

Guangdong Provincial Expressway Development Co., Ltd.

2021 Annual Report

March 2022

I. Important Notice, Table of Contents and Definitions

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

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

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

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

The profit distribution proposal reviewed and approved by the boarding meeting was summarized as follows: 2,090,806,126 for the base, the Company would distribute cash dividend to all the shareholders at the rate of CNY 5.70 for every 10 shares (with tax inclusive) , 0 bonus shares (including tax) and no reserve would be converted into share capital.

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Documents available for inspection

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

Definition

Terms to be defined	Refers to	Definition
Reporting period, This year	Refers to	January 1, 2021 to December 31, 2021
Reporting date	Refers to	The annual report of the company was approved by the board of directors on 2021, that is March 15, 2022
YOY	Refers to	Compared with 2020
The Company /This Company	Refers to	Guangdong Provincial Expressway Development Co.,Ltd.
Communication Group	Refers to	Guangdong Communication Group Co., Ltd.
Provincial Expressway	Refers to	Guangdong Provincial Freeway Co.,Ltd.
Fokai Company	Refers to	Guangdong Provincial Expressway Development Co.,Ltd.Fokai Branch
Reconstruction and extension Project of the South Section of Fokai Expressway	Refers to	Reconstruction and Expansion Project of Sanbao-Shuikou Section of Fokai Expressway.
Guangfo Company	Refers to	Guangdong Guangfo Expressway Co., Ltd.
Guangdong Expressway Capital	Refers to	Yuegao Capital Investment (Guangzhou) Co., Ltd.
Guangzhu East Company	Refers to	Jingzhu Expressway Guangzhu Section Co., Ltd.
Guanghui Company	Refers to	Guangdong Guanghui Expressway Co., Ltd.

II. Company Profile & Financial Highlights.

1. Company Profile

Stock abbreviation:	Expressway A, Expressway B	Stock code:	000429, 200429
Stock exchange for listing	Shenzhen Stock Exchange		
Name in Chinese	广东省高速公路发展股份有限公司		
Abbreviation of Registered Company (if any)	粤高速		
English name (If any)	Guangdong Provincial Expressway Development Co.Ltd.		
English abbreviation (If any)	GPED		
Legal Representative	Zheng Renfa		
Registered address	85 Baiyun Road, Guangzhou, Guangdong Province		
Postal code of the Registered Address	510100		
Historical change of the company's registered address	1992—1999, 4/F,Dongjian Building,No.503,Dongfeng Road, Guangzhou;Since 1999, 85 Baiyun Road, Guangzhou, Guangdong Province		
Office Address	45-46/F, Litong Plaza, No.32, Zhujiang East Road, Zhujiang New City, Tianhe District , Guangzhou		
Postal code of the office address	510623		
Internet Web Site	www.gpedcl.com		
E-mail	ygs@gdcg.cn		

2. Contact person and contact manner

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

3. Information disclosure and placed

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

4.Changes in Registration

Organization Code	91440000190352102M
Changes in principal business activities since listing (if any)	No change
Changes is the controlling shareholder in the past (is any)	On November 2000, In accordance with Cai Guan Zi (2008) No. 109 Document of Ministry of Finance and Yue Ban Han (2000) No. 574 Document of General Office of Guangdong People's Government, the state-owned shares of Guangdong Expressway originally entrusted to Guangdong Expressway Company (now renamed as "Guangdong Provincial Expressway Co., Ltd.") for management were transferred to Guangdong Communication Group Co., Ltd. for holding and management. After the transfer of state-owned shares, Guangdong Communication Group Co., Ltd. became the largest shareholder of the Company. The nature of equity was defined as state-owned shares.

5. Other Relevant Information

CPAs engaged

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

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

Applicable Not applicable

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

Applicable Not applicable

Name	Office address	Name of sponsor	Consitent supervision period
China International Capital Corporation Limited	27-28/F, 2 Black, No1. Guomao Building, Jianguomen Wai Street, Chaoyang District, Beijing	Xie Yi ,Long Hai	2020-2021

6.Summary of Accounting data and Financial index

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

√Yes □ No

	2021	2020		Changes of this period over same period of Last year(%)	2019	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Operating income (Yuan)	5,288,057,677.93	3,790,348,876.26	3,790,348,876.26	39.51%	3,057,935,584.43	4,999,016,766.74
Net profit attributable to the shareholders of the listed company (Yuan)	1,700,406,981.99	867,842,774.78	867,842,774.78	95.93%	1,258,628,101.71	1,469,187,067.83
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (Yuan)	1,693,091,639.41	704,821,643.20	704,821,643.20	140.22%	1,249,576,930.75	1,249,579,043.32
Cash flow generated by business operation, net (Yuan)	3,669,744,721.16	2,636,187,241.05	2,636,187,241.05	39.21%	1,988,551,897.83	3,222,681,187.05
Basic earning per share(Yuan/Share)	0.81	0.42	0.42	92.86%	0.60	0.70
Diluted gains per share(Yuan/Share)	0.81	0.42	0.42	92.86%	0.60	0.70
Weighted average ROE(%)	20.11%	8.27%	8.27%	11.84%	13.09%	14.18%
	End of 2021	End of 2020		Changed over last year (%)	End of 2019	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Gross assets (Yuan)	18,875,766,799.31	19,748,578,658.11	19,748,578,658.11	-4.42%	17,674,545,340.78	20,666,939,285.90
Net assets attributable to shareholders of the listed company (Yuan)	8,982,437,985.17	7,933,136,499.11	7,933,136,499.11	13.23%	9,823,426,849.75	10,557,360,463.78

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Retroactive adjustment or restatement of causes: Merger of enterprises under the same control

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

Yes No

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

Yes No

7.The differences between domestic and international accounting standards

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

Applicable Not applicable

None

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

Applicable Not applicable

None

8.Main Financial Index by Quarters

In RMB

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating income	1,257,975,487.27	1,230,499,182.54	1,485,357,499.71	1,314,225,508.41
Net profit attributable to the shareholders of the listed company	399,100,166.26	449,760,184.38	545,389,653.71	306,156,977.64
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company	395,414,595.12	447,328,563.52	537,138,406.69	313,210,074.08
Net Cash flow generated by business operation	849,020,540.34	966,272,676.91	1,072,587,838.82	781,863,665.09

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

Applicable Not applicable

In RMB

Items	Amount (2021)	Amount (2020)	Amount (2019)	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	4,350,214.54	-8,261,533.18	7,607,268.21	
Government subsidies recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	16,348,006.07	8,359,291.82	87,937.00	
Current net gains and losses occurred from period-begin to		546,213,524.55	701,856,178.51	

Items	Amount (2021)	Amount (2020)	Amount (2019)	Notes
combination day by subsidiaries resulting from business combination under common control				
Net amount of non-operating income and expense except the aforesaid items	-5,840,734.56	-1,069,827.30	-1,393,149.65	
Other non-recurring Gains/loss items	1,252,349.09	974,321.89	1,652,603.05	
Less :Influenced amount of income tax	4,027,139.54	2,214.32	1,130,270.54	
Influenced amount of minor shareholders' equity (after tax)	4,767,353.02	383,192,431.88	489,072,542.07	
Total	7,315,342.58	163,021,131.58	219,608,024.51	--

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

Applicable Not applicable

None

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

Applicable Not applicable

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

III. Management Discussion & Analysis

I. Industry information of the Company during the reporting period

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

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

With the basic penetration of the "ten-vertical and ten-horizontal" comprehensive transportation corridor and the basic completion of the "71118" national expressway network planning, China's expressway network has been continuously extended, with significantly increased industry development. According to the statistical data of the 2020 *Statistical Bulletin on Development of Transportation Industry* issued by the Ministry of Transport, by the end of 2020, the total mileage of expressways in China has reached 161,000 kilometers, ranking first in the world, with an increase of 11,400 kilometers, and a year-on-year increase of 7.62%. With China's economic development stepping into a new normal, the national economy is constantly growing, the strategies such as coordinated development of Beijing-Tianjin-Hebei, regional integration of the Yangtze River Delta, development of the Yangtze River Economic Belt, and Guangdong-Hong Kong-Macao Greater Bay Area construction are further advanced, the whole society's demand for supporting services of expressways is expected to increase continuously, and China's expressway industry still witnesses a large development potential in the future.

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

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

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

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

Technology Co., Ltd. and SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd.

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

III. Analysis On core Competitiveness

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

IV. Main business analysis

I. General

The year of 2021 is the first year of the 14th Five-Year Development Plan, during which the Company focuses on key tasks, promotes the normalization of epidemic prevention and control, operation and production as a whole, successfully completes its annual work objectives, and maintains and increases the value of state-owned assets by 120.04%.

(1) It has promoted comprehensively deepening of the reform of state-owned enterprises. The Company will carefully combine the world-class management promotion action with the three-year action of state-owned enterprise reform, comprehensively deepen the state-owned enterprise reform, and actively well ensure related work. By the end of December 2021, most tasks had been completed, exceeding the target requirement.

(2) The verification of the charging period for the reconstruction and expansion of the south section of Foshan-Kaiping Expressway has been completed. In June 2021, the reconstruction and expansion project of Sanbao-Shuikou section of Foshan-Kaiping Expressway was approved by Guangdong Provincial People's Government, and the approved charging period of the project is 24.6011 years, which laid a solid foundation for the Company's sustainable development.

(3) The preliminary work of five-expressway reconstruction and expansion has been carried out: it has successfully completed the investment decision-making procedure of the reconstruction and expansion project of Jiangmen-Zhongshan Expressway, a provincial key construction project of the Company's capital increase. It has gone through the formalities of shareholders' capital contribution in time according to the progress of the project to ensure the demand of reconstruction and expansion project construction funds; continued to follow up the preliminary research work of reconstruction and expansion project in Guangdong-Zhaoqing, East Guangzhou-Zhuhai and Guangzhou-Huizhou expressways; and assisted in the regulation and estimation, period audit, investment and financing plan preparation of the project of Huizhou-Shenzhen Expressway reconstruction and expansion.

(4) It prepares the "14th Five-Year Plan" in high quality, clarifies the Company as the capital operation platform that focuses on serving the transformation and upgrading of the expressway transportation industry in

Guangdong Province, with cultivation and integration of new industries such as road industry and smart transportation industry in Guangdong Province as the development direction, continuously expands and upgrades the scale of the main expressway business; improves industrial basic ability and profitability; cultivates the ability of independent innovation; actively lays out the smart transportation industry; carries out intelligent upgrading around the expressway; adheres to the two-wheel drive of scientific and technological transformation and capital operation, and continues to promote the capital operation of listed companies in combination with provincial transportation planning, so as to make the Company better, stronger and bigger.

(5) It participates in the development strategy of green power transportation in State Power Investment Corporation (SPIC), and builds a technical service platform for heavy truck with replaceable battery by investing in SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd. through its wholly-owned subsidiary Yuegao Capital.

In 2020, the company's revenue was greatly reduced by the New Coronavirus epidemic.. In 2021, the number of toll days the company participated in the holding expressway increased YOY. The toll revenue of each expressway increased of the Company are as follows:

	Volume of vehicle traffic in 2021 (Ten thousands vehicles)	Increase /Decrease(%)	Toll income in 2021 (Ten thousands)	Increase /Decrease(%)
Guangfo Expressway	7,928.27	9.06%	44,885.46	36.14%
Fokai Expressway	8,574.49	11.09%	145,437.73	51.26%
Jingzhu Expressway Guangzhu East Section	7,165.82	15.77%	114,088.10	45.82%
Guanghui Expressway	8,295.24	10.79%	212,619.92	33.53%
Huiyan Expressway	5,175.24	18.98%	24,037.38	29.28%
Guangzhao Expressway	3,813.00	31.84%	53,568.64	22.97%
Jiangzhong Expressway	6,710.69	10.09%	47,663.06	40.74%
Kangda Expressway	145.57	-1.52%	31,287.88	47.65%
Gankang Expressway	460.81	4.62%	19,905.23	55.10%
Guangle Expressway	3,926.49	13.24%	335,608.32	35.10%

On the whole, the overall trend of traffic flow and toll income of each holding section is good. Compared with the data before the outbreak, the main ones that have achieved significant growth are Fokai Expressway and Guanghui expressway, among which:

(1) Foshan-Kaiping Expressway is affected by the fully opening to traffic of Kaiping–Yangjiang Expressway, which is connected with it. While leading to improved traffic capacity of the main road surface and traffic backflow, it also increases new traffic flows, and greatly increases toll income.

(2) Due to the opening of Huadu-Dongguan Expressway on November 1, 2020 and Heyuan-Huizhou-Dongguan Expressway on December 28, 2020, the traffic flow is attracted to Guanghui expressway, forming a new traffic flow.

2. Revenue and cost

(1) Component of Business Income

In RMB

	2021	2020	Increase /decrease
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	Amount	Proportion	Amount	Proportion	
Total operating revenue	5,288,057,677.93	100%	3,790,348,876.26	100%	39.51%
Industry					
Highway transportations	5,170,312,170.97	97.77%	3,665,926,709.10	96.72%	41.04%
Other	117,745,506.96	2.23%	124,422,167.16	3.28%	-5.37%
Product					
Highway transportations	5,170,312,170.97	97.77%	3,665,926,709.10	96.72%	41.04%
Other	117,745,506.96	2.23%	124,422,167.16	3.28%	-5.37%
Area					
Guangfo Expressway	448,854,642.12	8.49%	329,710,947.81	8.70%	36.14%
Fokai Expressway	1,454,377,306.80	27.50%	961,484,310.59	25.37%	51.26%
Jingzhu Expressway Guangzhu Section	1,140,880,993.81	21.57%	782,378,756.64	20.64%	45.82%
Guanghui Expressway	2,126,199,228.24	40.21%	1,592,352,694.06	42.01%	33.53%
Other	117,745,506.96	2.23%	124,422,167.16	3.28%	-5.37%
Sub-sales model					
Highway transportations	5,170,312,170.97	97.77%	3,665,926,709.10	96.72%	41.04%
Other	117,745,506.96	2.23%	124,422,167.16	3.28%	-5.37%

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

√ Applicable □ Not applicable

In RMB

	Turnover	Operation cost	Gross profit rate(%)	Increase/decrease of revenue in the same period of the previous year(%)	Increase/decrease of business cost over the same period of previous year (%)	Increase/decrease of gross profit rate over the same period of the previous year (%)
Industry						
Highway transportations	5,170,312,170.97	1,874,469,918.22	63.75%	41.04%	18.19%	7.01%

	Turnover	Operation cost	Gross profit rate(%)	Increase/decrease of revenue in the same period of the previous year(%)	Increase/decrease of business cost over the same period of previous year (%)	Increase/decrease of gross profit rate over the same period of the previous year (%)
Product						
Highway transportations	5,170,312,170.97	1,874,469,918.22	63.75%	41.04%	18.19%	7.01%
Area						
Guangfo Expressway	448,854,642.12	145,962,137.59	67.48%	36.14%	29.41%	1.69%
Fokai Expressway	1,454,377,306.80	714,045,421.17	50.90%	51.26%	9.78%	18.55%
Jingzhu Expressway Guangzhu Section	1,140,880,993.81	370,994,383.00	67.48%	45.82%	32.55%	3.25%
Guanghui Expressway	2,126,199,228.24	643,467,976.46	69.74%	33.53%	18.54%	3.83%
Sub-sales model						
Highway transportations	5,170,312,170.97	1,874,469,918.22	63.75%	41.04%	18.19%	7.01%

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

Applicable Not applicable

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

Yes No

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

Applicable Not applicable

(5) Component of business cost

Industry category

In RMB

Industry category	Items	2021		2020		Increase /Decrease (%)
		Amount	Proportion in the operating costs (%)	Amount	Proportion in the operating costs (%)	
Highway	Depreciation	1,257,315,758.33	65.16%	1,020,703,974.74	61.41%	23.18%

transportations	and Amortized					
Highway transportations	Out of pocket expenses	617,154,159.89	31.99%	565,222,471.74	34.00%	9.19%
Other	Other	55,042,107.34	2.85%	76,297,249.65	4.59%	-27.86%

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

Yes No

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

Applicable Not applicable

(8)Situation of Main Customers and Main Supplier

Applicable Not applicable

3. Expenses

In RMB

	2021	2020	Increase/Decrease(%)	Notes
Administrative expenses	223,605,442.46	203,945,119.58	9.64%	
Financial expenses	221,714,312.76	216,182,374.88	2.56%	
R & D expenses	13,270,938.73	404,303.70	3,182.42%	In 2021, the R&D investment has been increased, and new R&D projects have been added, such as "Research on Bridge Safety Monitoring and Application Based on Beidou System", "Application of Monitoring System for Operational Safety Cluster of Jiujiang Bridge in Foshan-Kaiping Expressway Expansion", "All-weather Intelligent Monitoring and R&D Project for Key Road Sections of Foshan-Kaiping Expressway", "Research on Traffic Guidance of Large Flow in 2021", "Traffic Simulation Platform", "Big Data Projection" and "Smart Party Building Cloud Platform".

4. Research and Development

√ Applicable □ Not applicable

Name of main R&D project	Project purpose	Project progress	Goal to be achieved	Expected impact on the future development of the Company
Research on Bridge Safety Monitoring and Application Based on Beidou System	Carry out real-time monitoring of structural mechanics indexes such as deflection, stress and displacement, perceive and evaluate the emergencies of expressway bridges quickly, accurately and effectively	Completed	Form an intelligent monitoring and early warning system of expressway bridges with "all-factor perception, all-round service and all-service management"	Realize the perception, digitization, networking and intelligence of the whole life cycle of bridges
Research on Early Warning and Safety Monitoring System for Ship Collision of Jiujiang Extra-large Bridge	Carry out research and exploration on technical research, equipment development and standard formulation of active early warning measures for bridge ship collision.	Completed	Develop early warning technology of ship yaw prevention based on video image monitoring technology and radar technology	Realize the early warning of the accident may occur by ship colliding with the bridge, effectively prevent the occurrence of major catastrophic public safety accidents of bridge collapse, and ensure the safe and stable operation of the expressway.
All-weather Intelligent Monitoring	This project is the implementation of "Double Outline" and "New Infrastructure Guiding Opinions", which will provide important	Completed	Grasp the comprehensive road network data information in real time through the digital and intelligent construction of	Improve the operational efficiency of expressways and the level of transportation safety, promote the

Name of main R&D project	Project purpose	Project progress	Goal to be achieved	Expected impact on the future development of the Company
and R&D Project for Key Road Sections of Foshan-Kai ping Expressway	demonstration and reference for the intelligent development of highway traffic, especially for intelligent development of expressways and promotion of smart highway applications.		existing facilities.	demonstration and application of smart highways, and build up demonstration sites for smart highways with “advanced technology, moderate cost, and first-class level in China”.
Research on Traffic Guidance of Large Flow	Realize the practicality, precision and automation of induced information, and gradually replace the current situation of traditional induced information, such as immobilization, slogan and manual release by using the built cloud-controlled big data all-in-one machine and intelligent publishing platform. Strengthen the road monitoring means of Guangzhou-Foshan Expressway by building a road incident detection system, realize the active marking ability of high-speed sections, and improve the response and handling ability to road incidents.	Completed	Realize the rapid perception and disposal of road incidents through the construction of road incident detection system; improve the intelligentization of variable information sign terminal through the technical docking of intelligent flow control and intelligent publishing platform gateway; and realize integrated display of traffic status, visual perception, intelligent flow control and other applications for large-screen visual display system.	It can improve the coordination and management efficiency of expressway resources, speed up the accident handling speed, and play an important role in reducing traffic delays and economic losses and casualties caused by traffic accidents. It can wholly improve the management and control of road traffic and service level by the owner.

Name of main R&D project	Project purpose	Project progress	Goal to be achieved	Expected impact on the future development of the Company
Traffic Simulation Platform	Realize off-line monitoring and analysis of expressway traffic flow, speed, occupancy rate and congestion mileage through the initial construction by integrating multi-source data such as expressway RSU data, toll station data and road condition information. Realize the analysis and backtracking of high-speed traffic flow sources, customer groups, customer composition, traffic flow characteristics and traffic flow characteristics of key holidays.	Initially realize the off-line monitoring and analysis of the traffic flow, speed, occupancy rate and congestion mileage of the expressway through the obtained (three-month) expressway traffic data. Build a traffic simulation model of 15.7 km for Guangzhou-Foshan Expressway. The software development and copyright application has been completed.	Build a traffic simulation model of 50-100 km for high-speed and surrounding roads based on the collected historical traffic flow data and combined with the current mainstream macro and micro traffic simulation software, and make the off-line quantitative evaluation and analysis of common emergency traffic organization schemes, so as to provide quantitative decision-making basis for the feasibility analysis of relevant traffic organization management and guidance measures.	In the field of highway intelligent transformation and construction, the simulation analysis system based on traffic flow characteristics can be effectively combined with high-speed monitoring, information release guidance, traffic management and other systems, and it has become an important technology for the Company's high-speed intelligent transformation business.
Big Data Projection	Build a large-screen visual display system to realize the integrated display of traffic status, visual perception, intelligent flow control and other applications. Have the ability of macro-monitoring all data of expressway.	All functions of the project have been developed, deployed, debugged and applied.	Play an important role in improving the coordination and management efficiency of expressway resources, speeding up the handling of accidents and reducing traffic delays and economic losses and casualties caused by traffic accidents. Improve the management and control of road traffic and the service level of the owner overall.	The multi-angle information display of expressway information through big data projection screen is beneficial to the promotion of the Company's expressway information integration business.

Name of main R&D project	Project purpose	Project progress	Goal to be achieved	Expected impact on the future development of the Company
Smart Party Building Cloud Platform	With big data as the core, the smart party building cloud platform has simultaneously developed PC portal website, WeChat official account, party building portal management backend, party building big data and management cloud platform, providing the group and grass-roots party organizations with an integrated management platform for internet plus party building, which integrates five major businesses, namely party building publicity, party members' learning and education, party building activities, party affairs management and data supervision, and realizes full coverage of party affairs business and interconnection among grass-roots party organizations.	All functions of the project have been developed, deployed, debugged and applied.	Grass-roots party members can make full use of fragmented time through mobile phone terminal, to communicate and discuss through the study section anytime and anywhere, which realizes the breakthrough of the learning and education form of party building "from traditional to modern, from closed to open, from entity to virtual". Meanwhile, the traditional tedious daily management work is simplified and integrated, the party work flow is optimized, and the efficiency and quality of party work are improved.	Centered on the in-depth exploration and research on the smart party building cloud platform, with the Internet + party integrated management solution which integrates the publicity, education, service, management, and supervision, and thus having high construction necessity and market demand.

Company's research and development personnel situation

	2021	2020	Increase /decrease
Number of Research and Development persons (persons)	12	2	500.00%
Proportion of Research and Development persons	0.40%	0.07%	0.33%
Academic structure of R&D personnel	---	---	---
Bachelor	11	2	450.00%
Master	1		
Age composition of R&D personnel	---	---	---
Under 30 years old	1		
30-40 years old	9		
Over 40 years old	2	2	0.00%

The Company's R & D investment situation

	2021	2020	Increase /decrease
Amount of Research and Development Investment (In RMB)	13,974,899.53	404,303.70	3,356.54%
Proportion of Research and Development Investment of Operation Revenue	0.26%	0.01%	0.25%
Amount of Research and Development Investment Capitalization (In RMB)	703,960.80	0.00	
Proportion of Capitalization Research and Development Investment of Research and Development Investment	5.04%	0.00%	5.04%

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

Applicable Not applicable

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

Applicable Not applicable

In 2021, the R&D investment has been increased, and new R&D projects have been added, such as "Research on Bridge Safety Monitoring and Application Based on Beidou System", "Application of Monitoring System for Operational Safety Cluster of Jiujiang Bridge in Foshan-Kaiping Expressway Expansion", "All-weather Intelligent Monitoring and R&D Project for Key Road Sections of Foshan-Kaiping Expressway", "Research on Traffic Guidance of Large Flow in 2021", "Traffic Simulation Platform", "Big Data Projection" and "Smart Party Building Cloud Platform".

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

Applicable Not applicable

In 2021, the R&D investment has been increased, and new R&D projects have been added, such as "Research on Bridge Safety Monitoring and Application Based on Beidou System", "Application of Monitoring System for Operational Safety Cluster of Jiujiang Bridge in Foshan-Kaiping Expressway Expansion", "All-weather Intelligent Monitoring and R&D Project for Key Road Sections of Foshan-Kaiping Expressway", "Research on Traffic Guidance of Large Flow in 2021", "Traffic Simulation Platform", "Big Data Projection" and "Smart Party Building Cloud Platform".

5.Cash Flow

In RMB

Items	2021	2020	Increase/Decrease(%)
Subtotal of cash inflow received from operation activities	5,574,328,005.11	4,051,493,610.08	37.59%
Subtotal of cash outflow received from operation activities	1,904,583,283.95	1,415,306,369.03	34.57%
Net cash flow arising from operating activities	3,669,744,721.16	2,636,187,241.05	39.21%
Subtotal of cash inflow received from investing activities	224,528,598.74	372,548,657.83	-39.73%
Subtotal of cash outflow for investment activities	648,313,936.74	884,922,836.28	-26.74%
Net cash flow arising from investment activities	-423,785,338.00	-512,374,178.45	-17.29%
Subtotal cash inflow received from financing activities	2,265,075,195.50	2,258,963,500.00	0.27%
Subtotal cash outflow for financing activities	5,401,656,857.26	4,591,305,613.77	17.65%
Net cash flow arising from financing activities	-3,136,581,661.76	-2,332,342,113.77	34.48%
Net increase in cash and cash equivalents	109,006,386.66	-206,800,360.26	152.71%

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

√Applicable □ Not applicable

Due to the outbreak of the COVID-19 in 2020, the national highway toll revenue will be exempted. In 2021, the number of days for companies to charge on various road sections increases compared with the same period of the previous year, the toll revenue increases, and the cash inflow from operating activities increases. The increase of profits leads to the increase of taxes and fees, and the increase of cash outflow from operating activities.

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

√Applicable □ Not applicable

In RMB

I. Adjusting net profit to cash flow from operating activities	2021
Net profit	2,426,784,700.28
Add: Credit loss provision	1,935,337.47
Impairment loss provision of assets	2,889,394.16
Depreciation of fixed assets, oil and gas assets and consumable biological assets	1,229,561,027.39
Depreciation of the use right assets	9,914,956.52
Amortization of intangible assets	36,587,254.42
Amortization of Long-term deferred expenses	350,625.00
Loss on disposal of fixed assets, intangible assets and other long-term deferred assets	-3,017,370.44
Fixed assets scrap loss	381,538.83

I. Adjusting net profit to cash flow from operating activities	2021
Financial cost	283,024,964.67
Loss on investment	-277,061,254.36
Decrease of deferred income tax assets	105,511,533.12
Increased of deferred income tax liabilities	-71,180,773.10
Decrease of inventories	-586,318.60
Decrease of operating receivables	8,323,698.17
Increased of operating Payable	-83,674,592.37
Net cash flows arising from operating activities	3,669,744,721.16

V. Analysis of Non-core Business

√ Applicable □ Not applicable

In RMB

	Amount	Proportion in total profit	Explanation of cause	Sustainable (yes or no)
Investment Income	277,061,254.36	8.76%	It is due to the operation accumulation of participant companies	Sustainable
Asset impairment	-2,889,394.16	-0.09%	Fokai Company accrued impairment reserve for fixed assets	Not sustainable
Non-operating income	17,975,495.18	0.57%	Mainly insurance claims , road property claims and Demolition compensation income	Not sustainable
Non-operating expenses	22,483,385.64	0.71%	Mainly road property repair expenses and Loss of non-current assets	Not sustainable
Income from asset disposal	3,017,370.44	0.10%	Mainly the gains from fixed asset disposal of East Guangzhou-Zhuhai Company	Not sustainable
Credit impairment loss	-1,935,337.47	-0.06%	Provision for impairment of other receivables	Not sustainable

VI. Condition of Asset and Liabilities

1. Condition of Asset Causing Significant Change

In RMB

	End of 2021		End of 2020		Proportion increase/d ecrease	Notes to the significant change
	Amount	Proportion in the total assets(%)	Amount	Proportion in the total assets(%)		
Monetary fund	2,956,404,390.55	15.66%	2,847,398,003.89	14.40%	1.26%	
Accounts receivable	159,053,399.87	0.84%	168,907,517.56	0.85%	-0.01%	
Contract assets	5,286,462.45	0.03%	5,452,813.90	0.03%	0.00%	
Inventories	640,079.66	0.00%	53,761.06	0.00%	0.00%	
Investment real estate	2,889,263.41	0.02%	3,110,381.89	0.02%	0.00%	
Long-term equity investment	2,627,130,681.24	13.92%	2,382,927,355.64	12.05%	1.87%	
Fixed assets	10,639,272,192.02	56.36%	11,540,075,929.69	58.37%	-2.01%	
Construction in process	351,130,455.06	1.86%	340,611,095.47	1.72%	0.14%	
Use right assets	14,100,325.01	0.07%	23,154,055.78	0.12%	-0.05%	
Shore-term loans	0.00	0.00%	200,192,500.00	1.01%	-1.01%	
Contract liabilities	22,000.00	0.00%	309,734.51	0.00%	0.00%	
Long-term borrowing	4,572,621,200.00	24.22%	4,977,438,800.00	25.18%	-0.96%	
Lease liabilities	2,773,459.76	0.01%	12,245,214.89	0.06%	-0.05%	

Overseas assets account for a relatively high proportion.

Applicable Not applicable

2. Asset and Liabilities Measured by Fair Value

√Applicable Not applicable

Items	Opening amount	Gain/Loss on fair value change in the reporting period	Cumulative fair value change recorded into equity	Impairment provisions in the reporting period	Purchased amount in the reporting period	Sold amount in the reporting period	Other changes	Closing amount
Financial assets								
4. Other equity instrument investment	1,737,015,528.29		263,485,537.28					1,577,175,826.05
Subtotal of financial assets	1,737,015,528.29		263,485,537.28					1,577,175,826.05
Total of the above	1,737,015,528.29		263,485,537.28					1,577,175,826.05
Financial liabilities	0.00		0.00					0.00

Other change

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

Yes No

3. Assets right restriction till end of reporting period

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

VII. Investment situation

1. General

√Applicable Not applicable

Investment Amount in 2021(Yuan)	Investment Amount in 2020(Yuan)	Change rate
134,650,000.00	2,703,460,018.24	-95.02%

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

√Applicable □Not applicable

In RMB

Name of the Company Invested	Main Business	Investment Way	Investment Amount	Share Proportion %	Capital Source	Partner	Investment Horizon	Product Type	Progress up to Balance Sheet Date	Anticipated Income	Gain or Less or the Current Investment	Whether to Involve in Law suit	Date of Disclosure	Disclosure Index
Guangdong Jiangzhong Expressway Co., Ltd.	Expressway	Increase capital	133,650,000.00	15.00 %	Self fund	Xinyue (Guangzhou) Investment Co., Ltd., Guangdong Highway Construction Co., Ltd.	On the basis of the term of operation approved by the government	Limited Company	Completed			No	July 31, 2021	Announcement of Resolutions of the 20 th (Provisional) Meeting of the Ninth Board of Directors, Related transaction Announcement
Total	--	--	133,650,000.00	--	--	--	--	--	--	0.00	0.00	--	--	--

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

□ Applicable √ Not applicable

4. Investment of Financial Asset

(1) Securities investment

√Applicable □ Not applicable

In RMB

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Security category	Security code	Stock Abbreviation:	Initial investment cost	Mode of accounting measurement	Book value balance at the beginning of the reporting period	Changes in fair value of the this period	Cumulative fair value changes in equity	Purchase amount in the this period	Sale amount in the this period	Gain/loss of the reporting period	Book value balance at the end of the reporting period	Accounting items	Sources of funds
Domestic and foreign stocks	601818	Everbright Bank	517,560,876.80	FVM	938,667,226.56	0.00	263,485,537.28	0.00	0.00	49,403,538.24	781,046,414.08	Other equity instrument investment	Self
Total			517,560,876.80	--	938,667,226.56	0.00	263,485,537.28	0.00	0.00	49,403,538.24	781,046,414.08	--	--
Disclosure Date of Announcement on Securities Investment Approved by the Board of Directors			July 22,2009										
Disclosure Date of Announcement on Securities Investment Approved by the Shareholders Meeting(If any)			August 7,2009										

(2) Investment in Derivatives

Applicable Not applicable

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

5. Application of the raised capital

Applicable Not applicable

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

VIII. Sales of major assets and equity

1. Sales of major assets

Applicable Not applicable

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

2. Sales of major equity

Applicable Not applicable

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

√ Applicable □ Not applicable

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

In RMB

Company Name	Company type	Leading products and services	Registered capital	Total assets	Net assets	Operating Income	Operating profit	Net Profit
Guangfo Expressway	Subsidiary	Operating Guangfo Expressway Co., Ltd.(starts from Hengsha, Guangzhou, ends in Xiebian, Foshan. Total length 15.7 kilometers	RMB 200 million	557,444,986.51	525,258,828.06	452,189,259.01	285,008,760.76	216,784,938.57
Jingzhu Expressway Guangzhu Section Co., Ltd.	Subsidiary	The operation and management of Guangzhu Expressway and provision of supporting services including fueling, salvage and supply of parts and components	RMB 580 million	2,245,637,507.19	1,162,701,542.28	1,173,205,770.48	690,615,701.91	510,059,420.32
Guangdong Guanghui Expressway Co., Ltd.	Sharing company	Investment in and construction of Guanghui Expressway Co., Ltd. and supporting facilities, the toll collection and maintenance management of Guanghui Expressway, The Guanghui Expressway's supporting gas station, salvation, vehicle maintenance, vehicle transport, catering, warehousing investment and development	RMB 2.352 million	4,307,118,539.25	3,911,349,143.60	2,153,255,526.58	1,492,003,731.61	1,111,564,548.10

Subsidiaries obtained or disposed in the reporting period

□ Applicable √ Not applicable

Particulars about the Mutual holding companies

1. Guangfo Expressway Co., Ltd. (the Company holds 75% equity) builds and operates Guangfo Expressway, and its operation and management includes road maintenance, toll collection, maintenance of traffic facilities such as signs and markings, and vehicle rescue. The net profit of the current period increased by RMB

61.7527 million year on year, or 39.83%. The main reason for the increase was that the toll exemption policy for the COVID-19 epidemic in 2020. There is no such impact in this period, with increase in toll days, toll income and operating income, operating profit and year-on-year increase in net profit.

2. Jingzhu Expressway Guangzhu Section Co., Ltd. (the company holds 75% equity) operates Guangzhou-Zhuhai Expressway and provides the supporting refueling, rescue and spare parts supply services of expressway. The net profit of the current period increased by RMB 208.3206 million year-on-year, or 69.04%. The main reason for the decrease was that the toll revenue decreased due to the toll-free policy of COVID-19 epidemic. There is no such impact in this period, with increase in toll days, toll income and operating income, operating profit and year-on-year increase in net profit.

3. Guangdong Guanghui Expressway Co., Ltd. (the company holds 51% equity) invests in and builds Guanghui Expressway and supporting facilities; Toll collection and maintenance management of Guanghui Expressway; Investment and development of gas stations, rescue, automobile maintenance, automobile transportation, catering and warehousing for Guanghui Expressway. The net profit of the current period increased by RMB 331.2595 million year-on-year, or 42.45%. The main reason for the decrease was that the toll revenue decreased due to the toll-free policy of COVID-19 epidemic. There is no such impact in this period, with increase in toll days, toll income and operating income, operating profit and year-on-year increase in net profit.

X. Structured subject situation controlled by the company

Applicable Not applicable

XI. Prospect for future development of the Company

In 2022, the Company will continue to strengthen its confidence in reform and development, constantly strengthen its strategic thinking, and strive to improve its corporate governance and development capabilities, promote the transformation and upgrading of enterprises, enhance its anti-risk ability and lay a solid foundation for the steady development of enterprises according to the world-class management and three-year action of state-owned enterprise reform. The overall goal of 2022 is to achieve an operating revenue of 5.011 billion yuan and control the operating cost within 1.878 billion yuan.

1. Implement and deepen the task of state-owned enterprise reform

The Company will continue to implement and deepen the state-owned enterprise reform, strive to improve the level of independent operation, and accelerate the modernization and high-quality development of corporate governance capacity.

2. Consolidate and expand the main business of expressway

In 2022, the Company will continue to consolidate and expand the main business of expressway and continue to study the M&A of high-quality projects; consolidate the investment decision-making work of existing reconstruction and expansion projects, fully grasp the historical opportunity of reconstruction and expansion of East Guangzhou-Zhuhai, Guangzhou-Huizhou and Guangdong-Zhaoqing expressways, and persist in cooperating with the preliminary research related work of the reconstruction and expansion projects of the sections participated and held by the Company.

3. Well ensure the investment in non-main business of expressway and provide new profit growth points

The Company fully utilizes the market-oriented investment platform of Yuegao Capital, expands the equity investment business and increases the new profit growth point of the Company's expressway main business investment.

4. Accelerate the revitalization of land resources along the expressway

Continue to intensify the development of land resources along the expressway, optimize the land development plan in an all-round way, focus on economic benefits, continue to revitalize plots such as Xinjitian, Chenshan and Shatou, so as to maximize comprehensive benefits.

XII. List of the received researches, visits and interviews

Applicable Not applicable

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Reception time	Place of reception	Way of reception	Types of visitors	Visitors received	Main contents discussed and information provided	Basic index
March 26,2021	Meeting Room of the Company	By Phone	Organization	Zheshang Securities telephone research meeting: Zheshang Securities Kuang Peiqin; Zheshang Securities Feng Shiqi; Huaxia Fund Liu Peiyi; China Merchants Fund Yao Shuang; Invesco Great Wall He Jinyang; Springs Capital Lin Shenglan; Starock Investment Hong Mei; Orient Guo Zhe; Huatai Securities Lin Xiaying; Guotai Junan Securities Yin Jiaqi; Haitong Securities Luo Yuejiang; Changjiang Securities Zhang Yibo; Changjiang Securities Feng Qibin; Huaxi Securities Li Chengpeng.	1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports	www.cninfo.com.cn
August 27,2021	Meeting Room of the Company	By Phone	Organization	Huatai Securities Telephone Research Meeting: Huatai Securities Shen Xiaofeng, Lin Xiaying; Zheshang Securities Kuang Peiqin; Zheshang Securities Feng Shiqi; Guotai Junan Yue Xin; Guotai Junan Zhang Jingwen; Guotai Junan Zhang Zhekai; Shanyuan Investment Tang Cong; JP Morgan Asset Management Vivian Tao; Value Partners Limited Norman Ho.	1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports	www.cninfo.com.cn
September 8,2021	Meeting Room of the Company	By Phone	Organization	Industrial Securities Telephone Research Meeting: Industrial Securities Wang Chunhuan; Dongwu Securities Wang Yingze; Bank of China Investment Management Co., Ltd. Shen Yuchen; Sinosafe Assets Zhang Mingzhao; Jiashi Fund Liu Qian; Minsheng Trust Fu Feng; Hongkang Ziwei Assets Management Co., Ltd. Wu Xiongwei; Huatai Li Yanguan; Dacheng Fund Fu Rui; Dinghui Investment Huang Yanjie.	1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports	www.cninfo.com.cn
November 1,2021	Meeting Room of the Company	By Phone	Organization	CICC Telephone Research Meeting: CICC Zhang Weinjie, Luo Xinyu, Gu Yuanfan; Zhejiang Shanyuan Tang Cong; Fujian Haoshan Assets Hong Jiarong; Guotai Junan Zhang Zhekai Shan Deli.	1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports	www.cninfo.com.cn

IV. Corporate Governance

I. General situation

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

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

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

Yes No

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

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

1. Independent business

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

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

2. Complete assets

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

3. Independent personnel

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

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

4. Independent finance

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

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

5. Independent organization

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

III. Horizontal Competitions

Applicable Not applicable

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

1. Annual General Meeting

Sessions	Type of meeting	Investor participation ratio	Meeting Date	Disclosure date	Disclosure index
The First provisional shareholders' General meeting of 2021	Provisional shareholders' General meeting	65.66%	February 3, 2021	February 4, 2021	1. The meeting examined and adopted the Proposal on Signing the Supplementary Agreement to the Financial Services Agreement with Guangdong Communications Group Finance Co., Ltd. 2. The meeting examined and adopted the Proposal on Requesting the Increase of Audit Fees for Annual Financial Reports. 3. The meeting examined and adopted the Proposal regarding the election of Mr. Lu Ming as director of the ninth board of directors of the Company.
2020 Shareholders' general meeting	Annual Shareholders' General Meeting	65.63%	June 22, 2021	June 23, 2021	1. The meeting examined and adopted the Proposal Concerning Final Accounting Report for 2020. 2. The meeting examined and adopted the Proposal Concerning Preplan for Profit Distribution for 2020. 1. It's planned to draw RMB 93,232,912.82 that is based on 10% of the net profit realized by the parent company for the statutory surplus reserve. 2. RMB 608,424,582.67 is to be allocated as the fund for dividend distribution for 2020. with the total shares at the end of 2020, i.e., 2,090,806,126 shares, as the base, cash dividend of RMB 2.91 (including tax) is to be distributed for every 10 shares. The remaining undistributed profits are to be carried forward to the next year. The foreign exchange translation of the cash dividends for shareholders holding B share and overseas corporate shares will be determined according to HKD:RMB bank's Middle rate quoted by People's Bank of China on the first working day after 2020 annual shareholders' general meeting makes resolution on dividend distribution. 3. The meeting examined and adopted the Proposal Concerning Overall budget report of the Company for 2021. 4. The meeting examined and adopted the Work Report of the Board of Directors for 2020. 5. The meeting examined and adopted the Work Report of the supervisory Committee for 2020. 6. The meeting examined and adopted Annual Report for 2020 and its summary. 7. The meeting examined and adopted the Proposal for Hiring the 2021 Annual Financial Report Audit Agency. 8. The meeting examined and adopted the Proposal for Hiring the 2021 Internal Control Audit Institution. 9. The meeting examined and adopted the Proposal on the election of Mr. Ren Hua as the director of the ninth board of directors of the company.
The Second provisional shareholders' General meeting of 2021	Provisional shareholders' General meeting	40.27%	August 16, 2021	August 17, 2021	The meeting examined and adopted the Proposal on increasing capital to Guangdong Jiangzhong Expressway Co., Ltd. to participate in the investment in the shenzhen-Cenxi Expressway Zhongshan Xinlong to Jiangmen Longwan Section Reconstruction and Expansion Project.

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The Third provisional shareholders' General meeting of 2021	Provisional shareholders' General meeting	65.86%	November 24,2021	November 25,2021	The meeting examined and adopted the Proposal on Amending Part of the Articles of Association of the Company.
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2. Request for extraordinary general meeting by preferred stockholders whose voting rights restore

Applicable Not applicable

V. Information about Directors, Supervisors and Senior Executives

1. Basic situation

Name	Positions	Office status	Sex	Age	Starting date of tenure	Expiry date of tenure	Shares held at the year-begin (share)	Stock options	Number of restricted shares granted (shares)	The number of shares held in the current period (shares)	Number of shares reduced in the current period (shares)	Other change (share a)	Number of shares held at the end of the period (shares)	Reasons for increase or decrease of shares
Zheng Renfa	Board Chairman	In office	Male	52	January 4, 2017	September 20, 2022								
Wang Chunhua	Director, General Manager	In office	Male	57	October 19, 2015	September 20, 2022	135,100						135,100	
Lu Ming	Director, Chief accountant	In office	Male	43	December 25, 2020	September 20, 2022								
Zuo Jiang	Director, Deputy General Manager	In office	Female	49	October 19, 2015	September 20, 2022								
Chen Min	Director	In office	Male	58	July 19, 2017	September 20, 2022								
Zeng Zhijun	Director	In office	Male	51	December 4, 2017	September 20, 2022								
You	Director	In office	Male	54	July 21, 2020	September 20, 2022								

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Name	Positions	Office status	Sex	Age	Starting date of tenure	Expiry date of tenure	Shares held at the year-begin (share)	Stock options	Number of restricted shares granted (shares)	The number of shares held in the current period (shares)	Number of shares reduced in the current period (shares)	Other change (share a)	Number of shares held at the end of the period (shares)	Reasons for increase or decrease of shares
Xiaocong														
Ren Hua	Director	In office	Male	46	June 22,2021	September 20,2022								
Wu Hao	Director	In office	Female	49	November 2,2020	September 20,2022								
Huang Hai	Director	In office	Male	46	July 21,2016	September 20,2022								
Gu Naikang	Independent director	In office	Male	56	July 21,2016	September 20,2022								
Bao Fangzhou	Independent director	In office	Male	43	July 21,2016	September 20,2022								
Zhang Hua	Independent director	In office	Male	56	December 4,2017	September 20,2022								
Liu Zhonghua	Independent director	In office	Male	56	December 4,2017	September 20,2022								
Zeng Xiaoqing	Independent director	In office	Female	52	May 20,2019	September 20,2022								
Jiang Changwen	Chairman of the Supervisory Committee	In office	Male	54	May 20,2019	September 20,2022								

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Name	Positions	Office status	Sex	Age	Starting date of tenure	Expiry date of tenure	Shares held at the year-begin(share)	Stock options	Number of restricted shares granted(share s)	The number of shares held in the current period(share s)	Number of shares reduced in the current period(share s)	Other change s(share a)	Number of shares held at the end of the period(share s)	Reasons for increase or decrease of shares
Ke Lin	Supervisor	In office	Female	52	September 15,2017	September 20,2022								
Zhou Yisan	Supervisor	In office	Male	41	September 9,2019	September 20,2022								
Deng Yunfeng	Supervisor	In office	Male	46	December 23,2021	September 20,2022								
Cheng Rui	Deputy General Manager	In office	Male	47	August 28,2017	September 20,2022								
Luo Baoguo	Deputy General Manager	In office	Male	48	December 25,2020	September 20,2022								
He Bing	legal counsel	In office	Female	54	July 23,2012	September 20,2022								
Yang Hanming	Secretary to the Board	In office	Male	52	August 28,2017	September 20,2022								
Zhuo Weiheng	Director	Dimission	Male	50	December 4,2017	February 24,2021								
Li Haihong	Supervisor	Dimission	Female	50	July 21,2016	December 23,2021								
Feng	Supervisor	Dimission	Male	57	September	December 23,2021								

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Name	Positions	Office status	Sex	Age	Starting date of tenure	Expiry date of tenure	Shares held at the year-begin (share)	Stock options	Number of restricted shares granted (shares)	The number of shares held in the current period (shares)	Number of shares reduced in the current period (shares)	Other changes (share a)	Number of shares held at the end of the period (shares)	Reasons for increase or decrease of shares
Yuan					9,2019									
Total	--	--	--	--	--	--	135,100	0	0	0	0	0	135,100	--

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

Yes No

1. Mr. Zhuo Weiheng, director, resigned from the Board of Directors of the Company on February 24, 2021 due to job transfer. After his resignation, Mr. Zhuo Weiheng did not hold any other positions in the Company.

2. Ms. Li Haihong, supervisor, and Mr. Feng Yuan, the employee supervisor, resigned from the Supervisory Board of the Company on December 23, 2021 due to job transfer. After resignation, Ms. Li Haihong and Mr. Feng Yuan did not hold other positions in the Company.

II.Changes of directors, supervisors and senior executives

Applicable Not applicable

Name	Positions	Types	Date	Reason
Zhuo Weiheng	Director	Dimission	February 24,2021	Job change
Li Haihong	Supervisor	Dimission	December 23,2021	Job change
Feng Yuan	Supervisor	Dimission	December 23,2021	Job change

III.Posts holding

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

Mr. Zheng Renfa, He served as Chairman, Master Degree, Senior economic engineer. Since December 2005, He served as Deputy Minister of Investment Management Department of Guangdong Communication Group, Since April 21, 2014, He served as director ,Since August 15, 2016, the implementation of the duties of the Board of Directors and the legal representative of the duties. Since January 4, 2017, he was the chairman of the board of directors of the Company.

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

Lu Ming, is the director of the Company, chief accountant, senior accountant, with the graduate degreeandMBA. From July 1999 to February 2001, he served as the accountant of Jingzhu Expressway Guangzhu Section Co., Ltd; from February 2001 to November 2003, he served as the accountant of the Zhongjiang Expressway Project Preparation Office, and from November 2003 to September 2006, he served as Deputy Manager of the Accounting and Finance Department of the West Ring Section (South Section) of the Pearl River Delta Ring Expressway. From September 2006 to February 2008, he served as the accountant of the Financial Audit Department of Guangdong Provincial Highway Construction Co., Ltd. From February 2008 to March 2009, he successively served as the deputy manager and manager of the Finance Department of the Southern Branch of the West Second Ring Road of Guangdong Provincial Highway Construction Co., Ltd;from March 2009 to December 2020, he served as the manager personnel, deputy supervisor of business and business supervisor of the Financial Management Department of Guangdong Provincial Communications Group Co., Ltd. During the period

from December 2018 to December 2019, he served as the first secretary of the Party branch of the Yinghuai Management Office of the Longhuai Expressway Management Center of Nanyue Transportation of Guangdong Province. He has been the chief accountant of the Company since December 25, 2020, and he has served as the director of the Company since February 3, 2021. He also serves as the vice Chairman of Gangzhou Kangda Expressway Co., Ltd., a joint stock company of the Company and Director of Guangdong Yueke Technology Petty Loan Co., Ltd.

Ms. Zuo Jiang, Deputy General Manager of the Company, Master of Economics, Senior Economist, Qualified as Legal Adviser of the Enterprise, Secretary of the Board of Directors. He has been working in the Company since 1994. He has been the Minister of Securities Affairs of the Company since 1999. He has been the Secretary of the Board of Directors and Director of Securities Affairs Department since March 2006. From October 2015 to July 2016, he was the Deputy General Manager and Secretary of the Board of Directors And Minister of Securities Affairs. Since October 2015, he has been the Deputy General Manager of the Company, and hold a concurrent post of Director of Yueke Technology Petty Loan Co., Ltd., and director of Guoyuan Securities Co., Ltd.

Mr. Chin Min , He serves as Director , undergraduate degree, senior economist, corporate legal adviser, cost engineer. From September 2001 to August 2009, He served as Senior economist , Director and General Manager of Guangdong Jingtong Highway Engineering Construction Group Co., Ltd., From August 2009 to April 2011, He served as Deputy General Manager of Guangdong Nanyue Logistics Co., Ltd., From April 2011 to September 2021, He served as Deputy Minister of Legal Affairs of Guangdong Communications Group Co., Ltd., Since September 2021, He served as Minister of Legal Affairs of Guangdong Communications Group Co., Ltd., Since July ,19, 2017, He served as Director of the Company.

Mr. Zeng Zhijun, economist, is a director of the Company, with master degree. Since June 2010, he has served as the deputy chief economist of Guangdong Provincial Expressway Co., Ltd. From January 2015 to September 2015, he served as Minister of Investment Planning Department of Guangdong Provincial Expressway Co., Ltd; since September 2015, he has served as Minister of Legal Affairs Department of Guangdong Provincial Expressway Co., Ltd. , Since September 2020, He serves as Minister of personnel resource department, Since December 4, 2017, he serves as Director of the Company.

You Xiacong, senior accountant, is the director of the Company, with bachelor degree. From August 1990 to May 2008, he successively served as the deputy manager and manager of the finance department of Guangfa Transportation Co., Ltd., and the manager, director and chief accountant of the finance department of Macau Qi'guan Che'lu Co., Ltd. From May 2008 to January 2015, he served as the assigned chairman of the board of supervisors of Guangdong Provincial Communications Group Co., Ltd. From January 2015 to May 2015, he served as the director and chief accountant of Guangdong Provincial Highway Construction Co., Ltd., and since May 2015, he has served as the director, chief accountant, and member of the party committee of Guangdong Provincial Highway Construction Co., Ltd. He has served as director of the Company since November 2, 2020.

Mr. Ren Hua, director of the Company, master degree, engineer. From June 1998 to August 2001, he was a teacher in the Department of Civil Engineering, West Branch of South China Construction Institute. From September 2001 to June 2004, he studied in bridge and tunnel engineering in South China University of Technology. He served as the supervisor and deputy manager of the Planning and Contract Department of Guangdong West Coastal Expressway Zhuhai Section Co., Ltd. from July 2004 to October 2009, the supervisor of the Investment and Operation Department and Deputy Director of the Legal Affairs Department of Guangdong Highway Construction Co., Ltd. from October 2009 to September 2017, deputy chief economist and deputy director of the Legal Affairs Department of Guangdong Highway Construction Co., Ltd. from September 2017 to

April 2020, deputy chief economist and deputy director of the Legal Affairs Department and secretary of the party branch of the Investment Management Department of Guangdong Highway Construction Co., Ltd. from April 2020 to December 2021, and general counsel, deputy chief economist, deputy director of Legal Affairs Department and secretary of the Party branch of the Investment Management Department of Guangdong Highway Construction Co., Ltd. since December 2021. He has served as the director of the Company since June 22, 2021.

Wu Hao (resigned from the director and member of the Audit Committee on December 21), is the director of the Company, with bachelor degree. From September 1992 to October 2011, she successively served as a section member and deputy section chief of the Finance Section of the Administration for Industry and Commerce of Tongzi County, Guizhou Province. From October 2011 to February 2012, he served as the section chief of the Finance Section of the Huichuan District Administration for Industry and Commerce, Zunyi City, Guizhou Province. From April 2013 to May 2020, She successively served as deputy manager of the finance department, deputy manager of the investment business department, and manager of the investment business department of Shandong Expressway Investment Development Co., Ltd. She has served as the deputy general manager and member of party committee of Shandong Expressway Investment Development Co., Ltd since May 2020. From November 2, 2020, he has served as director of the Company.

Mr. Huang Hai, MBA, joined the work in 1997. He had successively served as the business manager of the financial department of Shenzhen Wofa Medical New Technology Development Co., Ltd., the manager of the marketing department of Shantou Branch of Guangzhou Xingda Communication Co., Ltd, the manager of the securities department and securities affairs representative of Zhongshan Public Technology Co., Ltd., and Deputy General Manager of the Securities Department of Poly Real Estate and Director of the Office of the Secretary of the Board of Directors of Poly Real Estate, currently serving as Secretary of the Board and Director of the Office of the Board of Directors of Poly Development Holding Group Co., Ltd., Chairman of Poly Property Development Co., Ltd., Executive Director and General Manager of Tibet Yingyue Investment Management Co., Ltd. Since July 21, 2016, he has served as director of the Company.

Mr. Bao Fangzhou, Independent director of the Company, Master of Law. Shanghai Jin Tiancheng Law Firm, Senior Partner, 2008 - 2014 Former Independent Director of New Nanyang Co., Ltd. Since 2013, he has been an independent director of Hubei Wushi Pharmaceutical Co., Ltd. since June 2016, Power Co., Ltd. Independent Director. From July 21, 2016, He is an independent director of the Company.

Gu Naikang, Independent directors and doctorate degree of the Company. Since June 2004, he has been a professor and doctoral tutor of Finance and Investment Department of Zhongshan University School of Management. He is currently an independent director of Guangxi Guitang (Group) Co., Ltd., an independent director of Dongguan Yuqiu Electronics Co., Ltd. and an independent director of Guangzhou Zhujiang Industrial Development Co., Ltd. From July 21, 2016, he is an independent director of the Company.

Mr. Liu Zhonghua, professor of accounting, is an independent director of the Company, with master degree. In September 2005, he was transferred to the School of Management of Guangdong University of Foreign Studies to teach. He is currently a professor at the School of Accounting of Guangdong University of Foreign Studies, he is a master tutor, concurrently serves as member of Accounting Society of China, executive member of China Association of Foreign Trade and Economic Accounting, vice chairman of Guangdong Province Management Accounting Association, executive member of Guangdong Provincial Accounting Association and member of Guangdong Audit Society. Since December 4, 2017, he is an independent director of the Company.

Mr. Zhang Hua, economist, is an independent director of the Company, with Master Degree. From May 2006 to May 2012, he served as deputy general manager and chief investment director of Guangzhou Yingzhi Caihua Investment Co., Ltd. From June 2012 to September 2016, he served as the deputy general manager of Guangzhou

De'ru Investment Co., Ltd and concurrently served as Deputy General Manager of Shenzhen Dongying Ruitong Investment Management Partnership (Limited Partnership); since October 2016, he has served as general manager of Shanghai Er Luo Investment Management Service Center (General Partnership). From November 2010 to January 2017, he served as an independent director of Guangzhou Yu Yin Technology Co., Ltd. From December 2011 to September 2017, he served as an independent director of Guangdong Electric Power Development Co., Ltd. In September 2017, he was an independent director of Zhuhai Taichuan Cloud Community Technology Co., Ltd., Since December 4, 2017, he is an independent director of the Company.

Ms. Zeng Xiaoqing, an independent director of the Company, with bachelor's, master's and doctor's degrees from Tongji University. Since 1993, she conducted training and study at Tsinghua University and German Darmstadt University of Technology. From February 2000 to October 2002, she conducted post-doctoral research and study in Tokyo Institute of Technology, Japan. She began to work in Tongji University in 1993, served as assistant director of Shanghai Municipal Government's Expo Science and Technology Promotion Center from 2005 to 2012, and served as vice-chairman and secretary-general of Shanghai Creative Studies Institute from 2012; She is currently the director of Tongji University's Joint Experimental Center for Traffic Information Control, professor and doctoral supervisor of Tongji University's School of Transportation Engineering. From May 20, 2019, she served as the independent director of the Company.

Mr. Jiang Changwen, male, is 52 years old, master of management, senior accountant, senior economist. From July 1999 to November 2006, he worked in Guangshenzhu Expressway Co., Ltd., and served as the supervisor, deputy manager and manager of the accounting department. From November 2006 to January 2009, he worked in the Jiangzhong Expressway Company, and served as the finance department manager; since January 2009, he has worked in the Guangdong Provincial Transportation Group Co., Ltd, and has served as a supervisor. From May 20, 2019, he is the assigned chairman of the supervisory board of Guangdong Communication Group Co., Ltd.

Ms. Ke Lin, bachelor degree, Bachelor of Science, assistant researcher. She began to take a job in July 1991. She had successively served as cadre of personnel department, deputy head, head of the personnel department, section chief rank cadre of discipline inspection and supervision department, director of the commission for discipline inspection (deputy-director level). In November 2008, she was transferred to work in Provincial Transportation Group, successively served as member of party committee, union chairman and discipline inspection commission secretary. From January 2013 to August 2017, she has served as party committee member, discipline inspection commission secretary and chairman of the union in Yueyun Transportation. Since September 15, 2017, She served as supervisor of Board of supervisor of the Company.

Mr. Zhou Yisan, supervisor of the Company, postgraduate degree, master of law, enterprise legal consultant, with national legal professional qualification, board secretary qualification, and securities, fund and futures practitioner qualification. From February 2014 to April 2016, he was the deputy supervisor of the Legal Affairs Department of Guangdong Transportation Group Co., Ltd. From April 2016 to September 2017, he was the deputy head of the Investment Development Department and Legal Affairs Department of the Company, and he has been the head of Legal Affairs Department of the Company since September 2017. From September 9, 2019, he served as the employee supervisor of the 9th Supervisory Committee of the Company. He also serves as supervisor of Guangdong Yueke Technology Petty Loan Co., Ltd.

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

Mr. Cheng Rui, On-job postgraduate, master of business administration, with a lawyer qualification. He began to take a job in July 1997. He had successively served as development department staff, deputy manager of investment management department and manager of investment management department in Xinyue Co., Ltd, served as Deputy General Manager of Xinyue Company in August 2015, and served as deputy minister of strategic development department from April 2016 to August 2017. Since August 2017, he served as Deputy General Manager of the Company. During this period, starting from May 2019 to August 2021, he was assigned as the first secretary of the Party organization in Shanhu Village, Jinhe Town, Jiexi County, Jieyang City.

Mr. Luo Baoguo, deputy general manager of the Company, with graduate degree and master of engineering, is senior engineer. From July 1999 to December 2003, he successively served as the chief engineer of the L bid project of the southern section of the Jingzhu Expressway of the Guangdong Provincial Highway Engineering Construction Group Co., Ltd., the deputy manager and technical sponsor of the southern Jingzhu pavement project, Deputy Manager and Chief Engineer of the Pavement Project Department of the Jingzhu Southern Fogang Section, Manager of the Project Manager Department and Deputy Manager of the Second Branch of the Eighth Contract Section of Henan Jiaozuo-Jincheng Expressway. From December 2003 to March 2007, he successively served as the manager of the university town project, the manager of the business contract department, and the employee supervisor of the Guangdong Jingtong Highway Engineering Construction Group Co., Ltd. From March 2007 to July 2014, he served as Director of the Project Development Office and Director of the Investment Development Department of Guangdong Expressway Development Co., Ltd. From August 2014 to July 2017, he served as the director, general manager and deputy party secretary of Guangdong Fokai Expressway Co., Ltd. From August 2017 to December 2020, he served as the general manager (person in charge) and deputy secretary of the Party Committee of Fokai Branch of Guangdong Expressway Development Co., Ltd. From December 25, 2020, he has served as the deputy general manager of the Company. He concurrently serves as the chairman of Zhaoqing Yuezhao Highway Co., Ltd.-the company's share-participating company, and serves as the vice chairman of Guangdong Jiangzhong Expressway Co., Ltd.

Ms. He Bing , general counsel, master's degree in law, enterprise legal adviser, from August 2005 to July 2012, she served as Deputy chief economic engineer of the Company, Since July 2012, she served as Chief legal adviser of the Company.

Mr. Yang Hanming, he has been the Secretary of the Board, bachelor's degree, senior economist, corporate legal adviser, with the board secretary qualifications. Since March 2000, he has been successively served as deputy minister of investment planning and minister of legal affairs in Guangdong Provincial Expressway Development Co., Ltd. Since August 2014, he has been concurrently served as minister of investment and development. Since August 2017, he has been the Secretary of the Board of the Company, vice Chairman of Ganzhou Gankang Expressway Co., Ltd., Director of Guangdong Jiangzhong Expressway Co., Ltd. and supervisor of Guangdong Yueke Technology Petty Loan Co., Ltd., Since September 2019, he served as Minister of Development Dept of the Company. He also serves as the vice Chairman of Ganzhou Kangda Expressway Co., Ltd., a joint stock company of the Company.

Office taking in shareholder companies

Applicable Not applicable

Names of the persons in office	Names of the shareholders	Titles engaged in the shareholders	Sharing date of office term	Expiry date of office term	Does he /she receive remuneration or allowance from the shareholder
Chen Min	Guangdong Communication Group	Minister of Legal Affairs.	December 1,2014		Yes
You Xiaocong	Guangdong Highway Construction Co., Ltd.	Chief accountant, Party committee member and Secretary of the board of directors	January 14,2015		Yes
Ren Hua	Guangdong Highway Construction Co., Ltd.	General Legal Counsel, Deputy Chief Economist, Deputy Minister of the Legal Affairs Department, Party Branch Secretary of the Investment Management Department	September 1,2017		Yes
Zeng Zhijun	Guangdong Provincial Freeway Co.,Ltd.	General Counsel, Minister of Human Resources	September 1,2015		Yes
Jiang Changwen	Guangdong Communication Group Co., Ltd.	Dispatched chairman of the supervisory committee	January 1,2009		Yes

Offices taken in other organizations

√Applicable □Not applicable

Name of the persons in office	Name of other organizations	Titles engaged in the other organizations	Starting date of office term	Expiry date of office term	Does he/she receive remuneration or allowance from other organization
Bao Fangzhou	Shanghai Allbright law firm	Lawyer, Senior partner	January 1,2000		Yes
Bao Fangzhou	Laurel Power Co., Ltd.	Independent director	June 1,2016		Yes
Gu Naikang	Finance and Investment ,School of Business Sun YAT-SEN University	Professor, doctoral supervisor	January 1,2004		Yes
Gu Naikang	Mingyang Intelligent Energy Group Co., Ltd.	Independent director	July 1,2017		Yes
Gu Naikang	Zhubo Design Co., Ltd.	Independent director	December 1,2019		Yes
Gu Naikang	Shenzhen Shinning Electronic Co., Ltd.	Independent director	December 11,2020		No
Gu Naikang	Youmi Technology Co., Ltd.	Independent director	May 18,2021		Yes
Zhang Hua	Shanghai Erro Investment Management Service Centre(General partnership)	General Manager	October 1,2016		Yes
Zhang Hua	Zhuhai Taichuan Community Technology Co., Ltd .	Independent director	September 1,2017		Yes
Zhang Hua	Guangzhou Yuyin Technology Co., Ltd.	Independent director	November 1,2018		Yes
Zhang Hua	Guangzhou Rural Commercial Bank	Independent director	March 18,2021		Yes
Liu Zhonghua	College of Accounting, Guangdong University of Foreign Studies	Professor, Master's supervisor	September 1, 2005		Yes
Liu Zhonghua	Gelinmei Co., Ltd.	Independent Director	March 20,2019		Yes
Liu Zhonghua	Guangdong Shaogang Songshan Co., Ltd.	Independent Director	June 25,2019		Yes
Liu	Luxshare Preciaion Industry Co.,	Independent Director	June 1,2021		Yes

Zhonghua	Ltd.				
Wu Hao	Shandong Expressway Investment Development Co., Ltd.	Deputy GM	May, 29,2020		Yes
Huang Hai	Poly Developments and Holdings Group Co., Ltd.	Secretary to the Board	April 26,2012		Yes
Huang Hai	Poly Property Development Co., Ltd.	Board chairman	April 22,2019		No
Zeng Xiaoping	Tongji University's School of Transportation Engineering	Professor and doctoral supervisor	June 1,2007		Yes
Zeng Xiaoping	Tongji University's Joint Experimental Center for Traffic Information Control	Director	June 30,2003		No

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

Applicable Not applicable

IV. Remuneration to directors, supervisors and senior executives

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

The remuneration of members of the Eighth board of directors and supervisory committee was examined and determined at the second provisional shareholders' general meeting in 2019. The remuneration of the senior executives is determined by the assets operation responsibility system in that year.

1. The directors of the Company and the controlling shareholder of the Company and its related parties, as well as the directors of the Company, shall not receive the remuneration of the directors.

2. Directors who have not held other positions in the Company and the controlling shareholder of the Company and its related parties are remunerated by the directors of the Company, and the standard is RMB 6,000 (tax included) per person per month. In addition, the expenses incurred by the independent directors at the board of directors and the shareholders' general meeting and the expenses incurred in exercising their functions and powers in accordance with the articles of association may be reimbursed in the company.

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

In RMB 10,000

Name	Positions	Sex	Age	Office status	Total remuneration received from the Company	Whether to get paid in the company related party
Zheng Renfa	Board Chairman	Male	52	In Office	80.14	No
Wang Chunhua	Director, General Manager	Male	57	In Office	77.27	No
Lu Ming	Director , Chief Accountant	Male	43	In office	50.11	No
Zuo Jiang	Director, Deputy General Manager	Female	49	In Office	66.76	No
Chen Min	Director	Male	58	In Office	0	Yes
Zeng Zhijun	Director	Male	51	In Office	0	Yes
You Xiaocong	Director	Male	54	In Office	0	Yes
Zhuo Weiheng	Director	Male	50	Dimission	0	Yes
Ren Hua	Director	Male	46	In Office	0	Yes
Wu Hao	Director	Female	49	In Office	0	Yes
Huang Hai	Director	Male	46	In Office	0	No
Gu Naikang	Independent director	Male	56	In Office	7.2	No
Bao Fangzhou	Independent director	Male	43	In Office	7.2	No
Zhang Hua	Independent director	Male	56	In Office	7.2	No
Liu Zhonghua	Independent director	Male	56	In Office	7.2	No
Zeng Xiaoqing	Independent director	Female	52	In Office	7.2	No
Jiang Changwen	Chairman of the Supervisory Committee	Male	55	In Office	0	Yes
Li Haihong	Supervisor	Female	50	Dimission	0	Yes
Ke Lin	Supervisor	Female	52	In Office	65.78	No
Feng Yuan	Supervisor	Male	57	Dimission	50.04	No
Zhou Yisan	Supervisor	Male	41	In office	54.72	No
Deng Yunfeng	Supervisor	Male	46	In Office	54.61	No
Cheng Rui	Deputy General Manager	Male	47	In office	67.93	No
Luo Baoguo	Deputy General Manager	Male	48	In Office	50.11	No
He Bing	Chief legal adviser	Female	54	In office	56.25	No
Yang Hanming	Secretary to the Board	Male	52	In Office	58.54	No
Total	--	--	--	--	768.26	--

VI. Performance of directors' duties during the reporting period

1. Information of the board meetings during the reporting period

Session	Convening date	Disclosure date	Meeting resolution
The 15th (Provisional) meeting of the ninth Board of Directors	January 18,2021	January 19,2021	1. The meeting examined and adopted the Proposal on Signing the Supplementary Agreement to the Financial Services Agreement with Guangdong Communications Group Finance Co., Ltd.2. The meeting examined and adopted the Proposal on Requesting the Increase of Audit Fees for Annual Financial Reports.3. The meeting examined and adopted the Proposal on the Capital Increase Project of Yuegao Capital Investment (Hengqin) Co., Ltd. 4. The meeting examined and adopted the Proposal for Holding 2021 First Provisional Shareholders' General Meeting.
The 16th (Provisional) meeting of the ninth Board of Directors	March 25,2021	March 26,2021	1. The meeting examined and adopted of the Proposal on Changes in Accounting Policies.2. The meeting examined and adopted the Proposal Concerning Provision for impairment of assets.3. The meeting examined and adopted the Proposal Concerning Final Accounting Report for 2020.4. The meeting examined and adopted the Proposal Concerning Preplan for Profit Distribution for 2020 .5. The meeting examined and adopted the Proposal Concerning Overall budget report of the Company for 2021.6. The meeting examined and adopted the Work Report of the Board of Directors for 2020.7. The meeting examined and adopted the Business Report of the General Manager for 2020.8. The meeting examined and adopted Annual Report for 2020 and its summary.9. The meeting examined and adopted the Proposal the report on evaluation of the Company's internal control in 2020.10. The meeting examined and adopted the Proposal for Hiring the 2021 Annual Financial Report Audit Agency.11. The meeting examined and adopted the Proposal for Hiring the 2021 Internal Control Audit Institution.12. The meeting Examined and adopted of the Proposal on Confirming the Continuous Risk Assessment Report of Guangdong Communication Group Finance Co., Ltd.13. The meeting Examined and adopted of the Proposal on the Report on the Control of Debt Risk of 2020.14. The meeting Examined and adopted of the Proposal on the Report on the analysis of Debt Risk of 2020.15. The meeting examined and adopted the Proposal Concerning the Company Daily Associated Transactions Predicted of 2021.16. The meeting examined and adopted the Proposal on Supplementing the Director Candidate for the Ninth Board of Directors.17. The meeting examined and adopted the Proposal on By-election of the Member of the Audit Committee of the Ninth Board of Directors.18. The meeting examined and adopted the Proposal on the signing of a contract for the entrusted operation and management from 2021 to 2023 of the Guangzhu North Section of the Guangdong Jingzhu Expressway between the Guangdong Jingzhu Expressway Guangzhu North Section Co., Ltd and the Jingzhu Expressway Guangzhu North Section Co., Ltd.19. The meeting examined and adopted the Proposal on the preparation of Guangdong Expressway Development Co., Ltd's "Shareholder Return Plan for the Next Three Years (2021-2023)".
The 17th (Provisional) meeting of the ninth Board of Directors	April 26,2021	April 27,2021	1. The meeting examined and adopted the Proposal concerning the Full Text of Report for the First Quarter of 2021 and the text of Quarterly Report and approved its announcement. 2.e meeting examined and adopted the Proposal on the scrapping of certain fixed assets of the Fokai Branch Company of Guangdong Provincial Expressway Development Co., Ltd.3. The meeting examined and adopted the Proposal on Participating in the investment and establishment of SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd.

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Session	Convening date	Disclosure date	Meeting resolution
The 18th (Provisional) meeting of the ninth Board of Directors	May 31,2021	June 1,2021	1. The meeting examined and adopted the Proposal on the Implementation Plan for the Implementation of the Tenure System and contract Management for Managers by Guangdong Provincial Expressway Development Co., Ltd. (Trial).2. The meeting examined and adopted the Proposal for Holding 2020 Annual Shareholders' General Meeting.
The 19th (Provisional) meeting of the ninth Board of Directors	June 28,2021	June 29,2021	1. The meeting examined and adopted the "Proposal on Change in Accounting Estimates", and it agreed that the Company will change the depreciation period of the Sanbao-Shuikou section of the Shenyang-Haikou National Expressway from June 1, 2021.
The 20th (Provisional) meeting of the ninth Board of Directors	July 30,2021	July 31,2021	1. The meeting examined and adopted the Proposal on increasing capital to Guangdong Expressway Co., Ltd to participate in the investment in the Shenzhen-Cenxi Expressway Zhongshan Xinlong to Jiangmen Longwan Section Reconstruction and Expansion Project.2. The meeting examined and adopted the Proposal for Holding 2021 Second Provisional Shareholders' General Meeting.
The 21st (Provisional) meeting of the ninth Board of Directors	August 26,2021	August 27,2021	1.The meeting examined and adopted the Proposal Concerning Provision for impairment of assets .2. The meeting examined and adopted of the Proposal on Confirming the Continuous Risk Assessment Report of Guangdong Communication Group Finance Co., Ltd. 3. The meeting examined and adopted the Proposal for semi-annual report 2021 and its summary .
The 22nd (Provisional) meeting of the ninth Board of Directors	September 30,2021	October 8,2021	The meeting examined and adopted the Proposal on Amending Part of the Articles of Association of the Company.
The 23rd (Provisional) meeting of the ninth Board of Directors	October 29,2021	October 30,2021	1. The meeting examined and adopted the Proposal concerning the Third Quarter of 2021 . 2. The meeting examined and adopted the Proposal on Formulating the Management System of Authorization by the Board of Directors of Guangdong Provincial Expressway Development Co., Ltd. 3. The meeting examined and adopted the Proposal on Formulating the Development Strategy and Planning Management System of Guangdong Provincial Expressway Development Co., Ltd. 4. The meeting examined and adopted the Proposal on Amending the Information Disclosure System for Debt Financing Instruments of Guangdong Provincial Expressway Development Co., Ltd. 5. The meeting examined and adopted the Proposal on Amending the Management System for Asset Impairment Provision Accrual and write-off of Guangdong Provincial Expressway Development Co., Ltd. 6.The meeting examined and adopted the Proposal for Holding 2021 Third Provisional

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Session	Convening date	Disclosure date	Meeting resolution
			Shareholders' General Meeting.
The 24th (Provisional) meeting of the ninth Board of Directors	December 24,2021	December 25,2021	The meeting examined and adopted the "Proposal on Donating to the Provincial Charity Federation", and agreed that the company would donate 12 million yuan to the Guangdong Provincial Charity Federation.

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

Attendance of directors at the board meetings and the general meeting of shareholders							
Name of director	Number of board meetings attended during the reporting period	Number of board meetings attended in person	Number of board meetings attended by means of communication	Number of board meetings attended by proxy	Number of board meetings absent from	Whether to attend the board meeting in person twice in a row	General meetings of shareholders attended
Zheng Runfa	10	1	9	0	0	No	4
Wang Chunhua	10	1	9	0	0	No	4
Lu Ming	10	1	9	0	0	No	4
Zuo Jiang	0	0	0	0	0	No	0
Chen Min	10	1	9	0	0	No	4
Zeng Zhijun	10	1	9	0	0	No	4
You Xiacong	10	1	9	0	0	No	4
Zhuo Weiheng	1	0	1	0	0	No	1
Ren Hua	6	0	6	0	0	No	3
Wu Hao	10	1	9	0	0	No	4
Huang Hai	10	1	9	0	0	No	4
Gu Naikang	10	1	9	0	0	No	4
Bao Fangzhou	10	1	9	0	0	No	4
Zhao Hua	10	1	9	0	0	No	4
Liu Zhonghua	10	1	9	0	0	No	4
Zeng Xiaoqing	10	1	9	0	0	No	4

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

None

3. Directors' objections to related matters of the Company

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

Yes No

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

4. Other descriptions of directors' performance of duties

Whether the directors' suggestions on the Company have been adopted

Yes No

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

During the reporting period, all the directors of the Company diligently performed the duties entrusted by the general meeting of shareholders, carefully evaluated and considered the Company's operation management, investment, corporate governance and other matters, actively proposed, scientifically discussed and collectively made decisions in the board meeting, and put forward multiple suggestions that meet the Company's development needs at the present stage, which were adopted by the Company in the form of resolutions of the Board of Directors.

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

Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
Audit Committee	Chairman of the Committee: Liu Zhonghua, Member: Zhang Hua, Lu Ming	4	January 7, 2021	1. Reviewed the 2020 financial report prepared by the Company; 2. The CPA reported the audit plan of the 2020 financial report to the Audit Committee.	The Audit Committee reviewed the 2020 financial report prepared by the Company, and reached consensus: 1. The Company's accounting policies were properly selected, accounting estimates were reasonable, and no material misstatement or omission was found; 2. No major shareholders were found occupying the Company's funds; 3. No external violation guarantee or abnormal related party transactions were found; 4. The Company's financial statements could be submitted to the CPA firm for annual audit.	An audit supervision letter was submitted to the accounting firm.	
			March 25, 2021	1. Reviewed the 2020 annual financial report submitted by the Company's Finance Department and issued by certified public accountants with preliminary audit opinions; 2. Listened to the reports of the Proposal on Hiring Financial Report Audit Institution in 2021 and the Proposal on Hiring Internal Control Audit Institution in 2021, and reviewed relevant information; 3. Reviewed and approved the Company's 2020 Internal Audit Work Summary and 2021 Internal Audit Work Plan; 4. Reviewed and	1. The Audit Committee reviewed the 2020 financial report submitted by the Company's Finance Department and issued by the certified public accountant for annual review with preliminary audit opinions, and reached consensus as follows: (1) The audit of the Company's 2020 financial report by the certified public accountant for annual review was conducted in strict accordance with the relevant norms of audit business; (2) During preparation of the annual report, the annual certified public accountants communicated with the Audit Committee effectively, and fully listened to the opinions of the Audit Committee, and consensus was reached on all major aspects in the annual review; (3) The annual financial report issued by certified public accountants with preliminary audit opinions was relatively complete, with no major omissions, and it fairly reflected the Company's financial position as of December 31, 2020, and the production and operation results and cash flow in 2020 in all major aspects. 2. After the Audit Committee listened	An audit supervision letter was submitted to the accounting firm.	

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Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
				approved the Proposal on Reviewing the Company's 2021 Internal Control Evaluation Work Plan; 5. Reviewed and approved the Proposal on Reviewing the 2020 Internal Control Evaluation Report of Guangdong Expressway Development Co., Ltd.	to the reports of the Proposal on <i>Hiring Financial Report Audit Institution in 2021</i> and the <i>Proposal on Hiring Internal Control Audit Institution in 2021</i> , and reviewed the relevant information, it concluded that Yongtuo Certified Public Accountants (special general partnership) had the relevant qualifications to engage in the audit business of listed companies, followed the independent, objective and fair practice standards, and had the experience and ability to provide audit services for listed companies, could meet the needs of the Company's 2021 financial report and internal control audit work, could independently audit the Company's financial position, and agreed to employ Yongtuo Certified Public Accountants (special general partnership) as the audit institution and internal control audit institution of the Company's 2021 financial report, and agreed to submit the above two proposals to the Board of Directors and the general meeting of shareholders for deliberation.		
			March 25,2021	It reviewed the standard and unqualified 2020 financial report submitted by the Company's Financial Management Department and issued by the accountant for annual audit	The Audit Committee reviewed the standard and unqualified 2020 financial report submitted by the Company's Financial Management Department and issued by the certified public accountant for annual review, and concluded that the Company's financial report truly, accurately and completely reflected the overall situation of the Company, and agreed to submit the 2020 financial report prepared by the Company and audited by the certified public accountant for annual review to the Board of Directors for deliberation.		
			August 26,2021	It reviewed the Work Summary for the First half and Work Plan for the			

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Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
				Second Half of the Internal Audit of Guangdong Expressway in 2021			
Remuneration and Assessment Committee	Chairman of the Committee: Bao Fangzhou, Member :Gu Naikang, Huang Hai	1	March 25,2021	It reviewed the 2020 Work Report of the Board of Directors, 2020 General Manager's Business Report and 2020 Annual Report.	The Committee believed that in 2020, the Company's directors and senior management personnel performed their duties diligently and conscientiously, and agreed to the remuneration of directors and senior management personnel determined by the Company in accordance with relevant systems and regulations in 2020.		
			March 25,2021	It reviewed the Implementation Plan for Guangdong Expressway Development Co., Ltd. to implement the tenure system of managers and contractual management (Trial) (hereinafter referred to as Implementation Plan) and other materials.	The Committee believes that the Implementation Plan prepared by the Company in accordance with the requirements of the Work Plan on Implementing the Tenure System and Contractual Management of Managers in Provincial Enterprises of Grade II and below (YGZH [2020] No.227) issued by Guangdong Provincial State-owned Assets Supervision and Administration Commission conform to the actual situation of the Company; and agreed to submit the Implementation Plan to the Board of Directors of the Company for deliberation.		
			December 24,2021	It reviewed the Budget Allocation Plan of Total Wages of Guangdong Expressway Headquarters and Directly Affiliated Units in 2021.			
Strategy Committee	Chairman of the Committee: Zheng Runfa, Member: Wang Chunhua, Bao	1	March 25,2021	It reviewed the Company's 14th Five-Year Development Plan (Draft), the 14th Five-Year Development Plan of Guangdong Communications Group Co., Ltd.	It believed that the Company's 14th Five-Year Development Plan (Draft) needed to be further revised and improved according to the actual situation of the Company and the completion of the 14th Five-Year Development Plan of the provincial transportation group.		

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Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
	Fangzhou, Zhang Hua, Zeng Xiaoqing			(Another Draft for Comment) and other materials.			
Risk Management Committee	Chairman of the Committee: Zheng Runfa; Member: Gu Naikang , Bao Fangzhou	1	December 24,2021	It reviewed and approved the Legal Enterprise Construction Plan (2021-2025) of Guangdong Expressway Development Co., Ltd. and reviewed 2021 Risk Assessment Results.	It agreed that the evaluation results objectively reflected the risk status of the Company.		

VIII. The working status of the board of supervisors

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

Yes No

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

IX. Particulars about employees.

1. Number of staff, professional structure and educational background

Number of in-service staff of the parent company(person)	110
Number of in-service staff of the main subsidiaries(person)	2,873
The total number of the in-service staff(person)	2,983
The total number of staff receiving remuneration in the current period(person)	2,976
Retired staff with charges paid by the parent company and main subsidiaries (person)	121
Professional	
Category	Number of persons (person)
Operating personnel	2,370
Sale personnel	0
Technology Personnel	388
Financial personnel	74
Management personnel	151
Total	2,983
Education	
Category	Number of persons (person)
Holders of master's degree or above	59
Graduates of regular university	626
Graduates of junior colleges	1,677
Other	621
Total	2,983

2. Remuneration policies

Guangdong Expressway follows the principle of adhering to the benefit orientation, taking into account of efficiency and fairness, and combining incentives with constraints, provides active encouragement and paid attention to the long-term. According to national laws, regulations and policies, it establishes the annual salary

system for the person in charge of the enterprise and the performance salary system for management posts, adopts the total salary budget to be included in the overall budget management, and makes employees' salary closely linked with individual performance and enterprise benefits according to the interrelated performance contributions of labor, management and skills.

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

3. Training plan

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

4. Outsourcing situation

Applicable No Applicable

X. Specification of profit distribution and capitalizing of common reserves

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

Applicable Not applicable

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

Applicable Not applicable

Profit distribution and capitalization of capital reserve during the reporting period

Applicable Not applicable

Bonus shares for every ten shares(Shares)	0
Cash dividend for every ten shares (Yuan)(Tax-included)	5.70
A total number of shares as the distribution basis(shares)	2,090,806,126
Cash dividend amount (yuan, including tax)	1,191,759,491.82
Other means (such as repurchase of shares) cash dividend amount (yuan)	0.00
Total cash dividend (yuan, including tax)	1,191,759,491.82
Distributable profit (yuan)	4,644,071,381.03

Proportion of cash dividend in the distributable profit	100%
Cash dividend distribution policy	
The Company is in a fast growth stage, there for the cash dividend will reach 80% of the profit distribution at least. Cash dividend distribution policy.	
Details of profit distribution or reserve capitalization Preplan	
<p>1. Limited to 50% of the registered capital of the company, the net profit of the company, i.e. 57,589,364.93 yuan, is to be allocated for statutory common reserve fund;</p> <p>2. The profit for 2021 is to be distributed as follows: 1,191,759,491.82 yuan. is to be allocated as the fund for dividend distribution for 2021. with the total shares at the end of 2021, i.e., 2,090,806,126 shares, as the base, cash dividend of 5.70 yuan (including tax) is to be distributed for every 10 shares. The remaining undistributed profits are to be carried forward to the next year. The foreign exchange translation of the cash dividends for shareholders holding B share and overseas corporate shares will be determined according to HKD:RMB bank's Middle rate quoted by People's Bank of China on the first working day after 2021 annual shareholders' general meeting makes resolution on dividend distribution.</p>	

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

Applicable Not applicable

None

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

1. Construction and implementation of internal control

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

The Company has set up 10 functional departments, including Investment Development Department, Human Resources Department, Financial Management Department, Infrastructure Management Department, Operation and Management Department, Discipline Inspection and Audit Department, Securities Affairs Department, Comprehensive Affairs Department, Legal Affairs Department and Party and Mass Work Department. The distribution of powers and responsibilities and business processes of all functional departments are clear and reasonable, forming a working mechanism of duty performance, responsibility shouldering, mutual restriction and

coordination. The Company has established a perfect control system for parent-subsidary companies, and formed a sound internal control system for each subsidiary company. Meanwhile, the Company has established and improved rules and regulations related to risk assessment, fraud risk control, information and communication, and maintained effective internal control.

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

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

Yes No

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

Applicable Not applicable

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

1. Self-evaluation report on internal control

Disclosure date of appraisal report on internal control	March 16 ,2022	
Disclosure index of appraisal report on internal control	www.cninfo.com.cn	
The ratio of the total assets of units included in the scope of evaluation accounting for the total assets on the company's consolidated financial statements	100.00%	
The ratio of the operating income of units included in the scope of evaluation accounting for the operating income on the company's consolidated financial statements	100.00%	
Standards of Defects Evaluation		
Type	Financial Report	Non-financial Report
Qualitative standard	The qualitative criteria for the evaluation of internal control deficiencies in financial reports confirmed by the Company is as follows: The following situations (including but not limited to) shall be deemed as “material deficiencies” in the internal control of the financial report. (1) There are major frauds made by the directors, or supervisors, or senior management personnel in the company’s management activities; (2) There are material misstatements in the current financial report but the internal control failed to find the misstatements during its operation; (3) The supervisions made by the company's audit committee and the internal audit organization on the internal	The qualitative criteria for the evaluation of internal control deficiencies in non-financial reports confirmed by the Company is as follows: Material deficiencies: serious violations and being sentenced to heavy fines or need taking criminal responsibility; utterly disregard the rules of law, illegal behaviors in the operation and management are particularly severe and the circumstance is very bad, which leads to the suspension or cessation to the company's daily operation and management activities, and leads to the audit report with a disclaimer of opinion or a negative opinion issued by the CPA; the negative news spread all over the country, which caused severe

	<p>control are invalid; (4) The control environment is invalid; (5)The material deficiencies found and reported to the management but are not corrected within a reasonable time; (6)There is an administrative punishment from the securities regulatory institution due to accounting errors.</p> <p>The following situations (including but not limited to) shall be deemed as “significant deficiencies” in the internal control of the financial report and there are intense signs for the situations becoming “material deficiencies”: (1) Frauds made by staff in key positions; (2)The supervisory function on compliance is invalid, and the violations of regulations may have a significant impact on the reliability of the financial report; (3)The significant deficiencies reported to the management but are not corrected within a reasonable period.</p> <p>The following situations (including but not limited to) shall be deemed as “general deficiencies” in the internal control of the financial report. (1) Frauds made by staff in non key positions, or business operators execute the implementation procedures not strictly conforming to the company’s policy but resulted in no significant impact on the reliability of the financial report. (2)The supervisory function on compliance is invalid, and the violations of regulations may not have a significant impact on the reliability of the financial report; (3)The general deficiencies reported to the management but are not corrected within a reasonable period.</p>	<p>damage to the company’s reputation; resulted in decease of a number of workers or citizens, or resulted in damages that are unable to recover to workers or citizens; reached the circumstance(grade II) of major environmental event. Significant deficiencies: illegal and being punished; disregard the requirements of the company’s management system and the relevant rules of law, there are illegal acts of using the authority to seek illegal interests in the work, which significantly affect the efficiency and the result of daily operation and management activities and lead to the audit report with qualified opinion issued by the CPA; the negative news spread in a region, which caused the large-extent damage to the company’s reputation; resulted in decease of a worker or a citizen, or resulted in damages that need long time to recover to workers or citizens; reached the circumstance(grade III) of big environmental event. General deficiencies: minor violations; the awareness of management under in compliance with laws and regulations is weak, lacking of business and management knowledge, and there are phenomena such as being slack in performing management duties, being passive and poorly execute the institution in the work, which shall affect the efficiency and the result of daily operation and management activities and lead to small effects to the company’s management goal; the negative news spread within the company, which caused the little-extent damage to the company’s reputation; shortly affected the health of the workers or citizens and the workers or citizens can be recovered in a short time; reached the circumstance(grade IV) of general environmental event.</p>
<p>Standards of Quantization</p>	<p>The qualitative criteria for the evaluation of internal control deficiencies in financial reports confirmed by the Company is as follows: Material deficiencies: potential misstatement \geq 1% of the total amount of the owner’s equity or RMB 200 million; significant deficiencies: 0.5% of the total amount of the owner’s equity or RMB 100 million \leq potential misstatement $<$ 1% of the total amount of the owner’s equity or RMB 200 million; general</p>	<p>The qualitative criteria for the evaluation of internal control deficiencies in financial reports confirmed by the Company is as follows: Material deficiencies: potential misstatement \geq 1% of the total amount of the owner’s equity or RMB 200 million; significant deficiencies: 0.5% of the total amount of the owner’s equity or RMB 100 million \leq potential misstatement $<$ 1% of the total amount of the owner’s equity or RMB 200</p>

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

2. Internal Control audit report

√ Applicable Not applicable

Review opinions in the internal control audit report	
In our opinion, Guangdong Expressway has maintained effective financial report internal control in all material aspects according to the basic standards for Enterprise internal control and relevant regulations ended December 31, 2021.	
Disclosure of internal audit report	Disclosure
Disclosure date of audit report of internal control (full-text)	March 16 ,2022
Disclosure index of audit report of internal control (full-text)	www.cninfo.com.cn
Internal audit report's opinion	Unqualified audit opinion

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

Yes No

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

Yes No

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

According to the Notice on Well Ensuring Self-examination and Self-correction for Special Governance Actions of Listed Companies issued by Guangdong Securities Regulatory Bureau, the Company carefully combed the corporate governance including the establishment of the organization, the revision of the company system, the operation and decision-making of the organization, the code of conduct of controlling shareholders and related parties, the related party transactions and the internal control standard system.

Upon self-examination, it is found that the Company strictly follows the requirements of the Company Law, the Securities Law, the Governance Guidelines for Listed Companies, the Stock Listing Rules and other laws and regulations to build and improve the corporate governance structure and improve the standard operation level. The Company has formulated the Articles of Association, the rules of procedure for the operation of the third meetings, the working rules of the special committees of the Board of Directors, the working rules of the general manager and other systems, as well as the internal control system covering the Company's financial management, investment management, information disclosure, related party transactions, external guarantee, fund raising and other aspects of operation and management, and all these systems have been well implemented.

The general meeting of shareholders performs its functions effectively in strict accordance with the Company Law, the Articles of Association and other relevant regulations. The Board of Directors is responsible to the general meeting of shareholders, bears the ultimate responsibility of daily operation and management, holds meetings according to legal procedures and exercises its powers. In the attitude of being responsible to all shareholders, the Board of Supervisors maintains close contact and communication with the Board of Directors and management, and effectively performs all supervisory powers and obligations.

The Company must operate independently in terms of business, personnel, assets, institutions and finance for controlling shareholders.

The Company rectified the insufficiency in number of meetings held by the professional committee of the

Board of Directors every year. During the reporting period, the Audit Committee of the Board of Directors held 4 meetings; the Remuneration and Assessment Committee held 3 meetings; the Strategy Committee and the Risk Management Committee held 1 meeting respectively. Communication, supervision and verification of internal and external audit of the Company by the professional committees of the Board of Directors; it reviews the remuneration policies and programs of directors and senior management personnel of the Company; studies the strategic development direction of the Company and the establishment of enterprise risk management system, puts forward guiding opinions for the establishment of enterprise risk management system, and provides advice and suggestions for major decisions of the Board of Directors.

V. Environmental & Social Responsibility

I. Significant environmental issues

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

Yes No

Administrative penalties for environmental problems during the reporting period

Applicable Not applicable

Refer to other environmental information disclosed by key pollutant discharge units

The Company and its subsidiaries shall not be included into the list of key pollutant discharge units, such as water, atmosphere, soil and sound environment according to the Management Regulations of the List of Key Pollutant Discharge Units (for trial implementation). The Company advocates a green office with low carbon and environmental protection, and conscientiously implements environmental protection laws and regulations such as the Environmental Protection Law of the People's Republic of China, the Water Pollution Prevention Law of the People's Republic of China, the Air Pollution Prevention Law of the People's Republic of China, the Environmental Noise Pollution Prevention Law of the People's Republic of China, and the Solid Waste Pollution Prevention Law of the People's Republic of China in daily operations. During the reporting period, no punishment is imposed due to environmental protection violations.

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

Applicable Not applicable

Reasons for not disclosing other environmental information

None

II. Social responsibilities

In 2021, the Company strove to overcome the repeated adverse effects of the epidemic, worked hard and overcame difficulties. While strictly implementing various prevention and control measures to achieve zero infection in the company's system, it also adhered to the front line of epidemic prevention, ensured unblocked roads, made overall plans to promote the prevention and control of the normalized epidemic and all tasks of the Company, and effectively promoted the stabilization and improvement of economic operation.

1. In order to well ensure epidemic prevention and control, the Company's participating and holding expressway companies actively responded to the higher-level policies, and the party committee and management team of the Company actively mobilized volunteers from the Party, League and the Trade Union to participate in the epidemic prevention and control, effectively promoting the normalization of epidemic prevention and control work.

2. On major holidays, the toll-free policy, intermittent free release and green channel preferential policy for passenger cars with less than seven seats on the expressway continue to be implemented, and Guang-Foshan Company, Foshan-Kaiping Branch, East Guangzhou-Zhuhai Company and Guangzhou-Huizhou Company earnestly achieve "awareness established in place, personnel provided in place, responsibilities implemented in place and measures assigned in place" and successfully complete the tasks of ensuring safety and smoothness.

3. Actively respond to government policies, legally provide preferential and relief policies according to regulations, and reduce transportation costs of enterprises and public travel costs.

4. Conscientiously implement the government task, and effectively guarantee the smooth operation of the system after canceling the transformation and switching of ETC charging system of provincial toll stations. The toll stations of the Company's holding sections are with smooth traffic, the service points of Unitoll Expressway in

Guangdong operated orderly, the toll display and data transmission of toll lanes are correct, the lane configuration is continuously optimized, and the ETC system is generally stable.

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

The Company actively responded to the call of the provincial party committee and the provincial government for the 2021 Guangdong Poverty Alleviation Day, and after deliberation and approval by the Board of Directors, it donated RMB 12 million to the Guangdong Charity Federation in December 2021.

VI. Important Events

I. Commitments to fulfill the situation

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

√Applicable □Not applicable

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitment on share reform						
Commitment in the acquisition report or the report on equity changes						
Commitment made upon the assets replacement	Guangdong Provincial Freeway Co.,Ltd.	Performance commitment	The predicted net profit of Guangdong Guanghui Expressway Co., Ltd. after deducting non-recurring gains and losses in 2020, 2021 and 2022 (hereinafter referred to as "predicted net profit") is RMB 652,477,500, RMB 1,112,587,300 and RMB 1,234,200,900 respectively. According to the special audit opinion issued by the accounting firm, if the accumulated realized net profit of Guangdong Guangzhou-Huizhou Expressway Co., Ltd. at the end of any fiscal year does not reach the accumulated predicted net profit within the compensation period, Guangdong Provincial Freeway Co.,Ltd. will compensate in cash as agreed.	November 25, 2020	2020-2022	Normal performance
	Guangdong Expressway	Commitment on authenticity, accuracy and completeness of the	1. The explanations, commitment and information provided by the Company for this transaction are authentic, accurate and complete, and there are no false records, misleading statements or major omissions. 2. The information provided by the Company to the intermediaries that provide professional services such as auditing, evaluation, legal and financial consulting for this transaction is authentic, accurate and complete original written information or duplicate	November 25, 2020	Permanently effective	Normal performance

		information provided	<p>information, and the duplicate or photocopy of the information is consistent with its original information or original copy; The signatures and seals of all documents are authentic, and the legal procedures required for signing and sealing have been fulfilled and legal authorization has been obtained; There are no false records, misleading statements or major omissions. 3. The Company guarantees that it will provide timely information about this transaction in accordance with relevant laws and regulations, relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange, ensure the authenticity, accuracy and completeness of such information, and guarantee that there are no false records, misleading statements or major omissions. 4. The Company shall bear individual and joint legal responsibilities for the authenticity, accuracy and completeness of the information provided or disclosed for this exchange. In case of any loss caused to investors due to violation of the above commitments, the Company will bear corresponding liability for compensation according to law.</p>			
	All directors, supervisors and senior management personnel of Guangdong Expressway	Commitment on authenticity, accuracy and completeness of the information provided	<p>1. The explanations, commitment and information provided by the Promisee for this transaction are authentic, accurate and complete, and there are no false records, misleading statements or major omissions. 2. The information provided by the Promisee to the intermediaries that provide professional services such as auditing, evaluation, legal and financial consulting for this transaction is authentic, accurate and complete original written information or duplicate information, and the duplicate or photocopy of the information is consistent with its original information or original copy; The signatures and seals of all documents are authentic, and the legal procedures required for signing and sealing have been fulfilled and legal authorization has been obtained; There are no false records, misleading statements or major omissions. 3. The Promisee guarantees that it will provide timely information about this transaction in accordance with relevant laws and regulations, relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange, ensure the authenticity, accuracy and completeness of such information, and guarantee that there are no false records, misleading statements or major omissions. 4. If this transaction is suspected of false records, misleading statements or major omissions in the information provided or disclosed, and is put on file for investigation by judicial organs or by China Securities Regulatory Commission, the transfer of its shares with interests in the listed company will be suspended until the investigation conclusion of the case is obtained. 5. The Promisee shall bear individual and joint legal responsibilities for the authenticity, accuracy</p>	November 25, 2020	Permanently effective	Normal performance

			and completeness of the information provided or disclosed for this exchange. In case of any loss caused to investors due to violation of the above commitments, the Promisee will bear corresponding liability for compensation according to law.			
	All directors, supervisors and senior management personnel of Guangdong Expressway	Commitment on filling measures to dilute immediate reward	1. I promise not to transfer benefits to other units or individuals without compensation or under unfair conditions, nor to damage the interests of the Company by other means. 2. I promise to restrain my job consumption behavior. 3. I promise not to use the assets of the Company to engage in any investment and consumption activities unrelated to my duties. 4. I promise that the salary system formulated by the Board of Directors or the Remuneration Committee of Guangdong Expressway will be linked with the implementation of the reward filling measures of Guangdong Expressway. 5. If Guangdong Expressway plans to implement equity incentive, I promise that the exercise conditions of equity incentive of Guangdong Expressway to be announced will be linked with the implementation of the reward filling measures. 6. In case of any loss caused to Guangdong Expressway or its shareholders due to violation of the above commitments or refusal to perform the above commitments, I will bear corresponding compensation responsibilities according to law.	November 25, 2020	Permanently effective	Normal performance
	Guangdong Provincial Freeway Co.,Ltd.	Commitment on avoiding horizontal competition	1. The Company and its holding subsidiaries will not use the controlling shareholder's holding relationship with Guangdong Expressway to conduct business activities that harm the legitimate rights and interests of Guangdong Expressway, its minority shareholders and its holding subsidiaries. 2. The Company and its holding subsidiaries will not use the information obtained from Guangdong Expressway and its holding subsidiaries to engage in the main business competing with Guangdong Expressway or its holding subsidiaries, and will not engage in any acts or activities that damage or may damage the legitimate rights and interests of Guangdong Expressway, its minority shareholders and its holding subsidiaries. 3. If the Company and its holding subsidiaries transfer any toll roads, bridges, tunnels and related ancillary facilities or rights invested or managed by the Company to a company other than Guangdong Communications Group Co., Ltd. and the company directly or indirectly controlled by it, Guangdong Expressway will be entitled to the preemptive right under the same conditions, unless the transferee is explicitly designated by the relevant government authorities under the premise permitted by relevant laws and regulations. 4. In the future, if the Company and its holding	June 26,2015	This letter of commitment is valid from the date of signing to the date when the Provincial Expressway is no longer controlled by the controlling shareholder	Normal performance

			subsidiaries invest in the construction of expressways parallel to or in the same direction within 20 km from each side of the expressway controlled by Guangdong Expressway, Guangdong Expressway will enjoy the priority of investment over Guangdong Communications Group Co., Ltd. and its directly or indirectly controlled companies except Guangdong Expressway and its holding subsidiaries, except for the projects whose investment entities are clearly designated by the relevant government authorities under the premise permitted by relevant laws and regulations.		of Guangdong Expressway	
	Guangdong Provincial Freeway Co.,Ltd.	Commitment on maintaining the independence of listed companies	The Company will not damage the independence of Guangdong Expressway due to the increase of shares held by the Company after the completion of this major asset restructuring, and will continue to maintain the principle of separation from Guangdong Expressway in terms of assets, personnel, finance, organization and business, and strictly abide by the relevant regulations of China Securities Regulatory Commission on the independence of listed companies, and will not use Guangdong Expressway to provide guarantees, nor occupy Guangdong Expressway funds illegally, so as to maintain and protect the independence of Guangdong Expressway and protect the legitimate rights and interests of other shareholders of Guangdong Expressway.	June 26,2015	This letter of commitment is valid from the date of signing to the date when the Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong Expressway	Normal performance
	Guangdong Provincial Freeway Co.,Ltd.	Commitment on reducing and standardizing related transactions	1. After the completion of this major asset restructuring, the Company and the companies directly or indirectly controlled by the Company and other related parties will try to avoid related transactions with Guangdong Expressway and its holding subsidiaries; Related transactions that are really necessary and unavoidable are carried out in accordance with the principles of fairness, equity and compensation of equal value. The transaction price is determined at a reasonable price recognized by the market. The transaction approval procedures and information disclosure	June 26, 2015	This letter of commitment is valid from the date of signing to the date	Normal performance

			obligations are performed in accordance with relevant laws, regulations and normative documents, and the interests of Guangdong Expressway and its minority shareholders are effectively protected. 2. The Company guarantees to exercise shareholders' rights and fulfill shareholders' obligations in strict accordance with relevant laws and regulations, rules and normative documents promulgated by China Securities Regulatory Commission, business rules promulgated by Shenzhen Stock Exchange and Articles of Association of Guangdong Provincial Expressway Development Co., Ltd., and it will not use the controlling position of Guangdong Expressway's controlling shareholders to seek improper benefits or damage the legitimate rights and interests of Guangdong Expressway and its minority shareholders.		when the Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong Expressway	
	Guangdong Provincial Freeway Co.,Ltd.	Commitment on authenticity, accuracy and completeness of the information provided	1. The information involved in the explanations and commitment provided by the Company for this transaction are authentic, accurate and complete, and there are no false records, misleading statements or major omissions. 2. The information provided by the Company to the intermediaries that provide professional services such as auditing, evaluation, legal and financial consulting for this transaction is authentic, accurate and complete original written information or duplicate information, and the duplicate or photocopy of the information is consistent with its original information or original copy; The signatures and seals of all documents are authentic, and the legal procedures required for signing and sealing have been fulfilled and legal authorization has been obtained; There are no false records, misleading statements or major omissions. 3. The Company guarantees that it will provide timely information about this transaction in accordance with relevant laws and regulations, relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange, ensure the authenticity, accuracy and completeness of such information, and guarantee that there are no false records, misleading statements or major omissions.	November 25, 2020	Permanently effective	Normal performance
	Guangdong Communications Group	Commitment on maintaining the independence	The Company and the companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries will not damage the independence of Guangdong Expressway due to the increase in the shares of Guangdong Expressway held by the Company and the companies directly or indirectly controlled by the Company except Guangdong	June 18, 2015	This letter of commitment is valid from the date of	Normal performance

		of listed companies	Expressway and its holding subsidiaries after the completion of this major asset restructuring, and will continue to maintain the principle of separation from Guangdong Expressway in terms of assets, personnel, finance, organization and business, and strictly abide by the relevant regulations of China Securities Regulatory Commission on the independence of listed companies, and will not use Guangdong Expressway to provide guarantees, nor occupy Guangdong Expressway funds illegally, so as to maintain and protect the independence of Guangdong Expressway and protect the legitimate rights and interests of other shareholders of Guangdong Expressway.		signing to the date when the Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong Expressway	
	Guangdong Communications Group	Commitment on avoiding horizontal competition	1. The Company and the companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries will not use the controlling shareholder's holding relationship with Guangdong Expressway to conduct business activities that harm the legitimate rights and interests of Guangdong Expressway, its minority shareholders and its holding subsidiaries. 2. The Company and the companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries will not use the information obtained from Guangdong Expressway and its holding subsidiaries to engage in the main business competing with Guangdong Expressway or its holding subsidiaries, and will not engage in any acts or activities that damage or may damage the legitimate rights and interests of Guangdong Expressway, its minority shareholders and its holding subsidiaries. 3. If the Company and other companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries transfer any toll roads, bridges, tunnels and related ancillary facilities or interests invested or managed by the Company to companies other than the Company directly or indirectly controlled by the Company, Guangdong Expressway shall be entitled to the preemptive right under the same conditions, unless the transferee is explicitly designated by the relevant government authorities under the premise permitted by relevant laws and regulations. 4. In the future, if the Company and the companies directly or indirectly controlled by the Company except	June 26,2015	This letter of commitment is valid from the date of signing to the date when the Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong	Normal performance

			Guangdong Expressway and its holding subsidiaries invest in the construction of expressways parallel to or in the same direction within 20 km from each side of the expressway controlled by Guangdong Expressway, Guangdong Expressway will be entitled to the priority investment right compared with the Company and the companies directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries, except for the projects whose investment entities are clearly designated by the relevant government authorities under the premise permitted by relevant laws and regulations.		Expressway	
	Guangdong Communications Group	Commitment on reducing and standardizing related transactions	1. After the completion of this major asset restructuring, the Company and other companies and other related parties directly or indirectly controlled by the Company except Guangdong Expressway and its holding subsidiaries will try to avoid related transactions with Guangdong Expressway and its holding subsidiaries; Related transactions that are really necessary and unavoidable are carried out in accordance with the principles of fairness, equity and compensation of equal value. The transaction price is determined at a reasonable price recognized by the market. The transaction approval procedures and information disclosure obligations are performed in accordance with relevant laws, regulations and normative documents, and the interests of Guangdong Expressway and its minority shareholders are effectively protected. 2. The Company guarantees to exercise shareholders' rights and fulfill shareholders' obligations in strict accordance with relevant laws and regulations, rules and normative documents promulgated by China Securities Regulatory Commission, business rules promulgated by Shenzhen Stock Exchange and Articles of Association of Guangdong Provincial Expressway Development Co., Ltd., and it will not use the controlling position of controlling shareholders to seek improper benefits or damage the legitimate rights and interests of Guangdong Expressway and its minority shareholders.	June 18,2015	This letter of commitment is valid from the date of signing to the date when the Provincial Expressway is no longer controlled by the controlling shareholder of Guangdong Expressway	Normal performance
	Guangdong Communications Group	Commitment on authenticity, accuracy and completeness of the	1. The explanations, commitment and information provided by the Company for this transaction are authentic, accurate and complete, and there are no false records, misleading statements or major omissions. 2. The information provided by the Company to the intermediaries that provide professional services such as auditing, evaluation, legal and financial consulting for this transaction is authentic, accurate and complete original written information or duplicate	November 25, 2020	Permanently effective	Normal performance

		information provided	<p>information, and the duplicate or photocopy of the information is consistent with its original information or original copy; The signatures and seals of all documents are authentic, and the legal procedures required for signing and sealing have been fulfilled and legal authorization has been obtained; The validity of the originals of each document has not been revoked within its validity period, and such originals are held by their respective legal holders up to now; There are no false records, misleading statements or major omissions. 3. The Company guarantees that if there are false records, misleading statements or major omissions in the information provided or disclosed for this transaction, which are filed for investigation by judicial organs or filed for investigation by China Securities Regulatory Commission, before the investigation conclusion is revealed, the Company promises to suspend the transfer of shares with interests in Guangdong Expressway, and submit the written application for suspension of transfer and the stock account to the Board of Directors of Guangdong Expressway within two trading days after receiving the notice of filing inspection, and the Board of Directors of Guangdong Expressway will apply for locking on behalf of the Company to the stock exchange and the registration and clearing company; If the application for locking is not submitted within two trading days, the Board of Directors of Guangdong Expressway is authorized to directly submit the identity information and account information of the Company to the stock exchange and the registration and clearing company after verification and apply for locking; If the Board of Directors of Guangdong Expressway fails to submit the Company's identity information and account information to the stock exchange and the registration and clearing company, the stock exchange and the registration and clearing company are authorized to directly lock the relevant shares. If the investigation results show that there are violations of laws and regulations, the Company promises to lock in shares and use them voluntarily for compensation arrangements of relevant investors. 4. The Company shall bear individual and joint legal responsibilities for the authenticity, accuracy and completeness of the information provided or disclosed for this exchange. In case of any loss caused to Guangdong Expressway or investors due to violation of the above commitments, the Company will bear corresponding liability for compensation according to law.</p>			
	Guangdong Communicatio	Commitment on fulfilling filling	<p>1. It will not interfere with the business activities of Guangdong Expressway beyond authority, and will not encroach on the interests of Guangdong Expressway. 2. In case of any loss caused to Guangdong Expressway or investors due to violation of the above commitments, the Company</p>	November 25, 2020	Permanently effective	Normal performanc

	ns Group	measures to dilute immediate reward	will bear corresponding liability for compensation according to law.			e
	Guangdong Communications Group	Commitment on land and real estate of Guanghui Expressway	<p>1. The land occupied and used by Guangzhou-Huizhou Expressway with a total area of 3,732,185.08 square meters has not yet obtained the ownership certificate. The Company undertakes that: (1) The ownership of the land use right of the above-mentioned land is clear with no dispute, and Guangzhou-Huizhou Expressway can legally occupy and use the above-mentioned land; (2) Guangzhou-Huizhou Expressway will continue to effectively occupy and use the relevant land before the ownership certificate is obtained, and will not be materially adversely affected thereby; (3) After the completion of this transaction, if Guangdong Expressway suffers losses as a shareholder of Guangzhou-Huizhou Expressway, for losses suffered because Guangzhou-Huizhou Expressway occupies and uses the above-mentioned land without ownership certificate, or engages in engineering construction on such land, the Company will bear the actual losses suffered by Guangdong Expressway.</p> <p>2. The land occupied and used by Guangzhou-Huizhou Expressway with a total area of 12,324,867.92 square meters is currently registered under the name of Guangdong Changda Highway Engineering Co., Ltd. (now renamed as "Poly Changda Engineering Co., Ltd.", hereinafter referred to as "Changda Company"), of which 8,799,336.79 square meters of land has obtained the ownership certificate, and the other 3,525,531.13 square meters of land has not yet obtained the ownership certificate. The Company promises that after the completion of this transaction, if Guangdong Expressway suffers losses as a shareholder of Guangzhou-Huizhou Expressway and because Guanghui Expressway occupies and uses the land registered under the name of Changda Company, the Company will bear the actual losses suffered by Guangdong Expressway.</p> <p>3. The property ownership certificate has not been obtained for the property with a total area of 72,364.655 square meters occupied and used by Guangzhou-Huizhou Expressway. The Company promises that: (1) The ownership of the above-mentioned property without ownership certificate currently used by Guanghui Expressway is clear with no dispute, and Guangzhou-Huizhou Expressway can legally occupy and use the above-mentioned property; (2) Guangzhou-Huizhou Expressway will continue to effectively occupy and use the above-mentioned property before the property ownership certificate is</p>	November 25, 2020	Permanently effective	Normal performance

			obtained, and will not be materially adversely affected; (3) After the completion of this transaction, if Guangdong Expressway suffers losses as a shareholder of Guangzhou-Huizhou Expressway and because Guangzhou-Huizhou Expressway occupies and uses the above-mentioned property without relevant property ownership certificate, the Company will bear the actual losses suffered by Guangdong Expressway.			
	Guangdong Guanghui Expressway Co., Ltd.	Commitment on authenticity, accuracy and completeness of the information provided	1. The explanations, commitment and information provided by the Company for this transaction are authentic, accurate and complete, and there are no false records, misleading statements or major omissions. 2. The information provided by the Company to the intermediaries that provide professional services such as auditing, evaluation, legal and financial consulting for this transaction is authentic, accurate and complete original written information or duplicate information, and the duplicate or photocopy of the information is consistent with its original information or original copy; The signatures and seals of all documents are authentic, and the legal procedures required for signing and sealing have been fulfilled and legal authorization has been obtained; There are no false records, misleading statements or major omissions. 3. The Company guarantees that it will provide timely information about this transaction in accordance with relevant laws and regulations, relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange, ensure the authenticity, accuracy and completeness of such information, and guarantee that there are no false records, misleading statements or major omissions. 4. The Company shall bear individual and joint legal responsibilities for the authenticity, accuracy and completeness of the information provided or disclosed for this exchange. In case of any loss caused to investors due to violation of the above commitments, the Company will bear corresponding liability for compensation according to law.	November 25, 2020	Permanently effective	Normal performance
	Guangdong Communication Group Co., Ltd	Other commitment	In order to promote the smooth progress of the issue of shares, the cash purchase of assets and the raising of matching funds (hereinafter referred to as "the major asset restructuring") approved by Guangdong Expressway Development Co., Ltd. at its second extraordinary shareholders' meeting in 2015, with regard to all the land and real estate (hereinafter referred to as "relevant land and real estate") owned by Guangdong Fokai Expressway Co., Ltd. (hereinafter referred to as "Fokai Company") and Jingzhu Expressway Guangzhu Section Co., Ltd. (hereinafter referred to as "Guangzhu East Company") without ownership certificates (hereinafter referred to as "relevant	April 27, 2019	It continued to push forward the progress of accreditation, and completed	Normal performance

			<p>land and real estate") disclosed in the report of Guangdong Expressway Development Co., Ltd. on issuing shares and paying cash to purchase assets and raising matching funds and related transactions, the company undertook to urge Fokai Company and Guangzhu East Company to go through the ownership registration formalities according to the following plan under the condition that it is conducive to safeguarding the rights and interests of listed companies; Continued to push forward the progress of accreditation, and completed the registration procedures of relevant land and real estate ownership within three years after the relevant policies were clear and the relevant land and real estate met the conditions for handling the registration procedures of ownership, in accordance with the relevant laws and regulations and the requirements of the competent government departments.</p>		<p>the registration procedures of relevant land and real estate ownership within three years after the relevant policies were clear and the relevant land and real estate met the conditions for handling the registration procedures of ownership, in accordance with the relevant laws and regulations and the</p>	
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					requirements of the competent government departments	
Commitments made upon first issuance or refinance						
Equity incentive commitment						
Other commitments made to minority shareholders						
Completed on time(Y/N)	Yes					

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

Applicable Not applicable

Earnings forecast asset or project name	Forecast start time	Forecast end time	Current forecast performance (RMB 10,000)	Current Actual performance (RMB 10,000)	Reasons for not meeting the forecast (if applicable)	Original forecast disclosure date	Original forecast disclosure index
Guanghui Expressway Co., Ltd.	January 1, 2020	December 31, 2022	111,258.73	110,544.44	Guanghui Expressway Co., Ltd.	January 1, 2020	December 31, 2022

Commitments made by the company's shareholders and counterparties in the reporting year's operating performance

Applicable Not applicable

The completion of performance commitments and its impact on the impairment test of goodwill

In 2020, Guangzhuo-Huizhou Company realized a net profit of RMB 780,305,000, with a net profit of RMB 769,232,600 after deducting non-recurring gains and losses. The actual profit was RMB 652,477,500, RMB 116,755,100 higher than the profit forecast, and the profit forecast completion rate was 117.89%. In 2021, Guangzhou-Huizhou Company realized a net profit of RMB 1,111,564,500, with a net profit of RMB 1,105,444,400 after deducting non-recurring gains and losses, the actual profit of RMB 7,142,900 was less than the profit forecast by RMB 1,112,587,300, and the profit forecast completion rate was 99.36%.

By the end of 2021, the accumulated net profit (excluding non-recurring gains and losses) was RMB 1,874,677,000, RMB 109,612,200 higher than the accumulated profit forecast of RMB 1,765,064,800, and the profit forecast completion rate was 106.21%.

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

Applicable Not applicable

None

III. Illegal provision of guarantees for external parties

Applicable Not applicable

None

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

Applicable Not applicable

None

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

Applicable Not applicable

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

Applicable Not applicable

(I) Changes in accounting policies

1. On December 7, 2018, the Ministry of Finance issued the *Accounting Standards for Business Enterprises No.21-Lease (Revised in 2018)* (No.35 [2018] of the Ministry of Finance) (hereinafter referred to as "New Leasing Standards"). The Sixteenth Meeting of the Ninth Board of Directors of the Company passed the resolution on March 25, 2021, and the Company implemented the aforementioned New Leasing Standards from January 1, 2021, and changed relevant accounting policies according to the New Leasing Standards.

According to the New Leasing Standards, for the contracts that existed before the first execution date, the Company re-evaluated whether they are leases or include leases. For the lease contract with the Company as the lessee, the Company only chose to adjust the cumulative impact of the lease contract that has not been completed on January 1, 2021. For the first implementation of the cumulative impact amount adjustment, the retained earnings and other related items in the financial statements at the beginning of the current period for first implementation (that is, January 1, 2021) were not adjusted for the comparable period information. For the operating lease on the first implementation date, the lease liability was measured as the present value discounted by the lessee based on the remaining lease payment according to the incremental loan interest rate on the first implementation date.

According to each lease option, the Company measured the right-to-use assets according to the amount equal to the lease liabilities and the necessary adjustment based on the prepaid rent. In accordance with the provisions of *Accounting Standards for Business Enterprises No.8-Impairment of Assets*, the impairment test of the right-to-use assets was carried out and corresponding accounting treatment was conducted.

For details, please refer to Section X, Financial Report VII, Notes to Consolidated Financial Statement Items, 29. Changes in Important Accounting Policies and Accounting Estimates.

2. As the participating companies Guangdong Yuepu Microfinance Co., Ltd. and Guoyuan Securities Co., Ltd. implemented the new accounting standards to adjust their opening balance, the Company adopted the equity method to calculate and adjust the opening balance of the 2021 financial statements accordingly.

For details, please refer to Section X, Financial Report VII, Notes to Consolidated Financial Statement Items, 29. Changes in Important Accounting Policies and Accounting Estimates.

3. According to relevant laws and regulations, the Company implemented centralized and unified management of the funds of member units through the internal settlement center, and listed the funds in the "Other current liabilities". On December 30, 2021, the Ministry of Finance issued Interpretation No.15 of Accounting Standards for Business Enterprises, which clearly listed the above-mentioned collected funds in the item of "Other payables", and the Company adjusted and presented them according to the requirements of Interpretation No.15.

(II) Changes in accounting estimates

On June 28, 2021, the Company held the Nineteenth (provisional) meeting of the Ninth Board of Directors,

which passed the *Proposal on the Changes in Accounting Estimates*, agreed that the Company should change the depreciation period of Sanbao-Shuikou section of Shenyang-Haikou National Expressway from June 1, 2021, and extend the depreciation period to June 14, 2044. The future applicable law was adopted by the Company for this matter, and for the impact on the consolidated financial statements and the financial statements of the parent company, see Section X, VIII. Financial Report, Notes to Consolidated Financial Statement Item, 29. Changes in Important Accounting Policies and Accounting Estimates.

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

Applicable Not applicable

None

VIII. Engagement/Disengagement of CPAs

CPAs currently engaged

Name of the domestic CPAs	Yong Tuo Certified Public Accountants (Special General Partnership)
Remuneration for domestic accounting firm (Ten thousands yuan)	127.20
Successive years of the domestic CPAs offering auditing services	2
Name of CPA	Shi Shaoyu, Huang Zhiyan
Continuous years of audit services of certified public accountants of domestic public accounting firms	1-2 years
Name of the Overseas CPAs (If any)	None
Remuneration for overseas accounting firm (Ten thousands yuan) (If any)	0
Successive years of the overseas CPAs offering auditing services (If any)	None
Name of CPA (If any)	None
Continuous years of audit services of certified public accountants of overseas public accounting firms (if any)	None

Has the CPAs been changed in the current period

Yes No

A detailed explanation of the change of employment and accounting firm

Applicable Not applicable

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

Applicable Not applicable

X. Relevant Matters of Bankruptcy Reorganization

Applicable Not applicable

None

XI. Matters of Important Lawsuit and Arbitration

Applicable Not applicable

None

XII. Situation of Punishment and Rectification

Applicable Not applicable

None

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

Applicable Not applicable

XIV. Material related transactions

1. Related transactions in connection with daily operation

Applicable Not applicable

None

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

Applicable Not applicable

None

. Related-party transitions with joint investments

Applicable Not applicable

None

4. Credits and liabilities with related parties

Applicable Not applicable

None

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

Applicable Not applicable

Deposit business

Related party	Relationshi p	Maximum daily deposit limit (10, 000)	Deposit interest rate range	Beginning balance (10, 000)	The amount of this period		Ending balance (10, 000)
					Total deposit amount (10,000)	Total amount is withdrawn for this period(10,000)	

Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	300,000	1.725%-3.57%	103,110.58	1,041,351.2	992,361.43	152,100.35
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Loan business

Related party	Relationship	Loan limit (10,000)	Loant interest rate range	Beginning balance (10,000)	The amount of this period		Ending balance (10,000)
					Total loan amount of the current period (10,000)	Total repayment amount of the current period (10,000)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	400,000	3.15%-3.75%	20,000	20,000	20,000	20,000

Credit extension or other financial services

Related party	Relationship	Business type	Total amount (10,000)	Actual amount incurred (10,000)
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	Credit extension	220,000	20,000

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

Applicable Not applicable

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

7. Other significant related-party transactions

Applicable Not applicable

1.The 15th (Provisional) Meeting of the Ninth Board of Directors and the First provisional Shareholders' General Meeting of 2021 of the Company examined and adopted the Proposal on Signing the Supplementary Agreement to the Financial Services Agreement with Guangdong Communications Group Finance Co., Ltd.

2.The 16th (Provisional) Meeting of the Ninth Board of Directors of the Company examined and adopted the Proposal Concerning the Company Daily Associated Transactions Predicted of 2021.

Agree on the predicted daily associated transactions for the company headquarters, wholly-owned and holding subsidiaries of 2021, whose amount in total is RMB 29.2285 million .

3.The16th (Provisional) Meeting of the Ninth Board of Directors of the Company examined and adopted the Proposal on the signing of a contract for the entrusted operation and management from 2021 to 2023 of the

Guangzhu North Section of the Guangdong Jingzhu Expressway between the Guangdong Jingzhu Expressway Guangzhu North Section Co., Ltd and the Jingzhu Expressway Guangzhu North Section Co., Ltd." It's agreed that the Jingzhu Expressway Guangzhu North Section Co., Ltd and the Guangdong Jingzhu North Section Co., Ltd sign the "Entrusted Operation and Management Contract for 2021-2023 for Guangdong Jingzhu Expressway Guangzhu North Section", with the total contract amount not exceeding 75 million yuan.

4. The 20th (Provisional) Meeting of the Ninth Board of Directors and the Second provisional Shareholders' General Meeting of 2021 of the Company examined and adopted the Proposal on increasing capital to Guangdong Jiangzhong Expressway Co., Ltd. to participate in the investment in the Shenzhen-Cenxi Expressway Zhongshan Xinlong to Jiangmen Longwan Section Reconstruction and Expansion Project.

1. Agreed to the Company's capital increase to Guangdong Jiangzhong Expressway Co., Ltd to participate in the investment in the Shenzhen-Cenxi Expressway Zhongshan Xinlong-Jiangmen Longwan Section Reconstruction and Expansion Project;

2. It's agreed that the Company shall base on the estimated investment amount of 10.697 billion yuan in the preliminary design of the reconstruction and expansion project approved by the Ministry of Transport, and the project capital ratio shall be 35% of the estimated investment amount of the project, which is 3.744 billion yuan, thus the capital increase amount will be approximately RMB 562 million according to holding equity ratio that is the Company holds 15% equity of Jiangzhong Expressway Co., Ltd.

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

Description of provisional announcement	Date of disclosing provisional announcement	Description of the website for disclosing provisional announcements
Announcement of Resolutions of the 15th (Provisional) Meeting of the Ninth Board of Directors (Announcement No.:2021-001)	January 19,2021	www.cninfo.com.cn
Announcement of related party transaction (Announcement No.:2021-002)	January 19,2021	www.cninfo.com.cn
Announcement of Resolution of the First Provisional Shareholder's Meeting of 2021 (Announcement No.:2021-005)	February 4,2021	www.cninfo.com.cn
Announcement of Resolutions of the 16th (Provisional) Meeting of the Ninth Board of Directors (Announcement No.:2021-008)	March 26,2021	www.cninfo.com.cn
Estimates announcement of the Daily Related Party Transaction of 2021 (Announcement No.:2021-012)	March 26,2021	www.cninfo.com.cn
Announcement on related transactions concerning the entrusted operation of the subsidiary (Announcement No.:2021-013)	March 26,2021	www.cninfo.com.cn
Announcement of related party transaction (Announcement No.:2021-029)	July 31,2021	www.cninfo.com.cn

Announcement of Resolution of the Second Provisional Shareholder's Meeting of 2021 (Announcement No.:2021-030)	August 17,2021	www.cninfo.com.cn
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XV. Significant contracts and execution

1.Entrustments, contracting and leasing

(1) Entrustment

Applicable Not applicable

No such cases in the reporting period.

(2) Contracting

Applicable Not applicable

No such cases in the reporting period.

(3) Leasing

Applicable Not applicable

No such cases in the reporting period.

2.Significant Guarantees

Applicable Not applicable

No such cases in the reporting period.

3.Situation of Entrusting Others for Managing Spot Asset

(1)Situation of Entrusted Finance

Applicable Not applicable

None

(2)Situation of Entrusted Loans

4. Other significant contract

Applicable Not applicable

XVI. Explanation on other significant events

Applicable Not applicable

None

XIV. Significant event of subsidiary of the Company

Applicable Not applicable

VII. Change of share capital and shareholding of Principal Shareholders

I. Changes in share capital

1. Changes in share capital

In shares

	Before the change		Increase/decrease (+, -)					After the Change	
	Amount	Proportion	Share allotment	Bonus shares	Capitalization of commission reserve fund	Other	Subtotal	Quantity	Proportion
1. Shares with conditional subscription	439,254,717	21.01%				0	0	439,254,717	21.01%
1. State-owned shares	410,040,696	19.61%				65,042	65,042	410,105,738	19.61%
2. State-owned legal person shares	21,712,738	1.04%				0	0	21,712,738	1.04%
3. Other domestic shares	7,501,283	0.36%				-65,042	-65,042	7,436,241	0.36%
Including : Domestic Legal person shares	6,965,095	0.33%				-101,584	-101,584	6,863,511	0.33%
Domestic natural person shares	536,188	0.03%				36,542	36,542	572,730	0.03%
4. Foreign shares	0	0.00%				0	0	0	0.00%
Including: Foreign legal person shares	0	0.00%				0	0	0	0.00%
Foreign natural person shares	0	0.00%				0	0	0	0.00%
II. Shares with unconditional subscription	1,651,551,409	78.99%				0	0	1,651,551,409	78.99%
1. Common shares in RMB	1,302,902,734	62.32%				0	0	1,302,902,734	62.32%
2. Foreign shares in domestic market	348,648,675	16.68%				0	0	348,648,675	16.68%
3. Foreign shares in foreign market	0	0.00%				0	0	0	0.00%
4. Other	0	0.00%				0	0	0	0.00%
III. Total of capital shares	2,090,806,126	100.00%				0	0	2,090,806,126	100.00%

Reasons for share changed

Applicable Not applicable

1. During the reporting period, 36 shareholders repaid 65,042 consideration shares of Guangdong Communications Group Co., Ltd., which were converted from "shares held by domestic legal person" and "shares held by domestic natural person" to "shares held by the state".

2. During the reporting period, 52,020 shares held by domestic legal persons were converted into shares held by domestic natural person.

Approval of Change of Shares

Applicable Not applicable

Ownership transfer of share changes

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

2. Change of shares with limited sales condition

Applicable Not applicable

In shares

Shareholder Name	Initial Restricted Shares	Number of Unrestricted Shares This Term	Number of Increased Restricted Shares This Term	Restricted Shares in the End of the Term	Reason for Restricted Shares	Date of Restriction Removal
Guangdong Communication Group Co., Ltd.	410,040,696	65,042		410,105,738	The shares for restricted sales by share reform has not yet be subject to the procedures for lifting the restriction.	Unknown
Kong Lingbin and other 35 shareholders	115,275	-15,478		99,797	Release of restrictions on sales	2022-01-19
Foshan Shunde Yunlong Development Co., Ltd.	369,139	-49,564		319,575	Release of restrictions on sales	2022-01-19

Total	410,525,110	0	0	410,525,110	--	--
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II. Securities issue and listing

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

Applicable Not applicable

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

Applicable Not applicable

3.About the existing employees' shares

Applicable Not applicable

III. Shareholders and actual controlling shareholder

1. Number of shareholders and shareholding

In Shares

Total number of common shareholders at the end of the reporting period	49,861	Total shareholders at the end of the month from the date of disclosing the annual report	48,258	The total number of preferred shareholders voting rights restored at period-end (if any)(Note 8)	0	Total preference shareholders with voting rights recovered at end of last month before annual report disclosed(if any)(Note8)	0	
Particulars about shares held above 5% by shareholders or top ten shareholders								
Shareholders	Nature of shareholder	Proportion of shares held (%)	Number of shares held at period -end	Changes in reporting period	Amount of restricted shares held	Amount of un-restricted shares held	Number of share pledged/frozen	
							State of share	Amount
Guangdong Communication Group Co.,Ltd	State-owned legal person	24.56%	513,485,480	65,042	410,105,738	103,379,742		
Guangdong Highway Construction Co., Ltd,	State-owned legal person	22.30%	466,325,020			466,325,020		
Shangdong Expressway Investment Development Co., Ltd.	State-owned legal person	9.68%	202,429,149			202,429,149		
Tibet Yingyue Investment Management Co., Ltd.	State-owned legal person	4.84%	101,214,574			101,214,574		
Guangdong Provincial Freeway Co.,Ltd.	State-owned legal person	2.53%	52,937,491		19,582,228	33,355,263		
Feng Wuchu	Domestic natural person shares	1.03%	21,587,971	794,118		21,587,971		
HKSCC	Overseas legal person	0.93%	19,529,631	19,126,258		19,529,631		

Happy life insurance Co., Ltd.-Dividend	Other	0.81%	16,842,478	16,842,478		16,842,478		
China Life Insurance Co., Ltd.—Dividend —Personal dividend -005L-FH002 Shen	Other	0.76%	15,862,165	-25,147,190		15,862,165		
Xinyue Co., Ltd.	Overseas legal person	0.63%	13,201,086			13,201,086		
Strategic investor or general legal person becoming top-10 ordinary shareholder due to rights issue (if any) (see note 3)	None							
Related or acting-in-concert parties among shareholders above	Guangdong Communication Group Co., Ltd. is the parent company of Guangdong Highway Construction Co., Ltd., Guangdong Provincial Freeway Co.,Ltd. and Xinyue Co., Ltd. It is unknown whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies.							
Above shareholders entrusting or entrusted with voting rights, or waiving voting rights	None							
Top 10 shareholders including the special account for repurchase (if any) (see note 10)	None							
Shareholding of top 10 shareholders of unrestricted shares								
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type						
		Share type	Quantity					
Guangdong Highway Construction Co., Ltd,	466,325,020	RMB Common shares	466,325,020					
Shangdong Expressway Investment Development Co., Ltd.	202,429,149	RMB Common shares	202,429,149					
Guangdong Communication Group Co.,Ltd	103,379,742	RMB Common shares	103,379,742					
Tibet Yingyue Investment Management Co., Ltd.	101,214,574	RMB Common shares	101,214,574					
Guangdong Provincial Freeway Co.,Ltd.	33,355,263	RMB Common shares	33,355,263					
Feng Wuchu	21,587,971	RMB Common shares	19,129,108					
		Foreign shares placed in domestic	2,458,863					
HKSCC	19,529,631	RMB Common shares	19,529,631					
Happy life insurance Co., Ltd.-Dividend	16,842,478	RMB Common shares	16,842,478					
China Life Insurance Co., Ltd.—Dividend —Personal dividend -005L-FH002 Shen	15,862,165	RMB Common shares	15,862,165					

Xinyue Co., Ltd.	13,201,086	Foreign shares placed in domestic	13,201,086
Explanation on associated relationship or consistent action among the top 10 shareholders of non-restricted negotiable shares and that between the top 10 shareholders of non-restricted negotiable shares and top 10 shareholders	Guangdong Communication Group Co., Ltd. is the parent company of Guangdong Highway Construction Co., Ltd. , Guangdong Provincial Freeway Co.,Ltd. and Xinyue Co., Ltd. ,It is unknown whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies.		
Top 10 ordinary shareholders conducting securities margin trading (if any) (see note 4)	None		

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

Yes No

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

2. Controlling shareholder

Nature of Controlling Shareholders: Local state holding

Type: Legal person

Name of the Controlling shareholder	Legal representative/Leader	Date of incorporation	Organization code	Principal business activities
Guangdong Communication Group Co., Ltd.	Deng Xiaohua	June 23,2000	91440000723838552J	Equity management, organization of asset reorganization and optimized allocation, raising funds by means including mortgage, transfer of property rights and joint stock system transformation, project investment, operation and management, traffic infrastructure construction, highway and railway project operation and relevant industries, technological development, application, consultation and services, highway and railway passenger and cargo transport, ship industry, relevant overseas businesses; Value added telecommunication services.
Equity in other domestic and foreign listed companies held by the controlling shareholder by means of control and mutual shareholding in the reporting	Guangdong Communication Group Co., Ltd. holds 74.12% equity of Guangdong Yueyun Traffic Co., Ltd., a company listing H shares.			

period	
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Changes of controlling shareholder in reporting period

Applicable Not applicable

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

3. Information about the controlling shareholder of the Company

Actual controller nature: Local state owned assets management

Actual controller type: Legal person

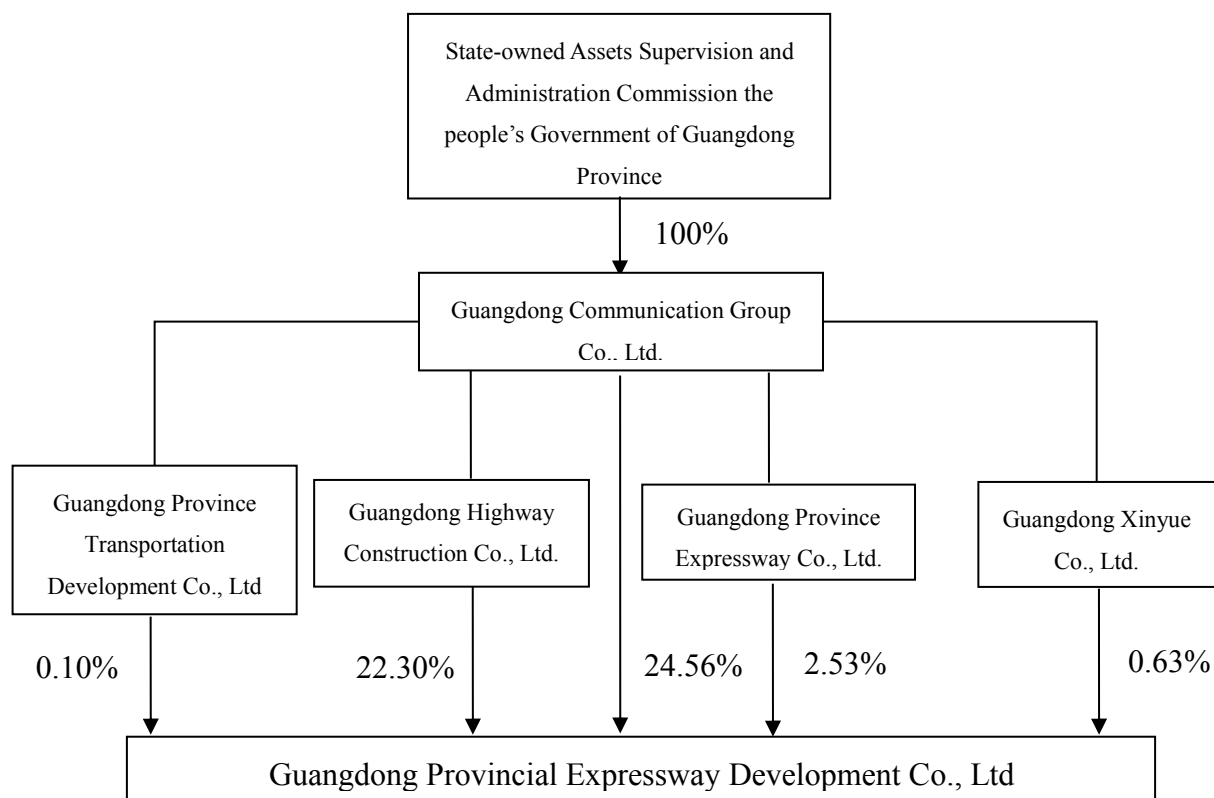
Name of the actual controller	Legal representative /Leader	Date of incorporation	Organization code	Principal business activities
State-owned Assets supervision and administration Commission of Guangdong Provincial People's Government	Li Cheng	June 26,2004	114400007583361658	As an ad hoc organization directly under the Guangdong provincial government, it is authorized by the Guangdong provincial government to represent the Guangdong provincial government to perform the investor's duties for the supervised enterprises in accordance with the law, specializing in the supervision of state-owned assets.
Equity of other domestic/foreign listed company with share controlling and share participation by controlling shareholder in reporting period	As an ad hoc organization directly under the Guangdong provincial government, it is authorized by the Guangdong provincial government to represent the Guangdong provincial government to perform the investor's duties for the supervised enterprises in accordance with the law, specializing in the supervision of state-owned assets.			

Changes of controlling shareholder in reporting period

Applicable Not applicable

No changes of controlling shareholder for the Company in reporting period

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



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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

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

				construction machinery equipment; vehicle rescue services (operated by the branch).
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6. Situation of Share Limitation Reduction of Controlling Shareholders, Actual Controllers, Restructuring Party and Other Commitment Subjects

Applicable Not applicable

IV. Specific implementation of share repurchase during the reporting period

Progress in implementation of share repurchase

Applicable Not applicable

Implementation progress of reducing repurchased shares by centralized bidding

Applicable Not applicable

VIII. Situation of the Preferred Shares

Applicable Not applicable

The Company had no preferred shares in the reporting period.

IX. Corporate Bond

Applicable Not applicable

I. Enterprise bond

Applicable Not applicable

No such cases in the reporting period.

II. Corporate bond

Applicable Not applicable

No such cases in the reporting period.

III. Debt financing instruments of non-financial enterprises

√Applicable □ Not applicable

1. Basic information

In RMB

Bond name	Bond short name	Bond code	Issue day	Value date	Due day	Bond balance	Interest rate	Servicing way	Trading
Guangdong Provincial Expressway Development Co., Ltd. 2019 first phase medium-term notes	19 Guangdong Expressway MTN001	101900252	February 27, 2019	March 1, 2019	March 1, 2024	679,025,866.59	4%	Due payments once a year. The principal and the last instalment interest are paid in one lump sum on the redemption date.	Interbank market
Guangdong Provincial Expressway Development Co., Ltd. 2020 first phase medium-term notes	20 Guangdong Expressway MTN001	102000367	March 13, 2020	March 17, 2020	March 17, 2025	748,408,219.99	3%	Due payments once a year. The principal and the last instalment interest are paid in one lump sum on the redemption date.	Interbank market
Applicable trading mechanism			Circulation and transfer in the national inter-bank bond market, its listing and circulation will be carried out in accordance with the relevant regulations promulgated by the National Interbank Funding Center.						

Overdue and unpaid bonds

□ Applicable √ Not applicable

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

Applicable Not applicable

3. Information of intermediary agency

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

Whether the above agency changes during the reporting period

Yes No

4. Use of raised funds

In RMB

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

The raised funds are used for construction projects

Applicable Not applicable

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

Applicable Not applicable

5.Adjustment of credit rating results during the reporting period

Applicable Not applicable

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

Applicable Not applicable

IV. Convertible bond

Applicable Not applicable

No such cases in the reporting period.

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

Applicable Not applicable

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

Applicable Not applicable

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

Yes No

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

In RMB10,000

Items	At the end of the reporting period	At the end of last year	At the same time rate of change
Current ratio	270.19%	118.46%	151.73%
Debt ratio	40.02%	48.24%	-8.22%
Quick ratio	269.68%	118.35%	151.33%
	Amount of this period	Amount of last period	At the same time rate of change
Net profit after deducting non-recurring profit and loss	169,309.16	70,482.16	140.22%
EBITDA total debt ratio	72.70%	45.98%	26.72%
Time interest earned ratio	11.59	7.65	51.50%

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Cash interest guarantee times	13.72	10.53	30.29%
EBITDA/Time interest earned ratio	15.86	11.39	39.24%
Repayment of debt (%)	446.05%	115.11%	330.94%
Payment of interest (%)	104.94%	91.50%	13.44%

X. Financial Report

I. Audit report

Type of audit opinion	Standard Unqualified audit opinion
Date of signature of audit report	March 16, 2022
Name of audit firm	Yong Tuo Certified Public Accountants (special general partnership)
Names of the Certified Public Accountants	Shi Shaoyu, Huang Zhiyan

Auditors' Report

Yongzhengshen zhi(2022)No.:

To all shareholders of Guangdong Provincial Expressway Development Co., Ltd.

I. Opinion

We have audited the financial statements of Guangdong Provincial Expressway Development Co., Ltd. (hereinafter referred to as "the Company"), which comprise the balance sheet as at December 31, 2021, and the income statement, the statement of cash flows and the statement of changes in owners' equity for the year then ended and notes to the financial statements.

In our opinion, the attached financial statements are prepared, in all material respects, in accordance with Accounting Standards for Business Enterprises and present fairly the financial position of the Company as at December 31, 2021 and its operating results and cash flows for the year then ended.

II. Basis for Our Opinion

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

III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have identified the following items as key audit items that need to be communicated in the audit report.

Depreciation of fixed assets toll road

1. Item description

As described in "Notes III. 15 Fixed Assets to the Financial Statements" and "Notes V. 12 Fixed Assets to the

Financial Statements": the book value of the toll roads of Guangdong Expressway Group at the end of 2021 was RMB 9,905,476,302.88, accounting for 52.48% of the total consolidated assets; the depreciation amount of toll roads in 2021 is RMB 1,035,681,518.74, accounting for 53.68% of the consolidated operating cost. The Guangdong Expressway Group toll road is depreciated according to the traffic flow method, and the current depreciation amount is calculated according to the proportion of the actual traffic flow in the current period to the estimated remaining total traffic flow in the operation period. The total traffic flow during the operation period refers to the forecast of the total traffic flow of Guangdong Expressway Group during the operation period, which is a major accounting estimate. Therefore, we have determined the pricing and depreciation of the toll roads of Guangdong Expressway Group as the key audit items.

2. Audit response

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

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

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

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

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

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

IV. Other information

The management of Guangdong Expressway Company is responsible for other information. Other information includes the information covered in the 2020 annual report of Guangdong Expressway Company, but does not include the financial statement and our audit report.

Our audit opinion on the financial statements does not cover other information, and we do not issue any form of verification conclusion on other information.

In combination with our audit of the financial statements, our responsibility is to read other information, and consider in such process whether other information is materially inconsistent with the financial statements or the information we learned during the audit, or whether there appears to be a material misstatement.

Based on the work that we have already performed, if we determine that other information contains material misstatements, we should report such fact. In this regard, we have nothing to report.

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

The Company's management is responsible for preparing the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises to achieve a fair presentation, and for designing, implementing and maintaining internal control that is necessary to ensure that the financial statements are free from material misstatements, whether due to frauds or errors.

In preparing the financial statements, management of the Company is responsible for assessing the Company's ability to continue as a going concern, disclosing matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be

communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Certified Public Accountant of China:

(project partner)

Certified Public Accountant of China:

Beijing China

March 15,2022

II. Financial statements

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

1. Consolidated balance sheet

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

December 31,2021

In RMB

Items	December 31,2021	December 31,2020
Current asset:		
Monetary fund	2,956,404,390.55	2,847,398,003.89
Settlement provision		
Outgoing call loan		
Transactional financial assets		
Derivative financial assets		
Notes receivable		
Account receivable	159,053,399.87	168,907,517.56
Financing of receivables		
Prepayments	5,227,647.09	3,607,538.01
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	13,761,124.23	60,925,367.64
Including: Interest receivable		
Dividend receivable	1,205,472.90	2,705,472.90
Repurchasing of financial assets		
Inventories	640,079.66	53,761.06
Contract assets	5,286,462.45	5,452,813.90
Assets held for sales		
Non-current asset due within 1 year	2,782,974.53	51,745.32
Other current asset	21,213.96	27,051.69
Total of current assets	3,143,177,292.34	3,086,423,799.07

Items	December 31,2021	December 31,2020
Non-current assets:		
Loans and payment on other's behalf disbursed		
Creditor's right investment		
Other creditor's right investment		
Long-term receivable		
Long term share equity investment	2,627,130,681.24	2,382,381,165.60
Other equity instruments investment	1,577,175,826.05	1,737,015,528.29
Other non-current financial assets		
Property investment	2,889,263.41	3,110,381.89
Fixed assets	10,639,272,192.02	11,540,075,929.69
Construction in progress	351,130,455.06	340,611,095.47
Production physical assets		
Oil & gas assets		
Use right assets	14,100,325.01	Not applicable
Intangible assets	268,504,176.43	302,381,356.52
Development expenses		
Goodwill		
Long-germ expenses to be amortized	2,103,750.00	3,462,122.00
Deferred income tax asset	225,243,885.27	330,755,418.39
Other non-current asset	25,038,952.48	22,361,861.19
Total of non-current assets	15,732,589,506.97	16,662,154,859.04
Total of assets	18,875,766,799.31	19,748,578,658.11
Current liabilities		
Short-term loans		200,192,500.00
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Account payable	264,487,139.44	369,773,342.71
Advance receipts	10,660,208.51	11,309,007.41
Contract liabilities	22,000.00	309,734.51

Items	December 31,2021	December 31,2020
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		
Entrusted selling of securities		
Employees' wage payable	19,213,631.91	16,726,198.13
Tax payable	164,612,512.99	217,748,392.78
Other account payable	177,970,483.76	1,512,619,359.78
Including: Interest payable		
Dividend payable	22,941,943.24	22,262,804.39
Fees and commissions payable		
Reinsurance fee payable		
Liabilities held for sales		
Non-current liability due within 1 year	525,644,368.26	266,328,017.47
Other current liability	726,336.48	648,581.64
Total of current liability	1,163,336,681.35	2,595,655,134.43
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term loan	4,572,621,200.00	4,977,438,800.00
Bond payable	1,427,434,086.58	1,426,488,336.65
Including: preferred stock		
Sustainable debt		
Lease liability	2,773,459.76	Not applicable
Long-term payable	3,461,832.74	40,406,172.37
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	69,228,093.11	89,170,569.64
Deferred income tax liability	315,922,287.64	387,103,060.74
Other non-current liabilities		
Total non-current liabilities	6,391,440,959.83	6,920,606,939.40
Total of liability	7,554,777,641.18	9,516,262,073.83
Owners' equity		

Items	December 31,2021	December 31,2020
Share capital	2,090,806,126.00	2,090,806,126.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	713,460,518.49	645,969,210.48
Less: Shares in stock		
Other comprehensive income	192,177,466.34	302,895,877.65
Special reserve		
Surplus reserves	1,225,375,330.56	1,167,785,965.63
Common risk provision		
Retained profit	4,760,618,543.78	3,725,679,319.35
Total of owner's equity belong to the parent company	8,982,437,985.17	7,933,136,499.11
Minority shareholders' equity	2,338,551,172.96	2,299,180,085.17
Total of owners' equity	11,320,989,158.13	10,232,316,584.28
Total of liabilities and owners' equity	18,875,766,799.31	19,748,578,658.11

Legal Representative: Zheng Renfa

General Manager: Wang Chunhua

Person in charge of accounting: Lu Ming

Accounting Dept Leader: Zhou Fang

2.Parent Company Balance Sheet

In RMB

Items	December 31,2021	December 31,2020
Current asset:		
Monetary fund	1,860,836,127.30	1,781,764,519.09
Transactional financial assets		
Derivative financial assets		
Notes receivable		
Account receivable	24,208,692.49	27,004,827.41
Financing of receivables		
Prepayments	4,311,419.00	2,181,215.03
Other account receivable	6,885,982.60	54,148,114.53
Including: Interest receivable		
Dividend receivable	1,205,472.90	2,705,472.90
Inventories		
Contract assets		
Assets held for sales		
Non-current asset due within 1 year	278,562,652.27	256,279,340.60
Other current asset	11,067.41	27,051.69
Total of current assets	2,174,815,941.07	2,121,405,068.35
Non-current assets:		
Creditor's right investment		287,903,684.98
Other creditor's right investment		
Long-term receivable		
Long term share equity investment	5,792,610,802.46	5,529,362,536.53
Other equity instruments investment	1,577,175,826.05	1,737,015,528.29
Other non-current financial assets		
Property investment	2,637,125.16	2,858,243.64
Fixed assets	5,707,608,552.14	6,245,462,940.39
Construction in progress	43,594,243.12	43,086,545.58
Production physical assets		
Oil & gas assets		
Use right assets	12,611,748.50	Not applicable
Intangible assets	140,756,147.03	150,582,241.22

Items	December 31,2021	December 31,2020
Development expenses		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	218,624,401.07	322,365,911.10
Other non-current asset	14,434,283.48	7,089,990.48
Total of non-current assets	13,510,053,129.01	14,325,727,622.21
Total of assets	15,684,869,070.08	16,447,132,690.56
Current liabilities		
Short-term loans		200,192,500.00
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Account payable	105,685,908.27	105,919,984.52
Advance receipts	250,984.75	
Contract Liabilities		
Employees' wage payable	6,825,973.81	6,472,802.81
Tax payable	7,330,856.79	9,165,801.86
Other account payable	690,062,820.89	1,431,814,861.38
Including: Interest payable		
Dividend payable		
Liabilities held for sales		
Non-current liability due within 1 year	456,996,690.91	190,331,701.48
Other current liability	37,299.97	539,618,124.00
Total of current liability	1,267,190,535.39	2,483,515,776.05
Non-current liabilities:		
Long-term loan	4,058,096,200.00	4,389,653,800.00
Bond payable	1,427,434,086.58	1,426,488,336.65
Including: preferred stock		
Sustainable debt		
Lease liability	2,445,724.58	Not applicable
Long-term payable	3,461,832.74	40,406,172.37
Long-term remuneration payable to staff		

Items	December 31,2021	December 31,2020
Expected liabilities		
Deferred income	10,120,879.64	13,403,327.12
Deferred income tax liability	66,399,854.20	105,636,866.50
Other non-current liabilities		
Total non-current liabilities	5,567,958,577.74	5,975,588,502.64
Total of liability	6,835,149,113.13	8,459,104,278.69
Owners' equity		
Share capital	2,090,806,126.00	2,090,806,126.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	934,851,285.51	938,969,546.79
Less: Shares in stock		
Other comprehensive income	192,177,466.34	302,895,877.65
Special reserve		
Surplus reserves	1,045,403,063.00	987,813,698.07
Retained profit	4,586,482,016.10	3,667,543,163.36
Total of owners' equity	8,849,719,956.95	7,988,028,411.87
Total of liabilities and owners' equity	15,684,869,070.08	16,447,132,690.56

3.Consolidated Income statement

In RMB

Items	2021	2020
I. Income from the key business	5,288,057,677.93	3,790,348,876.26
Incl: Business income	5,288,057,677.93	3,790,348,876.26
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	2,414,254,320.96	2,106,157,423.78
Incl: Business cost	1,929,512,025.56	1,662,223,696.13
Interest expense		
Fee and commission paid		
Insurance discharge payment		

Items	2021	2020
Net claim amount paid		
Net amount of withdrawal of insurance contract reserve		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	26,151,601.45	23,401,929.49
Sales expense		
Administrative expense	223,605,442.46	203,945,119.58
R & D costs	13,270,938.73	404,303.70
Financial expenses	221,714,312.76	216,182,374.88
Including: Interest expense	282,653,629.93	264,407,174.38
Interest income	64,220,887.86	50,618,519.70
Add: Other income	17,600,355.16	12,819,409.84
Investment gain (“-”for loss)	277,061,254.36	171,366,835.55
Incl: investment gains from affiliates	227,004,893.87	114,517,784.14
Financial assets measured at amortized cost cease to be recognized as income		
Gains from currency exchange		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss	-1,935,337.47	-2,457,808.51
Impairment loss of assets	-2,889,394.16	-1,231,918.94
Assets disposal income	3,017,370.44	
III. Operational profit (“-”for loss)	3,166,657,605.30	1,864,687,970.42
Add : Non-operational income	17,975,495.18	11,749,841.36
Less: Non-operating expense	22,483,385.64	20,642,932.77
IV. Total profit (“-”for loss)	3,162,149,714.84	1,855,794,879.01
Less: Income tax expenses	735,365,014.56	491,409,872.94
V. Net profit	2,426,784,700.28	1,364,385,006.07
(I) Classification by business continuity		
1. Net continuing operating profit	2,426,784,700.28	1,364,385,006.07
2. Termination of operating net profit		

Items	2021	2020
(II) Classification by ownership		
1.Net profit attributable to the owners of parent company	1,700,406,981.99	867,842,774.78
2.Minority shareholders' equity	726,377,718.29	496,542,231.29
VI. Net after-tax of other comprehensive income	-110,718,411.31	-79,297,467.25
Net of profit of other comprehensive income attributable to owners of the parent company.	-110,718,411.31	-79,297,467.25
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	-120,434,499.12	-74,105,307.36
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	-120,434,499.12	-74,105,307.36
4. Changes in the fair value of the company's credit risks		
5.Other		
(II) Other comprehensive income that will be reclassified into profit or loss.	9,716,087.81	-5,192,159.89
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.	9,716,087.81	-5,192,159.89
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4.Allowance for credit impairments in investments in other debt obligations		

Items	2021	2020
5. Reserve for cash flow hedges		
6. Translation differences in currency financial statements		
7. Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	2,316,066,288.97	1,285,087,538.82
Total comprehensive income attributable to the owner of the parent company	1,589,688,570.68	788,545,307.53
Total comprehensive income attributable minority shareholders	726,377,718.29	496,542,231.29
VIII. Earnings per share		
(I) Basic earnings per share	0.81	0.42
(II) Diluted earnings per share	0.81	0.42

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

Legal Representative: Zheng Renfa

General Manager: Wang Chunhua, ,

Person in charge of accounting: Lu Ming

Accounting Dept Leader: Zhou Fang

4. Income statement of the Parent Company

In RMB

Items	2021	2020
I. Income from the key business	1,469,364,434.37	975,440,382.58
Incl: Business cost	718,634,183.97	655,670,622.07
Business tax and surcharge	8,211,382.64	8,077,542.21
Sales expense		
Administrative expense	117,865,388.31	111,210,597.86
R & D expense	6,788,937.00	
Financial expenses	235,894,975.56	208,439,841.94
Including: Interest expenses	274,934,433.28	250,230,473.17
Interest income	39,948,340.40	40,734,373.10

Items	2021	2020
Add: Other income	4,070,892.76	3,249,141.80
Investment gain (“-”for loss)	1,316,869,007.46	1,009,976,324.53
Including: investment gains from affiliates	221,639,163.75	343,597,391.91
Financial assets measured at amortized cost cease to be recognized as income		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss	93,582.00	-93,582.00
Impairment loss of assets	-2,889,394.16	
Assets disposal income		
II. Operational profit (“-”for loss)	1,700,113,654.95	1,005,173,662.83
Add : Non-operational income	1,683,906.22	3,221,547.75
Less: Non -operational expenses	13,481,250.02	12,774,779.05
III. Total profit (“-”for loss)	1,688,316,311.15	995,620,431.53
Less: Income tax expenses	103,909,700.85	63,291,303.29
IV. Net profit	1,584,406,610.30	932,329,128.24
1. Net continuing operating profit	1,584,406,610.30	932,329,128.24
2. Termination of operating net profit		
V. Net after-tax of other comprehensive income	-110,718,411.31	-79,297,467.25
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	-120,434,499.12	-74,105,307.36
1. Re-measurement of defined benefit plans of changes in net debt or net assets		
2. Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	-120,434,499.12	-74,105,307.36
4. Changes in the fair value of the		

Items	2021	2020
company's credit risks		
5. Other		
(II) Other comprehensive income that will be reclassified into profit or loss	9,716,087.81	-5,192,159.89
1. Other comprehensive income under the equity method investee can be reclassified into profit or loss.	9,716,087.81	-5,192,159.89
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4. Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		
6. Translation differences in currency financial statements		
7. Other		
VI. Total comprehensive income	1,473,688,198.99	853,031,660.99
VII. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated Cash flow statement

In RMB

Items	2021	2020
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	5,447,910,740.15	3,866,637,428.50
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		

Items	2021	2020
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Cash received from interest, commission charge and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Net cash received by agent in securities trading		
Tax returned		
Other cash received from business operation	126,417,264.96	184,856,181.58
Sub-total of cash inflow	5,574,328,005.11	4,051,493,610.08
Cash paid for purchasing of merchandise and services	417,377,507.94	391,854,339.69
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Net increase in financial assets held for trading purposes		
Net increase for Outgoing call loan		
Cash paid for interest, processing fee and commission		
Cash paid to staffs or paid for staffs	490,684,230.89	384,566,222.40
Taxes paid	901,811,223.79	553,265,616.61
Other cash paid for business activities	94,710,321.33	85,620,190.33
Sub-total of cash outflow from business activities	1,904,583,283.95	1,415,306,369.03

Items	2021	2020
Net cash generated from /used in operating activities	3,669,744,721.16	2,636,187,241.05
II. Cash flow generated by investing		
Cash received from investment retrieving	45,000,000.00	210,000,000.00
Cash received as investment gains	174,741,274.88	162,479,782.83
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	4,787,323.86	68,875.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	224,528,598.74	372,548,657.83
Cash paid for construction of fixed assets, intangible assets and other long-term assets	513,663,936.74	660,012,394.04
Cash paid as investment	134,650,000.00	224,910,442.24
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	648,313,936.74	884,922,836.28
Net cash flow generated by investment	-423,785,338.00	-512,374,178.45
III. Cash flow generated by financing		
Cash received as investment		
Including: Cash received as investment from minor shareholders		
Cash received as loans	2,124,930,000.00	2,169,880,000.00
Other financing –related cash received	140,145,195.50	89,083,500.00
Sub-total of cash inflow from financing activities	2,265,075,195.50	2,258,963,500.00

Items	2021	2020
Cash to repay debts	2,503,707,200.00	1,730,365,000.00
Cash paid as dividend, profit, or interests	1,667,198,772.33	1,588,108,152.77
Including: Dividend and profit paid by subsidiaries to minor shareholders	755,677,776.30	380,689,946.00
Other cash paid for financing activities	1,230,750,884.93	1,272,832,461.00
Sub-total of cash outflow due to financing activities	5,401,656,857.26	4,591,305,613.77
Net cash flow generated by financing	-3,136,581,661.76	-2,332,342,113.77
IV. Influence of exchange rate alternation on cash and cash equivalents	-371,334.74	1,728,690.91
V. Net increase of cash and cash equivalents	109,006,386.66	-206,800,360.26
Add: balance of cash and cash equivalents at the beginning of term	2,846,176,803.89	3,052,977,164.15
VI. Balance of cash and cash equivalents at the end of term	2,955,183,190.55	2,846,176,803.89

6. Cash Flow Statement of the Parent Company

In RMB

Items	2021	2020
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	1,512,002,307.36	993,839,736.20
Tax returned		
Other cash received from business operation	139,579,001.22	93,504,920.38
Sub-total of cash inflow	1,651,581,308.58	1,087,344,656.58
Cash paid for purchasing of merchandise and services	85,431,635.37	103,008,692.77
Cash paid to staffs or paid for staffs	156,876,478.03	127,409,377.73
Taxes paid	55,685,419.35	38,537,660.12
Other cash paid for business activities	89,308,303.12	345,450,155.26
Sub-total of cash outflow from	387,301,835.87	614,405,885.88

business activities		
Net cash generated from /used in operating activities	1,264,279,472.71	472,938,770.70
II. Cash flow generated by investing		
Cash received from investment retrieving	310,000,000.00	150,000,000.00
Cash received as investment gains	1,222,810,553.86	891,162,907.16
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	1,359,500.00	7,700.00
Net cash received from disposal of subsidiaries or other operational units		4,694,628.72
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	1,534,170,053.86	1,045,865,235.88
Cash paid for construction of fixed assets, intangible assets and other long-term assets	145,749,738.08	270,834,718.98
Cash paid as investment	1,380,489,292.00	1,486,620,726.24
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	1,526,239,030.08	1,757,455,445.22
Net cash flow generated by investment	7,931,023.78	-711,590,209.34
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans	2,124,930,000.00	1,809,290,000.00
Other financing –related ash received		
Sub-total of cash inflow from financing activities	2,124,930,000.00	1,809,290,000.00
Cash to repay debts	2,422,947,200.00	1,479,775,000.00
Cash paid as dividend, profit, or interests	886,140,438.61	1,101,090,057.96
Other cash paid for financing	8,609,914.93	1,122,177.00

activities		
Sub-total of cash outflow due to financing activities	3,317,697,553.54	2,581,987,234.96
Net cash flow generated by financing	-1,192,767,553.54	-772,697,234.96
IV. Influence of exchange rate alternation on cash and cash equivalents	-371,334.74	1,728,690.91
V.Net increase of cash and cash equivalents	79,071,608.21	-1,009,619,982.69
Add: balance of cash and cash equivalents at the beginning of term	1,780,543,319.09	2,790,163,301.78
VI .Balance of cash and cash equivalents at the end of term	1,859,614,927.30	1,780,543,319.09

7. Consolidated Statement on Change in Owners' Equity

Amount in this period

In RMB

Items	2021														Minor shareholders' equity	Total of owners' equity
	Owner's equity Attributable to the Parent Company															
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal			
		Preferred stock	Sustainable debt	Other												
I. Balance at the end of last year	2,090,806,126.00			645,969,210.48		302,895,877.65		1,167,785,965.63		3,725,679,319.35		7,933,136,499.11	2,299,180,085.17	10,232,316,584.28		
Add: Change of accounting policy										546,190.04		546,190.04		546,190.04		
Correcting of previous errors																
Merger of entities under common control																
Other																
II. Balance at the beginning of current year	2,090,806,126.00			645,969,210.48		302,895,877.65		1,167,785,965.63		3,726,225,509.39		7,933,682,689.15	2,299,180,085.17	10,232,862,774.32		

Items	2021														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal		
Preferred stock		Sustainable debt	Other												
III.Changed in the current year					67,491,308.01		-110,718,411.31		57,589,364.93		1,034,393,034.39		1,048,755,296.02	39,371,087.79	1,088,126,383.81
(1) Total comprehensive income							-110,718,411.31				1,700,406,981.99		1,589,688,570.68	726,377,718.29	2,316,066,288.97
(II) Investment or decreasing of capital by owners															
1. Ordinary Shares invested by shareholders															
2. Holders of other equity instruments invested capital															
3. Amount of shares paid and accounted as owners' equity															
4. Other															

Items	2021														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal		
Preferred stock		Sustainable debt	Other												
(III) Profit allotment								57,589,364.93		-666,013,947.60		-608,424,582.67	-755,677,776.30	-1,364,102,358.97	
1. Providing of surplus reserves								57,589,364.93		-57,589,364.93					
2. Providing of common risk provisions															
3. Allotment to the owners (or shareholders)										-608,424,582.67		-608,424,582.67	-755,677,776.30	-1,364,102,358.97	
4. Other															
(IV) Internal transferring of owners' equity															
1. Capitalizing of capital reserves (or to capital shares)															
2. Capitalizing of surplus reserves (or to capital															

Items	2021														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal		
Preferred stock		Sustainable debt	Other												
shares)															
3. Making up losses by surplus reserves.															
4. Change amount of defined benefit plans that carry forward Retained earnings															
5. Other comprehensive income carry-over retained earnings															
6. Other															
(V). Special reserves															
1. Provided this year															
2. Used this term															
(VI) Other					67,491,30								67,491,308.01	68,671,145.80	136,162,453.81

Items	2021														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal		
Preferred stock		Sustainable debt	Other												
				8.01											
IV. Balance at the end of this term	2,090,806,126.00			713,460,518.49		192,177,466.34		1,225,375,330.56		4,760,618,543.78		8,982,437,985.17	2,338,551,172.96	11,320,989,158.13	

Items	2020													Minor shareholders' equity	Total of owners' equity
	Owner's equity Attributable to the Parent Company											Subtotal			
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit		Other		
		Preferred stock	Sustainable debt	Other											
I. Balance at the end of last year	2,090,806,126.00				3,094,017,129.31		382,193,344.90		1,074,553,052.81		3,915,790,810.76		10,557,360,463.78	2,139,676,884.88	12,697,037,348.66
Add: Change of accounting policy															
Correcting of previous errors															
Merger of entities under common control															
Other															
II. Balance at the beginning of current	2,090,806,126.00				3,094,017,129.31		382,193,344.90		1,074,553,052.81		3,915,790,810.76		10,557,360,463.78	2,139,676,884.88	12,697,037,348.66

Items	2020														
	Owner's equity Attributable to the Parent Company												Minor shareholders' equity	Total of owners' equity	
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other			Subtotal
		Preferred stock	Sustainable debt	Other											
year															
III.Changed in the current year					-2,448,047,918.83		-79,297,467.25		93,232,912.82		-190,111,491.41		-2,624,223,964.67	159,503,200.29	-2,464,720,764.38
(1) Total comprehensive income							-79,297,467.25				867,842,774.78		788,545,307.53	496,542,231.29	1,285,087,538.82
(II) Investment or decreasing of capital by owners													45,432,585.00	43,650,915.00	89,083,500.00
1. Ordinary Shares invested by shareholders															
2. Holders of other equity instruments invested capital															
3. Amount of shares															

Items	2020														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal		
		Preferred stock	Sustainable debt	Other											
paid and accounted as owners' equity															
4. Other												45,432,585.00	43,650,915.00	89,083,500.00	
(III) Profit allotment								93,232,912.82		-1,057,954,266.19		-964,721,353.37	-380,689,946.00	-1,345,411,299.37	
1. Providing of surplus reserves								93,232,912.82		-93,232,912.82					
2. Providing of common risk provisions															
3. Allotment to the owners (or shareholders)										-882,320,185.17		-882,320,185.17	-380,689,946.00	-1,263,010,131.17	
4. Other										-82,401,168.20		-82,401,168.20		-82,401,168.20	
(IV) Internal															

Items	2020														Minor shareholders' equity	Total of owners' equity
	Owner's equity Attributable to the Parent Company															
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal			
		Preferred stock	Sustainable debt	Other												
transferring of owners' equity																
1. Capitalizing of capital reserves (or to capital shares)																
2. Capitalizing of surplus reserves (or to capital shares)																
3. Making up losses by surplus reserves.																
4. Change amount of defined benefit plans that carry forward Retained earnings																
5. Other																

Items	2020														
	Owner's equity Attributable to the Parent Company												Minor shareholders' equity	Total of owners' equity	
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other			Subtotal
		Preferred stock	Sustainable debt	Other											
comprehensive income carry-over retained earnings															
6. Other															
(V). Special reserves															
1. Provided this year															
2. Used this term															
(VI) Other				-2,448,047,918.83								-2,448,047,918.83	43,650,915.00	-2,404,397,003.83	
IV. Balance at the end of this term	2,090,806,126.00			645,969,210.48		302,895,877.65		1,167,785,965.63		3,725,679,319.35		7,933,136,499.11	2,299,180,085.17	10,232,316,584.28	

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

Amount in this period

In RMB

Items	2021											
	Share capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Speci alized reserv e	Surplus reserves	Retained profit	O th er	Total of owners' equity
		Prefer red stock	Susta inabl e debt	Oth er								
I. Balance at the end of last year	2,090,806,126.00				938,969,546.79		302,895,877.65		987,813,698.07	3,667,543,163.36		7,988,028,411.87
Add: Change of accounting policy										546,190.04		546,190.04
Correcting of previous errors												
Other												
II. Balance at the beginning of current year	2,090,806,126.00				938,969,546.79		302,895,877.65		987,813,698.07	3,668,089,353.40		7,988,574,601.91
III. Changed in the current year					-4,118,261.28		-110,718,411.31		57,589,364.93	918,392,662.70		861,145,355.04
(I) Total comprehensive income							-110,718,411.31			1,584,406,610.30		1,473,688,198.99
(II) Investment or decreasing of capital by owners												
1. Ordinary Shares invested b												

Items	2021											
	Share capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Speci alized reserv e	Surplus reserves	Retained profit	O th er	Total of owners' equity
		Prefer red stock	Susta inabl e debt	Oth er								
y shareholders												
2. Holders of other equity inst ruments invested capital												
3.Amount of shares paid and accounted as owners' equity												
4. Other												
(III) Profit allotment								57,589,364.93	-666,013,947.60			-608,424,582.67
1.Providing of surplus reserves								57,589,364.93	-57,589,364.93			
2. Allotment to the owners (or shareholders)									-608,424,582.67			-608,424,582.67
3. Other												
(IV) Internal transferring of owners' equity												
1. Capitalizing of capital reserves (or to capital shares)												
2. Capitalizing of surplus reserves (or to capital shares)												

Items	2021											
	Share capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Speci alized reserv e	Surplus reserves	Retained profit	O th er	Total of owners' equity
		Prefer red stock	Susta inabl e debt	Oth er								
3. Making up losses by surplus reserves.												
4. Change amount of defined benefit plans that carry forward Retained earnings												
5. Other comprehensive income carry-over retained earnings												
6. Other												
(V) Special reserves												
1. Provided this year												
2. Used this term												
(VI) Other					-4,118,261.28						-4,118,261.28	
IV. Balance at the end of this term	2,090,806,126.00				934,851,285.51		192,177,466.34		1,045,403,063.00	4,586,482,016.10	8,849,719,956.95	

In RMB

Items	2020											
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Retained profit	Other	Total of owners' equity
		Preferred stock	Sustainable debt	Other								
I. Balance at the end of last year	2,090,806,126.00				2,974,458,696.93		382,193,344.90		894,580,785.25	3,710,584,722.68		10,052,623,675.76
Add: Change of accounting policy												
Correcting of previous errors												
Other												
II. Balance at the beginning of current year	2,090,806,126.00				2,974,458,696.93		382,193,344.90		894,580,785.25	3,710,584,722.68		10,052,623,675.76
III. Changed in the current year					-2,035,489,150.14		-79,297,467.25		93,232,912.82	-43,041,559.32		-2,064,595,263.89
(I) Total comprehensive income							-79,297,467.25			932,329,128.24		853,031,660.99
(II) Investment or decreasing of capital by owners												
1. Ordinary Shares invested by shareholders												
2. Holders of other equity instr												

Items	2020											
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Retained profit	Other	Total of owners' equity
		Preferred stock	Sustainable debt	Other								
Investments invested capital												
3. Amount of shares paid and accounted as owners' equity												
4. Other												
(III) Profit allotment								93,232,912.82	-975,553,097.99		-882,320,185.17	
1. Providing of surplus reserves								93,232,912.82	-93,232,912.82			
2. Allotment to the owners (or shareholders)									-882,320,185.17		-882,320,185.17	
3. Other												
(IV) Internal transferring of owners' equity									182,410.43		182,410.43	
1. Capitalizing of capital reserves (or to capital shares)												
2. Capitalizing of surplus reserves (or to capital shares)												
3. Making up losses by surplus reserves.												

Items	2020											
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Retained profit	Other	Total of owners' equity
		Preferred stock	Sustainable debt	Other								
4. Change amount of defined benefit plans that carry forward												
Retained earnings												
5. Other comprehensive income carry-over retained earnings												
6. Other									182,410.43			182,410.43
(V) Special reserves												
1. Provided this year												
2. Used this term												
(VI) Other					-2,035,489,150.14							-2,035,489,150.14
IV. Balance at the end of this term	2,090,806,126.00				938,969,546.79		302,895,877.65		987,813,698.07	3,667,543,163.36		7,988,028,411.87

III. Company Profile

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

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

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

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

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

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

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

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

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

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

9. Pursuant to the approval of Shenzhen Stock Exchange, 53.0205 million staff shares of the Company (132,722 shares held by directors, supervisors and senior executives are temporarily frozen) were listed on February 5, 2001.

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

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

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

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

2. Company's registered place and headquarters address

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

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

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

3. Business nature and main business activities

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

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

The Company is mainly engaged in tolling and maintenance of Guangfo Expressway, Fokai Expressway, Jingzhu Expressway Guangzhu Section and Guanghui Expressway investment in technological industries and provision of relevant consultation while investing in Shenzhen Huiyan Expressway Co., Ltd., Guangzhou

Guanghui Expressway Co., Ltd., Guangdong Jiangzhong Expressway Co.Ltd., Zhaoqing Yuezhao Expressway Co., Ltd., Ganzhou Kangda Expressway , Ganzhou Gankang Expressway Co., Ltd., Guangdong Yueke Technology Petty Loan Co., Ltd., Guangdong Guangle Expressway Co.,Ltd., Guoyuan Securities Co., Ltd, Hunan Lianzhi Technology Co., Ltd.and SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd.

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

(1) Scope of current consolidated financial statements

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

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

None

5. Approval and submission date of financial report

The financial statements have been authorized for issuance by the 27th meeting of the Ninth Board of Directors of the Group on March 15 ,2022.

IV. Basis for the preparation of financial statements

1.Preparation basis

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

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

2.Continuation

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

V. Significant Accounting Policies and Accounting Estimates

Specific accounting policies and accounting estimates are indicated as follows:

None

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

The financial statements of the Company are recognized and measured in accordance with the regulations in

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

2. Accounting period

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

3. Operating cycle

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

4. Standard currency for bookkeeping

The Company adopts CNY to prepare its functional statements.

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

1. Business Combinations under the Same Control

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

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

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

Fees and commissions paid for bonds issued by enterprises or other debts shall be included in the initial measurement amount of bonds and other debts issued. Fees, commissions and other expenses incurred in issuing

equity securities in business combination shall be offset against the premium income of equity securities, and if the premium income is insufficient to offset, the retained earnings shall be offset.

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

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

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

Business Combinations not under the Same Control

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

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

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

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

The cost of business combination is less than the difference between the fair value share of identifiable net assets acquired during the combination, which is included in the profits and losses (non-operating income) of the current combination period after review by the Company. In the case of absorption and combination, the difference is included in the individual income statement of the parent company in the current combination period; In the case of holding combination, the difference is included in the consolidated income statement of the current

combination period.

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

6. Compilation method of consolidated financial statements

(1) Consolidation scope

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

(2) Compilation method of consolidated financial statements

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

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

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

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

date is included in the consolidated cash flow statement.

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

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

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

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

7. Recognition Standard of Cash & Cash Equivalents

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

8. Foreign Currency Transaction

(1) Foreign currency business

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

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

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

(2) Translation of foreign currency financial statements

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

10. Financial instruments

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

(1) Classification, recognition and measurement of financial assets

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

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

① Financial assets measured at amortized cost

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

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

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

In addition, the Company designated some non-trading equity instrument investments as financial assets

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

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

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

(2) Classification, recognition and measurement of financial liabilities

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

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

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

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

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

② Other financial liabilities

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

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

Financial assets satisfying one of the following conditions shall be terminated and recognized: ① The

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

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

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

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

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

(4) Termination confirmation of financial liabilities

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

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

(5) Offsetting financial assets and financial liabilities

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

presented in the balance sheet. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet and shall not be offset.

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

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

(7) Equity instruments

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

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

10. Impairment of financial instruments

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

(1) Method of confirming impairment provision

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

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

The general method of measuring anticipated credit loss is whether the credit risk of the Company's financial assets (including other applicable items such as contract assets, similarly hereinafter) has increased significantly since the initial recognition on each balance sheet day. If the credit risk has increased significantly

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

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

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

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

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

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

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

(4) Accounting treatment of impairment of financial assets

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

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

① Receivable Account and Contract assets

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

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

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

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

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

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

3-4 years	50
4-5 years	90
Over 5 years	100

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

② Other receivable

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

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

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

③ Creditor's rights investment

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

11. Inventory

1. Inventories class:

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

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

Measurement of ending inventory

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

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

Physical inventories are managed by the perpetual inventory taking system.

12. Contract assets and Contract liabilities

In the contract between the Company and customers, the Company has the right to charge the contract price for the goods and related services that have been transferred to customers, and meanwhile undertake the performance obligation of transferring the goods or services to customers. When the customer actually pays the contract consideration or the enterprise has transferred the goods or services to the customer before the consideration becomes due and payable, the right to receive the consideration due to the transferred goods or services shall be listed as contract assets, and recognized as accounts receivable or long-term receivables when the unconditional right of collection is obtained.

In the contract between the Company and customers, the Company has the right to receive the contract consideration before transferring the goods or services to customers, and in the meantime list the obligation to transfer goods or services to customers due to the consideration received or receivable from customers as contractual liabilities. When the Company fulfills its obligation to transfer goods or provide services to customers, the contractual liabilities are recognized as income.

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

13. Long-term equity investments

(1) Initial measurement

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) Subsequent measurement

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

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

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

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

When calculating and recognizing the net profit and loss that should be enjoyed or shared by the investee, the unrealized internal transaction profit and loss with the affiliated enterprise and the joint venture shall be calculated according to the proportion that should be enjoyed, and the part attributable to the Company shall be offset, and

the investment income shall be recognized on this basis. Unrealized internal transaction losses between the Company and the investee are asset impairment losses, which shall be fully recognized.

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

③ When the Company disposes of long-term equity investment, the difference between its book value and the actual purchase price shall be included in the current profits and losses. For long-term equity investment accounted by equity method, when disposing of the investment, it adopts the same basis as the investee's direct disposal of related assets or liabilities, and accounts for the part originally included in other comprehensive income according to the corresponding proportion.

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

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

14. Investment Property

The measurement mode of investment property

The measurement by the cost method

Depreciation or amortization method

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

(1) The measurement mode of investment property

① Depreciation or amortization method

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

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

② Impairment test method and accounting treatment method

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

(2) Conversion of investment real estate

The Company has conclusive evidence that the use of real estate has changed. When converting investment real estate into self-use real estate or inventory, the fair value on the day of conversion is taken as the book value of self-use real estate, and the difference between fair value and original book value is included in current profits

and losses. When self-use real estate or inventory is converted into investment real estate measured by fair value model, the investment real estate is priced according to the fair value on the conversion day. If the fair value on the conversion day is less than the original book value, the difference is included in the current profits and losses; If the fair value on the conversion date is greater than the original book value, the difference shall be included in other comprehensive income.

15.Fixed assets

(1) Confirmation conditions

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

(2) Depreciation method

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

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

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

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

Other	The straight-line method	5 years	3%-5%	19.00%-19.40%
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16. Construction-in process

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

17. Borrowing cost

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

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

① Production and expenditure have occurred;

② Borrowing costs have already occurred;

③ The purchase, construction or production activities required to make the assets reach the intended usable or saleable state have started.

Capitalization of borrowing costs shall be suspended if the assets that meet the capitalization conditions are abnormally interrupted in the process of purchase, construction or production, and the interruption time continuously exceeds 3 months. Borrowing costs incurred during the interruption period are recognized as expenses and included in the current profits and losses until the purchase and construction of assets or the resumption of production activities. If the interruption is a necessary procedure for the purchased, built or produced assets that meet the capitalization conditions to reach the intended usable or saleable state, the capitalization of borrowing costs will continue.

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

(2) Calculation method of capitalization amount of borrowing costs

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

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

18. Intangible assets

(1) Pricing method, useful life and impairment test

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

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

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

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

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

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

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

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

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

19. Long-term amortizable expenses

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

be transferred to the current profits and losses.

20. Employee Benefits

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

(1) Accounting methods of short-term benefits

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

(2) Accounting methods for post-employment benefits

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

(3) Accounting Treatment Method of Demission Welfare

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

(4) Other long-term employee benefits

If other long-term employee benefits provided by the Company to employees meet the conditions of the set deposit plan, they shall be handled according to the accounting policies of the set deposit plan mentioned above; Otherwise, the net liabilities or net assets of other long-term employee benefits shall be recognized and measured in accordance with the accounting policies of defined benefit plans mentioned above.

21. Estimated liabilities

(1) Recognition criteria of estimated liabilities

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

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

(2) Measurement method of estimated liabilities

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

① Contingencies involving a single item shall be determined according to the most probable amount.

② Contingencies involving multiple items shall be calculated and determined according to various possible results and relevant probabilities.

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

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

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

22. Revenues

Accounting policies adopted for income recognition and measurement

(1) Revenue recognition principle

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

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

For obligations performed within a certain period of time, the company recognizes revenue in accordance with the performance progress in that period. If the performance progress cannot be reasonably determined, and the cost incurred is expected to be compensated, the revenue shall be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined. For obligations performed at a certain point in time, revenue shall be recognized at the point when the customer obtains control of the relevant goods or services. When judging whether the customer has obtained control of the product, the company shall consider the following points: ① The company has the current right to receive payment for the product, that is, the customer has the current payment obligation for the product; ② The company has transferred the legal ownership of the product to the customer, that is, the customer has the legal ownership of the product; ③ The company has transferred the physical product to the customer, that is, the customer has physically taken possession of the product; ④ The company has transferred the main risks and rewards on the ownership of the product to the customer, that is, the customer has obtained the main risks and rewards on the ownership of the product; ⑤ The customer has accepted the product; ⑥ Other signs that the customer has obtained control of the product.

(2) Principle of revenue measurement

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

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

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

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

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

(3) Specific methods of revenue recognition

(1) Toll service fee income

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

(2) Income from providing labor services

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

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

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

① If the labor cost already incurred is expected to be compensated, the income from the service shall be recognized according to the amount of the labor cost already incurred, and the labor cost shall be carried over at the same amount.

② If the incurred labor cost is not expected to be compensated, the incurred labor cost shall be included in the profits and losses of the current period, and the income from the provision of labor service shall not be recognized.

When the contracts or agreements signed between the Company and other enterprises include selling goods and providing services, if the part for selling goods and the part for providing services can be distinguished and measured separately, the part for selling goods will be treated as goods sales and the part for providing services

will be treated as service provision. Sales of goods and services can not be distinguished, or although they can be distinguished, they can not be measured separately. All parts for the selling goods and providing services will be treated as sales of goods.

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

23. Government Grants

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

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

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

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

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

Government subsidies related to daily activities, according to the essence of economic business, are included in other income or offset related costs. Government subsidies irrelevant to routine activities shall be included into the non-operating receipt and disbursement.

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

24. Deferred income tax assets and deferred income tax liabilities

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

(1) Deferred tax assets

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

② On the balance sheet date, if there is conclusive evidence that sufficient taxable income is likely to be

obtained in the future period to offset the deductible temporary difference, the unrecognized deferred income tax assets in the previous period shall be recognized.

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

(2) Deferred income tax liabilities

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

25. Lease

(1) Identification of lease

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

(2) The Company as the lessee

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

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

Lease liabilities are initially measured according to the unpaid lease payment amount on the start date of the lease term and the present value calculated according to the implied interest rate of the lease or the incremental borrowing interest rate. The lease payment amount includes: fixed payment amount and substantial fixed payment amount. If there is lease incentive, the related amount of lease incentive shall be deducted; variable lease payments depending on index or ratio; the exercise price of the option, provided that the lessee reasonably determines that the option will be exercised; payment for exercising the option to terminate the lease, provided that the lease period reflects that the lessee will exercise the option to terminate the lease; and the amount expected to be paid according to the residual guarantee value provided by the lessee. The interest expense of the lease liability in each period of the lease term shall be calculated subsequently according to the fixed periodic interest rate, and included in the current profit and loss. Variable lease payments that are not included in the measurement of lease liabilities are included in the current profits and losses when actually incurred.

Short-term lease

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

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

Low-value asset lease

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

The Company includes the lease payment of low-value assets into the related asset cost or current profit and

loss according to the straight-line method in each period of the lease term.

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

(3) The Company serves as the lessor

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

Accounting methods for operating leases

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

Accounting treatment method of leasing

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

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

26.The right to use assets

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

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

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

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

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

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

27. Impairment of assets

The following signs indicate that the assets may be impaired:

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

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

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

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

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

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

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

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

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

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

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

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

28. Fair value measurement

Fair value refers to the price that a market participant must pay to sell or transfer a liability in an orderly

transaction that occurs on the measurement date.

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

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

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

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

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

29.Change of main accounting policies and estimations

(1)Change of main accounting policies

Applicable Not applicable

Contents and causes of changes in accounting policies	Approval procedures	Remarks
On December 7, 2018, the Ministry of Finance issued the <i>Accounting Standards for Business Enterprises No.21-Lease (Revised in 2018)</i> . The Company has implemented the aforementioned New Leasing Standards from January 1, 2021, and changed relevant accounting policies according to the New Leasing Standards.	Adopted at the 16th Meeting of the Ninth Board of Directors of the Company on March 25, 2021	
As the participating companies Guangdong Yuepu Microfinance Co., Ltd. and Guoyuan Securities Co., Ltd. implemented the new accounting standards to adjust their opening balance, the Company adopted the equity method to calculate and adjust the opening balance of the 2021 financial statements accordingly		
According to relevant laws and regulations, the Company implemented centralized and unified management of the funds of member units through the internal settlement center, and listed the funds in the "Other current liabilities". On December 30, 2021, the Ministry of Finance issued <i>Interpretation No.15 of Accounting Standards for Business Enterprises</i> , which clearly listed the above-mentioned collected funds in the item of "Other payables", and the Company adjusted and presented them according to		

the requirements of Interpretation No.15.		
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On December 7, 2018, the Ministry of Finance issued the *Accounting Standards for Business Enterprises No.21-Lease (Revised in 2018)*. The Company has implemented the aforementioned New Leasing Standards from January 1, 2021, and changed relevant accounting policies according to the New Leasing Standards.

According to the provisions of the new lease standard, the Company reassess whether the contract that exists before the first implementation date is a lease or includes a lease. For the lease contract in which it's the lessee, the Company chooses to adjust only the cumulative impact of the lease contract that has not been completed on January 1, 2021. The amount of cumulative impact of the first implementation adjusts the amount of retained earnings and other related items in the financial statements at the beginning of the first implementation period (ie January 1, 2021), and no adjustment will be made to the comparable period information. For the operating lease on the first implementation date, the lessee measures the lease liability based on the present value of the remaining lease payments discounted at the incremental borrowing rate on the first implementation date.

The Company chooses an amount equal to the lease liability according to each lease, and measures the right-of-use assets according to necessary adjustments based on the prepaid rent. And in accordance with the "No. 8 Accounting Standards for Business Enterprises-Asset Impairment", the impairment test of the right-of-use assets is carried out and the corresponding accounting treatments are carried out.

The impact of the implementation of the above accounting policy changes on the financial statements on January 1, 2021 is as follows:

a. Impact on the consolidated financial statements

Report items	December 31,2020 (Before change)	January 1,2021 (After change)	Impacted number
Advance payment	3,607,538.01	2,831,124.98	-776,413.03
The right to use asset		23,154,055.78	23,154,055.78
Long-term amortized expenses	3,462,122.00	2,454,375.00	-1,007,747.00
Lease liabilities		12,245,214.89	12,245,214.89
Non-current liabilities due within one yea	266,328,017.47	275,452,698.33	9,124,680.86

b. Impact on the parent company financial statements

Report items	December 31,2020 (Before change)	January 1,2021 (After change)	Impacted number
Advance payment	2,181,215.03	1,404,802.00	-776,413.03
The right to use asset		21,927,040.99	21,927,040.99
Long-term amortized expenses		12,133,352.33	12,133,352.33
Lease liabilities	190,331,701.48	199,348,977.11	9,017,275.63
Non-current liabilities due within one yea			

(2) Other accounting policy changes

1) As the participating companies Guangdong Yuepu Microfinance Co., Ltd. and Guoyuan Securities Co., Ltd. implemented the new accounting standards to adjust their opening balance, the Company adopted the equity method to calculate and adjust the opening balance of the 2021 financial statements accordingly

a. Impact on the consolidated financial statements

Report items	December 31,2020 (Before change)	January 1,2021 (After change)	Impacted number
Long-term equity investment	2,382,381,165.60	2,382,927,355.64	546,190.04

Undistributed profits	3,725,679,319.35	3,726,225,509.39	546,190.04
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b. Impact on the parent company financial statements

Report items	December 31,2020 (Before change)	January 1,2021 (After change)	Impacted number
Long-term equity investment	5,529,362,536.53	5,529,908,726.57	546,190.04
Undistributed profits	3,667,543,163.36	3,668,089,353.40	546,190.04

2) According to relevant laws and regulations, the Company implemented centralized and unified management of the funds of member units through the internal settlement center, and listed the funds in the "Other current liabilities". On December 30, 2021, the Ministry of Finance issued the Interpretation No.15 of Accounting Standards for Business Enterprises, which clearly listed the above-mentioned collected funds in the item of "Other payables", and the Company adjusted and presented them according to the requirements of Interpretation No.15. Due to fact that Guangdong Taiheng Expressway Development Co., Ltd. failed to fulfill the obligation of pipeline lease payment as agreed in the contract even after repeated reminders, Guangzhou-Huizhou Company filed a lawsuit with Huangpu District People's Court in Guangzhou in October 2021, and the case is still under trial .

a. Impact on the consolidated financial statements

None

b. Impact on the parent company financial statements

Report items	December 31,2020 (Before change)	January 1,2021 (After change)	Impacted number
Other current liabilities	539,618,124.00	72,415.40	-539,545,708.60
Other payable	1,431,814,861.38	1,971,360,569.98	539,545,708.60

(2) Significant estimates changes

√ Applicable □ Not applicable

Contents and causes of changes in accounting estimates	Approval procedure	Time point at which the application begins	
The Company held the nineteenth (temporary) meeting of the ninth board of directors on June 28, 2021. At the meeting, the "Proposal on Changes in Accounting Estimates" was passed and the company agreed to the depreciation period of the Sanbao-Shuikou section of the expressway has been changed, and the depreciation period has been extended to June 14, 2044.	The 19th meeting of the 9th Board of Directors of the Company	January 1,2021	

The Company held the nineteenth (temporary) meeting of the ninth board of directors on June 28, 2021. At the meeting, the "Proposal on Changes in Accounting Estimates" was passed and the company agreed to the depreciation period of the Sanbao-Shuikou section of the expressway has been changed, and the depreciation period has been extended to June 14, 2044 For this matter, the Company adopted the future application method. The impact on the financial statement items is as follows:

Contents and causes of changes in accounting estimates	Approval procedure	Time point at which the application begins	Affected report items	Impact amount
Guangdong Provincial Department of Transportation has approved the extension of the charging period for the Sanbao-Shuikou section of the	Resolution of the board of directors	June 1,2021	Fixed assets	137,099,491.31
			Intangible assets	2,708,527.52
			Deferred income tax assets	12,993,568.40

Shenyang-Haikou National Expressway to June 14, 2044.			Deferred income tax	-38,140.18
			Liabilities	
			Main business cost	-139,808,018.83
			Income tax expenses	-13,031,708.58
			Net profit	152,839,727.41

(3) Adjustments to the Financial Statements at the Beginning of the First Execution Year of any New Standards Governing Financial Instruments, Revenue or Leases from year 2021

√ Applicable Not applicable

Whether need to adjust the balance sheet account at the beginning of the year

√ Yes No

Consolidated balance sheet

In RMB

Items	December 31,2020	January 1,2021	Amount involved in the adjustment
Current asset:			
Monetary fund	2,847,398,003.89	2,847,398,003.89	
Settlement provision			
Outgoing call loan			
Transactional financial assets			
Derivative financial assets			
Notes receivable			
Account receivable	168,907,517.56	168,907,517.56	
Financing of receivables			
Prepayments	3,607,538.01	2,831,124.98	-776,413.03
Insurance receivable			
Reinsurance receivable			
Provisions of Reinsurance contracts receivable			
Other account receivable	60,925,367.64	60,925,367.64	
Including: Interest receivable			
Dividend receivable	2,705,472.90	2,705,472.90	
Repurchasing of financial assets			
Inventories	53,761.06	53,761.06	

Items	December 31,2020	January 1,2021	Amount involved in the adjustment
Contract assets	5,452,813.90	5,452,813.90	
Assets held for sales			
Non-current asset due within 1 year	51,745.32	51,745.32	
Other current asset	27,051.69	27,051.69	
Total of current assets	3,086,423,799.07	3,085,647,386.04	
Non-current assets			
Loans and payment on other's behalf disbursed			
Creditor's right investment			
Other creditor's right investment			
Long-term receivable			
Long term share equity investment	2,382,381,165.60	2,382,927,355.64	546,190.04
Other equity instruments investment	1,737,015,528.29	1,737,015,528.29	
Other non-current financial assets			
Property investment	3,110,381.89	3,110,381.89	
Fixed assets	11,540,075,929.69	11,540,075,929.69	
Construction in progress	340,611,095.47	340,611,095.47	
Production physical assets			
Oil & gas assets			
Use right assets		23,154,055.78	23,154,055.78
Intangible assets	302,381,356.52	302,381,356.52	
Development expenses			
Goodwill			
Long-germ expenses to be amortized	3,462,122.00	2,454,375.00	-1,007,747.00
Deferred income tax asset	330,755,418.39	330,755,418.39	
Other non-current asset	22,361,861.19	22,361,861.19	
Total of non-current assets	16,662,154,859.04	16,684,847,357.86	22,692,498.82
Total of assets	19,748,578,658.11	19,770,494,743.90	21,916,085.79
Current liabilities			

Items	December 31,2020	January 1,2021	Amount involved in the adjustment
Short-term loans	200,192,500.00	200,192,500.00	
Loan from Central Bank			
Borrowing funds			
Transactional financial liabilities			
Derivative financial liabilities			
Notes payable			
Account payable	369,773,342.71	369,773,342.71	
Advance receipts	11,309,007.41	11,309,007.41	
Contract liabilities	309,734.51	309,734.51	
Selling of repurchased financial assets			
Deposit taking and interbank deposit			
Entrusted trading of securities			
Entrusted selling of securities			
Employees' wage payable	16,726,198.13	16,726,198.13	
Tax payable	217,748,392.78	217,748,392.78	
Other account payable	1,512,619,359.78	1,512,619,359.78	
Including: Interest payable			
Dividend payable	22,262,804.39	22,262,804.39	
Fees and commissions payable			
Reinsurance fee payable			
Liabilities held for sales			
Non-current liability due within 1 year	266,328,017.47	275,452,698.33	9,124,680.86
Other current liability	648,581.64	648,581.64	
Total of current liability	2,595,655,134.43	2,604,779,815.29	9,124,680.86
Non-current liabilities:			
Reserve fund for insurance			

Items	December 31,2020	January 1,2021	Amount involved in the adjustment
contracts			
Long-term loan	4,977,438,800.00	4,977,438,800.00	
Bond payable	1,426,488,336.65	1,426,488,336.65	
Including: preferred stock			
Sustainable debt			
Lease liability		12,245,214.89	12,245,214.89
Long-term payable	40,406,172.37	40,406,172.37	
Long-term remuneration payable to staff			
Expected liabilities			
Deferred income	89,170,569.64	89,170,569.64	
Deferred income tax liability	387,103,060.74	387,103,060.74	
Other non-current liabilities			
Total non-current liabilities	6,920,606,939.40	6,932,852,154.29	12,245,214.89
Total of liability	9,516,262,073.83	9,537,631,969.58	21,369,895.75
Owners' equity			
Share capital	2,090,806,126.00	2,090,806,126.00	
Other equity instruments			
Including: preferred stock			
Sustainable debt			
Capital reserves	645,969,210.48	645,969,210.48	
Less: Shares in stock			
Other comprehensive income	302,895,877.65	302,895,877.65	
Special reserve			
Surplus reserves	1,167,785,965.63	1,167,785,965.63	
Common risk provision			
Retained profit	3,725,679,319.35	3,726,225,509.39	546,190.04
Total of owner's equity belong to the parent company	7,933,136,499.11	7,933,682,689.15	546,190.04
Minority shareholders'	2,299,180,085.17	2,299,180,085.17	

Items	December 31,2020	January 1,2021	Amount involved in the adjustment
equity			
Total of owners' equity	10,232,316,584.28	10,232,862,774.32	546,190.04
Total of liabilities and owners' equity	19,748,578,658.11	19,770,494,743.90	21,916,085.79

Adjustment statement

Parent Company Balance Sheet

In RMB

Items	December 31,2020	January 1,2021	Amount involved in the adjustment
Current asset:			
Monetary fund	1,781,764,519.09	1,781,764,519.09	
Transactional financial assets			
Derivative financial assets			
Notes receivable			
Account receivable	27,004,827.41	27,004,827.41	
Financing of receivables			
Prepayments	2,181,215.03	1,404,802.00	-776,413.03
Other account receivable	54,148,114.53	54,148,114.53	
Including: Interest receivable			
Dividend receivable	2,705,472.90	2,705,472.90	
Inventories			
Contract assets			
Assets held for sales			
Non-current asset due within 1 year	256,279,340.60	256,279,340.60	
Other current asset	27,051.69	27,051.69	
Total of current assets	2,121,405,068.35	2,120,628,655.32	-776,413.03
Non-current assets:			
Creditor's right investment	287,903,684.98	287,903,684.98	
Other Creditor's right investment			

Items	December 31,2020	January 1,2021	Amount involved in the adjustment
Long-term receivable			
Long term share equity investment	5,529,362,536.53	5,529,908,726.57	546,190.04
Other equity instruments investment	1,737,015,528.29	1,737,015,528.29	
Other non-current financial assets			
Property investment	2,858,243.64	2,858,243.64	
Fixed assets	6,245,462,940.39	6,245,462,940.39	
Construction in progress	43,086,545.58	43,086,545.58	
Production physical assets			
Oil & gas assets			
Use right assets		21,927,040.99	21,927,040.99
Intangible assets	150,582,241.22	150,582,241.22	
Development expenses			
Goodwill			
Long-germ expenses to be amortized			
Deferred income tax asset	322,365,911.10	322,365,911.10	
Other non-current asset	7,089,990.48	7,089,990.48	
Total of non-current assets	14,325,727,622.21	14,348,200,853.24	22,473,231.03
Total of assets	16,447,132,690.56	16,468,829,508.56	21,696,818.00
Current liabilities			
Short-term loans	200,192,500.00	200,192,500.00	
Transactional financial liabilities			
Derivative financial liabilities			
Notes payable			
Account payable	105,919,984.52	105,919,984.52	
Advance receipts			
Contract Liabilities			
Employees' wage payable	6,472,802.81	6,472,802.81	
Tax payable	9,165,801.86	9,165,801.86	

Items	December 31,2020	January 1,2021	Amount involved in the adjustment
Other account payable	1,431,814,861.38	1,971,360,569.98	539,545,708.60
Including: Interest payable			
Dividend payable	22,262,804.39	22,262,804.39	
Liabilities held for sales			
Non-current liability due within 1 year	190,331,701.48	199,348,977.11	9,017,275.63
Other current liability	539,618,124.00	72,415.40	-539,545,708.60
Total of current liability	2,483,515,776.05	2,492,533,051.68	9,017,275.63
Non-current liabilities:			
Long-term loan	4,389,653,800.00	4,389,653,800.00	
Bond payable	1,426,488,336.65	1,426,488,336.65	
Including: preferred stock			
Sustainable debt			
Lease liability		12,133,352.33	12,133,352.33
Long-term payable	40,406,172.37	40,406,172.37	
Long-term remuneration payable to staff			
Expected liabilities			
Deferred income	13,403,327.12	13,403,327.12	
Deferred income tax liability	105,636,866.50	105,636,866.50	
Other non-current liabilities			
Total non-current liabilities	5,975,588,502.64	5,987,721,854.97	12,133,352.33
Total of liability	8,459,104,278.69	8,480,254,906.65	21,150,627.96
Owners' equity			
Share capital	2,090,806,126.00	2,090,806,126.00	
Other equity instruments			
Including: preferred stock			
Sustainable debt			
Capital reserves	938,969,546.79	938,969,546.79	
Less: Shares in stock			
Other comprehensive income	302,895,877.65	302,895,877.65	

Items	December 31,2020	January 1,2021	Amount involved in the adjustment
Special reserve			
Surplus reserves	987,813,698.07	987,813,698.07	
Retained profit	3,667,543,163.36	3,668,089,353.40	546,190.04
Total of owners' equity	7,988,028,411.87	7,988,574,601.91	546,190.04
Total of liabilities and owners' equity	16,447,132,690.56	16,468,829,508.56	21,696,818.00

Note

(4) Retrospective Restatement of Previous Comparative Data due to the First Execution of any New Standards Governing Financial Instruments or Leases from year 2021

Applicable Not applicable

VI. Taxation

1. Major category of taxes and tax rates

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

2. Preferential tax

According to the Notice of the Ministry of Finance and the State Administration of Taxation on Fully Opening the Pilot of Changing Business Tax to VAT (CS [2016] No.36), the qualified contract energy management services of the subsidiary Guangdong High-speed Technology Investment Co., Ltd. are exempt from VAT.

VII. Notes to the major items of consolidated financial statement

1. Monetary Capital

In RMB

Items	Amount in year-end	Balance Year-beginning
Cash	38,214.02	54,482.68
Bank deposit	2,955,850,944.81	2,846,821,352.23

Including: Money deposited with a finance Company	1,521,003,542.69	1,031,105,792.71
Other	515,231.72	522,168.98
Total	2,956,404,390.55	2,847,398,003.89

Other note

As of December 31,2021,The balance of restricted bank deposits at the end of the period was 1,221,200.00 yuan, which was the land reclamation fund deposited into the fund custody account for the reconstruction and expansion project of Sanbao to Shuikou section of Fokai Expressway.

2. Account receivable

1. Classification account receivables.

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Accrual of bad debt provision by single	12,268,880.60	7.44%	3,143,664.00	25.62%	9,125,216.60					
Including:										
Accrual of bad debt provision by portfolio	152,527,300.17	92.56%	2,599,116.90	1.70%	149,928,183.27	172,621,378.99	100.00%	3,713,861.43	2.15%	168,907,517.56
Including:										
Total	164,796,180.77		5,742,780.90		159,053,399.87	172,621,378.99		3,713,861.43		168,907,517.56

① Accrual of bad debt provision by single:

In RMB

Name	Balance in year-end			
	Book balance	Bad debt provision	Withdrawal proportion	Reason
Guangdong Taiheng Expressway Development Co., Ltd.	5,221,056.00	3,143,664.00	60.21%	Guangdong Guangzhou-Huizhou Expressway Co., Ltd., a subsidiary company, signed a pipeline lease agreement with Guangdong Taiheng Expressway Development Co., Ltd. to provide communication pipelines for Guangdong Taiheng Expressway Development Co., Ltd. Because Guangdong Taiheng Expressway Development Co., Ltd. failed to fulfill its payment obligations as agreed in the contract even after repeated reminders, Guangzhou-Huizhou Company filed a lawsuit with Huangpu District People's Court in Guangzhou in October 2021,
Shandong Boan Intelligent Technology Co., Ltd.	7,047,824.60			Recovery occurred on 4 January 2022
Total	12,268,880.60	3,143,664.00	--	--

Disclosure by aging

In RMB

Aging	Closing balance
Within 1 year (Including 1 year)	139,418,873.03
1-2 years	12,960,752.00
2-3 years	4,183,077.45
Over 3 years	8,233,478.29
3-4 years	7,677,959.60
4-5 years	93,192.00
Over 5 years	462,326.69
Total	164,796,180.77

The withdrawal amount of the bad debt provision:

In RMB

Name	Balance in year-end
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	Receivable accounts	Bad debt provision	Withdrawal proportion
Quality guarantee	806,228.14		
Total	806,228.14		--

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

Applicable Not applicable

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

The withdrawal amount of the bad debt provision:

The provision for bad debts in the current period is RMB 4,519,947.60; and the amount of bad debt reserve recovered or reversed in the current period is RMB 2,491,028.13.

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

In RMB

Name	Reversed or collected amount	Mode
Shandong Boan Intelligent Technology Co., Ltd.	2,222,989.88	Recall the accounts receivable in full
Total	2,222,989.88	--

(3) The current accounts receivable write-offs situation

None

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

In RMB

Name	Amount	Aging	Proportion(%)	Bad debt provision
Guangdong Union Electronic Services Co., Ltd.	78,368,502.10	Within 1 year	47.55%	
Gansu Unisplendour Intelligent Transportation and Control Technology Co., Ltd	18,914,067.17	Within 1 year	11.48%	
Guangdong Lulu Traffic Development Co., Ltd.	12,958,333.31	Within 1 year	7.86%	
Guangzhou Lingte Electronic Co.,Ltd.	1,046,000.00	Within 1 year	6.04%	890,100.00
	8,901,000.00	1-2 years		
Guangdong Jingzhu Expressway Guangzhu North section Co., Ltd.	7,783,650.00	Within 1 year	4.72%	

Total	127,971,552.58		77.65%	
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(5) Account receivable which terminate the recognition owing to the transfer of the financial assets

None

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

None

3. Prepayments

(1) Aging analysis

In RMB

Aging	Balance in year-end		Balance Year-beginning	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	5,087,647.09	97.32%	2,741,988.15	96.85%
1-2 years	140,000.00	2.68%	89,136.83	3.15%
Total	5,227,647.09	--	2,831,124.98	--

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

None

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

In RMB

Name	Relations with the Company	Amount	Aging	Reasons for non-settlement	Proportion %
China Ping An Property Insurance Co. Ltd. Guangdong Branch	Non- Related party	3,803,912.18	Within 1 year	Unliquidated	72.77
China Pacific Property Insurance Co. Ltd. Guangdong Branch	Non- Related party	838,016.00	Within 1 year	Unliquidated	16.03
Zhaoqing Yuezhao highway Co., Ltd.	Related party	216,750.00	Within 1 year	Unliquidated	4.15
Guangdong Excellence Land Real Estate Appraisal and Consulting Co., Ltd	Non- Related party	140,000.00	1-2 years	Unliquidated	2.68
Guangzhou Tianhaixiang Aviation Technology Co., Ltd	Non- Related party	139,860.00	Within 1 year	Unliquidated	2.68
Total		5,138,538.18			

4. Other accounts receivable

In RMB

Items	Balance in year-end	Balance Year-beginning
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Dividend receivable	1,205,472.90	2,705,472.90
Other receivable	12,555,651.33	58,219,894.74
Total	13,761,124.23	60,925,367.64

(1) Interest receivable: None

(2) Dividend receivable

1) Dividend receivable

In RMB

Items	Balance in year-end	Balance Year-beginning
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise	1,205,472.90	1,205,472.90
Ganzhou Gankang Expressway Co., Ltd.		1,500,000.00
Total	1,205,472.90	2,705,472.90

2) Significant dividend receivable aged over 1 year

In RMB

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

3) The bad debt provision

Applicable Not applicable

(3) Other accounts receivable

1) Other accounts receivable classified

In RMB

Category	Balance in year-end					Balance Year-beginning				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate(%)		Amount	Proportion (%)	Amount	Expected credit loss rate(%)	
Other receivables for individual bad debt provision	51,535,736.09	80.37	51,535,736.09	100	0	51,535,736.09	46.9	51,535,736.09	100	0
Other receivables for bad debt provision according to the combination of credit risk characteristics	12,588,109.31	19.63	32,457.98	0.26	12,555,651.33	58,345,934.72	53.1	126,039.98	0.22	58,219,894.74
Total	64,123,845.40	/	51,568,194.07	/	12,555,651.33	109,881,670.81	/	51,661,776.07	/	58,219,894.74

Disclosure by aging

In RMB

Aging	Closing balance
Within 1 year (Including 1 year)	6,589,166.07
1-2 years	3,965,967.71
2-3 years	29,980.70
Over 3 years	53,538,730.92
3-4 years	731,394.97
4-5 years	405,650.00
Over 5 years	52,401,685.95
Total	64,123,845.40

Accrual of bad debt provision by single:

In RMB

Bad Debt Reserves	Closing book balance			
	Book balance	Bad debt provision	Expected credit loss rate(%)	Reason
Kunlun Securities Co., Ltd (Note 1)	47,528,056.18	47,528,056.18	100	Bad debts have been fully withdrawn in bankruptcy
Beijing Gelin Enze Organic Fertilizer Co., Ltd (Note 2)	4,007,679.91	4,007,679.91	100	The company is poorly managed
Total	51,535,736.09	51,535,736.09	100	

Note 1: The parent company once paid 33,683,774.79 yuan into Kunlun Securities Co., Ltd, Guangdong Expressway technology investment Co., Ltd once paid 18,000,000.00 yuan into Kunlun Securities Co., Ltd. Qinghai Province Xining City's intermediate people's court made a adjudication under law declared that Kunlun Securities Co., Ltd went bankrupt and repaid debt in November 11, 2006. On March 2007, The Company and Guangdong Expressway Technology Investment Co., Ltd had switched the money that paid into Kunlun Securities Co., Ltd to other account receivable, and follow the careful principle to doubtful debts provision. The 710,349.92 yuan Credit was Recovered in 2008, The 977,527.77 yuan credit was recovered in 2011, The 652,012.00 yuan Credit was recovered in 2014, The 1,815,828.92 yuan Credit was recovered in 2018, and the provision for had deb.

Note 2: Guangdong Expressway Technology investment Co., Ltd .should charge Beijing Gelin Enze Organic Fertilizer Co., Ltd.for 12,220,079.91 yuan. Eight millions of it was entrust loan, three million was temporary borrowing 12,400.00 yuan is the commission loan interest, the rest of it was advance money for another, Beijing Gelin Enze Organic Fertilizer Co., Ltd's operating status was had and had already ceased producing. Accordingly, the controlling subsidiary of the company Guangdong Expressway Investment Co., Ltd. accounted full provision for Bad debt 12,220,079.91 yuan provision. The company in 2014 recovered arrears of 8,000,000.00

yuan, rushed back to the provision for bad debts and write off uncollected interest entrusted loans according to the settlement agreement of 212,400.00 yuan.

Disclosure by aging

In RMB

Aging	Balance in year-end			Balance Year-beginning		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year (Including 1 year)	2,959,338.22	98.92		46,729,242.63	97.97	
1-2 years				935,820.00	1.96	93,582.00
2-3 years						
3-4 years						
4-5 years						
Over 5 years	32,457.98	1.08	32,457.98	32,457.98	0.07	32,457.98
Total	2,991,796.20	/	32,457.98	47,697,520.61	/	126,039.98

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

In RMB

Name	Balance in year-end			Balance Year-beginning		
	Book balance	Bad debt provision	Expected credit loss rate(%)	Book balance	Bad debt provision	Expected credit loss rate(%)
Deposit money and quality guarantee fund combination	8,815,245.54			9,694,869.85		
Other	781,067.57			953,544.26		
Total	9,596,313.11			10,648,414.11		

2) Other accounts receivable classified by the nature of accounts

In RMB

Nature	Closing book balance	Opening book balance
Balance of settlement funds for securities transactions	47,528,056.18	47,528,056.18
Capital reduction due from Gangkang		45,000,000.00

Petty cash	4,538,885.93	5,654,205.42
Gelin Enze Account	4,007,679.91	4,007,679.91
Cash deposit	3,469,880.18	4,001,660.43
Tran Other safer of long-term assets receivable		935,820.00
Other	4,579,343.20	2,754,248.87
Less: Bad-debt provision	51,568,194.07	51,661,776.07
Total	12,555,651.33	58,219,894.74

3) The withdrawal amount of the bad debt provision:

In RMB

Bad Debt Reserves	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Expected credit loss over life (no credit impairment)	Expected credit losses for the entire duration (credit impairment occurred)	
Balance as at January 1,2021	126,039.98		51,535,736.09	51,661,776.07
Balance as at January 1,2021 in current	---	---	---	---
Turn back in this period	-93,582.00			-93,582.00
Balance as at December 31.,2021	32,457.98		51,535,736.09	51,568,194.07

Changes in significant book balances for loss preparation current period

 Applicable Not applicable

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

The withdrawal amount of the bad debt provision:

The provision for bad debts in the current period is RMB 0.00; and the amount of bad debt reserve recovered or reversed in the current period is RMB 93,582.00.

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

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

In RMB

Name	Nature	Closing balance	Aging	Proportion of the total year end balance of the accounts	Closing balance of bad debt
------	--------	-----------------	-------	--	-----------------------------

				receivable(%)	provision
Kunlun Securities Co.,Ltd	Securities trading settlement funds	47,528,056.18	Over 5 years	74.12%	47,528,056.18
Ganzhou Gankang Expressway Co., Ltd.	Current account	4,007,679.91	Over 5 years	6.25%	4,007,679.91
Guangdong Litong Real Estates Investment Co., Ltd.	Deposit	22,980.00	Within 1 year	0.04%	
	Vehicle parking deposit	1,630,467.36	1-2 years	2.54%	
China Railway No.18 Bureau Group Co., Ltd.	Surrogate payment	963,300.00	Within 1 year	1.50%	
Guangdong Expressway Media Co., Ltd.	Advertising	649,386.62	Within 1 Year	1.01%	
Total	--	54,801,870.07	--	85.46%	51,535,736.09

7) Accounts receivable involved with government subsidies

None

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

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

None

5. Inventories

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

No

(1) Category of Inventory

In RMB

Items	Closing book balance			Opening book balance		
	Book balance	Provision for inventory impairment	Book value	Book balance	Provision for inventory impairment	Book value
Raw materials	257,831.85		257,831.85	49,380.53		49,380.53
Stock goods	382,247.81		382,247.81	4,380.53		4,380.53
Total	640,079.66		640,079.66	53,761.06		53,761.06

(2) Inventory depreciation reserve

None

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

None

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

None

6.Contract assets

In RMB

Items	Year-end balance			Year-beginning balance		
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value
Quality guarantee	5,286,462.45		5,286,462.45	5,452,813.90		5,452,813.90
Total	5,286,462.45		5,286,462.45	5,452,813.90		5,452,813.90

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

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

 Applicable Not applicable

None

7.Non-current asset due within 1 year

In RMB

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

8.Other current assets

In RMB

Items	Year-end balance	Year-beginning balance
Income tax to be certified	21,213.96	27,051.69
Total	21,213.96	27,051.69

9. Long-term equity investment

In RMB

Investees	Opening balance	Increase/decrease								Closing balance	Closing balance of impairment provision
		Additional investment	Negative investment	Investment profit and loss recognized under the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash bonus or profits announced to issue	Withdrawal of impairment provision	Other		
I. Joint venture											
2. Affiliated Company											
Zhaoqing Yuezhaoh Highway Co., Ltd.	302,436,218.83			53,076,732.52			39,675,000.00			315,837,951.35	
Guangdong Jiangzhong Expressway Co., Ltd.	192,252,504.94	133,650,000.00		20,810,859.29			28,621,724.94			318,091,639.29	
Ganzhou Gankang Expressway Co., Ltd.	145,774,620.72			8,343,776.40						154,118,397.12	
Ganzhou Kangda Expressway Co., Ltd.	216,814,090.50			48,286,927.19			27,000,000.00			238,101,017.69	
Shenzhen Huiyan Expressway Co., Ltd.	285,408,755.15			35,557,629.02						320,966,384.17	
Guoyuan Securities Co., Ltd.	938,476,820.74			44,593,073.57	9,716,087.81		20,696,516.40			972,089,465.72	
Guangdong Yuepu Small Refinancing Co., Ltd.(Note)	216,683,369.84			10,970,165.76		-4,118,261.28	7,191,673.05			216,343,601.27	
Hunnan Lianzhi Technology Co., .Ltd.	85,080,974.92			5,400,932.77		135,519.59				90,617,427.28	

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SPIC Yuetong Qiyuan Chip Power Technology Co., Ltd.		1,000,000.00		-35,202.65						964,797.35	
Subtotal	2,382,927,355.64	134,650,000.00		227,004,893.87	9,716,087.81	-3,982,741.69	123,184,914.39			2,627,130,681.24	
Total	2,382,927,355.64	134,650,000.00		227,004,893.87	9,716,087.81	-3,982,741.69	123,184,914.39			2,627,130,681.24	

Other note

Note: Guangdong Yueke Technology Petty Loan Co., Ltd. was renamed as Guangdong Yuepu Small Refinancing Co., Ltd in February 2021.

10. Other Equity instrument investment

In RMB

Items	Closing balance	Opening balance
Guangle Expressway Co., Ltd.	746,129,411.97	748,348,301.73
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise	50,000,000.00	50,000,000.00
China Everbright Bank Co., Ltd.	781,046,414.08	938,667,226.56
Huaxia Securities Co., Ltd. (Notes1)		
Huazheng Asset Management Co., Ltd. (Notes2)		
Kunlun Securities Co., Ltd. (Notes3)		
Total	1,577,175,826.05	1,737,015,528.29

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

In RMB

Items	Dividend income recognized	Cumulative gain	Cumulative loss	Amount of other consolidated income transferred to retained earnings	Reasons for designation as measured at fair value and changes included in other comprehensive income	Reasons for other consolidated income transferred to retained earnings
Guangle Expressway Co., Ltd.					Non-transactional purpose for shareholding	
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise	652,822.25	8,455,606.40			Non-transactional purpose for shareholding	
China Everbright Bank Co., Ltd.	49,403,538.24	263,485,537.28			Non-transactional purpose for shareholding	
Huaxia Securities Co., Ltd. (Notes1)			5,400,000.00		Non-transactional purpose for shareholding	
Huazheng Asset Management Co., Ltd. (Notes2)			1,620,000.00		Non-transactional purpose for shareholding	
Kunlun Securities Co., Ltd. (Notes3)			30,000,000.00		Non-transactional purpose for shareholding	

Other note:

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

Note 2: According to De Wei Ping Gu Zi 2005 No. 88 Appraisal Report issued by Beijing Dewei Appraisal Co., Ltd. As the June 30, 2005, the amount of net assets of Huazheng Asset Management Co., Ltd. in book was 279.132 million yuan and the appraised value was - 2299.5486 million yuan ,On October 14, 2005, Jianyin CITIC Asset Management Co., Ltd. issued the Letter of Soliciting Opinions on Equity Assignment to the Company. Jianyin CITIC Asset Management Co., Ltd. was willing to pay the price of not more than 42 million yuan to acquire 100% equity of Huazheng Asset Management Co., Ltd. and solicited the Company's opinions. The Company replied on December 5, 2005, abandoning the preemptive right under the same conditions. The Company made provision of 1.3932 million yuan for impairment in respect of this long-term equity investment of 1.62 million

yuan.

Note 3. The owner's equity of Kunlun Securities Co., Ltd. was negative and it entered liquidation procedure in October 2005. A wholly owned subsidiary of Guangdong Expressway Technology Investment Co., Ltd. Will invest Kunlun Securities Co., Ltd.'s full provision for impairment of 30 million yuan.

11. Investment property

(1) Investment property adopted the cost measurement mode

√ Applicable □ Not applicable

In RMB

Items	Houses and buildings	Land use right	Construction in progress	Total
I. Original value				
1. Opening balance	12,664,698.25	2,971,831.10		15,636,529.35
2. Increased amount of the period				
I. Original value				
1. Opening balance				
2. Increased amount of the period				
3. Decreased amount of the period				
(1) Disposal				
(2) Other Out				
4. Closing balance	12,664,698.25	2,971,831.10		15,636,529.35
II. Accumulated depreciation accumulated amortization				
1. Opening balance	10,694,640.90	1,831,506.56		12,526,147.46
2. Increased amount of the period	147,549.12	73,569.36		221,118.48
(1) Withdrawal or amortization	147,549.12	73,569.36		221,118.48
3. Decreased amount of the period				
(1) Disposal				
(2) Other Out				
4. Closing balance	10,842,190.02	1,905,075.92		12,747,265.94
III. Impairment provision				

Items	Houses and buildings	Land use right	Construction in progress	Total
1. Opening balance				
2. Increased amount of the period				
(1) Withdrawal				
3. Decreased amount of the period				
(1) Disposal				
(2) Other Out				
4. Closing balance				
IV. Book value				
1. Closing book value	1,822,508.23	1,066,755.18		2,889,263.41
2. Opening book	1,970,057.35	1,140,324.54		3,110,381.89

(2) Investment property adopted fair value measurement mode

Applicable Not applicable

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

In RMB

Items	Book balance	Reason
Houses and Building	893,059.37	The land ownership is held by Guangdong Expressway Co., Ltd., and it is impossible to apply for the real estate ownership certificate
Dali toll station management office house	252,138.25	Transportation and other ancillary facilities, Not accreditation
Total	1,145,197.62	

12. Fixed assets

In RMB

Items	Year-end balance	Year-beginning balance
Fixed assets	10,639,272,192.02	11,540,066,429.69
liquidation of fixed assets		9,500.00
Total	10,639,272,192.02	11,540,075,929.69

(1) List of fixed assets

In RMB

Items	Guangfo Expressway	Fokai Expressway	Guanghui Expressway	Jingzhu Expressway Guangzhu section	House and buildings	Machinery equipment	Transportation equipment	Office equipment and other	Total
I. Original price									
1. Opening balance	1,460,270,190.66	10,892,817,927.30	6,475,428,904.48	4,824,881,424.98	653,156,798.92	1,807,080,795.89	61,427,688.89	134,245,998.01	26,309,309,729.13
2. Increased amount of the period			2,421,073.00	312,207,724.11	16,808,970.00	-5,164,956.17	3,011,716.06	19,920,495.30	349,205,022.30
(1) Purchase						11,173,862.02	3,011,716.06	7,735,426.86	21,921,004.94
(2) Transfer of project under construction			2,421,073.00	295,997,616.11	10,689,866.00	31,687,265.76		12,185,068.44	352,980,889.31
(3) Increased of Enterprise consolidation									
(4) Other				16,210,108.00	6,119,104.00	-48,026,083.95			-25,696,871.95
3. Decreased amount of the period				1,101,457.64	129,039.00	19,378,135.56	2,328,790.00	20,521,890.73	43,459,312.93
(1) Disposal or scrap				1,101,457.64	129,039.00	19,378,135.56	2,328,790.00	4,311,782.73	27,249,204.93
(2) Other Out								16,210,108.00	16,210,108.00
4. Closing balance	1,460,270,190.66	10,892,817,927.30	6,477,849,977.48	5,135,987,691.45	669,836,729.92	1,782,537,704.16	62,110,614.95	133,644,602.58	26,615,055,438.50
II. Accumulated depreciation									

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Items	Guangfo Expressway	Fokai Expressway	Guanghui Expressway	Jingzhu Expressway Guangzhu section	House and buildings	Machinery equipment	Transportation equipment	Office equipment and other	Total
1. Opening balance	1,460,270,190.66	4,999,612,912.32	3,571,631,502.43	2,994,964,464.08	432,913,163.79	1,174,349,065.14	49,827,783.08	77,204,103.16	14,760,773,184.66
2. Increased amount of the period		486,469,903.27	378,884,157.42	170,327,458.05	28,676,325.89	151,843,061.24	2,149,917.28	11,390,182.31	1,229,741,005.46
(1) Withdrawal		486,469,903.27	378,884,157.42	170,327,458.05	28,676,325.89	151,843,061.24	2,149,917.28	11,390,182.31	1,229,741,005.46
3. Decreased amount of the period				711,104.22	122,587.05	12,310,440.12	2,197,518.50	3,510,606.85	18,852,256.74
(1) Disposal or scrap				711,104.22	122,587.05	12,310,440.12	2,197,518.50	3,510,606.85	18,852,256.74
4. Closing balance	1,460,270,190.66	5,486,082,815.59	3,950,515,659.85	3,164,580,817.91	461,466,902.63	1,313,881,686.26	49,780,181.86	85,083,678.62	15,971,661,933.38
II. Accumulated depreciation									
1. Opening balance						7,870,708.82		599,405.96	8,470,114.78
2. Increased amount of the period					2,889,394.16				2,889,394.16
(1) Withdrawal					2,889,394.16				2,889,394.16
3. Decreased amount of the period						6,638,789.88		599,405.96	7,238,195.84
(1) Disposal or scrap						6,638,789.88		599,405.96	7,238,195.84

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Items	Guangfo Expressway	Fokai Expressway	Guanghui Expressway	Jingzhu Expressway Guangzhu section	House and buildings	Machinery equipment	Transportation equipment	Office equipment and other	Total
4.Closing balance					2,889,394.16	1,231,918.94			4,121,313.10
IV. Book value									
1.Closing book value		5,406,735,111.71	2,527,334,317.63	1,971,406,873.54	205,480,433.13	467,424,098.96	12,330,433.09	48,560,923.96	10,639,272,192.02
2.Opening book		5,893,205,014.98	2,903,797,402.05	1,829,916,960.90	220,243,635.13	624,861,021.93	11,599,905.81	56,442,488.89	11,540,066,429.69

(2) Temporarily idle fixed assets

In RMB

Items	Original price	Accumulated depreciation	Impairment provision	Book value	Remark
House and buildings	6,176,339.21	4,400,874.00		1,775,465.21	
Machinery equipment	2,322,167.00	1,090,248.06	1,231,918.94		

(3) Fixed assets leased out through operating leases: None

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

In RMB

Items	Book value	Reason
Transportation and other ancillary facilities	175,378,186.85	Transportation and other ancillary facilities, Not accreditation.

(5) liquidation of fixed assets

In RMB

Items	Year-end balance	Year-beginning balance
Office equipment		9,500.00
Total		9,500.00

13. Project under construction

In RMB

Items	Year-end balance	Year-beginning balance
Project under construction	351,130,455.06	340,611,095.47
Total	351,130,455.06	340,611,095.47

(1) Project under construction

In RMB

Items	Year-end balance			Year-beginning balance		
	Book balance	Provision for devaluation	Book value	Book balance	Provision for devaluation	Book value
Gualuhu Interchange project	160,502,763.61		160,502,763.61	52,045,974.12		52,045,974.12

Items	Year-end balance			Year-beginning balance		
	Book balance	Provision for devaluation	Book value	Book balance	Provision for devaluation	Book value
Huizhou North Interchange Project	105,046,556.00		105,046,556.00	283,432.73		283,432.73
Reconstruction and Expansion of Sanbao to Shuikou	42,058,703.12		42,058,703.12	29,547,232.58		29,547,232.58
Reconstruction and Expansion of Nansha-Zhuhai section of Guangzhou-Macao Expressway	17,636,216.62		17,636,216.62			
Expansion Project of Crossing Section of Jiangxi-Shenzhen High-speed Railway	14,470,943.98		14,470,943.98	2,555,353.00		2,555,353.00
Expansion Project of Luogang-Lingkeng Section	7,383,321.30		7,383,321.30	3,531,207.30		3,531,207.30
Tanwei Bridge Ship Collision Prevention Project	1,749,246.00		1,749,246.00			
Intelligent Transformation Project for Monitoring System of Foshan-Kaiping Expressway (Phase II)	1,535,540.00		1,535,540.00			
Other sporadic projects	747,164.43		747,164.43	2,778,800.00		2,778,800.00
Transformation and Capacity Expansion Project of Power Distribution in Siqian, Gonghe District and Yayao Service Area of Foshan-Kaiping Expressway				3,224,884.00		3,224,884.00
Intelligent Reconstruction Project of Monitoring System of Foshan-Kaiping Expressway				1,747,854.66		1,747,854.66
Reconstruction Project for Outfield Message Signs of Foshan-Kaiping Expressway				2,554,560.56		2,554,560.56
Smart Transformation Project of Yayao Service Area of Foshan-Kaiping Expressway				2,344,492.58		2,344,492.58
Upgrade and reconstruction				2,117,334.20		2,117,334.20

Items	Year-end balance			Year-beginning balance		
	Book balance	Provision for devaluation	Book value	Book balance	Provision for devaluation	Book value
project fund for variable message signs						
Monitoring and reconstruction project fund for Guangzhou-Foshan command road network				1,910,901.89		1,910,901.89
Construction Project for Maintenance Base in 2018				2,624,661.74		2,624,661.74
Preparation of land space control plan for reconstruction and expansion				1,213,005.54		1,213,005.54
Civil service area charging station				1,266,602.00		1,266,602.00
Construction Project of Comprehensive Maintenance Base				5,493,791.00		5,493,791.00
Widening Project for Northeast Freight Car Surrounding Line of Guangzhou-Huizhou Expressway Underpassing Guangzhou Railway Hub				1,919,199.00		1,919,199.00
Pavement Treatment Project				105,958,479.27		105,958,479.27
Bridge Deck Treatment Project of Dayong Viaduct				117,493,329.30		117,493,329.30
Total	351,130,455.06		351,130,455.06	340,611,095.47		340,611,095.47

(2) Changes of significant construction in progress

In RMB

Name of project	Budget	Opening balance	Increase	Transferred to fixed assets	Other decrease	End balance	Proportion %	Project processes	Capitalization of interest	Including: capitalization of interest this period	Capitalization of interest rate (%)	Source of funding
Reconstruction and Expansion of Sanbao to Shuikou	3,426,206,700.00	29,547,232.58	12,712,309.82	200,839.28		42,058,703.12	76.13%	82.29	72,779,504.82			Other
Reconstruction and Expansion of Nansha-Zhuhai section of Guangzhou-Macao Expressway	13,326,000,000.00	3,502,229.54	14,759,140.08		625,153.00	17,636,216.62	0.13%	0.13				Other
Gualuhu Interchange project	203,460,000.00	52,045,974.12	108,470,787.49	13,998.00		160,502,763.61	78.89%	78.89				Other
Pavement Treatment Project	186,000,000.00	105,958,479.27	64,659,546.12	170,618,025.39			91.73%	100.00	5,785,964.09	3,305,948.95	4.07%	Other
Bridge Deck Treatment	123,000,000.00	117,493,329.30	7,886,261.42	125,379,590.72			101.93%	100.00	8,579,841.36	3,938,652.42	4.07%	Other

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Project of Dayong Viaduct												
Expansion Project of Crossing Section of Jiangxi-Shenzhen High-speed Railway	14,790,000.00	2,555,353.00	11,915,590.98			14,470,943.98	97.84%	97.84				Other
Huizhou North Interchange Project	134,170,000.00	283,432.73	104,763,123.27			105,046,556.00	78.29%	78.29				Other
Total	17,413,626,700.00	311,386,030.54	325,166,759.18	296,212,453.39	625,153.00	339,715,183.33	--	--	87,145,310.27	7,244,601.37		--

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

None

(4) Engineering Materials: None

14. Use right assets

In RMB

Items	House and buildings	Machinery equipment	Transportation equipment	Other	Total
1. Opening balance	21,487,031.29		659,277.49	1,007,747.00	23,154,055.78
2. Increased amount of the period		357,112.19	504,113.56		861,225.75
(1) New lease		357,112.19	504,113.56		861,225.75
4. Closing balance	21,487,031.29	357,112.19	1,163,391.05	1,007,747.00	24,015,281.53
2. Increased amount of the period	9,208,727.65	71,422.44	527,788.99	107,017.44	9,914,956.52
(1) Withdrawal	9,208,727.65	71,422.44	527,788.99	107,017.44	9,914,956.52
4. Closing balance	9,208,727.65	71,422.44	527,788.99	107,017.44	9,914,956.52
1. Closing book value	12,278,303.64	285,689.75	635,602.06	900,729.56	14,100,325.01
2. Opening book value	21,487,031.29		659,277.49	1,007,747.00	23,154,055.78

15. Intangible assets

(1) List of intangible assets

In RMB

Items	Land use right	Software	The Turnpike franchise	Total
I. Original price				
1. Opening balance	1,311,658.00	39,912,285.19	318,348,741.86	359,572,685.05
2. Increased amount of the period		2,636,504.97		2,636,504.97
(1) Purchase		1,932,544.17		1,932,544.17
(2) Internal Development		703,960.80		703,960.80
(3) Increased of Enterprise Combination				

Items	Land use right	Software	The Turnpike franchise	Total
3.Decreased amount of the period		485,000.00		485,000.00
(1) Disposal		485,000.00		485,000.00
4.Closing balance	1,311,658.00	42,063,790.16	318,348,741.86	361,724,190.02
II.Accumulated amortization				
1.Opening balance	1,311,658.00	32,458,724.38	23,420,946.15	57,191,328.53
2.Increased amount of the period		2,829,668.00	33,684,017.06	36,513,685.06
(1) Withdrawal		2,829,668.00	33,684,017.06	36,513,685.06
3.Decreased amount of the period		485,000.00		485,000.00
(1) Disposal		485,000.00		485,000.00
4.Closing balance	1,311,658.00	34,803,392.38	57,104,963.21	93,220,013.59
III. Impairment provision				
1.Opening balance				
2.Increased amount of the period				
(1) Withdrawal				
3.Decreased amount of the period				
(1) Disposal				
4.Closing balance				
IV. Book value				

Items	Land use right	Software	The Turnpike franchise	Total
1.Closing book value		7,260,397.78	261,243,778.65	268,504,176.43
2.Opening book value		7,453,560.81	294,927,795.71	302,381,356.52

The intangible assets by the end of the formation of the company's internal R & D accounted 0.26% of the proportion of the balance of intangible assets

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

None

16.Development expenses

In RMB

Items	Balance in year-begin	Increase in this period			Decrease in this period			Balance in year-end
		Internal development expenditure	Other		Recognized as intangible assets	Transfer to current profit and loss		
Smart Party Building Cloud Platform		703,960.80			703,960.80			
Total		703,960.80			703,960.80			

17. Long-term amortize expenses

In RMB

Items	Balance in year-begin	Increase in this period	Amortized expenses	Other loss	Balance in year-end
Prepaid business tax and surcharges before replacement of business tax with value-added tax	2,454,375.00		350,625.00		2,103,750.00
Total	2,454,375.00		350,625.00		2,103,750.00

18. Deferred income tax assets/deferred income tax liabilities

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

In RMB

Items	Balance in year-end		Balance Year-beginning	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Assets impairment provisions	7,264,977.10	1,816,244.28	8,705,572.14	2,176,393.04
Deductible loss	671,918,486.05	167,979,621.51	1,000,101,381.76	250,025,345.44
Asset appraisal, appreciation, depreciation and amortization	190,813,984.60	47,703,496.15	269,669,149.91	67,417,287.48
Deferred income	30,978,093.11	7,744,523.33	44,545,569.73	11,136,392.43
Total	900,975,540.86	225,243,885.27	1,323,021,673.54	330,755,418.39

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

In RMB

Items	Balance in year-end		Balance Year-beginning	
	Deductible temporary difference	Deferred income tax liabilities	Deductible temporary difference	Deferred income tax liabilities
Changes in the fair value of other equity instruments	263,485,537.28	65,871,384.32	421,106,349.76	105,276,587.44
Deductible temporary differences in the formation of asset impairment	995,623,507.00	248,905,876.75	1,124,772,402.32	281,193,100.58
Difference of amortization method of franchise of toll road	4,580,106.28	1,145,026.57	2,533,490.83	633,372.72
Total	1,263,689,150.56	315,922,287.64	1,548,412,242.91	387,103,060.74

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

(4) Details of unrecognized deferred tax assets

In RMB

Items	Balance in year-end	Balance Year-beginning
Deductible loss	15,342,382.11	11,452,524.12
Assets impairment provisions	93,406,200.73	91,984,931.50
Total	108,748,582.84	103,437,455.62

(5) Deductible losses of the un-recognized deferred income tax asset will expire in the following years

In RMB

Year	Balance in year-end	Balance Year-beginning	Remark
2022	1,133,109.04	1,133,109.04	
2023	3,129,535.72	3,129,535.72	
2024	3,618,779.07	3,618,779.07	
2025	3,571,100.29	3,571,100.29	
2026	3,889,857.99		
Total	15,342,382.11	11,452,524.12	--

19. Other Non-current assets

In RMB

Items	Balance in year-end			Balance Year-beginning		
	Book balance	Provision for devaluation	Book value	Book balance	Provision for devaluation	Book value
Prepaid fixed assets engineering fees	24,675,415.36		24,675,415.36	21,946,578.75		21,946,578.75
Prepaid business tax	415,282.44		415,282.44	467,027.76		467,027.76
Less: Part due within 1 year	51,745.32		51,745.32	51,745.32		51,745.32
Total	25,038,952.48		25,038,952.48	22,361,861.19		22,361,861.19

20. Short-term Borrowing

(1) Short-term Borrowing

In RMB

Total	Balance in year-end	Balance Year-beginning
Credit Borrowing		200,000,000.00
Interest accrued on short-term borrowing		192,500.00

Total		200,192,500.00
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Note:

(2) Overdue short-term borrowings

None

21.Account payable

(1) List of account payable

In RMB

Items	Balance in year-end	Balance Year-beginning
Within 1 year (Including 1 year)	137,346,075.15	252,654,968.64
1-2 years (including 2 years)	32,260,718.56	44,097,234.36
2-3 years (including 3 years)	30,239,953.68	10,392,605.88
Over 3 years	64,640,392.05	62,628,533.83
Total	264,487,139.44	369,773,342.71

(2) Significant payable aging more than 1 year

In RMB

Items	Balance in year-end	Reason
Foshan Land and resources Bureau.	30,507,598.21	Unsettled
Guang Zhongjiang Expressway project Management Dept	28,000,000.00	Unsettled
Guangzhou Tuzhiling Computer technology Co., Ltd.	12,191,821.25	Unsettled
Heshan Land and resources Bureau	10,186,893.60	Unsettled
Guangzhou Haohang Electronic Technology Co., Ltd	4,727,834.00	Unsettled
Total	85,614,147.06	--

22. Prepayment received

(1) List of Prepayment received

In RMB

Items	Balance in year-end	Balance Year-beginning
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Within 1 year (Including 1 year)	1,937,127.54	1,473,106.10
1-2 years (Including 2 years)	2,777.78	
2-3 years (Including 3 years)		
Over 3 years	8,720,303.19	9,835,901.31
Total	10,660,208.51	11,309,007.41

(2) Significant advance from customers aging over one year

In RMB

Items	Balance in year-end	Unpaid/Uncarry over reason
Guangdong Xinle Technology Development Co., Ltd.	1,208,054.33	The rent is not before the settlement period
Guangzhou Huanlong Expressway Co., Ltd.	7,115,729.78	Land rent has not reached the settlement period
Total	8,323,784.11	--

23.Contract liabilities

In RMB

Items	Balance in year-end	Balance Year-beginning
Payments received in advance	22,000.00	309,734.51
Total	22,000.00	309,734.51

24. Payable Employee wage

(1) Payable Employee wage

In RMB

Items	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance
I. Short-term compensation	16,726,198.13	447,448,460.13	444,961,026.35	19,213,631.91
II. Post-employment benefits - defined contribution plans		62,652,104.74	62,652,104.74	
III. Dismissal benefits		198,182.02	198,182.02	
Total	16,726,198.13	510,298,746.89	507,811,313.11	19,213,631.91

(2) Short-term Remuneration

In RMB

Items	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance
1. Wages, bonuses, allowances and subsidies	465,063.49	340,740,046.58	340,699,546.60	505,563.47
2. Employee welfare		32,369,962.85	32,369,962.85	
3. Social insurance premiums		23,551,217.77	23,551,217.77	
Including : Medical insurance		14,959,123.05	14,959,123.05	
Work injury insurance		287,654.22	287,654.22	
Maternity insurance		2,354,828.86	2,354,828.86	
Other		5,949,611.64	5,949,611.64	
4. Public reserves for housing		37,756,867.08	37,756,867.08	
5. Union funds and staff education fee	14,578,979.10	11,097,190.10	9,193,047.40	16,483,121.80
8. Other	1,682,155.54	1,933,175.75	1,390,384.65	2,224,946.64
Total	16,726,198.13	447,448,460.13	444,961,026.35	19,213,631.91

(3) Defined contribution plans listed

In RMB

Items	Balance Year-beginning	Increase in this period	Payable in this period	Balance in year-end
1. Basic old-age insurance premiums		35,904,176.87	35,904,176.87	
2. Unemployment insurance		1,030,413.16	1,030,413.16	
3. Enterprise annuity payment		25,717,514.71	25,717,514.71	
Total		62,652,104.74	62,652,104.74	

25. Tax Payable

In RMB

Items	Balance in year-end	Balance Year-beginning
VAT	15,734,725.35	19,253,425.01
Enterprise Income tax	143,478,849.99	192,073,414.37
Individual Income tax	3,202,322.06	2,589,498.58

City Construction tax	1,044,325.22	1,270,608.27
Education subjoin	492,391.84	594,019.27
Locality Education subjoin	308,823.69	376,577.48
Vehicle and vessel tax		
Land use tax		
Property tax	110,493.45	45,461.47
Stamp tax	240,581.39	1,514,826.65
Other		30,561.68
Total	164,612,512.99	217,748,392.78

26. Other accounts payable

In RMB

Items	Balance in year-end	Balance Year-beginning
Dividend payable	22,941,943.24	22,262,804.39
Other account payable	155,028,540.52	1,490,356,555.39
Total	177,970,483.76	1,512,619,359.78

(1) Interest payable : None

(2) Dividends payable

In RMB

Items	Balance in year-end	Balance Year-beginning
Common stock dividends	22,941,943.24	22,262,804.39
Total	22,941,943.24	22,262,804.39

Other explanations, including important dividends payable that have not been paid for more than one year, shall disclose the reasons for non payment:

Among the dividends payable at the end of the period, 21473837.46 yuan is the dividend of shareholders who have not paid for more than one year, which is mainly due to the failure of shareholders to provide the bank information for interest payment, the application for receiving dividends provided by shareholders who have not undergone share reform, or the error in providing the bank information for receiving dividends, resulting in the failure of timely payment of dividends.

(3) Other accounts payable

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

In RMB

Items	Year-end balance	Year-Beginning balance
M&A funds payable to Guanghui 21% equity		1,221,839,292.00
Estimated project cost	42,394,262.23	146,192,899.83
Deposit, warranty and security deposit	77,685,535.90	83,526,214.67
Other	34,948,742.39	36,710,267.87
Temporary collection payable		2,087,881.02
Total	155,028,540.52	1,490,356,555.39

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

In RMB

Items	Closing balance	Unpaid/un-carry over reason
Poly Changda Highway Engineering Co., Ltd.	15,067,509.46	The settlement conditions have not yet been met
Yayao to Xiebian extension	12,499,448.48	The settlement conditions have not yet been met
Guangdong Guanyue Road & Bridge Co., Ltd.	7,618,479.80	The settlement conditions have not yet been met
Guangdong Nengda High Grade Highway Maintenance Co., Ltd.	3,920,602.10	The settlement conditions have not yet been met
Dahao Municipal Construction Co., Ltd.	3,000,000.00	The settlement conditions have not yet been met
Total	42,106,039.84	--

27. Non-current liabilities due within 1 year

In RMB

Items	Balance year-end	Year-beginning balance
Long-term loans due within 1 year	465,576,600.00	203,536,200.00
Bond payable due within 1 year		
Long-term payable due within 1 year	944,339.62	732,075.46
Lease liabilities due within 1 year	12,474,474.87	9,124,680.86
Interest payable due within 1 year	46,648,953.77	62,059,742.01
Total	525,644,368.26	275,452,698.33

28. Other current liabilities

In RMB

Items	Balance year-end	Year-beginning balance
Tax to be rewritten	726,336.48	648,581.64
Total	726,336.48	648,581.64

29. Long-term loan

(1) Category of long-term loan

In RMB

Items	Balance year-end	Year-beginning balance
Pledge loan	582,195,000.00	657,365,000.00
Credit loan	4,456,002,800.00	4,523,610,000.00
Less: Long-term loans due within one year	465,576,600.00	203,536,200.00
Total	4,572,621,200.00	4,977,438,800.00

30. Bond payable

(1) Bond payable

In RMB

Items	Balance year-end	Year-beginning balance
Medium-term note	1,427,434,086.58	1,426,488,336.65
Total	1,427,434,086.58	1,426,488,336.65

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

In RMB

Name of the bond	Book value	Issue date	Period	Issue amount	Opening balance	The current issue	Withdraw interest at par	Overflow discount amount	Pay in current period	Closing balance
19 Guangdong Expressway MTN001	680,000,000.00	2019.2.27	2019.3.1-2024.3.1	680,000,000.00	678,575,316.87			-450,549.72		679,025,866.59
20 Guangdong Expressway MTN001	750,000,000.00	2020.3.13	2020.3.17-2025.3.17	750,000,000.00	747,913,019.78			-495,200.21		748,408,219.99
Total	--	--	--	1,430,000,000.00	1,426,488,336.65			-945,749.93		1,427,434,086.58

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

None

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

None

31. Lease liabilities

In RMB

Items	Balance year-end	Year-beginning balance
Long-term lease liabilities	15,247,934.63	21,369,895.75
Less: Lease liabilities due within 1 year	12,474,474.87	9,124,680.86
Total	2,773,459.76	12,245,214.89

32. Long-term payable

In RMB

Items	Balance year-end	Year-beginning balance
Long-term payable	3,461,832.74	40,406,172.37
Total	3,461,832.74	40,406,172.37

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

In RMB

Items	Balance year-end	Year-beginning balance
Non-operating asset payable	2,022,210.11	2,022,210.11
Entrust loans		36,000,000.00
Medium term bill underwriting fee	2,383,962.25	3,116,037.72
Less: Part due within 1 year	944,339.62	732,075.46
Total	3,461,832.74	40,406,172.37

33. Deferred income

In RMB

Items	Opening balance	Increase	Decrease	Closing balance	Cause
Government subsidy	44,545,569.64		13,567,476.53	30,978,093.11	
Lease income	44,625,000.00		6,375,000.00	38,250,000.00	
Total	89,170,569.64		19,942,476.53	69,228,093.11	--

34. Stock capital

In RMB

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

35. Capital reserves

In RMB

Items	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance
Share premium	508,711,146.99			508,711,146.99
(1) Capital invested by investors	2,508,408,342.99			2,508,408,342.99
(2) Influence of business combination under the same control	-1,999,697,196.00			1,999,697,196.00
Other capital reserves	137,258,063.49	71,609,569.29	4,118,261.28	204,749,371.50
(1) Changes in other equity of the investee under the equity accounting	525,074.49	135,519.59	4,118,261.28	-3,457,667.20
(2) Other	136,732,989.00	71,474,049.70		208,207,038.70
Total	645,969,210.48	71,609,569.29	4,118,261.28	713,460,518.49

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

1. The changes in capital reserve-other equity in the current period is due to the capital increase and share expansion of the joint venture Hunan Lianzhi Technology Co., Ltd and Guangdong Yuepu Microfinance Co., Ltd. The Company has adjusted the book value of long-term equity investment according to the diluted shareholding ratio, resulting in an increase of RMB 135,519.59 and a decrease of RMB 4,118,261.28 in capital reserve respectively.

2. Current capital reserve-other increases mainly due to

① The agreement signed by Guangzhou-Huizhou Company and Zengcheng District People's Government to add interchange on Zengcheng Section of Guangzhou-Huizhou Expressway, which stipulates that Guangzhou-Huizhou Company will build Shaning Road Interchange and Xincheng Avenue Interchange, and all expenses incurred in building interchange will be borne by Zengcheng District People's Government.

② The agreement signed by Guangzhou-Huizhou Company and Huizhou Transportation Bureau to add Changkeng Interchange (tentative name) on Guangzhou-Huizhou Expressway, which stipulates that Guangzhou-Huizhou Company will build Changkeng Interchange (renamed Huizhou North Interchange), and all the expenses incurred in the construction of Interchange will be borne by Guangzhou-Huizhou Company, and

Huizhou Transportation Bureau will give Guangzhou-Huizhou Company a financial subsidy of RMB 1.05 million.

After the above project is completed, it will be managed by Guangzhou-Huizhou Company. A total of RMB 268,103,900.00 was received from Zengcheng District Government at the beginning of the period, of which the opening balance of capital reserve attributable to the parent company-other capital reserve was RMB 136,732,989.00, and RMB 140,145,195.50 was newly received in this period, of which capital reserve attributable to the parent company-other capital reserve increased by RMB 71,474,049.70 in this period.

36. Other comprehensive income

In RMB

Items	Year-beginning balance	Amount of current period						Year-end balance
		Amount incurred before income tax	Less: Amount transferred into profit and loss in the current period that recognized into other comprehensive income in prior period	Less: Prior period included in other composite income transfer to retained income in the current period	Less: Income tax expenses	After-tax attribute to the parent company	After-tax attribute to minority shareholder	
1.Other comprehensive income will be reclassified into income or loss in the future	315,829,762.32	-159,839,702.24			-39,405,203.12	-120,434,499.12		195,395,263.20
Changes in fair value of investments in other equity instruments	315,829,762.32	-159,839,702.24			-39,405,203.12	-120,434,499.12		195,395,263.20
2.Other comprehensive income reclassifiable to profit or loss in subsequent periods	-12,933,884.67	9,716,087.81				9,716,087.81		-3,217,796.86
Including: Share of other comprehensive income of the investee that cannot be transferred to profit or loss accounted for using the equity method	-12,933,884.67	9,716,087.81				9,716,087.81		-3,217,796.86
Total of other comprehensive income	302,895,877.65	-150,123,614.43			-39,405,203.12	-110,718,411.31		192,177,466.34

Other notes, including the adjustment of the recognition of initial amount of effective part of the cash flow hedging gains and losses transfer into arbitrated items:

37. Surplus reserve

In RMB

Items	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance
Statutory surplus reserve	1,167,785,965.63	57,589,364.93		1,225,375,330.56
Total	1,167,785,965.63	57,589,364.93		1,225,375,330.56

38. Retained profits

In RMB

Items	Amount of this period	Amount of last period
Before adjustments: Retained profits in last period end	3,725,679,319.35	3,915,790,810.76
Adjust the total undistributed profits at the beginning of the period	546,190.04	
After adjustments: Retained profits at the period beginning	3,726,225,509.39	3,915,790,810.76
Add: Net profit belonging to the owner of the parent company	1,700,406,981.99	867,842,774.78
Less: Statutory surplus reserve	57,589,364.93	93,232,912.82
Common stock dividend payable	608,424,582.67	882,320,185.17
Other (Note)		82,401,168.20
Retained profit at the end of this term	4,760,618,543.78	3,725,679,319.35

Note: other items in the previous period are the dividends corresponding to the 21% equity of major asset restructuring transaction distributed by Guangdong Guanghui Expressway Co., Ltd. to the shareholder Guangdong Expressway Co., Ltd.

As regards the details of adjusted the beginning undistributed profits

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

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

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

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

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

39. Operation income and operation cost

In RMB

Items	Amount of this period		Amount of last period	
	Income	Cost	Income	Cost
Main operation	5,214,504,182.23	1,899,514,164.39	3,722,365,693.29	1,633,666,936.51
Other operation	73,553,495.70	29,997,861.17	67,983,182.97	28,556,759.62
Total	5,288,057,677.93	1,929,512,025.56	3,790,348,876.26	1,662,223,696.13

Whether the net profit before and after deducting non-recurring gains and losses is negative after audit

Yes No

40. Business tax and subjoin

In RMB

Items	Amount of this period	Amount of last period
Urban construction tax	10,148,595.37	7,512,714.60
Education surcharge	4,837,411.83	3,578,509.64
Property tax	4,108,460.47	5,212,158.72
Land use tax	2,803,701.59	1,830,767.01
Vehicle use tax	75,614.77	77,663.79
Stamp tax	589,040.04	2,310,400.84
Business tax	370,495.32	370,495.32
Locality Education surcharge	3,218,282.06	2,379,608.64
Other		129,610.93
Total	26,151,601.45	23,401,929.49

41. Administrative expenses

In RMB

Items	Amount of this period	Amount of last period
Wage	160,631,132.11	141,324,125.20
Depreciation	12,006,378.25	9,870,249.16

Intangible assets amortization	2,145,714.88	2,368,807.27
Low consumables amortization	856,378.64	1,316,594.00
Rental fee	12,641,157.99	12,467,786.77
Office expenses	7,832,333.51	7,437,025.62
Travel expenses	802,598.61	573,930.76
Consultation expenses	1,102,939.62	2,595,902.63
The fee for hiring agency	5,345,624.33	7,179,452.28
Listing fee	854,072.73	864,123.92
Information cost and maintenance fee	3,821,536.06	2,830,419.98
Other	15,565,575.73	15,116,701.99
Total	223,605,442.46	203,945,119.58

42.R& D expenses

In RMB

Items	Amount of this period	Amount of last period
Wage	1,218,145.17	315,808.12
Material cost	117,433.62	88,495.58
Depreciation	30,469.69	
Low consumables amortization	2,112.93	
Office expenses	12,252.27	
Repairs cost	11,988.44	
Vehicle fee	15,512.82	
Development cost	11,535,779.93	
Other	327,243.86	
Total	13,270,938.73	404,303.70

43.Financial expenses

In RMB

Items	Amount of this period	Amount of last period
Interest expenses	282,653,629.93	264,407,174.38
Deposit interest income (-)	-64,220,887.86	-50,618,519.70
Exchange Income and loss (Gain-)	371,334.74	-1,815,160.91
Bank commission charge	628,831.70	881,757.74
Other	2,281,404.25	3,327,123.37

Total	221,714,312.76	216,182,374.88
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44. Other gains

In RMB

Items	Amount of this period	Amount of last period
Government Subsidy-Cancel the Special Subsidy for Provincial Toll Station Project of Expressway	13,567,476.53	11,306,230.36
Government subsidy- Stable job subsidies	1,198,029.54	516,603.84
Government subsidy-Enterprises subsidies	339,000.00	
Government subsidy-- Enterprises with industrial training subsidies	1,243,500.00	
Maternity allowance	579,838.26	440,077.14
Veterans' VAT reduction and exemption	284,718.89	326,184.25
Withholding and remitting enterprise prepaid income tax fees	343,853.85	195,477.50
Veterans' VAT reduction and exemption	43,938.09	34,836.75
Total	17,600,355.16	12,819,409.84

45. Investment income

In RMB

Items	Amount of this period	Amount of last period
Long-term equity investment income by equity method	227,004,893.87	114,517,784.14
Dividends earned during the holding period on investments in other equity instrument	50,056,360.49	50,785,213.04
Interest income on entrusted loans		6,063,838.37
Total	277,061,254.36	171,366,835.55

46. Credit impairment losses

In RMB

Items	Amount of this period	Amount of last period
Impairment losses on accounts receivable	-2,028,919.47	-2,360,980.71
Impairment losses on other receivable	93,582.00	-96,827.80
Total	-1,935,337.47	-2,457,808.51

47. Asset impairment loss

In RMB

Items	Amount of this period	Amount of last period
Loss on impairment of fixed assets	-2,889,394.16	-1,231,918.94
Total	-2,889,394.16	-1,231,918.94

48. Assets disposal income

In RMB

Source	Amount of this period	Amount of last period
Non-current assets disposal gains	3,017,370.44	
Including: Income from disposal of Fixed assets	3,017,370.44	
Income from disposal of Intangible assets		
Total	3,017,370.44	

49. Non-Operation income

In RMB

Items	Amount of this period	Amount of last period	Recorded in the amount of the non-recurring gains and losses
Non-monetary asset exchange gain			
Gains from damage and scrapping of non current assets	371,681.42		371,681.42
Receive assets free of charge	6,119,104.00		6,119,104.00
Insurance claim income	5,020,697.37	3,538,886.07	5,020,697.37
Road property claim income	3,436,760.97	2,858,053.10	3,436,760.97
Relocation compensation income	1,714,382.93	3,353,085.30	1,714,382.93
Compensation for construction land and ground attachments	186,642.86	1,210,712.86	186,642.86
Other	1,126,225.63	789,104.03	1,126,225.63
Total	17,975,495.18	11,749,841.36	17,975,495.18

50. Non-Operation expense

In RMB

Items	Amount of current period	Amount of previous period	The amount of non-operating gains & losses
Road rehabilitation expenditure	7,821,358.32	5,167,239.28	7,821,358.32
Loss & abandonment of non-current assets	753,220.25	13,637,658.30	753,220.25
Expenditure for public welfare donations	12,000,000.00		12,000,000.00
Fine	153.62	711,701.58	153.62
Relocation compensation income		405,100.00	
Other	1,908,653.45	721,233.61	1,908,653.45
Total	22,483,385.64	20,642,932.77	22,483,385.64

Other note:

51. Income tax expense

(1) Lists of income tax expense

In RMB

Items	Amount of current period	Amount of previous period
Current income tax expense	661,629,051.42	453,788,495.42
Deferred income tax expense	73,735,963.14	37,621,377.52
Total	735,365,014.56	491,409,872.94

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

In RMB

Items	Amount of current period
Total	3,162,149,714.84
Current income tax expense accounted by tax and relevant regulations	790,537,428.72
Influence of income tax before adjustment	3,731,767.49
Influence of non taxable income	-69,102,108.03
Impact of non-deductible costs, expenses and losses	12,850,155.96
Effect of deductible losses from using previously unrecognized	-199,405.13

deferred income tax assets	
The current period does not affect the deferred tax assets recognized deductible temporary differences or deductible loss	-2,452,824.44
Income tax expense	735,365,014.56

Other note

52. Items of Cash flow statement

(1) Other cash received from business operation

In RMB

Items	Amount of current period	Amount of previous period
Interest income	64,220,887.86	50,618,519.70
Unit current account	62,196,377.10	75,997,867.92
Net toll income received by networked toll clearing		2,387,993.96
Cancellation of Expressway Provincial Toll Station Project		55,851,800.00
Total	126,417,264.96	184,856,181.58

Note:

(2) Other cash paid related to operating activities

In RMB

Items	Amount of current period	Amount of previous period
Management expense	37,053,815.32	47,721,287.38
Unit current account	45,656,506.01	37,898,902.95
Donation	12,000,000.00	
Total	94,710,321.33	85,620,190.33

(3).Cash receivable related to other Financing activities

In RMB

Items	Amount of current period	Amount of previous period
Government infrastructure investment subsidies	140,145,195.50	89,083,500.00
Total	140,145,195.50	89,083,500.00

(4) Cash paid related to other Financing activities

In RMB

Items	Amount of current period	Amount of previous period
Issuance fee of medium-term notes	776,869.75	1,122,177.00
Purchase of 21% equity consideration of Guanghui	1,221,839,292.00	1,271,710,284.00
Cash paid for the lease liabilities	8,134,723.18	
Total	1,230,750,884.93	1,272,832,461.00

53. Supplement Information for cash flow statement

(1) Supplement Information for cash flow statement

In RMB

Supplement Information	Amount of current period	Amount of previous period
I. Adjusting net profit to cash flow from operating activities	--	--
Net profit	2,426,784,700.28	1,364,385,006.07
Add: Credit loss preparation	1,935,337.47	2,457,808.51
Impairment loss provision of assets	2,889,394.16	1,231,918.94
Depreciation of fixed assets, oil and gas assets and consumable biological assets	1,229,561,027.39	1,009,578,943.06
Depreciation of Use right assets	9,914,956.52	
Amortization of intangible assets	36,587,254.42	26,319,338.62
Amortization of Long-term deferred expenses	350,625.00	457,642.44
Loss on disposal of fixed assets, intangible assets and other long-term deferred assets	-3,017,370.44	
Fixed assets scrap loss	381,538.83	13,637,658.30
Loss on fair value changes		
Financial cost	283,024,964.67	265,092,013.47
Loss on investment	-277,061,254.36	-171,366,835.55
Decrease of deferred income tax assets	105,511,533.12	54,738,687.74
Increased of deferred income tax liabilities	-71,180,773.10	-41,819,079.34
Decrease of inventories	-586,318.60	57,922.16
Decease of operating receivables	8,323,698.17	136,745,935.47

Supplement Information	Amount of current period	Amount of previous period
Increased of operating Payable	-83,674,592.37	-25,329,718.84
Other		
Net cash flows arising from operating activities	3,669,744,721.16	2,636,187,241.05
II. Significant investment and financing activities that without cash flows:	--	--
Conversion of debt into capital		
Convertible corporate bonds maturing within one year		
Financing of fixed assets leased		
3. Movement of cash and cash equivalents:	--	--
Ending balance of cash	2,955,183,190.55	2,846,176,803.89
Less: Beginning balance of cash equivalents	2,846,176,803.89	3,052,977,164.15
Add: End balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase of cash and cash equivalent	109,006,386.66	-206,800,360.26

(2) Composition of cash and cash equivalents

In RMB

Items	Balance in year-end	Balance in year-Beginning
Cash	2,955,183,190.55	2,846,176,803.89
Of which: Cash in stock	38,214.02	54,482.68
Bank savings could be used at any time	2,954,629,744.81	2,845,600,152.23
Other monetary capital could be used at any time	515,231.72	522,168.98
Balance of cash and cash equivalents at the period end	2,955,183,190.55	2,846,176,803.89

54. The assets with the ownership or use right restricted

In RMB

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

Other note:

VIII. Equity in other entities

1. Equity in subsidiary

(1) The structure of the enterprise group

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

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

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

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

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

Other note: Yuegao Capital Investment(Hengqin)Co., Ltd. was renamed as Yuegao Capital Investment(Guangzhou)Co., Ltd. in June 16, 2021.

(2) Important Non-wholly-owned Subsidiary

In RMB

Name of Subsidiary	Shareholding Ratio of Minority Shareholders (%)	Profit or Loss Owned by the Minority Shareholders in the Current Period	Dividends Distributed to the Minority Shareholders in the Current Period	Equity Balance of the Minority Shareholders in the End of the Period
Guangfo Expressway Co., Ltd.	25.00%	54,196,234.64	37,982,900.91	131,314,707.02

Guangdong Guanghui Expressway Co., Ltd.	49.00%	544,666,628.57	643,014,520.46	1,916,561,080.37
Jingzhu Expressway Guangzhu Section Co.,Ltd.	25.00%	127,514,855.08	74,680,354.93	290,675,385.57

Holding proportion of minority shareholder in subsidiary different from voting proportion

None

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

In RMB

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

Name	Year-beginning balance					
	Current assets	Non- current assets	Total assets	Current Liabilities	Non- current liabilities	Total liabilities
Guangfo Expressway Co., Ltd.	475,293,044.67	55,900,968.26	531,194,012.93	67,267,992.50	3,520,527.29	70,788,519.79
Guangdong Guanghui Expressway Co., Ltd.	1,066,412,539.00	3,451,858,995.85	4,518,271,534.85	305,774,405.46	240,583,197.83	546,357,603.29
Jingzhu Expressway Guangzhu Section Co.,Ltd.	118,177,442.22	2,272,633,604.38	2,390,811,046.60	470,629,108.30	968,818,396.62	1,439,447,504.92

In RMB

Name	Amount of current period				Amount of previous period			
	Business income	Net profit	Total Comprehensive income	Cash flows from operating activities	Business income	Net profit	Total Comprehensive income	Cash flows from operating activities

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Guangfo Expressway Co., Ltd.	452,189,259.01	216,784,938.57	216,784,938.57	173,090,933.86	333,647,719.92	155,032,248.63	155,032,248.63	285,644,355.99
Guangdong Guanghui Expressway Co., Ltd.	2,153,255,526.58	1,111,564,548.10	1,111,564,548.10	1,481,786,551.53	1,616,980,738.55	780,305,035.07	780,305,035.07	1,173,180,438.28
Jingzhu Expressway Guangzhu Section Co.,Ltd.	1,173,205,770.48	510,059,420.32	510,059,420.32	779,998,964.52	812,354,042.82	301,738,807.80	301,738,807.80	740,551,536.06

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

None

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

None

Other Note:

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

(1) Significant joint venture arrangement or associated enterprise

None

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

None

3. Equity in joint venture arrangement or associated enterprise

(1) Significant joint venture arrangement or associated enterprise

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

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

None

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

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

(2) Main financial information of significant joint venture

None

(3) Main financial information of significant associated enterprise

In RMB

	Year-end balance/ Amount of current period	Year-beginning balance/ Amount of previous period
	Guoyuan Securities Co., Ltd.	Guoyuan Securities Co., Ltd.
Total of assets	114,683,858,604.22	90,890,416,303.36
Shareholders' equity attributable to shareholders of the parent	32,259,179,385.22	30,841,760,973.08
Pro rata share of the net assets calculated	764,993,833.19	731,381,188.20
--Goodwill	207,095,632.54	207,095,632.54
The book value of equity investments in joint ventures	972,089,465.73	938,476,820.74
Fair value of equity investment of associated enterprises with open quotation	796,815,881.40	927,203,934.72
Business income	6,076,303,560.25	2,115,128,481.79
Net profit	1,871,872,525.11	617,902,373.05
Other comprehensive income	410,531,198.59	99,219,704.73
Total comprehensive income	2,282,403,723.70	717,122,077.78
Dividends received from associates during the year	20,696,516.40	11,940,297.90

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

In RMB

	Year-end balance/ Amount of current period	Year-beginning balance/ Amount of previous period
Joint venture:	--	--
Total amount of the pro rata calculation of	--	--

the following items		
Associated enterprise:	--	--
Total book value of the investment	1,655,041,215.52	1,444,450,534.90
Total amount of the pro rata calculation of the following--Net profit ms	--	--
-Nit profit	182,411,820.30	82,311,895.95
--Total comprehensive income	182,411,820.30	82,311,895.95

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

None

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

None

(7) The unrecognized commitment related to joint venture investment

None

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

None

4. Significant common operation

None

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

None

IX. Risks Related to Financial Instruments

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

The targets and policies of risk management

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

1. Market risk

(1) Foreign exchange risk

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

(2) Interest rate risk

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

(3) Other price risk

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

2. Credit risk

As of June 30, 2021, the largest credit risk exposure that may cause financial losses of the Company mainly comes from the loss of financial assets of the Company caused by the failure of the other party to perform its obligations.

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

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

Financial assets overdue or impaired;

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

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

3. Liquidity risk

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

X. The disclosure of the fair value

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

In RMB

Items	Closing fair value			
	Fir value measurement items at level 1	Fir value measurement items at level 2	Fir value measurement items at level 3	Total
I. Consistent fair value measurement	--	--	--	--

(3) Other equity instrument investment	781,046,414.08		746,129,411.97	1,527,175,826.05
II. Non-persistent measure	--	--	--	--

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

As at the end of the period, the company holds shares 235,254,944 shares of China Everbright Bank. According to the closing price of December 31, 2021 of 3.32 yuan, the final calculation of fair value was 781,046,414.08 yuan.

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

Items	Fair value as of December 31, 2021	Valuation technology	Unobservable input value
Investment in equity instruments			
Unlisted equity investment	746,129,411.97	Enjoy the book net assets share of the invested unit according to the shareholding ratio	

The financial instrument listed in the tier III is the equity investment of Guangdong Guangle Expressway Co., Ltd. held by the Company. At the end of the period, the fair value of the financial instrument is determined by calculating the book net assets of the investee according to the shareholding ratio.

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

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

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

XI. Related parties and related-party transactions

1. Parent company information of the enterprise

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

Notes :

Guangdong Communication Group Co., Ltd. is the largest shareholder of the Company. legal representative: Deng Xiaohua. Date of establishment: June 23, 2000. As of December 31, 2021, Registered capital: 26.8 billion yuan. It is a solely state-owned limited company. Business scope: equity management, organization of asset reorganization and optimized allocation, raising funds by means including mortgage, transfer of property rights and joint stock system transformation, project investment, operation and management, traffic infrastructure construction, highway and railway project operation and relevant industries, technological development, application, consultation and services, highway and railway passenger and cargo transport, ship industry, relevant overseas businesses; The value-added communication business.

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

2. Subsidiaries of the Company

Subsidiaries of this enterprise, see VIII(3) the rights of other entity

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

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

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

Name	Relation with the Company
Shenzhen Huiyan Expressway Co., Ltd.	Associated enterprises of the Company
Zhaoqing Yuezhao Highway Co., Ltd.	Associated enterprises of the Company
Ganzhou Kangda Expressway Co., Ltd.	Associated enterprises of the Company
Ganzhou Gankang Expressway Co., Ltd.	Associated enterprises of the Company
Guangdong Jiangzhong Expressway Co., Ltd.	Associated enterprises of the Company
Guangdong Yuepu Small Refinancing Co., Ltd	Associated enterprises of the Company

Hunan Lianke Technology Co., Ltd.	Associated enterprises of the Company
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4. Other Related parties

Name	Relation with the Company
Guangdong Boda Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Chaohui Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong East Thinking Management Technology Development Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Litong Property Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Gaoen Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Expressway Media Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Guangfozhao Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Guangle Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Guangzhu West Line Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Humen Bridge Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Hualu Traffic Technology Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Jiaotong Testing Co., Ltd	Fully owned subsidiary of the parent company
Guangdong Traffic Industry Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Kaiyang Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Litong Technology Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Litong Property Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Union Electron Service Information technology Co., ltd.	Fully owned subsidiary of the parent company
Guangdong Union Electron Service Co., ltd.	Fully owned subsidiary of the parent company
Guangdong Lulutong Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Luoyang Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Maozhan Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Shanfen Expressway Co., ltd.	Fully owned subsidiary of the parent company
Guangdong Provincial Freeway Co.,Ltd.	Fully owned subsidiary of the parent company
Guangdong Highway Construction Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Communication Group Finance Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Read & Bridge Construction Development Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Taishan Coastal Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Tongyi Expressway Service Area Co., Ltd	Fully owned subsidiary of the parent company

Name	<u>Relation with the Company</u>
Guangdong Xinyue Traffic Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Yangmao Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Yuegan Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Yueyun Traffic Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Yueyun Traffic Rescue Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Zhaoyang Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangshenzhu Expressway Co., Ltd.	Fully owned subsidiary of the parent company
Guangzhou Xinyue Traffic Technology Co., Ltd.	Fully owned subsidiary of the parent company
Guangzhou Xinyue Asphalt Co., Ltd.	Fully owned subsidiary of the parent company
Guangzhou Yueyun Traffic Co., Ltd.	Fully owned subsidiary of the parent company
Yunfo Guangyun Expressway Co., Ltd	Fully owned subsidiary of the parent company
Guangdong Tianlu New Energy Investment Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Traffic Development Co., Ltd.	Fully owned subsidiary of the parent company
Guangdong Communication Planning & Design Institute Co., Ltd.	Shares of parent company
Guangzhongjiang Expressway Project Management Dept	Managed by the parent company
Hongkong- Zhuhai-Macao Connection line management center	Managed by the parent company
Guangzhou Aitesi Communication equipment Co., Ltd.	Associated enterprises controlled by the same parent company
Jiangmen Jianghe Expressway Co., Ltd.	Associated enterprises controlled by the same parent company
Guangdong Shenshan Expressway Co., Ltd.	Associated enterprises controlled by the same parent company
Guangdong Jingzhu Expressway Guangzhu North Section Co., Ltd.	Associated enterprises controlled by the same parent company
Foshan Guangshan Expressway Co., Ltd.	Associated enterprises controlled by the same parent company
Guangdong Feida Traffic Engineering Co., Ltd.	Associated enterprises controlled by the same parent company
Poly Changda Engineering Co., Ltd.	Shares of parent company
Guangdong Changda Road Conservation Co., Ltd.	Shares of parent company
Guangdong Road Network Digital Media Information Technology Co. Ltd	Joint venture of parent company
Guangdong Xiangfei Highway Engineering Supervision Co., Ltd	Subsidiary of the parent company
Guangdong Jiangzhao Expressway Management Center	Managed by the parent company
Guangdong Nanyue Traffic Qingyun Expressway Management Center	Managed by the parent company

5. List of related-party transactions

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

Acquisition of goods and reception of labor service

In RMB

Related parties	Content of related transaction	Amount of current period	Amount of previous period	Over the trading limit or not?	Amount of last period
1. Business cost					
Boly Changda Engineering Co., Ltd.	Project fund, service	25,299,515.00			43,663,945.00
Guangdong Union electronic services co., Ltd.	Service	25,131,901.47			22,140,969.83
Guangdong Xinyue Asphalt Co., Ltd.	Project fund	8,889,414.00			
Guangdong Feida Traffic Engineering Co., Ltd.	Maintenance	7,773,274.29			7,314,621.02
Guangzhou Xinyue Asphalt Co., Ltd.	Purchase	7,587,872.00			13,627,554.77
Guangdong East Thinking Management Technology Development Co., Ltd.	Maintenance, Project funds	6,652,840.00			10,948,746.94
Guangdong Lulutong Co., Ltd.	Maintenance, Project funds	5,775,057.23			36,627,747.85
Guangdong Hualu Traffic Technology Co., Ltd.	Project	4,512,951.46			4,869,113.63
Guangdong Xinyue traffic Investment Co., Ltd.	Maintenance, Project funds	4,366,423.49			5,947,406.32
Guangdong Humen Bridge Co., Ltd.	Service	3,686,679.96			528,929.83
Guangdong Yueyun Traffic Rescue Co., Ltd.	Rescue service fee	3,343,600.00			
Guangdong Litong Technology Investment Co., Ltd.	Maintenance	1,713,971.99			1,424,414.80
Guangdong Communication Planning & Design Institute Co., Ltd.	Project labour service	1,156,607.57			8,136,858.45
Guangdong Tongyi Expressway Service Area Co., Ltd	Service	1,050,181.10			604,826.78
Guangzhou Aitesi Communication Equipment Co., Ltd.	Project	993,635.40			1,771,681.42

Related parties	Content of related transaction	Amount of current period	Amount of previous period	Over the trading limit or not?	Amount of last period
Hunan Lianzhi Monitoring Technology Co., Ltd	Project	850,700.00			
Guangdong East Thinking Management Technology Development Co., Ltd.	Maintenance, Service	687,200.00			282,800.00
Guangdong Yueyun Traffic Co., Ltd.	Transportation	556,127.40			
Guangdong Union electronic services co., Ltd.	Service	38,603.77			
Guangdong Expressway Media Co., Ltd.	Advertising				128,431.80
Guangdong Jingzhu Expressway Guangzhu North Section Co., Ltd.	Service				107,017.44
Subtotal		110,066,556.13			158,125,065.88
2. Financial cost					
Guangdong Communication Group Finance Co., Ltd.	Borrowing Interest expresses	6,494,583.35			2,240,000.00
Guangdong Communication Group Finance Co., Ltd.	Deposit interest income	-39,941,667.46			-14,429,931.26
Guangdong Communication Group Finance Co., Ltd.	Commission charge	32,273.93			57,483.84
Guangdong Jiangzhong Expressway Co., Ltd.	Principal Loan Interest Expenditure	27,405.00			1,432,890.00
Subtotal		-33,387,405.18			-10,699,557.42
3. Administrative expenses					
Guangdong Litong Property Investment Co., Ltd.	Management Fee	2,085,605.68			2,787,764.02
Guangdong East Thinking Management Technology Development Co., Ltd.	Maintenance, Service	1,654,473.11			1,048,608.53
Guangdong Tongyi Expressway Service Area Co., Ltd	Service	57,034.88			57,955.00
Guangdong Expressway Media Co., Ltd.	Advertising	17,556.00			
Guangdong Lulutong Co., Ltd.	Maintenance charges				38,400.00
Subtotal		3,814,669.67			3,932,727.55

Related parties	Content of related transaction	Amount of current period	Amount of previous period	Over the trading limit or not?	Amount of last period
4.R & D					
Guangdong Communication Group	Scientific research project	2,962,500.00			
Hunan Lianzhi Monitoring Technology Co., Ltd	Scientific research project	850,700.00			
Subtotal		3,813,200.00			
5.Intangible assets					
Guangdong East Thinking Management Technology Development Co., Ltd.	Purchase assets				231,017.70
Subtotal					231,017.70
6.Fixed assets					
Guangdong Hualu Traffic Technology Co., Ltd.	Purchase assets	678,764.67			1,263,639.96
Guangdong Litong Technology Investment Co., Ltd.	Purchase assets	675,150.00			
Guangdong East Thinking Management Technology Development Co., Ltd.	Purchase assets	598,500.00			2,939,612.48
Guangdong Feida Traffic Engineering Co., Ltd.	Purchase assets	400,013.00			255,165.00
Guangdong Communication Planning & Design Institute Co., Ltd.	Purchase assets				1,141,056.00
Poly Changda Engineering Co., Ltd.	Purchase assets				803,433.00
Guangdong Lulutong Co., Ltd.	Purchase assets				774,003.00
Guangdong Xinyue Traffic Investment Co., Ltd.	Purchase assets				8,327,087.05
Subtotal		2,352,427.67			15,503,996.49
7. Construction in process					
Poly Changda Engineering Co., Ltd.	Purchase assets	275,143,275.83			174,118,816.33
Guangdong Xinyue Traffic Investment Co., Ltd.	Purchase assets	78,020,865.98			6,093,672.62
Guangdong Communication Planning &	Purchase assets	15,047,972.50			6,549,774.00

Related parties	Content of related transaction	Amount of current period	Amount of previous period	Over the trading limit or not?	Amount of last period
Design Institute Co., Ltd.					
Guangdong Hualu Traffic Technology Co., Ltd.	Purchase assets	12,390,585.09			4,965,661.48
Guangdong Feida Traffic Engineering Co., Ltd.	Purchase assets	10,460,593.04			4,456,756.00
Guangdong East Thinking Management Technology Development Co., Ltd.	Purchase assets	1,461,612.00			
Guangdong Lulutong Co., Ltd.	Purchase assets	364,490.00			
Guangdong Xiangfei Highway Engineering Supervision Co., Ltd	Purchase assets	208,829.00			188,644.00
Guangdong Litong Technology Investment Co., Ltd.	Purchase assets	185,000.00			
Guangdong Jiaoke Testing Co., Ltd.	Purchase assets	88,880.00			4,924,163.50
Guangdong Highway Construction Co., Ltd.	Purchase assets				32,720,641.48
Guangzhou Xinyue Asphalt Co., Ltd.	Purchase assets				6,094,415.27
Subtotal		393,372,103.44			240,112,544.68
8.Non-operating expenses					
Poly Changda Engineering Co., Ltd.	Expenses for civil engineering restoration	3,207,485.00			
Guangdong Xinyue Traffic Investment Co., Ltd.	Sporadic repair fees	255,719.00			
Guangdong Hualu Traffic Technology Co., Ltd.	Verification fee	5,766.55			
Guangdong Lulutong Co., Ltd.	Maintenance				222,410.00
Guangdong Litong Technology Investment Co., Ltd.	Equipment				11,000.00
Subtotal		3,468,970.55			233,410.00

Related transactions on sale goods and receiving services

In RMB

Related party	Content	Amount of current period	Amount of previous period
1.Business income			
Jingzhu Expressway Guangzhu North section Co., Ltd.	Commission management fee	21,805,771.37	19,593,901.34
Guangdong Provincial Freeway Co.,Ltd.	Project fund	4,396,237.98	4,382,576.33
Guangdong Feida Traffic Engineering Co., Ltd	CPC card sales revenue	3,954,609.41	2,621,638.92
Zhaoqing Yuezhao Highway Co., Ltd.	Salary income and testing fee for expatriate staff	1,261,683.80	1,044,069.06
Shenzhen Huiyan Expressway Co., Ltd.	Salary income and testing fee for expatriate staff	1,045,253.97	944,060.56
Guangdong Road Construction Co., Ltd.	Service fee and testing fee	827,703.80	1,122,174.65
Ganzhou Gankang Expressway Co., Ltd.	Salaries of expatriate staff	730,675.94	594,631.40
Guangdong Jiangzhong Expressway Co., Ltd.	Salary income, project payment, etc	650,904.70	530,534.64
Ganzhou Kangda Expressway Co., Ltd.	Salaries of expatriate staff	506,038.55	590,288.43
Guangdong Guangzhu West Line Expressway Co., Ltd.	Service, test	463,391.75	333,636.67
Guangdong Chaohui Expressway Co., Ltd.	Test	441,132.07	422,830.19
Guangdong Road & Bridge Construction Development Co., Ltd.	Test	384,962.27	394,211.89
Guangdong Traffic Development Co., Ltd.	Water and electricity	342,916.53	
Guangdong Kaiyang Expressway Co., Ltd.	Test	284,433.96	237,735.85
Guangdong Guangfo Expressway Co., Ltd.	Test	264,622.64	142,641.51
Guangdong Boda Expressway Co., Ltd.	Test	246,626.81	295,325.43
Guangdong Yangmao Expressway Co., Ltd.	Service and test	234,951.58	333,264.32
Guangdong Gufangle Expressway Co., Ltd.	Test	224,433.96	222,169.81
Guangdong Maozhan Expressway Co., Ltd.	Service and test	79,245.28	277,482.05
Guangdong Zhaoyang Expressway Co., Ltd.	Test	197,613.96	150,000.00
Poly Changda Engineering Co., Ltd.	water and electricity	155,736.83	200,087.71
Guangdong Nanyue Traffic Qingyun Expressway Co., Ltd.	CPC card	122,123.89	
Guangdong Luoyang Expressway Co., Ltd.	Test	107,547.17	107,547.17
Guangdong Traffic Industry Investment	Test	106,132.07	90,566.04

Related party	Content	Amount of current period	Amount of previous period
Co., Ltd.			
Guangdong Xinyue Traffic Investment Co., Ltd.	CPC card sales revenue	46,877.88	128,993.83
Guangdong Expressway Media Co., Ltd.	water and electricity	74,814.00	23,053.70
Yunfu Guangyun Expressway Co., Ltd.	Test	71,433.97	65,377.36
Jiangmen Jianghe Expressway Co., Ltd.	Test	63,207.55	57,547.17
Guangdong Humen Bridge Co., Ltd.	Test	38,387.04	33,962.26
Guangdong Yueyun Traffic Rescue Co., Ltd.	water and electricity	30,917.99	
Guangdong Litong Technology Investment Co., Ltd.	Land occupation fee in the communication machine room	16,000.00	
Guangdong Yueyun Traffic Co., Ltd.	Test	11,320.75	11,320.75
Guangdong Road Network Digital Media Information Technology Co., Ltd.	Advertising		34,218.33
Guangshenzhu Expressway Co., Ltd.	Service		8,407.08
Guangdong Gaoen Expressway Co., Ltd.	Test		79,245.28
Guangdong Union electronic services co., Ltd.	ETC publicity and promotion fees, agency service fees		1,479,844.56
Guangdong Tongyi Expressway Service Area Co., Ltd	water and electricity		1,256,761.24
Subtotal		39,187,709.47	37,810,105.53
2.Non-operating income			
Poly Changda Engineering Co., Ltd.	Construction penalty	653,302.00	93,754.00
Guangdong Xinyue Traffic Investment Co., Ltd.	Construction penalty		5,300.00
Subtotal		653,302.00	99,054.00

(2) Information of related lease

The Company was lessor:

In RMB

Name of lessee	Category of lease assets	The lease income confirmed in this year	The lease income confirmed in last year
Guangdong Expressway Media Co., Ltd.	Advertising lease	3,988,255.23	4,598,128.21
Guangdong Tongyi Expressway	Service Area Lease	3,569,880.44	2,297,830.86

Service Area Co., Ltd			
Guangdong Litong Technology Investment Co., Ltd.	Communication Piping	1,649,376.50	1,030,735.24
Poly Changda Engineering Co., Ltd.	Equipment leasing	255,176.06	
Guangdong Litong Technology Investment Co., Ltd.	Land lease		37,690.80
Total		9,462,688.23	7,964,385.11

- The company was lessee:

In RMB

Lessor	Category of leased assets	The lease income confirmed in this year	Category of leased assets
Guangdong Litong Real Estate Investment Co., Ltd	Office space	9,985,140.68	9,208,532.51
Guangzhou Yueyun Traffic Co., Ltd.	Car rental fee	873,040.00	187,200.00
Zhaoqing Yuezhao Highway Co., Ltd.	Advertising column lease	195,288.00	253,230.00
Zhaoqing Yuezhao Highway Co., Ltd.	Car rental fee	109,633.92	
Guangdong Litong Real Estate Investment Co., Ltd	Office space	103,843.13	102,969.27
Total		11,266,945.73	9,751,931.78

Note

(3) Inter-bank lending of capital of related parties

In RMB

Related party	Amount borrowed and loaned	Initial date	Due date	Notes
Borrowed				
Guangdong Jiangzhong Expressway Co Loaned., Ltd.	36,000,000.00	November 14,2018	November 13,2023	Reppaid on 8 January 2021
Loaned				

(4) Rewards for the key management personnel

In RMB

Items	Amount of current period	Amount of previous period
Rewards for the key management personnel	768.26	654.15

(5) Other significant related-party transactions

√ Applicable □ Not applicable

(1) Deposit business

Related party	Relationship	Maximum daily deposit limit (10,000)	Deposit interest rate range	Beginning balance (10,000)	The amount of this period		Ending balance (10,000)
					Total amount for this period (10,000)	Total amount is withdrawn for this period (10,000)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	300,000.00	1.725%-3.57%	103,110.58	1,041,351.20	992,361.43	152,100.35

(2) Loan business

Related party	Relationship	Loan limit (10,000)	Loant interest rate range	Beginning balance (10,000)	The amount of this period		Ending balance (10,000)
					Total loan amount of the current period (10,000)	Total repayment amount of the current period (10,000)	
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	400,000.00	3.15%-3.75%	20,000.00	20,000.00	20,000.00	20,000.00

③ Credit extension or other financial services

Related party	Relationship	Business type	Total amount (10,000)	Actual amount incurred (10,000)
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	Credit extension	220,000.00	20,000.00

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

Guangdong Guanghui Expressway Co., Ltd respectively signed the "Cash Management Business Cooperation Agreement" with Guangdong Communications Group Finance Co., Ltd and Agricultural Bank of China Co., Ltd

Guangdong Branch on May 19, 2020, joined the cash pool of Guangdong Communications Group Finance Co., Ltd.

(6) Other related-party transactions

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

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

6. Receivables and payables of related parties

(1) Receivables

In RMB

Name	Related party	Amount at year end		Amount at year beginning	
		Balance of Book	Bad debt Provision	Balance of Book	Bad debt Provision
Contract assets	Guangdong Xinyue Traffic Investment Co., Ltd.	113,642.50		119,242.50	
Contract assets	Guangdong Feida Traffic Engineering Co.,Ltd.	48,230.00		48,230.00	
Contract assets	Guangdong Jiangzhong Expressway Co., Ltd.	8,412.00		8,412.00	
Contract assets	Guangdong Nanyue Traffic Qingyun Expressway Management Center	6,900.00			
Contract assets	Guangdong Road Construction Development Co., ltd.			25,262.45	
Contract assets	Zhaoqing Yuezhao Highway Co., Ltd.			22,667.85	
Contract assets	Guangzhenzhu Expressway Co., Ltd.			9,096.00	
Contract assets	Guangdong Road Construction Development Co., ltd.			7,200.00	

Name	Related party	Amount at year end		Amount at year beginning	
		Balance of Book	Bad debt Provision	Balance of Book	Bad debt Provision
Contract assets	Guangdong Boda Expressway Co., Ltd.			4,530.99	
Contract assets	Guangdong Boda Expressway Co., Ltd.			2,700.00	
Total		177,184.50		247,341.79	
Account receivable	Guangdong Union electron Service Co., Ltd.	78,368,502.10		100,047,025.70	
Account receivable	Jingzhu Expressway Guangzhu North Section Co., Ltd.	7,783,650.00		5,980,163.99	
Account receivable	Guangdong Feida Traffic Engineering Co., Ltd.	5,531,000.00		3,274,356.00	45,916.00
Account receivable	Guangdong Humen Bridge Co., Ltd.	2,083,918.33		11,044,082.54	
Account receivable	Guangdong Expressway Media Co., Ltd.	1,854,769.00		1,966,548.00	
Account receivable	Guangdong Litong Technology Investment Co., Ltd.	338,298.13			
Account receivable	Poly Changda Engineering Co., Ltd.	265,054.16			
Account receivable	Guangdong Provincial Freeway Co.,Ltd.	203,632.00		21,232.00	
Account receivable	Guangdong Xinyue Traffic Investment Co., Ltd.	94,301.60		300,009.20	148,208.50
Account receivable	Guangdong Road Construction Co., ltd.	54,256.00		1,037,305.45	65,491.20
Account receivable	Shenzhen Huiyan Expressway Co., Ltd.	51,000.00			
Account receivable	Guangdong Road Bridge Construction Development Co., Ltd.	29,025.15		61,891.30	
Account receivable	Guangzhenzhu Expressway Co., ltd.	18,192.00		69,736.00	
Account receivable	Guangdong Boda Expressway Co., Ltd.	4,530.99		22,740.00	
Account receivable	Guangdong Jiangzhong Expressway Co., Ltd.			19,708.00	
Account receivable	Guangdong Chaohui Expressway Co., Ltd.			7,367.20	

Name	Related party	Amount at year end		Amount at year beginning	
		Balance of Book	Bad debt Provision	Balance of Book	Bad debt Provision
Account receivable	Guangdong Yueyun Traffic Co., Ltd.			15,032.00	
Account receivable	Guangdong Guangle Expressway Co., Ltd.			7,248.00	
Account receivable	Guangdong Guangzhu West Line Expressway Co., Ltd.			223,500.00	
Total		96,680,129.46		124,097,945.38	259,615.70
Advanced payment	Zhaoqing Yuezhaoh Highway Co., Ltd.	216,750.00		151,938.00	
Advanced payment	Guangdong Feida Traffic Engineering Co., Ltd.			149,400.00	
Total		216,750.00		301,338.00	
Dividend Receivable	Ganzhou Kangda Expressway Co., Ltd.,			1,500,000.00	
Total				1,500,000.00	
Other Account receivable	Guangdong Litong Real Estate Investment Co., Ltd.	1,653,447.36		1,666,147.36	
Other Account receivable	Guangdong Expressway Media Co., Ltd.	649,386.62		1,218,110.44	
Other Account receivable	Guangdong Provincial Freeway Co.,Ltd.	463,491.88		463,491.88	
Other Account receivable	Zhaoqing Yuezhaoh Highway Co., Ltd.	350,000.00		350,000.00	
Other Account receivable	Guangdong Union electron Service Co., Ltd.	50,000.00		50,000.00	
Other Account receivable	Guangdong Litong Real Estate Investment Co., Ltd.	30,004.00		16,268.00	
Other Account receivable	Guangdong Guangzhu West Line Expressway Co., Ltd.			20,000.00	
Other Account receivable	Poly Changda Engineering Co., Ltd.			10,124.14	
Other Account receivable	Ganzhou Gankang Expressway Co., Ltd.			45,000,000.00	
Other Account receivable	Guangdong Xinyue Traffic Investment Co., Ltd.			5,340.03	

Name	Related party	Amount at year end		Amount at year beginning	
		Balance of Book	Bad debt Provision	Balance of Book	Bad debt Provision
Other Account receivable	Guangshenzhu Expressway Co., Ltd.			60,640.00	
Other Account receivable	Guangdong Boda Expressway Co., Ltd.			22,740.00	
Total		3,196,329.86		48,882,861.85	
Other Non-Current Assets	Guangdong Road Construction Co., Ltd.	7,089,990.48		7,089,990.48	
Other Non-Current Assets	Guangdong Traffic Development Co., Ltd.	333,398.00			
Other Non-Current Assets	Guangdong Tianlu New Energy Investment Co., Ltd.			333,398.00	
Other Non-Current Assets	Poly Changda Engineering Co., Ltd.			11,599,273.00	
Total		7,423,388.48		19,022,661.48	

(2) Payables

In RMB

Name	Related party	Amount at year end	Amount at year beginning
Short-term loan	Guangdong Communication Group Finance Co., Ltd.		200,192,500.00
Total			200,192,500.00
Account payable	Poly Changda Engineering Co., Ltd.	29,736,553.34	25,621,536.30
Account payable	Guangzhongjiang Expressway Project Management Dept	28,000,000.00	28,000,000.00
Account payable	Guangdong Xinyue Traffic Investment Co., Ltd	10,405,248.06	13,149,675.40
Account payable	Guangdong Feida Traffic Engineering Co., Ltd.	5,035,975.88	500,864.10
Account payable	Guangdong Hualu Traffic Technology Co., Ltd.	4,960,992.02	2,198,660.67
Account payable	Guangzhou Xinyue Asphalt Co., Ltd.	2,773,825.00	47,362.94
Account payable	Guangdong Humen Bridge Co., Ltd.	2,596,817.45	

Name	Related party	Amount at year end	Amount at year beginning
Account payable	Guangzhou Aitesi Communication Equipment Co., Ltd.	2,547,594.00	1,283,018.78
Account payable	Guangdong Lulutong Co., Ltd.	2,525,256.06	3,560,871.60
Account payable	Guangdong East Thinking Management Technology Development Co., Ltd.	2,331,700.01	1,584,416.70
Account payable	Guangdong Communication Planning & Design Institute Co., Ltd.	1,759,707.90	8,929,645.80
Account payable	Guangdong Litong Technology Investment Co., Ltd.	1,291,067.95	85,074.95
Account payable	Guangdong Provincial Freeway Co.,Ltd.	1,245,443.50	8,746,491.18
Account payable	Guangdong Changda Road Maintenance Co., Ltd.	309,101.00	309,101.00
Account payable	Guangdong Yueyun Traffic Co., Ltd.	168,277.20	268,021.00
Account payable	Guangdong Union Electron Service Co.,Ltd.	50,286.78	254,011.26
Account payable	Guangdong Jiaoke Testing Co., Ltd.		88,880.00
Total		95,737,846.15	94,627,631.68
Advance received	Guangdong Road Network Digital Media Information Technology Co. Ltd.		2,777.78
Total			2,777.78
Other Payable account	Poly Changda Engineering Co., Ltd.	17,126,203.40	20,042,113.05
Other Payable account	Guangdong Xinyue Traffic Investment Co., Ltd.	4,272,693.60	1,889,981.61
Other Payable account	Guangdong Hualu Traffic Technology Co., Ltd.	2,084,177.53	1,327,451.00
Other Payable account	Guangdong Feida Traffic Engineering Co., Ltd.	1,628,931.87	1,700,740.34
Other Payable account	Guangdong Changda Road Maintenance Co. Ltd.	1,630,765.00	1,630,765.00
Other Payable account	Guangdong Xinyue Traffic Investment Co., Ltd.	1,380,379.20	171,809.00
Other Payable account	Guangdong Lulutong Co., Ltd.	1,127,575.62	1,084,995.15
Other Payable account	Guangzhou Xinyue Asphalt Co., Ltd.	1,054,919.00	567,221.00
Other Payable account	Guangzhongjiang Expressway Project Management Dept	200,000.00	200,000.00
Other Payable account	Guangdong East Thinking Management Technology Development Co., Ltd.	191,674.29	58,991.40
Other Payable account	Guangdong Litong Technology Investment Co., Ltd.	135,772.00	167,591.50
Other Payable account	Guangdong Communication Planning & Design Institute Co., Ltd.	120,422.00	238,479.70

Name	Related party	Amount at year end	Amount at year beginning
Other Payable account	Guangdong Tongyi Expressway Service Area Co., Ltd.	120,000.00	120,000.00
Other Payable account	Guangdong Expressway Media Co., Ltd.	50,000.00	70,000.00
Other Payable account	Guangdong Highway Construction Co., Ltd.	40,459.66	
Other Payable account	Guangdong Yueyun Traffic Rescue Co. Ltd.	2,900.00	900.00
Other Payable account	Guangdong Provincial Freeway Co.,Ltd.		1,221,839,292.00
Other Payable account	Guangdong Union Electron Service Co.,Ltd.		956,272.04
Total		31,166,873.17	1,252,066,602.79
Contract liabilities	Guangdong Feida Traffic Engineering Co., Ltd.	22,000.00	
Total		22,000.00	
Non-current liabilities due 1 year	Guangdong Litong Real estate Investment Co., Ltd.	11,862,198.24	
Non-current liabilities due 1 year	Guangdong Communication Group Finance Co., ltd.	229,166.68	
Non-current liabilities due 1 year	Zhaoqing Yuezhao Highway Co., Ltd.	111,862.55	
Non-current liabilities due 1 year	Guangdong Jiangzhong Expressway Co., ltd.		43,065.00
Total		12,203,227.47	43,065.00
Lease Liabilities	Guangdong Litong Real estate Investment Co., Ltd.	2,445,724.58	
Total		2,445,724.58	
Long-term loans	Guangdong Communication Group Finance Co., ltd.	200,000,000.00	
Total		200,000,000.00	
Long-term payable	Guangdong Jiangzhong Expressway Co., ltd.		36,000,000.00
Total			36,000,000.00

7. Related party commitment

None

XII. Stock payment

1. The Stock payment overall situation

Applicable Not applicable

2. The Stock payment settled by equity

Applicable Not applicable

3. The Stock payment settled by cash

Applicable Not applicable

4. Modification and termination of the stock payment

None

5. Other

None

XIII. Commitments

1. Significant commitments

Significant commitments at balance sheet date

None

2. Contingency

(1) Significant contingency at balance sheet date

(2) The Company have no significant contingency to disclose, also should be stated

None

XIV. Events after balance sheet date

1、 Important non adjustment matters

On February 18, 2022, the company received the notice of Guangdong Provincial Department of transportation on

matters related to the disposal of Guangzhou Foshan expressway toll expiration issued by Guangdong Provincial Department of transportation [2022] No. 24. The main contents are as follows: (1) the toll collection of Guangzhou Foshan expressway will be stopped from 0:00 on March 3, 2022, and the existing toll collection facilities will be retained to operate as usual in the way of zero rate, All vehicles passing through this section shall be exempted from vehicle tolls, and vehicle tolls of other sections shall be charged on behalf of others; (2) After the suspension of toll collection, Guangfo Expressway Co., Ltd. will continue to be responsible for the management and maintenance of Guangfo Expressway.

At present, the company is evaluating the impact of the matter on the company.

2. Profit distribution

In RMB

Profit or dividend to be distributed	1,191,759,491.82
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XVI. Other significant events

1. Segment information

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

2. Government Subsidy

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

Subsidy item	Category	Opening balance	New subsidy amount in current period	The carry-over in current period is included in profit and loss amount	Other changes	Closing balance	Presentation items carried over into profit or loss in the current period	Asset-related/revenue-related
Cancel the special subsidy for the expressway provincial toll station project	Financial appropriation	44,545,569.64		13,567,476.53		30,978,093.11	Other income	Assets related

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

Subsidy item	Category	Amount included in profit or loss in the current period	Presentation items included in profit or loss in the current period	Asset-related/revenue-related
Subsidy for post stabilization	Subsidy for post stabilization	1,198,029.54	Other income	Income related
Work with training instead of training subsidies	Subsidy for post stabilization	1,243,500.00	Other income	Income related
Enterprises with industrial training subsidies	Subsidy for post stabilization	339,000.00	Other income	Income related

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

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

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

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

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

1.Classification account receivables.

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Of which										
Accrual of bad debt provision by portfolio	24,208,692.49	100.00%			24,208,692.49	27,004,827.41	100.00%		100.00%	27,004,827.41
Of which:										
Total	24,208,692.49				24,208,692.49	27,004,827.41				27,004,827.41

Accrual of bad debt provision by single item: None

Disclosure by aging

In RMB

Aging	Closing balance
Within 1 year (Including 1 year)	24,208,692.49
Total	24,208,692.49

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

None

(3) The current accounts receivable write-offs situation

None

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

In RMB

Name	Amount	Proportion(%)	Bad debt provision
Guangdong Union Electronic Services Co., Ltd.	23,870,394.36	98.60%	
Guangdong Litong Technology Investment Co., Ltd.	338,298.13	1.40%	
Total	24,208,692.49	100.00%	--

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

None

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

None

2.Other receivable

In RMB

Items	Year-end balance	Year-beginning balance
Dividend receivable	1,205,472.90	2,705,472.90
Other receivable	5,680,509.70	51,442,641.63
Total	6,885,982.60	54,148,114.53

(1) Interest receivable: None

(2) Dividend receivable

1)Dividend receivable

In RMB

Items	Balance in year-end	Balance Year-beginning
Guangdong Radio and Television Networks investment	1,205,472.90	1,205,472.90

No.1 Limited partnership enterprise		
Ganzhou Gankang Expressway Co., Ltd.		1,500,000.00
Total	1,205,472.90	2,705,472.90

2) Significant dividend receivable aged over 1 year

I n RMB

Items)	Balance in year-end	Aging	Reasons for non-recovery	Whether or not the impairment and the basis for its determination
Guangdong Radio and Television Networks investment No.1 Limited partnership enterprise	120,547,290.00	3-4 years	The partnership agreement expires and can be recovered after the extension procedures are completed	No, it can be recovered in the future
Total	120,547,290.00	--	--	--

(3) Other accounts receivable

1) Other accounts receivable classified by the nature of accounts

In RMB

Category	Balance in year-end					Balance Year-beginning				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Expected credit loss rate(%)		Amount	Proportion (%)	Amount	Expected credit loss rate(%)	
Other receivables for individual bad debt provision	30,844,110.43	84.45	30,844,110.43	100	0	30,844,110.43	37.44	30,844,110.43	100	0
Other receivables for bad debt provision according to the combination of credit risk characteristics	5,680,509.70	15.55			5,680,509.70	51,536,223.63	62.56	93,582.00	0.18	51,442,641.63
Total	36,524,620.13	/	30,844,110.43	/	5,680,509.70	82,380,334.06	/	30,937,692.43	/	51,442,641.63

Accrual of bad debt provision by single:

In RMB

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

In the portfolio, Disclosure by aging

In RMB

Aging	Balance in year-end		
	Other receivable	Bad debt provision	Expected credit loss rate(%)
Within 1 year	963,300.00		
Total	963,300.00		

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

In RMB

Name	Balance in year-end	Balance Year-beginning
Deposit money and quality guarantee fund combination	2,102,176.36	2,489,275.36
Other	2,615,033.34	3,088,614.27
Subtotal	4,717,209.70	5,577,889.63
Less: Bad debt provision		
Total	4,717,209.70	5,577,889.63

2) The withdrawal amount of the bad debt provision:

In RMB

Bad Debt Reserves	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Expected credit loss over life (no credit impairment)	Expected credit losses for the entire duration (credit impairment occurred)	
Balance as at January 1, 2021	93,582.00		30,844,110.43	30,937,692.43
Balance as at January 1, 2021 in current	---	---	---	---
Turn back in this period	-93,582.00			-93,582.00
Balance as at			30,844,110.43	30,844,110.43

December 31,,2021				
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Changes in significant book balances for loss preparation current period

Applicable Not applicable

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

None

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

5) Other receivables are classified by the nature

In RMB

Nature	Closing book balance	Opening book balance
Securities trading settlement funds	30,844,110.43	30,844,110.43
Less receivable		45,000,000.00
Deposit	2,102,176.36	2,490,271.36
Petty cash	1,519,593.22	2,140,410.04
Other	2,058,740.12	1,905,542.23
Subtotal	36,524,620.13	82,380,334.06
Less: Bad debt provision	30,844,110.43	30,937,692.43
Total	5,680,509.70	51,442,641.63

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

In RMB

Name	Nature	Closing balance	Aging	Proportion of the total year end balance of the accounts receivable(%)	Closing balance of bad debt provision
Kunlun Securities Co.,Ltd	Securities trading settlement funds	30,844,110.43	Over 5 years	84.45%	30,844,110.43
Guangdong Litong Real Estates Investment Co., Ltd.	Deposit	1,630,467.36	1-2 years	4.53%	
		22,980.00	Within 1 year		
China Railway No.18 Bureau Group Co., Ltd.	Surrogate payment	963,300.00	Within 1 year	2.64%	
Guangdong Provincial Freeway Co.,Ltd.	Entrusted management fee	463,491.88	Over 5 years	1.27%	

Savills	Vehicle parking deposit	4,200.00	Within 1 year	1.15%	
	Water and electricity costs working capital	92,117.00	1-2 years		
	Office building management fee deposit	322,408.00	1-2 years		
Total	--	34,343,074.67	--	94.03%	30,844,110.43

(7) Accounts receivable involved with government subsidies

None

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

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

None

3. Long-term equity investment

In RMB

Items	End of term			Beginning of term		
	Book Balance	Impairment provision	Book value	Book Balance	Impairment provision	Book value
Investment in subsidiaries	3,257,062,345.85		3,257,062,345.85	3,232,062,345.85		3,232,062,345.85
Investment in joint ventures and associates	2,535,548,456.61		2,535,548,456.61	2,297,846,380.72		2,297,846,380.72
Total	5,792,610,802.46		5,792,610,802.46	5,529,908,726.57		5,529,908,726.57

(1) Investment to the subsidiary

In RMB

Name	Opening balance	Increase /decrease in reporting period				Closing balance	Closing balance of impairment provision
		Add investment	Decreased investment	Withdrawn impairment provision	Other		
Jingzhu Expressway Guangzhu Section Co., Ltd.	871,171,883.08					871,171,883.08	
Guangfo Expressway Co., ltd.	154,982,475.25					154,982,475.25	
Guangdong Expressway Technology Investment Co., Ltd.	95,731,882.42					95,731,882.42	
Yuegao Capital Investment (Guangzhou) Co., Ltd.	84,500,000.00	25,000,000.00				109,500,000.00	
Guanghui Expressway Co., Ltd.	2,025,676,105.10					2,025,676,105.10	

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Total	3,232,062,345.85	25,000,000.00				3,257,062,345.85	
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(2) Investment to joint ventures and associated enterprises

In RMB

Name	Opening balance	Increase /decrease in reporting period								Closing balance	Closing balance of impairment provision
		Increase in investment	Decrease in investment	Investment income under equity method	Other comprehensive income	Other changes in equity	Announced for distributing cash dividend or profit	Provision for impairment	Other		
I. Joint ventures											
II. Associated enterprises											
Guangdong Jiangzhong Expressway Co., Ltd.	192,252,504.94	133,650,000.00		20,810,859.29			28,621,724.94			318,091,639.29	
Ganzhou Gankang Expressway Co., Ltd.	145,774,620.72			8,343,776.40						154,118,397.12	
Ganzhou Kangda Expressway Co., Ltd.	216,814,090.50			48,286,927.19			27,000,000.00			238,101,017.69	
ShenzhenHuiyan Expressway Co., Ltd.	285,408,755.15			35,557,629.02						320,966,384.17	
Zhaoqing Yuezhao Highway Co., Ltd.	302,436,218.83			53,076,732.52			39,675,000.00			315,837,951.35	
Guoyuan Securities Co.,Ltd.	938,476,820.74			44,593,073.57	9,716,087.81		20,696,516.40			972,089,465.72	
Guangdong Yuepu Small Refinancing Co., Ltd	216,683,369.84			10,970,165.76		-4,118,261.28	7,191,673.05			216,343,601.27	
Subtotal	2,297,846,380.72			221,639,163.75	9,716,087.81	-4,118,261.28	123,184,914.39			2,535,548,456.61	
Total	2,297,846,380.72									2,535,548,456.61	

4. Business income and Business cost

In RMB

Items	Amount of current period		Amount of previous period	
	Revenue	Cost	Revenue	Cost
Main business	1,454,377,306.80	714,045,421.17	961,484,310.59	650,430,454.36
Other	14,987,127.57	4,588,762.80	13,956,071.99	5,240,167.71
Total	1,469,364,434.37	718,634,183.97	975,440,382.58	655,670,622.07

5. Investment income

In RMB

Items	Amount of current period	Amount of previous period
Long-term equity investment income accounted by cost method	1,007,249,778.63	565,261,660.63
Long-term equity investment income accounted by equity method	221,639,163.75	343,597,391.91
Investment return on investments held to maturity during the holding period	50,056,360.49	50,785,213.04
Interest income from debt investment during holding period.	37,923,704.59	50,332,058.95
Total	1,316,869,007.46	1,009,976,324.53

XVII. Supplementary Information

1. Current non-recurring gains/losses

√ Applicable □ Not applicable

In RMB

Items	Amount	Notes
Gains/Losses on the disposal of non-current assets	4,350,214.54	
Government grants recognized in the current period, except for those acquired in the ordinary course of business or granted at certain quotas or amounts according to the country's unified standards	16,348,006.07	
Net amount of non-operating income and expense except the aforesaid items	-5,840,734.56	
Other non-recurring Gains/loss items	1,252,349.09	
Less :Influenced amount of income tax	4,027,139.54	
Influenced amount of minor shareholders' equity (after tax)	4,767,353.02	

Total	7,315,342.58	--
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Details of other profit and loss items that meet the non-recurring profit and loss definition

Applicable Not applicable

None

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

Applicable Not applicable

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

Profit as of reporting period	Weighted average ROE (%)	EPS (Yuan/share)	
		EPS-basic	EPS-diluted
Net profit attributable to common shareholders of the Company	20.11%	0.81	0.81
Net profit attributable to common shareholders of the Company after deduction of non-recurring profit and loss	20.03%	0.81	0.81

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

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

Applicable Not applicable

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

Applicable Not applicable

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

None