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安徽皖通高速公路股份有限公司

ANHUI EXPRESSWAY COMPANY LIMITED

(incorporated in the People's Republic of China with limited liability as a joint stock company)

(Stock Code: 995)

2021 FIRST QUARTERLY REPORT

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and Rules 13.09(2) (a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The first quarterly report of 2021 (the “**2021 First Quarterly Report**”) of Anhui Expressway Company Limited (the “**Company**”) and its subsidiaries (together with the Company, the “**Group**”) will be published on 29 April 2021 in designated newspapers circulated in the People's Republic of China (the “**PRC**”) in accordance with the applicable rules of the Shanghai Stock Exchange of the PRC (on which the Company's A shares are listed).

Attached is the 2021 First Quarterly Report of the Company to be published. The financial information of the Group for the three months ended 31 March 2021 (the “**reporting period**”) set out in the 2021 First Quarterly Report has been prepared in accordance with the applicable PRC Accounting Standards.

In case of inconsistency, the Chinese version shall prevail over the English version.

By Order of the Board
Anhui Expressway Company Limited
Xie Xinyu
Company Secretary

Hefei, Anhui, the PRC
28 April 2021

As at the date of this announcement, the board of directors of the Company comprises: Xiang Xiaolong, Yang Xiaoguang, Tang Jun and Xie Xinyu as executive directors, Yang Xudong and Du Jian as non-executive directors, and Liu Hao, Zhang Jianping and Fang Fang as independent non-executive directors.

I. IMPORTANT NOTICE

- 1.1 The board of directors (the “**Board**”), the supervisory committee, the directors, the supervisors and the senior management of the Company warrant the truth, accuracy and completeness of the content of this quarterly report and that there are no false accounts, misleading presentations or material omissions, and jointly and severally accept legal responsibility.
- 1.2 All the directors of the Company attended the Board meeting for approving this quarterly report.
- 1.3 Mr. Xiang Xiaolong, Chairman of the Company, Mr. Tang Jun, the person in charge of accounting work and Mr. Huang Yu, the person in charge of the accounting entity (accountant in charge) warrant the truth, accuracy and completeness of the financial statements in this quarterly report.
- 1.4 This quarterly report has not been audited but has been reviewed by the audit committee under the board of directors of the Company.

II. BASIC INFORMATION OF THE COMPANY

2.1 Major financial data

		<i>Unit: yuan</i>	<i>Currency: RMB</i>
	As at the end of the reporting period	As at the end of the previous year	Change (%)
Total assets	17,338,820,334.97	16,240,743,095.33	6.76
Net assets attributable to shareholders of the Company	11,628,965,421.85	11,276,709,422.09	3.12
	From beginning of the year to the end of the reporting period	From beginning of the previous year to the end of the last reporting period	Increase/(decrease) as compared to the corresponding period of the previous year (%)
Net cash flows from operating activities	513,206,269.59	152,060,872.22	237.50
	From beginning of the year to the end of the reporting period	From beginning of the previous year to the end of the last reporting period	Increase/(decrease) as compared to the corresponding period of the previous year (%)
Revenue	847,416,635.46	272,395,967.64	211.10
Net profit attributable to shareholders of the Company	352,142,964.39	-26,142,369.46	N/A
Net profit (deducting extraordinary items) attributable to shareholders of the Company	346,969,162.69	-34,112,255.85	N/A
Returns on net assets (weighted average) (%)	3.16	-0.24	N/A
Basic earnings per share (RMB/share)	0.2123	-0.0158	N/A
Diluted earnings per share (RMB/share)	0.2123	-0.0158	N/A

Extraordinary items and amounts:

☒ Applicable ☐ Not applicable

Unit: yuan Currency: RMB

Item	Amount for the period	Explanation
Disposal loss on non-current liability	129,860.38	
Government subsidies charged to the current gains/losses, (excluding those closely related to the Company's normal operations, subsidized continuously in accordance with the applicable standards and in compliance with the government policies or regulations)	991,230.75	The government grants related to asset, which represent the construction funds subsidies of Ninghuai Expressway (Tianchang Section) provided by Jiangsu Provincial Expressway Construction Headquarter (attached to the Transportation Department of Jiangsu Province) in 2007, and the construction funds subsidies of toll stations of Hening Expressway and Gaojie Expressway provided by Anhui Provincial Expressway Management Bureau (attached to the Transportation Department of Anhui Province) received in 2010 and amortised in the reporting period.
In addition to effective hedging business related to the normal business of the Company, investment returns from trading financial assets, derivative financial assets, profit or loss from changes in the fair value of the trading financial liabilities, derivative financial liabilities, and the disposal of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and other debt investments	5,686,073.08	
Other non-operating income and expenses except for those mentioned above	145,809.73	
Effects of minority shareholders' interests (after-tax)	-40,928.75	
Effect of income tax	-1,738,243.49	
Total	5,173,801.70	

2.2 The total number of shareholders, shareholding of the ten largest shareholders and the ten largest shareholders of circulating shares (or shareholders of unrestricted shares) as at the end of the reporting period

Unit: share

Number of shareholders 27,849

Shareholding of the ten largest shareholders

Full name of shareholder	Shareholding as at the end of the reporting period	Percentage (%)	Number of restricted shares	Shares pledged or locked-up Shares condition	Number	Nature of shareholder
Anhui Transportation Holding Group Company Limited	524,644,220	31.63	0	None		State -owned legal person
HKSCC NOMINEES LIMITED	484,897,899	29.24	0	Unknown		Overseas legal person
China Merchants Highway Network Technology Holding Company Limited	404,191,501	24.37	0	None		State-owned legal person
Hong Kong Securities Clearing Co. Ltd	25,852,763	1.56	0	None		Overseas legal person
Guo lian Securities Company Limited	14,000,000	0.84	0	None		State-owned legal person
Ding Xiuling	5,411,435	0.33	0	None		Domestic natural person
China CITIC Bank Co., Ltd. – Jianxin China Securities 500 Index Enhanced Securities Investment Fund	2,935,800	0.18	0	None		Other
Shanghai Wenduo Asset Management Center (L.P.) – Wenduo Steady Phase I Fund	2,811,114	0.17	0	None		Other
Ding Guangzhong	2,526,025	0.15	0	None		Domestic natural person
Li Min	2,000,000	0.12	0	None		Domestic natural person

Shareholding of the ten largest unrestricted shareholders

Name of shareholder	Number of unrestricted circulating shares held	Type and number of shares	
		Type	Number
Anhui Transportation Holding Group Company Limited	524,644,220	Renminbi-denominated ordinary shares	524,644,220
HKSCC NOMINEES LIMITED	484,897,899	Overseas listed foreign shares	484,897,899
China Merchants Highway Network Technology Holding Company Limited	404,191,501	Renminbi-denominated ordinary shares	404,191,501
Hong Kong Securities Clearing Co. Ltd	25,852,763	Renminbi-denominated ordinary shares	25,852,763
Guo lian Securities Company Limited	14,000,000	Renminbi-denominated ordinary shares	14,000,000
Ding Xiuling	5,411,435	Renminbi-denominated ordinary shares	5,411,435
China CITIC Bank Co., Ltd. – Jianxin China Securities 500 Index Enhanced Securities Investment Fund	2,935,800	Renminbi-denominated ordinary shares	2,935,800
Shanghai Wenduo Asset Management Center (L.P.)- Wenduo Steady Phase I Fund	2,811,114	Renminbi-denominated ordinary shares	2,811,114
Ding Guangzhong	2,526,025	Renminbi-denominated ordinary shares	2,526,025
Li Min	2,000,000	Renminbi-denominated ordinary shares	2,000,000

Explanations of connected relationship or action in concert between the above-mentioned shareholders

There are no connected relationship between the State-owned shareholders and the legal person shareholders in the above chart. Moreover, the Company does not know if there is any connected relationship amongst other shareholders, or whether they belong to persons acting in concert as stipulated under the "Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies".

Notes:

1. Number of shareholders of A shares was 27,781 and that of H shares was 68 as at the end of the reporting period.
2. H shares held by HKSCC NOMINEES LIMITED represent the holdings of many clients.

2.3 The total number of preferred stock shareholders, shareholding of the ten largest preferred stock shareholders and the ten largest shareholders of unrestricted preferred stock as at the end of the reporting period

☐ Applicable ☒ Not applicable

III. MAJOR EVENTS

3.1 The reasons of major changes of financial statement items and financial indicators of the Company

☒ Applicable ☐ Not applicable

3.1.1 Overall Explanations

During the first quarter of 2021, the Group achieved revenue of RMB847,417 thousand (Corresponding period in 2020: RMB272,396 thousand), representing an increase of 211.10% compared with that of the corresponding period of last year. The total profit was RMB501,864 thousand (Corresponding period in 2020: RMB-65,660 thousand); Unaudited net profit attributable to shareholders of the parent company reached RMB352,143 thousand (Corresponding period in 2020: RMB-26,142 thousand). The significant increase in net profit was mainly attributable to the reduction of toll due to the COVID-19 epidemic in the same period last year.

3.1.2 Change in the major accounting statement items and financial indicators

the changes of items in balance sheet and the reason for the changes were as follows:

Unit: yuan Currency: RMB

Items	As at the end of the reporting period	As at the end of the previous year	Increase/ decrease	Reason for changes
Transaction monetary assets	2,509,109,863.01	1,104,490,547.95	127.17%	Mainly due to the increase in structured deposits with floating interest bought from banks by the Company during the reporting period;
Other receivables	201,277,918.77	154,286,108.85	30.46%	Mainly due to the increase of the division of toll revenue from Anhui Network Operation Company at the end of the reporting period;
Short-term borrowings	100,086,111.11	295,283,701.39	-66.11%	Mainly due to the Company's repayment of short-term loans to the bank during the reporting period;
Long-term borrowings	3,029,958,318.57	1,641,974,328.69	84.53%	Mainly due to the bank loans obtained by Ningxuanhang Company during the reporting period.

the changes of items in income statement and the reason for the changes were as follows:

Unit: yuan Currency: RMB

Items	From the beginning of the year to the end of the reporting period	Same period last year	Increase/ decrease	Reason for changes
Operating income	847,416,635.46	272,395,967.64	211.10%	Mainly due to the reduction of vehicle tolls due to COVID-19 epidemic in the same period of last year;
Taxes and Surcharges	5,464,368.51	1,658,841.54	229.41%	Mainly due to the decrease of income due to the epidemic in the same period of last year;
Administrative expense	29,333,642.56	19,432,386.39	50.95%	Mainly due to the increase in the number of management personnel and the increase in the social security base of the Company during the reporting period;
Investment income	9,893,822.92	7,393,552.76	33.82%	Mainly due to the Company's confirmation of dividend distribution delivered by Xin'an financial in the reporting period;
Income tax expense	140,227,010.25	8,984,957.27	1460.69%	Mainly due to the substantial increase of the Group's revenue during the reporting period.

the changes of items in cash flows statement and the reason for the changes are as follows:

Unit: yuan Currency: RMB

Items	As at the end of the reporting period	As at the end of the previous year	Increase/ decrease	Reason for changes
Cash received from the sale of goods or rendering of services	814,758,091.23	349,019,574.22	133.44%	Mainly due to the substantial increase of toll revenue of the Group in the reporting period compared with the same period of last year;
Various taxes paid	155,466,794.72	53,047,326.65	193.07%	Mainly due to the substantial increase in the Group's revenue during the reporting period;
Other cash received related to investment activities	7,571,124.01	18,997,105.34	-60.15%	Mainly due to the decrease of the Group's redemption of bank structural deposits with floating interest rate during the reporting period;
Cash paid related to other investment activities	2,000,000,000.00	1,400,000,000.00	42.86%	Mainly due to the increase in the Group's purchase of structured deposits with floating interest rates in banks during the reporting period compared with the same period last year;
Cash received from borrowings	1,660,000,000.00	320,427,900.00	418.06%	Mainly due to the bank loans obtained by Ningxuanhang Company during the reporting period;
Cash paid for debt repayment	717,004,982.34	94,165,561.77	661.43%	Mainly due to the repayment of bank loans by Ningxuanhang Company.

3.1.3 Operations of each road

Items	Share of interests	Converted average daily traffic volumes for entire journey (vehicle)		Toll income (RMB '000)		Flux (%)
		Jan to Mar 2021	Jan to Mar 2021	Jan to Mar 2020		
Hening Expressway	100%	36,767	289,120	85,783	237.04%	
New Tianchang Section of National Trunk 205	100%	5,709	17,271	6,844	152.36%	
Gaojie Expressway	100%	25,677	218,343	45,244	382.59%	
Xuanguang Expressway	55.47%	34,173	162,832	37,666	332.30%	
Lianhuo Expressway	100%	19,804	68,505	20,359	236.48%	
Anhui Section						
Ninghuai Expressway	100%	41,934	29,529	9,270	218.54%	
Tianchang Section						
Guangci Expressway	55.47%	40,196	33,598	7,072	375.08%	
Ningxuanhang Expressway	51%	5,608	32,505	12,782	154.31%	

Notes:

1. The above toll income data are tax inclusive data.
2. Affected by the COVID-19 virus epidemic in the first quarter of 2020, the end of toll-free period for small passenger cars during the Spring Festival holiday was extended to 24:00 on February 8, and the toll-free period lasted for a total of 16 days. Furthermore, and all vehicles were free from toll payment from 0:00 on February 17, 2020 until the end of the epidemic prevention and control work.
3. The above traffic flow data does not include the data of small passenger cars passing in non-ETC lanes on major holidays except for the new line of 205 National Highway and the new line of Ninghuai Expressway.

Hening Expressway

During the reporting period, benefiting from the completion of the “Four to Eight” project of Hening Expressway, some vehicles going to Nanjing and surrounding cities chose to travel via Hening Expressway again, and the traffic flow and toll revenue of this section continued to maintain a growth trend.

Ninghuai Expressway Tianchang Section

During the reporting period, with the opening of new sections in Jiangsu Province, the improvement of the road network structure, the convenience and timeliness of vehicle driving expressway attracted more vehicles to use the expressway, and the increase of long-distance vehicles was particularly significant. Due to the preferential policy of differentiated charging for trucks implemented for networked expressways in Jiangsu that trucks with more than six axles are charged with reference to the charging standards for Type 6 trucks, some trucks were attracted to choose to pass through Ninghuai Expressway, and the freight traffic increases rapidly compared with the same period last year. Due to the need of the Beijing-Shanghai Expressway reconstruction and expansion, part of the road section was closed in half width in sections, restricting the passage of trucks with five axles and above, bulk-transport vehicles and hazardous chemical vehicles, leading to the diversion of some trucks to this road section in Ninghuai Expressway.

New Tianchang Section of National Trunk 205

On December 16, 2020, the height limit gating of 101 County Road, which is parallel to the 205 National Road, was officially removed, and some large trucks chose to travel via that county road. In addition, the 204 Provincial Road, which is parallel to the National Trunk 205, was fully opened to traffic on December 26, 2020, leading to the diversion of some vehicles, which had a certain impact on the toll revenue of the Tianchang section of National Trunk 205.

Lianhuo Expressway Anhui Section

The Xiao County section of National Trunk 310 and National Trunk 311 were repaired and opened to traffic after overhaul. The roads are in good condition and have no toll station, which has a continuous diversion effect on part of large trucks and large buses on the East-West Line of Lianhuo Expressway.

Gaojie Expressway

Gaojie Expressway is a component of G50 Shanghai-Chongqing Expressway in the national expressway network, and is an important east-west transit channel in our province. With the orderly resumption of work and production after the normalization of epidemic prevention and control, traffic demand is released quickly. The section connected with He'an Expressway in the northern end, and benefited in some degree from the effect of completion of the "four-lane to eight-lane" construction work in Fangxing Avenue-Mayan Section of He'an Expressway at the end of 2019..

Xuanguang and Guangci Expressway

Xuanguang Expressway and Guangci Expressway are the components of G50 Shanghai-Chongqing Expressway in the national expressway network, and they are the important east-west transit channels of our province. With the orderly resumption of work and production after the normalization of epidemic prevention and control, the traffic demand is released quickly, especially during the Spring Festival travel rush. The full reconstruction and expansion work on the parallel road (former National Trunk 318) has not yet been completed, some vehicles choose to take the expressway after travelling through the sections for which reconstruction and expansion work had been completed, driving the traffic flow of Xuanguang Expressway and Guangci Expressway to increase.

Ningxuanhang Expressway

During the reporting period, the Xuanning section of Ningxuanhang Expressway was affected by the continuous diversion of Lining Expressway, and some vehicles chose to take Lining Expressway section to Shanghai, Zhejiang and other places, leading to the diversion of some vehicles in Xuanning Section.

During the Spring Festival travel rush, the traffic flow of G50 Expressway between Shanghai and Chongqing is large. During this period, traffic control measures such as lane closure were implemented on Xuanguang Expressway for multiple times, which led some vehicles returning to Zhejiang to choose to pass through Ningqian Expressway, driving the traffic flow of Ningqian Section to show a stage growth trend.

Since November 13, 2020, County Road 010 near Liqiao Station has been closed for reconstruction and expansion work. Vehicles going to Nanjing, Jiangsu Province and other places travelled via Provincial Road 269 instead, which has a continuous diversion effect on Xuanli section.

3.2 Progress of major events and analysis of their effects and solutions

☒ Applicable ☐ Not applicable

The impact of various policy reduction measures

During the reporting period, various policy reduction measures continued to be implemented. In the first quarter of 2021, the total amount of deductions and exemptions of the Group is RMB143 million, including:

The Group exempted a total of about 68,400 green channel vehicles, and the amount of exemption was about RMB41.13 million.

During the seven days of the Spring Festival, the flow of small passenger cars (7 seats or less) existing from road sections managed by the Group reached 1.087 million, and the amount of exemption was about RMB46.74 million.

In response to the national “supply side” reform demand, our province has implemented a 15% discount policy for trucks holding Anhui traffic cards since July 12, 2016, which continues to attract some trucks to choose expressways. During the reporting period, ETC was exempted or reduced RMB53.01 million, of which the exempted amount for trucks with Anhui Transport Card was RMB28.72 million. Other policy exemptions amount were about RMB1.96 million.

Adjustment to Calculation Method and Standard of Toll Payment

According to the “Notice on the matters related to tolls for vehicles on toll roads in our province” (Wan Jiao Lu [2020] No. 162) jointly issued by the Anhui Development and Reform Commission and the Finance Department of Anhui Province, Anhui’s toll standard would run for one year on a trial basis until the end of 2020. With the consent of the provincial government, the new standard was formally implemented on January 1, 2021; The period of 15% discount for freight vehicles holding Anhui Transport Card is tentatively extended for 3 years, namely from January 1, 2021 to December 31, 2023. For details, please refer to the Announcement on Standard of Toll Charges (《關於通行費收費標準的公告》) (Lin 2020-033) published by the Company.

95 % discount policy for ETC users

According to the Notice on Implementing Preferential Policies on Toll Tolls for ETC Vehicles issued by the Department of Transport of Anhui Province and the Development and Reform Commission of Anhui Province, starting from July 1, 2019, the preferential policy of 5% discount on tolls will be implemented for vehicles that use electronic payment cards of other provinces to pay tolls on toll roads of Anhui Province.

3.3 The undertakings that were still being performed over the reporting period

☒ Applicable ☐ Not applicable

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

3.4 Forecast of a probable loss in respect of the accumulated net profit from the beginning of the financial year to the end of the next reporting period or warning in respect of any significant changes of accumulated net profit as compared with that of the corresponding period of last year and the reasons

☒ Applicable ☐ Not applicable

In the first half of 2020, the COVID-19 epidemic had a significant impact on the Group's production and business activities. According to the requirements of the Ministry of Transport, all toll road projects invested and operated by the Group were exempted from tolls from February 17, 2020 to the end of the epidemic prevention and control work. Based on the above reasons, the net profit achieved by the Group between January and June 2020 only amounted to RMB 110 million. With the orderly economic recovery and the overall recovery of road transportation and logistics demand in the region, it is expected that the tolls revenue of all expressways operated by the Group from the beginning of 2021 to the end of the interim period will increase substantially from the beginning of 2021 to the end of the middle period compared with the same period last year.

Company name	Anhui Expressway Company Limited
Legal representative	Xiang Xiaolong
Date	28 April 2021

IV. APPENDIX

4.1 Financial statements

Consolidated balance sheet

March 31, 2021

Company Name: Anhui Expressway Company Limited

Unit: yuan; Currency: RMB; Unaudited

Items	31 March 2021	31 December 2020
Current assets:		
Cash at bank and on hand	2,121,093,233.07	2,291,802,662.00
Financial assets at fair value through profit or loss	2,509,109,863.01	1,104,490,547.95
Advanced prepayment	948,308.34	1,256,957.87
Other receivables	201,277,918.77	154,286,108.85
Including: Dividends receivable	6,289,000.00	0.00
Inventories	6,038,572.83	6,155,552.08
Other current assets	5,319,014.20	6,195,809.65
Total current assets	4,843,786,910.22	3,564,187,638.40
Non-current assets:		
Long-term equity investments	140,587,220.64	136,982,397.72
Other equity investments	118,476,732.56	118,326,018.74
Other non-current financial assets	254,239,824.16	259,326,039.66
Investment properties	390,907,359.23	396,055,639.68
Fixed assets	872,806,992.61	905,433,055.34
Construction in progress	259,557,094.67	256,239,249.24
Intangible assets	10,417,641,868.54	10,564,351,318.30
Deferred tax assets	40,816,332.34	39,841,738.25
Total non-current assets	12,495,033,424.75	12,676,555,456.93
Total assets	17,338,820,334.97	16,240,743,095.33

Items	31 March 2021	31 December 2020
Current liabilities:		
Short-term borrowings	100,086,111.11	295,283,701.39
Accounts payable	703,017,882.25	954,739,348.27
Advanced payment received	8,790,935.42	10,959,004.31
Employee benefits payable	60,837,347.25	28,954,228.98
Taxes payable	292,004,545.54	277,608,151.35
Other payables	155,354,362.25	144,649,352.66
Non-current liabilities due within one year	279,883,475.95	376,954,581.77
Other current liabilities	35,218,891.42	35,218,891.42
Total current liabilities	1,635,193,551.19	2,124,367,260.15
Non-current liabilities:		
Long-term borrowings	3,029,958,318.57	1,641,974,328.69
Long-term payables	361,709,077.05	522,905,699.32
Deferred income	23,700,960.05	24,485,656.97
Deferred tax liabilities	11,875,002.69	12,376,784.14
Total non-current liabilities	3,427,243,358.36	2,201,742,469.12
Total liabilities	5,062,436,909.55	4,326,109,729.27

Items	31 March 2021	31 December 2020
Owners' equity (or shareholders' equity):		
Paid-in capital (or stock)	1,658,610,000.00	1,658,610,000.00
Capital reserves	280,523,374.06	280,523,374.06
Other comprehensive income	-72,954,950.58	-73,067,985.95
Appropriative reserve	46,041,404.60	46,041,404.60
Surplus reserve	893,254,381.85	893,254,381.85
Undistributed profits	8,823,491,211.92	8,471,348,247.53
Total equity attributable to equity holders of the parent company	11,628,965,421.85	11,276,709,422.09
Non-controlling interests	647,418,003.57	637,923,943.97
Total owners' equity (or shareholders' equity)	12,276,383,425.42	11,914,633,366.06
Total liabilities and owners' equity (or shareholders' equity)	17,338,820,334.97	16,240,743,095.33
<i>The Legal Representative of the Company:</i> Xiang Xiaolong	<i>The Person in Charge of the Accounting Department:</i> Tang Jun	<i>The Person in Charge of the Accounting Office:</i> Huang Yu

Balance Sheet of the parent company*March 31, 2021*

Company Name: Anhui Expressway Company Limited

Unit: yuan; Currency: RMB; Unaudited

Items	31 March 2021	31 December 2020
Current assets:		
Cash at bank and on hand	1,813,845,366.51	2,040,183,790.27
Financial assets at fair value through profit or loss	2,509,109,863.01	1,104,490,547.95
Advanced prepayment	615,472.83	932,723.91
Other receivable	142,218,219.52	85,634,776.51
Including: Dividends receivable	6,289,000.00	0.0
Inventories	2,909,534.63	3,062,041.72
Non-current assets due within one year	46,284,570.78	43,082,555.29
Total current assets	4,514,983,027.28	3,277,386,435.65
Non-current assets:		
Debt investments	801,840,000.00	1,679,662,300.00
Long-term equity investments	1,573,106,951.56	1,569,502,128.64
Other equity investments	118,476,732.56	118,326,018.74
Other non-current financial assets	254,239,824.16	259,326,039.66
Investment properties	310,120,251.43	314,396,884.46
Fixed assets	580,175,497.61	597,887,876.90
Construction in progress	219,423,751.36	216,105,905.93
Intangible assets	6,109,878,249.35	6,202,991,875.29
Deferred tax assets	45,513,642.83	45,043,192.05
Total non-current assets	10,012,774,900.86	11,003,242,221.67
Total assets	14,527,757,928.14	14,280,628,657.32

Items	31 March 2021	31 December 2020
Current liabilities:		
Short-term borrowings	100,086,111.11	195,166,597.22
Accounts payable	589,999,987.66	715,268,625.41
Advanced payment received	2,197,287.22	2,299,367.22
Employee benefits payable	45,642,138.96	20,933,400.41
Taxes payable	269,064,083.87	229,561,015.25
Other payables	359,037,477.89	279,438,750.10
Non-current liabilities due within one year	80,180,000.00	80,180,000.00
Other current liabilities	23,777,503.55	23,777,503.55
Total current liabilities	1,469,984,590.26	1,546,625,259.16
Non-current liabilities:		
Long-term borrowings	460,000,000.00	460,000,000.00
Deferred income	23,700,960.05	24,485,656.97
Total non-current liabilities	483,700,960.05	484,485,656.97
Total liabilities	1,953,685,550.31	2,031,110,916.13

Items	31 March 2021	31 December 2020
Owners' equity		
(or shareholders' equity):		
Paid-in capital (or stock)	1,658,610,000.00	1,658,610,000.00
Capital reserves	1,051,927,934.02	1,051,927,934.02
Other comprehensive income	-72,954,950.58	-73,067,985.95
Appropriative reserve	39,739,832.34	39,739,832.34
Surplus reserve	893,254,381.85	893,254,381.85
Undistributed profits	9,003,495,180.20	8,679,053,578.93
Total owners' equity		
(or shareholders' equity)	<u>12,574,072,377.83</u>	<u>12,249,517,741.19</u>
Total liabilities and owners' equity		
(or shareholders' equity)	<u>14,527,757,928.14</u>	<u>14,280,628,657.32</u>
<i>The Legal Representative of the Company:</i>	<i>The Person in Charge of the Accounting Department:</i>	<i>The Person in Charge of the Accounting Office:</i>
Xiang Xiaolong	Tang Jun	Huang Yu

Consolidated Income Statement

January – March, 2021

Company Name: Anhui Expressway Company Limited

Unit: yuan; Currency: RMB; Unaudited

Items	The reporting period	The same period of last year
1. Total revenue	847,416,635.46	272,395,967.64
Including: Revenue	847,416,635.46	272,395,967.64
2. Total cost of sales	362,437,798.08	356,081,399.29
Including: Cost of sales	305,068,830.26	316,089,437.27
Taxes and surcharges	5,464,368.51	1,658,841.54
Management expenses	29,333,642.56	19,432,386.39
Finance expenses	22,570,956.75	18,900,734.09
Including: Interest expense	32,866,262.23	26,232,673.82
Interest income	12,361,006.83	10,012,514.64
Add: Other income	991,230.75	827,925.32
Investment income (losses indicated by a “-”)	9,893,822.92	7,393,552.76
Including: Share of profit of associates and joint ventures	3,604,822.92	5,401,052.76
Fair value changes (losses indicated by a “-”)	5,686,073.08	9,878,410.96
Credit impairment losses (losses indicated by a “-”)	38,400.00	29,600.00
Asset disposal income (losses indicated by a “-”)	129,860.38	0.00

Items	The reporting period	The same period of last year
3. Operating profits (losses indicated by a “-”)	501,718,224.51	-65,555,942.61
Add: Non-operating income	167,870.39	34,449.90
Less: Non-operating expenses	22,060.66	138,465.60
4. Total profit (losses indicated by a “-”)	501,864,034.24	-65,659,958.31
Less: Income tax expenses	140,227,010.25	8,984,957.27
5. Net profit (net losses indicated by a “-”)	361,637,023.99	-74,644,915.58
(I) Classified by business continuity		
(1) Continuous operating net profit (losses indicated by a “-”)	361,637,023.99	-74,644,915.58
(II) Classified by ownership		
(1) Net profit attributable to shareholders of the parent company (losses indicated by a “-”)	352,142,964.39	-26,142,369.46
(2) Non-controlling interests (losses indicated by a “-”)	9,494,059.60	-48,502,546.12

Items	The reporting period	The same period of last year
6. Other comprehensive income, net of tax	113,035.37	
Other comprehensive income attributable to owners of the parent company, net of tax	113,035.37	
Other comprehensive income not to be classified as profit and loss later	113,035.37	
Changes in the fair value of other equity investments	113,035.37	
7. Total comprehensive income	361,750,059.36	-74,644,915.58
(1) Total comprehensive income attributable to owners of the parent company	352,255,999.76	-26,142,369.46
(2) Total comprehensive income attributable to minority interests	9,494,059.60	-48,502,546.12
8. Earnings per share		
(1) Basic earnings per share (<i>RMB/share</i>)	0.2123	-0.0158
(2) Diluted earnings per share (<i>RMB/share</i>)	0.2123	-0.0158
<i>The Legal Representative of the Company:</i> Xiang Xiaolong	<i>The Person in Charge of the Accounting Department:</i> Tang Jun	<i>The Person in Charge of the Accounting Office:</i> Huang Yu

Income Statement of the parent company*January – March, 2021*

Company Name: Anhui Expressway Company Limited

Unit: yuan; Currency: RMB; Unaudited

Items	The reporting period	The same period of last year
1. Revenue	622,062,101.05	200,042,443.76
Less: Cost of sales	207,458,822.15	212,620,177.74
Taxes and surcharges	4,159,670.54	877,991.66
Management expenses	19,869,208.08	12,473,627.76
Finance expenses	-21,915,016.17	-27,272,728.52
Including: Interest expenses	2,635,888.89	2,024,937.49
Interest income	24,570,422.46	29,307,317.51
Add: Other income	918,335.08	827,925.32
Investment income (losses indicated by a “-”)	9,893,822.92	7,393,552.76
Including: Share of profit of associates and joint ventures	3,604,822.92	5,401,052.76
Fair value changes (losses indicated by a “-”)	5,686,073.08	9,878,410.96
Asset disposal income (losses indicated by a “-”)	129,860.38	0.00
2. Operating profits (losses indicated by a “-”)	429,117,507.91	19,443,264.16
Add : Non-operating income	91,875.69	0.00
Less : Non-operating expenses	21,736.00	0.00

Items	The reporting period	The same period of last year
3. Total profit (losses indicated by a “-”)	429,187,647.60	19,443,264.16
Less: Income tax expenses	104,746,046.33	2,439,557.97
4. Net profit (net losses indicated by a “-”)	324,441,601.27	17,003,706.19
(1) Continuous operating net profit (losses indicated by a “-”)	324,441,601.27	17,003,706.19
(2) Terminated operating net profit (losses indicated by a “-”)		
5. Other comprehensive income, net of tax	113,035.37	
Other comprehensive income not to be classified as profit and loss later	113,035.37	
Changes in the fair value of other equity investments	113,035.37	
6. Total comprehensive income	324,554,636.64	17,003,706.19
7. Earnings per share		
(1) Basic earnings per share (<i>RMB/share</i>)	Not applicable	Not applicable
(2) Diluted earnings per share (<i>RMB/share</i>)	Not applicable	Not applicable

The Legal Representative of the Company:
Xiang Xiaolong

The Person in Charge of the Accounting Department:
Tang Jun

The Person in Charge of the Accounting Office:
Huang Yu

Consolidated Cash Flow Statement

January – March, 2021

Company Name: Anhui Expressway Company Limited

Unit: yuan; Currency: RMB; Unaudited

Items	The reporting period	The same period of last year
1. Cash flows from operating activities:		
Cash received from sales of goods and provision of services	814,758,091.23	349,019,574.22
Cash received relating to other operating activities	5,089,310.73	4,754,535.47
Sub-total of cash inflows from operating activities	819,847,401.96	353,774,109.69
Cash paid for goods and services	89,873,965.08	88,497,459.89
Cash paid to and on behalf of employees	57,279,520.92	55,591,897.98
Payments of taxes and surcharges	155,466,794.72	53,047,326.65
Cash paid relating to other operating activities	4,020,851.65	4,576,552.95
Sub-total of cash outflows from operating activities	306,641,132.37	201,713,237.47
Net cash flows from operating activities	513,206,269.59	152,060,872.22
2. Cash flows from investing activities:		
Cash received from investment income	0.00	24,072,700.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	9,466,684.00	0.00
Cash received relating to other investing activities	7,571,124.01	18,997,105.34
Sub-total of cash inflows from investing activities	17,037,808.01	43,069,805.34
Cash paid to acquire fixed assets, intangible assets and other long-term assets	207,427,566.86	215,722,675.30
Cash paid relating to other investing activities	2,000,000,000.00	1,400,000,000.00
Sub-total of cash outflows from investing activities	2,207,427,566.86	1,615,722,675.30
Net cash flows used in investing activities	-2,190,389,758.85	-1,572,652,869.96

Items	The reporting period	The same period of last year
3. Cash flows from financing activities:		
Cash received from borrowings	1,660,000,000.00	320,427,900.00
Sub-total of cash inflows from financing activities	1,660,000,000.00	320,427,900.00
Cash repayments of borrowings	717,004,982.34	94,165,561.77
Cash payments for interest expenses and distribution of dividends or profits	28,388,482.47	23,648,966.31
Cash payments for other financing activities	13,203,927.78	0.00
Sub-total of cash outflows from financing activities	758,597,392.59	117,814,528.08
Net cash flow from financing activities	901,402,607.41	202,613,371.92
4. Effect of foreign exchange rate changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	-775,780,881.85	-1,217,978,625.82
Add: Cash and cash equivalents at the beginning of the reporting period	1,967,754,120.34	1,905,261,916.41
6. Cash and cash equivalent as at the end of reporting period	1,191,973,238.49	687,283,290.59

The Legal Representative of the Company:
Xiang Xiaolong

The Person in Charge of the Accounting Department:
Tang Jun

The Person in Charge of the Accounting Office:
Huang Yu

Cash Flow Statement of the parent company*January – March, 2021*

Company Name: Anhui Expressway Company Limited

Unit: yuan; Currency: RMB; Unaudited

Items	The reporting period	The same period of last year
1. Cash flows from operating activities:		
Cash received from sales of goods and provision of services	659,354,579.71	264,896,316.38
Cash received relating to other operating activities	727,607.40	3,005,617.50
Sub-total of cash inflows from operating activities	660,082,187.11	267,901,933.88
Cash paid for goods and services	22,454,116.68	45,901,761.27
Cash paid to and on behalf of employees	42,716,039.87	34,173,643.26
Payments of taxes and surcharges	86,891,444.83	34,127,787.38
Cash paid relating to other operating activities	1,573,249.23	1,718,525.72
Sub-total of cash outflows from operating activities	153,634,850.61	115,921,717.63
Net cash flows from operating activities	506,447,336.50	151,980,216.25
2. Cash flows from investing activities:		
Cash received from investment income	0.00	24,072,700.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	9,466,684.00	0.00
Cash received relating to other investing activities	896,056,609.83	34,415,678.70
Sub-total of cash inflows from investing activities	905,523,293.83	58,488,378.70
Cash paid to acquire fixed assets, intangible assets and other long-term assets	145,421,316.06	190,817,771.25
Cash paid relating to other investing activities	2,000,000,000.00	1,400,000,000.00
Sub-total of cash outflows from investing activities	2,145,421,316.06	1,590,817,771.25
Net cash flows used in investing activities	-1,239,898,022.23	-1,532,329,392.55

Items	The reporting period	The same period of last year
3. Cash flows from financing activities:		
Cash received from borrowings	0.00	95,000,000.00
Sub-total of cash inflows from financing activities	0.00	95,000,000.00
Cash repayments of borrowings	95,000,000.00	0.00
Cash payments for interest expenses and distribution of dividends or profits	2,957,875.00	1,743,069.44
Sub-total of cash outflows from financing activities	97,957,875.00	1,743,069.44
Net cash flow from financing activities	-97,957,875.00	93,256,930.56
4. Effect of foreign exchange rate changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	-831,408,560.73	-1,287,092,245.74
Add: Cash and cash equivalents at the beginning of the reporting period	1,717,819,790.26	1,728,153,651.36
6. Cash and cash equivalent as at the end of reporting period	886,411,229.53	441,061,405.62
<i>The Legal Representative of the Company:</i> Xiang Xiaolong	<i>The Person in Charge of the Accounting Department:</i> Tang Jun	<i>The Person in Charge of the Accounting Office:</i> Huang Yu

4.1 Effect of first adoption of new Lease standard on beginning balances in financial statements

☐ Applicable ☒ Not applicable

4.2 Effect of first adoption of new Lease standard on retroactively adjusted previous comparative data

☐ Applicable ☒ Not applicable

4.3 Audit report

☐ Applicable ☒ Not applicable