



**SHENZHEN EXPRESSWAY COMPANY LIMITED**

Stock code: 00548(SEHK) 600548(SSE)

# 2020 Annual Results



24 March 2021

# Contents

**Financial Analysis**

**Business Review**

**Outlook & Plans**

**Appendix**

The financial statements of the Company were prepared in accordance with China Accounting Standards for Business Enterprise (CASBE), and also were complied with the disclosure requirements under the Hong Kong Companies Ordinance and the Listing Rules of HKEx.

In this material, the total of breakdown and the total may not equal in mantissa due to rounding.

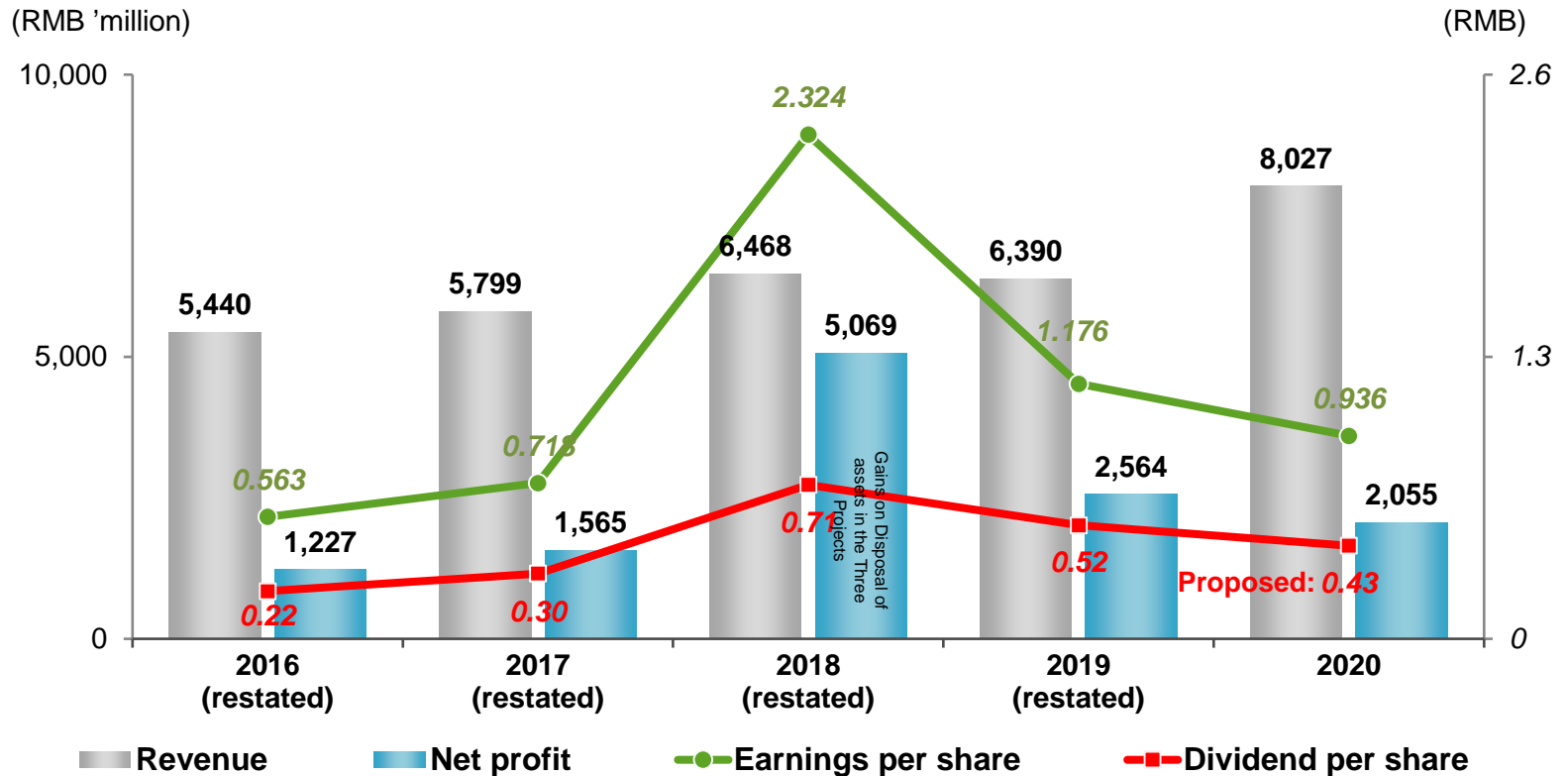
# Financial Analysis

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# Financial Highlights



- Due to the consolidation of Financial Leasing Company, Logistics Finance Company and Longda Company into the Group as a jointly controlled entity, the Company adjusted the data of consolidated financial statements to previous years retrospectively pursuant to relevant requirements under the Accounting Standards for Business Enterprises.



## Financial Analysis - Income Highlights

Net profit attributable to  
owners of the Company

**RMB2,055**  
million

Excluding the impact of the Group's recognition of deferred income tax assets of Coastal Company in 2019, net profit increased by approximately 0.32% YOY.

Earnings per share (EPS)

**RMB0.936**

In 2020, the Company issued RMB4 billion of perpetual bonds, which were included in other equity instruments. The impact of perpetual bonds was deducted when calculating the above earnings per share and weighted average return on net assets pursuant to relevant requirements.

Return on equity –  
weighted average (ROE)

**10.83%**



# Financial Analysis

## - Revenue, Cost & Expenses

	2020 (RMB 'million)	2019(restated) (RMB 'million)	Change in Amount (RMB 'million)	Change
<b>Revenue</b>	<b>8,027</b>	6,390	+1,636	+25.61%
<b>Toll highways</b> <sup>Note 1</sup>	4,387	4,722	-335	-7.10%
<b>Clean energy</b> <sup>Note 2</sup>	1,666	599	+1,067	+178.19%
<b>Recovery and solid waste management</b> <sup>Note 2</sup>	843	-	+843	N/A
<b>Other environmental protection businesses</b>	12	0.176	+11	+6,510.92%
<b>Entrusted management services</b> <sup>Note 3</sup>	511	376	+134	+35.69%
<b>Real estate development</b> <sup>Note 4</sup>	351	457	-106	-23.16%
<b>Other businesses</b> <sup>Note 5</sup>	258	236	+22	+9.20%
<b>Cost of services</b>	<b>5,215</b>	3,586	+1,629	+45.43%
<b>Toll highways</b> <sup>Note 1</sup>	2,422	2,345	+77	+3.27%
<b>Clean energy</b> <sup>Note 2</sup>	1,340	430	+910	+211.66%
<b>Recovery and solid waste management</b> <sup>Note 2</sup>	696	-	+696	N/A
<b>Other environmental protection businesses</b>	3	0.003	+3	+95,916.03%
<b>Entrusted management services</b> <sup>Note 3</sup>	406	357	+50	+13.92%
<b>Real estate development</b> <sup>Note 4</sup>	171	255	-84	-32.84%
<b>Other businesses</b> <sup>Note 5</sup>	175	198	-23	-11.69%
<b>General and administrative expenses</b> <sup>Note 6</sup>	<b>363</b>	351	+12	+3.47%

Note 1: Due to the implementation of the expressway toll-free policy during the Epidemic, the toll revenue of the Group decreased YOY.

Note 2: Including Nanjing Wind Power, Baotou Nanfeng and Lande Environmental.

Note 3: Related to the construction progress of the entrusted construction projects.

Note 4: Guilong Development Project.

Note 5: Mainly including finance leases, advertising, etc.

Note 6: The increase in general and administrative expenses was mainly due to the consolidation of Lande Environmental.



# Financial Analysis

## - Operating Income from Toll Highways

	2020 (RMB '000)	2019 (RMB '000)	Change
<b>Toll highway</b>			
Qinglian	832,485	837,016	-0.54%
Jihe East	736,384	768,241	-4.15%
Jihe West	615,025	667,663	-7.88%
Shuiguan	606,994	652,022	-6.91%
Coastal	548,429	532,571	+2.98% <sup>Note</sup>
Yichang	305,899	403,518	-24.19%
Wuhuang	304,076	412,534	-26.29%
Changsha Ring Road	146,796	156,146	-5.99%
Meiguan	143,677	139,744	+2.81%
Longda	142,897	152,672	-6.40%
Outer Ring	4,012	-	N/A
<b>Total</b>	<b>4,386,674</b>	<b>4,722,127</b>	<b>-7.10%</b>

- Based on the Company's understanding and assessment on the document of the Guangdong provincial transport authorities regarding the toll-free policy during the Epidemic, the Company recognized an income for the expressway projects in Guangdong Province.

Note: Coastal expressway recorded an increase in toll revenue due to its line advantages and freight preferential policy.

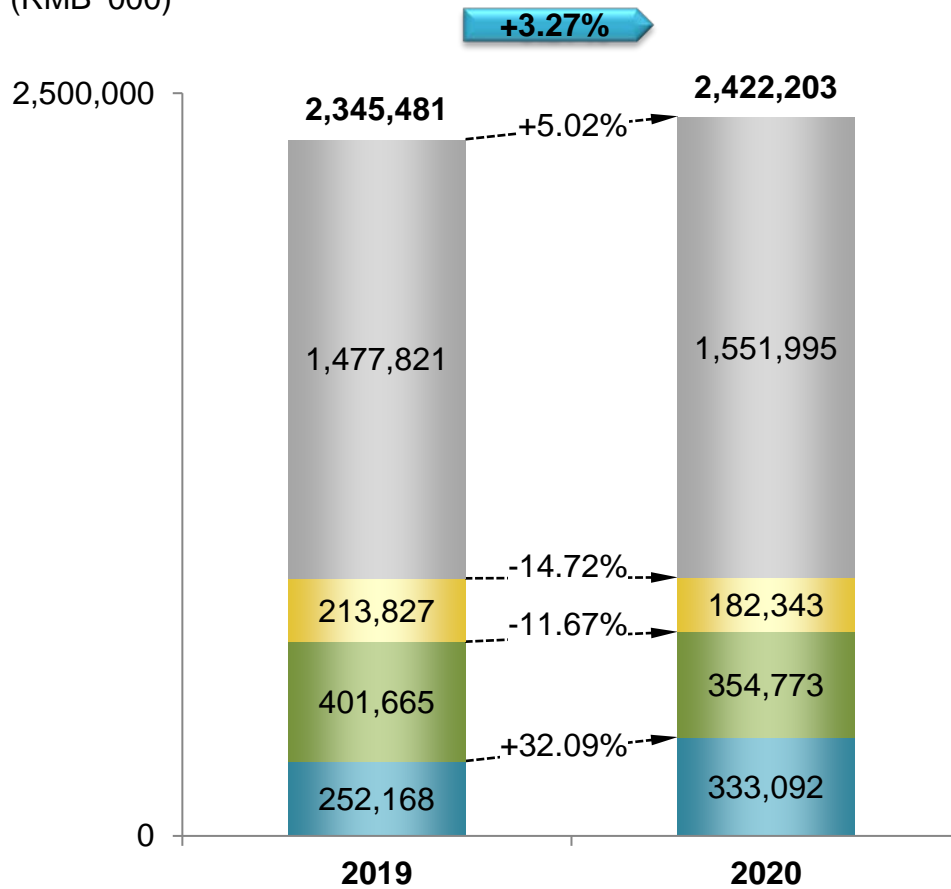




# Financial Analysis

## - Operating Costs from Toll Highways

(RMB '000)



### Depreciation and amortization

↑ The completion of the relevant network of the national toll collection at the end of 2019 and the conversion to fixed assets, the upward adjustment of the amortization amount of Yichang Expressway since 2020, and a YOY increase in traffic volume as a result of the Toll-free Policy during the Epidemic.

### Road maintenance expenses

↓ No large-scale special maintenance costs in the current period.

### Employee expenses

↓ The decrease in the number of toll collection staff and the overtime expenses during the Epidemic, and the implementation of pension insurance Reduction and Exemption Policy in phases.

### Other business costs

↑ Provision for the operation and management expenditure related to ancillary toll roads.





# Financial Analysis

## - Operating Profit from Toll Highways

	Cost of Services		Operating Profit	
	2020 (RMB '000)	Change	2020 (RMB '000)	Change
<b>Toll highway</b>				
Qinglian	507,870	+4.61%	324,615	-7.66%
Jihe East	338,656	+1.57%	397,728	-8.53%
Jihe West	162,257	+19.09%	452,769	-14.80%
Shuiguan	488,304	+1.70%	118,690	-30.95%
Coastal	282,028	-1.27%	266,401	+7.90%
Yichang	212,318	+3.65%	93,581	-52.90%
Wuhuang	187,601	-11.06%	116,475	-42.22%
Changsha Ring Road	65,665	+20.19%	81,130	-20.08%
Meiguan	78,125	-1.79%	65,552	+8.90%
Longda	94,636	+26.90%	48,261	-38.20%
Outer Ring	4,742	N/A	-730	N/A
<b>Total</b>	<b>2,422,203</b>	<b>+3.27%</b>	<b>1,964,472</b>	<b>-17.34%</b>

Operating profit = Operating income – Operating costs



# Financial Analysis

## - Operating Profits from Environmental Business & Real Estate Development

	Operating Income		Operating Costs		Operating Profit	
	2020 (RMB '000)	Change	2020 (RMB '000)	Change	2020 (RMB '000)	Change
<b>Clean energy</b> <sup>Note 1</sup>	<b>1,665,755</b>	<b>+178.19%</b>	<b>1,340,213</b>	<b>+211.66%</b>	<b>325,543</b>	<b>+92.89%</b>
<b>Management of resource recovery of solid waste</b>	<b>843,231</b>	<b>N/A</b>	<b>696,359</b>	<b>N/A</b>	<b>146,872</b>	<b>N/A</b>
<b>Other environmental protection businesses</b>	<b>11,635</b>	<b>+6,510.92%</b>	<b>2,996</b>	<b>+95,916.03%</b>	<b>8,640</b>	<b>+4897.41%</b>
<b>Entrusted management services</b> <sup>Note 2</sup>	<b>510,745</b>	<b>+35.69%</b>	<b>406,456</b>	<b>+13.92%</b>	<b>104,288</b>	<b>+431.92%</b>
<b>Real estate development</b>	<b>351,098</b>	<b>-23.16%</b>	<b>171,359</b>	<b>-32.84%</b>	<b>179,739</b>	<b>-10.91%</b>
<b>Other businesses</b> <sup>Note 3</sup>	<b>257,599</b>	<b>+9.20%</b>	<b>174,932</b>	<b>-11.69%</b>	<b>82,667</b>	<b>+118.63%</b>

**Operating profit = Operating income – Operating costs**

Note 1: Mainly including the sales of wind turbine equipment and wind power generation.

Note 2: Mainly including entrusted construction management projects such as Duohua Bridge Project and entrusted operation management projects such as Longda Expressway and the Four Expressways.

Note 3: Mainly including finance leases, advertising, etc.



# Financial Analysis

## - Investment Income

	2020 (RMB '000)	2019 (RMB '000)	Change in Amount (RMB '000)
<b>Item</b>			
<b>Investment income attributable to associates:</b>			
<b>Associated toll highway enterprises in total</b>	<b>172,489</b>	219,856	-47,367
<b>United Land Company (Meilin Checkpoint Renewal Project)</b>	<b>395,731</b>	377,224	+18,507
<b>Derun Environment</b>	<b>206,420</b>	193,468	+12,953
<b>Other</b> <small>Note 1</small>	<b>138,342</b>	131,491	+6,852
<b>Sub-total</b>	<b>912,982</b>	922,038	-9,055
<b>Investment income arising from transfer of subsidiaries</b> <small>Note 2</small>	-	262,207	-262,207
<b>Investment income from other non-current financial assets</b>	<b>6,395</b>	30,125	-23,730
<b>Gains from completion of foreign currency swaps</b>	<b>17,955</b>	26,860	-8,905
<b>Others</b>	<b>31</b>	1,422	-1,411
<b>Total</b>	<b>937,363</b>	1,242,672	-305,309

- Investment income decreased by 24.57% YOY: the recognition of equity transfer income from the transfer of Guilong land during the corresponding period of last year, and the decrease of profit in toll highways operated by associates in the current period.

Note 1: Including Consulting Company, Bank of Guizhou, Shengchuang Environmental Technology and Guizhou Hengtongli.

Note 2: Transfer of Guilong land.



# Financial Analysis

## - Financial Expenses

	2020 (RMB '000)	2019(restated) (RMB '000)	Change
<b>Item</b>			
<b>Interest expenses</b>	935,356	751,538	+24.46%
Less: <b>Interest capitalized</b>	- 237,873	- 133,609	+78.04%
<b>Interest income</b>	61,976	53,120	+16.67%
Add: <b>Exchange loss</b>	-154,936	33,399	-563.89%
<b>Finance income arising from the early repayment of finance leases</b>	+ -1,166	+ -22,492	N/A
<b>Others</b>	12,142	12,019	+1.03%
<b>Total financial expenses</b>	<b>491,548</b>	<b>587,734</b>	<b>-16.37%</b>
	<b>2020</b>	<b>2019</b>	<b>Change</b>
<b>Comprehensive borrowing cost</b> - nominal costs (%)	4.16%	4.39%	-0.23 p.pt
<b>Average borrowing scale (RMB 'billion)</b>	204	148	+38.08%

- Foreign liabilities was affected by fluctuation in RMB exchange and resulted in exchange gain during the Reporting Period.
- After hedging the “Gain from changes in fair value – Income from changes in fair value of foreign currency swap instruments” and “Gains from investment – Gains from completion of foreign currency swaps”, the Group’s comprehensive financial cost was RMB620 million, representing a YOY increase of 14.11%, which was mainly due to increase in the scale of borrowing, decrease in the comprehensive borrowing costs, as well as the combined effect of factors such as increase in capitalized interest.



# Financial Analysis

## - Assets and Liabilities Highlights

	2020.12.31 (RMB 'million)	2019.12.31 (restated) (RMB 'million)	Change in Amount (RMB 'million)	Change
<b>Total equity attributable to owners of the Company</b>	<b>23,043</b>	18,526	+4,517	+24.38%
<b>Net assets per share (RMB)</b> <sup>Note 1</sup>	<b>8.73</b>	8.50	+0.23	+2.79%
<b>Total assets</b>	<b>55,145</b>	45,658	+9,487	+20.78% <sup>Note 2</sup>
<i>of which: Cash and cash equivalents</i>	<b>3,234</b>	2,978	+256	+8.59%
<b>Total liabilities</b>	<b>28,866</b>	24,611	+4,255	+17.29%
<i>of which: Total outstanding interest-bearing liabilities</i>	<b>19,312</b>	16,821	+2,490	+14.80% <sup>Note 3</sup>

Note 1: In 2020, the Company issued RMB4 billion of perpetual bonds, which were included in other equity instruments. The impact of perpetual bonds was deducted when calculating the above net assets per share pursuant to relevant requirements.

Note 2: The consolidation of Lande Environmental into the financial statements, the increase in the expenses on engineering construction of Outer Ring Project and participation in the investment of Vanho Securities and State-owned Coordination Fund.

Note 3: The increase in borrowings as a result of the investment in Lande Environmental, Longda Company and Vanho Securities.



# Financial Analysis

## - Debt Ratio and Repayment

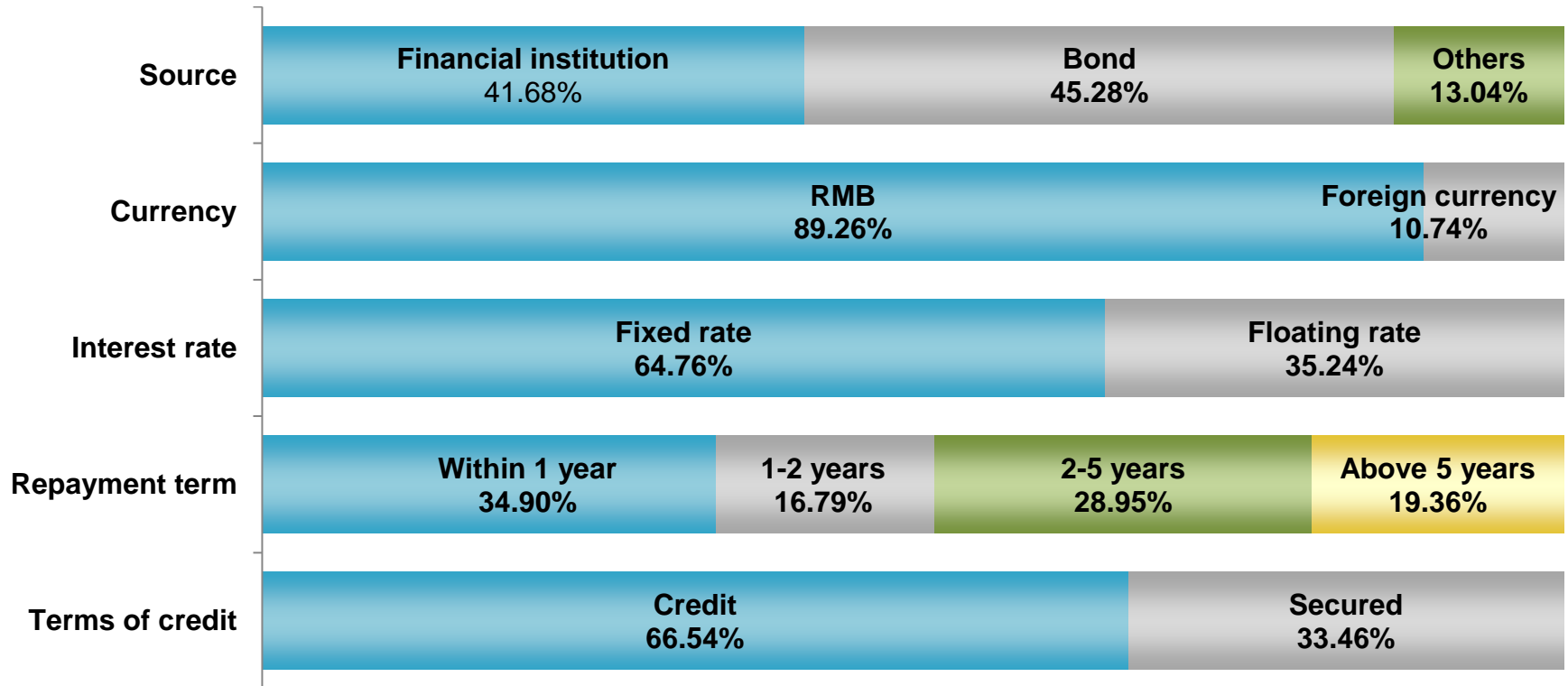
	31 December 2020	31 December 2019 (restated)
<b>Debt-to-asset ratio</b> (Total liabilities / Total assets)	52.35%	53.90%
<b>Net borrowings-to-equity ratio</b> ((Total borrowings - cash and cash equivalents) / Total equity)	61.18%	65.77%
<b>Net borrowing / EBITDA</b> ((Total borrowings - cash and cash equivalents) / Earnings before interests, tax, depreciation and amortization)	3.14	3.00
	2020	2019(restated)
<b>Interest covered multiple</b> ((Profit before tax + interest expenses) / Interest expenses)	3.87	4.71
<b>EBITDA interest multiple</b> (Earnings before interests, tax, depreciation and amortization / Interest expenses)	5.95	7.12



# Financial Analysis - Borrowing Structure

## Borrowing Structure

(as at 31 December 2020)



- Maintained the highest credit rating and bond rating of AAA for domestic entities, and the investment grade from international rating.





# Financial Analysis

## - Capital Expenditure 1

- In 2020, the total capital expenditure of the Group amounted to RMB5,809 million, of which, equity investments amounted to RMB3,094 million and non-equity investments amounted to RMB2,715 million.
- The Group's total capital expenditure, as approved by the Board, will be expected to be approximately RMB7,196 million from 2021 to 2023, which mainly comprised construction expenditures of projects such as Outer Ring Project, Coastal Phase II, kitchen waste project of Lande Environmental, Guangming Environmental Park PPP Project, the acquisition of office properties, as well as equity investment expenditure for the reconstruction and expansion of Yangmao Expressway and wind farm projects, and etc.
- During the Reporting Period, the Group's net cash inflows from operating activities amounted to RMB1.1 billion (2019 (restated): RMB1.7 billion), representing a YOY decrease of 35.08% <sup>Note</sup>.
- As at 31 December 2020, un-utilized banking facilities amounted to RMB16.4 billion (2019 (restated): RMB14.4 billion).

Note: Mainly due to the decrease in toll revenue and the increase in procurement costs for wind turbine components and advance payment of project fees.



# Financial Analysis

## - Capital Expenditure 2

(RMB '000)	Capital Expenditure Plan			
	2021	2022	2023	Total
<b>Non-equity investments</b>	<b>3,346,348</b>	<b>1,731,462</b>	<b>440,304</b>	<b>5,518,114</b>
<i>Outer Ring Project</i>	727,086	941,577	-	<b>1,668,663</b>
<i>Coastal Phase II</i>	21,669	321,669	321,669	<b>665,007</b>
<i>Kitchen waste project of Lande Environmental</i>	656,648	88,216	8,400	<b>753,264</b>
<i>Guangming Environmental Park PPP Project</i>	230,000	380,000	98,191	<b>708,191</b>
<i>Acquisition of the office property</i>	1,601,547	-	-	<b>1,601,547</b>
<i>Reinforcement of Changsha Ring Road pavement structure</i>	109,398	-	12,044	<b>121,442</b>
<b>Equity investments</b>	<b>1,463,039</b>	<b>215,000</b>	<b>-</b>	<b>1,678,039</b>
<i>Reconstruction and expansion of Yangmao Expressway</i>	192,500	35,000	-	<b>227,500</b>
<i>Mergers &amp; acquisitions and capital increase of wind farm projects</i>	1,015,240	-	-	<b>1,015,240</b>
<i>Shengchuang Environmental Technology Industry Fund</i>	135,000	180,000	-	<b>315,000</b>
<i>Other projects</i>	120,299	-	-	<b>120,299</b>
<b>Total</b>	<b>4,809,387</b>	<b>1,946,462</b>	<b>440,304</b>	<b>7,196,153</b>

- The Board approved capital expenditures of approximately RMB2,622 million for the reconstruction and expansion of Jihe Expressway, the early stage of Shenshan Second Expressway and Outer Ring Phase III, etc. The investment and financing methods of such projects are not yet determined.

# Business Review

Business Review





# Internal and External Operating Environment

## Positive

- China achieved positive economic growth against the background of the global epidemic.
- The orderly recovery of the national economy is conducive to the general growth of the regional transportation and logistics demand via highways.
- China's highway construction has entered a stage of steady growth, and high-quality operational highway projects will become a scarce resource. A series of environmental protection policies issued by the state and government departments at all levels are beneficial to recovery and solid waste industry and the clean energy power generation industry.
- Deepening the development of state-owned enterprises reform while located in Guangdong-Hong Kong-Macau Greater Bay Area and Pilot Demonstration Area of Socialism.
- Monetary policy remained stable and increasingly flexible, market liquidity remained sufficient, resulting in a decline in the fund prices.
- The Company has drawn up the draft of its Strategic Development Plans for the 14<sup>th</sup> Five Year Plan.

## Negative

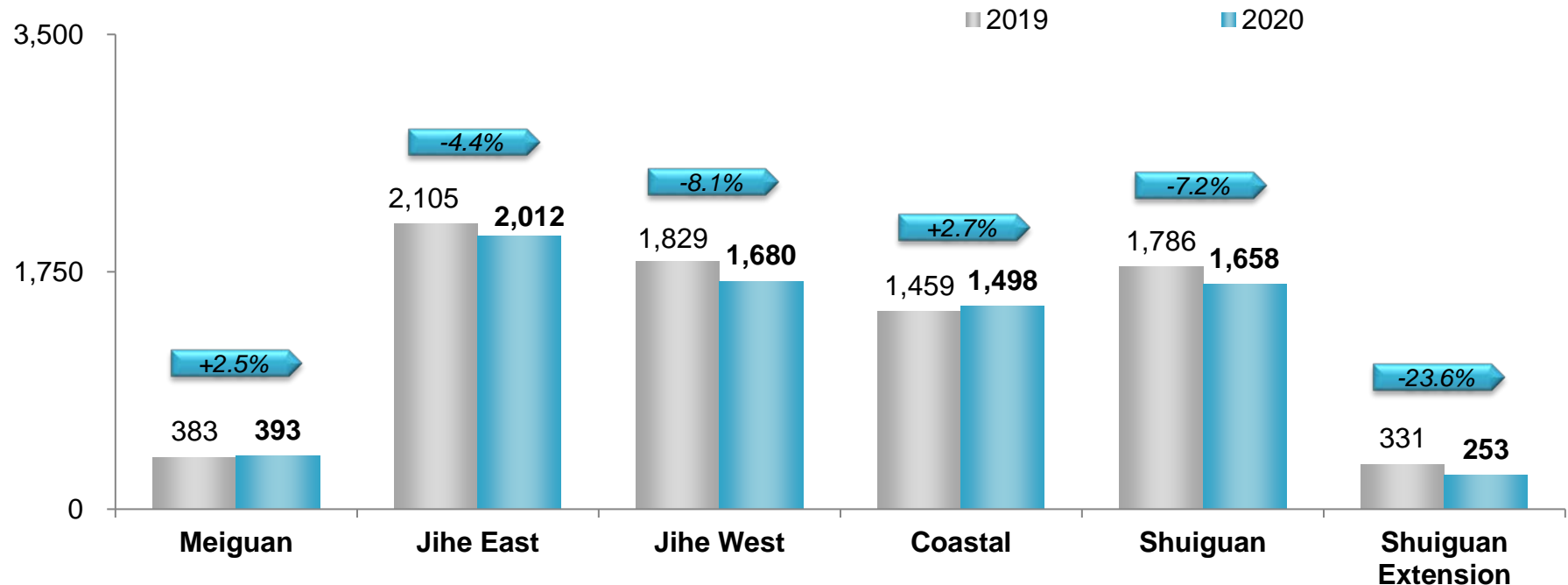
- A toll-free policy was implemented for all vehicles using toll highways during the Epidemic.
- The implementation of policies such as ETC related measures, the new standard for vehicle classification, and the cancellation of mileage tolling for hub interchange ramps in Guangdong, have had a phase-by-phase negative impact on the Company's toll revenue.



# Toll Highway - Operational Performance 1

## Average Daily Toll Revenue Shenzhen Region

(RMB '000)



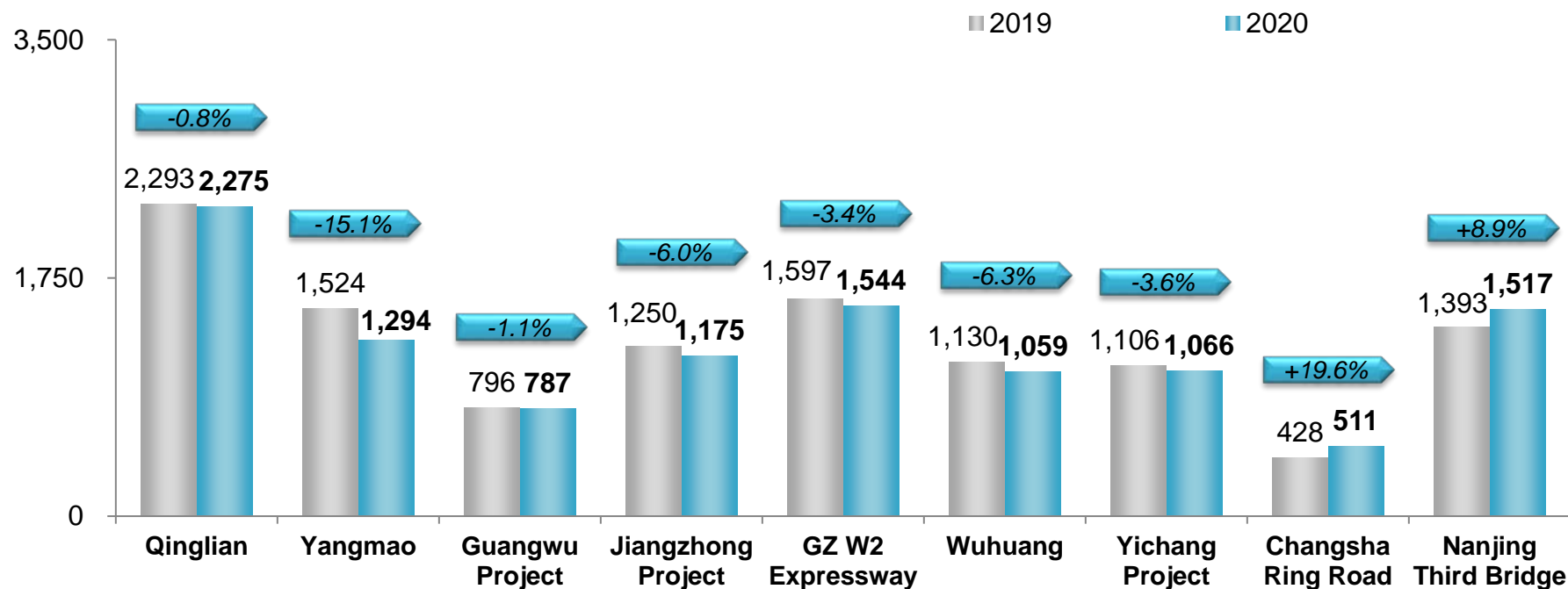
- Based on the Company's understanding and assessment on the document of the Guangdong provincial transport authorities regarding the toll-free policy during the Epidemic, the Company recognized an income for the expressway projects in Guangdong Province.
- Longda Expressway was consolidated into the financial statements of the Group on 26 November 2020, the average daily toll revenue of Longda Expressway of December 2020 were RMB525,000.
- Phase I of Outer Ring officially commenced operation on 29 December 2020.



# Toll Highway - Operational Performance 2

## Average Daily Toll Revenue Other Regions

(RMB '000)



- Based on the Company's understanding and assessment on the document of the Guangdong provincial transport authorities regarding the toll-free policy during the Epidemic, the Company recognized an income for the expressway projects in Guangdong Province.
- The Company signed a transfer agreement on 24 December 2020 in respect of 30% equity interests in Guangyun Company and 25% equity interests in Jiangzhong Company.



# Toll Highway

## - Brief Analysis of Operation

- In 2020, the overall toll revenue from toll highways operated and invested by the Group recorded a YOY decrease, mainly due to the impact of the Epidemic and the implementation of the Toll-free Policy during the Epidemic.
- During part of toll collection resumption period from 6 May to 30 June 2020, The overall traffic volume of the toll highways operated and invested by the Group has gradually resumed back to normal since 6 May 2020.
- Changes of road networks resulted positive or negative impacts on project performance:

Factor	Affected Projects
Road network improvement	📍Coastal, 📍Outer Ring (Shenzhen Section), 📍Qinglian, 📍GZ W2 Expressway, 📍Yichang, 📍Changsha Ring Road
Diversion	📍Shuiguan Extension, 📍Yangmao, 📍GZ W2 Expressway, 📍Yichang
Self-maintenance or construction	📍Yangmao
Maintenance or construction of surrounding roads	📍Yangmao, 📍Yichang, 📍Wuhuang
Policy or natural causes	📍Yangmao, 📍Jihe, 📍Shuiguan, 📍Shuiguan Extension, 📍Yichang, 📍Wuhuang
Resumption of production or operation or economic changes	📍Meiguan, 📍Jihe, 📍Coastal, 📍Qinglian, 📍Wuhuang, 📍Changsha Ring Road, 📍Nanjing Third Bridge

- The Company signed a transfer agreement in December 2020 in respect of 30% equity interests in Guangyun Company and 25% equity interests in Jiangzhong Company.





# Toll Highway - Project under Construction 1

## Outer Ring Project

- It is from Coastal Expressway in the west to the interchange of Shenshan Expressway in the east (excluding Dongguan section) with the length of approximately 60km with six-lane, of which, the length of Phase I is about 50.74km and that of Phase II is about 9.35km.
- Phase I of Outer Ring officially commenced operation on 29 December 2020. The average daily toll revenue in the first month was RMB2.33 million, which exceeded expectations.
- Outer Ring Phase II is under full construction, while the preliminary work for Outer Ring Phase III , such as the survey and design, is being carried out.



# Toll Highway

## - Project under Construction 2

### Shenzhen Section of Guangshen Coastal Expressway (Coastal Project)

- Coastal Project is a dual eight-lane expressway with a total mileage of approximately 37km. It is comprised of Coastal Phase I and Coastal Phase II. Coastal Phase I was opened to traffic on 28 December 2013. Coastal Phase II is under construction and will be opened to traffic in sections from November 2019 until 2024.
- According to the newly signed agreement, Coastal Project continues to implement the 50% discount policy for trucks passing through the Coastal Project from 1 January 2021 to 31 December 2024. Based on the actual traffic volume, the government will pay the Group a one-off compensation for the previous year in March of the following year.
- It enjoys an excellent geographical location and an economically vibrant neighborhood region. Its operational performance is undergoing a period of rapid growth.



# Toll Highway

## - Consolidation and Enhancement 1

### Reconstruction and Expansion of Jihe Expressway

- The reconstruction and expansion of Jihe Expressway was granted the approval by the Development and Reform Commission of Guangdong Province in the end of 2020 and the feasibility plan of the project was reviewed and approved by the Ministry of Transportation. According to the current plan, the reconstruction and expansion of Jihe Expressway will be carried out in accordance with the double-decker composite channel scheme (8+8 lanes), using prefabricated industrial construction methods. The model of investment and financing of the Jihe Expressway reconstruction and expansion project is still under negotiation, and the construction period is expected to be about 5 years.

### Shenshan Second Expressway

- According to the current plan, Shenshan Second Expressway is planned to be constructed with four lanes in each direction and will be completed in two separate phases, including the Shenzhen section branch line of Outer Ring Expressway (Daya Bay - Pingshan) with a construction length of approximately 15.28km, on which the Company is conducting preliminary research; and the Huidong branch line of Western Shenshan Expressway (Shenshan Special Cooperation Zone - Huidong County) with a construction length of approximately 25.24km to be constructed in the far future. The above branch lines will be connected by the existing Huishen Coastal Expressway with a length of approximately 31.7km.

### Reconstruction and Expansion of Yangmao Expressway

- Yangmao Expressway started the four-to-eight-lane reconstruction and expansion construction in mid-2018 with a total approved estimated budget of RMB8 billion (of which Shenzhen Expressway contributes RMB700 million according to its proportion of shares). As at the end of 2020, approximately 46% of the reconstruction and expansion of Yangmao Expressway has been completed. It is scheduled to be completed in 2022.



# Toll Highway

## - Consolidation and Enhancement 2

### Longda Expressway

- The Company completed the acquisition of 89.93% equity interests in Longda Company (owner of Longda Expressway) at the consideration of approximately RMB400 million on 1 December 2020. Longda Expressway is a dual six-lane expressway with a toll section of approximately 4.426km (north of Songgang - Guanfo Expressway).
- The acquisition will help the Company to improve its future profitability and cash flow, and strengthen the Company's core advantages in the investment, management and operation of toll highways.

### Jiangzhong Project & Guangwu Project

- Considering the investment costs and capital returns of the reconstruction and expansion of Jiangzhong Project and Guangwu Project, and combined with the Company's development strategy, the Company transferred 25% equity interests in Jiangzhong Company and 30% equity interests in Guangyun Company to Guangdong Xinyue Communications Investment Company Limited at a transaction price of approximately RMB520 million.
- The Company's withdrawal from highway investment projects with minority share can help to improve the existing asset structure of its highway business and reduce capital expenditure, thereby recovering a certain amount of capital to focus on the investment and development of quality projects with controlling share.



# Toll Highway

## - Consolidation and Enhancement 3

### Engineering Development Company

- In May 2020, Operation Development Company, a wholly-owned subsidiary of the Group, acquired 60% of the equity interest in Guangdong Boyuan Construction Engineering Co., Ltd. at a consideration of RMB6.99 million. It was renamed as Shenzhen Expressway Engineering Development Co., Ltd. (“Engineering Development Company”) in September 2020.
- Engineering Development Company possesses a grade two general contractor qualification for road construction. It also has leading professional and technological advantages and extensive experience in operation management in the field of highway maintenance. The acquisition will help the Group to expand its businesses relating to the upstream and downstream industrial chains such as highway and municipal road maintenance and construction, acquire more types of construction projects in Shenzhen and other areas, and thus developing its core competitiveness in the segments of comprehensive highway management and maintenance

### Architecture Technology Company

- In November 2020, Construction Company, a wholly-owned subsidiary of the Group, has set up a joint venture called Shenzhen Expressway Architecture Technology Development Company Limited (“Architecture Technology Company”) with China Power Construction South Investment Co., Ltd. and China Railway 23<sup>rd</sup> Bureau Group Co., Ltd.. The registered capital of Architecture Technology Company is RMB40,000,000. Among them, Construction Company holds 51% of the equity interest, while the other two parties each hold 24.5% of the equity interest.
- Prefabricated construction is in line with the future development trend of the traffic construction sector. Leveraging the equipment and technological advantages of the cooperating parties, Architecture Technology Company will build a production base for prefabricated construction parts. Coupled with the construction requirements of the reconstruction and expansion of Jihe Expressway, it will generate synergies with the Group’s toll highway business, which will be beneficial to enhancing the core advantages of the Group’s main businesses.



# General Environmental Protection

## - Recovery and Solid Waste Management 1

### Lande Environmental

- Environmental Company, a wholly-owned subsidiary of the Group, at the price of RMB5.06 per share, has acquired and subscribed for a total of 158 million shares (including the acquisition of 72,734,600 shares and the subscription of 85 million new shares ) in Lande Environmental, representing a shareholding ratio of approximately 67.14%. Lande Environmental has been included into the consolidated financial statements of the Group since 20 January 2020 and is now renamed as Shenzhen Expressway Lande Environmental Technology Group Holdings Co., Ltd..
- Lande Environmental is currently an important enterprise in the field of comprehensive treatment, construction and operation of organic waste in the PRC. It possesses the capabilities of technology research and development, equipment manufacturing, integration and sales, investment and construction, operation and maintenance throughout the industry chain. As of the end of December 2020, it has a total of 17 organic waste treatment projects under BOT/PPP model, most of which are located in cities with better economic development, have relatively long concession period, and are able to generate relatively stable returns.
- Affected by the epidemic, the operating income of the waste treatment business of Lande Environmental recorded a slight YOY increase. Its EPC construction business recorded a significant YOY growth and its manufacturing and sales and other businesses also recorded growth in 2020.
- The Group increased its research and development investment in Lande Environmental. Lande Environmental obtained nine new patents in 2020 and Lande Environmental Technological Research Institute was set up in December 2020 upon approval.



# General Environmental Protection - Recovery and Solid Waste Management 2

## Guangming Environmental Park

- The Company won the bid for the Guangming Environmental Park Project on February 2021 through an open tender.
- Guangming Environmental Park Project is located in Guangming District, Shenzhen. The project will be developed into a treatment plant with a processing capacity of 1,000 tons/day for kitchen waste, bulky garbage (abandoned furniture) and greening garbage. The project shall be implemented under the BOT model. The proposed concession period of the project is 10 years. The concession can be extended for 5 years with the approval of the district government. The static total investment of the project is estimated to be approximately RMB708 million.





# General Environmental Protection - Recovery and Solid Waste Management 3

## Qiantai Company

- Infrastructure and Environmental Protection Company, a wholly-owned subsidiary of the Group, acquired 50% of equity interests in Qiantai Company with a total capital contribution of RMB225 million by way of capital increase and transfer. Qiantai Company has been included in the consolidated financial statements of the Group since 16 December 2020.
- Qiantai Company possesses qualification for dismantling and recycling of new energy vehicles and is principally engaged in electric-vehicle battery recycling business and vehicle scrapping business. Owning over 10 independent intellectual property rights related to key technologies of electric-vehicle battery recycling and dismantling and recycling of new energy vehicles, Qiantai Company possesses relatively strong integrated strength in the field of scrapping new energy vehicles and electric-vehicle battery technologies as well as in the upstream and downstream markets. It has obtained two new technological patents in 2020.
- With the acquisition of controlling interests in Qiantai Company, the Group will be able to capture the opportunities in emerging market development by promptly entering the sector of dismantling and recycling of new energy vehicles, treatment of solid and hazardous waste from electric-vehicle batteries and post-market recycling and application.



# General Environmental Protection

## - Recovery and Solid Waste Management 4

### Others

- The Group will demonstrate the regional advantages and resources advantages of the Company. It will gradually establish a comprehensive service system integrating cleaning and treatment of household waste. On this basis, the Group will also expand into the upstream and downstream industrial chain.
- The Group also proactively conducted site visits and negotiations in respect of research and investment projects regarding treatment of industrial hazardous waste and sewage in the field of industrial environmental protection. In conjunction with the regional expansion strategy, the Group will participate in comprehensive urban development and construction and seek opportunities in strategically expanding into the area of construction and operation of environmental protection projects such as municipal sanitation integration and treatment of industrial solid waste.



# General Environmental Protection

## - Clean Energy 1

### Nanjing Wind Power

- Nanjing Wind Power performed the delivery plan on schedule and achieved its annual performance targets by improving the coordination and management of the supply chain, optimizing the production process constantly, promoting the development and unleashing of production capacity of production bases.
- Nanjing Wind Power focuses on the long-term deployment layout and actively developed projects in reserve to make preparation in advance for business development in the future.

### Baotou Nanfeng

- The Group entered into an agreement to acquire the remaining 33% of equity interests in Baotou Nanfeng at the price of RMB0.33 on 1 March 2021. After the acquisition, the Company will hold 100% of equity interest in Baotou Nanfeng in total.
- With the increasing demand of power supply in Mengxi Region and stable local policies on wind power, Baotou Nanfeng recorded an aggregate on-grid power supply of 644,131MWh in 2020, representing an increase of 11.35% as compared to the same period of the previous year.
- The five wind farm subsidiaries of Baotou Nanfeng have been included in the authorized list of the first batch of projects in the region entitled to subsidies for renewable energy power generation and the first subsidy fund has already been received in 2020.

### New Energy Company

- In August 2020, the Group established a wholly-owned subsidiary named Shenzhen Expressway New Energy Holdings Co., Ltd (“New Energy Company”) with a registered capital of RMB1.4 billion, as the Group's investment, financing and management platform for the development of new energy industry with wind power as core and photovoltaic and energy storage as ancillary.



# General Environmental Protection - Clean Energy 2

## Mulei Wind Power Project

- Guangdong New Energy Company, a wholly-owned subsidiary of New Energy Company, invested a total amount of approximately RMB450 million to acquire 100% equity interest in the wind power projects named Qianzhi and Qianhui in Mulei.
- The wind power projects in Mulei are located in Changji Hui Autonomous Prefecture, Xinjiang Uygur Autonomous Region with 133 wind turbines. The aggregated actual installed capacity of Qianzhi Project and Qianhui Project is 249.5 MW. Connection of power networks were completed and power generation started in the end of 2020. The approved feed-in tariff is RMB0.49/kWh.
- The wind power projects in Mulei possesses abundant wind resources with a relatively high value for wind power development. It is also a project of ultra high voltage in Zhundong - Southern Anhui region with promising power consumption. The acquisition of the wind power projects in Mulei will expand the scale of the Group's clean energy business, thereby generating sound investment returns and thus further consolidating the core capabilities and position of the Group in the wind power industry.



# General Environmental Protection

## - Water Environmental Remediation and Others

### Derun Environment

- In 2017, Environmental Company, a wholly-owned subsidiary of the Group, acquired 20% equity interests in Derun Environment. Derun Environment is a comprehensive environmental enterprise with majority owned subsidiaries including Chongqing Water and Sanfeng Environment, etc., and with major business segments including water supply and sewage treatment, waste incineration power generation and environmental restoration, etc.
- On 5 June 2020, Sanfeng Environment (601827) was officially listed on SSE.

### Water Planning Company

- The Group holds 15% equity interests in Water Planning Company. In 2020, Water Planning Company had abundant orders and the accumulated value of newly signed contracts completed during the year was nearly RMB1.5 billion, representing an increase of approximately 14% as compared to the same period of the previous year and a continuous growth of market share. Water Planning Company has been granted the approval for offering and listing on the ChiNext Market of the Shenzhen Stock Exchange in January 2021.



# Other Infrastructure

## - Development and Management of Land 1

### Projects in Longli Guizhou

- Relying on BT Projects of Guilong Road and Duohua Bridge, from 2012 up to the Reporting Date, the Group has successfully won the bids for parcels of land in Longli, Guizhou with an area of approximately 3,037 mu (approximately 2.02 million square meters), including approximately 2,770 mu of Guilong Project land with a transaction amount of approximately RMB960 million, and approximately 268 mu of Duohua Bridge Project land with a transaction amount of approximately RMB147 million.

#### Guilong Project

- The interests in approximately 1,610 mu (approximately 1.073 million square meters) have been transferred in batches from 2016 to 2019, with a total transaction amount of approximately RMB 897 million.
- 1,075 mu (approximately 717,000 square meters) has been conducted secondary self-development as Shenzhen Expressway Interlaken Town:
  - Phase I (approximately 247 mu, equivalent to 164,000 square meters) has been developed. A total of 313 sets of villas have been delivered and the revenue of RMB679 million has been recognized.
  - Phase II (approximately 398 mu, equivalent to 265,000 square meters) is under development. Among which, Stage I launched 238 sets of villas, all of which have been fully delivered for use, and payments have been received. Stage II launched 95 sets of commercial supporting property, of which 57 sets have been contracted for sale and delivered for use, and payments have been received.
  - Phase III (approximately 485 mu, equivalent to 323,000 square meters) is under development. Among which, Stage I launched 271 sets of villas, of which 228 have been contracted for sale and payments have been received. As at the end of 2020, 132 sets of houses have been delivered. Stage II would launch 244 sets of commercial supporting property and is expected to be completed by the end of 2021. Stage III would launch over 1,200 sets of houses, of which 12 sets have been contracted for sale and payments have been received. It is expected to be completed in mid-2022.
- The remaining land is under planning.

#### Duohua Bridge Project

- Duohua Bridge Project is a BT project with a total length of about 2.2km. The major construction work of the project is the construction of Duohua Bridge. The total investment amount of the project is approximately RMB900 million and the construction period of the project is expected to be approximately 3 years. As at the end of 2020, approximately 65% of the physical work of the project have been completed.



# Other Infrastructure

## - Development and Management of Land 2

### Meilin Checkpoint Renewal Project

- The land area of the land parcels is approximately 96,000 square meters and the land is for residential and commercial purposes with building area capacity of no more than 486,400 square meters (including public affiliated facilities, etc.). The land price of the project land parcel is about RMB13,000.00 per square meter.
- The project was determined to adopt the “entrusted development” model. The equity interests of XTC Company (a wholly-owned subsidiary of Shenzhen International), Shenzhen Expressway and Vanke are 35.7%, 34.3% and 30%, respectively.
- The Meilin Checkpoint Renewal Project will be developed in three phases. Phase I comprises residential units with a saleable area of approximately 75,000 square meters and affordable housing with an area of approximately 42,000 square meters; Phase II comprises residential units with a saleable area of approximately 68,000 square meters Phase III will comprise residential units with an estimated saleable area of approximately 63,000 square meters and a complex building of office and business apartment with an area of approximately 190,000 square meters. In addition, the project has reserved approximately 34,500 square meters as commercial supporting property in its overall planning.
- As at the end of 2020, 832 sets of houses of Phase I Hefengxuan have all been sold and paid back with a confirmed profit of about RMB377 million in 2019; 683 sets of houses of Phase II Heyaxuan have all been sold and basically paid back with a confirmed profit of about RMB396 million in 2020; the acquisition rate of 630 sets of houses of Phase III Hesongyuan reached 88%.



# Other Infrastructure - Entrusted Management & Others

## Entrusted Management

- Entrusted construction management projects: Outer Ring Project, Cargo Organization Adjustment Project, Longhua Municipal Section Project, Shenshan Environmental Park Project, Duohua Bridge Project and Bimeng Project, etc.
  - Entrusted operation management projects: Longda Expressway, the Four Expressways (Nanguang Expressway, Yanba Expressway, and Longda Expressway ), etc.
- 

## Others

- One Apartment, etc.





## Bank of Guizhou

- The Group held a total of around 502 million shares in Bank of Guizhou, which accounted for approximately 3.44% of its total share capital.
  - Bank of Guizhou has a sound cash dividend capability and huge room for development. It was listed on the HKEx on 30 December 2019.
- 

## Financial Leasing Company

- The Group acquired 48% equity interests in Financial Leasing Company held by SZ International at the consideration of RMB152 million (including debt obligations of RMB129 million). Financial Leasing Company has been consolidated into the financial statements of the Group since 15 April 2020.
- The principal businesses of Financial Leasing Company comprise financial leasing services and commercial factoring business. The acquisition of Financial Leasing Company enables the Group to give full play to its financing advantages, and helps to provide financial leasing services to fulfill the capital demand from the principal businesses and both the upstream and downstream of the industry chain of the Group. It is an important way for the Group to achieve “industrial-financial integration” and its business synergy strategy, which will help to enhance the overall value of the Group.
- As at the end of 2020, Financial Leasing Company has invested an amount of approximately RMB539 million in the business of industrial-financial integration.



## Fund Management Company

- Established in December 2017 as the Group's channel for expanding the financing models in the transport infrastructure industry and environmental protection industries and a platform for incubating the projects.
- In order to effectively consolidate its resources, expand the fund-raising channels and establish a market-oriented talent management system, two strategic investors, namely Shanghai Zezhen Investment Management Co., Ltd. and Shenzhen Kangrui Dibo Investment Co., Ltd., were introduced in September 2020. The Group has a shareholding of 51%, while the two strategic investors have a shareholding of 49% in aggregate.

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## Environmental Technology Industry M&A Fund

- On 14 April 2020, six parties, including the Company and Shengchuang Investment, jointly invested in the establishment of Environmental Technology Industry M&A Fund. Its total capital contribution is RMB1 billion, of which, the Company contributes an amount of RMB450 million.
- It focuses on four types of operational projects, comprising treatment of industrial hazardous waste, treatment of solid waste, treatment of sewage and the new energy of wind power.
- It has carried out investment research on a number of projects. In June 2020, its partners completed the first tranche of capital contribution totaling RMB300 million, among which, the Company contributed an amount of RMB135 million.



## State-owned Assets Collaborative Development Fund

- On 17 August 2020, eight parties, including the Company and Shenzhen Kunpeng Zhanyi Equity Investment Management Co., Ltd., jointly established State-owned Assets Collaborative Development Fund with a target raising scale of RMB4.01 billion, of which the Company contributes an amount of RMB300 million, accounting for 7.48% of the total contribution.
  - It focuses on areas of utilities including environmental protection, new energy and infrastructure, as well as financial and strategic emerging industries, which will generate synergies with the industrial development of Shenzhen Expressway.
- 

## Vanho Securities

- The Company invested an amount of approximately RMB950 million for subscription of approximately 8.68% of the enlarged equity interest in Vanho Securities.
- Vanho Securities is a comprehensive securities firm with full license controlled by the Shenzhen SASAC. Its principal business has been developing steadily.
- The Company's participation in the capital increase and share subscription project of Vanho Securities can, on one hand, allow the Company to share the development results in the PRC capital market and obtain certain investment income; while on the other, allow the Company to cooperate with State-owned enterprises in Shenzhen, share high-quality project resources and enhance the Company's industry-finance integration business.



## Advertising Company

- The Group is engaged in the businesses of billboard leasing, advertising agency, design production and related businesses alongside the toll highways and at the toll stations through its wholly-owned subsidiary, Advertising Company.
- 

## Consulting Company

- Consulting Company, held as to 24% by the Company, is a professional engineering consulting company with independent legal status. Its business scope covers pre-consultation, survey and design, tendering agency, cost consulting, engineering supervision, engineering experiment and testing, maintenance consulting, etc., with the qualification and capability of providing consulting services to the whole process of investment and construction of engineering project.
- 

## Guangdong UETC

- Guangdong UETC, held as to 9.18% by the Company, is principally engaged in electronic clearing business of the toll highways in Guangdong Province, including investment, management and services of electronic toll and clearing systems, and the sales of related products.

# Outlook and Plans

Outlook and Plans





# Operating Environment & Conditions in 2021

## External Environment

- The "14<sup>th</sup> Five-Year" plan formulated by the state and Shenzhen has created huge room for the Company's development, such as improvement of the comprehensive transport networks, acceleration of the connection between urban clusters and rail transit network in the metropolitan circle, significant results in green transformation of production and lifestyle and more reasonable allocation of energy and resources, etc.
- A series of policies have brought historic opportunities for state-owned enterprise reform and regional development.

## Industry Level

- China's expressway industry will turn from the incremental era to an era of stable development. It is expected that the existing toll highways will maintain relatively stable and reasonable investment returns as a whole, while new construction projects may face challenges such as rising costs and longer period of development.
- The state's policies of encouraging environmental protection and new energy industries have been promulgated continuously. The development trend of environmental protection and new energy industries has been consistently positive for a long time. Organic waste, industrial hazardous waste, clean energy and other fields will usher in a new round of development opportunities, but the market competition will become more intense.

## Company Level

- The Company's strategic transformation has achieved results, and the dual-wheel driving pattern of the toll road + general environmental protection has basically been established.
- The Company has drawn up the draft of its Strategic Development Plans for the 14<sup>th</sup> Five-Year Plan.



# Strategic Development Plans for the 14<sup>th</sup> Five-Year Plan

The Company will continue its mission to establish quality infrastructure and provide better city life experience. The Company will seize the opportunities of this era arising from the Guangdong-Hong Kong-Macau Greater Bay Area and Shenzhen's construction of Pilot Demonstration Area of Socialism with Chinese characteristics by pursuing a market-oriented and innovation-driven strategy featuring “innovation, intelligence, environmental protection and high efficiency”, with a view to consolidating and enhancing the advantages of the toll highway industry, and actively expanding the comprehensive clean energy industry featuring environmental protection, and thereby building an intelligent Shenzhen Expressway and facilitating quality sustainable development of the Company, so as to provide cities with sustainable solutions of sustainable development, and become a first-class construction and operation service provider for transportation and environmental protection infrastructure.



# Objectives & Priorities for 2021 - 1

## Operating Targets

- A total revenue target for 2021 of exceeding RMB10 billion, with the total of operating costs, management expenses and selling expenses (excluding depreciation and amortization) of approximately RMB4.5 billion.
- It is expected that the average borrowing scale and the financial cost of the Group will increase on a YOY basis.

## Toll Highway Business

- Continue to optimize the operation management system under the ETC model.
- Increase the overall profit of projects in operation.
- Promote the research and negotiation on financing plans for the reconstruction and expansion of Jihe Expressway.
- Promote the construction management of projects under construction and the preliminary work of the proposed projects.
- Increase the application of information technology.

## Environmental Protection Business

- Focus on recovery and solid waste and the clean energy sector.
- Promote construction of the existing projects and acquisition of new projects, increase the market share and influence of the Group in the sub-sectors of organic waste treatment and scrap vehicle dismantling.
- Seek for appropriate investment opportunities of the clean energy industry chain, enhance the management and carrying out works in relation to resource integration of existing wind power projects to secure proper completion of production missions.
- Make full use of the financial instruments and financial resources provided by fund management platforms within the Group and Financial Leasing Company to actively explore the development of industry-finance integration.





# Objectives & Priorities for 2021 - 2

## Financial Management

- Strengthen the Group's classification management and financial management on the invested companies, and optimize the authorization management system based on the characteristics of different invested enterprises.
- Strengthen capital planning and management, implement budget and medium and long term forecast management, and coordinate on financial resources.
- Closely monitor the changes in monetary policies and the financing environment, analyze different types of financial instruments, and actively explore new financing channels to enrich the capital source of the Company.
- Maintain sound fund management and financing to reduce financing costs and ensure financial safety.

## Corporate Governance

- Capitalize on the comprehensive reform of state-owned enterprises and actively innovate on new mechanisms.
- Adhere to the principles of good corporate governance and further improve corporate governance and other management systems.
- Further improve the transparency of the Company and optimize the multi-level incentive and restraint system.

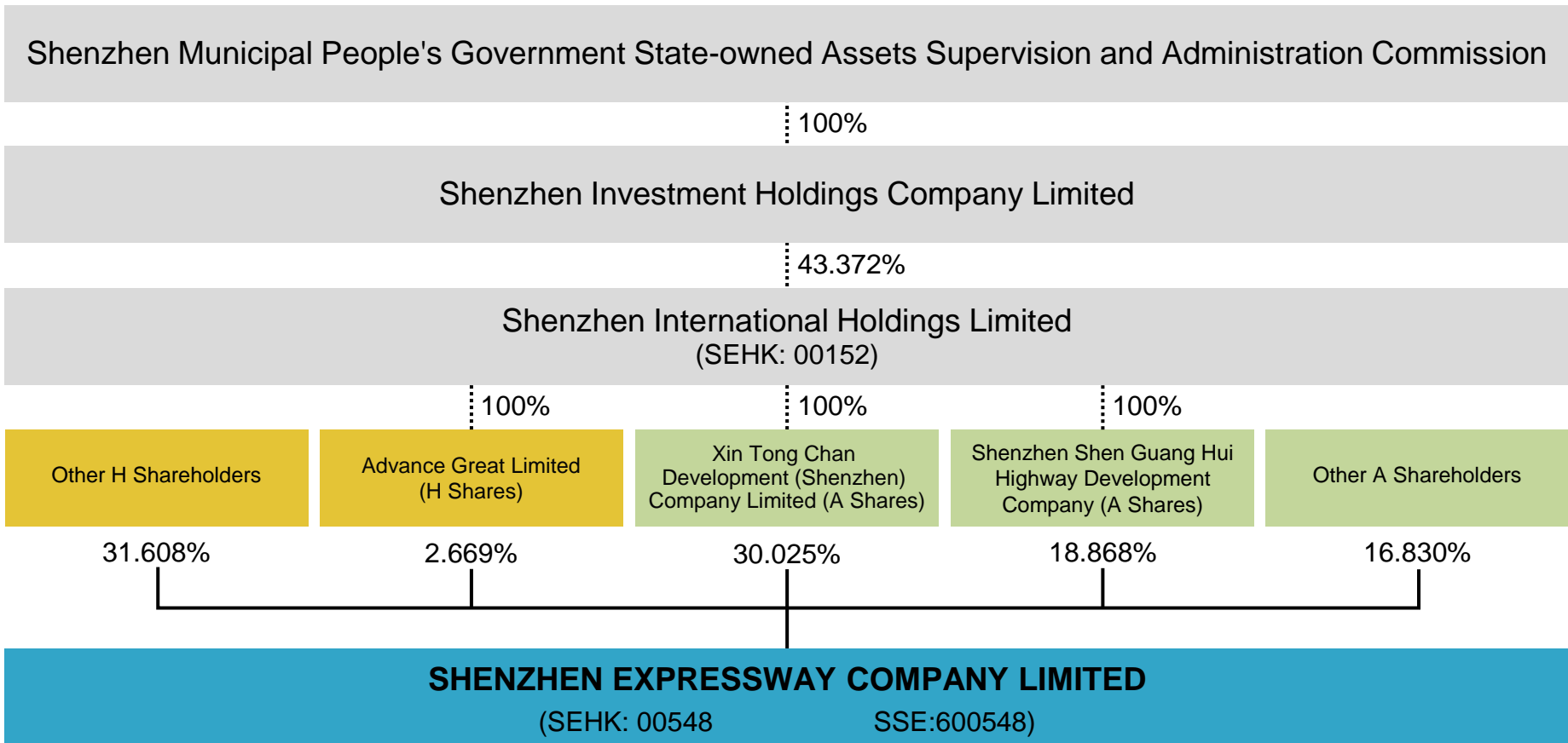
# Appendix

Appendix





# Shareholding Structure



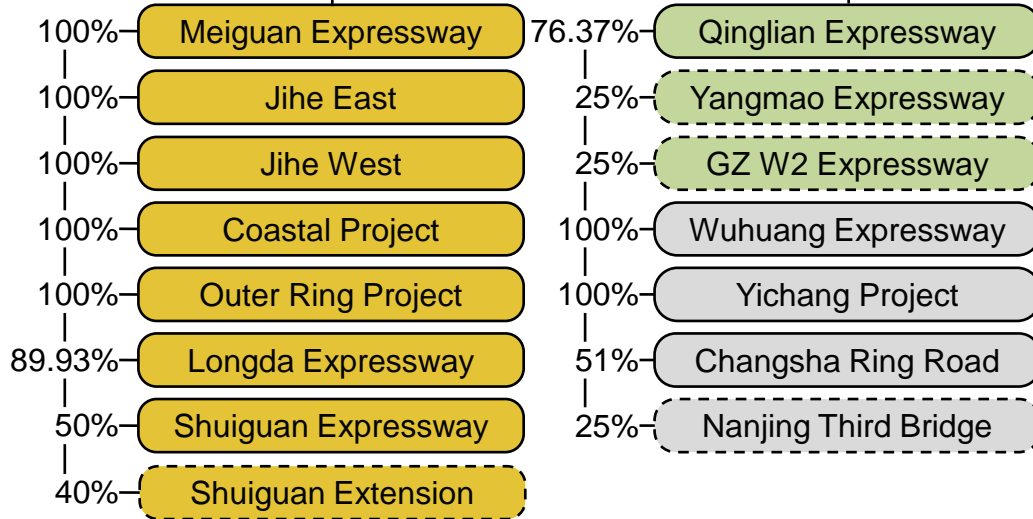
The total share capital of the Company is 2,180,770,326, of which H shares are 747,500,000, accounting for 34.28% and domestic shares are 1,433,270,326, accounting for 65.72%.



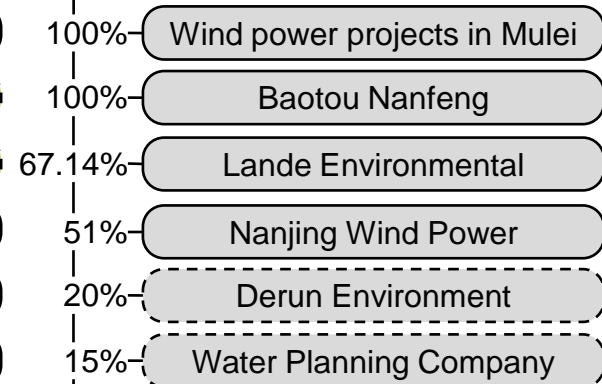
# Business Structure

## Shenzhen Expressway Company Limited

### Toll Highway Business



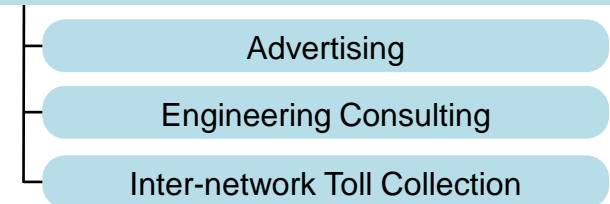
### Environmental Business



### Entrusted Management and Other Infrastructure Development

### Financial Business

### Other Businesses



Icon: Shenzhen region in Guangdong Province Other regions in Guangdong Province Other provinces in the PRC

  Consolidated project

  Non consolidated project



# Toll Highway Projects Summary

Toll Highway	Interest Held by the Company	Location	Toll Mileage (km)	No. of Lanes	Status
Meiguan Expressway	100%	Shenzhen	5.4	8	Under operation
Jihe East	100%	Shenzhen	23.7	6	Under operation
Jihe West	100%	Shenzhen	21.8	6	Under operation
Shuiguan Expressway	50%	Shenzhen	20.0	10	Under operation
Shuiguan Extension	40%	Shenzhen	6.3	6	Under operation
Coastal Project	100%	Shenzhen	36.6	8	Phase I: Under operation Phase II: Under construction
Outer Ring Project	100%	Shenzhen	60.0	6	Phase I: Under operation Phase II: Under construction
Longda Expressway <sup>Note</sup>	89.93%	Shenzhen	4.426	6	Under operation
Yangmao Expressway	25%	Guangdong	79.8	4	Under operation
GZ W2 Expressway	25%	Guangdong	40.2	6	Under operation
Qinglian Expressway	76.37%	Guangdong	216.0	4	Under operation
Wuhuang Expressway	100%	Hubei	70.3	4	Under operation
Yichang Expressway	100%	Hunan	73.1	4	Under operation
Changsha Ring Road	51%	Hunan	34.7	4	Under operation
Nanjing Third Bridge	25%	Jiangsu	15.6	6	Under operation

Note: The Company completed the acquisition of 89.93% equity interest in Longda Expressway on 1 December 2020.



# Environmental Projection Projects Summary

Environmental Projection Project	Interest Held by the Company	Project Location	Capacity / Business Characteristics	Consolidation / Acquisition Time
Lande Environmental	67.14%	Nationwide	Designed treatment capacities of kitchen waste: 4,000-5,000 tons/day	January 2020
Guangming Environmental Park	-	Shenzhen	Treatment capacities of kitchen waste: 1,000 tons/day Treatment capacities of large pieces waste (wasted furniture): 100 tons/day Treatment capacities of greening waste: 100 tons/day	February 2021 (winning bid)
Qiantai Company	50%	Shenzhen	Owning over 10 independent intellectual property rights related to key technologies of electric-vehicle battery recycling and scrapping new energy vehicles	December 2020
Nanjing Wind Power	51%	Nationwide	Specializing in renewable and new energy wind power generation business, and possessing the technological capacity to self-develop and producing large scale wind power generating units, as well as the experience and ability to develop, construct, operate and manage wind farms	April 2019
Baotou Nanfeng	100%	Baotou	Total installed capacity: 247.5 MW	September 2019
Mulei Wind Power Project (Qianzhi, Qianhui)	100%	Changji Hui Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Aggregated actual installed capacity: 249.5MW	January 2021 (signing)
Derun Environment	20%	Chongqing / Nationwide	A comprehensive environmental enterprise with majority owned subsidiaries including Chongqing Water and Sanfeng Environment, etc., and with major business segments including water supply and sewage treatment, waste incineration power generation and environmental restoration, etc.	May 2017 (signing)
Water Planning Company	15%	Shenzhen	A comprehensive survey and design organization for integrated water planning, and possessing a number of A-grade qualifications in areas such as water conservancy industry, municipal water supply and drainage, comprehensive engineering survey and other types of surveying etc.	July 2017 (signing)



# Average Daily Toll Revenue for Five Years

(RMB '000)	2016	2017	2018	2019	2020
<b>Shenzhen region in Guangdong Province</b>					
Meiguan Expressway	311.3	336.3	350.9	382.9	392.6
Jihe East	1,767.1	1,962.0	2,076.4	2,104.8	2,012.0
Jihe West	1,641.7	1,729.4	1,794.4	1,829.5	1,680.4
Shuiguan Expressway	1,692.9	1,762.8	1,738.1	1,786.4	1,658.5
Shuiguan Extension	299.5	314.3	328.6	331.0	252.8
Coastal Project <sup>Note 1</sup>	N/A	1,093.1	1,273.5	1,459.1	1,498.4
<b>Other regions in Guangdong Province</b>					
Qinglian Expressway	1,834.9	2,016.5	2,084.1	2,293.2	2,274.5
Yangmao Expressway	1,800.3	1,819.5	1,770.5	1,524.0	1,293.6
Guangwu Project	1,024.8	832.1	868.6	796.1	786.9
Jiangzhong Project	1,132.6	1,249.3	1,312.9	1,249.5	1,174.6
GZ W2 Expressway	1,073.8	1,343.2	1,653.2	1,597.1	1,543.5
<b>Other provinces in the PRC</b>					
Wuhuang Expressway	939.0	1,004.9	1,055.5	1,130.2	1,059.5
Changsha Ring Road	311.9	373.4	394.6	427.8	511.5
Nanjing Third Bridge	1,097.8	1,269.7	1,341.4	1,393.2	1,516.9
Yichang Expressway <sup>Note 2</sup>	-	1,157.3	1,119.1	1,105.5	1,065.8

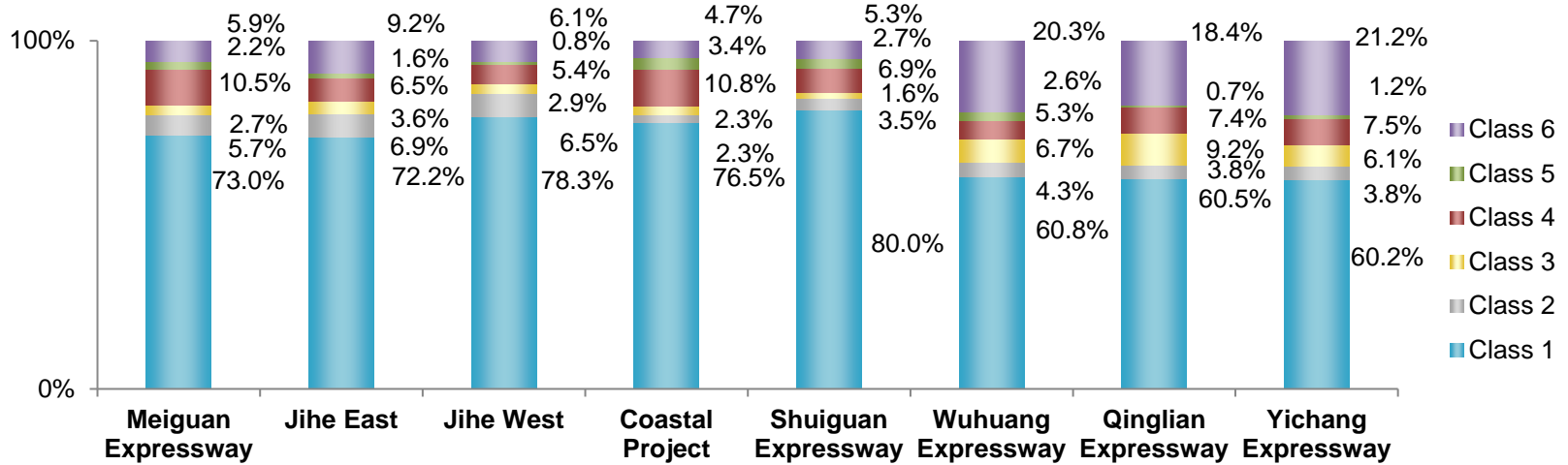
Note 1: As the Company completed the acquisition of 100% equity interests in Coastal Company in February 2018, Coastal Company has been consolidated into the Group's financial statements since 8 February 2018.

Note2: As the Company completed the acquisition of 100% equity interests in Yichang Company in June 2017, Yichang Company has been consolidated into the Group's financial statements since 15 June 2017.

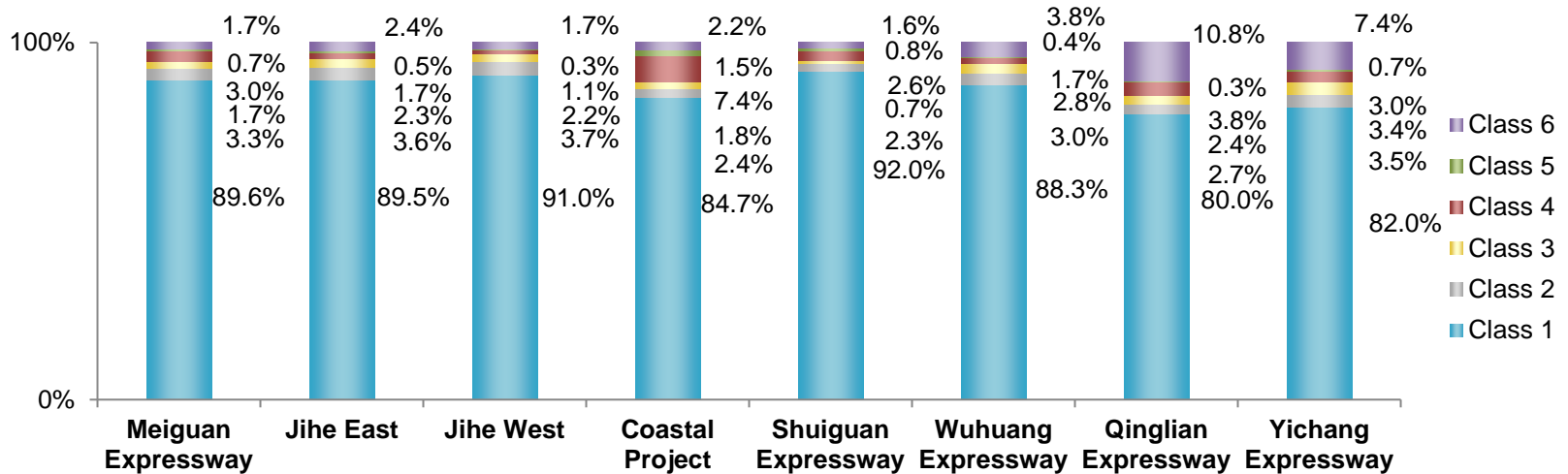


# Vehicle Category of Major Highways in 2020

## By revenue



## By traffic volume

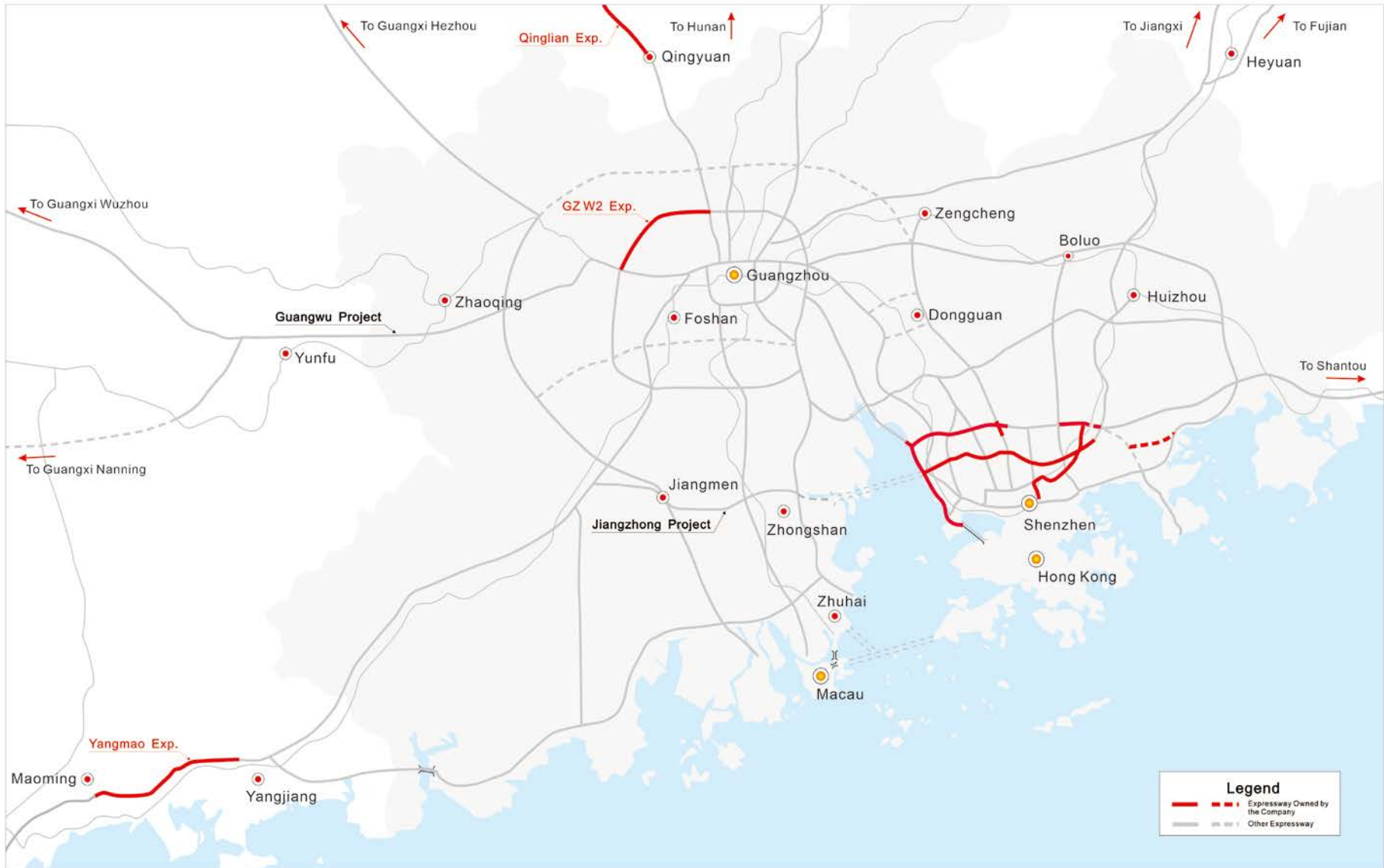




# Road Network of Shenzhen



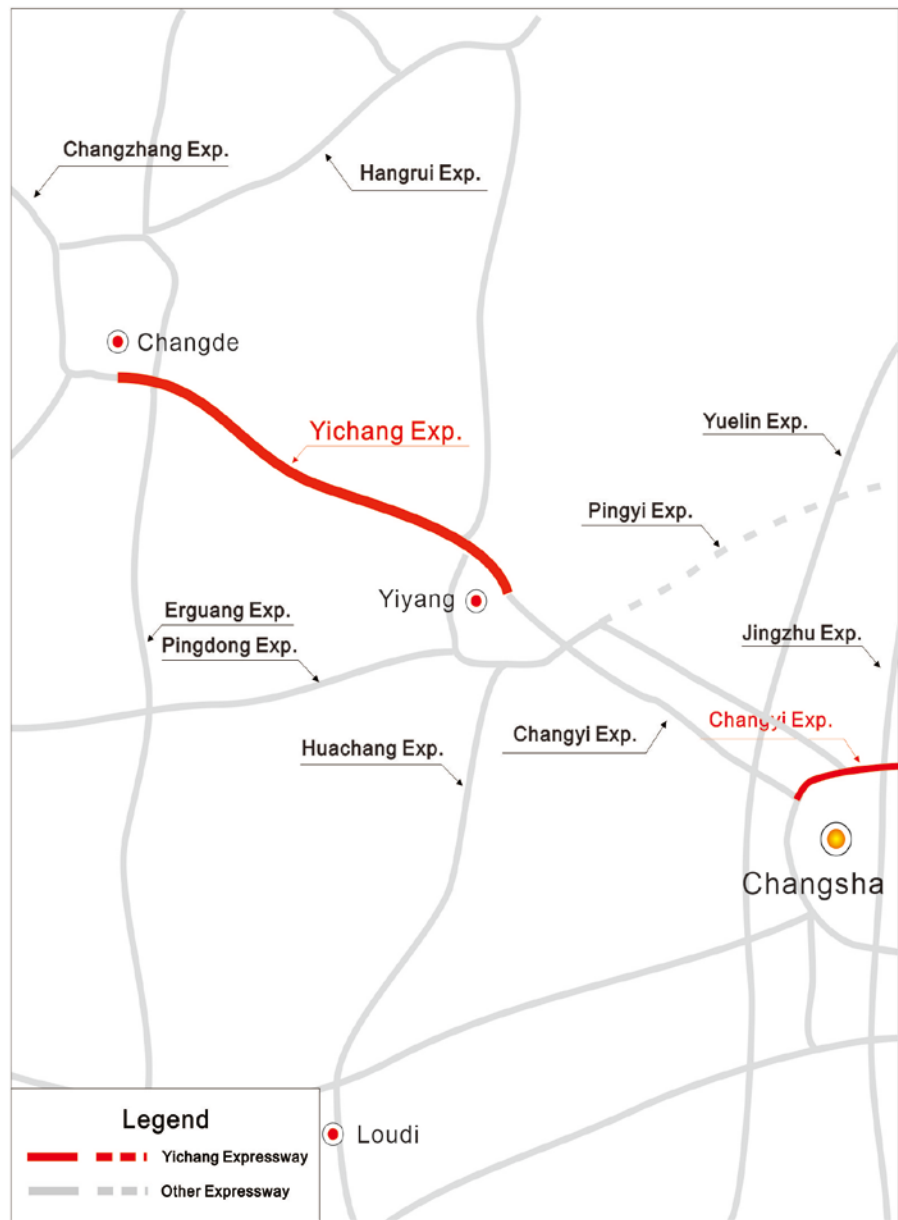
# Road Network of Pearl River Delta



# Road Network of Qinglian Expressway



# Road Network of Yichang Expressway



## Road Network of Wuhuang Expressway



## Road Network of Nanjing Third Bridge



## Road Network of Changsha Ring Road



## Company Declaration

All information presented here is publicly available and for the purpose of understanding the operation and development planning of the Company. The Company might adjust the contents without pre-notice in any forms. Besides, investors should note that the data presented in this document does not constitute an invitation to trade the Company's stock and does not guarantee the performance of the stock in the future.

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