,072.18	31,061,678.37	1,928,393.81

25. Tax Payable

In RMB

Items	Balance in year-end	Balance Year-beginning
VAT	11,690,299.91	15,734,725.35
Enterprise Income tax	121,481,902.80	143,478,849.99
Individual Income tax	382,458.23	3,202,322.06
City Construction tax	758,949.20	1,044,325.22
Education subjoin	367,292.89	492,391.84
Locality Education subjoin	226,426.42	308,823.69
Vehicle and vessel tax		
Land use tax	523,762.40	
Property tax	724,952.77	110,493.45
Stamp tax	26,991.20	240,581.39
Total	136,183,035.82	164,612,512.99

26. Other accounts payable

In RMB

Items	Balance in year-end	Balance Year-beginning
Dividend payable	1,312,635,476.59	22,941,943.24
Other account payable	141,554,884.49	155,028,540.52
Total	1,454,190,361.08	177,970,483.76

(1) Interest payable : None

(2) Dividends payable

In RMB

Items	Balance in year-end	Balance Year-beginning
Common stock dividends	1,214,635,476.59	22,941,943.24

Dividends payable- Guangdong Provincial Freeway Co.,Ltd.	33,000,000.00	
Dividends payable-Guangdong Zhujiang Highway and Bridge Investment Co., Ltd	60,000,000.00	
Dividends payable-HZCI	5,000,000.00	
Total	1,312,635,476.59	22,941,943.24

Note: Including significant unpaid dividends payable over one year, the unpaid reason shall be disclosed:

Final dividend payable 22,875,984.77 yuan for more than a year in unpaid dividends to shareholders over the year was mainly due to non-payment of shareholder dividends did not provide information on interest-bearing bank, did not share reform of shareholders to receive dividends or provide application to receive dividends the bank information is incorrect, resulting in failure to pay a dividend or refund.

(3) Other accounts payable

(1) Other accounts payable listed by nature of the account

In RMB

Items	Year-end balance	Year-Beginning balance
Estimated project cost	42,437,693.41	42,394,262.23
Deposit, warranty and security deposit	66,199,711.17	77,685,535.90
Other	32,917,479.91	34,948,742.39
Total	141,554,884.49	155,028,540.52

(2) Other significant accounts payable with aging over one year

In RMB

Items	Closing balance	Unpaid/un-carry over reason
Yayao to Xiebian extension	12,499,448.48	The settlement conditions are not met
Poly Changda Highway Engineering Co., Ltd.	11,148,264.73	The settlement conditions are not met
Guangdong Guanyue Road & Bridge Co., Ltd.	7,334,064.80	The settlement conditions are not met
Guangdong Nengda High Grade Highway Maintenance Co., Ltd.	3,911,297.10	The settlement conditions are not met
Guangdong Xinyue Traffic Investment Co., Ltd.	3,664,337.93	The settlement conditions are not met
Total	38,557,413.04	

27. Non-current liabilities due within 1 year

In RMB

Items	Balance year-end	Year-beginning balance
Long-term loans due within 1 year	437,976,600.00	465,576,600.00
Long-term payable due within 1 year	944,339.62	944,339.62
Lease liabilities due within 1 year	9,973,785.52	12,474,474.87
Payable interest due within 1 year	20,854,603.21	46,648,953.77
Total	469,749,328.35	525,644,368.26

28. Other current liabilities

In RMB

Items	Balance year-end	Year-beginning balance
Tax to be rewritten	1,133,695.05	726,336.48
Total	1,133,695.05	726,336.48

29. Long-term loan

(1) Category of long-term loan

In RMB

Items	Balance year-end	Year-beginning balance
Pledge loan	548,360,000.00	582,195,000.00
Credit loan	4,424,001,700.00	4,456,002,800.00
Less: Long-term loans due within one year	-437,976,600.00	-465,576,600.00
Total	4,534,385,100.00	4,572,621,200.00

Other notes, including interest rate range: The interest rate of pledge loan is 3.8% - -3.95%; the interest rate of credit loan is 3.35% - -4.1%.

30. Bond payable

(1) Bond payable

In RMB

Items	Balance year-end	Year-beginning balance
Medium-term note	1,427,903,757.98	1,427,434,086.58
Total	1,427,903,757.98	1,427,434,086.58

(2) Changes of bonds payable(Not including the other financial instrument of preferred stock and perpetual capital securities that classify as financial liability

In RMB

Name of the bond	Book value	Issue date	Period	Issue amount	Opening balance	The current issue	Withdraw interest at par	Overflow discount amount	Pay in current period	Closing balance
19 Guangdong Expressway MTN001	680,000,000.00	2019.2.27	2019.3.1-2024.3.1	680,000,000.00	679,025,866.59			-223,447.86		679,249,314.45
20 Guangdong Expressway MTN001	750,000,000.00	2020.3.13	2020.3.17-2025.3.17	750,000,000.00	748,408,219.99			-246,223.54		748,654,443.53
Total		—		1,430,000,000.00	1,427,434,086.58			-469,671.40		1,427,903,757.98

(3) Note to conditions and time of share transfer of convertible bonds

None

(4) Other financial instruments that are classified as financial liabilities

None

31. Lease liabilities

In RMB

Items	Balance year-end	Year-beginning balance
Long-term lease liabilities	10,196,090.60	15,247,934.63
Including: Financing costs are not recognized	180,417.29	423,662.82
Less: Lease liabilities due within 1 year	9,973,785.52	12,474,474.87
Total	222,305.08	2,773,459.76

32. Long-term payable

In RMB

Items	Balance year-end	Year-beginning balance
Long-term payable	2,517,493.12	3,461,832.74
Total	2,517,493.12	3,461,832.74

(1) Long-term payable listed by nature of the account

In RMB

Items	Balance year-end	Year-beginning balance
Non-operating asset payable	2,022,210.11	2,022,210.11
Medium term bill underwriting fee	1,439,622.63	2,383,962.25
Less: Part due within 1 year	944,339.62	944,339.62
Total	2,517,493.12	3,461,832.74

33. Deferred income

In RMB

Items	Opening balance	Increase	Decrease	Closing balance	Cause
Government subsidy	30,978,093.11		5,023,474.62	25,954,618.49	
Lease income	38,250,000.00	9,094,873.88	3,466,399.53	43,878,474.35	
Total	69,228,093.11	9,094,873.88	8,489,874.15	69,833,092.84	

Details of government subsidies:

In RMB

Items	Beginning of term	New subsidy in current period	Amount transferred to non-operational income	Other income recorded in the current period	Amount of cost deducted in the current period	Other changes	End of term	Asset-related or income-related
Cancellation of Expressway Provincial Toll Station Project	30,978,093.11			5,023,474.62			25,954,618.49	Related to assets

34. Stock capital

In RMB

	Balance Year-beginning	Changed (+, -)					Balance in year-end
		Issuance of new share	Bonuses	Capitalization	Other	Subtotal	

			shares	n of public reserve			
Total of capital shares	2,090,806,126.00						2,090,806,126.00

35. Capital reserves

In RMB

Items	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance
Share premium	508,711,146.99			508,711,146.99
(1) Capital invested by investors	2,508,408,342.99			2,508,408,342.99
(2) Influence of business combination under the same control	-1,999,697,196.00			-1,999,697,196.00
Other capital reserves	204,749,371.50	19,708,141.17		224,457,512.67
(1) Changes in other equity of the investee under the equity accounting(Note1,2)	-3,457,667.20	88,237.17		-3,369,430.03
(2) Other (Note3)	208,207,038.70	19,619,904.00		227,826,942.70
Total	713,460,518.49	19,708,141.17		733,168,659.66

- The situation of change in the current capital reserve is as follows:

Note 1: Guangdong Yuepu Small Refinancing Co., Ltd - an associate company-adjusted the statement numbers. The Company adjusted the book value of long-term equity investment before equity dilution according to the shareholding ratio, resulting in an increase in capital reserve of RMB 57,008.18 due to changes in equity diluted equity.

Note 2: Guangdong Jiangzhong Expressway Co., Ltd-an associate company-made provision for special reserves, and the Company adjusted the book value of long-term equity investment according to the shareholding ratio, resulting in an increase of capital reserve of RMB 31,228.99.

Note 3. The agreement signed by Guangzhou-Huizhou Company and Zengcheng District Government to add Zengcheng Road Interchange on Guangzhou-Huizhou Expressway, which stipulates that Guangzhou-Huizhou Company will build Shaning Interchange and Xincheng Road Interchange, and all the expenses incurred in the construction of Interchange will be borne by Zengcheng District Government .

The agreement signed by Guangzhou-Huizhou Company and Huizhou Transportation Bureau to add Changkeng Interchange (tentative name) on Guangzhou-Huizhou Expressway, which stipulates that Guangzhou-Huizhou Company will build Changkeng Interchange (renamed Huizhou North Interchange), and all the expenses incurred in the construction of Interchange will be borne by Guangzhou-Huizhou Company. Huizhou Municipal Transportation Bureau will give Guanghui Company a financial subsidy for this agreed project. The Huizhou Municipal Transportation Bureau will give Guanghui Company a financial subsidy for the project under this agreement.

After the above project is completed, it will be managed by Guangzhou-Huizhou Company. A total of RMB 408,249,095.50 was received from Government at the beginning of the period, of which the opening balance of capital reserve attributable to the parent company-other capital reserve was RMB 208,207,038.70, and RMB 38,470,400.00 was newly received in this period, of which capital reserve attributable to the parent company-other capital reserve increased by RMB19,619,904.00 in this period.

36. Other comprehensive income

In RMB

Items	Year-beginning balance	Amount of current period						Year-end balance
		Amount incurred before income tax	Less: Amount transferred into profit and loss in the current period that recognized into other comprehensive income in prior period	Less: Prior period included in other composite income transfer to retained income in the current period	Less: Income tax expenses	After-tax attribute to the parent company	After-tax attribute to minority shareholder	
1. Other comprehensive income will be reclassified into income or loss in the future	195,395,263.20	-52,267,504.05			-18,232,258.16	-34,035,245.89		161,360,017.31
Changes in fair value of investments in other equity instruments	195,395,263.20	-52,267,504.05			-18,232,258.16	-34,035,245.89		161,360,017.31
2. Other comprehensive income reclassifiable to profit or loss in subsequent periods	-3,217,796.86	-836,824.71				-836,824.71		-4,054,621.57
Including: Share of other comprehensive income of the investee that cannot be transferred to profit or loss accounted for using the equity method	-3,217,796.86	-836,824.71				-836,824.71		-4,054,621.57
Total of other comprehensive income	192,177,466.34	-53,104,328.76			-18,232,258.16	-34,872,070.60		157,305,395.74

37. Surplus reserve

In RMB

Items	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance
Statutory surplus reserve	1,225,375,330.56			1,225,375,330.56
Total	1,225,375,330.56			1,225,375,330.56

38. Retained profits

In RMB

Items	Amount of this period	Amount of last period
Before adjustments: Retained profits in last period end	4,760,618,543.78	3,725,679,319.35
Adjust the total undistributed profits at the beginning of the period		546,190.04
After adjustments: Retained profits at the period beginning	4,760,618,543.78	3,726,225,509.39
Add: Net profit belonging to the owner of the parent company	773,786,851.68	1,700,406,981.99
Less: Statutory surplus reserve		57,589,364.93
Common stock dividend payable	1,191,759,491.82	608,424,582.67
Retained profit at the end of this term	4,342,645,903.64	4,760,618,543.78

Note: The last issue refers to January-December 2021.

As regards the details of adjusted the beginning undistributed profits

(1) As the retroactive adjustment on Enterprise Accounting Standards and its related new regulations, the affected beginning undistributed profits are RMB 0.00.

(2) As the change of the accounting policy, the affected beginning undistributed profits are RMB 0.00.

(3) As the correction of significant accounting error, the affected beginning undistributed profits are RMB 0.00.

(4) As the change of consolidation scope caused by the same control, the affected beginning undistributed profits are RMB 0.00.

(5) Other adjustment of the total affected beginning undistributed profits are RMB 0.00.

39. Operation income and operation cost

In RMB

Items	Amount of this period		Amount of last period	
	Income	Cost	Income	Cost
Main operation	2,022,637,008.32	682,014,744.35	2,448,927,494.46	868,560,892.48
Other operation	34,783,801.36	14,128,978.15	39,547,175.35	20,566,849.95
Total	2,057,420,809.68	696,143,722.50	2,488,474,669.81	889,127,742.43

40. Business tax and subjoin

In RMB

Items	Amount of this period	Amount of last period
Urban construction tax	3,906,433.43	4,707,823.03
Education surcharge	1,870,308.46	2,248,134.09
Property tax	1,026,637.79	1,328,788.22
Land use tax	523,762.40	875,697.88
Vehicle use tax	43,285.07	43,697.47
Stamp tax	132,962.51	196,890.20

Business tax	185,247.66	185,247.66
Locality Education surcharge	1,243,683.98	1,495,067.55
Total	8,932,321.30	11,081,346.10

Other note:

41. Administrative expenses

In RMB

Items	Amount of this period	Amount of last period
Wage	58,799,341.19	66,423,609.15
Depreciation and Amortization	6,814,076.61	5,724,413.26
Intangible assets amortization	953,099.24	1,081,305.76
Low consumables amortization	259,600.97	324,317.77
Rental fee	6,027,123.06	6,032,852.02
Business fee	282,100.73	372,403.60
Office expenses	4,275,751.24	4,187,689.42
Travel expenses	114,358.72	325,420.94
Consultation expenses	100,000.00	117,000.00
The fee for hiring agency	3,376,068.01	3,076,580.06
Repairs cost	189,544.16	342,887.00
Vehicle fee	1,304,983.31	1,504,032.85
Listing fee	11,320.75	11,320.75
Information cost and maintenance fee	961,765.47	507,982.88
Other	2,304,133.58	3,325,219.93
Total	85,773,267.04	93,357,035.39

Other note

42.R& D expenses

In RMB

Items	Amount of this period	Amount of last period
Wage	945,204.60	
Material cost	412,566.35	
Depreciation	5,521.90	
Low consumables amortization	885.00	
Office expenses	4,318.22	
Repairs cost	391.15	
Total	1,368,887.22	

Other note

43.Financial expenses

In RMB

Items	Amount of this period	Amount of last period
Interest expenses	123,517,238.10	149,343,110.61
Deposit interest income (-)	-36,907,508.27	-29,751,089.44
Bank commission charge	84,179.23	93,344.30
Other	608,147.56	1,183,218.60
Total	87,302,056.62	120,868,584.07

44.Other gains

In RMB

Items	Amount of this	Amount of last	Asset-related or income-
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	period	period	related
Government Subsidy-Cancel the Special Subsidy for Provincial Toll Station Project of Expressway	5,023,474.62	6,783,738.24	Related to assets
Government subsidy- Stable job subsidies	1,250,935.46	932,076.28	Relate to income
Government subsidy-Enterprises subsidies	1,074,875.00	1,243,500.00	Relate to income
Government subsidy-- Enterprises with industrial training subsidies		339,000.00	Relate to income
Maternity allowance	435,454.91	149,069.16	Relate to income
Veterans' VAT reduction and exemption	156,133.38	136,670.84	Relate to income
Withholding and remitting enterprise prepaid income tax fees	159,544.67	322,529.07	Relate to income
Veterans' VAT reduction and exemption	15,009.81	15,785.44	Relate to income
Withhold and pay the advance of enterprise income tax handling fee refund	62,924.53		Relate to income
Total	8,178,352.38	9,922,369.03	

45. Investment income

In RMB

Items	Amount of this period	Amount of last period
Long-term equity investment income by equity method	101,624,848.46	122,646,589.32
Dividends earned during the holding period on investments in other equity instrument	47,286,243.74	49,403,538.24
The investment income generated by the disposal of the subsidiaries	13,564,262.33	
Other	-91,000.00	
Total	162,384,354.53	172,050,127.56

46. Credit impairment losses

In RMB

Items	Amount of this period	Amount of last period
Impairment losses on other receivable		-1,310,999.95
Total		-1,310,999.95

47. Asset impairment loss

In RMB

Items	Amount of this period	Amount of last period
Loss on impairment of fixed assets		-2,889,394.16
Total		-2,889,394.16

48. Assets disposal income

In RMB

Items	Amount of current period	Amount of previous period	The amount of non-operating gains & losses
Non-current assets disposal gains	463,363.89		463,363.89
Including: Income from disposal of Fixed assets	463,363.89		463,363.89
Total	463,363.89		463,363.89

49. Non-Operation income

In RMB

Items	Amount of current period	Amount of previous period	The amount of non-operating gains & losses
Non-current assets are	237,412.50		237,412.50

damaged and scrapped for profit			
Including: Fixed assets	237,412.50		237,412.50
Insurance claim income	4,141,948.49	2,494,015.56	4,141,948.49
Road property claim income	1,419,966.31	1,436,421.01	1,419,966.31
Other	22,304.35	80,783.48	22,304.35
Total	5,821,631.65	4,011,220.05	5,821,631.65

50. Non-Operation expense

In RMB

Items	Amount of current period	Amount of previous period	The amount of non-operating gains & losses
Non-current assets are damaged and scrapped for profit	252,895.85	135,447.06	252,895.85
Including: Fixed assets	252,895.85	135,447.06	252,895.85
Road rehabilitation expenditure	2,624,379.66	1,567,847.87	2,624,379.66
Fine	2,254.33	153.62	2,254.33
Other	76,129.55	107,872.58	76,129.55
Total	2,955,659.39	1,811,321.13	2,955,659.39

51. Income tax expense

(1) Lists of income tax expense

In RMB

Items	Amount of current period	Amount of previous period
Current income tax expense	246,703,707.49	323,321,325.12
Deferred income tax expense	43,536,719.14	30,703,740.35
Total	290,240,426.63	354,025,065.47

(2) Adjustment process of accounting profit and income tax expense

In RMB

Items	Amount of current period
Total	1,351,792,598.06
Current income tax expense accounted by tax and relevant regulations	337,948,149.52
Influence of income tax before adjustment	85,070.05
Influence of non taxable income	-51,942,863.64
Impact of non-deductible costs, expenses and losses	4,741,431.37
Effect of deductible losses from using previously unrecognized deferred income tax assets	-591,360.67
Income tax expense	290,240,426.63

52. Items of Cash flow statement

(1) Other cash received from business operation

In RMB

Items	Amount of current period	Amount of previous period
Interest income	20,528,520.76	23,613,918.60
Unit current account	46,907,015.63	38,551,853.57
Total	67,435,536.39	62,165,772.17

(2) Other cash paid related to operating activities

In RMB

Items	Amount of current period	Amount of previous period
Management expense	14,342,965.21	14,914,357.27
Unit current account	32,790,555.31	10,957,032.13
Total	47,133,520.52	25,871,389.40

(3).Cash receivable related to other Financing activities

In RMB

Items	Amount of current period	Amount of previous period
Government infrastructure investment subsidies	38,470,400.00	97,731,650.00
Total	38,470,400.00	97,731,650.00

(4) Cash paid related to other Financing activities

In RMB

Items	Amount of current period	Amount of previous period
Issuance fee of medium-term notes	1,001,869.75	776,869.75
Purchase of 21% equity consideration of Guanghui		1,221,839,292.00
Cash paid for the lease liabilities	5,240,644.14	5,157,973.11
Total	6,242,513.89	1,227,774,134.86

53. Supplement Information for cash flow statement

(1) Supplement Information for cash flow statement

In RMB

Supplement Information	Amount of current period	Amount of previous period
I. Adjusting net profit to cash flow from operating activities		
Net profit	1,061,552,171.43	1,199,986,897.75
Add: Credit loss preparation		2,889,394.16
Depreciation of fixed assets, oil and gas assets and consumable biological assets	479,906,745.78	640,158,205.26
Depreciation of Use right assets	4,910,817.45	4,917,916.58
Amortization of intangible assets	11,410,277.66	18,687,606.48
Amortization of Long-term deferred expenses		175,312.50
Loss on disposal of fixed assets, intangible assets and other long-term deferred assets	-463,363.89	
Fixed assets scrap loss	15,483.35	135,447.06
Loss on fair value changes		
Financial cost	123,517,238.10	149,343,110.61
Loss on investment	-162,384,354.53	-172,050,127.56
Decrease of deferred income tax assets	54,617,177.28	43,283,161.23
Increased of deferred income tax liabilities	-11,080,458.14	-12,579,420.88
Decrease of inventories		-321,592.91
Decease of operating receivables	-46,196,406.71	19,900,483.49

Increased of operating Payable	-72,254,061.48	-80,544,176.47
Credit impairment loss		1,310,999.95
Net cash flows arising from operating activities	1,443,551,266.30	1,815,293,217.25
II. Significant investment and financing activities that without cash flows:		
Conversion of debt into capital		
Convertible corporate bonds maturing within one year		
Financing of fixed assets leased		
3. Movement of cash and cash equivalents:		
Ending balance of cash	4,042,994,649.07	3,566,075,410.42
Less: Beginning balance of cash equivalents	2,955,183,190.55	2,846,176,803.89
Add: End balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase of cash and cash equivalent	1,087,811,458.52	719,898,606.53

(2) Composition of cash and cash equivalents

In RMB

Items	Balance in year-end	Balance in year-Beginning
Cash	4,042,994,649.07	2,955,183,190.55
Of which: Cash in stock	48,820.81	38,214.02
Bank savings could be used at any time	3,995,143,572.14	2,954,629,744.81
Other monetary capital could be used at any time	47,802,256.12	515,231.72
Balance of cash and cash equivalents at the period end	4,042,994,649.07	2,955,183,190.55

54. The assets with the ownership or use right restricted

In RMB

Items	Book value at the end of the period	Restricted reason
Monetary fund	1,221,200.00	Land reclamation funds in the fund escrow account
Total	1,221,200.00	--

Other note:

As of June 30, 2022, the Company's subsidiary Jingzhu Expressway Guangzhu Section Co., Ltd borrowed 548,360,000.00 yuan from Wuyang Sub-branch of Industrial and Commercial Bank of China (including 67,670,000.00 yuan in non-current liabilities due within one year and 480,690,000.00 yuan in long-term loans), and provided a pledge guarantee of 19.2% of the project's toll interest (the right to collect tolls for vehicles traveling on the Guangzhu section of Jingzhu Expressway and the revenue generated by owning such right).

VIII. Changes of merge scope

1. The disposal of subsidiary

Whether there is a single disposal of the investment to subsidiary and lost control

√ Yes □ No

In RMB

Subsidiary name	Equity disposal price	Equity disposal ratio	Equity disposal method	point of loss of control	Determination basis for the point of loss of control	The difference between the disposal price and the share of the subsidiary's net assets at the consolidated financial statement level corresponding to the disposal investment	Percentage of remaining equity at the date of loss of control	Book value of remaining equity on the date of loss of control	Fair value of remaining equity at the date of loss of control	Gain or loss from remeasurement of remaining equity at fair value	Determination method and main assumptions of fair value of remaining equity on the date of loss of control	Amount transferred from other comprehensive income related to equity investment in atomic company to investment profit and loss
Guangdong Expressway Technology Investment Co., Ltd.	50,623,900.00	100.00%	Sale of shares under common control	March 29,2022	Completed the equity transfer, the transfer of control right	13,564,262.33	0.00%	0.00	0.00	0.00		0.00

Other note:

Whether there are multiple transactions step by step dispose the investment to subsidiary and lost control in reporting period

□ Yes √ No

IX. Equity in other entities

1. Equity in subsidiary

(1) The structure of the enterprise group

Name of Subsidiary	Main Places of Operation	Registration Place	Nature of Business	Shareholding Ratio (%)		Obtaining Method
				direct	indirect	
Guangfo Expressway Co., Ltd.	Guangzhou	Guangzhou	Expressway Management	75.00%		Under the same control business combination
Guanghui Expressway Co., Ltd.	Guangzhou	Guangzhou	Expressway Management	51.00%		Under the same control business combination
Jingzhu Expressway Guangzhou Section Co., Ltd.	Zhongshan	Guangzhou	Expressway Management	75.00%		Under the same control business combination
Yuegao Capital Investment(Guangzhou)Co., Ltd.	Guangzhou	Guangzhou	Investment management	100.00%		Investment

Notes: holding proportion in subsidiary different from voting proportion: None

Basis of holding half or less voting rights but still been controlled investee and holding more than half of the voting rights not been controlled investee: None

Significant structure entities and controlling basis in the scope of combination: None

Basis of determine whether the Company is the agent or the principal: None

(2) Important Non-wholly-owned Subsidiary

In RMB

Name of Subsidiary	Shareholding Ratio of Minority Shareholders (%)	Profit or Loss Owned by the Minority Shareholders in the Current Period	Dividends Distributed to the Minority Shareholders in the Current Period	Equity Balance of the Minority Shareholders in the End of the Period
Guangfo Expressway Co., Ltd.	25.00%	9,596,500.78	53,112,309.95	87,798,897.85
Guangdong Guanghui Expressway Co., Ltd.	49.00%	229,896,908.16	137,399,965.71	2,027,908,518.81
Jingzhu Expressway Guangzhou Section Co., Ltd.	25.00%	48,271,910.81	126,239,706.53	212,707,589.86

Holding proportion of minority shareholder in subsidiary different from voting proportion

None

(3) The main financial information of significant not wholly owned subsidiary

In RMB

Name	Year-end balance					
	Current assets	Non- current assets	Total assets	Current Liabilities	Non- current liabilities	Total liabilities
Guangfo Expressway Co., Ltd.	363,399,371.15	16,241,271.51	379,640,642.66	28,445,051.27		28,445,051.27
Guangdong Guanghui Expressway Co., Ltd.	1,574,142,897.11	3,105,468,482.93	4,679,611,380.04	355,809,782.98	185,212,783.16	541,022,566.14
Jingzhu Expressway Guangzhu Section Co.,Ltd.	100,405,966.86	2,092,651,162.69	2,193,057,129.55	746,917,820.51	595,308,949.65	1,342,226,770.16

Name	Year-beginning balance					
	Current assets	Non- current assets	Total assets	Current Liabilities	Non- current liabilities	Total liabilities
Guangfo Expressway Co., Ltd.	539,508,987.55	17,935,998.96	557,444,986.51	32,186,158.45		32,186,158.45
Guangdong Guanghui Expressway Co., Ltd.	1,106,203,367.94	3,200,915,171.31	4,307,118,539.25	199,770,257.66	195,999,137.99	395,769,395.65
Jingzhu Expressway Guangzhu Section Co.,Ltd.	78,321,084.79	2,167,316,422.40	2,245,637,507.19	455,558,150.91	627,377,814.00	1,082,935,964.91

In RMB

Name	Amount of current period				Amount of previous period			
	Business income	Net profit	Total Comprehensive income	Cash flows from operating activities	Business income	Net profit	Total Comprehensive income	Cash flows from operating activities
Guangfo Expressway Co., Ltd.	66,566,527.45	38,386,003.12	38,386,003.12	200,857,877.57	223,491,338.35	125,126,708.37	125,126,708.37	156,814,439.07
Guangdong Guanghui Expressway Co., Ltd.	893,298,497.64	469,177,363.59	469,177,363.59	591,588,578.50	1,004,523,049.04	516,820,409.74	516,820,409.74	680,781,673.26
Jingzhu Expressway Guangzhu Section Co.,Ltd.	452,938,785.68	193,087,643.23	193,087,643.23	271,398,716.46	560,521,671.83	266,411,477.01	266,411,477.01	409,250,398.13

Other note:

(4) Significant restrictions of using enterprise group assets and pay off enterprise group debt

None

(5) Provide financial support or other support for structure entities incorporate into the scope of consolidated financial statements

None

2. The transaction of the Company with its owner's equity share changed but still controlling the subsidiary

(1) Significant joint venture arrangement or associated enterprise

None

(2) Affect of the transaction on the minority equity and owner's equity attributable to the parent company

None

3. Equity in joint venture arrangement or associated enterprise

(1) Significant joint venture arrangement or associated enterprise

Name	Main operating place	Registration place	Business nature	Proportion		Accounting treatment of the investment of joint venture or associated enterprise
				Directly	Indirectly	
Zhaoqing Yuezhao Highway Co., Ltd.	Zhaoqing, Guangdong	Zhaoqing, Guangdong	Expressway Management	25.00%		Equity method
Shenzhen Huiyan Expressway Co., Ltd.	Shenzhen	Shenzhen	Expressway Management	33.33%		Equity method
Guangdong Jiangzhong Expressway Co., Ltd.	Zhongshan	Zhongshan	Expressway Management	15.00%		Equity method
Ganzhou kangda Expressway Co., Ltd.	Ganzhou	Ganzhou	Expressway Management	30.00%		Equity method
Ganzhou Gankang Expressway Co., Ltd.	Ganzhou	Ganzhou	Expressway Management	30.00%		Equity method
Guangdong Yuepu Small Refinancing Co., Ltd	Guangzhou	Guangzhou	Hand all kinds of small loans	15.48%		Equity method
Guangyuan Securities Co., Ltd.	Hefei	Hefei	Security business	2.37%		Equity method
Hunan Lianzhi Technology Co., Ltd.	Changsha	Changsha	Research and experimental development		10.10%	Equity method
SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd	Guangzhou	Guangzhou	New Energy service		5.00%	Equity method
Shenzhen Garage Electric Pile Technology Co., Ltd	Shenzhen	Shenzhen	Software and Information technology		17.40%	Equity method

Notes to holding proportion of joint venture or associated enterprise different from voting proportion:

None

Basis of holding less than 20% of the voting rights but has a significant impact or holding 20% or more voting rights but does not have a significant impact:

Guangdong, Jiangzhong Expressway Co., Ltd., Guangyuan Securities Co., Ltd., Yuepu Small Refinancing Co., Ltd. and Hunan Lianzhi Technology Co., Ltd. SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd. and Shenzhen Garage Electric Pile Technology Co., Ltd. holds 20% of the voting rights, but has the power to participate in making decisions on their financial and operating decisions, and therefore deemed to be able to exert significant influence over the investee.

(2) Main financial information of significant joint venture

None

(3) Main financial information of significant associated enterprise

In RMB

	Year-end balance/ Amount of current period	Year-beginning balance/ Amount of previous period
	Guoyuan Securities Co., Ltd.	Guoyuan Securities Co., Ltd.
Current assets		
Non-current assets		
Total assets	131,830,386,370.82	114,683,858,604.22
Current liabilities		
Non-current Liabilities		
Total liabilities		
Minority Shareholders' Equity		
Shareholders' equity attributable to shareholders of the parent	32,225,877,958.60	32,259,179,385.22
Pro rata share of the net assets calculated	764,204,123.51	764,993,833.19
Adjustment items		
--Goodwill	207,095,632.54	207,095,632.54
-- Internal transactions did not achieve profits		
--Other		
The book value of equity investments in joint ventures	971,299,756.05	972,089,465.73
Fair value of equity investment of associated enterprises with open quotation	643,661,660.04	796,815,881.40
Business income	2,474,031,036.38	2,275,384,578.36
Net profit	749,499,017.55	846,756,168.54
Net profit from terminated operations		
Other comprehensive income	-35,288,230.26	84,942,800.98
Total comprehensive income	714,210,787.29	931,698,969.52
Dividends received from associates during the year	18,626,864.76	10,348,258.20

(4) Summary financial information of insignificant joint venture or associated enterprise

In RMB

	Year-end balance/ Amount of current period	Year-beginning balance/ Amount of previous period
Joint venture:		
Total amount of the pro rata calculation of the following items		
Associated enterprise:		
Total book value of the investment	1,848,830,321.35	1,655,041,215.52
Total amount of the pro rata calculation of the following--Net profits		
--Net profit	82,950,868.66	102,343,851.05
--Total comprehensive income	82,950,868.66	102,343,851.05

Other note

(5) Note to the significant restrictions of the ability of joint venture or associated enterprise transfer funds to the Company

None

(6) The excess loss of joint venture or associated enterprise

None

(7) The unrecognized commitment related to joint venture investment

None

(8) Contingent liabilities related to joint venture or associated enterprise investment

None

4. Significant common operation

None

5. Equity of structure entity not including in the scope of consolidated financial statements

None

6. Other

None

X. Risks Related to Financial Instruments

The company has the main financial instruments, such as bank deposits, receivables and payables, investments, loans and so on. Please refer to the relevant disclosure in Notes for the details. The risks associated with these financial instruments mainly include credit risk, market risk and liquidity risk. The company's management shall manage and monitor these risks and ensure above risks to be controlled within certain scope.

The targets and policies of risk management

The target of risk management is to obtain the proper balance between the risk and benefit, to reduce the negative impact that is caused by the risk of the Company to the lowest level, and to maximize the benefits of shareholders and other equity investors. Based on the targets of risk management, the basic strategy of the Company's risk management is to identify and analyze the risks which are faced by the Company, establish suitable risk tolerance baseline and proceed the risk management, and supervise a variety of risks timely and reliably, and control the risks within a limited range.

1. Market risk

(1) Foreign exchange risk

Foreign exchange risk refers to the risk of loss due to exchange rate fluctuations generally. Our foreign exchange risk is mainly related to Hong Kong Dollar. Besides annual distribution of B-share shareholder dividends, other major business activities of our Company are settled in RMB. During the reporting period, due to the short credit period of the Company's income and expenditure related to foreign currency, it was not affected by foreign exchange risk.

(2) Interest rate risk

The Company's risk of cash flow changes in financial instruments caused by interest rate changes is mainly related to floating rate bank borrowings. The Company's policy is to maintain the floating interest rate of these borrowings, and at the same time to reasonably reduce the risk of interest rate fluctuation by shortening the term of a single loan and specifically agreeing on prepayment terms.

(3) Other price risk

The investments held by the Company are classified as financial assets measured at fair value and whose changes are included in other comprehensive income and are measured at fair value on the balance sheet date. Therefore, the Company bears the risk of changes in the securities market.

2. Credit risk

As of June 30, 2022, the largest credit risk exposure that may cause financial losses of the Company mainly

comes from the loss of financial assets of the Company caused by the failure of the other party to perform its obligations.

In order to reduce credit risk, the Company only deals with recognized and reputable customers. In addition, the Company reviews the recovery of each single receivables on each balance sheet date to ensure that adequate bad debt provisions are made for unrecoverable amounts. Consequently, the Company's management believes that the Company's credit risk has been greatly reduced.

The Group's working capital is deposited in banks with higher credit rating, so the credit risk of working capital is relatively low.

Financial assets overdue or impaired;

(1) Aging analysis of financial assets with overdue impairment: Not existed

(2) Analysis of financial assets that have suffered single impairment: Refer to "4, Other Receivables" in VII and "10, Investment in Other Equity Instruments" in VII of this section for details.

3. Liquidity risk

When managing liquidity risks, the Company maintains sufficient cash and cash equivalents as deemed by the management and monitor them to meet the Company's operational needs and reduce the impact of cash flow fluctuations. The management of the Company monitors the use of bank loans and ensures compliance with the loan agreement.

XI. The disclosure of the fair value

1. Closing fair value of assets and liabilities calculated by fair value

In RMB

Items	Closing fair value			Total
	Fir value measurement items at level 1	Fir value measurement items at level 2	Fir value measurement items at level 3	
I. Consistent fair value measurement	--	--	--	--
(I) Trading financial assets			91,000,000.00	91,000,000.00
(2) Equity instrument investment			91,000,000.00	91,000,000.00
(II) Other equity instrument investment	708,117,381.44		766,790,940.56	1,474,908,322.00
Total assets continuously measured at fair value	708,117,381.44		857,790,940.56	1,565,908,322.00
II. Non –persistent measure	--	--	--	--

2. Market price recognition basis for consistent and inconsistent fair value measurement items at level 1.

As at the end of the period, the company holds shares 235,254,944 shares of China Everbright Bank According to the closing price of June 30, 2022 of 3.01 yuan, the final calculation of fair value was 708,117,381.44 yuan.

3. Fair value of financial assets and liabilities not measured at fair value, The valuation techniques adopted and the qualitative and quantitative information of important parameters for continuous and non-continuous level 2 fair value measurement items

Items	Fair value as of June 30, 2022	Valuation technology	Unobservable input value
Unlisted equity	857,790,940.56	Hire a third party for evaluation or enjoy the	

investment	share of the net book assets of the investee based on the shareholding ratio
------------	---

4. Fair value of financial assets and liabilities not measured at fair value

The Company's financial assets and liabilities measured in amortized cost mainly include: accounts receivable, other receivables, contract assets, short-term loans, accounts payable, other payables, non-current liabilities due within one year, long-term loans, bonds payable and long-term payables.

There is no significant difference between the book value of financial assets and liabilities not measured at fair value and the fair value.

XII. Related parties and related-party transactions

1. Parent company information of the enterprise

Name	Registered address	Nature	Redistricted capital	The parent company of the Company's shareholding ratio	The parent company of the Company's vote ratio
Guangdong communication Group Co., Ltd	Guangzhou	Equity management, traffic infrastructure construction and railway project operation	26.8 billion yuan	24.56%	50.12%

Notes :

Guangdong Communication Group Co., Ltd. is the largest shareholder of the Company. legal representative: Deng Xiaohua. Date of establishment: June 23, 2000. As of June 30, 2022, Registered capital: 26.8 billion yuan. It is a solely state-owned limited company. Business scope : equity management, organization of asset reorganization and optimized allocation, raising funds by means including mortgage, transfer of property rights and joint stock system transformation, project investment, operation and management, traffic infrastructure construction, highway and railway project operation and relevant industries, technological development, application, consultation and services, highway and railway passenger and cargo transport, ship industry, relevant overseas businesses; The value-added communication business.

The final control of the Company was State owned assets supervision and Administration Commission of Guangdong Provincial People's Government.

Other note:

2. Subsidiaries of the Company

Subsidiaries of this enterprise, see IX(1) the rights of other entity

3. Information on the joint ventures and associated enterprises of the Company

Details refer to the IX-3, Interests in joint ventures or associates

Information on other joint venture and associated enterprise of occurring related party transactions with the Company in reporting period, or form balance due to related party transactions in previous period:

Name	Relation with the Company
------	---------------------------

Shenzhen Huiyan Expressway Co., Ltd.	Associated enterprises of the Company
Zhaoqing Yuezhao Highway Co., Ltd.	Associated enterprises of the Company
Ganzhou Kangda Expressway Co., Ltd.	Associated enterprises of the Company
Ganzhou Gankang Expressway Co., Ltd.	Associated enterprises of the Company
Guangdong Jiangzhong Expressway Co., Ltd.	Associated enterprises of the Company
Hunan Lianke Technology Co., Ltd.	Associated enterprises of the Company

4. Other Related parties

Name	Relation with the Company
Guangdong Boda Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Chaohui Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong East Thinking Management Technology Development Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Litong Property Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Expressway Media Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Guangzhu West Line Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Humen Bridge Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Hualu Traffic Technology Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Litong Technology Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Litong Development Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Union Electron Service Information technology Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Lulutong Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Luoyang Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Provincial Freeway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Highway Construction Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Communication Group Finance Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Read & Bridge Construction Development Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Tongyi Expressway Service Area Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Xinyue Traffic Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Yueyun Traffic Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Yueyun Traffic Rescue Co., Ltd.	Fully owned subsidiary of the parent company
Guangshenzhu Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangzhou Xinyue Traffic Technology Co., Ltd.	Fully owned subsidiary of the parent company
Guangzhou Xinyue Asphalt Co., Ltd.	Fully owned subsidiary of the parent company
Guangzhou Yueyun Traffic Co., Ltd.	Fully owned subsidiary of the parent company
Xinyue Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Communication Planning & Design Institute Co., Ltd.	Shares of parent company
Guangzhongjiang Expressway Project Management Dept	Managed by the parent company
Guangzhou Aitesi Communication equipment Co., Ltd.	Associated enterprises controlled by the same parent company
Guangdong Jingzhu Expressway Guangzhu North Section Co., Ltd.	Associated enterprises controlled by the same parent company
Guangdong Feida Traffic Engineering Co., Ltd.	Associated enterprises controlled by the same parent company
Poly Changda Engineering Co., Ltd.	Shares of parent company
Guangdong Changda Road Conservation Co., Ltd.	Shares of parent company
Guangdong Road Network Digital Media Information Technology Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Xiangfei Highway Engineering Supervision Co., Ltd.	Subsidiary of the parent company
Guangdong Expressway Technology Co., Ltd.	Fully owned subsidiary of the parent company
Hunan Lianzhi Technology Co., Ltd.	A wholly owned subsidiary of the Company

Guangdong Zhujiang Road bridge Investment Co., Ltd.	It has a significant impact on important subsidiaries
Guangdong Xinyue Traffic Qingyun Expressway Management Office	Managed by the parent company

5. List of related-party transactions

(1) Information on acquisition of goods and reception of labor service

Acquisition of goods and reception of labor service

In RMB

Related parties	Content of related transaction	Amount of current period	Amount of previous period
1. Business cost			
Guangdong Union electronic services co., Ltd.	Service	12,021,733.95	14,427,549.75
Boly Changda Engineering Co., Ltd.	Service	11,772,757.00	4,459,339.00
Guangdong Feida Traffic Engineering Co., Ltd.	Mechanical and electrical daily maintenance payment	2,003,201.04	2,066,264.07
Guangdong Yueyun Traffic Rescue Co., Ltd.	Rescue service fee	494,700.00	
Guangdong Humen Bridge Co., Ltd.	Service	310,411.02	
Guangdong Communication Planning & Design Institute Co., Ltd.	Project labour service	178,243.00	
Guangdong Lulutong Co., Ltd.	Maintenance, Project funds	52,598.00	
Guangdong Tongyi Expressway Service Area Co., Ltd	Service	40,808.70	
Guangdong Jingzhu Expressway Guangzhu North Section Co., Ltd.	Service	8,551.20	
Guangzhou Aitesi Communication Equipment Co., Ltd.	Maintenance of charging facilities	2,400.00	
Guangdong East Thinking Management Technology Development Co., Ltd.	Service		30,000.00
Subtotal		26,885,403.91	20,983,152.82
2. Financial cost			
Guangdong Communication Group Finance Co., Ltd.	Deposit interest income	-24,475,843.25	-15,349,444.97
Guangdong Communication Group Finance Co., Ltd.	Borrowing Interest expresses	5,112,347.24	3,167,500.00
Guangdong Communication Group Finance Co., Ltd.	Commission charge	920.00	
Guangdong Jiangzhong Expressway Co., Ltd.	Interest		27,405.00
Subtotal		-19,362,576.01	-12,154,539.97
3. Administrative expenses			
Guangdong Union electronic services co., Ltd.	Information cost and maintenance fee	288,500.00	
Guangdong East Thinking Management Technology Development Co., Ltd.	OA Maintenance, Service	10,000.00	60,000.00
Subtotal		298,500.00	60,000.00
4. Non-Operating expenses			
Boly Changda Engineering Co., Ltd.	Damfor damaged repair of civil facilities	1,009,397.00	
Subtotal		1,009,397.00	
5. Construction in process			
Guangdong Communication Planning & Design Institute Co., Ltd.	Purchase assets	5,973,981.00	7,455,615.00
Poly Changda Engineering Co., Ltd.	Purchase assets	26,630,344.47	141,402,869.60
Guangdong Xinyue Traffic Investment Co., Ltd.	Purchase assets	6,127,813.56	584,557.32

Guangdong Highway Construction Co., Ltd.	Purchase assets	9,089,990.48	
Guangdong Hualu Traffic Technology Co., Ltd.	Purchase assets	907,894.50	
Guangdong Xiangfei Highway Engineering Supervision Co., Ltd	Purchase assets		208,829.00
Subtotal		48,730,024.01	149,651,870.92
6.Fixed assets			
Guangdong Expressway Technology Investment Co., Ltd.	Purchase assets	82,895.00	
Guangdong Communication Planning & Design Institute Co., Ltd.	Purchase assets	483,543.00	
Subtotal		566,438.00	
7.Other current assets			
Guangdong Feida Traffic Engineering Co., Ltd.	Contract acquisition cost	182,274.01	
Subtotal		182,274.01	

Related transactions on sale goods and receiving services

In RMB

Related party	Content	Amount of current period	Amount of previous period
1.Business income			
Jingzhu Expressway Guangzhu North section Co., Ltd.	Commission management fee	10,603,632.04	9,622,924.52
Guangdong Provincial Freeway Co.,Ltd.	Project fund	886,950.00	1,773,900.00
Ganzhou Gankang Expressway Co., Ltd.	Salaries of expatriate staff	525,660.83	450,262.64
Zhaoqing Yuezhao Highway Co., Ltd.	Salaries of expatriate staff	512,977.97	514,314.09
Guangdong Tongyi Expressway Service Area Co., Ltd	water and electricity	486,716.96	577,014.73
Guangdong Traffic Development Co., Ltd.	electricity	336,290.97	
Shenzhen Huiyan Expressway Co., Ltd.	Salaries of expatriate staff	260,849.89	254,219.25
Ganzhou Kangda Expressway Co., Ltd.	Salaries of expatriate staff	138,547.02	162,691.45
Guangdong Jiangzhong Expressway Co., Ltd.	Salaries of expatriate staff	176,119.41	81,447.20
Guangdong Luoyang Expressway Co., Ltd.	Test	58,490.57	
Poly Changda Engineering Co., Ltd.	Bidding documents income, water and electricity bills	1,000.00	103,082.55
Guangdong Feida Traffic Engineering Co., Ltd	CPC card sales revenue		56,991.15
Guangdong Xinyue Traffic Investment Co., Ltd.	Project		52,187.72
Guangdong Expressway Media Co., Ltd.	Water and electricity		49,750.19
Guangdong Yueyun Traffic Rescue Co., Ltd.	Water and electricity		18,905.54
Subtotal		13,987,235.66	13,717,691.03

(2) Information of related lease

The Company was lessor:

In RMB

Name of lessee	Category of lease assets	The lease income confirmed in this year	The lease income confirmed in last year
Guangdong Expressway Media Co., Ltd.	Advertising lease	1,379,412.57	842,169.89
Poly Changda Engineering Co., Ltd.	Rental income	555,557.14	
Guangdong Litong Technology Investment Co., Ltd.	Communication Piping	522,034.27	819,439.23
Guangdong Traffic Development Co., Ltd.	Rental income of charging pile	149,850.34	
Guangdong Road Network Digital Media Information Technology Co.,	Advertising	2,777.78	

Ltd.			
Total		2,609,632.10	1,661,609.12

- The company was lessee:

In RMB

Lessor	Category of leased assets	Rental charges for short-term and low-value assets (if any)		Variable lease payments not included in lease liabilities measurement (if any)		Rent paid		Interest expenses on lease liabilities assumed		Increased use right assets	
		Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period
Guangdong Litong Development Investment Co., Ltd	Office space					4,604,363.82	4,604,363.83				
Jingzhu Expressway Guangzhu North section Co., Ltd.	Activity place					53,508.72	53,508.72				
Guangdong Litong Property Development Co., Ltd.	Office space	27,586.00	50,321.37			27,586.00	50,321.37				
Total		27,586.00	50,321.37			4,685,458.54	4,708,193.92				

(3) Rewards for the key management personnel

In RMB

Items	Amount of current period	Amount of previous period
Rewards for the key management personnel	2,834,900.00	2,935,600.00

(4) Other significant related-party transactions

√ Applicable □ Not applicable

(1) Deposit business

Related party	Relationship	Maximum daily deposit limit (Ten thousand yuan)	Deposit interest rate range	Beginning balance (Ten thousand yuan)	The amount of this period		Ending balance (Ten thousand yuan)
					Total amount for this period (Ten thousand yuan)	Total amount is withdrawn for this period (Ten thousand yuan)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	300,000.00	0.35%-2.85%	152,100.35	113,736.70		265,837.05

(2) Loan business

Related party	Relationship	Loan limit (Ten thousand yuan)	Loant interest rate range	Beginning balance (Ten thousand yuan)	The amount of this period		Ending balance (Ten thousand yuan)
					Total loan amount of the current (Ten thousand yuan)	Total repayment amount of the current period (Ten thousand yuan)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	400,000.00	3.00%-3.75%	20,000.00	32,000.00	100.00	51,900.00

(3) Credit extension or other financial services

Related party	Relationship	Business type	Total amount (10,000)	Actual amount incurred (10,000)
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	Credit extension	220,000.00	51,900.00

The Company respectively signed the "Cash Management Business Cooperation Agreement" with Guangdong Communications Group Finance Co., Ltd and the Guangdong Branch of Industrial and Commercial Bank of China on December 25, 2017; and signed the "Cash Management Business Cooperation Agreement" with Guangdong Communications Group Finance Co., Ltd and the Guangdong Branch of Industrial and Commercial Bank of China on December 22, 2017 respectively, joined the cash pool of Guangdong Communications Group Finance Co., Ltd.

Guangdong Guanghui Expressway Co., Ltd respectively signed the "Cash Management Business Cooperation Agreement" with Guangdong Communications Group Finance Co., Ltd and Agricultural Bank of China Co., Ltd Guangdong Branch on May 19, 2020, joined the cash pool of Guangdong Communications Group Finance Co., Ltd.

(5) Asset transfer and debt restructuring of related parties

Related party	Content	Amount of current period	Amount of previous period
Guangdong Litong Technology Investment Co., Ltd.	Sell equity investments	50,623,900.00	

Upon deliberation and approval at the 27th meeting of the ninth board of directors of the company, the company transferred 100% equity of its wholly-owned subsidiary, Guangdong Expressway Technology Investment Co., Ltd., to Guangdong Litong Technology Investment Co., Ltd.

(6) Other related-party transactions

-On June 15, 2016, The company's 29th meeting (Provisional) of the seventh board of directors was convened. The Proposal on Entrustment of Construction Management of the Renovation and Expansion Project of Sanbao-to-Shuikou Section of Shengyang-to-Haikou National Expressway was deliberated in the meeting, agreed that Guangdong Provincial Fokai Expressway Co., Ltd entrusts Guangdong Provincial Highway Construction Co., Ltd with the construction management of the renovation and expansion project of Sanbao-to-Shuikou Section of Shengyang-to-Haikou National Expressway, and handling the related matters of the entrustment of the construction management.

On March 25, 2021, the Sixteenth Meeting of the Ninth Board of Directors of the Company held and reviewed the Proposal on the Company's Estimated Daily Related Party Transactions in 2021. It is estimated that the daily related party transactions include the Agreement on the Entrusted Management of the Preliminary Work of the Reconstruction and Expansion Project of Nansha-Zhuhai Section of Guangzhou-Macao Expressway signed by Beijing-Zhuhai Expressway Guangzhou-Zhuhai Section Co., Ltd. and Guangdong Highway Construction Co., Ltd., in which the latter is responsible for the main management responsibilities and all the preliminary work before the approval of the reconstruction and expansion project.

6. Receivables and payables of related parties

(1) Receivables

In RMB

Name	Related party	Amount at year end		Amount at year beginning	
		Balance of Book	Bad debt Provision	Balance of Book	Bad debt Provision
Contract assets	Guangdong Xinyue Traffic Investment Co., Ltd.			113,642.50	
Contract assets	Guangdong Feida Traffic Engineering Co., Ltd.			48,230.00	
Contract assets	Guangdong Jiangzhong Expressway Co., Ltd.			8,412.00	
Contract assets	Guangdong Nanyue Traffic Qingyun Expressway Management Center			6,900.00	
Total				177,184.50	
Account receivable	Guangdong Union electron Service Co., Ltd.	74,737,143.16		78,368,502.10	
Account receivable	Guangdong Humen Bridge Co.,	20,346,943.38		2,083,918.33	

	Ltd.				
Account receivable	Jingzhu Expressway Guangzhu North Section Co., Ltd.	5,484,999.99		7,783,650.00	
Account receivable	Guangdong Litong Technology Investment Co., Ltd.	533,136.00		338,298.13	
Account receivable	Poly Changda Engineering Co., Ltd.	503,879.00		265,054.16	
Account receivable	Guangdong Feida Traffic Engineering Co., Ltd.			5,531,000.00	
Account receivable	Guangdong Expressway Media Co., Ltd.			1,854,769.00	
Account receivable	Guangdong Provincial Freeway Co.,Ltd.			203,632.00	
Account receivable	Guangdong Xinyue Traffic Investment Co., Ltd.			94,301.60	
Account receivable	Guangdong Road Construction Development Co., Ltd.			54,256.00	
Account receivable	Shenzhen Huiyan Expressway Co., Ltd.			51,000.00	
Account receivable	Guangdong Road Bridge Construction Development Co., Ltd.			29,025.15	
Account receivable	Guangzhenzhu Expressway Co., ltd.			18,192.00	
Account receivable	Guangdong Boda Expressway Co., Ltd.			4,530.99	
Total		101,606,101.53		96,680,129.46	
Advanced payment	Zhaoqing Yuezhaoh Highway Co., Ltd.			216,750.00	
Advanced payment	Guangdong Lulutong Co., Ltd.	1,775,852.40			
Total		1,775,852.40		216,750.00	
Other Account receivable	Guangdong Litong Development Investment Co., Ltd.	1,653,447.36		1,653,447.36	
Other Account receivable	Guangdong Provincial Freeway Co.,Ltd.	463,491.88		463,491.88	
Other Account receivable	Guangdong Traffic Development Co., Ltd.	380,008.80			
Other Account receivable	Guangdong Expressway Technology Investment Co., Ltd.	366,334.32			
Other Account receivable	Guangdong Expressway Media Co., Ltd.	295,499.08		649,386.62	
Other Account receivable	Guangdong Union electron Service Co., Ltd.	50,000.00		50,000.00	
Other Account receivable	Guangdong Litong Property Development Co., Ltd.	16,268.00		30,004.00	
Other Account receivable	Zhaoqing Yuezhaoh Highway Co., Ltd.			350,000.00	
Total		3,225,049.44		3,196,329.86	
Non-current assets due within one year	Guangdong Communication Group Finance Co., ltd.	3,010,904.18		2,731,229.21	
Total		3,010,904.18		2,731,229.21	
Other Non-Current Assets	Guangdong Communication Group Finance Co., ltd.	13,368,083.33			
Other Non-Current Assets	Guangdong Communication Planning & Design Institute Co., Ltd.	2,929,687.00			
Other Non-Current	Guangdong Traffic Development	333,398.00		333,398.00	

Assets	Co., Ltd.				
Other Non-Current Assets	Guangdong Road Construction Co., Ltd.			7,089,990.48	
Total		16,631,168.33		7,423,388.48	

(2) Payables

In RMB

Name	Related party	Amount at year end	Amount at year beginning
Short-term loan	Guangdong Communication Group Finance Co., Ltd.	320,266,666.67	
Total		320,266,666.67	
Account payable	Guangzhongjiang Expressway Project Management Dept	17,466,700.00	28,000,000.00
Account payable	Poly Changda Engineering Co., Ltd.	10,842,016.30	29,736,553.34
Account payable	Guangdong Expressway Technology Investment Co., Ltd.	6,567,531.19	
Account payable	Guangdong Feida Traffic Engineering Co., Ltd.	2,919,499.00	5,035,975.88
Account payable	Guangdong Hualu Traffic Technology Co., Ltd.	2,556,180.04	4,960,992.02
Account payable	Guangdong Union Electron Service Co., Ltd.	2,500,322.97	50,286.78
Account payable	Guangdong Xinyue Traffic Investment Co., Ltd.	1,630,179.71	10,405,248.06
Account payable	Guangdong Provincial Freeway Co., Ltd.	1,245,443.50	1,245,443.50
Account payable	Hunan Lianzhi Technology Co., Ltd.	850,700.00	850,700.00
Account payable	Guangdong Communication Planning & Design Institute Co., Ltd.	585,379.10	1,759,707.90
Account payable	Guangdong Yueyun Traffic Rescue Co., Ltd.	360,741.00	
Account payable	Guangdong Litong Technology Investment Co., Ltd.	336,789.95	1,291,067.95
Account payable	Guangdong Changda Road Maintenance Co. Ltd.	309,101.00	309,101.00
Account payable	Guangdong East Thinking Management Technology Development Co., Ltd.	90,630.00	2,331,700.01
Account payable	Guangzhou Xinyue Asphalt Co., Ltd.	46,779.00	2,773,825.00
Account payable	Guangzhou Aitesi Communication Equipment Co., Ltd.	25,194.00	2,547,594.00
Account payable	Guangdong Lulutong Co., Ltd.	13,971.40	2,525,256.06
Account payable	Guangdong Humen Bridge Co., Ltd.		2,596,817.45
Account payable	Guangdong Yueyun Traffic Co., Ltd.		168,277.20
Total		48,347,158.16	96,588,546.15
Advance received	Guangdong Union electronic services co., Ltd.	1,845,607.86	
Total		1,845,607.86	
Dividend payable	Guangdong Communication Group Co., Ltd.	292,686,723.60	
Dividend payable	Guangdong Highway Construction Co., Ltd.	265,805,261.40	
Dividend payable	Guangdong Provincial Freeway Co., Ltd.	63,174,369.87	
Dividend payable	Guangdong Zhujiang Road Highway Investment Co., Ltd.	60,000,000.00	
Dividend payable	Xinyue Co., Ltd.	7,488,112.93	

Dividend payable	Guangdong Traffic Development Co., Ltd.	1,214,390.70	
Total		690,368,858.50	
Other Payable account	Poly Changda Engineering Co., Ltd.	20,742,924.48	17,126,203.40
Other Payable account	Guangdong Xinyue Traffic Investment Co., Ltd.	4,198,077.88	4,272,693.60
Other Payable account	Guangdong Expressway Technology Investment Co., Ltd.	2,541,116.00	
Other Payable account	Guangdong Highway Construction Co., Ltd.	2,013,409.60	40,459.66
Other Payable account	Guangdong Hualu Traffic Technology Co., Ltd.	1,959,227.53	2,084,177.53
Other Payable account	Guangdong Feida Traffic Engineering Co., Ltd.	1,515,652.65	1,628,931.87
Other Payable account	Guangdong Changda Road Maintenance Co. Ltd.	1,630,765.00	1,630,765.00
Other Payable account	Guangdong Xinyue Traffic Investment Co., Ltd.	1,380,379.20	1,380,379.20
Other Payable account	Guangdong Union Electron Service Co.,Ltd.	1,134,574.32	
Other Payable account	Guangdong Lulutong Co., Ltd.	1,127,575.62	1,127,575.62
Other Payable account	Guangzhou Xinyue Asphalt Co., Ltd.	1,054,919.00	1,054,919.00
Other Payable account	Guangzhongjiang Expressway Project Management Dept	200,000.00	200,000.00
Other Payable account	Guangdong Communication Planning & Design Institute Co., Ltd.	120,422.00	120,422.00
Other Payable account	Guangdong East Thinking Management Technology Development Co., Ltd.	171,899.29	191,674.29
Other Payable account	Guangdong Tongyi Expressway Service Area Co., Ltd.	120,000.00	120,000.00
Other Payable account	Guangdong Litong Technology Investment Co., Ltd.	99,217.00	135,772.00
Other Payable account	Guangdong Expressway Media Co., Ltd.	50,000.00	50,000.00
Other Payable account	Guangdong Yueyun Traffic Rescue Co. Ltd.	2,900.00	2,900.00
Total		40,063,059.57	31,166,873.17
Contract liabilities	Guangdong Feida Traffic Engineering Co., Ltd.		22,000.00
Total			22,000.00
Non-current liabilities due 1 year	Guangdong Litong Real estate Investment Co., Ltd.	9,733,189.08	11,862,198.24
Non-current liabilities due 1 year	Guangdong Communication Group Finance Co., ltd.	2,196,236.13	2,229,166.68
Non-current liabilities due 1 year	Zhaoqing Yuezhao Highway Co., Ltd.		111,862.55
Total		11,929,425.21	14,203,227.47
Lease Liabilities	Guangdong Litong Development Investment Co., Ltd.		2,445,724.58
Total			2,445,724.58
Long-term loans	Guangdong Communication Group Finance Co., ltd.	197,000,000.00	198,000,000.00
Total		197,000,000.00	198,000,000.00

7. Related party commitment

None

XIII. Stock payment

1. The Stock payment overall situation

Applicable Not applicable

2. The Stock payment settled by equity

Applicable Not applicable

3. The Stock payment settled by cash

Applicable Not applicable

4. Modification and termination of the stock payment

None

5. Other

None

XIV. Commitments

1. Significant commitments

Significant commitments at balance sheet date

None

2. Contingency

(1) Significant contingency at balance sheet date

As of June 30, 2022, the Company did not need to disclose important commitments.

3. Contingency

(1) Significant contingency at balance sheet date

As of June 30, 2022, the Company did not need to disclose important commitments.

XV. Events after balance sheet date

1. Notes of other significant events

None

XVI. Other significant events

1. Segment information

The company's business for the Guangfo Expressway, the Fokai Expressway, Guanghui Expressway and Jingzhu Expressway Guangzhu Section toll collection and maintenance work, the technology industry and provide investment advice, no other nature of the business, no reportable segment.

2. Government Subsidy

(1) Government subsidies included in deferred revenue are subsequently measured by the total amount method

In RMB

Subsidy item	Category	Opening balance	New subsidy amount in current period	The carry-over in current period is included in profit and loss amount	Other changes	Closing balance	Presentation items carried over into profit or loss in the current period	Asset-related/revenue-related
Cancel the special subsidy for the expressway provincial toll station project	Financial appropriation	30,978,093.11		5,023,474.62		25,954,618.49	Other income	Assets related

(2) Government subsidies included in current profits and losses using the total amount method

In RMB

Subsidy item	Category	Amount included in profit or loss in the current period	Presentation items included in profit or loss in the current period	Asset-related/revenue-related
Subsidy for post stabilization	Financial appropriation	1,250,935.46	Other income	Income related
Work with training instead of training subsidies	Financial appropriation	1,074,875.00	Other income	Income related

3. Other important transactions and events have an impact on investors decision-making

(1) The Company's plan to purchase 21% equity of Guangdong Guanghui Expressway Co., Ltd. (hereinafter referred to as "Guanghui") held by Guangdong Expressway Co., Ltd. (hereinafter referred to as "Guangdong Expressway") by payment in cash and related matters have been adopted by the resolution of the third extraordinary general meeting of shareholders in 2020. According to the Profit Compensation Agreement signed by Guangdong Expressway and the Company, it is agreed that Guangdong Expressway shall undertake the compensation obligation when the actual net profit of Guanghui is less than the predicted net profit within the compensation period. The compensation period is the year when the transaction is completed and the next two years thereafter, namely 2020, 2021 and 2022. After negotiation between the Company and Guangdong Expressway, the predicted net profit of Guanghui after deducting non-recurring gains and losses in 2020, 2021 and 2022 is RMB 652,477,500, RMB 1,112,587,300 and RMB 1,234,200,900 respectively. Within the compensation period, if the accumulated realized net profit at the end of any fiscal year of Guanghui does not reach the accumulated predicted net profit, Guangdong Expressway will compensate the company in cash, and the specific compensation amount paid by Guangdong Expressway in that year will be calculated and determined according to the following formula: current compensation amount promised for performance = (accumulated predicted net profit as of the end of the current period - accumulated realized net profit as of the end of the current period) ÷ sum of predicted net profits of each year within the compensation period × transaction price of the underlying assets - accumulated compensated amount of Guangdong Expressway. When the compensation amount calculated in each year is less than the RMB 0, the value shall be taken as RMB 0, and the compensated amount shall not be reversed.

The net profit of Guangzhou-Huizhou Company (excluding non-recurring gains and losses) in 2020 was RMB 769,232,600, RMB 116,755,100 more than the promised amount; the net profit of Guangzhou-Huizhou Company (excluding non-recurring gains and losses) in 2021 was RMB 1,105,444,400, RMB 7,142,900 less than the promised amount; by the end of 2021, the accumulated net profit (excluding non-recurring gains and losses) was RMB 1,874,677,000, RMB 109,612,200 more than the promised amount.

The Company intends to transfer 100% equity of Guangdong Expressway Technology Investment Co., Ltd. to Guangdong Leatop Technology Investment Co., Ltd., and the transaction-related work is being carried out in an orderly manner.

XVII. Notes of main items in financial reports of parent company**1. Account receivable**

(1). Classification account receivables.

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Accrual of bad debt provision by portfolio	23,382,037.78	100.00%			23,382,037.78	24,208,692.49	100.00%			24,208,692.49
Total	23,382,037.78	100.00%			23,382,037.78	24,208,692.49	100.00%			24,208,692.49

Accrual of bad debt provision by single item: None

Accounts receivables with bad debt provision are recognised by portfolio by age

In RMB

Aging	Balance in year-end		
	Account receivable	Bad debt provision	Expected credit loss rate(%)
Within 1 year	23,382,037.78		
Total	23,382,037.78		

Where the current bad debts back or recover significant amounts:None

(2) Accounts receivable withdraw, reversed or collected during the reporting period

None

(3) The current accounts receivable write-offs situation

None

(4) The ending balance of other receivables owed by the imputation of the top five parties

In RMB

Name	Amount	Proportion(%)	Bad debt provision
Guangdong Union Electronic Services Co., Ltd.	23,382,037.78	100.00%	
Total	23,382,037.78	100.00%	

2.Other accounts receivable

In RMB

Items	Balance in year-end	Balance Year-beginning
Dividend receivable	103,205,472.90	1,205,472.90
Other receivable	6,722,102.13	5,680,509.70
Total	109,927,575.03	6,885,982.60

(1) Interest receivable: None

(2) Dividend receivable

1)Dividend receivable

In RMB

Items	Balance in year-end	Balance Year-beginning
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise	1,205,472.90	1,205,472.90
Guangdong Guanghui Expressway Co., Ltd.	102,000,000.00	
Total	103,205,472.90	1,205,472.90

2) Significant dividend receivable aged over 1 year

In RMB

Items	Balance in year-end	Aging	Reasons for non-recovery	Whether or not the impairment and the basis for its determination
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise	1,205,472.90	3-4 years	The partnership agreement expires and can be recovered after the extension procedures are completed	No, it can be recovered in the future
Total	1,205,472.90			

(3) Other accounts receivable

1) Other accounts receivable classified by the nature of accounts

In RMB

Category	Balance in year-end					Balance Year-beginning				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Other receivables for individual bad debt provision	30,844,110.43	82.11%	30,844,110.43	100.00%		30,844,110.43	84.45%	30,844,110.43	100.00%	
Other receivables for bad debt provision according to the combination of credit risk characteristics	6,722,102.13	17.89%			6,722,102.13	5,680,509.70	15.55%			5,680,509.70
Total	37,566,212.56		30,844,110.43		6,722,102.13	36,524,620.13		30,844,110.43	/	5,680,509.70

Accrual of bad debt provision by single:

Bad Debt Reserves	Closing book balance			Reason
	Book balance	Bad debt provision	Expected credit loss rate(%)	
Kunlun Securities Co., Ltd	30,844,110.43	30,844,110.43	100.00%	Bad debts were withdrawn in full in bankruptcy
Total	30,844,110.43	30,844,110.43		

In the portfolio, Disclosure by aging

In RMB

Aging	Balance in year-end		
	Other receivable	Bad debt provision	Expected credit loss rate(%)
Within 1 year	1,938,165.80		
Total	1,938,165.80		

In the portfolio, other receivables with bad debt provision by other methods:

Name	Balance in year-end	Balance Year-beginning
Deposit money and quality guarantee fund combination	2,217,540.36	2,102,176.36
Other	2,566,395.97	2,615,033.34
Subtotal	4,783,936.33	4,717,209.70
Less: Bad debt provision		
Total	4,783,936.33	4,717,209.70

2) The withdrawal amount of the bad debt provision:

In RMB

Bad Debt Reserves	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Expected credit loss over life (no credit impairment)	Expected credit losses for the entire duration (credit impairment occurred)	
Balance as at June 30,2022			30,844,110.43	30,844,110.43
Balance as at June 30,2022 in current				
Balance as at June 30,2022			30,844,110.43	30,844,110.43

3) Accounts receivable withdraw, reversed or collected during the reporting period

None

4)The actual write-off other accounts receivable: None

5) Other receivables are classified by the nature

In RMB

Nature	Closing book balance	Opening book balance
Securities trading settlement funds	30,844,110.43	30,844,110.43
Deposit	2,217,540.36	2,102,176.36
Petty cash	1,671,130.23	1,519,593.22
Other	2,833,431.54	2,058,740.12

Less: Bad debt provision	-30,844,110.43	-30,844,110.43
Total	6,722,102.13	5,680,509.70

6) Top 5 of the closing balance of the other accounts receivable collated according to the arrears party

In RMB

Name	Nature	Closing balance	Aging	Proportion of the total year end balance of the accounts receivable(%)	Closing balance of bad debt provision
Kunlun Securities Co.,Ltd	Securities trading settlement funds	30,844,110.43	Over 5 years	82.11%	30,844,110.43
Guangdong Litong Real Estates Investment Co., Ltd.	Deposit	22,980.00	1-2 years	4.40%	
		1,630,467.36	2-3 years		
China Railway No.18 Bureau Group Co., Ltd.	Surrogate payment	1,099,991.00	Within 1 year	2.93%	
China Railway Tunnel Group Co., Ltd	Surrogate payment	559,388.80	Within 1 year	1.49%	
Guangdong Provincial Freeway Co.,Ltd.	Current account	463,491.88	Over 5 years	1.23%	
Total		34,620,429.47		92.16%	30,844,110.43

(7) Accounts receivable involved with government subsidies

None

(8) Other account receivable which terminate the recognition owing to the transfer of the financial assets

None

(9) The amount of the assets and liabilities formed by the transfer and the continues involvement of other accounts receivable

None

3. Long-term equity investment

In RMB

Items	End of term			Beginning of term		
	Book Balance	Impairment provision	Book value	Book Balance	Impairment provision	Book value
Investment in subsidiaries	3,347,330,463.43		3,347,330,463.43	3,257,062,345.85		3,257,062,345.85
Investment in joint ventures and associates	2,626,347,044.23		2,626,347,044.23	2,535,548,456.61		2,535,548,456.61
Total	5,973,677,507.66		5,973,677,507.66	5,792,610,802.46		5,792,610,802.46

(1) Investment to the subsidiary

In RMB

Name	Opening balance	Increase /decrease in reporting period				Closing balance	Closing balance of impairment provision
		Add investment	Decreased investment	Withdrawn impairment provision	Other		
Jingzhu Expressway Guangzhu Section Co., Ltd.	871,171,883.08					871,171,883.08	
Guangfo Expressway	154,982,475.25					154,982,475.25	

Co., Ltd.							
Guangdong Expressway Technology Investment Co., Ltd.	95,731,882.42		95,731,882.42				
Yuegao Capital Investment (Guangzhou) Co., Ltd.	109,500,000.00	186,000,000.00				295,500,000.00	
Guanghui Expressway Co., Ltd.	2,025,676,105.10					2,025,676,105.10	
Total	3,257,062,345.85	186,000,000.00	95,731,882.42			3,347,330,463.43	

(2) Investment to joint ventures and associated enterprises

In RMB

Name	Opening balance	Increase /decrease in reporting period								Closing balance	Closing balance of impairment provision
		Increase in investment	Decrease in investment	Investment income under equity method	Other comprehensive income	Other changes in equity	Announced for distributing cash dividend or profit	Provision for impairment	Other		
I. Joint ventures											
II. Associated enterprises											
Guangdong Jiangzhong Expressway Co., Ltd.	318,091,639.29	60,000,000.00		7,786,931.71		31,228.99				385,909,799.99	
Ganzhou Gankang Expressway Co., Ltd.	154,118,397.12			5,447,568.74						159,565,965.86	
Ganzhou Kangda Expressway Co., Ltd.	238,101,017.69			18,635,759.71						256,736,777.40	
ShenzhenHuiyan Expressway Co., Ltd.	320,966,384.17			18,574,112.50						339,540,496.67	
Zhaoqing Yuezhao Highway Co., Ltd.	315,837,951.35			24,596,394.70			48,250,000.00			292,184,346.05	
Guoyuan Securities Co.,Ltd.	972,089,465.72			18,673,979.80	-836,824.71		18,626,864.76			971,299,756.05	
Guangdong Yuepu Small Refinancing Co., Ltd	216,343,601.27			4,709,292.76		57,008.18				221,109,902.21	
Subtotal	2,535,548,456.61	60,000,000.00		98,424,039.92	-836,824.71	88,237.17	66,876,864.76			2,626,347,044.23	
Total	2,535,548,456.61	60,000,000.00		98,424,039.92	-836,824.71	88,237.17	66,876,864.76			2,626,347,044.23	

4. Business income and Business cost

In RMB

Items	Amount of current period		Amount of previous period	
	Revenue	Cost	Revenue	Cost
Main business	636,965,610.55	249,145,875.83	687,165,042.12	365,511,604.40
Other	5,689,892.19	1,926,210.70	5,469,656.01	1,728,556.53
Total	642,655,502.74	251,072,086.53	692,634,698.13	367,240,160.93

5. Investment income

In RMB

Items	Amount of current period	Amount of previous period
Long-term equity investment income accounted by cost method	681,064,177.01	655,349,778.63
Long-term equity investment income accounted by equity method	98,424,039.92	119,611,129.91
Investment income from disposal of Long-term equity investment	-45,107,982.42	
Dividend income from other equity instrument investments during the holding period	47,286,243.74	49,403,538.24
Interest income from debt investment during holding period.	10,079,133.93	19,667,579.79
Total	791,745,612.18	844,032,026.57

XVIII. Supplementary Information

1. Current non-recurring gains/losses

√ Applicable □ Not applicable

In RMB

Items	Amount	Notes
Gains/Losses on the disposal of non-current assets	447,880.54	
Government grants recognized in the current period, except for those acquired in the ordinary course of business or granted at certain quotas or amounts according to the country's unified standards	7,349,285.08	
Net amount of non-operating income and expense except the aforesaid items	2,881,455.61	
Other non-recurring Gains/loss items	14,393,329.63	
Less :Influenced amount of income tax	-8,354,389.12	
Influenced amount of minor shareholders' equity (after tax)	2,729,583.49	
Total	30,696,756.49	--

Details of other profit and loss items that meet the non-recurring profit and loss definition

□ Applicable√ Not applicable

None

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information

Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable Not applicable

2. Return on equity (ROE) and earnings per share (EPS)

Profit as of reporting period	Weighted average ROE (%)	EPS (Yuan/share)	
		EPS-basic	EPS-diluted
Net profit attributable to common shareholders of the Company	8.45%	0.37	0.37
Net profit attributable to common shareholders of the Company after deduction of non-recurring profit and loss	8.11%	0.36	0.36

3. Differences between accounting data under domestic and overseas accounting standards

(1) . Simultaneously pursuant to both Chinese accounting standards and international accounting standards disclosed in the financial reports of differences in net income and net assets.

Applicable Not applicable

(2) . Differences of net profit and net assets disclosed in financial reports prepared under overseas and Chinese accounting standards.

Applicable Not applicable

(3) .Explanation of the reasons for the differences in accounting data under domestic and foreign accounting standards. If the data that has been audited by an overseas audit institution is adjusted for differences, the name of the overseas institution should be indicated

None