

Guangdong Provincial Expressway Development Co., Ltd.

2023 Annual Report

March 2024

I. Important Notice, Table of Contents and Definitions

The Board of Directors and the directors, Supervisory Committee and supervisors and Senior Executives of the Company hereby warrant that at the year , there are no misstatement, misleading representation or important omissions in this report and shall assume joint and several liability for the authenticity, accuracy and completeness of the contents hereof.

Mr.Miao Deshan, The Company leader, Mr. Wang Chunhua, General Manager, Mr. Lu Ming, Chief financial officer and the Ms.Yan Xiaohong, the person in charge of the accounting department (the person in charge of the accounting)hereby confirm the authenticity and completeness of the financial report enclosed in this annual report.

All the directors attended the board meeting for reviewing the Annual Report.

The toll revenues of Expressway is main source of the major business income of the company , The charge standard of vehicle toll must be submitted to the same level people's government for review and approval after the transport regulatory department of province, autonomous region or municipality directly under the central government in conjunction with the price regulatory department at the same level consented upon examination. Therefore, the adjustment trend of the charge price and the charge price if has the corresponding adjustment in the future price level when the cost of the company rises still depend on the approval of relevant national policies and government departments, and the company isn't able to make timely adjustment to the charge standard in accordance with the its own operation cost or the change of market supply demand. So, the change of charge policy and the adjustment of charge standard also have influence on the expressways operated by the company to some extent. So, the charging policy changes and charges adjustment will affect the highways operation of the company.

The profit distribution proposal reviewed and approved by the boarding meeting was summarized as follows: 2,090,806,126 for the base, the Company would distribute cash dividend to all the shareholders at the rate of CNY 5.47 for every 10 shares (with tax inclusive) , 0 bonus shares (including tax) and no reserve would be converted into share capital.

Table of Contents

- I. Important Notice, Table of contents and Definitions
- II. Company Profile & Financial Highlights.
- III. Management Discussion & Analysis
- IV. Corporate Governance
- V. Environmental & Social Responsibility
- VI. Important Events
- VII. Change of share capital and shareholding of Principal Shareholders
- VIII. Situation of the Preferred Shares
- IX. Corporate Bond
- X. Financial Report

Documents available for inspection

1. Accounting statements carried with personal signatures and seals of legal representative, General Manager, Chief Financial officer (Chief accountant), the person in charge of the accounting department (the person in charge of the accounting) Financial Principal .
2. Original of Auditors' Report carried with the seal of Certified Public Accountants as well as personal signatures of certified Public accountants.
3. The texts of all the Company's documents publicly disclosed on the newspapers and periodicals designated by China Securities Regulatory Commission in the report period.

Definition

Terms to be defined	Refers to	Definition
Reporting period, This year	Refers to	January 1, 2023 to December 31, 2023
Reporting date	Refers to	The annual report of the company was approved by the board of directors on 2023, that is 15 20, 2024
YOY	Refers to	Compared with 2022
The Company ,This Company, Guangdong Expressway	Refers to	Guangdong Provincial Expressway Development Co.,Ltd.
Communication Group	Refers to	Guangdong Communication Group Co., Ltd.
Provincial Freeway	Refers to	Guangdong Provincial Freeway Co.,Ltd.
Guangfo Company	Refers to	Guangdong Guangfo Expressway Co., Ltd.
Guangdong Expressway Capital	Refers to	Yuegao Capital Investment (Guangzhou) Co., Ltd.
Guanghui Company	Refers to	Guangdong Guanghui Expressway Co., Ltd.
Guangzhu East Company	Refers to	Jingzhu Expressway Guangzhu Section 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		
Registered address	85 Baiyun Road, Guangzhou, Guangdong Province		
Postal code of the Registered Address	510100		
Historical change of the company's registered address	1992—1999, 4/F,Dongjian Building,No.503,Dongfeng Road, Guangzhou;Since 1999, 85 Baiyun Road, Guangzhou, Guangdong Province		
Office Address	45-46/F, Litong Plaza, No.32, Zhujiang East Road, Zhujiang New City, Tianhe District , Guangzhou		
Postal code of the office address	510623		
Internet Web Site	www.gpedcl.com		
E-mail	ygs@gdcg.cn		

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. Information disclosure and placed

Newspapers selected by the Company for information disclosure	Securities Times, China Securities, Shanghai Securities Daily and Hongkong Commercial Daily.
Internet website designated by CSRC for publishing the Annual report of the Company	www.cninfo.com.cn
The place where the Annual report is prepared and placed	Securities affair Dept of the Company

4. Changes in Registration

Organization Code	91440000190352102M
Changes in principal business activities since listing (if any)	No change
Changes is the controlling shareholder in the	On November 2000, In accordance with Cai Guan Zi (2008) No. 109 Document of

past (is any)	Ministry of Finance and Yue Ban Han (2000) No. 574 Document of General Office of Guangdong People's Government, the state-owned shares of Guangdong Expressway originally entrusted to Guangdong Expressway Company (now renamed as "Guangdong Provincial Expressway Co., Ltd.") for management were transferred to Guangdong Communication Group Co., Ltd. for holding and management. After the transfer of state-owned shares, Guangdong Communication Group Co., Ltd. became the largest shareholder of the Company. The nature of equity was defined as state-owned shares.
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5. Other Relevant Information

CPAs engaged

Name of the CPAs	Yong Tuo Cerified Public Accountants(Special General Partnership)
Office address:	13/F, 2 Building, No.1 North Street , Guandongdian, Chaoyang District, Beijing
Names of the Certified Public Accountants as the signatories	Sun Xiuqing, Huang Zhiyan

The sponsor performing persistent supervision duties engaged by the Company in the reporting period.

Applicable Not applicable

The Financial advisor performing persistent supervision duties engaged by the Company in the reporting period

Applicable Not applicable

6. Summary of Accounting data and Financial index

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

Yes No

Retroactive adjustment or restatement of causes

Accounting policy change

	2023	2022		YoY+/- (%)	2021	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Operating income (Yuan)	4,879,066,948.19	4,168,634,113.98	4,168,634,113.98	17.04%	5,288,057,677.93	5,288,057,677.93
Net profit attributable to the shareholders of the listed company (Yuan)	1,633,811,033.68	1,277,069,521.90	1,276,341,322.98	28.01%	1,700,406,981.99	1,700,917,099.60
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (Yuan)	1,705,099,801.05	1,311,599,314.34	1,310,871,115.42	30.07%	1,693,091,639.41	1,693,601,757.02
Cash flow generated by business operation, net (Yuan)	3,831,785,563.47	2,752,026,558.38	2,752,026,558.38	39.24%	3,669,744,721.16	3,669,744,721.00
Basic earning per share(Yuan/Share)	0.78	0.61	0.61	27.87%	0.81	0.81
Diluted gains per share(Yuan/Share)	0.78	0.61	0.61	27.87%	0.81	0.81
Weighted average ROE(%)	17.30%	14.30%	14.30%	3.00%	20.11%	20.12%
	End of 2023	End of 2022		Changed over last year (%)	End of 2021	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Gross assets (Yuan)	21,368,963,167.41	20,267,197,153.88	20,267,998,963.78	5.43%	18,875,766,799.31	18,879,726,789.61
Net assets attributable to shareholders of the listed company (Yuan)	9,847,531,855.89	9,075,877,244.12	9,075,659,162.81	8.50%	8,982,437,985.17	8,982,948,102.78

Reasons for the changes in accounting policies and the correction of accounting errors

On November 30, 2022, the Ministry of Finance issued the Notice on Printing and Distributing the No. 16 Interpretation of Accounting Standards for Business Enterprises (No. 31[2022]Cai Hui). According to the relevant requirements of the No. 16 Interpretation of Accounting Standards for Business Enterprises, the Company shall make corresponding adjustments to the relevant accounting policies originally adopted.

The lower of the company's net profit before and after the deduction of non-recurring gains and losses in the last three fiscal years is negative, and the auditor's report of the previous year shows that the Company's going concern ability is uncertain.

Yes No

The lower of the net profit before and after the deduction of the non-recurring gains and losses is negative.

Yes No

7.The differences between domestic and international 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

8.Main Financial Index by Quarters

In RMB

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating income	1,154,573,212.16	1,185,863,562.92	1,347,391,508.28	1,191,238,664.83
Net profit attributable to the shareholders of the listed company	409,848,394.33	475,795,793.66	470,604,350.85	277,562,494.84
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company	423,250,545.73	490,433,079.39	489,958,203.15	301,457,972.78
Net Cash flow generated by business operation	980,823,464.23	1,033,093,727.47	979,190,875.40	838,677,496.37

Whether significant variances exist between the above financial index or the index with its sum and the financial index of the quarterly report as well as semi-annual report index disclosed by the Company.

Yes No

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

Applicable Not applicable

In RMB

Items	Amount (2023)	Amount (2022)	Amount (2021)	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	12,740,003.03	62,389.24	4,350,214.54	
Government subsidies recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	10,685,002.61	12,414,047.87	16,348,006.07	
Gain and loss from change of the fair value arising from transactional monetary assets, transactional financial liabilities as held as well as the investment income arising from disposal of the transactional monetary assets, transactional financial liabilities and financial assets available for sale excluding the effective hedging transaction in connection with the Company's normal business	2,456,768.00	10,400,000.00		
Reverse of the provision for impairment of accounts receivable undergoing impairment test individually		25,515.00		
The impairment provision for the advance expenses that have occurred but need to be defined from the source of funds	-123,358,138.31	-97,749,481.71	0.00	
Net amount of non-operating income and expense except the aforesaid items	-4,515,527.98	-1,798,078.90	-5,840,734.56	

Items	Amount (2023)	Amount (2022)	Amount (2021)	Notes
Other non-recurring Gains/loss items	921,152.92	14,877,866.34	1,252,349.09	
Less :Influenced amount of income tax	988,084.33	-5,627,816.96	4,027,139.54	
Influenced amount of minor shareholders' equity (after tax)	-30,770,056.69	-21,610,132.76	4,767,353.02	
Total	-71,288,767.37	-34,529,792.44	7,315,342.58	--

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

Applicable Not applicable

Due to the special nature of the impairment provision for management and maintenance expenses advanced by the Guangzhou-Foshan Expressway to be clarified, it will affect the normal judgment of the Company's operating performance and profitability by the user of the report.

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 recognized 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. Industry information of the Company during the reporting period

The Company's main business is the investment, construction, charging and maintenance management of toll highways and bridges, which shall be classified into the road transport industry.

Highway industry is the basic and leading service industry of national economy, which can rationally allocate relevant resources, improve the quality and efficiency of economic operation, and play a leading role in the transportation industry. As an important part of the highway industry, the expressway is an important national resource, which is characterized by high driving speed, large traffic capacity, low transportation cost and safe driving, and plays an important role in promoting national economic growth, improving people's live quality and safeguarding national security.

With the basic penetration of the "ten-vertical and ten-horizontal" comprehensive transportation corridor and the basic completion of the "71118" national expressway network planning, China's expressway network has been continuously extended, with significantly increased industry development. According to the statistical data of the 2022 *Statistical Bulletin on Development of Transportation Industry* issued by the Ministry of Transport, by the end of 2023, the total mileage of expressways in China has reached 177,300 kilometers, with an increase of 8,200 kilometers. With China's economic development stepping into a new normal, the national economy is constantly growing, the strategies such as coordinated development of Beijing-Tianjin-Hebei, regional integration of the Yangtze River Delta, development of the Yangtze River Economic Belt, and Guangdong-Hong Kong-Macao Greater Bay Area construction are further advanced, the whole society's demand for supporting services of expressways is expected to increase continuously, and China's expressway industry still witnesses a large development potential in the future.

As an important infrastructure industry for the development of national economy, most of the expressway transportation demands are rigid demands, which are less affected by macroeconomic fluctuations and less cyclical. As the operating income of expressway enterprises is mainly in cash, and the cash flow is abundant, it ensures the stability and security of expressway industry operation and finance. When the economy is booming, the rapid growth of traffic can drive the development of the industry to a certain extent; during the period of economic adjustment, the expressway industry can better resist the market impact caused by macroeconomic changes with its unique rigid demands. Therefore, the expressway industry is characterized by strong anti-risk ability and stable investment income.

II. 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 Ltd., Guangdong Jifangzhong Jiangzhong Expressway Co., Ltd., Zhaoqing Yuezhao Expressway fCo., Ltd., Ganzhou Kangda Expressway, Ganzhou Gankang Expressway Co., Ltd., Guangdong Yueke Science and Technology Microfinance 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.

III. 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.

IV. Main business analysis

I.General

(1) The overall situation

In 2023, under the correct leadership of the board of directors, the Company's management team adhered to the guidance of party building, continuously deepened the reform of state-owned enterprises, promoted the construction of smart transportation, accelerated digital transformation, achieved continuous improvement of quality and efficiency, resolutely fulfilled political, economic and social responsibilities, and successfully completed various annual goals and tasks.

1) Strengthened the investment management of reconstruction and expansion projects. Focused on the construction of expressway reconstruction and expansion projects, and vigorously improved the level of management and effective investment of expansion project. Efficiently completed the decision-making process for capital increase investment and Guangdong-Zhaoqing reconstruction and expansion project; Actively followed up the progress of the upfront work of Guanghui reconstruction and expansion; Actively guided the management of the equity-holding and participating-in projects, and participated in the work, preliminary design review, construction drawing review and design review of various major changes of each reconstruction and expansion project in accordance with the articles of association of the project company and the terms of the entrusted construction management agreement for reconstruction and expansion.

2) Promoted the quality and upgrading of the construction of characteristic service areas. With the implementation of the special action of improving the quality and upgrading of the characteristic service area of the "Millions and Thousands of Projects" as the starting point, it promoted the construction of charging infrastructure along the line, and focused on adjusting the construction of the traditional service area of Zhishan to the new energy characteristic service area of the terminal type.

3) Strengthened the exploiting and reserve of high-quality main business projects. Strengthened the analysis of industrial base and industrial chain research, actively tapped into the resources of expressway projects with investment value inside and outside in the province and out of the province, strengthened the reserve and research of high-quality projects, tracked and analyzed potential road investment projects and related industrial projects and infrastructure projects, and accumulated development advantages.

(2) Participate in the holding of the expressway situation

During the reporting period, the domestic economy gradually recovered, and the traffic volume of the equity holding and participating-in expressways, except for the Jiangzhong Expressway impacted by the

expansion project and the diversion of the surrounding road network, had steadily rebounded, and the toll revenue increased YOY.

	Volume of vehicle traffic in 2023 (Ten thousands vehicles)	Increase /Decrease(%)	Toll income in 2023 (Ten thousands)	Increase /Decrease(%)
Guangfo Expressway	9,493.71	21.72%		-
Fokai Expressway	8,966.25	17.23%	152,144.86	17.38%
Jingzhu Expressway Guangzhu East Section	7,328.58	29.18%	115,682.76	28.15%
Guanghui Expressway	9,001.09	19.21%	213,241.43	16.45%
Huiyan Expressway	5,244.99	17.30%	21,658.17	8.56%
Guangzhao Expressway	4,179.30	23.22%	54,603.58	17.73%
Jiangzhong Expressway	4,768.92	-6.82%	31,256.43	-8.60%
Kangda Expressway	152.45	31.18%	29,168.29	6.12%
Gankang Expressway	547.89	39.06%	24,397.74	29.23%
Guangle Expressway	3,975.70	5.78%	310,552.56	7.12%

Note. 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.

2. Revenue and cost

(1)Component of Business Income

In RMB

	2023		2022		Increase /decrease
	Amount	Proportion	Amount	Proportion	
Total operating revenue	4,879,066,948.19	100%	4,168,634,113.98	100%	17.04%
Industry					
Highway transportations	4,810,921,181.65	98.60%	4,095,766,725.59	98.25%	17.46%
Other	68,145,766.54	1.40%	72,867,388.39	1.75%	-6.48%
Product					
Highway transportations	4,810,921,181.65	98.60%	4,095,766,725.59	98.25%	17.46%
Other	68,145,766.54	1.40%	72,867,388.39	1.75%	-6.48%
Area					
Guangfo Expressway	230,723.26	0.00%	65,600,461.66	1.57%	-99.65%
Fokai Expressway	1,521,448,612.59	31.18%	1,296,212,805.59	31.09%	17.38%
Jingzhu Expressway	1,156,827,589.26	23.71%	902,734,286.55	21.66%	28.15%

Guangzhu Section					
Guanghui Expressway	2,132,414,256.54	43.71%	1,831,219,171.79	43.93%	16.45%
Other	68,145,766.54	1.40%	72,867,388.39	1.75%	-6.48%
Sub-sales model					
Highway transportations	4,810,921,181.65	98.60%	4,095,766,725.59	98.25%	17.46%
Other	68,145,766.54	1.40%	72,867,388.39	1.75%	-6.48%

(2) 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	4,810,921,181.65	1,707,788,447.62	64.50%	17.46%	10.15%	3.79%
Product						
Highway transportations	4,810,921,181.65	1,707,788,447.62	64.50%	17.46%	10.15%	3.79%
Area						
Fokai Expressway	1,521,448,612.59	604,227,450.92	60.29%	17.38%	3.65%	9.56%
Jingzhu Expressway	1,156,827,589.26	390,529,049.00	66.24%	28.15%	14.02%	6.74%
Guangzhu Section						
Guanghui Expressway	2,132,414,256.54	713,221,643.30	66.55%	16.45%	17.11%	-0.29%
Sub-sales model						
Highway transportations	4,810,921,181.65	1,707,788,447.62	64.50%	17.46%	10.15%	3.79%

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

(3) Whether the Company's Physical Sales Income Exceeded Service Income

□ Yes √ No

(4) Degree of Performance of the Significant Sales Contract Signed up to this Report Period

□ Applicable √ Not applicable

(5) Component of business cost

Industry category

In RMB

Industry category	Items	2023		2022		Increase/Decrease (%)
		Amount	Proportion in the operating costs (%)	Amount	Proportion in the operating costs (%)	
Highway transportations	Depreciation and Amortized	1,137,727,666.65	65.35%	1,024,154,288.83	64.56%	0.79%
Highway transportations	Out of pocket expenses	570,060,780.97	32.75%	526,213,287.61	33.17%	-0.42%
Other	Other	33,029,810.55	1.90%	35,981,459.04	2.27%	-0.37%

(6) Whether Changes Occurred in Consolidation Scope in the Report Period

Yes No

(7) Relevant Situation of Significant Changes or Adjustment of the Business, Product or Service in the Company's Report Period

Applicable Not applicable

(8) Situation of Main Customers and Main Supplier

Main Customers

Applicable Not applicable

Main Supplier

Applicable Not applicable

3. Expenses

In RMB

	2023	2022	Increase/Decrease (%)	Notes
Administrative expenses	189,461,539.01	191,426,081.46	-1.03%	
Financial expenses	121,774,781.75	191,071,151.10	-36.27%	The interest income in the current period increased over the previous period. The interest expense for the current period decreased over the previous period.
R & D expenses	3,245,205.00	14,591,773.12	-77.76%	In the current period, the R&D projects have decreased

4. Research and Development

√ Applicable □ Not applicable

Name of main R&D project	Project purpose	Project progress	Goal to be achieved	Expected impact on the future development of the Company
Guide for Waterproof and Drainage Design of Wide Pavement of Expressway	Through on-site survey, model construction, indoor experiments and outdoor tests, focus on studying the waterproof and drainage design of wide pavement, construct the calculation model of water film thickness suitable for Guangdong Province, put forward the geometric design index of wide pavement, systematize the waterproof and drainage design in terms of pavement surface drainage, pavement internal drainage and pavement structure, and at the same time improve the drainage system design parameters of existing wide pavement, and finally compile the Guide for Waterproof and Drainage Design of Wide Pavement of Expressway in Guangdong Province, providing technical support and guidance for the reconstruction and expansion of wide expressway.	Completed	(1) Build a calculation model of water film thickness suitable for wide pavement in Guangdong Province. (2) Put forward the road geometric design index of reconstruction and expansion of wide pavement within the allowable runoff length. (3) Optimize the relevant index parameters and requirements of current drainage system design, and detail the construction points of drainage system in special roads. (4) Put forward the pavement structure type, material performance index requirements and construction points under different drainage requirements. (5) Compile the <i>Guide for Waterproof and Drainage Design of Wide Pavement of Expressway</i> .	The study results have been applied to the waterproof and drainage design of the wide pavement of the Group's reconstruction and expansion project, which effectively reduces the occurrence of traffic accidents in case of rainfall, improves traffic safety and guarantees life and property, and has extremely remarkable social and economic benefits.
Study on post-evaluation technology after strengthening effect of box girder bridges on in-service expressways	Based on the bridge characteristics of Foshan–Kaiping Expressway and the maintenance projects that have been carried out, study the reinforcement methods and effects of bridge structure maintenance projects, and study the effectiveness of reinforcement measures, and construct a set of post-evaluation methods for reinforcement measure effect of bridge structure considering the timeliness of reinforcement measures, and establish a technical guide for post-evaluation of the reinforcement measure effect of bridge structure .	Opened	(1) Obtain the effectiveness and time-varying effect of typical reinforcement measures for box girder bridges on in-service expressways. (2) Establish a post-evaluation method for reinforcement effect of box girder bridges on in-service expressways based on weighted layered synthesis method. (3) Based on the evaluation results of the reinforcement effect of the typical box girder bridges in Foshan–Kaiping Expressway, formulate the management and maintenance method of the typical reinforced box girder bridges on Foshan–Kaiping Expressway, and verify and improve the post-evaluation method for reinforcement effect of the box girder bridges on in-service expressways.	The Project carries out post-evaluation on the reinforced box girder bridges on Foshan–Kaiping Expressway in terms of technology, safety, influence and reproducibility. Through this study, form the evaluation system of box girder bridge, which can guide the maintenance management decision of Foshan–Kaiping Expressway and even the Group box girder bridge reinforcement, ensure the safe operation and sustainable development of the reinforced bridge, and save maintenance costs.
Study on unattended toll collection	Construct the existing toll station, install intelligent card issuing and toll collection	Completed	(1) Optimize and improve the existing system functions, and optimize the construction scheme	The digital and intelligent operation and management of Foshan–Kaiping Expressway

system technology of toll station	equipment and supporting equipment, equip with toll collection software, which breaks through the traditional fixed-point restriction of toll station personnel, builds self-service card issuing and payment system, realizes on-site self-service card issuing, self-service payment and automatic processing of special circumstances at toll station, with multiple advantages such as "unattended, non-cash transaction and fast passage", further improving the accuracy, passage efficiency and overall operation ability of the passage routes for toll station vehicles.		of expressway reservation service platform. (2) Further meet the needs of users of fresh agricultural products, trans-regional combine-harvesters (rice transplanners) for combined operation and transport vehicles for reservation and inspection services. (3) Put forward the optimization and upgrading scheme for the "centralized optimization system" and the ETC vehicle fee display for special containers.	will be promoted, and special study will be carried out in two parts: all-weather intelligent monitoring of Foshan–Kaiping Expressway and smart expressway construction, so as to improve the efficiency of high-speed operation and transportation safety, promote the demonstration and application of smart expressway, and create a smart expressway road demonstration site with "advanced technology, moderate cost and first-class domestic status".
Technical study on audit and pursuit evasion assistance system for road toll collection	Integrate and analyze the road toll data, road portal and driveway snapshot data, departmental and provincial audit platform audit data and Beidou audit system data, and extract the data content suitable for road data analysis, including license plate, vehicle type, entrance and exit, portal information, time information, stay information in service area and other information content. According to the content of the integrated data, simulate and analyze the main types of evasion charges on expressways to input the effective data, analyze in combination with the characteristics of various types of evasion charges, and output the audit data labels and evidence chains with high accuracy. Based on the data content and analysis model, develop the visual, convenient and easy-to-use software of the audit and pursuit evasion assistance system and apply in the road toll audit service department.	Completed	(1) Develop a data analysis model that integrates road toll data, license plate recognition data, departmental and provincial audit data and Beidou audit system data. (2) Develop a road audit database containing the main types of evasion fees. (3) Develop the characteristic model of the evasion vehicle's driving route. (4) Develop the software with audit data processing and audit pursuit evasion service functions.	The Project can effectively improve the efficiency of road toll audit, reduce the workload of data analysis of toll audit, and improve the efficiency of pursuit evasion service by developing the data audit and accurate pursuit evasion service system of the main types of toll evasion at the road level.

Company's research and development personnel situation

	2023	2022	Increase /decrease
Number of Research and Development persons (persons)	0	25	-100.00%
Proportion of Research and Development persons	0.00%	0.81%	-0.81%
Academic structure of R&D personnel			
Bachelor	0	25	-100.00%
Age composition of R&D personnel			
30-40 years old	0	2	-100.00%
Over 40 years old	0	23	-100.00%

The Company's R & D investment situation

	2023	2022	Increase /decrease
Amount of Research and Development Investment (RMB)	6,457,084.00	14,591,773.12	-55.75%
Proportion of Research and Development Investment of Operation Revenue	0.13%	0.35%	-0.22%
Amount of Research and Development Investment Capitalization (RMB)	3,211,879.00	0.00	
Proportion of Capitalization Research and Development Investment of Research and Development Investment	49.74%	0.00%	

Reasons and influence of significant changes in R&D personnel composition of the Company

Applicable Not applicable

In 2022, the R&D personnel of the Company were mainly the R&D personnel of Guangdong Guanghui Expressway Co., Ltd., a holding subsidiary; In 2023, the Company has no R&D personnel.

The Reason of the Prominent Change in Total Amount of Research and Development Input Occupying the Business Income Year on Year

Applicable Not applicable

Reasons for the drastic change of capitalization rate of R&D investment and its rationality explanation

Applicable Not applicable

Some research and development projects implemented this year are eligible for capitalization.

5.Cash Flow

In RMB

Items	2023	2022	Increase/Decrease(%)
Subtotal of cash inflow received from operation activities	5,514,711,610.62	4,397,687,883.80	25.40%
Subtotal of cash outflow received from operation activities	1,682,926,047.15	1,645,661,325.42	2.26%
Net cash flow arising from	3,831,785,563.47	2,752,026,558.38	39.24%

operating activities			
Subtotal of cash inflow received from investing activities	221,115,093.91	198,020,328.77	11.66%
Subtotal of cash outflow for investment activities	1,705,898,439.58	1,196,520,014.01	42.57%
Net cash flow arising from investment activities	-1,484,783,345.67	-998,499,685.24	48.71%
Subtotal cash inflow received from financing activities	850,525,000.00	2,877,350,200.00	-70.44%
Subtotal cash outflow for financing activities	2,779,864,198.30	3,302,360,155.98	-15.82%
Net cash flow arising from financing activities	-1,929,339,198.30	-425,009,955.98	353.95%
Net increase in cash and cash equivalents	416,969,202.67	1,329,505,040.78	-68.64%

Notes to the year-on-year change of the relevant data

Applicable Not applicable

1. The total of cash inflow from operating activities increased by 25.40% YOY, which was mainly due to the increase in toll revenue compared to the previous period and the receipt of government subsidies in this period.
2. The total cash outflow from investment activities increased by 42.57% YOY, which was mainly due to the continuous promotion of the reconstruction and expansion of the Guangzhou-Zhuhai section of the Beijing-Zhuhai Expressway.
3. The total cash inflow of financing activities decreased by 70.44% YOY, which was mainly due to that China Development Bank obtained a special loan for the renovation and expansion of the Beijing Zhuhai Expressway Guangzhou Zhuhai section last year.
4. The net increase in cash and cash equivalents decreased by 68.64% year on year, which was the comprehensive influence of the changes in net cash flow from operating activities, investment activities and financing activities.

Reasons of major difference between the cash flow of operation activity in report period and net profit of the Company

Applicable Not applicable

In RMB

Supplementary information	The amount of this period
I. Adjusting net profit to cash flow from operating activities	
Net profit	2,262,340,136.06
Add: Impairment loss provision of assets	10,443,015.96
Credit loss provision	123,166,054.97
Depreciation of fixed assets, oil and gas assets and consumable biological assets	1,121,749,435.32
Depreciation of the use right assets	10,417,949.40
Amortization of intangible assets	26,628,234.56
Amortization of Long-term deferred expenses	350,625.00
Loss on disposal of fixed assets, intangible assets and other long-term deferred assets	

Fixed assets scrap loss	12,135,983.34
Net exposure-hedging losses	
Loss on fair value changes	-2,456,768.00
Financial cost	215,055,241.95
Loss on investment	-312,359,708.13
Decrease of deferred income tax assets	89,208,863.35
Increased of deferred income tax liabilities	-17,648,006.70
Loss on investment	
Decrease of deferred income tax assets	-161,341,092.73
Increased of deferred income tax liabilities	452,543,414.34
Other	1,620,519.90
Net cash flows arising from operating activities	3,831,853,898.59

V. Analysis of Non-core Business

√ Applicable □ Not applicable

In RMB

	Amount	Proportion in total profit	Explanation of cause	Sustainable (yes or no)
Investment Income	312,359,708.13	10.49%	Operating accumulation of shareholding companies	Yes
Loss on fair value changes	2,456,768.00	0.08%	Changes in fair value of equity investment	No
Asset impairment	-10,443,015.96	-0.35%		No
Non-operating income	4,745,630.19	0.16%	Mainly insurance claims and road property claims	No
Non-operating expenses	21,397,141.51	0.72%	Mainly road property repair expenditure	No
Credit impairment loss	-123,166,054.97	-4.14%	Mainly to accrue the credit loss of Guangzhou-Foshan Expressway custody expenses receivable from Department of Transport of Guangdong Province	No

VI. Condition of Asset and Liabilities

1. Condition of Asset Causing Significant Change

In RMB

	End of 2023		End of 2022		Proportion increase/decrease	Notes to the significant change
	Amount	Proportion in the total assets(%)	Amount	Proportion in the total assets(%)		
Monetary fund	4,718,631,732.20	22.08%	4,290,581,490.78	21.17%	0.91%	

Accounts receivable	139,899,420.24	0.65%	108,368,797.56	0.53%	0.12%	
Investment real estate	2,447,026.45	0.01%	2,668,144.93	0.01%	0.00%	
Long-term equity investment	3,095,578,288.00	14.49%	2,923,305,042.30	14.42%	0.07%	
Fixed assets	9,010,168,712.92	42.16%	10,098,252,638.07	49.82%	-7.66%	
Construction in process	1,960,092,562.22	9.17%	753,565,502.12	3.72%	5.45%	
Use right assets	24,967,509.81	0.12%	4,077,555.43	0.02%	0.10%	
Shore-term loans	110,085,708.33	0.52%	430,387,597.20	2.12%	-1.60%	
Long-term borrowing	5,944,716,050.00	27.82%	5,566,595,350.00	27.46%	0.36%	
Lease liabilities	13,482,202.97	0.06%	150,984.47	0.00%	0.06%	

Overseas assets account for a relatively high proportion.

Applicable Not applicable

2.Asset and Liabilities Measured by Fair Value

√Applicable Not applicable

In RMB

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 changes	Closing amount
Financial assets								
1. Trading financial assets (excluding derivative financial assets)	101,400,000.00	2,456,768.00			80,000,000.00			183,856,768.00
4. Other equity instrument investment	1,557,303,730.98		218,487,709.10					1,534,396,887.63
Subtotal of financial assets	1,658,703,730.98	2,456,768.00	218,487,709.10	0.00	80,000,000.00	0.00	0.00	1,718,253,655.63
Total of the above	1,658,703,730.98	2,456,768.00	218,487,709.10	0.00	80,000,000.00	0.00	0.00	1,718,253,655.63
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.

VII. Investment situation

1. General

Applicable Not applicable

Current Investment Amount(Yuan)	Same period of last year (Yuan)	Change rate
1,285,100,576.31	857,896,694.33	49.80%

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

Applicable Not applicable

In RMB

Name of the Company Invested	Main Business	Investment Way	Investment Amount	Share Proportion %	Capital Source	Partner	Investment Horizon	Product Type	Progress up to Balance Sheet Date	Anticipated Income	Gain or Less or the Current Investment	Whether to Involve in Lawsuit	Date of Disclosure	Disclosure Index
Guangdong Jiangzhong Expressway Co., Ltd.	Expressway	Increase capital	110,250,000.00	15.00%	Self funds	Xinyue (Guangzhou) Investment Co., Ltd., Guangdong Highway Construction Co., Ltd.	On the basis of the term of operation approved by the government	Limited Company	Completed			No	July 31, 2021	Announcement of Resolutions of the 20 th (Provisional) Meeting of the Ninth Board of Directors
Total	--	--	110,250,000.00	--	--	--	--	--	--	0.00	0.00	--	--	--

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

Applicable Not applicable

In RMB

Project name	Investment method	Fixed investment	Industry involved in	Investment amount in this	Accrued Actual Investment	Capital	Project schedule	Anticipated income	Accrued Realized	Reasons for not	Disclosure date	Disclosure Index
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		s or not	investment projects	reporting period	Amount up to the End of Reporting Period	Source			Income up to the End of Reporting Period	Reaching the Planned Schedule and Anticipated Income		
Nansha-Zhuhai Section of Guangzhou - Macao Expressway Was rebuilt and Expanded	Self-built	Yes	Expressway	1,094,850,576.31	1,648,394,518.48	Self and Loan	12.00%			No	October 22,2022	Announcement of Resolution of the Second (Provisional) Meeting the Tenth Board of Directors
Total	--	--	--	1,094,850,576.31	1,648,394,518.48	--	--	0.00	0.00	--	--	--

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	722,232,678.08	-39,993,340.48	164,678,460.80				682,239,337.60	Other equity instrument investment	Self
Total			517,560,876.80	--	722,232,678.08	-39,993,340.48	164,678,460.80	0.00	0.00	0.00	682,239,337.60	--	--
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.

VIII. 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

IX. 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	RMB 2.8557 billion	4,099,184,581.71	1,882,977,400.08	1,191,507,531.28	704,103,868.66	521,658,129.01
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 2.351678 billion	4,540,105,326.14	4,196,307,942.55	2,151,996,795.83	1,464,522,107.47	1,077,811,437.35

Subsidiaries obtained or disposed in the reporting period

□ Applicable √ Not applicable

Particulars about the Mutual holding companies

None.

X. Structured subject situation controlled by the company

Applicable Not applicable

XI. Prospect for future development of the Company

In 2024, the Company will do a solid job in the investment, construction, operation and management of expressways, accelerate the layout of emerging industries in the field of transportation, promote the construction of smart transportation, strengthen the quality internally and shape the image externally, seize the opportunities of the times with enterprising courage and professional attitude, create value for the group and win development for the Company. The overall goal for 2024 is to achieve operating income of 4.714 billion yuan with the operating costs controlled within 1.791 billion yuan.

1. Strengthening the top-level design and grasping the implementation of strategies. The Company will promote the implementation of the mid-term adjustment plan of the Company's "14th Five-Year Plan" development plan, strengthen the closed-loop management system of strategic management and control in combination with the Company's "14th Five-Year Plan" development plan, and strengthen the assessment and accountability mechanism of strategic management through the implementation of strategic management linked to budget, assessment, salary, etc.; Strengthen implementation assessment and dynamic adjustment, and formulate strategic implementation pathways, resource allocation plans, and supporting safeguard measures based on value enhancement.

2. Promoting the investment and construction of reconstruction and expansion projects. According to the progress of the Guanghui reconstruction and expansion project, it will carry out project investment and financing analysis in a timely manner; promote the construction projects in Guangzhou-Zhuhai-east and Jiangzhong and ensure the capital needs of project construction. Meanwhile, we will continue to tap into the source of expressway projects, increase the reserve of high-quality projects, do a good job in the analysis and evaluation of existed projects, and strive to seek investment opportunities.

3. The service of the "Millions and Thousands of Projects" is to achieve effective results. The quality and upgrading of the characteristic service area of innovative business formats will be accelerated, and the construction of Zhishan Service Area (North District) and the "Micro transformation" project of Yayao Service Area will be accelerated. It will increase the investment and mergers and acquisitions in high-quality expressway projects to promote the reasonable growth of investment scale. The Company will focus on the investment layout of strategic emerging industries such as infrastructure construction and smart transportation, as well as continue to play the role of Guangdong's high-tech capital market investment platform, deepen resource development, quantify task indicators, and expand revenue space.

4. Improving the level of post-investment empowerment projects. We will continue to focus on new energy equity participation projects, focus on post-investment empowerment and value creation, assist the invested companies to expand their business, improve management, carry out cooperation, actively serve and integrate into the national development strategy, center on green empowerment to promote the upgrading of industrial base, and actively grasp investment and cooperation opportunities in transportation infrastructure and green and low-carbon fields.

XII. Structured subject situation controlled by the company

□ Applicable √ Not applicable

Reception time	Place of reception	Way of reception	Types of visitors	Visitors received	Main contents discussed and information provided	Basic index
February 2,2023	Meeting Room of the Company	Field research	Organization	CICC Research Department: Zhang Wenjie, Gu Yuanfan; CICC's fixed-income division: Zia Luchan, Wang Yuyan;E Fund: Lin Shanshan, Liang Yuyin;First Beijing Investment: Chhen Hua; CCB Wealth Management: Cu Pengzhan	The discussion mainly includes the Company's operation, the main work completed, the progress of the invested reconstruction and expansion projects, and the Company's development plan and work priorities.	1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports
March 21,2023	Meeting Room of the Company	By Phone	Organization	Industrial Securities:Wang Chunhuan, Chen Gang; Capital Dynamics Asset Management (HK) Pte Ltd Wu Xiongwei; Shanghai Houshan Investment Management Co., Ltd San Dan; NEUBERGERBERMAN ASIA LIMITED Wu Xinger; Happy Life Liu Yong; Changjiang Securities Hu Junwen; Ernst & Young Lu Jingwen; Guolian Secutieies Li Wei; AIA Huang Wenjing; Guotai Junan Zhu Chenxi; Zheshang Fund Zhang Zeyue; Huatai Securities Lin Xiaying; Bosi Fund Chen Muhan; China Securities Han Jun; Everbright Securities Cheng Xinxing; Chutian Expressway Yu Zhongxing; Shaanzi International Zhang Shichao; Guotai Junan asset Management Zhongjin Company Gu Yun fan;Sheshang Securities Feng Siqi; JPM Asset Mgmt Vivian Tao; Chongjing Investment Liu Jingwen	The discussion mainly includes the Company's operation, the main work completed, the progress of the invested reconstruction and expansion projects, and the Company's development plan and work priorities.	1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports
August 29,2023	Meeting Room of the Company	By Phone	Organization	Industrial Securities Zhang Xiaoyun, Wang Chunhuan; Bank of China Investment Management Zhang Bin; China Securties Han Jun, Li Chen; Zhong Ou AMC Xie Yuzhuo; CICC Gu Yunfan; Zheshang Securities Chen Yihan, Huang An, Feng Siqi; China Merchants Financial Management Co., Ltd Zhao Jie;Changjiang Secuties (Shanghai) Asset Management Co., Ltd. Yang Jie; Great Wall Securites Xiao Xinyi; Yingda Insurance Asset Management Co., Ltd. Jiang Siyuan; E fund Yang Kang; Sunshine Insurance Zhuang Yan; Xinhua Fund Management Zheng Yi; Wanjia Fund	The discussion mainly includes the Company's operation, the main work completed, the progress of the invested reconstruction and expansion projects, and the Company's development plan	1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports

Reception time	Place of reception	Way of reception	Types of visitors	Visitors received	Main contents discussed and information provided	Basic index
				Management Song Xiaoxiun; Tianfeng Securities Li Yunpeng; BOSCO ASSET IWO Xiangtian;; Shanghai Securities Shao Yafei; Shanghai Tuling Asset Management Zhao Zifeng; Shanghai Shanghai Private Fund Management Partnership (Limited partnership) Chen Hao; Shanghai Everbright Securities Asset Management Co., Ltd Cao Binjia; Qianhe Capital Management Zou Tianye; Minsheng Royal Fund Liang Xin; Longyun Investment Li Shengnong; China Universal Asset Management Yan Yongqing; Huatai Securities Lin Xiaying, Li Yanguang; Hotland Innovation Fund Yang Yi, Wang Yaqian; Hengyuan Capital Bian Dali; United vision asset management Zhang Duo; Guoxin Securities Zeng Fanji	and work priorities.	
September 18, 2023	Meeting Room of the Company	By Phone	Organization	Zhongtai Securities Research Institute Du Chong, Shaomeiling;; insheng Bank financial management Zhang Zhuoxing; Everbright Prudential Fund Lin Xiaofeng; Qingli Investment Li Shu; Zhongtai Wang Yanqian, Tang Chao; Truvalue Asset Management Li HAN; Shanghai Caitong Asset Management Chen Jinxin; Juming Investment Huibowen; Deppon Fund Management Ding Hanyi; China Post Life Insurance Company Co., Ltd Zhao Yang; Agriculture Bank of China Li Rong; Hotland Innovation Fund Yang Yi; Taikang Fund Ma Duichao; Oriental self-run Zhang Kaiyuan; Yuancheng Investment Ma Lina; Hexu Zhiyuan Zhang Duo; Pinan Asset Management Wang Jiacheng; Jiashi Fund Gong Chu; Western Profits Fund Management Co., Ltd Wen Zhenyu; Danshuiquan Investment Management Liu Xiaoyu; Feng Lan Asset Cai Rongzhuan; Huitianfu fund Lao Jienan; Xinhua Asset Management Shu Liang; Yuanxin Investment Zhou Yang; AIA Huang Wenjing, Zheshang Fund Zhang Zeyue; Nuoan Fund Management Li Di; Huamei International Investment Yan Bing; Puxin Investment Zhu Bingbing; China Post Life Insurance Company Co., Ltd Wang Dong; Huatai Securities Liu Rui; Taikang Fund Song Renjie; Morgan huaxin Si Wei; HSBC Jintrust Fund Management Company Limited. Xu Ben; Shanghai Yude Investment Management	The discussion mainly includes the Company's operation, the main work completed, the progress of the invested reconstruction and expansion projects, and the Company's development plan and work priorities.	1. The main content of research: 1. the daily operation; 2. the company's financial data analysis; 3. development strategy; 4. analysis on the industry. 2. Primary data investigation: Public information company regularly reports

Reception time	Place of reception	Way of reception	Types of visitors	Visitors received	Main contents discussed and information provided	Basic index
				Chang Yue; verbright Pramerica Fund Management Co.,Ltd. Huang Yaru;oberweis AM fangwen zhou; Industrial Fund Management Co.,Ltd Gao Sheng;Nuoan Fund Management Huang Youwen; China Life Insurance Asset Management Co., Ltd Dun Sha; Tiping Asset Management Zhao Yang; China Merchants Fund Management Co.,Ltd. Xu Shang; Jingshun Great Wall Lu Yan; Shanghai Zhengxingu Investment Mangement Li Anning		
September 27,2023	Meeting Room of the Company	By Phone	Organization	PICC Asset Management Co., Ltd Zhang Xianning;Aegon-Industrial Fund Zhang Xiaofeng; Beijing Kaisibo Investment Management Lin Xiaowen; Hezhong Asset Management Du Ruochen; Shanghai Natural Picking up Bay Investment Management Partnership (Limited Partnership) Zhuang Xiaoyang; ICBC Credit Suisse Asset Management Co., Ltd. Gu Heng; Guangdong Haihui Huasheng Securities Investment Management Pan Yongli; CCB Wealth Management Wu Jieben; Hongde Fund Management Liu Fei; Fullgoal Fund Zhang Zeyue; Hainan Sirui Private Fund Management Ma Jin; Danshuiquan(Beijing) Investment Management Lin Shenglan; Zhuhai Hengqin Changlehui Capital Management Zhang Chenquan; Goldman Sachs Asia Wen Shuhan; CIC Shoushan International Asset Management Co., Ltd Ye Zhigang; China Post Life Insurance Co., Ltd Yang Chen; Zhuhai Lezhong Investment Management Yang Hunlun; Shanghai Guozan Private Equity Fund Management Partnership (Limited partnership) Guo Yulei;Shanghai Xiasheng Asset Management Partnership(limited partnership) Hong Linxiang; Shanghai Baixia Investment Management Center(limited partnership) Gu Zhiye; Shanghai Orient Securities Asset Management Co., Ltd Chen Zhizhen; Shanghai Hundun Investment(Group) Co., Ltd. Li Xiaonan; Shanghai Yaozhi Asset Management (limited partnership) Zhang Yiling; Guotai Life Insurance Liu Bangjia; Guotai Investment Zheng Zongjie; Anxin Secritities Chen Jiamin;	The discussion mainly includes the Company's operation, the main work completed, the progress of the invested reconstruction and expansion projects, and the Company's development plan and work priorities.	1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports

Reception time	Place of reception	Way of reception	Types of visitors	Visitors received	Main contents discussed and information provided	Basic index
				ICBC International Holdings Limited Wu Yawen, Tuopu Fund Zhang Xiao; Taikang Asset Management Qian Jiajia; Shenzhen Zhongtian Huifu Fund Management Co., Ltd Xu Gaofei; Shenzhen Sihai Yuantong Investment Co., Ltd. Wu Guanghua;Shenzhen Shangcheng Asset Mangement Huang Xiangqian; Zhuhai Hengqin Chenglehui Capital Management Zhang Xiaoren; Suzhou Longyuan Investment Management Li Shengnong, Qingdao Jinguang Zijin Venture Investment management lei Jing;IGWT Investment Liao Keming		
October 30,2023	Meeting Room of the Company	By Phone	Organization	CITIC Asset Management Liu Jiangchao; Huaxia Life Xu Haiyan; Shanghai Ducheng Investment Management Zhang Xun; Shanghai Mingshi Private Fund Management Co., Ltd Ding Ke; Qingli Investment Zhao Dong;Xinzhifeng Investment Zhou Wenjia;LuDijinchuang Technology Group Co., Ltd. Zheng Zhuopu; Telligent Capital Management Ivan Yim; Jingshun Great Wall Fund Management Sun Jingxi; Yongying Fund Management Hung Run; Hongde Fund Management Liu Yunchang ; Shanghai Ruiyi Investment Development Genter(limited partnership) Wang Luqing; Huaxia life Huang Bo; CPE Yuanfeng Li Ruomu; Unified Investment Zheng Zongjie; Boshi Fund Chen Muhan; Oriental self-run Zhang Kaiyuan; China Post Securities Co., Ltd Chen Liang;Kunlun Health insurance Xu Sai; Huatai self-run Li Yanguang; CITIC SECURITIES Yuanzi; Sifan Investment tulataska; Shengzhen Qianhai Yingfeng Capital Management Mao Wentao ;Guoxin Investment Zhang Yao; Xuanyuan Investment He Jiyao, ; Hotland Innovation Fund Wang Yaqian, Fuguo Fund Zhang Zeyue; SDIC UBS Yuan Ye	The discussion mainly includes the Company's operation, the main work completed, the progress of the invested reconstruction and expansion projects, and the Company's development plan and work priorities.	1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports

IV. Corporate Governance

I. General situation

The Company strictly followed the requirement of laws and regulations in <company law>,< the Securities Law>,< Code of Corporate Governance for Listed Companies in China>, <Stock Listing Rules> etc. and kept on improving corporate governance structures, improving normative operation level. Company had stipulated rules such as <articles of association>, rules of procedures in three meetings, working guide of special committee in board of directors, working guide of general manager etc. and internal control system basically covering all operating management such as company financial management, investment management, information disclosure, related transaction, external guarantee, fund raising etc. All rules are well implemented.

In the report period, strictly following the relevant provisions of “Company Law”and “Regulations”, the shareholder’s meeting of our bank effectively performed the functions. The board of directors is to be responsible for the shareholder’s meeting, to take the ultimate responsibility for the bank’s operation and management and to convene a meeting as well as performing the function and power according to legal procedure. In line with the attitude which is responsible for all shareholders and keeping in close contact and communication with the board of directors and the management, the board of supervisors carries out the assessment work on duty exercising for the board of directors and the board of supervisors, effectively performing functions and obligations of supervision.

Does there exist any difference in compliance with the corporate governance , the PRC Company Law and the relevant provisions of CSRC,

Yes No

There exist no difference in compliance with the corporate governance , the PRC Company Law and the relevant provisions of CSRC.

II. Independence and Completeness in business, personnel , assets, organization and finance

1. Independent business

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 consultaion 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 Science and Technology Microfinance 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.

The Company has outstanding main operation, independent and complete business and the ability of independent operation. All business decisions of the Company were made independently, being completely separated from the shareholder with actual control. Related transactions were carried out in light of the principle of fair transaction, which did not harm the interests of the Company and other shareholders of the Company. The content of related transactions was fully, timely and accurately disclosed, which did not have negative influence on the Company.

2. Complete assets

The relationship of the Company's property right is clear. The assets injected by shareholders in the Company are independent and complete and have clear property right. All capital was paid up and relevant formalities of property right change were settled.

3. Independent personnel

As for personnel relationship, the general manager, deputy general managers, the secretary to the board of directors and financial controller of the Company were full-time employees and received salary from the Company, who did not concurrently hold positions at the parent company.

All directors and supervisors of the Company were elected through legal procedure. The general manager, deputy general managers, chief accountant, chief economic engineer and chief engineer were directly appointed by the board of directors. Other managerial personnel of all levels were directly appointed by the general manager. The Company owns independent power of personnel appointment and removal.

4. Independent finance

The Company, including subsidiaries established independent accounting department , independent accounting system and regulations on financial management.

The Company independently opened bank account and did not deposit funds in the accounts of the finance company or settlement center of the majority shareholder. The Company independently paid tax. The Company's financial decisions were independently made. The majority shareholder did not interfere with the use of funds by listed companies.

5. Independent organization

The board of directors, the supervisory committee and other internal organs of the Company operated independently. Its organs are complete and independent.

III. Horizontal Competitions

Applicable Not applicable

IV. Annual General Meeting and Extraordinary Shareholders' Meetings in the Reporting Period

1. Annual General Meeting

Sessions	Type of meeting	Investor participation ratio	Meeting Date	Disclosure date	Disclosure index
2022 Shareholders' general meeting	Annual Shareholders' General Meeting	66.79%	June 28,2023	June 29,2023	The meeting examined the Proposal Concerning Final Accounting Report for 2022, The meeting examined the Proposal Concerning plan for Profit Distribution for 2022, The meeting examined the Proposal Concerning Overall budget report of the Company for 2023, The meeting examined the Work Report of the Board of Directors for 2022, The meeting examined the Work Report of the supervisory Committee for 2022, The meeting examined Annual Report for 2022 and its summary, The meeting examined the Proposal for Hiring the 2023 Annual Financial Report Audit Agency, The meeting examined the Proposal for Hiring the 2023 Internal Control Audit Institution, The meeting examined the Proposal on the Investment Plan for 2023; The meeting examined the Proposal on Amending Part of the Articles of Association

					of the Company.
The First provisional shareholders' General meeting of 2023	Provisional shareholders' General meeting	64.41%	August 23,2023	August 24,2023	The meeting examined the Proposal on change of the performance commitment of the major asset restructuring project in 2020 and signing the supplementary agreement to the profit compensation agreement
The Second provisional shareholders' General meeting of 2023	Provisional shareholders' General meeting	40.71%	November 6,2023	November 7,2023	The meeting examined the Proposal on Increasing Capital to Zhaoqing Yuezhao Highway Co., Ltd. to Invest in the Reconstruction and Expansion Project of the Yuejing Hengjiang to Ma'an Section of the G80 Guangzhou-Kunming Expressway
The Third provisional shareholders' General meeting of 2023	Provisional shareholders' General meeting	65.27%	December 5,2023	December 6,2023	The meeting examined the Proposal on Amending the Independent Director System of the Company, The meeting examined the Proposal on Amending the Articles of Association of the Company, The meeting examined the Proposal on Renewal of the Financial Services Agreement with Guangdong Communications Group Finance Co., Ltd., The meeting examined the Proposal on the election of Mr. Zhang Renshou and Mr. Liu Heng as independent directors of the 10th board of directors of the Company

2. Request for extraordinary general meeting by preferred stockholders whose voting rights restore

Applicable Not applicable

V. Information about Directors, Supervisors and Senior Executives

I. Basic situation

Name	Positions	Office status	Sex	Age	Starting date of tenure	Expiry date of tenure	Shares held at the year-begin(share)	The number of shares held in the current period(shares)	Number of shares reduced in the current period(shares)	Other changes(shares)	Number of shares held at the end of the period(shares)	Reasons for increase or decrease of shares
Miao Deshan	Board Chairman	In office	Male	52	August 19,2022	September 20,2025						
Wang Chunhua	Director, General Manager	In office	Male	59	April 16,2013	September 20,2025	135,100				135,100	
Lu Ming	Director, Chief accountant	In office	Male	45	December 25,2020	September 20,2025						
Zuo Jiang	Director, Deputy General Manager	In office	Female	51	October 19,2015	September 20,2025						
Cheng Rui	Director	In office	Male	49	September 20,2022	September 20,2025						
Zeng Zhijun	Director	In office	Male	53	December 4,2017	September 20,2025						
Yao Xuechang	Director	In office	Male	56	November 2,2020	September 20,2025						
Yao Xuechang	Director	In office	Male	52	September 20,2022	September 20,2025						
Wu Hao	Director	In office	Female	51	November 2,2020	September 20,2025						
Kuang Yu	Director	In office	Male	38	May 17,2022	September 20,2025						

Name	Positions	Office status	Sex	Age	Starting date of tenure	Expiry date of tenure	Shares held at the year-begin(share)	The number of shares held in the current period(shares)	Number of shares reduced in the current period(shares)	Other changes(shares)	Number of shares held at the end of the period(shares)	Reasons for increase or decrease of shares
Zeng Xiaoqing	Independent director	In office	Female	54	May 20,2019	September 20,2025						
You Dewei	Independent director	In office	Male	55	September 20,2022	September 20,2025						
Yu Mingyuan	Independent director	In office	Male	61	September 20,2022	September 20,2025						
Zhang Renshou	Independent director	In office	Male	58	December 5,2023	September 20,2025						
Liu Heng	Independent director	In office	Male	40	December 5,2023	September 20,2025						
He Sen	Chairman of the Supervisory Committee	In office	Male	50	August 19,2022	September 20,2025						
Wang Xiaobing	Supervisor	In office	Female	52	May 17,2022	September 20,2025						
Ke Lin	Supervisor	In office	Female	54	September 15,2017	September 20,2025						
Deng Yunfeng	Supervisor	In office	Male	48	December 23,2021	September 20,2025						
Zhou Dong	Supervisor	In office	Female	53	September 9,2022	September 20,2025						
Luo Baoguo	Deputy General Manager	In office	Male	50	December 25,2020	September 20,2025						
Zhu	Deputy	In office	Male	41	April 27,2023	September						

Name	Positions	Office status	Sex	Age	Starting date of tenure	Expiry date of tenure	Shares held at the year-begin(share)	The number of shares held in the current period(shares)	Number of shares reduced in the current period(shares)	Other changes(shares)	Number of shares held at the end of the period(shares)	Reasons for increase or decrease of shares
Qijun	General Manager					20,2025						
Yang Hanming	Secretary to the Board	In office	Male	54	August 28,2017	September 20,2025						
Zhou Yisan	legal counsel	In office	Male	43	September 20,2022	September 20,2025						
Zhang Hua	Independent director	Dismission	Male	58	December 4,2017	December 4,2023						
Liu Zhonghua	Independent director	Dismission	Male	58	December 4,2017	December 4,2023						
Total	--	--	--	--	--	--	135,100	0	0	0	135,100	--

During the reporting period, whether there is dismissal of directors and supervisors and decruitment of senior managers

Yes No

Changes of directors, supervisors and senior executives

Applicable Not applicable

Name	Positions	Types	Date	Reason
Liu Zhonghua	Independent director	Dismission	December 4,2023	Left for term expiration
Zhang Hua	Independent director	Dismission	December 4,2023	Left for term expiration

2. Posts holding

Professional backgrounds, major work experience and current duties in the Company of the incumbent directors, supervisors and senior management:

Mr. Miao Deshan, He served as Chairman, with bachelor degree. Bachelor of Engineering degree, senior engineer. From June 2011 to July 2022, he served successively as Deputy General Manager, Chief Engineer, Deputy Secretary of the Party Committee, Director and General Manager of Guangdong Communications Industrial Investment Co., Ltd. has been the Chairman of the Company since August 19, 2022. He is also the Director of SPIC Yuetong Qiyuanxin Power Technology Co., Ltd., the Company's shareholding company, and the Legal Representative and Executive Director of Yuegao Capital Holdings (Guangzhou) Co., Ltd.

Mr. Wang Chunhua, He served as Director and General Manager of the Company, Master Degree, senior engineer and senior economic engineer, Since September 2006, he served as Deputy General Manager of the Company. From March 2013 to October 2015, He served as director and Deputy General Manager of the Company, Since October 2015, He served as Director and General director of the Company, and hold a concurrent post of vice chairman of Shenzhen Huiyan Expressway Co., Ltd. and Chairman and Legal representative of Guangfo Expressway .

Mr. Lu Ming, He served as Director and Chief accountant of the Company, Graduate degree, MBA, senior accountant ,from March 2009 to December 2020, served as the Manager, Deputy Business Director and Business Director of the Financial Management Department of Guangdong Communications Group Co., Ltd., and from December 2018 to December 2019, he served as the first secretary of the Party Branch of Yinghuai Management Office of Guangdong Nanyue Communications Longhuai Expressway Management Center. Since December 25, 2020, he has served as the Chief Accountant of the Company, and since February 3, 2021, he has served as a Director of the Company. He also serves as the Vice Chairman of Ganzhou Nankang-Dayu Expressway Co., Ltd., the Company's shareholding company, the Director of Guangdong Yueke Science and Technology Microfinance Co., Ltd., the Chairman of Beijing-Zhuhai Expressway Guangzhou-Zhuhai Section Co., Ltd. and Guangdong Guangzhou-Huizhou Expressway Co., Ltd.

Ms. Zuo Jiang, Deputy General Manager of the Company, Graduate degree , Master of Economics, Senior Economist, Qualified as Legal Adviser of the Enterprise, Secretary of the Board of Directors. He has been working in the Company since 1994. He has been the Minister of Securities Affairs of the Company since 1999. He has been the Secretary of the Board of Directors and Director of Securities Affairs Department since March 2006. From October 2015 to July 2016, he was the Deputy General Manager and Secretary of the Board of Directors And Minister of Securities Affairs. Since October 2015, he has been the Deputy General Manager of the Company, and hold a concurrent post of Director of Guangdong Yueke Science and Technology Microfinance Co., Ltd., director of Guoyuan Securities Co., Ltd. and General Manager, Party branch secretary of Yuegao Capital Investment (Guangzhou)Co., Ltd.

Mr. Cheng Rui, Director of the Company, holds a master's degree in business administration, an economist, with the Corporate Legal Adviser and Lawyer qualification. From August 2017 to May 2022, he served as Deputy General Manager of Guangdong Expressway Development Co., Ltd., during which, from May 2019 to August 2021, he was appointed as the First Secretary of the Party Organization in Shanhu Village, Jinhe Town, Jiexi County, Jieyang City. Since May 2022 till now, he has served as the Director of Legal Affairs Department of Guangdong Communications Group Co., Ltd. He has been the director of the Company since September 20, 2022.

Mr. Zeng Zhijun, economist, is a director of the Company, with master degree. Since June 2010, he has served as the deputy chief economist of Guangdong Provincial Expressway Co., Ltd. From January 2015 to September 2015, he served as Minister of Investment Planning Department of Guangdong Provincial Expressway Co., Ltd;

since September 2015, he has served as Minister of Legal Affairs Department of Guangdong Provincial Expressway Co., Ltd. , Since September 2020, He serves as Minister of personnel resource department, Since December 4, 2017, he serves as Director of the Company.

Mr.You Xiacong, senior accountant,is the director of the Company, with bachelor degree. From May 2015 to December 2021, he served as the director and chief accountant of Guangdong Provincial Highway Construction Co., Ltd., and since December 2021, he has served as the director, chief accountant, and member of the party committee of Guangdong Provincial Highway Construction Co., Ltd. He has served as director of the Company since November 2, 2020.

Mr. Yao Xuechang, Director of the Company, Bachelor Degree, MBA, Senior Engineer of road and bridge, served as the Director and Deputy Secretary of the Party Branch of the Reconstruction and Expansion Project Management Office of the Southern Section of Foshan-Kaiping Expressway from October 2015 to February 2020. From February 2020 to October 2021, he successively served as the Director and Deputy Secretary of the Party Branch of Zhongshan-Jiangmen Expressway Reconstruction and Expansion Management Office, Deputy Secretary and Director of the Party Branch of the Reconstruction and Expansion Project Management Office of the Southern Section of Foshan-Kaiping Expressway, director and deputy secretary of the Party branch of the Guangzhou-Zhuhai Expressway Reconstruction and Expansion Management Office. Since October 2021, he has served as the Deputy Secretary and Director of the Party Branch of the Reconstruction and Expansion Management Office of the Guangzhou-Zhuhai section of Beijing-Zhuhai Expressway and the Director of the Reconstruction and Expansion Project Management Office of the Southern Section of Foshan-Kaiping Expressway.He has been the Director of the Company since September 20, 2022.

Ms.Wu Hao,She is the director of the Company,with bachelor degree. From February 2012 to May 2020, She successively served as deputy manager of the finance department, deputy manager of the investment business department, and manager of the investment business department of Shandong Expressway Investment Development Co., Ltd. She has served as the deputy general manager and member of party committee of Shandong Expressway Investment Development Co., Ltdsince May 2020. From November 2, 2020, he has served as director of the Company.

Mr Kuang Yu, Director of the Company, holds a master's degree in economics.He started working in 2011 and is currently the securities affairs representative of Poly Development Holding Group Co., Ltd. and the Department Manager of the Capital Operation Department of the Board Office.He has been the Director of the Company since May 17, 2022.

Ms. Zeng Xiaoqing, an independent director of the Company, with bachelor's, master's and doctor's degrees from Tongji University. Since 1993, she conducted training and study at Tsinghua University and German Darmstadt University of Technology. From May 20, 2019, she served as the independent director of the Company.

Mr. You Dewei, the independent director of the Company with a master's degree in law, served as the Senior Partner and Lawyer of Guangdong Zongheng Tianzheng Law Firm from June 1997 to January 2019, and as the Supervisor, Senior Partner and Lawyer of Guangdong ETR Law Firm since January 2019. Meanwhile, he is also a part-time External Director of the supervision enterprise of Guangdong State-owned Assets Supervision and Administration Commission, part-time External Director of Guangdong Port and Shipping Group, Independent Director of Guangzhou Academy of Building Research Co., Ltd., Independent Director of Guangsheng Nonferrous Metals Co., Ltd., and one of the first batch of 35 mediators in the Mediation Center of Guangdong Lawyers Association, Deputy Director of the 11th State-owned Assets Law Committee of Guangdong Lawyers Association, Deputy Director of the 12th Compliance and Risk Control Law Committee of Guangdong Lawyers Association, Executive Director of China Health Law Society, Executive Director of Guangdong Health Law Society, Director of Guangdong Law Society's Corporate Compliance Research Society, Director of Guangdong

Law Society's Medicine and Food Law Research Society, Deputy Director of Guangzhou Lawyers Association's Medicine and Health Business Legal Committee, an Arbitrator of Shenzhen Court of International Arbitration, Arbitrator of Qingyuan Arbitration Committee, Member of Guangdong Province's Eighth Five-Year Plan Law Popularization Lecturer Group, and Member of Guangzhou Municipal Bureau of Justice's "Warm Enterprise Action" 100-expert Lawyer Legal Service Group. He has been an independent director of the Company since September 20, 2022.

Mr. Yu Mingyuan, an Independent Director of the Company, Bachelor of Engineering, second-class researcher, and Expert enjoying special government allowance from the State Council, once served as the Director of the Highway and Comprehensive Transportation Development Research Center of the Research Institute of Highway, Ministry of Transport. Since July 2021, he has also served as an Independent Director of Jiangsu Shanghai-Nanjing Expressway Co., Ltd., since December 2022, as an Independent Director of Hubei Chutian Intelligent Transportation Co., Ltd., and since September 20, 2022, as an Independent Director of the Company.

Mr. Zhang Renshou is an independent director of the Company. He is a doctoral supervisor, a postdoctoral cooperative supervisor, an MPACC master's supervisor, and an MBA supervisor. He used to be the dean of the College of Modern Industry of Guangzhou University and the dean of the Sino-Canadian School of International Education of Guangzhou University. He is currently a professor of the Department of Accounting of School of Management of Guangzhou University, the dean of the Institute of Performance and Strategic Management of Guangzhou University, the dean of the South China Institute of Big Data in the Guangdong-Hong Kong-Macao Greater Bay Area, and the deputy dean of the Guangdong New Era Career Development Research Institute. He has been an independent director of the Company since December 5, 2023.

Mr. Liu Heng, Ph.D., doctoral supervisor, project expert of the National Foundation and Provincial Department of Science and Technology, is strategic consultant of many enterprises, etc. From June 2015 to June 2023, he served as an associate professor at Sun Yat-sen University, and since June 2023, he has been a professor at Sun Yat-sen University. Since August 2022, he has served as an independent director of Guangdong Zhaoqing Xinghu Biotechnology Co., Ltd. He has been an independent director of the Company since December 5, 2023.

Mr. He Sen, Chairman of the Board of Supervisors of the Company, Bachelor Degree, MBA, Senior Accountant, has been appointed Chairman of the Board of Supervisors of Guangdong Communications Group Co., Ltd. since March 2016. Since August 19, 2022, he has served as Chairman of the Board of Supervisors of the Company.

Ms. Wang Xiaobing, Supervisor of the Company, Bachelor of Arts, Senior Economist and Accountant, has been an expatriate supervisor of Guangdong Communications Group Co., Ltd. since August 2008. Since May 17, 2022, he has served as a Supervisor of the Board of Supervisors of the Company.

Ms. Ke Lin, Supervisor of the Company, bachelor degree, Bachelor of Science, assistant researcher. From August 2017 to December 2020, she has served as Chairman of the labor union of the company. From August to New, She has served as party committee member, discipline inspection commission secretary. Since September 15, 2017, She served as supervisor of Board of supervisor of the Company.

Mr. Deng Yunfeng, supervisor of the Company, bachelor degree, MBA, senior engineer. He served as Party Secretary of Guangzhou-Foshan Expressway Co., Ltd. from February 2014 to July 2018; Minister of Party and Mass Work Department of the Company from July 2018 to the present, and also vice chairman of the trade union of the Company and chairman of the trade union of its headquarters from March 2021 to the present. He has served as the employee supervisor of the ninth board of supervisors of the Company since December 23, 2021.

Ms. Zhou Dong, Supervisor of the Company, Bachelor of Economics, and Senior Accountant. From April 2003 to January 2018, she served as Deputy Director of the Financial Management Department of the Company. Since January 2018, she has served as Deputy Secretary of the Discipline Inspection Committee of the Company and Director of the Discipline Inspection and Audit Department of the Company. Since September 2022, She has served as Employee Supervisor of the Board of Supervisors of the Company. She is also the Chairman of the Board of Supervisors of Ganzhou Gankang Expressway Co., Ltd., a shareholding company of the Company, Supervisor of Guangdong Lechang-Guangzhou Expressway Co., Ltd. and Supervisor of Shenzhen Huizhou-Shenzhen Expressway Co., Ltd. and Yuegao Capital Holdings (Guangzhou) Co., Ltd.

Mr. Luo Baoguo, Deputy General Manager of the Company, Master of Engineering, Senior Engineer. From August 2017 to December 2020, he served as the General Manager (person in charge) and Deputy Secretary of the Party Committee of Foshan-Kaiping Branch of Guangdong Expressway Development Co., Ltd. Since December 25, 2020, he has served as the Deputy General Manager of the Company. He is also the Chairman of Zhaoqing Yuezhao Highway Co., Ltd., a shareholding company of the Company, the Vice Chairman of Guangdong Zhongshan-Jiangmen Expressway Co., Ltd. and the Director of Guangdong Guangzhou-Huizhou Expressway Co., Ltd.

Mr. Zhu Qijun, Deputy General Manager of the Company, holds a master's degree in arts and is a political engineer. From August 2016 to February 2022, he successively served as the secretary of the Party branch, the deputy general manager and the chairman of the labor union of the commercial operation and management branch of Guangdong Litong Real Estate Investment Co., Ltd. (after upgrading), during which he concurrently served as the deputy general manager of Guangdong Gaoda Property Development Co., Ltd. and the deputy general manager of Guangdong Litong Property Development Co., Ltd. From February 2022 to May 2022, he served as the director of the planning and marketing center of Guangdong Litong Development and Investment Co., Ltd. From May 2022 to March 2023, he served as the director of the business planning department of Guangdong Urban Transportation Investment Co., Ltd. and Guangdong Litong Development and Investment Co., Ltd., and concurrently served as a director of Guangdong Traffic Engineering Co., Ltd. during the period. He has been the Deputy General Manager of the Company since April 27, 2023.

Mr. Zhou Yisan, General Counsel of the Company, Master of Law, corporate lawyer, second-class legal adviser of state-owned enterprises, has the qualifications of secretary of the board of directors, securities, futures and funds. From April 2016 to October 2017, he served as Deputy Director of Investment Development Department and Legal Affairs Department of the Company; from October 2017 to now, he served as Director of Legal Affairs of the Company; from September 2019 to September 2022, he served as Employee Supervisor of the Ninth Board of Supervisors of the Company; and from September 20, 2022, he served as General Counsel of the Company. Meanwhile, he also serves as the Director of Beijing-Zhuhai Expressway Guangzhou-Zhuhai Section Co., Ltd., the holding company of the Company, Supervisor of Guangdong Yueke Science and Technology Microfinance Co., Ltd. and Director of Guangdong Guangzhou-Huizhou Expressway Co., Ltd.

Mr. Yang Hanming, he has been the Secretary of the Board, bachelor's degree, senior economist, corporate legal adviser, with the board secretary qualifications. Since August 2017, he has been the Secretary of the Board of the Company, vice Chairman of Ganzhou Gankang Expressway Co., Ltd., Director of Guangdong Jiangzhong Expressway Co., Ltd. and supervisor of Guangdong Yueke Science and Technology Microfinance Co., Ltd., Since September 2019, he served as Minister of Development Dept of the Company. He also serves as the vice Chairman of Ganzhou Gankang Expressway Co., Ltd., a joint stock company of the Company. and Director of Jingzhu Expressway Guangzhou Section Co., Ltd.

Office taking in shareholder companies

√Applicable □Not applicable

Names of the persons in office	Names of the shareholders	Titles engaged in the shareholders	Sharing date of office term	Expiry date of office term	Does he /she receive remuneration or allowance from the shareholder
Cheng Rui	Guangdong Communication Group	Minister of Legal Affairs.	May 1,2022		Yes
You Xiaocong	Guangdong Communication Group Finance Co., Ltd.	Deputy Party committee member, General Manager	April 12,2023		Yes
Yao Xuechang	Beijing-Zhuhai Expressway Guangzhou-Zhuhai section reconstruction and expansion management Office	Deputy secretary and director	October 1,2021		Yes
Zeng Zhijun	Guangdong Provincial Freeway Co.,Ltd.	General Counsel, Minister of Human Resources	September 1,2015		Yes
He Sen	Guangdong Communication Group Co., Ltd.	Dispatched chairman of the supervisory committee	March 1,2016		Yes
Wang Xiaobing	Guangdong Communication Group Co., Ltd.	Supervisor	August 1,2008		Yes

Offices taken in other organizations

√Applicable □Not applicable

Name of the persons in office	Name of other organizations	Titles engaged in the other organizations	Starting date of office term	Expiry date of office term	Does he/she receive remuneration or allowance from other organization
Zeng Xiaoqing	Tongji University's School of Transportation Engineering	Professor and doctoral supervisor	June 1,2007		Yes
	Tongji University's Joint Experimental Center for Traffic Information Control	Director	June 30,2003		No
You Dewei	Guangdong ETR Law Firm	Senior partner, lawyer	January 1,2019		Yes
	Guangdong ETR Law Firm	Chief Supervisor	June 1,2022	June 1,2023	Yes
	Guangdong Province SASAC supervises enterprises	External director	July 1,2019		Yes
	Guangdong Ganghang Group	External director	July 1,2019		Yes
	Guangdong Provincial Academy of Building Research Group Co., Ltd.	Independent director	August 1,2022		Yes
	Rising Nonferrous Metals Share Co., ltd.	Independent director	August 1,2022		Yes
	China Southern Airlines General Aviation Co., Ltd	Independent director	December 1,2022		Yes
Zhuhai Rural Commercial	Executive	June 1,2023		Yes	

Name of the persons in office	Name of other organizations	Titles engaged in the other organizations	Starting date of office term	Expiry date of office term	Does he/she receive remuneration or allowance from other organization
	Bank Co., Ltd	supervisor			
	The Council of the Health Law Research Association of the Guangdong Provincial Law Society	Vice chairman	May 1,2023		No
	Guangdong Enterprise Federation, Guangdong Entrepreneurs Association	Vice chairman	March 1,2023		No
	The 11th State-owned Assets Law Professional Committee of Guangdong Lawyers Association	Vice director	March 1,2017		No
	The 12th Compliance Risk Control Legal Professional Committee of Guangdong Lawyers Association	Vice director	April 1,2022		No
	China Health Law Society	Executive director	June 1,2019		No
	Guangdong Health Law Society	Executive director	December 1,2021		No
	Guangdong Provincial Law Society of Medicine and Food Law Research Associatio	Director	December 1,2020		No
	Pharmaceutical and Health Business Legal Professional Committee of Guangzhou Law Association	Vice director	September 1,2020		No
	Shenzhen Court of International Arbitration	Arbitrator	February 1,2019		No
	Qingyuan Arbitration Commission	Arbitrator	February 1,2016		No
	Guangzhou Municipal Bureau of Justice "warm enterprise action" 100 experts lawyers legal service	Member	September 1,2016		No
Yu Mingyuan	Research Institute of Highway Ministry of Transport	Second-level researcher	October 1,2022		Yes
	China Highway Society Investment Branch	Executive director	July 1,2022		No
	China Highway Society Transportation and Logistic Branch	Executive director	July 1,2018		No
	Jiangsu Ninghu Expressway Co., Ltd.	Independent director	July 1,2021		Yes
	Hubei Chutian Smart Communication Co., Ltd.	Independent director	December 1,2022		Yes
Liu Heng	Guangdong Zhaoqing	Independent	August 1,2022		Yes

Name of the persons in office	Name of other organizations	Titles engaged in the other organizations	Starting date of office term	Expiry date of office term	Does he/she receive remuneration or allowance from other organization
	Xinghu Biotechnology Co., Ltd	director			
Wu Hao	Shandong Expressway Investment Development Co., Ltd.	Member of Party committee, deputy general manager	May 29,2020		Yes
Kuang Yu	Poly Development Group Co., Ltd.	Securities Representative and Department Manager of Capital Operations Department of the Board of Directors			Yes

Punishments to the current and leaving board directors, supervisors and senior managers during the report period by securities regulators in the recent three years

Applicable Not applicable

3. Remuneration to directors, supervisors and senior executives

Decision-making procedures, basis for determination and actual payment of the remuneration to directors , supervisors and senior executives

The remuneration of members of the Tenth board of directors and supervisory committee was examined and determined at the second provisional shareholders' general meeting in 2022.

Non-independent directors are not entitled to directors' remuneration.

1. Independent directors are entitled to directors' remuneration, Directors who have not held other positions in the Company and the controlling shareholder of the Company and its related parties are remunerated by the directors of the Company, and the standard is RMB 8,000 (tax included) per person per month. In addition, the expenses incurred by the independent directors at the board of directors and the shareholders' general meeting and the expenses incurred in exercising their functions and powers in accordance with the articles of association may be reimbursed in the company.

Remuneration to directors, supervisors and senior executives in the reporting period

In RMB 10,000

Name	Positions	Sex	Age	Office status	Total remuneration received from the Company	Whether to get paid in the company related party
Miao Deshan	Board Chairman	Male	52	In Office	66.71	No
Wang Chunhua	Director, General Manager	Male	59	In Office	73.25	No
Lu Ming	Director , Chief Accountant	Male	45	In Office	61.86	No
Zuo Jiang	Director, Deputy General Manager	Female	51	In Office	61.74	No
Cheng Rui	Director	Male	49	In Office	5.98	Yes
Zeng Zhijun	Director	Male	53	In Office		Yes

Name	Positions	Sex	Age	Office status	Total remuneration received from the Company	Whether to get paid in the company related party
You Xiacong	Director	Male	56	In Office		Yes
Yao Xuechang	Director	Male	52	In Office		Yes
Wu Hao	Director	Female	51	In Office		Yes
Kuang Yu	Director	Male	38	In Office		No
Zeng Xiaoqing	Independent director	Female	54	In Office	9.6	No
You Dewei	Independent director	Male	55	In Office	9.6	No
Yu Mingyuan	Independent director	Male	61	In Office	9.6	No
Zhang Renshou	Independent director	Male	58	In Office	0.8	No
Liu Heng	Independent director	Male	40	In Office	0.8	No
He Sen	Chairman of the Supervisory Committee	Male	50	In Office		Yes
Wang Xiaobing	Supervisor	Female	52	In Office		Yes
Ke Lin	Supervisor	Female	54	In Office	60.88	No
Deng Yunfeng	Supervisor	Male	48	In Office	58.08	No
Zhou Dong	Supervisor	Female	53	In Office	58.19	No
Luo Baoguo	Deputy General Manager	Male	50	In Office	60.93	No
Zhu Qijun	Deputy General Manager	Male	41	In Office	41.84	No
Zhou Yisan	Chief legal adviser	Male	43	In Office	61.32	No
Yang Hanming	Secretary to the Board	Male	54	In Office	60.15	No
Zhang Hua	Independent director	Male	58	Dimission	8.8	No
Liu Zhonghua	Independent director	Male	58	Dimission	8.8	No
Total	--	--	--	--	718.92	--

Other

Applicable Not applicable

VI. Performance of directors' duties during the reporting period

1. Information of the board meetings during the reporting period

Session	Convening date	Disclosure date	Meeting resolution
The 7th (Provisional) meeting of the Tenth Board of Directors	March 20,2023	March 21,2023	<p>The meeting examined and adopted of the Proposal on Changes in Accounting Policies, The meeting examined and adopted the Proposal Concerning Final Accounting Report for 2022, The meeting examined and adopted the Proposal Concerning Preplan for Profit Distribution for 2022, The meeting examined and adopted the Proposal Concerning Overall budget report of the Company for 2023, The meeting examined and adopted the Work Report of the Board of Directors for 2022, The meeting examined and adopted the Business Report of the General Manager for 2022, .The meeting examined and adopted Annual Report for 2022 and its summary, The meeting examined and adopted the Proposal the report on evaluation of the Company's internal control in 2022, The meeting examined and adopted the Proposal for Hiring the 2023 Annual Financial Report Audit Agency, The meeting examined and adopted the Proposal for Hiring the 2023 Internal Control Audit Institution, The meeting Examined and adopted of the Proposal on Confirming the Continuous Risk Assessment Report of Guangdong Communication Group Finance Co., Ltd., The meeting Examined and adopted of the Proposal on the Report on the Control of Debt Risk of 2022,</p> <p>The meeting Examined and adopted of the Proposal on the Report on the analysis of Debt Risk of 2022, The meeting Examined and adopted of the Proposal on the 2022 Environmental, Social and Governance (ESG) Report of the Company, The meeting examined and adopted the Proposal on Signing the Office Property Lease Contract of the 45th and the 46th Floors of Litong Plaza,</p> <p>, The meeting examined and adopted the Proposal on the Difference between Actual Profit and Profit Forecast of Guanghui Expressway, The meeting examined and adopted the Proposal on Deliberating the 2023 Management Target Responsibility Letter for Members of the Company's Management Level, The meeting examined and adopted the Proposal on the 2022 Gross Salary Distribution Plan of the Company, The meeting examined and adopted the Proposal on the 2022 Gross Salary Distribution Results of the Company's Leadership Team.</p>
The 8th (Provisional) meeting of the Tenth Board of Directors	April 27,2023	April 28,2023	The meeting examined and adopted the Proposal concerning the First Quarter of 2023, The

Session	Convening date	Disclosure date	Meeting resolution
			meeting examined and adopted the Proposal on Amending the Articles of Association, The meeting examined and adopted the Proposal on Appointing the Deputy General Manager of the Company.
The 9th (Provisional) meeting of the Tenth Board of Directors	June 7,2023	June 8,2023	The meeting examined and adopted the Proposal for Holding 2022 Shareholders' General Meeting.
The 10th (Provisional) meeting of the Tenth Board of Directors	August 7,2023	August 8,2023	1.The meeting examined and adopted the Proposal on change of the performance commitment of the major asset restructuring project in 2020 and signing the supplementary agreement to the profit compensation agreement, The meeting examined and adopted the Proposal for Holding 2023 First Provisional Shareholders' General Meeting
The 11th (Provisional) meeting of the Tenth Board of Directors	August 28,2023	August 29,2023	The meeting examined and adopted the Proposal for semi-annual report 2023 and its summary , The meeting examined and adopted the Proposal on Confirming the Continuous Risk Assessment Report of Guangdong Communication Group Finance Co., Ltd., The meeting examined and adopted the Proposal on signing the "Two letters and letters and one contract" of Deputy General Manager Zhu Qijun, The meeting examined and adopted the Proposal on changing the assessment indicators of the "Annual and term management target responsibility letter" of some management members of 2023
The 12th (Provisional) meeting of the Tenth Board of Directors	September 26,2023	September 27,2023	The meeting examined and adopted the proposal "On the public transfer of Garage Electric Pile Holding(Shenzhen) Co., Ltd.by Yuegao Capital", The meeting examined and adopted the "Proposal on the Establishment of Garage Electric Pile Holding(Shenzhen) Co., Ltd. by Participating in Equity Investment"
The 13th (Provisional) meeting of the Tenth Board of Directors	October 20,	October 21,2023	The meeting examined and adopted the "Proposal on Increasing Capital to Zhaoqing Yuezhao Highway Co., Ltd. to Invest in the Reconstruction and Expansion Project of the Yuejing Hengjiang to Ma'an Section of the G80 Guangzhou-Kunming Expressway", The meeting examined and adopted the Proposal for Holding 2023 Second Provisional Shareholders' General Meeting
The 14th (Provisional) meeting of the Tenth Board of Directors	October 27,2023	October 28,2023	The meeting examined and adopted the Proposal concerning the Third Quarter of 2023

Session	Convening date	Disclosure date	Meeting resolution
The 15th (Provisional) meeting of the Tenth Board of Directors	November 27,2023	November 18,2023	The meeting examined and adopted the "Proposal on Amending the Articles of Association of the Company",The meeting examined and adopted the "Proposal on Amending the Independent Director System of the Company", The meeting examined and adopted the "Proposal on Renewal of the Financial Services Agreement with Guangdong Communications Group Finance Co., Ltd"., The meeting examined and adopted the "Proposal on Writing off the Creditor's Rights of Kunlun Securities Co., Ltd. Held by the Company",.The meeting examined and adopted the "Proposal on Adding the Candidates for Independent Directors of the 10th Board of Directors", The meeting examined and adopted the "Proposal on Reviewing the Contractual Assessment Results of the Tenure System of the Company's Managers in 2022", The meeting examined and adopted the Proposal for Holding 2023 Third Provisional Shareholders' General Meeting.
The 16th (Provisional) meeting of the Tenth Board of Directors	December 26,2023	December 27,2023	The meeting examined and adopted the Proposal on the By-election of Member of the Audit Committee of the 10th Board of Directors, The meeting examined and adopted the Proposal on the By-election of Member of the Strategy Committee of the 10th Board of Directors, The meeting examined and adopted the Proposal on the By-election of Members of the Remuneration and Assessment Committee of the 10th Board of Directors, The meeting examined and adopted the Proposal on By-election of Members of the Risk Management Committee of the 10th Board of Directors", The meeting examined and adopted the Proposal on the Mid-term Assessment and Optimization and Adjustment Report on the Implementation of the 14th Five-Year Plan of the Guangdong Expressway, The meeting examined and adopted the Proposal on the Guangdong Expressway 2023 Total Salary Budget Allocation Plan, The meeting examined and adopted the Proposal on the Scrapping and Disposal of Part of Fixed Assets of Fokai Branch Company of Guangdong Provincial Expressway Development Co., Ltd., The meeting examined and adopted the Proposal on Amendment to Measures for the Management of Internal Audit of Guangdong Provincial Expressway Development Co., Ltd.,

2. Attendance of directors at the board meetings and the general meeting of shareholders

Attendance of directors at the board meetings and the general meeting of shareholders							
Name of director	Number of board meetings attended during the reporting period	Number of board meetings attended in person	Number of board meetings attended by means of communication	Number of board meetings attended by proxy	Number of board meetings absent from	Whether to attend the board meeting in person twice in a row	General meetings of shareholders attended
Miao Deshan	10	5	5	0	0	No	4
Wang Chunhua	10	2	8	0	0	No	4
Lu Ming	10	6	4	0	0	No	4
Zuo Jiang	10	5	5	0	0	No	4
Cheng Rui	10	6	4	0	0	No	4
Zeng Zhijun	10	1	9	0	0	No	4
You Xiaocong	10	5	5	0	0	No	4
Yao Xuechang	10	1	9	0	0	No	4
Wu Hao	10	0	10	0	0	No	4
Kuang Yu	10	1	9	0	0	No	4
Zeng Xiaoqing	10	0	10	0	0	No	4
You Dewei	10	2	8	0	0	No	4
Yu Mingyuan	10	2	8	0	0	No	4
Zhang Renshou	1	1	0	0	0	No	1
Liu Heng	1	1	0	0	0	No	1
Liu Zhonghua	9	0	9	0	0	No	3
Zhang Hua	9	1	8	0	0	No	3

Explanation of failure to attend the board meeting in person twice in a row

None

3. Directors' objections to related matters of the Company

Whether the director raises any objection to the relevant matters of the Company

Yes No

During the reporting period, the directors did not raise any objection to the relevant matters of the Company.

4. Other descriptions of directors' performance of duties

Whether the directors' suggestions on the Company have been adopted

Yes No

The director's statement on whether the relevant suggestions of the Company have been adopted or not

During the reporting period, all the directors of the Company diligently performed the duties entrusted by the general meeting of shareholders, carefully evaluated and considered the Company's operation management, investment, corporate governance and other matters, actively proposed, scientifically discussed and collectively

made decisions in the board meeting, and put forward multiple suggestions that meet the Company's development needs at the present stage, which were adopted by the Company in the form of resolutions of the Board of Directors.

VII. Situation of special committees under the Board of Directors during the reporting period

Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
Audit Committee	Chairman of the committee: Liu Zhonghua, Member: Zhang Hua, Lu Ming	1	January 12, 2023	1. Reviewed the 2022 financial report prepared by the Company; 2. Certified Public Accountant Huang Zhiyan reported the audit plan of the 2022 financial report to the Audit Committee.	The Audit Committee reviewed the 2022 financial report prepared by the Company, and reached consensus: 1. The Company's accounting policies were properly selected, accounting estimates were reasonable, and no material misstatement or omission was found; 2. No major shareholders were found occupying the Company's funds; 3. No external violation guarantee or abnormal related party transactions were found; 4. The Company's financial statements could be submitted to the CPA firm for annual audit.		
Audit Committee	Chairman of the committee: Liu Zhonghua, Member: Zhang Hua, Lu Ming	1	March 7, 2023	1. Reviewed the 2022 annual financial report submitted by the Company's Finance Department and issued by certified public accountants with preliminary audit opinions; 2. Reviewed and approved the Proposal on Reviewing the 2022 Internal Control Evaluation Report of Guangdong Expressway Development Co., Ltd.; 3. Listened to the reports of the Proposal on Hiring Financial Report Audit Institution in 2023 and the Proposal on Hiring Internal Control Audit Institution in 2023, and reviewed relevant information; 4. Reviewed and approved the Company's 2022 Internal Audit Work Summary and 2023 Internal Audit Work Plan; 5. Reviewed and approved the Proposal on Reviewing the Company's 2023 Internal Control Evaluation Work Plan	1. The Audit Committee reviewed the 2022 financial report submitted by the Company's Finance Department and issued by the certified public accountant for annual review with preliminary audit opinions, and reached consensus as follows: (1) The audit of the Company's 2022 financial report by the certified public accountant for annual review was conducted in strict accordance with the relevant norms of audit business; (2) During preparation of the annual report, the annual certified public accountants communicated with the Audit Committee effectively, and fully listened to the opinions of the Audit Committee, and consensus was reached on all major aspects in the annual review; (3) The annual financial report issued by certified public accountants with preliminary audit opinions was relatively complete, with no major omissions, and it fairly reflected the Company's financial position as of December 31, 2022, and the		

Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
					<p>production and operation results and cash flow in 2022 in all major aspects. 2. The Audit Committee has listened to the report of the Proposal on Deliberating the "Evaluation Report for Internal Control of Guangdong Expressway Development Co., Ltd. in 2023" submitted by the Discipline Inspection and Audit Department of the Company, and the certified public accountant has also issued a preliminary audit opinion on the internal control of the Company in 2023. The certified public accountant believed that Guangdong Expressway maintained effective internal control of financial reports in all major aspects on December 31, 2022 in accordance with the Basic Standards for Internal Control of Enterprises and relevant regulations. The Audit Committee deliberated and approved the Evaluation Report for Internal Control of Guangdong Expressway Development Co., Ltd. in 2022 and agreed to submit the proposal to the Board of Directors for deliberation. The Audit Committee listened to the reports of the Proposal on Hiring Audit Institutions for Financial Reporting in 2023 and the Proposal on Hiring Audit Institutions for Internal Control in 2023, and reviewed relevant materials. It is considered that Yongtuo Certified Public Accountants LLP (Special General Partnership), with relevant qualifications to engage in the audit business of listed companies, in accordance with the independent, objective and fair practice standards, and with the</p>		

Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
					experience and ability to provide audit services for listed companies, can meet the needs of the Company's 2023 annual financial report and internal control audit, and can independently audit the Company's financial status, and therefore, it is agreed that the Company will continue to hire Yongtuo Certified Public Accountants LLP (Special General Partnership) as the Company's annual financial report audit institution and internal control audit institution in 2023, and it is agreed to submit the above two proposals to the Board of Directors and the General Meeting of Shareholders for deliberation. 4. It deliberated and approved the Company's Internal Audit Work Summary in 2022 and Internal Audit Work Plan in 2023, and agreed to submit the above proposals to the Board of Directors for deliberation. 5. It deliberated and approved the Proposal on Reviewing the Company's "Work Plan for Internal Control Evaluation in 2023" and agreed to the Company's Work Plan for Internal Control Evaluation in 2023.		
Audit Committee	Chairman of the committee: Liu Zhonghua, Member: Zhang Hua, Lu Ming	1	March 20,2023	It reviewed the standard and unqualified 2022 financial report submitted by the Company's Financial Management Department and issued by the accountant for annual audit	The Audit Committee reviewed the standard and unqualified 2022 financial report submitted by the Company's Financial Management Department and issued by the certified public accountant for annual review, and concluded that the Company's financial report truly, accurately and completely reflected the overall situation of the Company, and agreed to submit the 2022 financial report prepared by the Company and audited by the certified public accountant for annual review to the Board of Directors for deliberation.		
Audit	Chairman of	1	August	It reviewed the 2023 semi annual	The Audit Committee reviewed the 2023 semi annual		

Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
Committee	the committee: Liu Zhonghua, Member: Zhang Hua, Lu Ming		23,2023	financial report and submitted by the Company's Financial information in the annual semiannual report of 2023	financial report and submitted by the Company's Financial information in the annual semiannual report of 2023, he three committee members all agreed that: accurately and completely reflected the overall situation of the Company, and agreed to submit the 2023 semi annual financial report prepared by the Company and audited by the certified public accountant for annual review to the Board of Directors for deliberation.		
Remuneration and Assessment Committee	Chairman of the Committee: You Dewei, Member:Zhang Hua, Kuang Yu	1	March 20,2023	It reviewed the 2022Annual Report.	The Committee believed that in 2022, the Company's directors and senior management personnel performed their duties diligently and conscientiously, and agreed to the remuneration of directors and senior management personnel determined by the Company in accordance with relevant systems and regulations in 2022		
Remuneration and Assessment Committee	Chairman of the Committee: You Dewei, Member: Kuang Yu	1	December 22,2023	Reviewed and approved the "Proposal on the 2023 Total Salary Budget Allocation Plan of Guangdong Expressway"	The committee deliberated and approved the proposal and agreed to submit it to the board of directors of the Company for consideration.		
Strategy Committee	Chairman of the Committee: Miao Deshan, Member: Wang Chunhua, Yu Mingyuan, Zhang Hua, Zeng Xiaoqing	1	March 20,2023	Reviewed the implementation of the Company's 2022 development strategy and plan and the 2023 Work Plan.	The committee unanimously agreed that: the implementation of the Company's 2022 development strategy and plan and the 2023 Work Plan objectively reflects the implementation of the Company's development plan in 2022.		

Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
Strategy Committee	Chairman of the Committee: Miao Deshan, Member: Wang Chunhua, Yu Mingyuan, Zeng Xiaoqing	1	December 22,2023	Reviewed the "Proposal on the Mid-term Evaluation and Optimization and Adjustment Report on the Implementation of the 14th Five-Year Plan of Guangdong Expressway"	The committee reviewed the proposal on the mid-term evaluation and optimization and adjustment report of the implementation of the 14th Five-Year Plan of the Guangdong Expressway and agreed to submit it to the board of directors of the Company for deliberation.		
Risk Management Committee	Chairman of the Committee: Liu Zhonghua, Member: Miao Deshan, You Dewei	1	January 18,2023	Reviewed the 2022 Summary Report on Comprehensive Risk Management and Internal Control System of Guangdong Expressway Development Co., Ltd.	The committee unanimously agreed that the report objectively reflects the Company's overall risk and internal control management in 2022.		
Risk Management Committee	Chairman of the Committee: Zhang Renshou, Member, Miao Deshan, You Dewei	1	December 26,2023	Reviewed the Proposal on the Results of the 2023 Risk Assessment.	Agreed that the evaluation results objectively reflect the Company's risk status.		
Compliance Committee	Chairman of the Committee: You Dewei, Member: Yu Mingyuan, Wu Hao	1	January 16,2023	Reviewed the 2022 Compliance Management Report of Guangdong Expressway Development Co., Ltd.	The report objectively reflects the Company's compliance management in 2022.		
Compliance Committee	Chairman of the Committee:	1	December 26,2023	Reviewed the 2023 Compliance Management Report of Guangdong Expressway Development Co., Ltd.	The report objectively reflects the Company's compliance management in 2023.		

Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
	You Dewei, Member: Yu Mingyuan, Wu Hao						

VIII. The working status of the board of supervisors

The board of supervisors finds out whether the company has risks during the monitoring activities during the reporting period

Yes No

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

IX. Particulars about employees.**1. Number of staff, professional structure and educational background**

Number of in-service staff of the parent company(person)	99
Number of in-service staff of the main subsidiaries(person)	2,907
The total number of the in-service staff(person)	3,006
The total number of staff receiving remuneration in the current period(person)	3,006
Retired staff with charges paid by the parent company and main subsidiaries (person)	77
Professional	
Category	Number of persons (person)
Operating personnel	2,457
Sale personnel	0
Technology Personnel	368
Financial personnel	63
Management personnel	118
Total	3,006
Education	
Category	Number of persons (person)
Holders of master's degree or above	66
Graduates of regular university	649
Graduates of junior colleges	1,699
Other	592
Total	3,006

2. Remuneration policies

Guangdong Expressway follows the principle of adhering to the benefit orientation, taking into account of efficiency and fairness, and combining incentives with constraints, provides active encouragement and paid attention to the long-term. According to national laws, regulations and policies, it establishes the annual salary system for the person in charge of the enterprise and the performance salary system for management posts, adopts the total salary budget to be included in the overall budget management, and makes employees' salary closely linked with individual performance and enterprise benefits according to the interrelated performance contributions of labor, management and skills.

The Company provides various benefits in compliance with laws and regulations, and employees enjoy various benefits such as social insurance, enterprise annuity, supplementary medical care, trade union mutual insurance, etc., so as to ensure that employees can share development achievements and thereby arouse their working passion.

3. Training plan

Each business department organizes employees to participate in the business post training organized by the

competent department of industry and social professional training institutions according to the employee job characteristics, employee job performance and industry development trend of the department. In order to help enterprises develop with high quality and efficiently complete the task of state-owned enterprise reform, it is planned to carry out special training on state-owned enterprise reform; in order to improve employees' working satisfaction, it is planned to carry out special training on employees' mental health and physical health care. Carry out continuing education and training for professional and technical personnel. Carry out various training activities such as special education and incorruption education in cooperation with the party and the masses, supervision and examination, etc.

4. Outsourcing situation

Applicable No Applicable

X. Specification of profit distribution and capitalizing of common reserves

Formulation, implementation or adjustment of the profit distribution policy, especially the cash dividend policy during the reporting period

Applicable Not applicable

During the reporting period, the Company made a profit and the profit available to shareholders of the parent company was positive, but no cash dividend distribution plan was put forward.

Applicable Not applicable

Profit distribution and capitalization of capital reserve during the reporting period

Applicable Not applicable

Bonus shares for every ten shares(Shares)	0
Cash dividend for every ten shares (Yuan)(Tax-included)	5.47
A total number of shares as the distribution basis(shares)	2,090,806,126
Cash dividend amount (yuan, including tax)	1,143,670,950.92
Other means (such as repurchase of shares) cash dividend amount (yuan)	0.00
Total cash dividend (yuan, including tax)	1,143,670,950.92
Distributable profit (yuan)	5,156,907,046.00
The proportion of the total cash dividend (including other means) in the total profit distribution	100%
Proportion of cash dividend in the distributable profit	
The Company is in a fast growth stage, there for the cash dividend will reach 80% of the profit distribution at least. Cash dividend distribution policy.	
Details of profit distribution or reserve capitalization Preplan	
1. Limited to 10% of the registered capital of the Parent company, the net profit of the company, i.e. 147,570,987.32 yuan, is to be allocated for statutory common reserve fund;	
2. The profit for 2023 is to be distributed as follows: 1,143,670,950.92 yuan. is to be allocated as the fund for dividend distribution for 2023. with the total shares at the end of 2023, i.e., 2,090,806,126 shares, as the base, cash dividend of 5.47 yuan (including tax) is to be distributed for every 10 shares .The remaining undistributed profits are to be carried forward to the next year. The foreign exchange translation of the cash dividends for shareholders holding B share and overseas corporate shares will be determined according to HKD:RMB bank's Middle rate quoted by People's Bank of China on the first working day after 2023 annual shareholders' general meeting makes resolution on dividend distribution.	

XI. Implementation Situation of Stock Incentive Plan of the Company, Employee Stock Ownership Plan or Other Employee Incentive Measures

Applicable Not applicable

None

XII. Construction and implementation of internal control system during the reporting period

1. Construction and implementation of internal control

The Company has established a sound corporate governance structure, with clear responsibilities of general meeting of shareholders, Board of Directors, Board of Supervisors and management, established corporate governance rules centered by the *Articles of Association*, rules of procedure of general meeting of shareholders, Board of Supervisors, Board of Directors and specialized committees thereunder, standardized operation of general meeting of shareholders, Board of Directors and Board of Supervisors, held and convened relevant meetings in accordance with the provisions of the *Company Law* and the *Articles of Association*, and reached legal and valid resolutions. The general meeting of shareholders is the highest authority of the Company; the Board of Supervisors is responsible for the general meeting of shareholders, and the supervision of directors and management to perform their duties according to law is sound and effective. The Board of Directors shall be responsible to the general meeting of shareholders and exercise the business decision-making power according to law. It is provided with an Audit Committee, the independent directors meet the quorum, and the decision-making procedures and management rules of procedure of the Board of Directors are scientific and transparent; the management is efficient and rigorous in implementing the resolutions of the Board of Directors.

The Company has set up 10 functional departments, including Investment Development Department, Human Resources Department, Financial Management Department, Infrastructure Management Department, Operation and Management Department, Discipline Inspection and Audit Department, Securities Affairs Department, Comprehensive Affairs Department, Legal Affairs Department and Party and Mass Work Department. The distribution of powers and responsibilities and business processes of all functional departments are clear and reasonable, forming a working mechanism of duty performance, responsibility shouldering, mutual restriction and coordination. The Company has established a perfect control system for parent-subsidiary companies, and formed a sound internal control system for each subsidiary company. Meanwhile, the Company has established and improved rules and regulations related to risk assessment, fraud risk control, information and communication, and maintained effective internal control.

The Company has set up an Audit Committee under the Board of Directors to supervise the effective implementation of the Company's internal control and self-evaluation of internal control. The Company has set up the Discipline Inspection and Audit Department, which is responsible for supervising the establishment and operation of the Company's internal control system, evaluating the Company's risk control and evaluating the effectiveness of the Company's internal control. It has defined the standards of internal control defect identification, rectification procedures and internal control self-evaluation procedures, and formed an effective internal control supervision system.

2. Details of major internal control defects found during the reporting period

Yes No

XIII. Management and control of the Company's subsidiaries during the reporting period

Applicable Not applicable

XIV. Internal control self-evaluation report or internal control audit report

1. Self-evaluation report on internal control

Disclosure date of appraisal report on internal control	March 16, 2024
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Disclosure index of appraisal report on internal control	www.cninfo.com.cn	
The ratio of the total assets of units included in the scope of evaluation accounting for the total assets on the company's consolidated financial statements	100.00%	
The ratio of the operating income of units included in the scope of evaluation accounting for the operating income on the company's consolidated financial statements	100.00%	
Standards of Defects Evaluation		
Type	Financial Report	Non-financial Report
Qualitative standard	<p>The qualitative criteria for the evaluation of internal control deficiencies in financial reports confirmed by the Company is as follows: The following situations (including but not limited to) shall be deemed as “material deficiencies” in the internal control of the financial report. (1) There are major frauds made by the directors, or supervisors, or senior management personnel in the company’s management activities; (2) There are material misstatements in the current financial report but the internal control failed to find the misstatements during its operation; (3) The supervisions made by the company's audit committee and the internal audit organization on the internal control are invalid; (4) The control environment is invalid; (5) The material deficiencies found and reported to the management but are not corrected within a reasonable time; (6) There is an administrative punishment from the securities regulatory institution due to accounting errors.</p> <p>The following situations (including but not limited to) shall be deemed as “significant deficiencies” in the internal control of the financial report and there are intense signs for the situations becoming “material deficiencies”: (1)</p>	<p>The qualitative criteria for the evaluation of internal control deficiencies in non-financial reports confirmed by the Company is as follows: Material deficiencies: serious violations and being sentenced to heavy fines or need taking criminal responsibility; utterly disregard the rules of law, illegal behaviors in the operation and management are particularly severe and the circumstance is very bad, which leads to the suspension or cessation to the company's daily operation and management activities, and leads to the audit report with a disclaimer of opinion or a negative opinion issued by the CPA; the negative news spread all over the country, which caused severe damage to the company’s reputation; resulted in decrease of a number of workers or citizens, or resulted in damages that are unable to recover to workers or citizens; reached the circumstance(grade II) of major environmental event. Significant deficiencies: illegal and being punished; disregard the requirements of the company’s management system and the relevant rules of law, there are illegal acts of using the authority to seek illegal interests in the work, which significantly affect the efficiency and the result of daily operation and management</p>

	<p>Frauds made by staff in key positions; (2)The supervisory function on compliance is invalid, and the violations of regulations may have a significant impact on the reliability of the financial report; (3)The significant deficiencies reported to the management but are not corrected within a reasonable period.</p> <p>The following situations (including but not limited to) shall be deemed as “general deficiencies” in the internal control of the financial report. (1) Frauds made by staff in non key positions, or business operators execute the implementation procedures not strictly conforming to the company’s policy but resulted in no significant impact on the reliability of the financial report. (2)The supervisory function on compliance is invalid, and the violations of regulations may not have a significant impact on the reliability of the financial report; (3)The general deficiencies reported to the management but are not corrected within a reasonable period.</p>	<p>activities and lead to the audit report with qualified opinion issued by the CPA; the negative news spread in a region, which caused the large-extent damage to the company’s reputation; resulted in decease of a worker or a citizen, or resulted in damages that need long time to recover to workers or citizens; reached the circumstance(grade III) of big environmental event. General deficiencies: minor violations; the awareness of management under in compliance with laws and regulations is weak, lacking of business and management knowledge, and there are phenomena such as being slack in performing management duties, being passive and poorly execute the institution in the work, which shall affect the efficiency and the result of daily operation and management activities and lead to small effects to the company’s management goal; the negative news spread within the company, which caused the little-extent damage to the company’s reputation; shortly affected the health of the workers or citizens and the workers or citizens can be recovered in a short time; reached the circumstance(grade IV) of general environmental event.</p>
Standards of Quantization	<p>The qualitative criteria for the evaluation of internal control deficiencies in financial reports confirmed by the Company is as follows: Material deficiencies: potential misstatement $\geq 1\%$ of the total amount of the owner’s equity or RMB 200 million; significant deficiencies: 0.5% of the total amount of the owner’s equity or RMB 100 million \leq potential misstatement $< 1\%$ of the total amount of the owner’s equity or RMB 200 million; general</p>	<p>The qualitative criteria for the evaluation of internal control deficiencies in financial reports confirmed by the Company is as follows: Material deficiencies: potential misstatement $\geq 1\%$ of the total amount of the owner’s equity or RMB 200 million; significant deficiencies: 0.5% of the total amount of the owner’s equity or RMB 100 million \leq potential misstatement $< 1\%$ of the total amount of the owner’s equity or RMB 200 million; general</p>

	deficiencies: potential misstatement < 0.5% of the total amount of the owner's equity or RMB 100 million Standards of Quantization	deficiencies: potential misstatement < 0.5% of the total amount of the owner's equity or RMB 100 million Standards of Quantization
Number of major defects in financial reporting (a)		0
Number of major defects in non financial reporting (a)		0
Number of important defects in financial reporting (a)		0
Number of important defects in non financial reporting (a)		0

2. Internal Control audit report

Applicable Not applicable

Review opinions in the internal control audit report	
In our opinion, Guangdong Expressway has maintained effective financial report internal control in all material aspects according to the basic standards for Enterprise internal control and relevant regulations ended December 31, 2023.	
Disclosure of internal audit report	Disclosure
Disclosure date of audit report of internal control	March 16,2024
Disclosure index of audit report of internal control (full-text)	www.cninfo.com.cn
Internal audit report's opinion	Unqualified audit opinion
Non-financial reporting has material deficiencies	No

Has the CPAs issued a qualified auditor's report of internal control .

Yes No

Does the internal control audit report issued by the CPAs agree with the self-assessment report of the Board of Directors

Yes No

XV. Rectification of self-examination problems in special governance actions of listed companies

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

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

For details of CSR work, please refer to the "2023 Environmental, Social and Governance (ESG) Report of Guangdong Provincial Expressway Development Co., Ltd" disclosed on Cninfo Information Network (www.cninfo.com.cn) on March 16, 2024

III. Consolidate and expand the achievements of poverty alleviation and rural revitalization

None

VI. Important Events

I. Commitments to fulfill the situation

1. 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 parties.

√Applicable □Not applicable

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitment on share reform	Guangdong Expressway	Commitment on authenticity, accuracy and completeness of the information provided	1. The explanations, commitment and information provided by the Company for this transaction are authentic, accurate and complete, and there are no false records, misleading statements or major omissions. 2. The information provided by the Company to the intermediaries that provide professional services such as auditing, evaluation, legal and financial consulting for this transaction is authentic, accurate and complete original written information or duplicate information, and the duplicate or photocopy of the information is consistent with its original information or original copy; The signatures and seals of all documents are authentic, and the legal procedures required for signing and sealing have	November 25, 2020	Permanently effective	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>been fulfilled and legal authorization has been obtained; There are no false records, misleading statements or major omissions. 3. The Company guarantees that it will provide timely information about this transaction in accordance with relevant laws and regulations, relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange, ensure the authenticity, accuracy and completeness of such information, and guarantee that there are no false records, misleading statements or major omissions. 4. The Company shall bear individual and joint legal responsibilities for the authenticity, accuracy and completeness of the information provided or disclosed for this exchange. In case of any loss caused to investors due to violation of the above commitments, the Company will bear corresponding liability for compensation according to law.</p>			
	All directors, supervisors and senior management personnel of Guangdong	Commitment on authenticity, accuracy and completeness of the information	1. The explanations, commitment and information provided by the Promisee for this transaction are authentic, accurate and complete, and there are no false records, misleading statements or major omissions. 2. The	November 25, 2020	Permanently effective	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
	Expressway	provided	<p>information provided by the Promisee to the intermediaries that provide professional services such as auditing, evaluation, legal and financial consulting for this transaction is authentic, accurate and complete original written information or duplicate information, and the duplicate or photocopy of the information is consistent with its original information or original copy; The signatures and seals of all documents are authentic, and the legal procedures required for signing and sealing have been fulfilled and legal authorization has been obtained; There are no false records, misleading statements or major omissions. 3. The Promisee guarantees that it will provide timely information about this transaction in accordance with relevant laws and regulations, relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange, ensure the authenticity, accuracy and completeness of such information, and guarantee that there are no false records, misleading statements or major omissions. 4. If this transaction is suspected of false records, misleading statements or major omissions in the</p>			

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>information provided or disclosed, and is put on file for investigation by judicial organs or by China Securities Regulatory Commission, the transfer of its shares with interests in the listed company will be suspended until the investigation conclusion of the case is obtained.</p> <p>5. The Promisee shall bear individual and joint legal responsibilities for the authenticity, accuracy and completeness of the information provided or disclosed for this exchange. In case of any loss caused to investors due to violation of the above commitments, the Promisee will bear corresponding liability for compensation according to law.</p>			
	All directors, supervisors and senior management personnel of Guangdong Expressway	Commitment on filling measures to dilute immediate reward	<p>1. I promise not to transfer benefits to other units or individuals without compensation or under unfair conditions, nor to damage the interests of the Company by other means. 2. I promise to restrain my job consumption behavior. 3. I promise not to use the assets of the Company to engage in any investment and consumption activities unrelated to my duties. 4. I promise that the salary system formulated by the Board of Directors or the Remuneration Committee of Guangdong Expressway will be</p>	November 25, 2020	Permanently effective	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>linked with the implementation of the reward filling measures of Guangdong Expressway. 5. If Guangdong Expressway plans to implement equity incentive, I promise that the exercise conditions of equity incentive of Guangdong Expressway to be announced will be linked with the implementation of the reward filling measures. 6. In case of any loss caused to Guangdong Expressway or its shareholders due to violation of the above commitments or refusal to perform the above commitments, I will bear corresponding compensation responsibilities according to law.</p>			
	Guangdong Provincial Freeway Co.,Ltd.	Commitment on avoiding horizontal competition	<p>1. The Company and its holding subsidiaries will not use the controlling shareholder's holding relationship with Guangdong Expressway to conduct business activities that harm the legitimate rights and interests of Guangdong Expressway, its minority shareholders and its holding subsidiaries. 2. The Company and its holding subsidiaries will not use the information obtained from Guangdong Expressway and its holding subsidiaries to engage in the main business competing with Guangdong Expressway or its holding</p>	June 26,2015	This letter of commitment is valid from the date of signing to the date when the Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong Expressway	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>subsidiaries, and will not engage in any acts or activities that damage or may damage the legitimate rights and interests of Guangdong Expressway, its minority shareholders and its holding subsidiaries. 3. If the Company and its holding subsidiaries transfer any toll roads, bridges, tunnels and related ancillary facilities or rights invested or managed by the Company to a company other than Guangdong Communications Group Co., Ltd. and the company directly or indirectly controlled by it, Guangdong Expressway will be entitled to the preemptive right under the same conditions, unless the transferee is explicitly designated by the relevant government authorities under the premise permitted by relevant laws and regulations. 4. In the future, if the Company and its holding subsidiaries invest in the construction of expressways parallel to or in the same direction within 20 km from each side of the expressway controlled by Guangdong Expressway, Guangdong Expressway will enjoy the priority of investment over Guangdong Communications Group Co., Ltd. and its directly or indirectly controlled companies</p>			

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			except Guangdong Expressway and its holding subsidiaries, except for the projects whose investment entities are clearly designated by the relevant government authorities under the premise permitted by relevant laws and regulations.			
	Guangdong Provincial Freeway Co.,Ltd.	Commitment on maintaining the independence of listed companies	The Company will not damage the independence of Guangdong Expressway due to the increase of shares held by the Company after the completion of this major asset restructuring, and will continue to maintain the principle of separation from Guangdong Expressway in terms of assets, personnel, finance, organization and business, and strictly abide by the relevant regulations of China Securities Regulatory Commission on the independence of listed companies, and will not use Guangdong Expressway to provide guarantees, nor occupy Guangdong Expressway funds illegally, so as to maintain and protect the independence of Guangdong Expressway and protect the legitimate rights and interests of other shareholders of Guangdong Expressway.	June 26,2015	This letter of commitment is valid from the date of signing to the date when the Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong Expressway	Normal performance
	Guangdong Provincial Freeway	Commitment on reducing and	1. After the completion of this major asset restructuring, the Company and the companies	June 26, 2015	This letter of commitment is valid from the date of signing to the date when the	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
	Co.,Ltd.	standardizing related transactions	<p>directly or indirectly controlled by the Company and other related parties will try to avoid related transactions with Guangdong Expressway and its holding subsidiaries; Related transactions that are really necessary and unavoidable are carried out in accordance with the principles of fairness, equity and compensation of equal value. The transaction price is determined at a reasonable price recognized by the market. The transaction approval procedures and information disclosure obligations are performed in accordance with relevant laws, regulations and normative documents, and the interests of Guangdong Expressway and its minority shareholders are effectively protected. 2. The Company guarantees to exercise shareholders' rights and fulfill shareholders' obligations in strict accordance with relevant laws and regulations, rules and normative documents promulgated by China Securities Regulatory Commission, business rules promulgated by Shenzhen Stock Exchange and Articles of Association of Guangdong Provincial Expressway Development Co., Ltd., and it will not use the controlling position of Guangdong</p>		Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong Expressway	

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			Expressway's controlling shareholders to seek improper benefits or damage the legitimate rights and interests of Guangdong Expressway and its minority shareholders.			
	Guangdong Provincial Freeway Co.,Ltd.	Commitment on authenticity, accuracy and completeness of the information provided	1. The information involved in the explanations and commitment provided by the Company for this transaction are authentic, accurate and complete, and there are no false records, misleading statements or major omissions. 2. The information provided by the Company to the intermediaries that provide professional services such as auditing, evaluation, legal and financial consulting for this transaction is authentic, accurate and complete original written information or duplicate information, and the duplicate or photocopy of the information is consistent with its original information or original copy; The signatures and seals of all documents are authentic, and the legal procedures required for signing and sealing have been fulfilled and legal authorization has been obtained; There are no false records, misleading statements or major omissions. 3. The Company guarantees that it will provide timely information about this	November 25, 2020	Permanently effective	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			transaction in accordance with relevant laws and regulations, relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange, ensure the authenticity, accuracy and completeness of such information, and guarantee that there are no false records, misleading statements or major omissions.			
	Guangdong Communications Group	Commitment on maintaining the independence of listed companies	The Company and the companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries will not damage the independence of Guangdong Expressway due to the increase in the shares of Guangdong Expressway held by the Company and the companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries after the completion of this major asset restructuring, and will continue to maintain the principle of separation from Guangdong Expressway in terms of assets, personnel, finance, organization and business, and strictly abide by the relevant regulations of China Securities Regulatory Commission on the independence of listed companies, and will not	June 18, 2015	This letter of commitment is valid from the date of signing to the date when the Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong Expressway	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			use Guangdong Expressway to provide guarantees, nor occupy Guangdong Expressway funds illegally, so as to maintain and protect the independence of Guangdong Expressway and protect the legitimate rights and interests of other shareholders of Guangdong Expressway.			
	Guangdong Communications Group	Commitment on avoiding horizontal competition	1. The Company and the companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries will not use the controlling shareholder's holding relationship with Guangdong Expressway to conduct business activities that harm the legitimate rights and interests of Guangdong Expressway, its minority shareholders and its holding subsidiaries. 2. The Company and the companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries will not use the information obtained from Guangdong Expressway and its holding subsidiaries to engage in the main business competing with Guangdong Expressway or its holding subsidiaries, and will not engage in any acts or activities that damage or may damage the	June 26,2015	This letter of commitment is valid from the date of signing to the date when the Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong Expressway	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>legitimate rights and interests of Guangdong Expressway, its minority shareholders and its holding subsidiaries. 3. If the Company and other companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries transfer any toll roads, bridges, tunnels and related ancillary facilities or interests invested or managed by the Company to companies other than the Company directly or indirectly controlled by the Company, Guangdong Expressway shall be entitled to the preemptive right under the same conditions, unless the transferee is explicitly designated by the relevant government authorities under the premise permitted by relevant laws and regulations. 4. In the future, if the Company and the companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries invest in the construction of expressways parallel to or in the same direction within 20 km from each side of the expressway controlled by Guangdong Expressway, Guangdong Expressway will be entitled to the priority investment right compared with the</p>			

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			Company and the companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries, except for the projects whose investment entities are clearly designated by the relevant government authorities under the premise permitted by relevant laws and regulations.			
	Guangdong Communications Group	Commitment on reducing and standardizing related transactions	1. After the completion of this major asset restructuring, the Company and other companies and other related parties directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries will try to avoid related transactions with Guangdong Expressway and its holding subsidiaries; Related transactions that are really necessary and unavoidable are carried out in accordance with the principles of fairness, equity and compensation of equal value. The transaction price is determined at a reasonable price recognized by the market. The transaction approval procedures and information disclosure obligations are performed in accordance with relevant laws, regulations and normative documents, and the interests of Guangdong	June 18,2015	This letter of commitment is valid from the date of signing to the date when the Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong Expressway	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			Expressway and its minority shareholders are effectively protected. 2. The Company guarantees to exercise shareholders' rights and fulfill shareholders' obligations in strict accordance with relevant laws and regulations, rules and normative documents promulgated by China Securities Regulatory Commission, business rules promulgated by Shenzhen Stock Exchange and Articles of Association of Guangdong Provincial Expressway Development Co., Ltd., and it will not use the controlling position of controlling shareholders to seek improper benefits or damage the legitimate rights and interests of Guangdong Expressway and its minority shareholders.			
	Guangdong Communications Group	Commitment on authenticity, accuracy and completeness of the information provided	1. The explanations, commitment and information provided by the Company for this transaction are authentic, accurate and complete, and there are no false records, misleading statements or major omissions. 2. The information provided by the Company to the intermediaries that provide professional services such as auditing, evaluation, legal and financial consulting for this transaction is authentic,	November 25, 2020	Permanently effective	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>accurate and complete original written information or duplicate information, and the duplicate or photocopy of the information is consistent with its original information or original copy; The signatures and seals of all documents are authentic, and the legal procedures required for signing and sealing have been fulfilled and legal authorization has been obtained; The validity of the originals of each document has not been revoked within its validity period, and such originals are held by their respective legal holders up to now; There are no false records, misleading statements or major omissions. 3. The Company guarantees that if there are false records, misleading statements or major omissions in the information provided or disclosed for this transaction, which are filed for investigation by judicial organs or filed for investigation by China Securities Regulatory Commission, before the investigation conclusion is revealed, the Company promises to suspend the transfer of shares with interests in Guangdong Expressway, and submit the written application for suspension of transfer and the stock account</p>			

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>to the Board of Directors of Guangdong Expressway within two trading days after receiving the notice of filing inspection, and the Board of Directors of Guangdong Expressway will apply for locking on behalf of the Company to the stock exchange and the registration and clearing company; If the application for locking is not submitted within two trading days, the Board of Directors of Guangdong Expressway is authorized to directly submit the identity information and account information of the Company to the stock exchange and the registration and clearing company after verification and apply for locking; If the Board of Directors of Guangdong Expressway fails to submit the Company's identity information and account information to the stock exchange and the registration and clearing company, the stock exchange and the registration and clearing company are authorized to directly lock the relevant shares. If the investigation results show that there are violations of laws and regulations, the Company promises to lock in shares and use them voluntarily for compensation arrangements of relevant investors. 4. The Company shall bear</p>			

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			individual and joint legal responsibilities for the authenticity, accuracy and completeness of the information provided or disclosed for this exchange. In case of any loss caused to Guangdong Expressway or investors due to violation of the above commitments, the Company will bear corresponding liability for compensation according to law.			
	Guangdong Communications Group	Commitment on fulfilling filling measures to dilute immediate reward	1. It will not interfere with the business activities of Guangdong Expressway beyond authority, and will not encroach on the interests of Guangdong Expressway. 2. In case of any loss caused to Guangdong Expressway or investors due to violation of the above commitments, the Company will bear corresponding liability for compensation according to law.	November 25, 2020	Permanently effective	Normal performance
	Guangdong Communications Group	Commitment on land and real estate of Guanghui Expressway	1. The land occupied and used by Guangzhou-Huizhou Expressway with a total area of 3,732,185.08 square meters has not yet obtained the ownership certificate. The Company undertakes that: (1) The ownership of the land use right of the above-mentioned land is clear with no dispute, and Guangzhou-Huizhou Expressway can legally occupy and use the	November 25, 2020	Permanently effective	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>above-mentioned land; (2) Guangzhou-Huizhou Expressway will continue to effectively occupy and use the relevant land before the ownership certificate is obtained, and will not be materially adversely affected thereby; (3) After the completion of this transaction, if Guangdong Expressway suffers losses as a shareholder of Guangzhou-Huizhou Expressway, for losses suffered because Guangzhou-Huizhou Expressway occupies and uses the above-mentioned land without ownership certificate, or engages in engineering construction on such land, the Company will bear the actual losses suffered by Guangdong Expressway. 2. The land occupied and used by Guangzhou-Huizhou Expressway with a total area of 12,324,867.92 square meters is currently registered under the name of Guangdong Changda Highway Engineering Co., Ltd. (now renamed as "Poly Changda Engineering Co., Ltd.", hereinafter referred to as "Changda Company"), of which 8,799,336.79 square meters of land has obtained the ownership certificate, and the other 3,525,531.13 square meters of land has not yet obtained the ownership certificate. The</p>			

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>Company promises that after the completion of this transaction, if Guangdong Expressway suffers losses as a shareholder of Guangzhou-Huizhou Expressway and because Guanghui Expressway occupies and uses the land registered under the name of Changda Company, the Company will bear the actual losses suffered by Guangdong Expressway. 3. The property ownership certificate has not been obtained for the property with a total area of 72,364.655 square meters occupied and used by Guangzhou-Huizhou Expressway. The Company promises that: (1) The ownership of the above-mentioned property without ownership certificate currently used by Guanghui Expressway is clear with no dispute, and Guangzhou-Huizhou Expressway can legally occupy and use the above-mentioned property; (2) Guangzhou-Huizhou Expressway will continue to effectively occupy and use the above-mentioned property before the property ownership certificate is obtained, and will not be materially adversely affected; (3) After the completion of this transaction, if Guangdong Expressway suffers losses as a shareholder of</p>			

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			Guangzhou-Huizhou Expressway and because Guangzhou-Huizhou Expressway occupies and uses the above-mentioned property without relevant property ownership certificate, the Company will bear the actual losses suffered by Guangdong Expressway.			
	Guangdong Guanghui Expressway Co., Ltd.	Commitment on authenticity, accuracy and completeness of the information provided	1. The explanations, commitment and information provided by the Company for this transaction are authentic, accurate and complete, and there are no false records, misleading statements or major omissions. 2. The information provided by the Company to the intermediaries that provide professional services such as auditing, evaluation, legal and financial consulting for this transaction is authentic, accurate and complete original written information or duplicate information, and the duplicate or photocopy of the information is consistent with its original information or original copy; The signatures and seals of all documents are authentic, and the legal procedures required for signing and sealing have been fulfilled and legal authorization has been obtained; There are no false records, misleading statements or major omissions. 3. The Company	November 25, 2020	Permanently effective	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>guarantees that it will provide timely information about this transaction in accordance with relevant laws and regulations, relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange, ensure the authenticity, accuracy and completeness of such information, and guarantee that there are no false records, misleading statements or major omissions. 4. The Company shall bear individual and joint legal responsibilities for the authenticity, accuracy and completeness of the information provided or disclosed for this exchange. In case of any loss caused to investors due to violation of the above commitments, the Company will bear corresponding liability for compensation according to law.</p>			
	Guangdong Communication Group Co., Ltd	Other commitment	<p>In order to promote the smooth progress of the issue of shares, the cash purchase of assets and the raising of matching funds (hereinafter referred to as "the major asset restructuring") approved by Guangdong Expressway Development Co., Ltd. at its second extraordinary shareholders' meeting in 2015, with regard to all the land and real estate</p>	April 27,2019	<p>It continued to push forward the progress of accreditation, and completed the registration procedures of relevant land and real estate ownership within three years after the relevant policies were clear and the relevant land and real estate met the conditions for handling the registration procedures of ownership, in accordance with the relevant</p>	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>(hereinafter referred to as "relevant land and real estate") owned by Guangdong Fokai Expressway Co., Ltd. (hereinafter referred to as "Fokai Company") and Jingzhu Expressway Guangzhu Section Co., Ltd. (hereinafter referred to as "Guangzhu East Company") without ownership certificates (hereinafter referred to as "relevant land and real estate") disclosed in the report of Guangdong Expressway Development Co., Ltd. on issuing shares and paying cash to purchase assets and raising matching funds and related transactions, the company undertook to urge Fokai Company and Guangzhu East Company to go through the ownership registration formalities according to the following plan under the condition that it is conducive to safeguarding the rights and interests of listed companies; Continued to push forward the progress of accreditation, and completed the registration procedures of relevant land and real estate ownership within three years after the relevant policies were clear and the relevant land and real estate met the conditions for handling the registration procedures of ownership, in accordance with the</p>		<p>laws and regulations and the requirements of the competent government departments</p>	

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			relevant laws and regulations and the requirements of the competent government departments.			
	Guangdong Provincial Freeway Co.,Ltd.	Performance commitment	The predicted net profit of Guangdong Guanghui Expressway Co., Ltd. after deducting non-recurring gains and losses in 2020, 2021 and 2022 (hereinafter referred to as "predicted net profit") is RMB 652,477,500, RMB 1,112,587,300 and RMB 1,234,200,900 respectively. According to the special audit opinion issued by the accounting firm, if the accumulated realized net profit of Guangdong Guangzhou-Huizhou Expressway Co., Ltd. at the end of any fiscal year does not reach the accumulated predicted net profit within the compensation period, Guangdong Provincial Freeway Co.,Ltd. will compensate in cash as agreed.	November 25, 2020	2020-2022	Normal performance
	Guangdong Provincial Freeway Co.,Ltd.	Performance commitment	The proposal on change of performance commitment of the major asset restructuring project in 2020 and signing the supplementary agreement to the profit compensation agreement was reviewed in approved in the Company's first extraordinary general meeting of shareholders in 2023, agreed to change the performance	August 23, 2023	2020, 2021, 2023	Normal performance

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
			<p>commitment of the major asset restructuring project in 2020, and agreed the Company to sign the "Supplementary Agreement to the Profit Compensation Agreement" with the Provincial Expressway. The performance compensation period for the asset restructuring was adjusted to 2020, 2021, and 2023. The provincial expressway promised that the net profit accumulated by Guanghui Expressway in 2020, 2021 and 2023 after deducting non-recurring profits and losses will not be less than 2,999,265,700 yuan.</p>			
Completed on time(Y/N)	Yes					

2.The existence of the company's assets or projects earnings forecasts and earnings reporting period is still in the forecast period, the company has assets or projects meet the original profit forecast made and the reasons explained

Applicable Not applicable

Earnings forecast asset or project name	Forecast start time	Forecast end time	Current forecast performance (RMB'00000)	Current Actual performance (RMB'00000)	Reasons for not meeting the forecast (if applicable)	Original forecast disclosure date	Original forecast disclosure index
Guanghui Expressway Co., Ltd.	January 1,2020	December 31,2023	299,926.57	295,104.16	The year of 2023 is the first year of economic recovery and development after the transition of prevention and control, and it is in a period of domestic macroeconomic fluctuations and economic recovery. After the restoration of social order, the public's willingness to travel by car has increased, and the number of passenger car trips has rebounded steadily, but the	December 29,2020	http://www.cninfo.com.cn

					continuous recovery and development of the economy is less than expected, and the growth rate of freight traffic on Guanghui Expressway has slowed down, resulting in Guanghui Company not completed the expected performance.		
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Commitments made by the company's shareholders and counterparties in the reporting year's operating performance

Applicable Not applicable

On August 8, 2023, the "Proposal on Changing the Performance Commitment of the Major Asset Restructuring Project in 2020 and Signing the Supplementary Agreement to the Profit Compensation Agreement" was deliberated and approved in the 10th provisional meeting of the 10th board of directors of the Company. On August 23, 2023, the "Proposal on Changing the Performance Commitment of the Major Asset Restructuring Project in 2020 and Signing the Supplementary Agreement to the Profit Compensation Agreement" was deliberated and approved in the Company's first provisional general meeting of shareholders in 2023.

Since Guanghui Expressway was most seriously affected by domestic macroeconomic fluctuations in 2022, the Company and Provincial Expressway agreed that the year of 2022 was not included in the performance compensation period of the restructuring under the original profit compensation agreement, and the performance compensation period of this restructuring was adjusted to 2020, 2021 and 2023. The provincial expressway promised that the net profit accumulated by Guanghui Expressway in 2020, 2021 and 2023 after deducting non-recurring profits and losses will not be less than 2,999,265,700 yuan. If the cumulative net profit of Guanghui Company does not reach the afore-mentioned cumulative promised net profit during the above-mentioned adjusted compensation period, the Provincial Expressway shall compensate the Company in cash in accordance with the Profit Compensation Agreement and the provisions of this Agreement.

The fulfillment of performance commitment and its impact on goodwill impairment testing

In 2023, Guanghui Company achieved a net profit of 1,077,811,400 yuan, with the net profit of 1,076,364,600 yuan after deducting non-recurring gains and losses, and the actual profit was 157,836,300 yuan less than the promised amount of 1,234,200,900 yuan, with a completion rate of 87.21%.

For 2020, 2021 and 2023, Guanghui Company's cumulative net profit achieved after deducting non-recurring profits and losses was 2,951,041,600 yuan. Based on the promised net profit after deducting non-recurring profits and losses in 2020, 2021 and 2023 was 2,999,265,700 yuan, the cumulative actual profit was 48,224,100 yuan less than the promised, with the completion rate of 98.39%.

This major asset reorganization is a business combination under the same control, and no business reputation is recognized.

In accordance with the relevant provisions of the Administrative Measures for the Major Asset Restructuring of Listed Companies and the relevant requirements of the Agreement on Paying Cash to Purchase 21% Equity of Guangdong Guanghui Expressway Co., Ltd., the Profit Compensation Agreement and the Supplementary Agreement to the Profit Compensation Agreement signed between the Company and the Provincial Expressway, the Company has prepared the Impairment Test Report on the Subject Assets of Major Asset Restructuring. And the assets of the restructuring were not impaired reviewed by an accounting firm.

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. Explanation of the Board of Directors on the latest "Non-standard Audit Report"

Applicable Not applicable

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. Explain change of the accounting policy, accounting estimate and measurement methods as compared with the financial reporting of last year.

Applicable Not applicable

Arising from Individual Transactions" in Interpretation No.16 of Accounting Standards for Business Enterprises.

On November 30, 2022, the Ministry of Finance issued the Interpretation No.16 of Accounting Standards for Business Enterprises (CK [2022] No.31) (hereinafter referred to as "Interpretation No.16"). With the resolution of the Seventh Meeting of the Tenth Board of Directors of the Company on March 20, 2023, the Company implemented the relevant provisions of the Interpretation No.16 on January 1, 2023.

According to Interpretation No.16, for the taxable temporary differences and deductible temporary differences caused by the initial recognition of assets and liabilities in a single transaction that is not a business merger, does not affect accounting profits or taxable income (or deductible losses) at the time of transaction, and the initial recognition of assets and liabilities leads to equal taxable temporary differences and deductible temporary differences, the Company respectively recognizes the corresponding deferred income tax liabilities and deferred income tax assets at the time of transaction according to the Accounting Standards for Business Enterprises No.18-Income Tax and other relevant provisions.

VII.Explain change of the consolidation scope as compared with the financial reporting of last year.

Applicable Not applicable

None

VIII. Engagement/Disengagement of CPAs

CPAs currently engaged

Name of the domestic CPAs	Yong Tuo Certified Public Accountants (Special General Partnership)
Remuneration for domestic accounting firm (Ten thousands yuan)	132
Successive years of the domestic CPAs offering auditing services	4 years
Name of CPA	Sun Xiuqing, Huang Zhiyan
Continuous years of audit services of certified public accountants of domestic public accounting firms	4
Name of the Overseas CPAs (If any)	None
Remuneration for overseas accounting firm (Ten thousands yuan) (If any)	0
Successive years of the overseas CPAs offering auditing services (If any)	None
Name of CPA (If any)	None
Continuous years of audit services of certified public accountants of overseas public accounting firms (if any)	None

Has the CPAs been changed in the current period

Yes No

A detailed explanation of the change of employment and accounting firm

Applicable Not applicable

On March 20, 2023, the "Proposal on Hiring the Internal Control Audit Agency for 2023" was approved in the 7th meeting of the Tenth session of the board of directors, and it agreed that the Company will continue to hire Yongtuo Accounting Firm (LLP) as the internal control auditor for 2023. On June 28, 2023, the "Proposal on Hiring the Internal Control Audit Agency for 2023" was approved in the Company's 2022 Annual General Meeting of Shareholders.

IX. Situation of Facing Listing Suspension and Listing Termination after the Disclosure of the Yearly Report

Applicable Not applicable

X. Relevant Matters of Bankruptcy Reorganization

Applicable Not applicable

None

XI. Matters of Important Lawsuit and Arbitration

Applicable Not applicable

None

XII. Situation of Punishment and Rectification

Applicable Not applicable

None

XIII. Credit Condition of the Company and its Controlling Shareholders and Actual Controllers

Applicable Not applicable

XIV. Material related transactions

1. Related transactions in connection with daily operation

Applicable Not applicable

None

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

Applicable Not applicable

None

3. Related-party transactions with joint investments

Applicable Not applicable

None

4. Credits and liabilities with related parties

Applicable Not applicable

None

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 limit(RMB'0000)	Deposit interest rate range	Beginning balance(RMB'00000)	The amount of this period		Ending balance(RMB'00000)
					Total deposit amount (RMB'00000)	Total amount is withdrawn for this period(RMB'00000)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	300,000.00	0.35%-2.85%	239,396.61	813,666.48	785,248.27	267,814.82

Loan business

Related party	Relationship	Loan limit(RMB'0000)	Loant interest rate range	Beginning balance(RMB'00000)	The amount of this period		Ending balance(RMB'00000)
					Total loan amount of the current period(RMB'00000)	Total repayment amount of the current period(RMB'00000)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	400,000.00	2.95%-3.40%	62,859.33	22,020.36	44,246.77	40,632.92

Credit extension or other financial services

Related party	Relationship	Business type	Total amount(RMB'00000)	Actual amount incurred(RMB'00000)
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Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	Credit extension	400,000.00	40,000.00

6. Transactions between the financial company controlled by the Company and related parties

Applicable Not applicable

There is no deposit, loan, credit or other financial business between the financial company controlled by the Company and related parties.

7. Other significant related-party transactions

Applicable Not applicable

1. The Proposal on Concerning the Company Daily Associated Transactions Predicted of 2023 was reviewed and approved in the 7th meeting of the Tenth board of directors of the Company, Agree on the predicted daily associated transactions for the company headquarters, wholly-owned and holding subsidiaries of 2023, whose amount in total is RMB 58.6612 million .

2. The Proposal on Signing the Office Property Lease Contract of the 45th and the 46th Floors of Litong Plaza was reviewed and approved in the 7th meeting of the Tenth board of directors of the Company, It's agreed that the Company will continue to lease the entire 43rd floor and 44th floor units of Litong Plaza (self-numbered floors 45 and 46) as office space for use from Guangdong Litong Development Investment Co., Ltd, with a lease period of 3 years from May 5, 2023 to May 4, 2026. The monthly rent standard is RMB 908,133.47 for the period from May 5, 2023 to May 4, 2024, the monthly rent standard is RMB 935,400.05 for the period from May 5, 2024 to May 4, 2025, and the monthly rent for the period from May 5, 2025 to May 4, 2026 is RMB 963,449.61.

3. The "Proposal on Increasing Capital to Zhaoqing Yuezhao Highway Co., Ltd. to Invest in the Reconstruction and Expansion Project of the Yuejing Hengjiang to Ma'an Section of the G80 Guangzhou-Kunming Expressway" was reviewed and approved in the 13th meeting of the Tenth board of directors of the Company:

(1) Agreed that the Company will increase capital to Zhaoqing Yuezhao Highway Co., Ltd. to invest in the construction of the reconstruction and expansion project of the section from Yuejing

Hengjiang to Ma'an of the G80 Guangzhou-Kunming Expressway;

(2) It's agreed that the Company will take the estimated investment amount of 9.22 billion yuan approved by the Guangdong Provincial Development and Reform Commission as the basis, the project capital is 35% of the total investment, that is, 3.227 billion yuan, and the Company will bear the capital contribution of 806.75 million yuan according to the 25% share ratio of Zhaoqing Yuezhao Highway Co., Ltd., and the final settlement price of the project shall prevail.

4. The "Proposal on Renewal of the Financial Services Agreement with Guangdong Communications Group Finance Co., Ltd". was reviewed and approved in the 15th meeting of the Tenth board of directors of the Company.

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
Estimates announcement of the Daily Related Party Transaction of 2023	March 21, 2023	www.cninfo.com.cn

Announcement of related party transaction	March 21,2023	www.cninfo.com.cn
Announcement of related party transaction	October 21,2023	www.cninfo.com.cn
Announcement of related party transaction	November 18,2023	www.cninfo.com.cn

XV. 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

During the reporting period, the Company generated a rental income of RMB 32,310,227.17, with the main leased assets of houses and buildings.

2. Significant Guarantees

Applicable Not applicable

No such cases in the reporting period.

3. Situation of Entrusting Others for Managing Spot Asset

(1) Situation of Entrusted Finance

Applicable Not applicable

None

(2) Situation of Entrusted Loans

4. Other significant contract

Applicable Not applicable

XVI. Explanation on other significant events

Applicable Not applicable

The "Proposal on Increasing Capital to Zhaoqing Yuezhao Highway Co., Ltd. to Invest in the Reconstruction and Expansion Project of the Yuejing Hengjiang to Ma'an Section of the G80 Guangzhou-Kunming Expressway" was reviewed and approved in the 13th meeting of the Tenth board of directors of the Company:

(1) Agreed that the Company will increase capital to Zhaoqing Yuezhao Highway Co., Ltd. to invest in the construction of the reconstruction and expansion project of the section from Yuejing

Hengjiang to Ma'an of the G80 Guangzhou-Kunming Expressway;

(2) It's agreed that the Company will take the estimated investment amount of 9.22 billion yuan approved by the Guangdong Provincial Development and Reform Commission as the basis, the project capital is 35% of the total investment, that is, 3.227 billion yuan, and the Company will bear the capital contribution of 806.75 million yuan according to the 25% share ratio of Zhaoqing Yuezhao Highway Co., Ltd., and the final settlement price of the project shall prevail.

The "Proposal on Increasing Capital to Zhaoqing Yuezhao Highway Co., Ltd. to Invest in the Reconstruction and Expansion Project of the Yuejing Hengjiang to Ma'an Section of the G80 Guangzhou-Kunming Expressway" was reviewed and approved second provisional general Meeting of shareholders in 2023 on

November 7, 2023. in the 13th meeting of the Tenth board of directors of the Company:

Description of provisional announcement	Date of disclosing provisional announcement	Description of the website for disclosing provisional announcements
Announcement of Resolutions of the 13th (Provisional) Meeting of the Ten Board of Directors	2023-10-21	www.cninfo.com.cn
Announcement of related party transaction	2023-10-21	www.cninfo.com.cn
The second provisional general Meeting of shareholders in 2023	2023-11-07	www.cninfo.com.cn

XVII. Significant event of subsidiary of the Company

Applicable Not applicable

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 (+, -)				After the Change		
	Amount	Proportion	Share allotment	Bonus shares	Capitalization of commission reserve fund	Other	Subtotal	Quantity	Proportion
1. Shares with conditional subscription	438,833,395	20.99%				-5,850	-5,850	438,827,545	20.99%
1.State-owned shares	410,105,738	19.61%						410,105,738	19.61%
2.State-owned legal person shares	21,712,738	1.04%						21,712,738	1.04%
3.Other domestic shares	7,014,919	0.34%				-5,850	-5,850	7,009,069	0.34%
Including : Domestic Legal person shares	6,543,936	0.31%				-4,214	-4,214	6,539,722	0.31%
Domestic natural person shares	470,983	0.02%				-1,636	-1,636	469,347	0.02%
4.Foreign shares	0	0.00%						0	0.00%
Including: Foreign legal person shares	0	0.00%						0	0.00%
Foreign natural person shares	0	0.00%						0	0.00%
II. Shares with unconditional subscription	1,651,972,731	79.01%				5,850	5,850	1,651,978,581	79.01%
1.Common shares in RMB	1,303,324,056	62.34%				5,850	5,850	1,303,329,906	62.34%
2.Foreign shares in domestic market	348,648,675	16.68%						348,648,675	16.68%
3.Foreign shares in foreign market	0	0.00%						0	0.00%
4.Other	0	0.00%						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

1. During the reporting period, 4,214 shares held by "domestic legal persons" were converted into shares held by "domestic natural persons".

2. During the reporting period, The 5,850 "restricted shares held by domestic natural persons" held by the resigned director Mr. Du Jun were converted into "unrestricted shares"

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

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
Du Jun	5,850	0	5,850	0	Outgoing executives locked up shares	March 2023
Total	5,850	0	5,850	0	--	--

II. Securities issue and listing

1.Explanation of the Situation of the Security Issue(No Preferred Shares) in the Report Period

Applicable Not applicable

2.Change of asset and liability structure caused by change of total capital shares and structure

Applicable Not applicable

3.About the existing employees' shares

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	48,738	Total shareholders at the end of the month from the date of disclosing the annual report	49,323	The total number of preferred shareholders voting rights restored at period-end (if any)(Note 8)	0	Total preference shareholders with voting rights recovered at end of last month before annual report disclosed(if any)(Note8)	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 un-restricted 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	0	410,105,738	103,379,742	Not applicable	0
Guangdong Highway Construction Co., Ltd,	State-owned legal person	22.30%	466,325,020	0	0	0	Not applicable	0
Shangdong Expressway Investment Development Co., Ltd.	State-owned legal person	10.10%	211,143,845	74,600	0	0	Not applicable	0
Tibet Hetai Business management	State-owned legal person	2.84%	59,400,250	-41,814,324	0	0	Not applicable	0

Co.,Ltd.								
Guangdong Provincial Freeway Co.,Ltd.	State-owned legal person	2.53%	52,937,491	0	19,582,228	33,355,263	Not applicable	0
HKSCC	Overseas legal person	1.58%	32,996,515	21,059,581	0	0	Not applicable	0
China Life Insurance Co., Ltd—Traditional—General Insurance products—005L—CT001 Hu	Other	1.37%	28,743,595	28,743,595	0	0	Not applicable	0
China Construction Bank Co., Ltd—Yinhua rich theme hybrid securities investment fund	Other	0.94%	19,621,641	19,621,641	0	0	Not applicable	0
Feng Wuchu	Domestic natural person shares	0.88%	18,496,329	-4,878,076	0	0	Not applicable	0
Xinyue Co., Ltd.	Overseas legal person	0.63%	13,201,086	0	0	0	Not applicable	0
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	None							

waiving voting rights			
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
Shangdong Expressway Investment Development Co., Ltd.	211,143,845	RMB Common shares	211,143,845
Guangdong Communication Group Co.,Ltd	103,379,742	RMB Common shares	103,379,742
Tibet Hetai Business management Co.,Ltd.	59,400,250	RMB Common shares	59,400,250
Guangdong Provincial Freeway Co.,Ltd.	33,355,263	RMB Common shares	33,355,263
HKSCC	32,996,515	RMB Common shares	32,996,515
China Life Insurance Co., Ltd— Traditional— General Insurance products— 005L— CT001 Hu	28,743,595	RMB Common shares	28,743,595
China Construction Bank Co., Ltd —Yinhua rich theme hybrid securities investment fund	19,621,641	RMB Common shares	19,621,641
Feng Wuchu	18,496,329	RMB Common shares	15,528,866
		Foreign shares placed in domestic	2,967,463
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	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.		

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

Lending of shares by the top ten shareholders participating in refinancing business

Applicable Not applicable

The top ten shareholders have changed from the previous period

Applicable Not applicable

In RMB

Changes of the top ten shareholders compared with the end of the previous period					
Name of shareholder (full name)	Addition/Withdrawal in this reporting period	Number of shares lent by refinancing at the end of the period and not yet returned		Number of shares held by shareholders in general accounts and credit accounts and lent by refinancing at the end of the period and not yet returned	
		Total quantity	Total quantity	Total quantity	Proportion of total share capital
HKSCC	Addition	0	0.00%	0	0.00%
China Life Insurance Co., Ltd— Traditional—General Insurance products —005L—CT001 Hu	Addition	0	0.00%	0	0.00%
China Construction Bank Co., Ltd— Yinhua rich theme hybrid securities investment fund	Addition	0	0.00%	0	0.00%
Happy life insurance Co., Ltd.-Dividend	Out	0	0.00%	0	0.00%
Happy life insurance Co., Ltd.—Self funds	Out	0	0.00%	0	0.00%
Happy life insurance Co., Ltd.—Self funds	Out	0	0.00%	0	0.00%

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.

2. Controlling shareholder

Nature of Controlling Shareholders: Local state holding

Type: Legal person

Name of the Controlling shareholder	Legal representative/Leader	Date of incorporation	Organization code	Principal business activities
Guangdong Communication Group Co., Ltd.	Deng Xiaohua	June 23,2000	91440000723838552J	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; Value added telecommunication services.
Equity in other domestic and foreign listed companies held by the controlling shareholder by means of control and mutual shareholding in the reporting period	Guangdong Communication Group Co., Ltd. holds 74.12% equity of Guangdong Yueyun Traffic Co., Ltd., a company listing H shares.			

Changes of controlling shareholder in reporting period

Applicable Not applicable

No changes of controlling shareholder for the Company in reporting period.

3. Information about the controlling shareholder of the Company

Actual controller nature: Local state owned assets management

Actual controller type: Legal person

Name of the actual controller	Legal representative /Leader	Date of incorporation	Organization code	Principal business activities
State-owned Assets supervision and administration Commission of Guangdong Provincial People's Government	Yu Gang	June 26,2004	114400007583361658	As an ad hoc organization directly under the Guangdong provincial government, it is authorized by the Guangdong provincial government to represent the Guangdong provincial government to

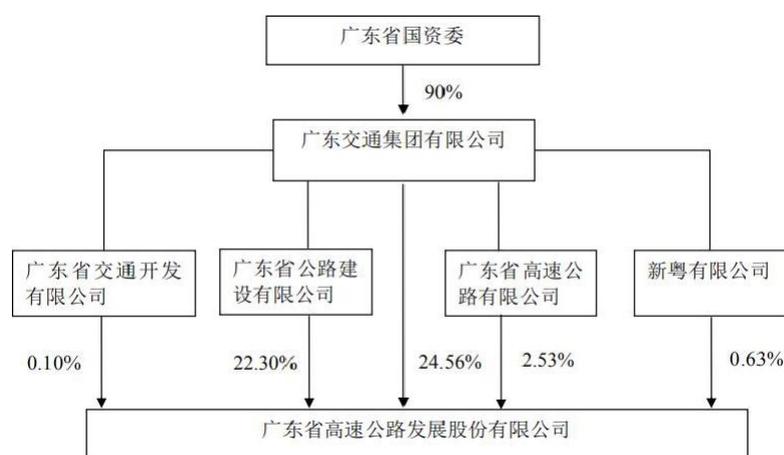
				perform the investor's duties for the supervised enterprises in accordance with the law, specializing in the supervision of state-owned assets.
Equity of other domestic/foreign listed company with share controlling and share participation by controlling shareholder in reporting period	As an ad hoc organization directly under the Guangdong provincial government, it is authorized by the Guangdong provincial government to represent the Guangdong provincial government to perform the investor's duties for the supervised enterprises in accordance with the law, specializing in the supervision of state-owned assets.			

Changes of controlling shareholder in reporting period

Applicable Not applicable

No changes of controlling shareholder for the Company in reporting period

Block Diagram of the ownership and control relations between the company and the actual controller



The actual controller controls the company by means of trust or managing the assets in other way

Applicable Not applicable

4.The cumulative number of shares pledged by the controlling shareholder or the largest shareholder of the company and its person acting in concert accounts for 80% of the number of shares held by the company

Applicable Not applicable

5.Particulars about other legal person shareholders with over 10% share held

Applicable Not applicable

Legal person shareholder	Legal person/person in charge of the unit	Date of foundation	Register capital	Main operation business or management activities
Guangdong Highway Construction Co., Ltd.	Wang Kangchen	April 16,1987	10.8 billion	Highway, bridge, tunnel bridge, traffic infrastructure construction, investment and management, technical consulting, leasing of road construction machinery; sales of construction materials, construction machinery equipment; vehicle rescue services (operated by the branch).

Shangdong Expressway Investment Development Co., Ltd.	Hao Yu	June 13,2008	RMB 4 billion	Engaged in investment activities with their own funds.
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6.Situation of Share Limitation Reduction of Controlling Shareholders, Actual Controllers, Restructuring Party and Other Commitment Subjects

Applicable Not applicable

IV. Specific implementation of share repurchase during the reporting period

Progress in implementation of share repurchase

Applicable Not applicable

Implementation progress of reducing repurchased shares by centralized bidding

Applicable Not applicable

VIII. Situation of the Preferred Shares

Applicable Not applicable

The Company had no preferred shares in the reporting period.

IX. Corporate Bond

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 10,000

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	67,553.04	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	74,477.80	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
During the reporting period, interest payment situation of the company bonds (If any)									
Applicable trading mechanism			Circulation and transfer in the national inter-bank bond market, its listing and circulation will be carried out in accordance with the relevant regulations promulgated by the National Interbank Funding Center.						
Whether there are risks and countermeasures for terminating listing transactions (If any)									

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. Information of intermediary agency

Name of bond project	Name of intermediary agency	Office Address	Name of signing accountant	Contact person of intermediary agency	Tel
19 Guangdong Expressway MTN001	China Lianhe Credit Rating Co., Ltd.	No.2 Jianguomenwai Street, Chaoyang District, Beijing	No	Yang Ting	010-85679696
20 Guangdong Expressway MTN001	China Lianhe Credit Rating Co., Ltd.	No.2 Jianguomenwai Street, Chaoyang District, Beijing	No	Yang Ting	010-85679696

Whether the above agency changes during the reporting period

Yes No

4. Use of raised funds

In RMB

Name of bond project	Total amount of raised funds	Used amount	Unused amount	Operation of special account for raised funds (if any)	Rectification of illegal use of raised funds (if any)	Whether it is consistent with the purpose, use plan and other agreements stipulated in the prospectus
19 Guangdong Expressway MTN001	680,000,000.00	680,000,000.00	0.00	No	No	Yes
20 Guangdong Expressway MTN001	750,000,000.00	750,000,000.00	0.00	No	No	Yes

The raised funds are used for construction projects

Applicable Not applicable

During the reporting period, the Company changed the use of funds raised from the above bonds

Applicable Not applicable

5. Adjustment of credit rating results during the reporting period

Applicable Not applicable

6 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. Overdue interest-bearing debts except bonds at the end of the reporting period

Applicable Not applicable

VII. Whether there are any violations of rules and regulations during the reporting period

Yes No

VIII. 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	3.22	2.90	11.03%
Debt ratio	41.93%	43.91%	-1.98%
Quick ratio	3.22	2.89	11.42%
	Amount of this period	Amount of last period	At the same time rate of change
Net profit after deducting non-recurring profit and loss	170,509.98	131,087.11	30.07%
EBITDA total debt ratio	56.83%	45.43%	11.40%
Time interest earned ratio	12.10	10.37	16.68%
Cash interest guarantee times	17.61	14.29	23.23%
EBITDA/Time interest earned ratio	16.50	14.60	13.01%
Repayment of debt (%)	100%	100%	—
Payment of interest (%)	100%	100%	—

X. Financial Report

I. Audit report

Type of audit opinion	Standard Unqualified audit opinion
Date of signature of audit report	March 15,2024
Name of audit firm	Yong Tuo Certified Public Accountants (special general partnership)
Names of the Certified Public Accountants	Sun Xiuqing, Huang Zhiyan

Auditors' Report

I. Opinion

We have audited the financial statements of Guangdong Provincial Expressway Development Co., Ltd. (hereinafter referred to as "the Company"), which comprise the balance sheet as at December 31, 2023, and the income statement, the statement of cash flows and the statement of changes in owners' equity for the year then ended and notes to the financial statements.

In our opinion, the attached financial statements are prepared, in all material respects, in accordance with Accounting Standards for Business Enterprises and present fairly the financial position of the Company as at December 31, 2022 and its operating results and cash flows for the year then ended.

• II. Basis for Our Opinion

- We conducted our audit in accordance with the Auditing Standards for Certified Public Accountants in China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. According to the Code of Ethics for Chinese CPA, we are independent of the Company in accordance with the Code of Ethics for Chinese CPA and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

• III. Key Audit Matters

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have identified the following items as key audit items that need to be communicated in the audit report.
 1. Item description
 - As stated in "Section V 14. Fixed Assets" and "Section VII 10. Fixed Assets", the book value of Guangdong Expressway toll road at the end of 2023 was RMB 8,468,400,326.52, and the depreciation amount of toll road in 2023 was RMB 974,891,753.54. Guangdong Expressway toll road is depreciated according to the traffic flow method, and the current depreciation amount is calculated according to the proportion of the actual traffic flow in the current period to the total estimated remaining traffic flow. The total estimated remaining traffic flow is a prediction of the total traffic flow of toll roads within the approved remaining toll period, which is a major accounting estimate. Therefore, we determine the pricing and depreciation of toll roads as key audit items.

2. Audit response

In response to the above key audit matter, we have implemented the following main audit procedures:

(1) Understand, evaluate and test the internal control of the management of the Company on the daily management and accounting treatment of toll roads;

(2) Check whether the actual traffic flow data applied by Guangdong Expressway Company in the depreciation calculation of toll roads is consistent with the actual traffic flow data obtained by Guangdong Expressway Company from external service units;

(3) Evaluate the independence and professional competence of the third-party organization employed by the Company that carries out traffic flow forecast;

(4) Understand the methods used in traffic flow forecast reports issued by third-party organizations to forecast the traffic flow in the future, and evaluate the reliability of traffic flow forecast reports by comparing the predicted traffic flow for the past year with the actual traffic flow for that period;

(5) Recalculate the depreciation of roads and bridges to verify the accuracy of the depreciation amount of roads and bridges in the financial statements.

• **IV. Other information**

- The management of Guangdong Expressway Company is responsible for other information. Other information includes the information covered in the 2023 annual report of Guangdong Expressway Company, but does not include the financial statement and our audit report.
- Our audit opinion on the financial statements does not cover other information, and we do not issue any form of verification conclusion on other information.
- In combination with our audit of the financial statements, our responsibility is to read other information, and consider in such process whether other information is materially inconsistent with the financial statements or the information we learned during the audit, or whether there appears to be a material misstatement.
- Based on the work that we have already performed, if we determine that other information contains material misstatements, we should report such fact. In this regard, we have nothing to report.

• **V. Responsibilities of Management and Those Charged with Governance for the Financial Statements**

- The Company's management is responsible for preparing the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises to achieve a fair presentation, and for designing, implementing and maintaining internal control that is necessary to ensure that the financial statements are free from material misstatements, whether due to frauds or errors.
- In preparing the financial statements, management of the Company is responsible for assessing the Company's ability to continue as a going concern, disclosing matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- Those charged with governance are responsible for overseeing the Company's financial reporting process.

VI. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, omissions, misrepresentations, or the override of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Company.

(4) Conclude on the appropriateness of using the going concern assumption by the management of the Company, and conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements and bear all liability for the opinion.

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

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

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

Yong Tuo Certified Public
Accountants Co., Ltd.(Special
General Partnership) CPA:

Sun Xiuqing

(Project partner) :

CPA:

Huang Zhiyan

Beijing China

March 15,2024

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.

December 31, 2023

In RMB

Items	December 31, 2023	January 1, 2023
Current asset :		
Monetary fund	4,718,631,732.20	4,290,581,490.78
Settlement provision		
Outgoing call loan		
Transactional financial assets		
Derivative financial assets		
Notes receivable		
Account receivable	139,899,420.24	108,368,797.56
Financing of receivables		
Prepayments	8,488,165.87	7,785,192.95
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	89,578,207.76	34,456,244.64
Including: Interest receivable		
Dividend receivable	1,205,472.90	1,205,472.90
Repurchasing of financial assets		
Inventories		
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset	34,805.71	2,042,395.28
Total of current assets	4,956,632,331.78	4,443,234,121.21
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	3,095,578,288.00	2,923,305,042.30
Other equity instruments investment	1,534,396,887.63	1,557,303,730.98
Other non-current financial assets	183,856,768.00	101,400,000.00
Property investment	2,447,026.45	2,668,144.93
Fixed assets	9,010,168,712.92	10,098,252,638.07

Items	December 31, 2023	January 1, 2023
Construction in progress	1,960,092,562.22	753,565,502.12
Production physical assets		
Oil & gas assets		
Use right assets	24,967,509.81	4,077,555.43
Intangible assets	221,328,753.00	246,772,471.44
Development expenses		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	39,836,115.11	129,044,978.46
Other non-current asset	339,658,212.49	8,374,778.84
Total of non-current assets	16,412,330,835.63	15,824,764,842.57
Total of assets	21,368,963,167.41	20,267,998,963.78
Current liabilities		
Short-term loans	110,085,708.33	430,387,597.20
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Account payable	214,450,590.80	197,788,782.77
Advance receipts	2,647,230.92	2,718,756.97
Contract liabilities		
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		
Entrusted selling of securities		
Employees' wage payable	20,622,986.18	20,660,328.60
Tax payable	155,123,590.65	72,307,773.41
Other account payable	150,293,516.43	191,167,560.23
Including: Interest payable		
Dividend payable	27,809,510.32	59,994,517.46
Fees and commissions payable		
Reinsurance fee payable		
Liabilities held for sales		
Non-current liability due within 1 year	883,412,159.65	117,011,466.96
Other current liability	368,676.26	500,723,556.23
Total of current liability	1,537,004,459.22	1,532,765,822.37
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term loan	5,944,716,050.00	5,566,595,350.00
Bond payable	749,401,333.95	1,428,381,232.94
Including: preferred stock		
Sustainable debt		
Lease liability	13,482,202.97	150,984.47

Items	December 31, 2023	January 1, 2023
Long-term payable	2,022,210.11	2,517,493.12
Long-term remuneration payable to staff	0.00	0.00
Expected liabilities	0.00	0.00
Deferred income	429,079,908.54	61,082,981.63
Deferred income tax liability	284,451,199.04	307,825,916.58
Other non-current liabilities		
Total non-current liabilities	7,423,152,904.61	7,366,553,958.74
Total of liability	8,960,157,363.83	8,899,319,781.11
Owners' equity		
Share capital	2,090,806,126.00	2,090,806,126.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	783,125,493.70	743,133,557.03
Less: Shares in stock		
Other comprehensive income	163,568,401.33	170,633,656.67
Special reserve		
Surplus reserves	1,520,627,456.34	1,373,056,469.02
Common risk provision		
Retained profit	5,289,404,378.52	4,698,029,354.09
Total of owner's equity belong to the parent company	9,847,531,855.89	9,075,659,162.81
Minority shareholders' equity	2,561,273,947.69	2,293,020,019.86
Total of owners' equity	12,408,805,803.58	11,368,679,182.67
Total of liabilities and owners' equity	21,368,963,167.41	20,267,998,963.78

Legal Representative: Miao Deshan

General Manager: Wang Chunhua

Person in charge of accounting: Lu Ming

Accounting Dept Leader: Yan Xiaohong

2. Parent Company Balance Sheet

In RMB

Items	December 31, 2023	January 1, 2023
Current asset:		
Monetary fund	2,464,109,767.51	1,813,035,761.84
Transactional financial assets		
Derivative financial assets		
Notes receivable		
Account receivable	31,718,251.28	23,817,016.30
Financing of receivables		
Prepayments	6,668,377.73	5,515,813.54
Other account receivable	1,021,305,845.87	1,542,022,671.18
Including: Interest receivable		
Dividend receivable	1,205,472.90	36,905,472.90

Items	December 31, 2023	January 1,2023
Inventories		
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset		111,143.99
Total of current assets	3,523,802,242.39	3,384,502,406.85
Non-current assets:		
Creditor's right investment		
Other creditor's right investment		
Long-term receivable		
Long term share equity investment	6,942,986,509.74	6,096,415,643.96
Other equity instruments investment	1,534,396,887.63	1,557,303,730.98
Other non-current financial assets		
Property investment	2,194,888.20	2,416,006.68
Fixed assets	4,929,287,711.63	5,299,569,148.92
Construction in progress	241,492,676.67	152,388,974.47
Production physical assets		
Oil & gas assets		
Use right assets	24,137,970.26	3,069,576.00
Intangible assets	124,092,435.10	132,991,895.23
Development expenses		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	33,747,359.73	123,579,950.33
Other non-current asset		
Total of non-current assets	13,832,336,438.96	13,367,734,926.57
Total of assets	17,356,138,681.35	16,752,237,333.42
Current liabilities		
Short-term loans		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Account payable	119,520,338.64	94,446,623.15
Advance receipts	250,984.74	250,984.75
Contract Liabilities		
Employees' wage payable	7,453,993.89	8,103,399.09
Welfare payable	8,185,707.22	4,643,917.73
Including: Tax payable	374,738,279.30	362,996,135.95
Including: Interest payable		
Dividend payable	27,809,510.32	25,694,517.46
Liabilities held for sales		
Non-current liability due within 1 year	824,960,532.88	116,904,509.53
Other current liability	52,275.94	33,596.70
Total of current liability	1,335,162,112.61	587,379,166.90
Non-current liabilities:		

Items	December 31, 2023	January 1,2023
Long-term loan	5,464,096,050.00	5,552,070,350.00
Bond payable	749,401,333.95	1,428,381,232.94
Including: preferred stock		
Sustainable debt		
Lease liability	13,405,284.96	
Long-term payable	2,022,210.11	2,517,493.12
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	3,555,984.68	6,838,432.16
Deferred income tax liability	61,555,338.93	61,985,198.42
Other non-current liabilities		
Total non-current liabilities	6,294,036,202.63	7,051,792,706.64
Total of liability	7,629,198,315.24	7,639,171,873.54
Owners' equity		
Share capital	2,090,806,126.00	2,090,806,126.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	975,003,604.00	934,908,293.69
Less: Shares in stock		
Other comprehensive income	163,568,401.33	170,633,656.67
Special reserve		
Surplus reserves	1,340,655,188.78	1,193,084,201.46
Retained profit	5,156,907,046.00	4,723,633,182.06
Total of owners' equity	9,726,940,366.11	9,113,065,459.88
Total of liabilities and owners' equity	17,356,138,681.35	16,752,237,333.42

3.Consolidated Income statement

In RMB

Items	2023	2022
I. Income from the key business	4,879,066,948.19	4,168,634,113.98
Incl: Business income	4,879,066,948.19	4,168,634,113.98
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	2,078,327,690.70	2,005,705,864.79
Incl: Business cost	1,740,818,258.17	1,586,349,035.48
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	23,027,906.77	22,267,823.63
Sales expense		
Administrative expense	189,461,539.01	191,426,081.46
R & D costs	3,245,205.00	14,591,773.12
Financial expenses	121,774,781.75	191,071,151.10
Including: Interest expense	214,338,558.69	238,444,227.57
Interest income	94,065,812.39	47,404,858.97
Add: Other income	11,606,155.53	13,727,651.88
Investment gain (“-”for loss)	312,359,708.13	254,893,164.16
Incl: investment gains from affiliates	215,712,728.62	194,108,143.09
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	2,456,768.00	10,400,000.00
Credit impairment loss	-123,166,054.97	-98,397,398.38
Impairment loss of assets	-10,443,015.96	0.00
Assets disposal income	0.00	478,663.58
III. Operational profit (“-”for loss)	2,993,552,818.22	2,344,030,330.43
Add : Non-operational income	4,745,630.19	10,048,941.28
Less: Non-operating expense	21,397,141.51	12,263,294.52
IV. Total profit (“-”for loss)	2,976,901,306.90	2,341,815,977.19
Less: Income tax expenses	714,561,170.84	547,955,753.85
V. Net profit	2,262,340,136.06	1,793,860,223.34
(I) Classification by business continuity		
1.Net continuing operating profit	2,262,340,136.06	1,793,860,223.34
2.Termination of operating net profit		
(II) Classification by ownership		

Items	2023	2022
1.Net profit attributable to the owners of parent company	1,633,811,033.68	1,276,341,322.98
2.Minority shareholders' equity	628,529,102.38	517,518,900.36
VI. Net after-tax of other comprehensive income	-7,065,255.34	-21,543,809.67
Net of profit of other comprehensive income attributable to owners of the parent company.	-7,065,255.34	-21,543,809.67
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	-17,180,132.51	-14,349,348.86
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	-17,180,132.51	-14,349,348.86
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.	10,114,877.17	-7,194,460.81
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.	10,114,877.17	-7,194,460.81
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	2,255,274,880.72	1,772,316,413.67
Total comprehensive income attributable to the owner of the parent company	1,626,745,778.34	1,254,797,513.31
Total comprehensive income attributable minority shareholders	628,529,102.38	517,518,900.36
VIII. Earnings per share		
(I) Basic earnings per share	0.78	0.61
(II)Diluted earnings per share	0.78	0.61

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: Yan Xiaohong

4. Income statement of the Parent Company

In RMB

Items	2023	2022
I. Income from the key business	1,535,585,466.23	1,310,779,669.18
Less: Business cost	610,980,785.63	589,634,400.70
Business tax and surcharge	8,076,686.24	7,388,300.22
Sales expense		
Administrative expense	119,191,042.73	115,967,177.07
R & D expense	3,245,205.00	11,081,898.00
Financial expenses	214,571,226.30	191,962,721.38
Including: Interest expenses	240,441,217.03	229,477,883.09
Interest income	27,292,545.80	37,446,280.48
Add: Other income	4,252,550.47	4,058,931.45
Investment gain (“-”for loss)	1,044,240,085.29	1,173,266,601.98
Including: investment gains from affiliates	215,529,559.56	183,837,934.31
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		
Assets disposal income		478,663.58
II. Operational profit (“-”for loss)	1,628,013,156.09	1,572,549,368.82
Add : Non-operational income	1,232,923.08	1,611,971.54
Less: Non -operational expenses	9,053,337.37	1,417,002.95
III. Total profit(“-”for loss)	1,620,192,741.80	1,572,744,337.41
Less: Income tax expenses	144,482,868.61	96,661,666.54
IV. Net profit	1,475,709,873.19	1,476,082,670.87
1.Net continuing operating profit	1,475,709,873.19	1,476,082,670.87
2.Termination of operating net profit		
V. Net after-tax of other comprehensive income	-7,065,255.34	-21,543,809.67
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	-17,180,132.51	-14,349,348.86
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	-17,180,132.51	-14,349,348.86
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	10,114,877.17	-7,194,460.81
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.	10,114,877.17	-7,194,460.81
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	1,468,644,617.85	1,454,538,861.20
VII. Earnings per share		
(I) Basic earnings per share		
(II)Diluted earnings per share		

5. Consolidated Cash flow statement

In RMB

Items	2023	2022
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	4,951,961,030.30	4,277,130,557.35
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	562,750,580.32	120,557,326.45
Sub-total of cash inflow	5,514,711,610.62	4,397,687,883.80
Cash paid for purchasing of merchandise and services	356,711,777.61	342,864,874.07
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	495,860,299.67	479,860,302.18
Taxes paid	732,384,642.28	695,593,923.86
Other cash paid for business activities	97,969,327.59	127,342,225.31
Sub-total of cash outflow from business activities	1,682,926,047.15	1,645,661,325.42
Net cash generated from /used in operating activities	3,831,785,563.47	2,752,026,558.38
II. Cash flow generated by investing		
Cash received from investment retrieving	80,429,567.10	0.00
Cash received as investment gains	140,568,804.28	168,700,001.50
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	116,722.53	805,831.00
Net cash received from disposal of subsidiaries or other operational units	0.00	28,514,496.27
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	221,115,093.91	198,020,328.77
Cash paid for construction of fixed assets, intangible assets and other long-term assets	1,539,385,895.45	875,179,014.01
Cash paid as investment	166,330,000.00	321,341,000.00

Items	2023	2022
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	182,544.13	0.00
Sub-total of cash outflow due to investment activities	1,705,898,439.58	1,196,520,014.01
Net cash flow generated by investment	-1,484,783,345.67	-998,499,685.24
III.Cash flow generated by financing		
Cash received as investment	175,000,000.00	0.00
Including: Cash received as investment from minor shareholders	175,000,000.00	0.00
Cash received as loans	675,525,000.00	2,320,000,000.00
Other financing –related cash received	0.00	557,350,200.00
Sub-total of cash inflow from financing activities	850,525,000.00	2,877,350,200.00
Cash to repay debts	1,038,658,425.00	1,294,413,150.00
Cash paid as dividend, profit, or interests	1,727,111,491.46	1,993,666,552.33
Including: Dividend and profit paid by subsidiaries to minor shareholders	569,575,174.55	556,851,982.19
Other cash paid for financing activities	14,094,281.84	14,280,453.65
Sub-total of cash outflow due to financing activities	2,779,864,198.30	3,302,360,155.98
Net cash flow generated by financing	-1,929,339,198.30	-425,009,955.98
IV. Influence of exchange rate alternation on cash and cash equivalents	-693,816.83	988,123.62
V.Net increase of cash and cash equivalents	416,969,202.67	1,329,505,040.78
Add: balance of cash and cash equivalents at the beginning of term	4,284,688,231.33	2,955,183,190.55
VI ..Balance of cash and cash equivalents at the end of term	4,701,657,434.00	4,284,688,231.33

6. Cash Flow Statement of the Parent Company

In RMB

Items	2023	2022
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	1,569,576,641.63	1,347,316,010.13
Tax returned		
Other cash received from business operation	178,378,550.98	47,431,112.11
Sub-total of cash inflow	1,747,955,192.61	1,394,747,122.24
Cash paid for purchasing of merchandise and services	126,343,176.79	74,042,300.65
Cash paid to staffs or paid for staffs	161,391,920.54	155,280,659.59
Taxes paid	100,391,735.11	49,667,582.04
Other cash paid for business activities	152,266,887.57	1,856,029,086.90
Sub-total of cash outflow from business activities	540,393,720.01	2,135,019,629.18
Net cash generated from /used in operating activities	1,207,561,472.60	-740,272,506.94
II. Cash flow generated by investing		
Cash received from investment retrieving		328,527,584.98
Cash received as investment gains	933,027,040.76	1,121,551,007.37
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	18,092.53	566,983.00
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	933,045,133.29	1,450,645,575.35
Cash paid for construction of fixed assets, intangible assets and other long-term assets	113,805,594.78	155,607,960.52
Cash paid as investment	163,250,000.00	344,250,000.00
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	277,055,594.78	499,857,960.52
Net cash flow generated by investment	655,989,538.51	950,787,614.83
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans		1,890,000,000.00
Other financing –related cash received		
Sub-total of cash inflow from financing activities		1,890,000,000.00
Cash to repay debts	67,189,300.00	726,743,150.00
Cash paid as dividend, profit, or interests	1,130,578,984.77	1,408,387,271.32
Other cash paid for financing activities	14,014,903.84	14,173,175.65
Sub-total of cash outflow due to financing activities	1,211,783,188.61	2,149,303,596.97
Net cash flow generated by financing	-1,211,783,188.61	-259,303,596.97
IV. Influence of exchange rate alternation on cash and cash equivalents	-693,816.83	988,123.62
V. Net increase of cash and cash equivalents	651,074,005.67	-47,800,365.46
Add: balance of cash and cash equivalents at the beginning of term	1,811,814,561.84	1,859,614,927.30

Items	2023	2022
VI ..Balance of cash and cash equivalents at the end of term	2,462,888,567.51	1,811,814,561.84

7. Consolidated Statement on Change in Owners' Equity
Amount in this period

In RMB

Items	2023														Minor shareholders' equity	Total of owners' equity
	Owner's equity Attributable to the Parent Company															
	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				743,133,557.03		170,633,656.67		1,373,056,469.02		4,698,029,354.09		9,075,659,162.81	2,293,020,019.86	11,368,679,182.67	
Add: Change of accounting policy																
Correcting of previous errors																
Other																
II. Balance at the beginning of current year	2,090,806,126.00				743,133,557.03		170,633,656.67		1,373,056,469.02		4,698,029,354.09		9,075,659,162.81	2,293,020,019.86	11,368,679,182.67	
III. Changed in the current year					39,991,936.67		-7,065,255.34		147,570,987.32		591,375,024.43		771,872,693.08	268,253,927.83	1,040,126,620.91	
(1) Total comprehensive income							-7,065,255.34				1,633,811,033.68		1,626,745,778.34	628,529,102.38	2,255,274,880.72	
(II) Investment or decreasing of capital by owners					40,092,886.12								40,092,886.12	175,000,000.00	215,092,886.12	
1. Ordinary Shares invested by shareholders														175,000,000.00	175,000,000.00	
2. Holders of other equity instruments invested capital																
3. Amount of shares paid and accounted as owners' equity																
4. Other					40,092,886.12								40,092,886.12		40,092,886.12	

Items	2023														Minor shareholders' equity	Total of owners' equity
	Owner's equity Attributable to the Parent Company															
	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													
				6.12								12		2		
(III) Profit allotment								147,570,987.32		-1,042,436,092.5		894,865,021.93	-535,275,174.55	-1,430,140,196.48		
1. Providing of surplus reserves								147,570,987.32		-147,570,987.32						
2. Providing of common risk provisions																
3. Allotment to the owners (or shareholders)										-894,865,021.93		-894,865,021.93	-535,275,174.55	-1,430,140,196.48		
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 surplus reserves.																
4. Change amount of defined benefit plans that carry forward Retained earnings																

Items	2023														
	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												
5. Other comprehensive income carry-over retained earnings															
6. Other															
(V). Special reserves															
1. Provided this year															
2. Used this term															
(VI) Other					- 100,949.4 5								-100,949.45		-100,949.45
IV. Balance at the end of this term	2,090,806,1 26.00				783,125,4 93.70		163,568,401. 33		1,520,627,4 56.34		5,289,404,3 78.52		9,847,531,8 55.89	2,561,273,9 47.69	12,408,805,8 03.58

Amount in last year

In RMB

Items	2022														Minor shareholder's equity	Total of owners' equity
	Owner's equity Attributable to the Parent Company															
	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											510,117.61		510,117.61	330.73	510,448.34	
Correcting of previous errors																
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		4,761,128,661.39		8,982,948,102.78	2,338,551,503.69	11,321,499,606.47	
III. Changed in the current year					29,673,038.54		-21,543,809.67		147,681,138.46		-63,099,307.30		92,711,060.03	-45,531,483.83	47,179,576.20	
(1) Total comprehensive							-21,543,809.67				1,276,341,322.98		1,254,797,513.31	517,518,900.36	1,772,316,413.67	

Items	2022															
	Owner's equity Attributable to the Parent Company													Minor shareholder's 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													
income																
(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								147,681,138.46		-	1,339,440,630.28		1,191,759,491.82	-	591,151,982.19	-1,782,911,474.01
1. Providing of surplus reserves								147,681,138.46		-	147,681,138.46					

Items	2022														Minor shareholder's equity	Total of owners' equity
	Owner's equity Attributable to the Parent Company															
	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													
2. Providing of common risk provisions																
3. Allotment to the owners (or shareholders)																
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 surplus reserves.																
4. Change amount																

Items	2022															
	Owner's equity Attributable to the Parent Company													Minor shareholder's 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													
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					29,673,038.54								29,673,038.54	28,101,598.00		57,774,636.54
IV. Balance at the end of this term	2,090,806,126.00				743,133,557.03		170,633,656.67		1,373,056,469.02		4,698,029,354.09		9,075,659,162.81	2,293,020,019.86		11,368,679,182.67

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

Amount in this period

In RMB

Items	2023											
	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	2,090,806,12 6.00				934,908,29 3.69		170,633,65 6.67		1,193,084,20 1.46	4,723,633,18 2.06		9,113,065,45 9.88
Add: Change of accounting policy												
Correcting of previous errors												
Other												
II.Balance at the beginning of current year	2,090,806,12 6.00				934,908,29 3.69		170,633,65 6.67		1,193,084,20 1.46	4,723,633,18 2.06		9,113,065,45 9.88
III.Changed in the current year					40,095,310. 31		- 7,065,255.3 4		147,570,987. 32	433,273,863. 94		613,874,906. 23
(I) Total comprehensive income							- 7,065,255.3 4			1,475,709,87 3.19		1,468,644,61 7.85
(II) Investment or decreasing of capital by owners					40,092,886. 12							40,092,886.1 2
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					40,092,886.							40,092,886.1

Items	2023											
	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								
					12							2
(III) Profit allotment								147,570,987.32	-	1,042,436,009.25		-
1. Providing of surplus reserves								147,570,987.32	-	147,570,987.32		
2. Allotment to the owners (or shareholders)									-	894,865,021.93		-
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												

Items	2023											
	Share capital	Other Equity instrument			Capital reserves	Less : Shar es in stoc k	Other Comprehen sive Income	Speciali zed reserve	Surplus reserves	Retained profit	Oth er	Total of owners' equity
		Preferr ed stock	Sustaina ble debt	Oth er								
(V) Special reserves												
1. Provided this year												
2. Used this term												
(VI) Other					2,424.19							2,424.19
IV. Balance at the end of this term	2,090,806,12 6.00				975,003,60 4.00		163,568,40 1.33		1,340,655,18 8.78	5,156,907,04 6.00		9,726,940,36 6.11

Amount in last year

In RMB

Items	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
		Preferr ed stock	Sustaina ble debt	Oth er								
I.Balance at the end of last year	2,090,806,12 6.00				934,851,28 5.51		192,177,46 6.34		1,045,403,06 3.00	4,586,482,01 6.10		8,849,719,95 6.95
Add: Change of accounting policy										509,125.37		509,125.37
Correcting of previous errors												
Other												
II.Balance at the beginning of current year	2,090,806,12 6.00				934,851,28 5.51		192,177,46 6.34		1,045,403,06 3.00	4,586,991,14 1.47		8,850,229,08 2.32
III.Changed in the current year					57,008.18		21,543,809. 67		147,681,138. 46	136,642,040. 59		262,836,377. 56
(I) Total comprehensive income							21,543,809. 67			1,476,082,67 0.87		1,454,538,86 1.20
(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									147,681,138.	-		-

Items	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								
								46	1,339,440,630.28		1,191,759,491.82	
1. Providing of surplus reserves								147,681,138.46	-	147,681,138.46		
2. Allotment to the owners (or shareholders)									-	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												

Items	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								
2. Used this term												
(VI) Other					57,008.18							57,008.18
IV. Balance at the end of this term	2,090,806,126.00				934,908,293.69		170,633,656.67		1,193,084,201.46	4,723,633,182.06		9,113,065,459.88

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".

13. 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.

2) . 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, Tihedistrict, Guangzhou

3) . 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 consultaion 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 Science and Technology Microfinance Co., Ltd., Guangdong Guangle Expressway Co.,Ltd., Guoyuan Securities Co., Ltd, Hunan Lianzhi Technology Co., Ltd.and SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd.

4) . 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 invovles 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

None

5) . Approval and submission date of financial report

The financial statements have been authorized for issuance of the Board of Directors of the Company on March 15 ,2024.

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 (2023 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.

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. Criteria for Control and Preparation Method of Consolidated Financial Statements

(1) Criteria for control

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 (Excluding impairment)

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.

west bank 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. westbank 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

For financial assets with individual credit risk assessment, the Company always selects to measure the loss provision according to the amount equivalent to the expected credit loss within the duration.

Based on the characteristics of credit risk, the Company divides the financial assets that have not suffered credit impairment in individual assessment into different portfolios:

① Basis for determining the combination of credit risk characteristics

Items	Basis for determining the portfolio
Combination 1 (aging portfolio)	Except for accounts receivable and other receivables for which loss provision has been separately measured or belonging to portfolio 2, portfolio 3 and portfolio 4, the Company determines the loss provision based on the expected credit loss of the same or similar accounts receivable portfolio with similar credit risk characteristics in previous years and divided according to aging, considering the forward-looking information. The aging shall be calculated from the time when the accounts receivable are initially recognized
Portfolio 2 (margin portfolio)	All kinds of deposits, margins, advances, quality assurance margins, employee loans, change reserve funds and other receivables that should be collected in daily and regular activities
Portfolio 3 (financial asset portfolio with very low credit risk)	Notes receivable and other receivables with extremely low credit risk according to the expected credit loss calculation
Portfolio 4 (risk-free portfolio)	Funds receivable from affiliated companies within the scope of consolidation are used as the basis for portfolio

② When credit risk assessment is carried out by portfolio method, according to the portfolio structure of financial assets and similar credit risk characteristics (the debtor's ability to repay the debts according to the

contract terms), combined with historical default loss experience and current economic situation, and considering forward-looking information, the expected credit loss is measured on the basis of expected duration, to recognize the loss provision of financial assets.

The accrual method of loss provision measured by different portfolios:

Items	Accrual method
Combination 1 (aging portfolio)	Estimated duration
Portfolio 2 (margin portfolio)	Estimated duration
Portfolio 3 (financial asset portfolio with very low credit risk)	Estimated duration
Portfolio 4 (risk-free portfolio)	Estimated duration

③ The expected credit loss rate of each portfolio is as follows:

Combination 1 (aging portfolio): expected credit loss rate

Aging	Expected credit loss rate of accounts receivable (%)	Expected credit loss rate of other receivables (%)
Within 1 year (Including 1 year)	0	0
1-2 years (Including 2 years)	10	10
2-3 years (Including 3 years)	30	30
3-4 years (Including 4 years)	50	50
4-5 years (Including 5 years)	90	90
Over 5 years	100	100

Portfolio 2 (margin portfolio): Based on the experience of historical default loss and current economic situation, and considering forward-looking information, the expected credit loss rate is 0;

Portfolio 3 (financial asset portfolio with very low credit risk): combined with historical default loss experience and current economic situation, considering forward-looking information, the expected credit loss rate is 0;

Portfolio 4 (risk-free portfolio): based on the historical experience of default losses and current economic situation, considering forward-looking information, the expected credit loss rate is 0.

11. Contract assets and Contract liabilities

(1) Contract assets

The Company lists the right to receive consideration for goods or services that have been transferred to customers (and this right depends on other factors besides the passage of time) as contract assets. The accrual of impairment provision of contract assets shall refer to the expected credit loss method of financial instruments. The Company adopts a simplified method to measure the loss provision for contract assets (whether or not they contain significant financing elements).

In case of impairment loss of contract assets, the "asset impairment loss" shall be debited according to the amount to be written down, and the contract assets impairment provision shall be credited; When reversing the accrued asset impairment provision, make the opposite entry.

(2) Contract liabilities

The Company lists the obligation to transfer goods or provide services to customers for consideration received or receivable from customers as contractual liabilities.

The Company shall list the contract assets and liabilities under the same contract in net amount.

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.

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.

12. 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.

③ 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.

13. 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.

The Company's investment real estate is initially measured according to the cost at the time of acquisition, and depreciated or amortized on schedule according to the relevant provisions of fixed assets or intangible assets.

Subsequent expenditures related to investment real estate are included in the investment real estate cost when the relevant economic benefits are likely to flow into the Company and such cost can be reliably measured; Otherwise, they are included in the current profits and losses when they occur.

For the investment real estate that is subsequently measured by the cost model, please refer to 26 in this section for the method of asset impairment.

When the use of investment real estate is changed to self-use or external sale, the investment real estate will be converted into fixed assets, intangible assets or inventory from the date of change. When the use of

private real estate is changed to rent-earning or capital appreciation, the fixed assets or intangible assets will be converted into investment real estate from the date of change. In case of conversion, the book value before conversion is taken as the entry value after conversion.

The estimated service life, estimated net salvage and depreciation (amortization) method of investment real estate are reviewed at the end of each year and appropriate adjustments are made.

When the investment real estate is disposed of, or permanently withdrawn from use, and it is not expected to obtain economic benefits from its disposal, the recognition of the investment real estate will be terminated. The disposal income from the sale, transfer, scrapping or damage of investment real estate after deducting its book value and related taxes is included in the current profits and losses. The difference between the disposal income from the sale, transfer, scrapping or damage of investment real estate after deducting its book value and related taxes is included in the current profits and losses.

14.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.

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

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

For 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.

The useful life, residual value rate, and annual depreciation rate of various fixed assets are listed as follows:

Type	Depreciation method	Expected useful life(Year)	Residual rate (%)	Annual depreciation rate(%)
Highway and Bridge				
Including: 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.,	Working flow basis	23 years	0%	

Ltd.				
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%

15. Construction-in process

The Company's construction in progress is accounted for in detail according to the project, and the projects of construction in progress are regarded as the entry value of fixed assets according to all expenses incurred before the assets reach the scheduled serviceable state. Including the construction cost, the original price of machinery and equipment, other necessary expenses incurred to make the construction in progress reach the scheduled serviceable state, as well as the borrowing costs incurred for the special loan of the project and the borrowing costs incurred for the occupied general loan before the assets reach the scheduled serviceable state. The Company will transfer the construction in progress into fixed assets when the project installation or construction reaches the scheduled serviceable state. The constructed fixed assets that have reached the scheduled serviceable state but have not yet been settled for completion shall be transferred to fixed assets according to the estimated value according to the project budget, construction cost or actual cost, and the depreciation of fixed assets shall be accrued according to the depreciation policy of the Company. After the completion of the final accounts, the original provisional estimated value shall be adjusted according to the actual cost, but the original accrued depreciation amount shall not be adjusted.

The standards and time points for converting the Company's construction in progress into fixed assets are as follows:

Category	Standard and time point for converting into fixed assets
Expressway construction project	(1) The physical construction, including the installation of related equipment and other supporting facilities, has been completely or substantially completed; (2) The amount of continued construction expenditure is very small or almost no longer occurs; (3) Relevant equipment can maintain normal and stable operation for a period of time after debugging; (4) The constructed expressway has reached the design or contract requirements, or basically conforms to the design or contract requirements; (5) If the construction project has reached the scheduled serviceable state but has not yet completed the final accounts for completion, it will be transferred to the fixed assets according to the estimated value according to the actual cost of the project from the date of reaching the scheduled serviceable state.
Houses and buildings	(1) The physical construction, including installation, has been completed or substantially completed; (2) The amount of expenditure that continues to occur on the purchased houses and buildings is very small or almost no longer occurs; (3) The purchased houses and buildings have reached the design or contract requirements, or are basically consistent with the design or contract requirements; (4) If the construction project has reached the scheduled serviceable state but has not yet completed the final accounts for completion, it will be transferred to the fixed assets according to the estimated value according to the actual cost of the project from the date of reaching the scheduled serviceable state.
Machinery and equipment	(1) Related equipment and other supporting facilities have been installed; (2) After debugging, the equipment can maintain normal and stable operation for a period of time and be accepted by relevant personnel.

16. 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.

17. Intangible assets

(1) Service life and its determination basis, estimation, amortization method or review procedure

The intangible assets of the Company are initially measured at cost. The purchased intangible assets shall be regarded as the actual cost according to the actual paid price and related expenses. The actual cost of intangible assets invested by investors shall be determined according to the value agreed in the investment contract or agreement, but if the value agreed in the contract or agreement is unfair, the actual cost shall be determined according to the fair value. The cost of self-developed intangible assets is the total expenditure incurred before reaching the intended use.

The follow-up measurement methods of the Company's intangible assets are as follows: intangible assets with limited service life are amortized by the straight-line method or workload method according to different categories, and the service life and amortization method of intangible assets are rechecked at the end of the year, and if there is any difference from the original estimate, corresponding adjustments will be made; Intangible assets with uncertain service life are not amortized, but at the end of the year, their service life will be reviewed. When there is conclusive evidence that their service life is limited, it will be estimated and amortized by the straight-line method.

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

Category	Amortization years	Amortization method
Land use right	Remaining useful life	Straight-line method
Software	3-5 years	Straight-line method
Toll road franchise	Residual toll operation period	Workload method

18. 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.

19. 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.

20. 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.

21. 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.

1、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

Toll revenue refers to the toll revenue from operating toll roads, which is recognized according to the amount collected and receivable when vehicles pass.

2) Advertising and other revenue

Advertising and other income shall be recognized as operating income within the service period according to the service time and price after the service is provided.

22. Contract cost

If the incremental cost incurred by the Company to obtain the contract is expected to be recovered, it will be recognized as an asset for the contract acquisition cost. If the amortization period of the contract acquisition cost does not exceed one year, it will be directly included in the current profits and losses when it occurs.

If the cost incurred by the Company to perform the contract does not apply to the scope of the relevant standards such as inventory, fixed assets or intangible assets and meets the following conditions at the same time, it shall be recognized as an asset for the contract performance cost:

(1) The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs explicitly borne by customers and other costs incurred only due to the contract;

(2) The cost increases the Company's resources for performing and fulfilling its obligations in the future;

(3) The cost is expected to be recovered.

The Company amortizes the assets related to the contract cost on the same basis as the income of goods or services related to the assets, and includes them into the current profits and losses.

If the book value of the assets related to the contract cost is higher than the expected remaining consideration due to the transfer of the goods or services related to the assets minus the estimated costs to be incurred, the Company will make provision for impairment of the excess and recognize it as an asset impairment loss. If the factors of impairment in the previous period have changed, so that the expected residual consideration of the goods or services related to the asset after the transfer minus the estimated cost is higher than the book value of the asset, it will be transferred back to the originally accrued asset impairment provision and included in the current profits and losses, but the book value of the asset after the transfer does not exceed the book value of the asset on the transfer date if the impairment provision is not accrued.

23. Government Grants

(1) Types of government subsidies and accounting treatment

Government subsidies refer to the monetary assets or non-monetary assets obtained by the Company from the government for free (but excluding the capital invested by the government as the owner). If government subsidies are monetary assets, they shall be measured according to the amount received or receivable. If government subsidies are non-monetary assets, they shall be measured at fair value; If the fair value cannot be obtained reliably, they shall be measured according to the nominal amount.

Government subsidies related to the daily activities are included in other income according to the nature of economic business. Government subsidies unrelated to the daily activities are included in non-operating income.

Government documents clearly specify that government subsidies for purchasing, constructing or otherwise forming long-term assets are recognized as government subsidies related to assets. If the object of subsidy is not clearly specified in government documents, and long-term assets can be formed, the part of government subsidies corresponding to the value of assets shall be regarded as the government subsidies related to assets, and the rest shall be regarded as the government subsidies related to income; If it is difficult to distinguish them, the government subsidies as a whole will be regarded as a government subsidies related to income. Government subsidies related to assets are recognized as deferred income. The amount recognized as deferred income shall be included in the current profits and losses by stages in accordance with a reasonable and systematic method within the service life of the relevant assets.

Government subsidies other than those related to assets are recognized as government subsidies related to income. If government subsidies related to income are used to compensate the related expenses or losses of the enterprise in the future, they will be recognized as deferred income, and will be included in the current profits and losses during the period when the related expenses are recognized; If used to compensate the related expenses or losses that have occurred in the enterprise, they will be directly included in the current profits and losses.

The Company has obtained the policy preferential loan discount, and the finance will allocate the discount funds to the lending bank. If the lending bank provides loans to the Company at the policy preferential interest rate, the actually received loan amount will be taken as the recorded value of the loan, and the relevant borrowing costs will be calculated according to the loan principal and the policy preferential interest rate; If the finance directly allocates the discount funds to the Company, the Company will offset the relevant borrowing costs with the corresponding discount.

(2) Recognition time of government subsidies

Government subsidies are recognized when they meet the conditions attached to government subsidies and can be received. Government subsidies measured according to the amount receivable shall be recognized at the end of the period when there is conclusive evidence that they can meet the relevant conditions stipulated in the financial support policy and it is expected that financial support funds can be received. Other government subsidies other than those measured according to the amount receivable shall be recognized when the subsidies are actually received.

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) Accounting treatment method for leasing as a lessee

On the start date of the lease term, the Company recognizes the right-to-use assets and lease liabilities for leases other than short-term leases and low-value asset leases, and recognizes depreciation expenses and interest expenses respectively during the lease term.

The Company adopts the straight-line method in each period of the lease term, and the lease payment of short-term leases and low-value asset leases is included in the current expenses.

1) Right-to-use assets

The right-to-use assets refer to the right of 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 according to the cost. The cost includes: ① The initial measurement amount of lease liabilities; ② The lease payment amount issued on or before the start date of the lease term, where if there is a lease incentive, the amount related to the entitled lease incentive shall be deducted; ③ The initial direct expenses incurred; ④ The cost expected to be incurred to dismantle and remove the leased assets, restore the site where the leased assets are located or restore the leased assets to the state agreed in the lease terms.

The depreciation of the Company's right-to-use assets is classified and accrued by the average life method. If it can be reasonably determined that the ownership of the leased assets will be acquired at the expiration of the lease term, depreciation will be accrued within the expected remaining service life of the leased assets; If it is impossible to reasonably determine that the ownership of the leased assets will be acquired at the expiration of the lease term, depreciation shall be accrued during the lease term or the remaining service life of the leased assets, whichever is shorter.

According to the relevant provisions of *Accounting Standards for Business Enterprises No.8 - Impairment of Assets*, the Company determines whether the right-to-use assets have been impaired and carries out accounting treatment.

2) Lease liabilities

Lease liabilities are initially measured according to the present value of unpaid lease payment on the start date of the lease term. The lease payment include: ① Fixed payment (including substantial fixed payment), if there is lease incentive, the relevant amount of lease incentive shall be deducted; ② Variable lease payment depending on index or ratio; ③ The amount expected to be paid according to the residual guarantee provided by the lessee; ④ The exercise price of the purchase option, provided that the lessee reasonably determines that the option will be exercised; ⑤ The amount to be paid when the option to terminate the lease is exercised, provided that the lease term reflects that the lessee will exercise the option to terminate the lease;

The Company adopts the interest rate implicit in lease as the discount rate; If the interest rate implicit in lease cannot be reasonably determined, the incremental loan interest rate of the Company shall be adopted as the discount rate. The Company calculates the interest expense of the lease liabilities during the lease term according to the fixed periodic interest rate, and includes it in the financial expense. The periodic interest rate refers to the discount rate adopted by the Company or the revised discount rate.

The variable lease payments that are not included in the measurement of lease liabilities are included in the current profits and losses when actually incurred.

When the Company's evaluation results of the option to renew the lease, terminate the lease or purchase change, the lease liabilities will be re-measured according to the present value calculated by the changed lease payment and the revised discount rate, and the book value of the right-to-use assets will be adjusted accordingly. When the actual lease payment, the expected payable amount of the residual guarantee or the variable lease payment depending on the index or ratio changes, the lease liabilities shall be re-measured according to the present value calculated by the changed lease payment and the original discount rate, and the book value of the right-to-use assets shall be adjusted accordingly.

(2) Accounting treatment method for leasing as a lessor

1) Accounting treatment of operating lease

During each period of the lease term, the Company adopts the straight-line method to recognize the lease receipts from operating lease as rental income. The Company capitalizes the initial direct expenses related to operating lease, and includes them in the current income by stages according to the same recognition basis as the rental income during the lease term.

2) Accounting treatment of financial lease

On the lease start date, the Company recognizes the difference between the sum of the financial lease receivable and the unguaranteed residual value and its present value as unrealized financing income, and recognizes it as lease income in the future period when the rent is received. The initial direct expenses incurred by the Company related to the leasing transaction are included in the initial entry value of the financial lease receivable.

26. 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.

27. 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.

28. Change of main accounting policies and estimations

(1) Change of main accounting policies

Applicable Not applicable

Implement the provisions of "Accounting Treatment for Deferred Income Tax Related to Assets and Liabilities Arising from Individual Transactions" in Interpretation No.16 of Accounting Standards for Business Enterprises.

On November 30, 2022, the Ministry of Finance issued the No. 16 Interpretation of Accounting Standards for Business Enterprises (No. 31[2022]Cai Hui) (hereinafter referred to as "No. 16 Interpretation"). Adopted by

the resolution of the seventh meeting of the 10th Board of Directors of the Company on March 20, 2023, the Company implements the relevant provisions of the No. 16 Interpretation from January 1, 2023.

According to Interpretation No.16, for the taxable temporary differences and deductible temporary differences caused by the initial recognition of assets and liabilities in a single transaction that is not a business merger, does not affect accounting profits or taxable income (or deductible losses) at the time of transaction, and the initial recognition of assets and liabilities leads to equal taxable temporary differences and deductible temporary differences, the Company respectively recognizes the corresponding deferred income tax liabilities and deferred income tax assets at the time of transaction according to the Accounting Standards for Business Enterprises No.18-Income Tax and other relevant provisions.

The impact of the implementation of the above regulation on the financial statement for the this period and for comparable periods is as follows:

1. Impact on consolidated financial statement

Items	December 31,2022/2022 (Before the change)	January 1,2023,/2022 (After change)	Influence number
Long term share equity investment	2,923,368,667.84	2,923,305,042.30	-63,625.54
Deferred income tax assets	128,179,543.02	129,044,978.46	865,435.44
Deferred income tax liability	306,806,527.72	307,825,916.58	1,019,388.86
Retained profit	4,698,247,435.40	4,698,029,354.09	-218,081.31
Minority shareholders' equity	2,293,019,517.51	2,293,020,019.86	502.35
Investment income	254,956,789.70	254,893,164.16	-63,625.54
Income tax expenses	547,291,352.09	547,955,753.85	664,401.76
Profit and loss of minority shareholders	517,518,728.74	517,518,900.36	171.62

2. Impact on Parent company financial statement

Items	In RMB		
	December 31,2022/2022 (Before the change)	January 1,2023,/2022 (After change)	Influence number
Long term share equity investment	6,096,479,269.50	6,096,415,643.96	-63,625.54
Deferred income tax assets	122,968,519.19	123,579,950.33	611,431.14
Deferred income tax liability	61,217,804.42	61,985,198.42	767,394.00
Retained profit	4,723,852,770.46	4,723,633,182.06	-219,588.40
Minority shareholders' equity	1,173,330,227.52	1,173,266,601.98	-63,625.54
Investment income	95,996,578.31	96,661,666.54	665,088.23

Items	December 31,2022/2022 (Before the change)	January 1,2023,/2022 (After change)	Influence number
Income tax expenses			

(1) Significant estimates changes

Applicable Not applicable

(2) The information of the adjusting items related to the financial statements at the beginning of the year of first implementation due to the first implementation of new accounting standards from 2023.Adjustment description

Applicable Not applicable

Note

See (1) Important accounting policy changes

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 treatment

None

VII. Notes on major items in consolidated financial statements of the Company

1. Monetary funds

In RMB

Items	Amount in year-end	Balance Year-beginning
Cash	35,130.15	43,420.71
Bank deposit	2,039,934,390.23	1,896,056,055.51
Other	514,004.48	515,903.01
Money deposited with a finance Company	2,662,395,109.14	2,389,294,052.10
Interest accrued when not due	15,753,098.20	4,672,059.45
Total	4,718,631,732.20	4,290,581,490.78

Other note

The interest receivable is RMB 15, 753, 098. 20 from interest accrued on seven-day call deposits.

2. Account receivable

(1) Disclosure by aging

In RMB

Aging	Balance in year-end	Balance Year-beginning
Within 1 year	131,238,586.90	96,058,380.92
1-2 years	9,116,666.67	12,958,333.31
2-3 years		2,077,392.00
Over 3 year	3,143,664.00	1,066,272.00
3-4 years	2,077,392.00	1,066,272.00
4-5 years	1,066,272.00	
Subtotal	143,498,917.57	112,160,378.23
Bad debt provision	3,599,497.33	3,791,580.67
Total	139,899,420.24	108,368,797.56

(2) According to the bad debt provision method classification disclosure

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	3,143,664.00	2.19%	3,143,664.00	100.00%		3,143,664.00	2.80%	3,143,664.00	100.00%	
Including:										
Accrual of bad debt provision by portfolio	140,355,253.57	97.81%	455,833.33	0.32%	139,899,420.24	109,016,714.23	97.20%	647,916.67	0.59%	108,368,797.56
Including:										
Aging portfolio	140,355,253.57	97.81%	455,833.33	0.32%	139,899,420.24	109,016,714.23	97.20%	647,916.67	0.59%	108,368,797.56
Total	143,498,917.57	100.00%	3,599,497.33	2.51%	139,899,420.24	112,160,378.23	100.00%	3,791,580.67	3.38%	108,368,797.56

Accrual of bad debt provision by single:

In RMB

Name	Balance Year-beginning		Balance in year-end			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Withdrawal proportion	Reason
Guangdong Taiheng Expressway Development Co., Ltd.	3,143,664.00	3,143,664.00	3,143,664.00	3,143,664.00	100.00	The enterprise has entered the stage of bankruptcy and liquidation, It is not expected to be recovered
Total	3,143,664.00	3,143,664.00	3,143,664.00	3,143,664.00	100.00	

Accrual of bad debt provision by portfolio: The aging

In RMB

Aging	Balance in year-end		
	Account receivable	Bad debt provision	Expected credit loss rate (%)
Within 1 year	131,238,586.90		
1-2 years	9,116,666.67	455,833.33	5.00%
Total	140,355,253.57	455,833.33	/0.32%

Note: The aging

Relevant information of the provision for bad debts will be disclosed with reference to the disclosure method of other receivables if the provision for bad debts of bills receivable is accrued according to the general model of expected credit loss:

Applicable Not applicable

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

The withdrawal amount of the bad debt provision:

In RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Reversed or collected amount	Write-off	Other	
Accrual of bad debt provision by single item	3,143,664.00					3,143,664.00
Accrual of bad debt provision by credit risk	647,916.67		192,083.34			455,833.33
Total	3,791,580.67		192,083.34			3,599,497.33

Of which the significant amount of the reversed or collected part during the reporting period

None

(4) The actual write-off accounts receivable

None

(5) Top 5 of the closing balance of the accounts receivable collected according to the arrears party

In RMB

Company Name	Amount of ending balance	Closing balance of the contract assets	Accounts receivable and contract assets ending balance	Proportion of total accounts receivable %	Amount of ending balance for bad debts
Guangdong Union Electronic Services Co., Ltd.	104,739,306.92			72.99%	
Guangdong Lulu Traffic Development Co., Ltd.	10,200,000.00			7.11%	455,833.33
Guangdong Jingzhu Expressway Guangzhu North section Co., Ltd.	8,643,475.02			6.02%	
Guangdong Humen Bridge Co., Ltd.	8,382,454.42			5.84%	
Guangdong Expressway Technology Investment Co., Ltd.	6,548,536.49			4.56%	
Total	138,513,772.85			96.52%	455,833.33

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

None

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

None

3. 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	88,372,734.86	33,250,771.74
Total	89,578,207.76	34,456,244.64

(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	Over 5 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

In RMB

Items	Balance in year-end	Balance Year-beginning
Securities trading settlement funds		30,844,110.43
Petty cash	3,537,793.93	4,038,469.21
On behalf of money	221,107,620.02	97,749,481.71
Deposit	2,736,640.19	26,630,350.18
Equity transfer payment receivable	39,682,898.02	
Compensation for performance commitments receivable	40,092,886.12	
Other	2,322,516.60	2,581,952.35
Subtotal	309,480,354.88	161,844,363.88
Less: Bad debt provision	221,107,620.02	128,593,592.14
Total	88,372,734.86	33,250,771.74

2) Disclosure by aging

In RMB

Aging	Balance in year-end	Balance Year-beginning
Within 1 year(Including 1 year)	209,212,525.26	125,683,275.60
1-2 years	98,008,543.71	311,707.85
2-3 years	220,243.57	3,477,902.45
Over 3 years	2,039,042.34	32,371,477.98
3-4 years	1,184,699.35	26,560.70
4-5 years	23,848.70	627,314.97
Over 5 years	830,494.29	31,717,602.31
Subtotal	309,480,354.88	161,844,363.88
Less: Bad debt provision	221,107,620.02	128,593,592.14
Total	88,372,734.86	33,250,771.74

3) According to the bad debt provision method classification disclosure

Applicable Not applicable

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	221,107,620.02	71.44%	221,107,620.02	100.00%		128,593,592.14	79.46%	128,593,592.14	100.00%	
Including:										
Accrual of bad debt provision by portfolio	88,372,734.86	28.56%			88,372,734.86	33,250,771.74	20.54%			33,250,771.74
Including:										
Aging portfolio	673,683.89	0.22%			673,683.89	1,082,461.54	0.67%			1,082,461.54
CSF Portfolio	6,274,434.12	2.03%			6,274,434.12	30,668,819.39	18.95%			30,668,819.39
Very low credit risk financial asset portfolio	81,424,616.85	26.31%			81,424,616.85	1,499,490.81	0.93%			1,499,490.81
Total	309,480,354.88	100.00%	221,107,620.02	71.44%	88,372,734.86	161,844,363.88	100.00%	128,593,592.14	79.46%	33,250,771.74

Accrual of bad debt provision by single:

In RMB

Name	Balance Year-beginning		Balance in year-end			
	Book Balance	Bad debt provision	Book Balance	Bad debt provision	Withdrawal proportion	Reason
Department of Transport of Guangdong	97,749,481.71	97,749,481.71	221,107,620.02	221,107,620.02	100.00%	The source of funds for custody expenses paid by Guangzhou-Foshan Expressway on behalf needs to be further defined, and the provision for bad debts shall be made in full according to the principle of prudence
Total	97,749,481.71	97,749,481.71	221,107,620.02	221,107,620.02		

Number of categories of bad debt provision drawn by portfolio:2

Accrual of bad debt provision by portfolio: The Aging

In RMB

Name	Balance in year-end		
	Book balance	Bad debt provision	Withdrawal proportion
Within 1 year	673,683.89		
Total	673,683.89		

Accrual of bad debt provision by portfolio: Other

In RMB

Name	Balance in year-end		
	Book balance	Bad debt provision	Withdrawal proportion
Cast deposit portfolio	6,274,434.12		
Very low credit risk financial asset portfolio	81,424,616.85		
Total	87,699,050.97		

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 1,2023	97,749,481.71		30,844,110.43	128,593,592.14
Balance as at January 1,2023 in current				
—Transfer to stage II	-97,749,481.71	97,749,481.71		

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)	
— Transfer to stage III				
-- Reversal to the II stage				
-- Reversal to the I stage				
Provision in Current Year		123,358,138.31		123,358,138.31
Reversal in Current Year				
Conversion in Current Year				
Write off in Current Year			30,844,110.43	30,844,110.43
Other change				
Balance as at 31 Dec. 2023		221,107,620.02		221,107,620.02

Loss provision changes in current period, change in book balance with significant amount

Applicable Not applicable

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

The withdrawal amount of the bad debt provision:

In RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Reversed or collected amount	Write-off	Other	
Accrual of bad debt provision by single item	128,593,592.14	123,358,138.31		30,844,110.43		221,107,620.02
Total	128,593,592.14	123,358,138.31		30,844,110.43		221,107,620.02

Of which the significant amount of the reversed or collected part during the reporting period

None

5) Other account receivables actually cancel after write-off

In RMB

Items	Amount
Securities settlement and trading funds	30,844,110.43

Where the write-off of other important receivables is as follows:

In RMB

Unit name	Nature of other receivables	Write-off amount	Reasons for write-off	Write-off procedure for performance	Whether the payment is generated by related party transactions
Kunlun Securities	Securities trading settlement funds	30,844,110.43	Bankruptcy	Resolution adopted at the Fifteenth	No

Co.,Ltd			liquidation has been basically completed, and there is basically no bankruptcy property available for distribution	(provisional) Meeting of the Tenth Board of Directors	
Total		30,844,110.43			

6) 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 %
Department of Transport of Guangdong Province	On behalf of money	123,358,138.31	Within 1 year	71.45%	123,358,138.31
		97,749,481.71	1-2 years		97,749,481.71
Guangdong Provincial Freeway Co.,Ltd.	Temporarily estimate the restructuring performance compensation	40,092,886.12	Within 1 year	12.95%	
Bipi Xiaojun New Energy(Shenzhen) Co., Ltd.	Equity transfer	39,682,898.02	Within 1 year	12.82%	
Guangdong Litong Development Investment Co., Ltd.	Vehicle parking deposit	1,823,397.94	Within 1 year	0.60%	
		22,980.00	2-3 years		
Guangdong Expressway Media Co., Ltd.	Advertising revenue	656,495.57	Within 1 year	0.21%	
Total		303,386,277.67		98.03%	221,107,620.02

4.Prepayments

(1) Aging analysis

In RMB

Aging	Balance in year-end		Balance Year-beginning	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	8,310,359.63	97.90%	7,645,192.95	98.20%
1-2 years	37,806.24	0.45%		
2-3 years			140,000.00	1.80%
Over 3 years	140,000.00	1.65%		
Total	8,488,165.87		7,785,192.95	

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 %
China Ping An Property Insurance Co. Ltd. Guangdong Branch	Non-Related party	3,807,386.58	Within 1 year	Unliquidated	44.86%

Guangdong Feida Traffic Engineering Co., Ltd	Related party	2,478,186.00	Within 1 year	Unliquidated	29.20%
PICC	Non-Related party	1,641,767.52	Within 1 year	Unliquidated	19.34%
First Pacific Davis Property Consultant (Guangzhou) Co., Ltd	Non-Related party	152,079.63	Within 1 year	Unliquidated	1.79%
Excellence Appraisal	Non-Related party	140,000.00	Over 3 years	Unliquidated	1.65%
Total		8,219,419.73			96.84%

(3) Other debt investments coming due within 1 year

Applicable Not applicable

5. Other current assets

In RMB

Items	Year-end balance	Year-beginning balance
Advance tax payment	34,805.71	1,931,251.29
VAT retention tax credits		111,143.99
Total	34,805.71	2,042,395.28

6. Other Equity instrument investment

In RMB

Name	Closing balance	Opening balance	Gains included in other comprehensive income in the current period	Losses included in other comprehensive income in the current period	Gains accumulated in other comprehensive income at the end of the current period	Losses accumulated in other comprehensive income at the end of the current period	Dividend income recognized in the current period	Reason designated as being measured at fair value and change being included in other comprehensive income
Guangle Expressway Co., Ltd.	796,722,655.90	779,705,656.29	17,016,999.61		48,374,354.17		26,551,300.00	
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise	55,434,894.13	55,365,396.61	69,497.52		5,434,894.13			
China Everbright Bank Co., Ltd.	682,239,337.60	722,232,678.08		39,993,340.48	164,678,460.80		44,698,439.36	
Huaxia Securities Co., Ltd. (Notes1)						5,400,000.00		
Huazheng Asset Management Co., Ltd. (Notes2)						1,620,000.00		
Total	1,534,396,887.63	1,557,303,730.98	17,086,497.13	39,993,340.48	218,487,709.10	7,020,000.00	71,249,739.36	

Note 1: Huaxia Securities Co., Ltd. has been severely insolvent. In April 2008, the CSRC sent a letter agreeing to Huaxia Securities Co., Ltd. to apply for bankruptcy. In August 2008, the Beijing No.2 Intermediate People's Court officially accepted the bankruptcy liquidation application.

Note 2: Huazheng Asset Management Co., Ltd. has been severely insolvent.

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.	26,551,300.00	48,374,354.17			Non-transactional purpose for shareholding			
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise		5,434,894.13			Non-transactional purpose for shareholding			
China Everbright Bank Co., Ltd.	44,698,439.36	164,678,460.80			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	71,249,739.36	218,487,709.10	7,020,000.00					

7. Long-term equity investment

											In RMB	
Investees	Opening balance	Initial balance of the impairment provision	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	Withdrawal of impairment provision	Other		

Investees	Opening balance	Initial balance of the impairment provision	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	Withdrawal of impairment provision	Other		
I. Joint venture												
2. Affiliated Company												
Zhaoqing Yuezhao Highway Co., Ltd.	310,209,765.87				56,894,249.13						367,104,015.00	
Guangdong Jiangzhong Expressway Co., Ltd.	446,883,150.40		110,250,000.00		11,239,149.07				10,685,619.81		557,686,679.66	
Ganzhou Gankang Expressway Co., Ltd.	163,154,438.00				22,400,381.12				4,500,000.00		181,054,819.12	
Ganzhou Kangda Expressway Co., Ltd.	246,268,935.13				40,160,769.85				28,500,000.00		257,929,704.98	
Shenzhen Huiyan Expressway Co.,	348,669,767.32				29,252,416.66						377,922,183.98	

Investees	Opening balance	Initial balance of the impairment provision	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	Withdrawal of impairment provision	Other		
Ltd.												
Guoyuan Securities Co., Ltd.	987,867,627.42				44,637,991.99	10,114,877.17	2,424.19	15,522,387.30			1,027,100,533.47	
Guangdong Yueke Science and Technology Microfinance Co., Ltd.	219,031,496.39				10,944,601.74			8,117,988.03			221,858,110.10	
Hunnan Lianzhi Technology Co., Ltd.	97,539,945.74				4,305,442.82		-103,373.64				101,742,014.92	
SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd.	4,981,238.50				-1,801,011.73						3,180,226.77	
Shenzhen Garage Electric Pile Technology Co., Ltd.	98,698,677.53			94,985,599.50	-2,321,262.03			1,391,816.00				

Investees	Opening balance	Initial balance of the impairment provision	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	Withdrawal of impairment provision			Other
Subtotal	2,923,305,042.30		110,250,000.00	94,985,599.50	215,712,728.62	10,114,877.17	-100,949.45	68,717,811.14			3,095,578,288.00	
Total	2,923,305,042.30		110,250,000.00	94,985,599.50	215,712,728.62	10,114,877.17	-100,949.45	68,717,811.14			3,095,578,288.00	

The recoverable amount is determined by the net amount of fair value minus disposal expenses

Applicable Not applicable

The recoverable amount is determined according to the present value of the expected future cash flow

Applicable Not applicable

8. 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		
Including: Equity investment of Beijing Institute of Architectural Design Co., Ltd.	84,159,575.05	
Equity investment of CMST Nanjing Intelligent Logistics Technology Co., Ltd.	99,697,192.95	101,400,000.00
Total	183,856,768.00	101,400,000.00

9. Investment property

(1) Investment property adopted the cost measurement mode

√ Applicable □ Not applicable

In RMB

Items	Houses and buildings	Land use right	Construction in process	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	10,989,739.14	1,978,645.28		12,968,384.42
2. Increased amount of the period	147,549.12	73,569.36		221,118.48
(1) Withdrawal or amortization	147,549.12	73,569.36		221,118.48
3. Decreased amount of the period				
(1) Disposal				
(2) Other Out				
4. Closing balance	11,137,288.26	2,052,214.64		13,189,502.90

Items	Houses and buildings	Land use right	Construction in process	Total
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	1,527,409.99	919,616.46		2,447,026.45
2. Opening book	1,674,959.11	993,185.82		2,668,144.93

The recoverable amount is determined by the net amount of fair value minus disposal expenses

Applicable Not applicable

The recoverable amount is determined according to the present value of the expected future cash flow

Applicable Not applicable

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

In RMB

Items	Book balance	Reason
Houses and Building	850,099.38	Transportation and other ancillary facilities, Not accreditation
Total	850,099.38	

10. Fixed assets

In RMB

Items	Year-end balance	Year-beginning balance
Fixed assets	9,010,154,405.32	10,098,252,638.07
liquidation of fixed assets	14,307.60	
Total	9,010,168,712.92	10,098,252,638.07

(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	10,916,901,136.52	6,824,139,977.48	5,136,471,234.45	664,476,347.75	1,849,144,772.30	61,642,618.63	142,268,138.54	27,055,314,416.33
2. Increased amount of the period		27,301,711.00	1,079,370.00			20,897,406.99	2,551,749.42	10,501,826.02	62,332,063.43
(1) Purchase						6,044,149.68	2,551,749.42	8,627,511.45	17,223,410.55
(2) Transfer of project under construction		27,301,711.00	1,079,370.00			14,853,257.31		66,918.00	43,301,256.31
(3) Increased of Enterprise consolidation									
(4) Other		1,633,920.57						1,807,396.57	1,807,396.57
3. Decreased amount of the period			23,466.00		15,580,677.36	137,111,020.72	3,771,817.00	6,820,066.88	163,307,047.96
(1) Disposal or scrap					14,920,857.18	135,683,233.72	3,771,817.00	5,186,146.31	159,562,054.21
(2) Disposition subsidiary									
(3) Other out			23,466.00		659,820.18	3,061,707.57			3,744,993.75
4. Closing balance	1,460,270,190.66	10,944,202,847.52	6,825,195,881.48	5,136,471,234.45	648,895,670.39	1,731,297,238.00	60,422,551.05	147,583,818.25	26,954,339,431.80
II. Accumulated depreciation									
1. Opening balance	1,460,270,190.66	5,857,558,616.40	4,285,503,165.86	3,319,516,101.13	480,209,669.57	1,410,747,604.61	47,930,132.30	91,204,984.63	16,952,940,465.16
2. Increased amount of the period		345,960,409.86	430,991,126.10	197,940,217.58	30,510,465.15	103,722,845.61	2,337,521.66	12,561,796.11	1,124,024,382.07
(1) Withdrawal		345,960,409.86	430,991,126.10	197,940,217.58	30,510,465.15	103,722,845.61	2,337,521.66	12,518,764.22	1,123,981,350.18

Items	Guangfo Expressway	Fokai Expressway	Guanghui Expressway	Jingzhu Expressway Guangzhu section	House and buildings	Machinery equipment	Transportation equipment	Electricity equipment and other	Total
(2) Other								43,031.89	43,031.89
3.Decreased amount of the period					11,290,376.08	126,472,112.02	3,434,386.15	4,915,356.62	146,112,230.87
(1)Disposal or scrap					11,290,376.08	126,429,080.13	3,434,386.15	4,915,356.62	146,069,198.98
(2) Disposition subsidiary									
(3) Other out						43,031.89			43,031.89
4.Closing balance	1,460,270,190.66	6,203,519,026.26	4,716,494,291.96	3,517,456,318.71	499,429,758.64	1,387,998,338.20	46,833,267.81	98,851,424.12	17,930,852,616.36
III.Impairment provision									
1.Opening balance					2,889,394.16	1,231,918.94			4,121,313.10
2.Increased amount of the period						10,394,796.45		48,219.51	10,443,015.96
(1)Withdrawal						10,394,796.45		48,219.51	10,443,015.96
(2) Other									
3.Decreased amount of the period						1,231,918.94			1,231,918.94
(1)Disposal or scrap						1,231,918.94			1,231,918.94
(2) Disposition subsidiary									
4.Closing balance					2,889,394.16	10,394,796.45		48,219.51	13,332,410.12
IV. Book value									
1.Closing book value		4,740,683,821.26	2,108,701,589.52	1,619,014,915.74	146,576,517.59	332,904,103.35	13,589,283.24	48,684,174.62	9,010,154,405.32
2.Opening book		5,059,342,520.12	2,538,636,811.62	1,816,955,133.32	181,377,284.02	437,165,248.75	13,712,486.33	51,063,153.91	10,098,252,638.07

(2) Temporarily idle fixed assets

None

(3) Fixed assets leased out from operation lease

In RMB

Items	Year-end balance
House and buildings	20,723,774.36
Machinery equipment	484,000.00

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

In RMB

Items	Book balance	Reason
House and buildings	131,882,222.24	Transportation and other ancillary facilities, Not accreditation.

(5) liquidation of fixed assets

Applicable Not applicable

The recoverable amount is determined by the net amount of fair value minus disposal expenses

Applicable Not applicable

In RMB

Items	Book value	Recoverable amount	Impairment amount	How to determine fair value and disposal expenses	Key parameter	Basis for determining key parameters
Demolition of fixed assets in reconstruction and expansion projects	10,394,796.45		10,394,796.45	The fair value adopts the market inquiry method, and the disposal expenses are related to the disposal of assets	Market transaction price, business evaluation and disposal expenses	Market transaction price: ask relevant resource recycling merchants for quotation and evaluation; disposal cost : including taxes and fees related to asset disposal and handling fees.
Total	10,394,796.45		10,394,796.45			

The recoverable amount is determined according to the present value of the expected future cash flow

Applicable Not applicable

(6) liquidation of fixed assets

In RMB

Items	Year-end balance	Year-beginning balance
Transportation equipment	14,307.60	
Total	14,307.60	

11. Project under construction

In RMB

Items	Year-end balance	Year-beginning balance
Project under construction	1,960,092,562.22	753,565,502.12
Total	1,960,092,562.22	753,565,502.12

(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
Reconstruction and Expansion of Nansha-Zhuhai section of Guangzhou-Macao Expressway	1,648,394,518.48		1,648,394,518.48	553,543,942.17		553,543,942.17
Reconstruction and Expansion of Fokai Expressway Sanbao to Shuikou	197,907,850.29		197,907,850.29	152,274,277.83		152,274,277.83
Expansion Project of Luogang-Lingkeng Section	21,813,587.29		21,813,587.29	14,367,022.40		14,367,022.40
Video encryption and based on video ai abnormal event perception engineering	19,951,400.73		19,951,400.73			
Guangzhou-Shantou Railway Crossing project	19,446,564.43		19,446,564.43	10,576,570.43		10,576,570.43
Jiujiang Bridge navigable hole anti-collision reinforcement project	16,070,965.65		16,070,965.65			
Jiangxi-Shenzhen high-speed railway cross-section expansion project	15,664,172.98		15,664,172.98	15,664,172.98		15,664,172.98
Boluo Central Station office and living facilities renovation and expansion project	13,281,042.37		13,281,042.37	3,768,689.37		3,768,689.37
Tanwei Bridge Ship Collision Project				1,749,246.00		1,749,246.00
Other	7,562,460.00		7,562,460.00	1,621,580.94		1,621,580.94
Total	1,960,092,562.22		1,960,092,562.22	753,565,502.12		753,565,502.12

(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 Nansha-Zhuhai section	13,735,989,200.00	553,543,942.17	1,094,850,576.31			1,648,394,518.48	12.00%	12.00%	54,685,762.73	44,783,325.90	2.97%	Other

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
of Guangzhou-Macao Expressway												
Reconstruction and Expansion of Fokai Expressway Sanbao to Shuikou	3,426,210,000.00	152,274,277.83	72,935,283.46	27,301,711.00		197,907,850.29	82.22%	82.22%	77,798,477.87	4,582,922.05	3.28%	Other
Jiujiang Bridge navigable hole anti-collision reinforcement project	36,419,600.00		16,070,965.65			16,070,965.65	44.13%	46.88%				Other
Video encryption and based on video ai abnormal event perception engineering	33,963,500.00		19,951,400.73			19,951,400.73	58.74%	58.74%				Other
Jiangxi-Shenzhen high-speed railway cross-section expansion project	16,966,900.00	15,664,172.98				15,664,172.98	92.32%	92.32%				Other
Guangzhou-Shantou	21,460,000.00	10,576,570.43	8,869,994.00			19,446,564.43	90.62%	90.62%				Other

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
Railway Crossing project												
Boluo Central Station office and living facilities renovation and expansion project	17,000,000.00	3,768,689.37	9,512,353.00			13,281,042.37	78.12%	78.12%				Other
Preliminary work of the renovation and expansion project from Luogang to Lingkeng section	321,541,000.00	14,367,022.40	7,446,564.89			21,813,587.29	6.78%	6.78%				Other
Total	17,609,550,200.00	750,194,675.18	1,229,637,138.04	27,301,711.00		1,952,530,102.22			132,484,240.60	49,366,247.95		

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

None

(4) Provision for impairment of construction in this period

Applicable Not applicable

(5) Engineering Materials:

None

12. Use right assets

(1) List of 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		1,007,747.00	22,851,890.48
2. Increased amount of the period	30,634,734.72		673,169.06		31,307,903.78
(1) New lease	30,634,734.72		673,169.06		31,307,903.78
(2) Other					
3. Decreased amount of the period	21,487,031.29				21,487,031.29
(1) Transfer or hold for sale					
(2) Disposal subsidiary					
(3) Other out	21,487,031.29				21,487,031.29
4. Closing balance	30,634,734.72	357,112.19	673,169.06	1,007,747.00	32,672,762.97
II. Accumulated depreciation					
1. Opening balance	18,417,455.29	142,844.88		214,034.88	18,774,335.05
2. Increased amount of the period	9,902,925.00	71,422.44	336,584.52	107,017.44	10,417,949.40
(1) Withdrawal	9,902,925.00	71,422.44	336,584.52	107,017.44	10,417,949.40
(2) Other increase					
3. Decreased amount of the period	21,487,031.29				21,487,031.29
(1) Disposition					
(2) Transfer or hold for sale					
(3) Other out	21,487,031.29				21,487,031.29
4. Closing balance	6,833,349.00	214,267.32	336,584.52	321,052.32	7,705,253.16
III. Impairment provision					
1. Opening balance					
2. Increased amount of the period					
(1) Withdrawal					
(2) Other increase					
3. Decreased amount of the period					
(1) Transfer or hold for sale					
(2) Disposal subsidiary					
(3) Other out					
4. Closing balance					

Items	House and buildings	Machinery equipment	Transportation equipment	Other	Total
IV. Book value					
1.Closing book value	23,801,385.72	142,844.87	336,584.54	686,694.68	24,967,509.81
2.Opening book value	3,069,576.00	214,267.31		793,712.12	4,077,555.43

(2) Impairment test of the use right assets

Applicable Not applicable

13. Intangible assets

(1) List of intangible assets

In RMB

Items	Land use right	Patent right	Non-patented technology	Software	The Turnpike franchise	Total
I. Original price						
1.Opening balance	2,701,738.76			38,254,516.12	318,348,741.86	359,304,996.74
2.Increased amount of the period				1,248,863.06		1,248,863.06
(1) Purchase				1,248,863.06		1,248,863.06
(2)Internal Development						
(3)Increased of Enterprise Combination						
3.Decreased amount of the period				12,037,940.90		12,037,940.90
(1) Disposal				12,037,940.90		12,037,940.90
4.Closing balance	2,701,738.76			27,465,438.28	318,348,741.86	348,515,918.90
II.Accumulated amortization						
1.Opening balance	2,360,122.39			32,364,262.87	77,808,140.04	112,532,525.30
2.Increased amount of the period	21,832.59			2,105,560.90	24,565,188.01	26,692,581.50
(1) Withdrawal	21,832.59			2,105,560.90	24,565,188.01	26,692,581.50
3.Decreased amount of the period				12,037,940.90		12,037,940.90
(1) Disposal				12,037,940.90		12,037,940.90

Items	Land use right	Patent right	Non-patented technology	Software	The Turnpike franchise	Total
4.Closing balance	2,381,954.98			22,431,882.87	102,373,328.05	127,187,165.90
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	319,783.78			5,033,555.41	215,975,413.81	221,328,753.00
2.Opening book value	341,616.37			5,890,253.25	240,540,601.82	246,772,471.44

At the end of this period, there is no intangible assets formed through the company's internal research.

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

In RMB

Items	Book value	Reason for not obtaining the title certificate
Gonghe Town Land	319,783.78	Reasons left over from history

(3) Impairment test of Intangible assets

Applicable Not applicable

14. 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	16,931,907.45	4,232,976.86	7,912,893.77	1,978,223.45
Deductible loss			363,420,806.96	90,855,201.74
Asset appraisal, appreciation, depreciation and amortization	106,786,384.50	26,696,596.13	120,375,258.24	30,093,814.56
Deferred income	10,976,324.09	2,744,080.99	21,009,212.70	5,252,303.27
Operation lease	23,963,150.05	5,990,787.46	2,668,029.63	667,007.41
Advance lease	686,694.68	171,673.67	793,712.12	198,428.03
Total	159,344,460.77	39,836,115.11	516,179,913.42	129,044,978.46

(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	218,487,709.10	54,621,927.27	241,394,552.45	60,348,638.11
Deductible temporary differences in the formation of asset impairment	843,459,192.41	210,864,798.09	965,577,119.54	241,394,279.90
Difference of amortization method of franchise of toll road	11,266,760.17	2,816,690.05	9,854,438.83	2,463,609.71
Changes in the fair value of trading financial assets	12,856,768.00	3,214,192.00	10,400,000.00	2,600,000.00
Tax accounting difference of use right asset	24,967,509.81	6,241,877.43	4,077,555.43	1,019,388.86
Tax accounting differences of projects under construction	26,766,856.80	6,691,714.20		
Total	1,137,804,796.29	284,451,199.04	1,231,303,666.25	307,825,916.58

(3) Deferred income tax assets or liabilities listed by net amount after off-set

None

(4) Details of income tax assets not recognized

In RMB

Items	Balance in year-end	Balance in year-begin
Deductible temporary difference	228,127,620.02	135,613,592.14
Deductible loss		18,536,190.43
Total	228,127,620.02	154,149,782.57

(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 in year-begin	Remark
2023		3,129,535.72	
2024		3,618,779.07	
2025		3,571,100.29	
2026		3,889,857.99	
2027		4,326,917.36	
Total		18,536,190.43	

15 .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 engineering fees	337,943,920.69		337,943,920.69	6,258,116.72		6,258,116.72
Prepaid business tax	1,714,291.80		1,714,291.80	2,116,662.12		2,116,662.12
Total	339,658,212.49		339,658,212.49	8,374,778.84		8,374,778.84

16.Assets with restricted right of ownership

In RMB

Items	Balance in year-end				Balance in year-begin			
	Book balance	Book value	Restriction type	Restriction information	Book balance	Book value	Restriction type	Restriction information
Monetary fund	1,221,200.00	1,221,200.00	Special funds	Special funds for land reclamation	1,221,200.00	1,221,200.00	Special funds	Special funds for land reclamation
Notes receivable								
Inventory								
Fixed assets								
Intangible assets								
Total	1,221,200.00	1,221,200.00			1,221,200.00	1,221,200.00		

17. Short-term Borrowing

(1) Short-term Borrowing

In RMB

Total	Balance in year-end	Balance Year-beginning
Credit Borrowing	110,000,000.00	430,000,000.00
Interest payable not due	85,708.33	387,597.20
Total	110,085,708.33	430,387,597.20

(2) Overdue short-term borrowings

None

18.Account payable

(1) List of account payable

In RMB

Items	Balance in year-end	Balance Year-beginning
Within 1 year (Including 1 year)	114,450,217.03	106,284,617.63
1-2 years (including 2 years)	36,069,234.79	15,315,242.17
2-3 years (including 3 years)	7,388,237.28	2,693,624.18
Over 3 years	56,542,901.70	73,495,298.79
Total	214,450,590.80	197,788,782.77

(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
Heshan Land and resources Bureau	9,186,893.60	Unsettled
Poly Changda Engineering Co., Ltd.	4,847,148.30	Unsettled
Foshan Chancheng District, Zhang Cha Sub-district Office	4,626,817.32	Unsettled
Total	49,168,457.43	

19. Other payable

In RMB

Items	Balance in year-end	Balance Year-beginning
Dividend payable	27,809,510.32	59,994,517.46
Other payable	122,484,006.11	131,173,042.77
Total	150,293,516.43	191,167,560.23

(1) Interest payable

None

(2) Dividends payable

In RMB

Items	Balance in year-end	Balance Year-beginning
Common stock dividends	27,809,510.32	25,694,517.46
Dividends payable- Guangdong Provincial Freeway Co.,Ltd.		11,550,000.00
Dividends payable-Guangdong Zhujiang Highway and Bridge Investment Co., Ltd		21,000,000.00
Dividends payable-HZCI		1,750,000.00
Total	27,809,510.32	59,994,517.46

Other explanations, including significant dividends payable that have not been paid for more than 1 year, it shall disclose the reasons for non-payment:

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

Final dividend payable 25,694,517.46 yuan for more 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 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	30,309,146.51	40,097,538.05
Deposit, warranty and security deposit	61,910,555.42	64,205,413.61

Other	30,264,304.18	26,870,091.11
Total	122,484,006.11	131,173,042.77

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

In RMB

Items	Closing balance	Unpaid/un-carry over reason
Poly Changda Highway Engineering Co., Ltd.	13,242,121.20	The settlement conditions are not met
Yayao to Xiebian extension	12,196,943.29	The settlement conditions are not met
Guangdong Guanyue Road & Bridge Co., Ltd.	4,964,371.30	The settlement conditions are not met
China Railway 18th Bureau Group Co., Ltd	3,735,837.56	The settlement conditions are not met
CCCC First Navigation Engineering Bureau Co., Ltd.	2,845,541.16	The settlement conditions are not met
Guangdong Nengda Highway Maintenance Co.,Ltd.	2,328,072.70	The settlement conditions are not met
Guangdong Zubo Engineering Road & Bridge Co., Ltd.	2,230,104.12	The settlement conditions are not met
Guangdong Highway Construction Co., Ltd.	2,000,000.00	The settlement conditions are not met
Total	43,542,991.33	

20. Prepayment received

(1) List of Prepayment received

In RMB

Items	Balance in year-end	Balance Year-beginning
Within 1 year (Including 1 year)	1,564,332.74	1,913,639.06
1-2 years (Including 2 years)	331,925.18	805,117.91
2-3 years (Including 3 years)	750,973.00	
Total	2,647,230.92	2,718,756.97

(2) Significant payable aging more than 1 year

In RMB

Items	Balance in year-end	Reason
Hebei Jianhong Power Engineering Co., Ltd.	1,076,400.79	Unsettled
Total	1,076,400.79	--

21. 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	20,660,328.60	459,970,995.41	460,008,337.83	20,622,986.18
II. Post-employment benefits - defined contribution plans		68,688,651.16	68,688,651.16	

III. Dismissal benefits		1,573,216.92	1,573,216.92	
Total	20,660,328.60	530,232,863.49	530,270,205.91	20,622,986.18

(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	465,063.49	346,321,038.47	346,321,038.47	465,063.49
2. Employee welfare		32,119,814.97	32,119,814.97	
3. Social insurance premiums		29,026,690.11	29,026,690.11	
Including : Medical insurance		20,038,879.27	20,038,879.27	
Work injury insurance		1,174,708.61	1,174,708.61	
Other		7,813,102.23	7,813,102.23	
4. Public reserves for housing		39,662,696.00	39,662,696.00	
5. Union funds and staff education fee	17,883,045.40	11,125,007.56	11,170,165.62	17,837,887.34
8. Other	2,312,219.71	1,715,748.30	1,707,932.66	2,320,035.35
Total	20,660,328.60	459,970,995.41	460,008,337.83	20,622,986.18

(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		39,952,111.79	39,952,111.79	
2. Unemployment insurance		1,981,146.54	1,981,146.54	
3. Enterprise annuity payment		26,755,392.83	26,755,392.83	
Total		68,688,651.16	68,688,651.16	

22. Tax Payable

In RMB

Items	Balance in year-end	Balance Year-beginning
VAT	13,544,679.07	9,619,067.45
Enterprise Income tax	136,932,738.04	58,889,929.38
Individual Income tax	2,928,147.86	2,552,347.21
City Construction tax	863,204.59	633,666.06
Education subjoin	417,048.11	306,387.03
Locality Education subjoin	259,424.11	185,315.25
Property tax	14,778.41	60,799.58
Stamp tax	163,570.46	60,261.45

Total	155,123,590.65	72,307,773.41
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23. Non-current liabilities due within 1 year

In RMB

Items	Balance year-end	Year-beginning balance
Long-term loans due within 1 year	151,828,779.87	72,870,082.19
Payable Bonds due within 1 year	720,607,149.69	40,679,999.99
Long-term payable due within 1 year	495,283.01	944,339.62
Lease liabilities due within 1 year	10,480,947.08	2,517,045.16
Total	883,412,159.65	117,011,466.96

24. Other current liabilities

In RMB

Items	Balance year-end	Year-beginning balance
Short term payable bonds	368,676.26	600,639.56
Tax to be rewritten		500,122,916.67
Total	368,676.26	500,723,556.23

25. Long-term loan

(1) Category of long-term loan

In RMB

Items	Balance year-end	Year-beginning balance
Pledge loans		14,525,000.00
Credit loan	6,090,651,225.00	5,619,259,650.00
Interest payable when not due	5,893,604.87	5,680,782.19
Less: Long-term loans due within one year (Note VII.23)	151,828,779.87	72,870,082.19
Total	5,944,716,050.00	5,566,595,350.00

Other explanations, including interest rate range: on December 31, 2023, the annual interest rate range of credit loans was 2.75%-3.40%.

26. Bond payable

(1) Bond payable

In RMB

Items	Balance year-end	Year-beginning balance
Medium-term note	1,429,328,483.63	1,428,381,232.94
Interest payable when not due	40,680,000.01	40,679,999.99
Less: Long-term loans due within one year (Note VII.23)	720,607,149.69	40,679,999.99
Total	749,401,333.95	1,428,381,232.94

(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	Interest rate	Issue date	Period	Issue amount	Opening balance	The current issue	Withdraw interest at par	Overflow discount amount	Pay in current period	Closing balance	Whether default
19 Guangdong Expressway MTN001	680,000,000.00	4.00%	2019.2.27	2019.3.1-2024.3.1	680,000,000.00	702,279,764.69		27,200,000.00	-450,672.69	27,200,000.00	702,730,437.38	No
20 Guangdong Expressway MTN001	750,000,000.00	3.00%	2020.3.13	2020.3.17-2025.3.17	750,000,000.00	766,781,468.24		22,500,000.02	-496,578.00	22,500,000.00	767,278,046.26	No
Less: Bonds payable and due within 1 year						40,679,999.99					720,607,149.69	No
Total					1,430,000,000.00	1,428,381,232.94		49,700,000.02	-947,250.69	49,700,000.00	749,401,333.95	

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

None

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

None

27. Lease liabilities

In RMB

Items	Balance year-end	Year-beginning balance
Long-term lease liabilities	24,964,446.02	2,709,232.95
Less: Financing costs are not recognized	1,001,295.97	41,203.32
Less: Long-term loans due within one year (Note VII.23)	10,480,947.08	2,517,045.16
Total	13,482,202.97	150,984.47

28. Long-term payable

In RMB

Items	Balance year-end	Year-beginning balance
Long-term payable	2,022,210.11	2,517,493.12
Total	2,022,210.11	2,517,493.12

(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	495,283.01	1,439,622.63
Less: Long-term loans due within one year (Note VII.23)	495,283.01	944,339.62
Total	2,022,210.11	2,517,493.12

29. Deferred income

In RMB

Items	Opening balance	Increase	Decrease	Closing balance	Cause
Government subsidy	21,009,212.70	385,026,614.00	10,059,502.61	395,976,324.09	
Lease income	40,073,768.93	692,495.24	7,662,679.72	33,103,584.45	
Total	61,082,981.63	385,719,109.24	17,722,182.33	429,079,908.54	--

30. Stock capital

In RMB

	Balance Year- beginning	Changed (+, -)					Balance in year-end
		Issuance of new share	Bonus shares	Capitalization of public reserve	Other	Subtotal	
Total of capital shares	2,090,806,126.00						2,090,806,126.00

31. 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	40,092,886.12		548,804,033.11
Other capital reserves	234,422,410.04	2,424.19	103,373.64	234,321,460.59
Total	743,133,557.03	40,095,310.31	103,373.64	783,125,493.70

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

- 1.The reason for the increase of capital reserve-share capital premium in the current period is that the performance commitment compensation receivable from Guangdong Provincial Freeway Co.,Ltd.. is RMB 40,092,886.12 due to business merger under the same control;
- 2.Hunan Lianzhi Technology Co., Ltd, an associate of Yuegao Capital (Holdings) Guangzhou Co., Ltd-a subsidiary to the Company, repurchased the equity of other shareholders, resulting in a change in the long-term equity investment of the subsidiary accounted for by the equity method, with a decrease in the capital reserve of 103,373.64 yuan.
3. The capital reserve of Guoyuan Securities Co., Ltd., an associated enterprise, has changed in the current period. resulting in an increase in the capital reserve of 2,424.19 yuan.

32. 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	181,045,914.34	-22,906,843.35			-5,726,710.84	-17,180,132.51		163,865,781.83
Changes in fair value of investments in other equity instruments	181,045,914.34	-22,906,843.35			-5,726,710.84	-17,180,132.51		163,865,781.83
2.Other comprehensive income reclassifiable to profit or loss in subsequent periods	-10,412,257.67	10,114,877.17				10,114,877.17		-297,380.50
Including: Share of other comprehensive income of the investee that cannot be transferred to profit or loss accounted for using the equity method	-10,412,257.67	10,114,877.17				10,114,877.17		-297,380.50
Total of other comprehensive income	170,633,656.67	-12,791,966.18			-5,726,710.84	-7,065,255.34		163,568,401.33

33. Surplus reserve

In RMB

Items	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance
Statutory surplus reserve	1,373,056,469.02	147,570,987.32		1,520,627,456.34
Total	1,373,056,469.02	147,570,987.32		1,520,627,456.34

34. Retained profits

In RMB

Items	Amount of this period	Amount of last period
Before adjustments: Retained profits in last period end	4,698,029,354.09	4,760,618,543.78
Adjust the total undistributed profits at the beginning of the period		510,117.61
After adjustments: Retained profits at the period beginning	4,698,029,354.09	4,761,128,661.39
Add: Net profit belonging to the owner of the parent company	1,633,811,033.68	1,276,341,322.98
Less: Statutory surplus reserve	147,570,987.32	147,681,138.46
Common stock dividend payable	894,865,021.93	1,191,759,491.82
Retained profit at the end of this term	5,289,404,378.52	4,698,029,354.09

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 RMB510, 117. 61.

35. Operation income and operation cost

In RMB

Items	Amount of this period		Amount of last period	
	Income	Cost	Income	Cost
Main operation	4,810,921,181.65	1,707,788,447.62	4,098,772,102.50	1,553,813,332.80
Other operation	68,145,766.54	33,029,810.55	69,862,011.48	32,535,702.68
Total	4,879,066,948.19	1,740,818,258.17	4,168,634,113.98	1,586,349,035.48

Which the net profit before and after deducting non-recurring gains and losses is lower or whether it is negative

Yes No

Breakdown information of operating income and operating cost:

In RMB

Contract classification	Amount of this period		Amount of last period	
	Income	Cost	Income	Cost
Business				
Including: Toll income	4,810,921,181.65	1,707,788,447.62	4,095,766,725.59	1,550,367,576.44
Advertising and other revenue	35,835,539.37	29,101,132.89	37,329,930.08	32,039,447.82
Lease income	32,310,227.17	3,928,677.66	35,537,458.31	3,942,011.22
Total	4,879,066,948.19	1,740,818,258.17	4,168,634,113.98	1,586,349,035.48

Contract classification	Amount of this period		Amount of last period	
	Income	Cost	Income	Cost
Area				
Including: Guangdong	4,879,066,948.19	1,740,818,258.17	4,168,634,113.98	1,586,349,035.48
Total	4,879,066,948.19	1,740,818,258.17	4,168,634,113.98	1,586,349,035.48

36. Business tax and subjoin

In RMB

Items	Amount of this period	Amount of last period
Urban construction tax	9,225,865.33	7,921,866.68
Education surcharge	4,442,563.50	3,799,071.81
Property tax	2,721,041.99	4,229,458.96
Land use tax	2,944,638.40	3,006,644.73
Vehicle use tax	75,872.65	75,577.43
Stamp tax	292,097.60	338,371.08
Business tax	370,495.32	370,495.32
Locality Education surcharge	2,955,331.98	2,526,337.62
Total	23,027,906.77	22,267,823.63

37. Administrative expenses

In RMB

Items	Amount of current period	Amount of previous period
Wage	131,055,433.95	134,410,035.06
Depreciation of fixed assets	9,647,982.73	10,449,720.47
Intangible assets amortization	1,590,376.26	1,834,472.02
Low consumables amortization	1,078,568.34	831,662.81
Rental fee and Management fee	13,337,176.42	12,614,151.08
Office expenses	8,062,827.48	7,819,756.53
Travel expenses	839,933.40	470,595.17
Consultation expenses	839,977.37	1,294,905.66
The fee for hiring agency	3,781,983.80	4,182,360.31
Listing fee	703,481.20	731,441.20
Information cost and maintenance fee	3,549,110.16	3,267,275.05
Other	14,974,687.90	13,519,706.10
Total	189,461,539.01	191,426,081.46

38.R& D expenses

In RMB

Items	Amount of this period	Amount of last period
Wage		1,613,486.50
Entrusted development fee	3,245,205.00	12,554,604.00

Material cost		412,566.35
Depreciation		5,521.90
Office expenses		3,957.92
Repairs cost		391.15
Total		1,245.30
Total	3,245,205.00	14,591,773.12

39. Financial expenses

In RMB

Items	Amount of this period	Amount of last period
Interest expenses	214,338,558.69	238,444,227.57
Interest income	-94,065,812.39	-47,404,858.97
Exchange Income and loss (Gain-)	716,683.26	-988,123.62
Bank commission charge	778,873.21	1,012,828.60
Other	6,478.98	7,077.52
Total	121,774,781.75	191,071,151.10

40. Other gains

In RMB

Items	Amount of this period	Amount of last period
Government Subsidy-Cancel the Special Subsidy for Provincial Toll Station Project of Expressway	10,046,949.21	10,046,949.24
Government Subsidy- Charging infrastructure incentive funds	12,553.40	2,788.17
Government Subsidy- Vehicle purchase tax revenue subsidies for local funds	600,000.00	
Government subsidy- Stable job subsidies	25,500.00	2,344,310.46
Government subsidy--- Technology Reward		20,000.00
Maternity allowance	660,829.32	691,491.83
Veterans' VAT reduction and exemption	67,647.73	309,883.38
Withholding and remitting enterprise prepaid income tax fees	168,720.03	273,172.75
Veterans' VAT reduction and exemption	23,955.84	39,056.05
Total	11,606,155.53	13,727,651.88

41. Changes in the fair value of the earning

In RMB

Items	Amount of this period	Amount of last period
Other non-current financial assets	2,456,768.00	10,400,000.00
Total	2,456,768.00	10,400,000.00

42. Investment income

In RMB

Items	Amount of this period	Amount of last period
Long-term equity investment income by equity method	215,712,728.62	194,108,143.09
Disposition of the investment income generated by the long-term equity investment	24,875,986.37	13,564,262.33
Dividends earned during the holding period on investments in other equity	71,249,739.36	47,286,243.74

instrument		
Investment income of other non-current financial assets during the holding period	601,253.78	
Interest income from the entrusted loan		25,515.00
Other	-80,000.00	-91,000.00
Total	312,359,708.13	254,893,164.16

43. Credit impairment losses

In RMB

Items	Amount of this period	Amount of last period
Impairment losses on account receivable	192,083.34	-647,916.67
Impairment losses on other receivable	-123,358,138.31	-97,749,481.71
Total	-123,166,054.97	-98,397,398.38

44. Asset impairment loss

In RMB

Items	Amount of this period	Amount of last period
Loss on impairment of fixed assets	-10,443,015.96	
Total	-10,443,015.96	0.00

Other note:

45. Assets disposal income

In RMB

Items	Amount of this period	Amount of last period
Non-current assets disposal gains		478,663.58
Including: Income from disposal of Fixed assets		478,663.58
Total		478,663.58

46. 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 damaged and scrapped for profit	2,230.09	224,100.38	2,230.09
Insurance claim income	1,571,199.75	6,582,174.68	1,571,199.75
Road property claim income	2,473,459.99	2,678,040.82	2,473,459.99
Relocation compensation income	22,000.00		22,000.00
Other	676,740.36	564,625.40	676,740.36
Total	4,745,630.19	10,048,941.28	4,745,630.19

47. 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	12,138,213.43	640,374.72	12,138,213.43
Road rehabilitation expenditure	8,652,598.72	11,455,442.76	8,652,598.72
Fine	575.45	2,254.33	575.45
Other	605,753.91	165,222.71	605,753.91
Total	21,397,141.51	12,263,294.52	21,397,141.51

48. Income tax expense

(1) Lists of income tax expense

In RMB

Items	Amount of current period	Amount of previous period
Current income tax expense	643,000,314.19	453,820,023.55
Deferred income tax expense	71,560,856.65	94,135,730.30
Total	714,561,170.84	547,955,753.85

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

In RMB

Items	Amount of current period
Total	2,976,901,306.90
Current income tax expense accounted by tax and relevant regulations	744,225,326.72
Influence of income tax before adjustment	312,497.27
Influence of non taxable income	-35,142,201.08
Impact of non-deductible costs, expenses and losses	22,439,500.45
Impact of deductible losses from previously unidentified deferred income tax assets	-2,521,213.33
The current period does not affect the deferred tax assets recognized deductible temporary differences or deductible loss	-14,752,739.19
Income tax expense	714,561,170.84

49. Items of Cash flow statement

(1) Cash related to operating activities

Other cash received from business operation

In RMB

Items	Amount of current period	Amount of previous period
Interest income	82,916,438.52	44,010,814.62
Unit current account	94,834,141.80	76,546,511.83
Qijiang new city south interchange construction subsidy funds	385,000,000.00	
Total	562,750,580.32	120,557,326.45

Other cash paid related to operating activities

In RMB

Items	Amount of current period	Amount of previous period
Management expense	34,024,091.22	28,648,089.97
Unit current account	63,945,236.37	98,694,135.34
Total	97,969,327.59	127,342,225.31

(2) Cash related to Investment activities

Cash receivable related to other Investment activities

In RMB

Items	Amount of current period	Amount of previous period
Disposition of cash received by associated	80,429,567.10	
Net cash received from the disposal of subsidiaries		28,514,496.27
Cash received from dividends and dividends of other equity investments	71,850,993.14	47,286,243.74
Cash received from dividends of associated	68,717,811.14	121,413,757.76
Total	220,998,371.38	197,214,497.77

Cash Payable related to other Investment activities

In RMB

Items	Amount of current period	Amount of previous period
Equity transaction service fee	182,544.13	
Total	182,544.13	0.00

Pay for important cash related to investment activities

In RMB

Items	Amount of current period	Amount of previous period
Cash paid for other equity investments	56,080,000.00	91,091,000.00
Cash paid for by investing in associates	110,250,000.00	230,250,000.00
Cash paid for the reconstruction and expansion of the Nansha-Zhuhai section of the Guangzhou-Macao Expressway	1,373,291,244.83	526,170,388.65
Total	1,539,621,244.83	847,511,388.65

(3)Cash related to Financing activities

Other cash received in relation to financing activities

In RMB

Items	Amount of current period	Amount of previous period
Government infrastructure investment subsidies		57,350,200.00
Internal fund lending of the group		500,000,000.00
Total	0.00	557,350,200.00

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	1,001,869.75
Cash paid for the lease liabilities	13,092,412.09	13,278,583.90
Total	14,094,281.84	14,280,453.65

Changes in various liabilities arising from financing activities

☑Applicable ☐Not applicable

In RMB

Items	Year-beginning balance	Increase in the current period		Decrease in the current period		Year-end balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Other payable-Dividend payable	59,994,517.46		1,430,140,196.48	1,462,325,203.62		27,809,510.32
Other payable- Sporadic dividends	1,294,329.09			957.34	2,114.88	1,291,256.87
Short-loans	430,387,597.20	110,000,000.00	3,425,347.22	433,727,236.09		110,085,708.33
Non-current liabilities arising due within 1 year	117,011,466.96		883,412,159.65	117,011,466.96		883,412,159.65
Other current liabilities-fund lending	500,122,916.67		14,123,611.10	514,246,527.77		
Long-term loans	5,566,595,350.00	565,525,000.00	197,324,462.85	232,899,982.98	151,828,779.87	5,944,716,050.00
Bonds payable	1,428,381,232.94		50,647,250.71	9,020,000.01	720,607,149.69	749,401,333.95
Long-term payable	2,517,493.12				495,283.01	2,022,210.11
Lease liabilities	150,984.47		32,058,510.58	8,246,345.00	10,480,947.08	13,482,202.97
Total	8,106,455,887.91	675,525,000.00	2,611,131,538.59	2,777,477,719.77	883,414,274.53	7,732,220,432.20

50. Supplement Information for cash flow statement

(1) Supplement Information for cash flow statement

In RMB

Supplement Information	In RMB	
	Amount of current period	Amount of previous period
I. Adjusting net profit to cash flow from operating activities		
Net profit	2,262,340,136.06	1,793,860,223.34
Add: Credit loss preparation	123,166,054.97	98,397,398.38
Impairment loss provision of assets	10,443,015.96	
Depreciation of fixed assets, oil and gas assets and consumable biological assets	1,121,749,435.32	1,018,003,178.73
Depreciation of Use right assets	10,417,949.40	9,771,123.65
Amortization of intangible assets	26,628,234.56	24,232,065.30
Amortization of Long-term deferred expenses	350,625.00	350,625.00
Loss on disposal of fixed assets, intangible assets and other long-term deferred assets		-478,663.58
Fixed assets scrap loss	12,135,983.34	416,274.34
Loss on fair value changes	-2,456,768.00	-10,400,000.00
Financial cost	215,055,241.95	237,456,103.95
Loss on investment	-312,359,708.13	-254,893,164.16
Decrease of deferred income tax assets	89,208,863.35	100,158,897.11
Increased of deferred income tax liabilities	-17,648,006.70	-6,023,166.81
Decrease of inventories		
Decrease of operating receivables	-161,409,427.85	-102,793,804.75
Increased of operating Payable	452,543,414.34	-156,030,532.12
Other	1,620,519.90	
Net cash flows arising from operating activities	3,831,785,563.47	2,752,026,558.38
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	4,701,657,434.00	4,284,688,231.33
Less: Beginning balance of cash equivalents	4,284,688,231.33	2,955,183,190.55
Add: End balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase of cash and cash equivalent	416,969,202.67	1,329,505,040.78

(2) Composition of cash and cash equivalents

In RMB

Items	Balance in year-end	Balance in year-Beginning
Cash	4,701,657,434.00	4,284,688,231.33
Of which: Cash in stock	35,130.15	43,420.71
Bank savings could be used at any time	4,701,108,299.37	4,284,128,907.61
Other monetary capital could be used at any time	514,004.48	515,903.01
Balance of cash and cash equivalents at the period end	4,701,657,434.00	4,284,688,231.33

(3) Monetary funds that are not cash and cash equivalents

In RMB

Items	Current amount	Previous amount	Reasons other than cash and cash equivalents
Land reclamation funds	1,221,200.00	1,221,200.00	Land reclamation funds in fund custody account
Unexpired accrued interest	15,753,098.20	4,672,059.45	Not actually received
Total	16,974,298.20	5,893,259.45	

51. Lease

(1) The Company as lessee

Applicable Not applicable

Variable lease payments not included in the measurement of lease liabilities

Applicable Not applicable

Short-term lease or lease cost of low-value assets with simplified treatment

Leasing expenses generated from short-term leases or low value assets simplified by the company in 2023 amounted to 1370162.05 yuan

Applicable Not applicable

Involving after-sale leaseback transactions

In RMB

Items	Current amount
Interest expense of lease liabilities	750,606.77
Variable lease payments not included in the measurement of lease liabilities	
Short-term lease or lease cost of low-value assets with simplified treatment	1,370,162.05
Income from subletting right-to-use assets	
Total cash outflow related to leasing	14,142,466.09

(2) The Company as lessor

Operating lease as lessor

Applicable Not applicable

In RMB

Items	Lease income	In which: income related to variable lease payment not included in lease receipts
Operating lease income	32,310,227.17	
Total	32,310,227.17	

Financial lease as lessor

Applicable Not applicable

Undiscounted lease receipts for each of the next five years

Applicable Not applicable

VIII. Equity in other entities

1. Equity in subsidiary

(1) The structure of the enterprise group

In RMB

Name of Subsidiary	Registered capital	Main Places of Operation	Registration Place	Nature of Business	Shareholding Ratio (%)		Obtaining Method
					direct	indirect	
Guangfo Expressway Co., Ltd.	200,000,000.00	Guangzhou	Guangzhou	Expressway Management	75.00%		Under the same control business combination
Guanghui Expressway Co., Ltd.	2,351,678,000.00	Guangzhou	Guangzhou	Expressway Management	51.00%		Under the same control business combination
Jingzhu Expressway Guangzhou Section Co.,Ltd.	2,855,700,000.00	Zhongshan	Guangzhou	Expressway Management	75.00%		Under the same control business combination
Yuegao Capital Investment(Guangzhou)Co., Ltd.	375,500,000.00	Guangzhou	Guangzhou	Investment management	100.00%		Establishment

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%	-30,013,034.17		34,338,705.82
Guangdong Guanghui Expressway Co., Ltd.	49.00%	528,127,604.30	446,805,174.08	2,056,190,891.85
Jingzhu Expressway Guangzhu Section Co.,Ltd.	25.00%	130,414,532.25	88,470,000.47	470,744,350.02

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.	148,592,352.43	14,240,888.13	162,833,240.56	25,478,417.30		25,478,417.30
Guangdong Guanghui Expressway Co., Ltd.	2,039,529,187.55	2,500,576,138.59	4,540,105,326.14	211,040,982.63	132,756,400.96	343,797,383.59
Jingzhu Expressway Guangzhu Section Co.,Ltd.	388,634,507.85	3,710,550,073.86	4,099,184,581.71	1,229,752,786.81	986,454,394.82	2,216,207,181.63

In RMB

Name	Year-beginning balance					
	Current assets	Non- current assets	Total assets	Current Liabilities	Non- current liabilities	Total liabilities
Guangfo Expressway Co., Ltd.	270,445,990.72	15,689,069.15	286,135,059.87	28,728,099.92		28,728,099.92
Guangdong Guanghui Expressway Co., Ltd.	1,463,091,700.93	2,980,427,023.34	4,443,518,724.27	242,093,924.47	171,081,000.56	413,174,925.03
Jingzhu Expressway Guangzhu Section Co.,Ltd.	1,097,313,535.80	2,536,899,303.01	3,634,212,838.81	2,477,933,314.32	141,080,251.54	2,619,013,565.86

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.	2,596,257.76	-120,052,136.69	-120,052,136.69	1,386,616.37	68,796,094.51	-55,402,628.32	-55,402,628.32	203,596,819.21
Guangdong Guanghui Expressway Co., Ltd.	2,151,996,795.83	1,077,811,437.35	1,077,811,437.35	1,574,951,846.34	1,852,612,486.85	902,052,548.93	902,052,548.93	1,213,241,301.99
Jingzhu Expressway Guangzhu Section Co.,Ltd.	1,191,507,531.28	521,658,129.01	521,658,129.01	1,127,045,720.91	935,890,869.56	357,455,233.82	357,455,233.82	574,838,142.22

Other note: None

(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 Yueke Science and Technology Microfinance 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		12.53%	Equity method
SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd	Guangzhou	Guangzhou	New Energy service		7.14%	Equity method

Note 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:

The company holds less than 20% of the voting rights in Guangdong Jiangzhong Expressway Co., Ltd., Guoyuan Securities Co., Ltd., Guangdong Yuepu Small Loan Co., Ltd., Hunan Lianzhi Technology Co., Ltd.,

and Guodian Investment Yuetong Qiyuan Xin Power Technology Co., Ltd. However, it has the right to participate in financial and operational decision-making and can exert significant influence on the invested unit

(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	133,200,177,000.85	130,765,208,142.95
Current liabilities		
Non-current Liabilities		
Total liabilities		
Minority Shareholders' Equity		
Shareholders' equity attributable to shareholders of the parent	34,578,952,207.02	32,927,214,909.60
Pro rata share of the net assets calculated	820,004,900.93	780,835,620.42
Adjustment items		
--Goodwill	207,095,632.54	207,095,632.54
-- Internal transactions did not achieve profits		
--Other		-63,625.54
The book value of equity investments in joint ventures	1,027,100,533.47	987,867,627.42
Fair value of equity investment of associated enterprises with open quotation	706,786,035.06	655,044,744.06
Business income	6,375,088,522.72	5,357,837,845.51
Net profit	1,868,664,593.05	1,719,972,806.89
Net profit from terminated operations		
Other comprehensive income	426,564,437.75	-303,384,670.30
Total comprehensive income	2,295,229,030.80	1,416,588,136.59
Dividends received from associates during the year	15,522,387.30	18,626,864.76

(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	2,068,477,754.53	1,935,437,414.88
Total amount of the pro rata calculation of the following--Net profit ms		
--Net profit	171,074,736.63	152,508,655.82
--Total comprehensive income	171,074,736.63	152,508,655.82

Other note: None

(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 note

None

IX. Government subsidies

1. At the end of the reporting period, government subsidies recognized according to the amount receivable

Applicable Not applicable

Closing balance of accounts receivable: RMB.

Reasons for not receiving the estimated amount of government subsidies at the expected time

Applicable Not applicable

2. Liabilities involving government subsidies

Applicable Not applicable

In RMB

Accounting subject	Beginning balance	New subsidy amount in the current period	Amount included in non-operating income in	Amount transferred to other income in the current period	Other changes in the current period	Closing balance	Related to assets/income

			the current period				
Deferred income	21,009,212.70	385,026,614.00		10,059,502.61		395,976,324.09	Asset-related

3. Government subsidies included in current profits and losses

Applicable Not applicable

In RMB

Accounting subject	Amount incurred in the current period	Amount incurred in the previous period
Other income	10,685,002.61	12,414,047.87

X. Risks Related to Financial Instruments

1. 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- Risk of cash flow changes

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 December 31,2023, 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 "7, Investment in Other Equity Instruments" in VII(6) 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			
	Fir value measurement items at level 1	Fir value measurement items at level 2	Fir value measurement items at level 3	Total
I. Consistent fair value measurement	--	--	--	--
(I) Trading financial assets			183,856,768.00	183,856,768.00
1. Financial assets measured at fair value and whose changes are included in the current profit and loss			183,856,768.00	183,856,768.00
(2) Equity instrument investment			183,856,768.00	183,856,768.00
(II) Other equity instrument investment	682,239,337.60		852,157,550.03	1,534,396,887.63
Total assets continuously measured at fair value	682,239,337.60		1,036,014,318.03	1,718,253,655.63
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 December 31,2023 of 2.90 yuan, the final calculation of fair value was 682,239,337.60 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 3 fair value measurement items

Items	Fair value as of December 31,2023	Valuation technology	Unobservable input value
Unlisted equity investment	1,036,014,318.03	Hire a third party for evaluation or enjoy the share of the net book assets of the investee based on the shareholding ratio	Net book assets of the invested unit

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%

Note :

Guangdong Communication Group Co., Ltd. is the largest shareholder of the Company. legal representative: Deng Xiaohua. Date of establishment: June 23, 2000. As of December 31,2023,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 VIII(1) the rights of other entity

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

Details refer to the VIII-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

4. Other Related parties

Name	Relation with the Company
Guangdong East Thinking Management Technology Development Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Expressway Media Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Expressway Technology Investment 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 Communications Testing Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Litong Development Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Litong Technology Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Litong Property 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 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 Rescue 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
Guangdong Traffic Development Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Yueyun Traffic Co., Ltd.	Fully owned subsidiary of the parent company
Poly Changda Engineering Co., Ltd.	Shares of parent company
Guangdong Communication Planning & Design Institute Co., Ltd.	Shares of parent company
Guangdong Changda Road Conservation Co., Ltd.	Shares of parent company
Guangzhou Aitesi Communication equipment Co., Ltd.	Associated enterprises controlled by the same parent company
Guangdong Jingzhu Expressway Guangzhu North Section Co.,	Associated enterprises controlled by the same parent company

Name	Relation with the Company
Ltd.	
Guangdong Feida Traffic Engineering Co., Ltd.	Associated enterprises controlled by the same parent company
Guangdong Road Network Digital Media Information Technology Co. Ltd	Fully owned subsidiary of the parent company
Hunan Lianzhi Technology Co., Ltd.	A wholly owned subsidiary of the Company
Guangzhongjiang Expressway Project Management Dept	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	Over the trading limit or not?	Amount of last period
1.Business cost					
Poly Changda Engineering Co., Ltd.	Project fund, service	25,010,914.00			39,604,731.00
Guangdong Union electronic services co., Ltd.	Service	16,890,482.70			23,704,775.99
Guangdong Xinyue Traffic Investment Co., Ltd.	Project fund, service	9,330,032.04			5,487,176.00
Guangdong Communications Testing Co., Ltd.	Project fund, service	8,502,733.00			10,551,045.00
Guangdong Feida Traffic Engineering Co., Ltd.	Maintenance	6,368,019.00			6,372,528.95
Guangdong Hualu Traffic Technology Co., Ltd.	Project	5,126,252.67			2,557,895.23
Guangzhou Xinyue Asphalt Co., Ltd.	Purchase	3,265,078.03			3,135,448.69
Guangdong Yueyun Traffic Rescue Co., Ltd.	Rescue service fee	3,607,400.00			3,473,440.00
Guangdong Lulutong Co., Ltd.	Project fund, service	2,286,315.00			7,836,175.59
Guangdong Communication Planning & Design Institute Co., Ltd.	Project labour service	1,860,809.74			463,795.00
Guangdong East Thinking Management Technology Development Co., Ltd.	Maintenance, Service	1,437,278.17			1,458,780.20
Guangdong Litong Technology Investment Co., Ltd.	Maintenance	1,331,428.00			1,700,262.90
Guangdong Humen Bridge Co., Ltd.	Service	1,141,771.80			3,524,001.08
Guangdong Expressway Technology Investment Co., Ltd.	Maintenance, Test	1,110,878.00			3,539,282.52

Related parties	Content of related transaction	Amount of current period	Amount of previous period	Over the trading limit or not?	Amount of last period
Hunan Lianzhi Monitoring Technology Co., Ltd.	Project	296,763.00			
Guangdong Expressway Media Co., Ltd.	Project	136,000.00			
Guangdong Tongyi Expressway Service Area Co., Ltd	Service	131,379.00			102,152.00
Guangdong Communication Technology Development Co., Ltd.	Service	64,032.00			
Guangzhou Aitesi Communication Equipment Co., Ltd.	Maintenance of charging facilities				8,310.00
Guangdong Changchang Road Maintenance Co., Ltd.	Project				-77,232.00
Subtotal		87,897,566.15			113,442,568.15
2.Financial cost					
Guangdong Communication Group Finance Co., Ltd.	Borrowing Interest expresses	10,157,805.55			14,854,227.76
Guangdong Communication Group Finance Co., Ltd.	Deposit interest income	-73,213,480.41			-25,570,660.76
Guangdong Communication Group Finance Co., Ltd.	Commission charge	4,612.02			6,881.51
Guangdong Communication Group Co., Ltd.	Interest	14,123,611.10			122,916.67
Subtotal		-48,927,451.74			-10,586,634.82
3.Administrative expenses					
Guangdong Union electronic services co., Ltd.	maintenance fee	798,700.00			993,500.00
Guangdong East Thinking Management Technology Development Co., Ltd.	Maintenance, Service	510,000.00			474,905.66
Guangdong Xinyue Traffic Investment Co., Ltd.	Monitoring service fee and installation fee	214,882.00			
Guangdong Litong Development Investment Co., Ltd.	Management Fee	259,619.11			3,058,559.09
Guangdong Litong Development Investment Co., Ltd.	Management Fee, water and electricity	29,004.77			61,187.98
Guangdong Tongyi Expressway Service Area Co., Ltd	Service	16,000.00			16,000.00
Guangdong Lulutong Co., Ltd.	Maintenance				67,300.00
Subtotal		1,828,205.88			4,671,452.73
4.R & D					
Guangdong Communication Planning & Design Institute Co., Ltd.	Scientific research project	963,646.00			
Guangdong Communications Testing Co., Ltd.	Scientific research project	527,165.00			3,899,843.00
Guangdong Hualu Traffic	Scientific research	481,823.00			199,969.00

Related parties	Content of related transaction	Amount of current period	Amount of previous period	Over the trading limit or not?	Amount of last period
Technology Co., Ltd.	project				
Hunan Lianzhi Monitoring Technology Co., Ltd.	Scientific research project				659,885.00
Subtotal		1,972,634.00			4,759,697.00
5.Fixed assets					
Poly Changda Engineering Co., Ltd.	Purchase assets	2,833,368.00			21,636,899.00
Guangdong Xinyue Traffic Investment Co., Ltd.	Purchase assets	2,783,766.00			
Guangdong Feida Traffic Engineering Co., Ltd.	Purchase assets	2,611,574.00			302,909.00
Guangdong Communication Planning & Design Institute Co., Ltd.	Purchase assets	2,432,390.24			1,333,458.66
Guangdong Hualu Traffic Technology Co., Ltd.	Purchase assets	2,128,295.94			3,272,616.23
Guangdong Communications Testing Co., Ltd.	Purchase assets	1,435,396.00			183,430.00
Guangdong East Thinking Management Technology Development Co., Ltd.	Purchase assets	434,800.00			
Guangdong Lulutong Co., Ltd.	Purchase assets	1,734,994.86			6,305,408.00
Guangdong Litong Technology Investment Co., Ltd.	Purchase assets	227,490.00			1,083,407.99
Subtotal		16,622,075.04			34,118,128.88
6. Construction in process					
Poly Changda Engineering Co., Ltd.	Purchase assets	124,024,328.00			13,850,389.47
Guangdong Communication Planning & Design Institute Co., Ltd.	Purchase assets	26,337,631.00			21,386,526.00
Guangdong Feida Traffic Engineering Co., Ltd.	Purchase assets	18,510,159.00			
Guangdong Communications Testing Co., Ltd.	Purchase assets	2,028,475.00			68,052.00
Guangdong Hualu Traffic Technology Co., Ltd.	Purchase assets	1,668,179.00			1,045,494.00
Guangdong Highway Construction Co., Ltd.	Purchase assets	480,000.00			2,029,339.19
Guangdong Communication Group Finance Co., Ltd.	Capitalized interest	45,833.33			
Guangdong Xinyue Traffic Investment Co., Ltd.	Purchase assets	29,103.00			1,116,576.78
Subtotal		173,123,708.33			39,496,377.44
7.Non-operating expenses					
Guangdong Feida Traffic Engineering Co., Ltd.	Expenditure on electromechanical	487,087.00			

Related parties	Content of related transaction	Amount of current period	Amount of previous period	Over the trading limit or not?	Amount of last period
	system repair				
Guangdong Xinyue Traffic Investment Co., Ltd.	Sporadic repair fees	83,018.00			294,810.00
Poly Changda Engineering Co., Ltd.	Expenses for civil engineering restoration	1.00			3,883,375.00
Guangdong Lulutong Co., Ltd.	Maintenance				98,491.00
Subtotal		570,106.00			4,276,676.00

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	24,620,471.71	23,773,018.85
Guangdong Traffic Development Co., Ltd.	electricity	1,254,801.91	945,395.40
Guangdong Tongyi Expressway Service Area Co., Ltd	electricity	1,192,276.53	1,187,798.23
Ganzhou Gankang Expressway Co., Ltd.	Salaries of expatriate staff	938,851.79	848,557.89
Zhaoqing Yuezhao Highway Co., Ltd.	Salaries of expatriate staff	888,933.32	817,436.38
Shenzhen Huiyan Expressway Co., Ltd.	Salaries of expatriate staff	880,596.24	767,691.55
Guangdong Jiangzhong Expressway Co., Ltd.	Salaries of expatriate staff	494,509.32	500,214.96
Ganzhou Kangda Expressway Co., Ltd.	Salaries of expatriate staff	467,198.40	515,567.27
Poly Changda Engineering Co., Ltd.	water and electricity bills	60,413.75	167,505.31
Guangdong Yueyun Traffic Rescue Co., Ltd.	Water and electricity	19,879.27	17,915.70
Guangdong Expressway Media Co., Ltd.	Water and electricity	9,274.73	24,258.08
Guangdong Litong Technology Investment Co., Ltd.	Electricity	8,948.76	27,125.58
Guangdong Expressway Technology Investment Co., Ltd.	Salaries of expatriate staff		114,620.52
Subtotal		30,836,155.73	29,707,105.72
2.Non-operating income			
Guangdong Xinyue Traffic Investment Co., Ltd.	Construction liquidated damages	24,462.00	
Guangdong Feida Traffic Engineering Co., Ltd	Construction liquidated damages	2,000.00	
Poly Changda Engineering Co., Ltd.	Construction liquidated	1,200.00	10,200.00

Related party	Content	Amount of current period	Amount of previous period
	damages		
Subtotal		27,662.00	10,200.00

(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 Technology Co., Ltd.	Advertising lease	2,750,824.41	3,876,219.92
Guangdong Expressway Technology Co., Ltd.	Property lease	339,864.33	171,815.93
Guangdong Expressway Technology Co., Ltd.	Communication pipeline lease	5,232,174.45	
Guangdong Expressway Media Co., Ltd.	Advertising lease	2,430,365.96	2,809,700.73
Guangdong Tongyi Expressway Service Area Co., Ltd	Service Area Lease	924,116.72	2,297,830.86
Guangdong Litong Technology Investment Co., Ltd.	Communication Piping	2,095,121.23	1,029,782.83
Guangdong Litong Technology Investment Co., Ltd.	Land lease	31,809.52	16,761.90
Poly Changda Engineering Co., Ltd.	Land lease	555,557.14	555,557.14
Poly Changda Engineering Co., Ltd.	Equipment lease	445,910.48	445,910.62
Total		14,805,744.24	11,203,579.93

- 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 Decelopment Investment Co., Ltd	Office space					10,255,100.13	12,211,529.46	719,705.56	349,331.19	30,634,734.72	
Guangdong Litong Real Eatate Investment Co., Ltd	Office space	24,124.00	95,596.46			79,712.00		4,697.99		230,671.46	
Jingzhu Expressway Guangzhu North section Co., Ltd.	Office space					79,378.00		10,701.43			
Guangdong Motor Transportation Group Co., Ltd	Car rental fee	570,000.00	413,153.90								
Total		594,124.00	508,750.36			10,414,190.13	12,211,529.46	735,104.98	349,331.19	30,865,406.18	

(3) Rewards for the key management personnel

In RMB10,000

Items	Amount of current period	Amount of previous period
Rewards for the key management personnel	718.92	703.39

(4) Transactions with associated financial companies

(1) Deposit business

Related party	Relationship	Maximum daily deposit limit(RMB'0000)	Deposit interest rate range	Beginning balance(RMB'0000)	The amount of this period		Ending balance(RMB'0000)
					Total amount for this period(RMB'0000)	Total amount is withdrawn for this period(RMB'0000)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	300,000.00	0.35% - 2.85%	239,396.61	813,666.48	785,248.27	267,814.82

(2) Loan business

Related party	Relationship	Loan limit(RMB'0000)	Loant interest rate range	Beginning balance(RMB'0000)	The amount of this period		Ending balance(RMB'0000)
					Total loan amount of the current period(RMB'0000)	Total repayment amount of the current period(RMB'0000)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	300,000.00	2.95% - 3.40%	62,859.33	22,020.36	44,246.77	40,632.92

(3) Credit extension or other financial services

Related party	Relationship	Business type	Total amount(RMB'00000)	Actual amount incurred(RMB'00000)
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	Credit extension	400,000.00	400,000.00

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

None

(6) Other related-party transactions

①-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. The above transactions have been approved and implemented by the board of directors of Guangdong Fokai Expressway Co., Ltd.

③ On November 30, 2022, the fifth (interim) meeting of the 10th Board of Directors of the Company reviewed and approved the Proposal on Entrusted Construction Management of the Reconstruction and Expansion Project of Nansha-Zhuhai Section of Guangzhou-Macao Expressway, and agreed that the subsidiary Guangzhou-Zhuhai Section of Beijing-Zhuhai Expressway Co., Ltd. entrusted Guangdong Provincial Highway Construction Co., Ltd. to carry out the whole-process construction management of the reconstruction and expansion project of Nansha-Zhuhai Section of Guangzhou-Macao Expressway. The above transactions have been approved and implemented by the Board of Directors of Guangzhou Section of Beijing-Zhuhai Expressway Co., Ltd, The above transactions have been approved and implemented by the board of directors of Beijing-Zhuhai Expressway Guangzhou-Zhuhai Section Co., Ltd.

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
Account receivable	Guangdong Union electron Service Co., Ltd.	104,739,306.92		67,197,924.19	
Account receivable	Guangdong Humen Bridge Co., Ltd.	8,382,454.42		6,072,995.36	
Account receivable	Jingzhu Expressway Guangzhu North Section Co., Ltd.	8,643,475.02		8,321,625.03	
Account receivable	Guangdong Expressway Technology Investment Co., Ltd.	6,548,536.49		2,315,719.18	
Account receivable	Guangdong Expressway Media Co., Ltd.	538,491.00		522,805.00	

Account receivable	Poly Changda Engineering Co., Ltd.	503,879.00		265,054.16	
Account receivable	Guangdong Litong Technology Investment Co., Ltd.	475,529.20			
Total		129,831,672.05		84,696,122.92	
Prepayment	Guangdong Feida Traffic Engineering Co., Ltd.	2,478,186.00			
Total		2,478,186.00			
Other Account receivable	Guangdong Provincial Freeway Co., Ltd.	40,092,886.12		463,491.88	
Other Account receivable	Guangdong Litong Development Investment Co., Ltd.	1,846,377.94		1,653,447.36	
Other Account receivable	Guangdong Expressway Media Co., Ltd.	656,495.57		978,997.66	
Other Account receivable	Guangdong Union electron Service Co., Ltd.	136,509.59		137,851.04	
Other Account receivable	Guangdong Humen Bridge Co., Ltd.	15,000.00			
Other Account receivable	Guangdong Litong Property Development Co., Ltd.	12,062.00		18,344.00	
Other Account receivable	Guangdong Expressway Technology Investment Co., Ltd.	1,520.08		65,605.71	
Total		42,760,851.30		3,317,737.65	
Other Non-Current Assets	Poly Changda Engineering Co., Ltd.	120,487,501.70			
Other Non-Current Assets	Guangdong Xinyue Traffic Investment Co., Ltd.	834,973.80			
Other Non-Current Assets	Guangdong Traffic Development Co., Ltd.	333,398.00		333,398.00	
Other Non-Current Assets	Guangdong East Thinking Management Technology Development Co., Ltd.	251,000.00			
Total		121,906,873.50		333,398.00	

(2) Payables

In RMB

Name	Related party	Amount at year end	Amount at year beginning
Short-term loan	Guangdong Communication Group Finance Co., ltd.	110,085,708.33	430,387,597.20
Total		110,085,708.33	430,387,597.20
Account payable	Guangdong Feida Traffic Engineering Co., Ltd.	21,943,925.23	3,716,816.94
Account payable	Poly Changda Engineering Co., Ltd.	17,531,275.30	12,590,171.30
Account payable	Guangdong Xinyue Traffic Investment Co., Ltd.	6,044,263.15	6,381,639.70
Account payable	Guangdong Hualu Traffic Technology Co., Ltd.	3,590,461.17	1,769,785.29
Account payable	Guangzhongjiang Expressway Project Management Dept	2,747,739.00	17,466,700.00
Account payable	Guangdong Communication Planning & Design Institute Co., Ltd.	2,513,096.78	3,008,670.10

Name	Related party	Amount at year end	Amount at year beginning
Account payable	Guangdong Lulutong Co., Ltd.	1,682,944.86	3,787,627.94
Account payable	Guangdong East Thinking Management Technology Development Co., Ltd.	1,588,922.00	950,630.00
Account payable	Guangdong Union Electron Service Co.,Ltd.	927,837.89	188,039.97
Account payable	Guangdong Expressway Technology Investment Co., Ltd.	866,490.00	6,935,455.12
Account payable	Guangdong Yueyun Traffic Rescue Co., Ltd.	494,704.00	46,779.00
Account payable	Guangdong Litong Technology Investment Co., Ltd.	472,380.00	843,562.91
Account payable	Guangdong CommunicationTest Co., Ltd.	157,501.00	2,400,079.00
Account payable	Guangdong Yueyun Traffic Rescue Co., Ltd.	261,800.00	261,800.00
Account payable	Guangdong Changda Road Maintenance Co. Ltd.	231,869.00	231,869.00
Account payable	Hunan Lianzhi Monitoring Technology Co., Ltd,	217,010.00	
Account payable	Guangdong Motor Transportation Group Co., Ltd	184,000.00	
Account payable	Guangdong Communications Technology Research and Development Co., Ltd.	32,016.00	
Account payable	Guangdong Provincial Freeway Co.,Ltd.		1,245,443.50
Account payable	Hunan Lianzhi Monitoring Technology Co., Ltd,		640,088.00
Account payable	Guangzhou Aitesi Communication Equipment Co., Ltd.		25,194.00
Total		61,488,235.38	62,490,351.77
Advance received	Guangdong Union Electron Service Co.,Ltd.	1,313,348.00	1,330,729.13
Total		1,313,348.00	1,330,729.13
Dividend payable	Guangdong Provincial Freeway Co.,Ltd.		11,550,000.00
Total			11,550,000.00
Other Payable account	Poly Changda Engineering Co., Ltd.	20,510,879.46	20,866,108.48
Other Payable account	Guangdong Hualu Traffic Technology Co., Ltd.	2,121,826.06	1,905,833.06
Other Payable account	Guangdong Road Construction Co., Ltd.	2,004,376.13	2,000,000.00
Other Payable account	Guangdong Feida Traffic Engineering Co., Ltd.	1,773,643.35	1,522,615.96
Other Payable account	Guangdong Expressway Technology Investment Co., Ltd.	1,717,958.26	2,298,424.75
Other Payable account	Guangdong Xinyue Traffic Technology Co., Ltd.	1,653,523.70	1,415,273.20
Other Payable account	Guangdong Communication Test Co., Ltd.	1,573,310.00	971,085.90
Other Payable account	Guangdong Xinyue Traffic Investment Co., Ltd.	900,742.71	1,332,556.89
Other Payable account	Guangdong Union electronic services co., Ltd.	691,060.06	
Other Payable account	Guangdong Lulutong Co., Ltd.	607,161.54	859,377.06
Other Payable account	Guangdong Communication Planning & Design Institute Co., Ltd.	462,700.00	110,422.00
Other Payable account	Guangdong East Thinking Management Technology Development Co., Ltd.	394,220.18	156,534.54
Other Payable account	Guangzhongjiang Expressway Project Management Dept	200,000.00	200,000.00
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.	85,919.24	92,594.24

Name	Related party	Amount at year end	Amount at year beginning
Other Payable account	Guangdong Expressway Media Co., Ltd.	50,000.00	50,000.00
Other Payable account	Hunan Lianzhi Monitoring Technology Co., Ltd.	19,797.00	85,785.50
Other Payable account	Guangdong Yueyun Traffic Rescue Co. Ltd.	2,000.00	2,000.00
Other Payable account	Guangdong Changda Road Maintenance Co. Ltd.		1,628,345.00
Other Payable account	Guangzhou Xinyue Asphalt Co., Ltd.		1,054,919.00
Total		34,889,117.69	36,671,875.58
Non-current liabilities due 1 year	Guangdong Litong Development Investment Co., Ltd.	9,964,510.62	2,445,724.55
Non-current liabilities due 1 year	Guangdong Communication Group Finance Co., ltd.	4,243,466.66	2,205,700.01
Non-current liabilities due 1 year	Guangdong Litong Property Development Co., Ltd.	100,255.11	
Total		14,308,232.39	4,651,424.56
Other current liabilities	Guangdong Communication Group Co., Ltd.		500,122,916.67
Total			500,122,916.67
Lease Liabilities	Guangdong Litong Development Investment Co., Ltd.	13,349,882.62	
Lease Liabilities	Guangdong Litong Property Development Co., Ltd.	55,402.33	
Total		13,405,284.95	
Long-term loans	Guangdong Communication Group Finance Co., ltd.	292,000,000.00	196,000,000.00
Total		292,000,000.00	196,000,000.00

7. Related party commitment

In 2020, the Company acquired 21% equity of Guangdong Guanghui Expressway Co., Ltd. (hereinafter referred to as "Guanghui Expressway") held by the related party Guangdong Provincial Freeway Co.,Ltd.. by cash, and signed the *Profit Compensation Agreement* with the provincial expressway, stipulating that the performance compensation period is 2020, 2021 and 2022, and during the performance compensation period, the net profit accumulated by Guanghui Expressway after deducting non-recurring gains and losses is not less than RMB 2,999,265,700.

During the performance compensation period, influenced by domestic macroeconomic fluctuations, the accumulated net profit of Guanghui Company after deducting non-recurring gains and losses during the performance compensation period did not reach the cumulative forecast net profit, which triggered the compensation obligation stipulated in the *Profit Compensation Agreement*. In order to safeguard the long-term interests of the Company and its shareholders, especially the minority shareholders, and take into account the relevant arrangements made by the two parties under the original agreement, according to the relevant requirements of the *Administrative Measures for Major Asset Restructuring of Listed Companies* and consultations between the two parties, the Company and Provincial Expressway reached the *Supplementary Agreement to Profit Compensation Agreement* on matters related to this restructuring performance compensation, which was reviewed and approved by the Company's first provisional General Meeting of Shareholders in 2023 on August 23, 2023.

According to the supplementary agreement, the performance compensation period of this restructuring is adjusted to 2020, 2021 and 2023, and during the performance compensation period, the accumulated net profit of Guanghui Expressway after deducting non-recurring gains and losses is not less than RMB 2,999,265,700.

In 2020, 2021 and 2023, Guanghui Company realized a cumulative net profit of RMB 2,951,041,600 after deducting non-recurring gains and losses, which was RMB 48,224,100 less than the cumulative commitment, with a completion rate of 98.39%.

At the same time, the company hired Zhongrui Shilian Asset Appraisal Group Co., Ltd. (hereinafter referred to as "Zhongrui Shilian Appraisal Company") to conduct a valuation of the 100% shareholder equity value of Guanghui Expressway as of December 31, 2023, and issued the Zhongrui Shilian Appraisal Report No. [2024] 000122 on March 11, 2024, titled "Asset Appraisal Report on All Equity Value Projects of Guangdong Guanghui Expressway Co., Ltd. Shareholders Involved in Guangdong Expressway Development Co., Ltd.'s Equity Impairment Test" (hereinafter referred to as "Zhongrui Shilian Appraisal Report"). According to the evaluation report of Zhongrui Shilian, the market value of all equity of the target asset shareholders as of the evaluation benchmark date of December 31, 2023 is RMB 9036.2858 million. On this basis, the company conducted an impairment test on the assessed value of the target asset at the end of the period, after deducting the transaction valuation benchmark date, until the end of the performance commitment period, after deducting any capital increase, reduction, gift acceptance, and profit distribution matters from the shareholders of the target asset. After testing, it was found that the target asset has not been impaired.

In summary, the provincial expressway should pay a cumulative performance commitment compensation amount of 40092886.12 yuan.

XIII. Stock payment

None

XIV. Commitments

1. Significant commitments

Significant commitments at balance sheet date

(1) Capital commitments

Items	December 31, 2023	December 31, 2022
Contracted but not recognized in the financial statements		
Building long-term asset commitments - Expressway construction	7,020,477,401.30	

2. Contingency

As of December 31, 2023, the Company did not need to disclose important commitments.

XV. Events after balance sheet date

1. Profit distribution

	In RMB
Number of dividends to be distributed for every 10 shares (RMB)	5.47
Number of bonus shares to be distributed for every 10 shares (shares)	0
Number of converted shares to be distributed for every 10 shares (shares)	0

Number of dividends for every 10 shares declared after deliberation and approval (RMB)	0
Number of bonus shares for every 10 shares declared after deliberation and approval (shares)	0
Number of converted shares for every 10 shares declared after deliberation and approval (shares)	0
Profit distribution scheme	Based on 2,090,806,126, a cash dividend of RMB 5.47 (including tax) will be distributed to all shareholders for every 10 shares, and 0 bonus shares (including tax) will be distributed, instead of converting the reserve fund into share capital.

XVI. Other significant events

1. Correction of early-stage accounting errors

None

2. Segment information

(1) If the company has no reporting division, or fails to disclose the total assets and liabilities of each reporting division, the reasons shall be explained

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.

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

In 2022, the Company received the Notice of Department of Transport of Guangdong Province on Relevant Matters Concerning the Disposal of Guangzhou-Foshan Expressway at the Expiration of Toll Collection (GJYBH [2022] No.24), and the Guangzhou-Foshan Expressway operated by its holding subsidiary Guangfo Expressway Co., Ltd. stopped charging from 0:00 on March 3, 2022, retaining the existing toll collection facilities to operate as usual at zero rate, exempting all vehicles passing through this section from tolls, and collecting tolls from vehicles in other sections on behalf. After the toll is stopped, Guangfo Company will continue to be responsible for the management and maintenance of Guangzhou-Foshan Expressway.

The source of funds for custody expenses paid by Guangfo Company needs to be further determined. As of December 31, 2023, custody expenses paid by Guangfo Company were RMB 221,107,620.02.

XVII. Notes of main items in financial reports of parent company

1. Account receivable

1. Classification account receivables.

(1) Disclosure by aging

In RMB

Aging	Balance in year-end	Balance Year-beginning
Within 1 year (Including 1 year)	31,718,251.28	23,817,016.30

Total	31,718,251.28	23,817,016.30
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(2) According to the bad debt provision method classification disclosure

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 (%)	
Including:										
Accrual of bad debt provision by portfolio	31,718,251.28	100.00%			31,718,251.28	23,817,016.30	100.00%			23,817,016.30
Including:										
Aging portfolio	31,718,251.28	100.00%			31,718,251.28	23,817,016.30	100.00%			23,817,016.30
Total	31,718,251.28	100.00%			31,718,251.28	23,817,016.30	100.00%			23,817,016.30

Accrual of bad debt provision by portfolio: The aging

In RMB

Aging	Balance in year-end		
	Account receivable	Bad debt provision	Expected credit loss rate (%)
Within 1 year	31,718,251.28		
Total	31,718,251.28		

Note: The aging

Relevant information of the provision for bad debts will be disclosed with reference to the disclosure method of other receivables if the provision for bad debts of bills receivable is accrued according to the general model of expected credit loss:

Applicable Not applicable

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

None

(4) The actual write-off accounts receivable

None

(5) Top 5 of the closing balance of the accounts receivable collected according to the arrears party

In RMB

Company Name	Amount of ending balance	Closing balance of the contract assets	Accounts receivable and contract assets ending balance	Proportion of total accounts receivable %	Amount of ending balance for bad debts
Guangdong Union Electronic	31,242,722.08			98.50%	

Services Co., Ltd.				
Guangdong Expressway Technology Investment Co., Ltd.	475,529.20			1.50%
Total	31,718,251.28			100.00%

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

None

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

None

2. Other accounts receivable

In RMB

Items	Balance in year-end	Balance Year-beginning
Dividend receivable	1,205,472.90	36,905,472.90
Other receivable	1,020,100,372.97	1,505,117,198.28
Total	1,021,305,845.87	1,542,022,671.18

(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.		35,700,000.00
Total	1,205,472.90	36,905,472.90

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	Over 5 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			

(2) Other accounts receivable

1) Other accounts receivable classified

In RMB

Items	Balance in year-end	Balance Year-beginning
Securities trading settlement funds		30,844,110.43
Deposit	2,277,164.74	2,090,516.36
Petty cash	1,232,661.91	1,293,602.05

Compensation for performance commitments receivable	40,092,886.12	
Payment from related parties within the scope of the merger	975,923,541.67	1,500,593,541.66
Other	574,118.53	1,139,538.21
Less: Bad debt provision		30,844,110.43
Total	1,020,100,372.97	1,505,117,198.28

2) Disclosure by aging

In RMB

Aging	Balance in year-end	Balance Year-beginning
Within 1 year(Including 1 year)	44,648,632.53	1,502,102,861.29
1-2 years	975,012,062.00	28,611.55
2-3 years	28,611.55	2,052,691.71
Over 3 years	411,066.89	31,777,144.16
3-4 years	7,699.35	26,560.70
4-5 years	23,848.70	442,981.15
Over 5 years	379,518.84	31,307,602.31
Total	1,020,100,372.97	1,535,961,308.71

3) According to the bad debt provision method classification disclosure

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						30,844,110.43	2.01%	30,844,110.43	100.00%	
Including:										
Accrual of bad debt provision by portfolio	1,020,100,372.97	100.00%			1,020,100,372.97	1,505,117,198.28	97.99%			1,505,117,198.28
Including:										
CSF Pottfolio	3,509,826.65	0.34%			3,509,826.65	3,384,118.41	0.22%			3,384,118.41
Very low credit risk financial asset portfolio	40,667,004.65	3.99%			40,667,004.65	1,139,538.21	0.07%			1,139,538.21
Risk-free combination	975,923,541.67	95.67%			975,923,541.67	1,500,593,541.66	97.70%			1,500,593,541.66
Total	1,020,100,372.97	100.00%			1,020,100,372.97	1,535,961,308.71	100.00%	30,844,110.43	2.01%	1,505,117,198.28

Accrual of bad debt provision by single: 0

Accrual of bad debt provision by portfolio:1

Accrual of bad debt provision by portfolio:

In RMB

Name	Balance in year-end		
	Book balance	Bad debt provision	Withdrawal proportion
Cast deposit portfolio	3,509,826.65		
Very low credit risk financial asset portfolio	40,667,004.65		
Risk-free combination	975,923,541.67		
Total	1,020,100,372.97		

Make provision for bad debts according to the general model of expected credit losses

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 1,2023			30,844,110.43	30,844,110.43
Balance as at January 1,2023 in current				
This period write-off			30,844,110.43	30,844,110.43

Loss provision changes in current period, change in book balance with significant amount

Applicable Not applicable

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

None

5)Other receivables are classified according to the nature

In RMB

Items	Amount
Securities settlement and trading funds	30,844,110.43

Where the write-off of other important receivables is as follows:

In RMB

Name	Nature of other receivables	Write-off amount	Reasons for write-off	Write-off procedure for performance	Whether the payment is generated by related party transactions
Kunlun Securities Co.,Ltd	Securities trading settlement funds	30,844,110.43	Bankruptcy liquidation has been basically completed, and there is basically no bankruptcy property available	Resolution adopted at the Fifteenth (provisional) Meeting of the Tenth Board of Directors	No

			for distribution		
Total		30,844,110.43			

6) 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 %
Jingzhu Expressway Guangzhu Section Co., Ltd.	Reconstruction and expansion of investment funds and interest	975,000,000.00	1-2 years	95.67%	
	Interest	923,541.67	Within 1 year		
Guangdong Provincial Freeway Co.,Ltd.	Provisional estimate of restructuring performance compensation number	40,092,886.12	Within 1 year	3.93%	
Guangdong Litong Development Investment Co., Ltd.	Vehicle parking deposit	22,980.00	2-3 years	0.18%	
	Lease deposit	1,823,397.94	Within 1 year		
First Pacific Davis Property Consultant (Guangzhou) Co., Ltd	Vehicle parking deposit	4,200.00	2-3 years	0.04%	
	Water and electricity costs working capital	92,116.80	Within 1 year		
	Management fee deposit	322,408.00	Within 1 year		
Huang Honggui	Petty cash	190,000.00	Within 1 year	0.02%	
Total		1,018,471,530.53		99.84%	

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	3,952,330,463.43		3,952,330,463.43	3,374,330,463.43		3,374,330,463.43
Investment in joint ventures and associates	2,990,656,046.31		2,990,656,046.31	2,722,085,180.53		2,722,085,180.53
Total	6,942,986,509.74		6,942,986,509.74	6,096,415,643.96		6,096,415,643.96

(1) Investment to the subsidiary

In RMB

Name	Opening balance	Initial balance of the impairment provision	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		525,000,000.00				1,396,171,883.08	
Guangfo Expressway Co., ltd.	154,982,475.25						154,982,475.25	
Yuegao Capital Investment (Guangzhou) Co., Ltd.	322,500,000.00		53,000,000.00				375,500,000.00	
Guanghui Expressway Co., Ltd.	2,025,676,105.10						2,025,676,105.10	
Total	3,374,330,463.43		578,000,000.00				3,952,330,463.43	

(2) Investment to joint ventures and associated enterprises

In RMB

Name	Opening balance	Initial balance of the impairment provision	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													
Zhaoqing Yuezhao Highway Co., Ltd.	310,209,765.87				56,894,249.13							367,104,015.00	
Guangdong Jiangzhong Expressway Co., Ltd.	446,883,150.40		110,250,000.00		11,239,149.07				10,685,619.81			557,686,679.66	
Ganzhou Gankang Expressway Co., Ltd.	163,154,438.00				22,400,381.12				4,500,000.00			181,054,819.12	
Ganzhou Kangda Expressway Co., Ltd.	246,268,935.13				40,160,769.85				28,500,000.00			257,929,704.98	
ShenzhenHuiyan Expressway Co., Ltd.	348,669,767.32				29,252,416.66							377,922,183.98	
Guoyuan Securities	987,867,627.42				44,637,991.99	10,114,877.17	2,424.19	15,522,387.30				1,027,100,533.47	

Name	Opening balance	Initial balance of the impairment provision	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
Co.,Ltd.												
Guangdong Yueke Science and Technology Microfinance Co., Ltd.	219,031,496.39				10,944,601.74				8,117,988.03		221,858,110.10	
Subtotal	2,722,085,180.53		110,250,000.00		215,529,559.56	10,114,877.17	2,424.19	67,325,995.14			2,990,656,046.31	
Total	2,722,085,180.53		110,250,000.00		215,529,559.56	10,114,877.17	2,424.19	67,325,995.14			2,990,656,046.31	

The recoverable amount is determined by the net amount of fair value minus disposal expenses

Applicable Not applicable

The recoverable amount is determined according to the present value of the expected future cash flow

Applicable Not applicable

4. Business income and Business cost

In RMB

Items	Amount of current period		Amount of previous period	
	Revenue	Cost	Revenue	Cost
Main business	1,521,448,612.59	606,338,219.48	1,296,212,805.59	584,496,313.76
Other	14,136,853.64	4,642,566.15	14,566,863.59	5,138,086.94
Total	1,535,585,466.23	610,980,785.63	1,310,779,669.18	589,634,400.70

5. Investment income

In RMB

Items	Amount of current period	Amount of previous period
Long-term equity investment income accounted by cost method	730,452,121.37	966,664,177.01
Long-term equity investment income accounted by equity method	215,529,559.56	183,837,934.31
Investment income from disposal of Long-term equity investment		-45,107,982.42
Dividend income from other equity instrument investments during the holding period	71,249,739.36	47,286,243.74
Interest income from debt investment during holding period.		18,499,161.74
Other	27,008,665.00	2,087,067.60
Total	1,044,240,085.29	1,173,266,601.98

XVIII. Supplementary Information

1. Current non-recurring gains/losses

√ Applicable □ Not applicable

In RMB

Items	Amount	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	12,740,003.03	
Government subsidies recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	10,685,002.61	
Gain and loss from change of the fair value arising from transactional monetary assets, transactional financial liabilities as held as well as the investment income arising from disposal of the transactional monetary assets, transactional financial liabilities and financial assets available for sale excluding the effective hedging transaction in connection with the Company's normal business	2,456,768.00	
Net amount of non-operating income and expense except the aforesaid items	-4,515,527.98	
Other non-recurring Gains/loss items	921,152.92	
The impairment provision for the advance expenses that have occurred but need to be defined from the source of funds (Note: 2)	-	
Less :Influenced amount of income tax	988,084.33	
Influenced amount of minor shareholders' equity (after tax)	-30,770,056.69	
Total	-71,288,767.37	--

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

Applicable Not applicable

Due to the special nature of the impairment provision for management and maintenance expenses advanced by the Guangzhou-Foshan Expressway to be clarified, it will affect the normal judgment of the Company's operating performance and profitability by the user of the report.

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 recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non –recurring gain/loss in the report period.

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	17.30%	0.78	0.78
Net profit attributable to common shareholders of the Company after deduction of non-recurring profit and loss	18.06%	0.82	0.82

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