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Chengdu Expressway Co., Ltd.

成都高速公路股份有限公司

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

(Stock Code: 01785)

INSIDE INFORMATION
UNAUDITED FINANCIAL INFORMATION FOR
THE THREE MONTHS ENDED 31 MARCH 2021

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

To optimise the financial structure of Chengdu Expressway Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) for the purpose of reducing cost of funds, expanding financing channels and satisfying the requirements for operation and development, the Company proposes to apply for registration of ultra-short-term debentures and mid-term notes with the National Association of Financial Market Institutional Investors (中國銀行間市場交易商協會). Accordingly, pursuant to relevant requirements, the Company will publish the unaudited financial information of the Group for the three months ended 31 March 2021, which comprises the consolidated balance sheet, the consolidated income statement and the consolidated cash flow statement of the Group, as well as the unaudited financial information of the Company for the three months ended 31 March 2021, which comprises the balance sheet, the income statement and the cash flow statement of the Company, on the website(s) designated by the National Association of Financial Market Institutional Investors.

As such, the board of directors of the Company hereby announces the unaudited financial information of the Group and the Company for the three months ended 31 March 2021 prepared in accordance with the China Accounting Standards for Business Enterprises.

CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2021

CONSOLIDATED BALANCE SHEET OF THE GROUP AS OF 31 MARCH 2021

(Amounts expressed in RMB unless otherwise specified)

Item	As of 31 March 2021	As of 31 December 2020
Current assets		
Cash at bank and on hand	1,712,347,569.04	1,759,686,049.55
Accounts receivable	107,896,068.85	68,616,554.16
Advanced payments	29,580,605.93	23,295,171.37
Other receivables	17,224,212.54	12,531,256.60
Inventories	33,131,923.18	54,557,700.47
Non-current assets due within one year	430,000.00	430,000.00
Other current assets	4,761,496.17	4,032,012.91
Total current assets	1,905,371,875.71	1,923,148,745.06
Non-current assets		
Long-term receivables	1,720,000.00	1,720,000.00
Long-term equity investment	306,694,506.29	300,275,502.11
Other non-current financial assets	13,950,700.00	500,000.00
Fixed assets	346,345,381.54	369,876,163.82
Construction in progress	30,546,676.80	26,760,078.96
Right-of-use assets	37,835,894.23	48,219,929.82
Intangible assets	6,254,167,311.59	6,268,020,216.30
Goodwill	34,025,910.16	34,025,910.16
Long-term deferred expenses	476,707.22	341,279.81
Deferred income tax assets	26,686,711.84	32,562,380.96
Other non-current assets	33,351,355.56	61,957,065.31
Total non-current assets	7,085,801,155.23	7,144,258,527.25
Total assets	8,991,173,030.94	9,067,407,272.31

CONSOLIDATED BALANCE SHEET OF THE GROUP AS OF 31 MARCH 2021 (continued)

(Amounts expressed in RMB unless otherwise specified)

Item	As of 31 March 2021	As of 31 December 2020
Current liabilities		
Accounts payable	846,901,998.54	927,658,950.27
Contract liabilities	12,146,262.28	35,232,382.55
Payroll payable	12,938,878.91	32,238,050.61
Taxes and surcharges payable	71,526,612.90	52,240,943.85
Other payables	191,210,253.88	229,942,692.76
Non-current liabilities due within one year	218,341,115.61	229,893,531.83
Total current liabilities	1,353,065,122.12	1,507,206,551.87
Non-current liabilities		
Long-term borrowings	2,932,000,000.00	2,968,000,000.00
Lease liabilities	34,877,768.02	40,957,578.50
Deferred income tax liabilities	220,518,776.91	184,570,874.15
Other non-current liabilities	120,389,728.93	194,764,658.12
Total non-current liabilities	3,307,786,273.86	3,388,293,110.77
Total liabilities	4,660,851,395.98	4,895,499,662.64
Owners' equity		
Paid-up capital	1,656,102,000.00	1,656,102,000.00
Capital reserve	503,968,615.93	503,968,615.93
Special reserve	11,069,342.70	12,176,670.58
Surplus reserve	173,993,460.99	173,993,460.99
Undistributed profits	1,089,338,926.69	933,904,012.93
Total equity attributable to owners of the parent company	3,434,472,346.31	3,280,144,760.43
Non-controlling interests	895,849,288.65	891,762,849.24
Total owners' equity	4,330,321,634.96	4,171,907,609.67
Total liabilities and owners' equity	8,991,173,030.94	9,067,407,272.31

CONSOLIDATED INCOME STATEMENT OF THE GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2021

(Amounts expressed in RMB unless otherwise specified)

Item	Three months ended 31 March	
	2021	2020
Operating income	561,245,631.07	242,933,666.51
Less: Operating cost	308,868,449.30	244,477,126.40
Taxes and surcharges	2,029,163.55	1,105,917.78
Selling expenses	11,738,813.24	12,466,265.93
Administrative expenses	22,133,882.99	20,232,555.40
Finance costs	26,948,727.78	28,470,970.89
Of which: Interest expenses	39,855,890.36	36,806,033.06
Interest income	13,812,910.43	8,275,131.73
Add: Other income	4,709.40	244,428.81
Investment gains/(loss)	11,466,251.48	(1,009,337.94)
Of which: Investment gains/(loss) from associate companies and a joint venture	11,131,451.48	(1,009,337.94)
Credit impairment loss	–	–
Gains from asset disposal	1,744,085.36	2,278.19
Operating profit/(loss)	202,741,640.45	(64,581,800.83)
Add: Non-operating income	2,441,497.16	2,756,883.31
Less: Non-operating expenditure	34,636.40	12,350.84
Total profit/(loss)	205,148,501.21	(61,837,268.36)
Less: Income tax expense	30,979,576.98	4,408,608.62
Net profit/(loss)	174,168,924.23	(66,245,876.98)
Of which: Net profit of the acquiree before consolidation in a business combination under common control	–	16,084,447.71

**CONSOLIDATED INCOME STATEMENT OF THE GROUP FOR THE THREE MONTHS
ENDED 31 MARCH 2021 (continued)**

(Amounts expressed in RMB unless otherwise specified)

Item	Three months ended 31 March	
	2021	2020
By business continuity		
Net profit/(loss) from continuing operations	174,168,924.23	(66,245,876.98)
By ownership		
Net profit/(loss) attributable to owners of the parent company	155,434,913.76	(69,659,781.80)
Profit or loss of non-controlling shareholders	18,734,010.47	3,413,904.82
Total comprehensive income/(loss)	<u>174,168,924.23</u>	<u>(66,245,876.98)</u>
Of which:		
Total comprehensive income/(loss) attributable to owners of the parent company	155,434,913.76	(69,659,781.80)
Total comprehensive income attributable to non-controlling shareholders	18,734,010.47	3,413,904.82

CONSOLIDATED CASH FLOW STATEMENT OF THE GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2021

(Amounts expressed in RMB unless otherwise specified)

Item	Three months ended 31 March	
	2021	2020
I. Cash flows from operating activities		
Cash received from sale of goods or rendering of services	479,946,381.75	251,108,663.80
Refund of taxes and surcharges	7,978.65	—
Other cash received relating to operating activities	154,128,905.36	109,616,116.29
Subtotal of cash inflows from operating activities	634,083,265.76	360,724,780.09
Cash paid for purchase of goods and receipt of services	161,758,192.21	132,249,419.58
Cash paid to and for employees	85,852,873.93	60,295,420.19
Taxes and surcharges paid	46,122,175.41	39,005,537.85
Other cash paid relating to operating activities	216,470,529.59	100,395,316.10
Subtotal of cash outflows from operating activities	510,203,771.14	331,945,693.72
Net cash flows from operating activities	123,879,494.62	28,779,086.37
II. Cash flows from investing activities		
Cash received from disposal of investments	129,016,892.73	388,452,758.09
Cash received from investment gains	418,051.58	—
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	90,474.00	759,645.00
Other cash received relating to investing activities	1,486,185.98	—
Subtotal of cash inflows from investing activities	131,011,604.29	389,212,403.09
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	89,761,211.22	56,768,808.19
Cash paid to acquire investments	13,450,700.00	—
Net cash paid for acquisition of subsidiaries and other business entities	—	—
Other cash paid relating to investing activities	87,831,884.06	245,366,214.60

CONSOLIDATED CASH FLOW STATEMENT OF THE GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2021 (continued)

(Amounts expressed in RMB unless otherwise specified)

Item	Three months ended 31 March	
	2021	2020
Subtotal of cash outflows from investing activities	191,043,795.28	302,135,022.79
Net cash flows (used in)/from investing activities	(60,032,190.99)	87,077,380.30
III. Cash flows from financing activities		
Cash received from absorbing investment	—	—
Of which: Cash received from non-controlling shareholders' investments in subsidiaries	—	—
Cash received from borrowings	—	—
Subtotal of cash inflows from financing activities	—	—
Cash paid for repayment of debts	36,000,000.00	393,750,600.00
Cash paid for distribution of dividends, profits or repayment of interests	34,335,784.22	27,579,135.20
Of which: Dividends and profits paid to non-controlling shareholders by subsidiaries	—	—
Other cash paid relating to financing activities	—	—
Subtotal of cash outflows from financing activities	70,335,784.22	421,329,735.20
Net cash flows used in financing activities	(70,335,784.22)	(421,329,735.20)
IV. Net decrease in cash and cash equivalents	(6,488,480.59)	(305,473,268.53)
Add: Balance of cash and cash equivalents at the beginning of the year	1,631,650,351.55	1,287,292,060.58
V. Balance of cash and cash equivalents at the end of the year	1,625,161,870.96	981,818,792.05

FINANCIAL INFORMATION OF THE COMPANY FOR THE THREE MONTHS ENDED 31 MARCH 2021

BALANCE SHEET OF THE COMPANY AS OF 31 MARCH 2021

(Amounts expressed in RMB unless otherwise specified)

Item	As of 31 March 2021	As of 31 December 2020
Current assets		
Cash at bank and on hand	1,299,947,437.12	1,377,223,774.83
Accounts receivable	25,472,789.17	11,326,298.88
Advanced payments	1,467,752.58	382,249.99
Other receivables	109,741,287.01	99,656,504.21
Other current assets	796,956.21	150,876.08
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Total current assets	1,437,426,222.09	1,488,739,703.99
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Non-current assets		
Long-term equity investment	2,859,628,631.08	2,852,869,679.74
Other non-current financial assets	13,450,700.00	–
Fixed assets	31,899,589.71	34,358,653.77
Construction in progress	487,670.00	486,852.00
Right-of-use assets	16,724,754.15	17,560,228.86
Intangible assets	526,746,277.33	533,217,257.86
Deferred income tax assets	2,604,154.76	2,505,377.92
Other non-current assets	15,269,400.00	15,270,900.00
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Total non-current assets	3,466,811,177.03	3,456,268,950.15
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Total assets	4,904,237,399.12	4,945,008,654.14
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BALANCE SHEET OF THE COMPANY AS OF 31 MARCH 2021 (continued)

(Amounts expressed in RMB unless otherwise specified)

Item	As of 31 March 2021	As of 31 December 2020
Current liabilities		
Accounts payable	30,837,969.24	65,633,399.43
Advanced receipts	—	—
Payroll payable	3,143,899.00	8,126,528.96
Taxes and surcharges payable	8,364,393.13	6,936,217.68
Other payables	1,018,171,039.01	1,029,375,221.77
Non-current liabilities due within one year	110,099,825.63	111,795,791.50
Total current liabilities	1,170,617,126.01	1,221,867,159.34
Non-current liabilities		
Long-term borrowings	409,000,000.00	445,000,000.00
Lease liabilities	14,047,756.07	13,915,503.75
Other non-current liabilities	17,361,031.56	14,949,061.22
Total non-current liabilities	440,408,787.63	473,864,564.97
Total liabilities	1,611,025,913.64	1,695,731,724.31
Owners' equity		
Share capital	1,656,102,000.00	1,656,102,000.00
Capital reserve	670,065,375.34	670,065,375.34
Surplus reserve	173,993,460.99	173,993,460.99
Undistributed profits	793,050,649.15	749,116,093.50
Total owners' equity	3,293,211,485.48	3,249,276,929.83
Total liabilities and owners' equity	4,904,237,399.12	4,945,008,654.14

INCOME STATEMENT OF THE COMPANY FOR THE THREE MONTHS ENDED 31 MARCH 2021

(Amounts expressed in RMB unless otherwise specified)

Item	Three months ended 31 March	
	2021	2020
Operating income	81,192,741.38	19,608,433.25
Less: Operating cost	29,299,657.83	22,876,997.87
Taxes and surcharges	275,077.04	96,418.09
Administrative expenses	7,980,458.87	5,547,602.86
Finance cost	(316,814.14)	(4,109,025.16)
Of which: Interest expenses	9,547,366.61	2,540,012.16
Interest income	9,832,549.45	6,343,723.49
Add: Other income	–	124,596.91
Investment gains/(loss)	5,921,451.48	(2,699,337.94)
Gains from asset disposal	–	–
Operating profit/(loss)	49,875,813.26	(7,378,301.44)
Add: Non-operating income	676,480.45	680,162.67
Less: Non-operating expenditure	25,752.31	–
Total profit/(loss)	50,526,541.40	(6,698,138.77)
Less: Income tax expense	6,591,985.75	2,625,240.78
Net profit/(loss)	43,934,555.65	(9,323,379.55)
Of which: Net profit/(loss) from continuing operations	43,934,555.65	(9,323,379.55)
Total comprehensive income/(loss)	43,934,555.65	(9,323,379.55)

CASH FLOW STATEMENT OF THE COMPANY FOR THE THREE MONTHS ENDED 31 MARCH 2021

(Amounts expressed in RMB unless otherwise specified)

Item	Three months ended 31 March	
	2021	2020
I. Cash flows from operating activities		
Cash received from sale of goods or rendering of services	71,785,945.74	26,441,424.34
Refund of taxes and surcharges	—	—
Other cash received relating to operating activities	267,204,174.36	95,801,708.84
Subtotal of cash inflows from operating activities	338,990,120.10	122,243,133.18
Cash paid for purchase of goods and receipt of services	8,416,994.32	7,146,849.25
Cash paid to and for employees	19,483,686.17	15,622,799.25
Taxes and surcharges paid	8,318,609.97	10,587,033.30
Other cash paid relating to operating activities	311,823,119.56	93,295,347.44
Subtotal of cash outflows from operating activities	348,042,410.02	126,652,029.24
Net cash flows used in operating activities	(9,052,289.92)	(4,408,896.06)
II. Cash flows from investing activities		
Cash received from disposal of investments	223,305,098.00	387,557,345.90
Cash received from investment gains	650.00	—
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	—	—
Other cash received relating to investing activities	1,486,185.98	—
Subtotal of cash inflows from investing activities	224,791,933.98	387,557,345.90
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	29,665,490.29	1,819,798.68
Cash paid to acquire investments	13,450,700.00	—
Net cash paid for acquisition of subsidiaries and other business entities	—	—
Other cash paid relating to investing activities	87,831,884.06	639,116,814.60
Subtotal of cash outflows from investing activities	130,948,074.35	640,936,613.28
Net cash flows from/(used in) investing activities	93,843,859.63	(253,379,267.38)

CASH FLOW STATEMENT OF THE COMPANY FOR THE THREE MONTHS ENDED 31 MARCH 2021 (continued)

(Amounts expressed in RMB unless otherwise specified)

Item	Three months ended 31 March	
	2021	2020
III. Cash flows from financing activities		
Cash received from absorbing investment	–	–
Of which: Cash received from non-controlling shareholders' investment in subsidiaries	–	–
Cash received from borrowings	–	–
Subtotal of cash inflows from financing activities	–	–
Cash paid for repayment of debts	36,000,000.00	–
Cash paid for distribution of dividends, profits or repayment of interests	5,217,907.50	2,396,712.50
Other cash paid relating to financing activities	–	–
Subtotal of cash outflows from financing activities	41,217,907.50	2,396,712.50
Net cash flows used in financing activities	(41,217,907.50)	(2,396,712.50)
IV. Net increase/(decrease) in cash and cash equivalents	43,573,662.21	(260,184,875.94)
Add: Balance of cash and cash equivalents at the beginning of the year	1,169,188,076.83	389,593,992.03
V. Balance of cash and cash equivalents at the end of the year	1,212,761,739.04	129,409,116.09

Shareholders and potential investors of the Company are hereby reminded that the above-mentioned financial information has not been reviewed or audited by the auditors of the Company. Differences may arise between such financial information and the figures disclosed in the reviewed report or audited report due to review and audit adjustments. Shareholders and potential investors of the Company are advised to exercise caution and should not rely solely upon such information when dealing in the securities of the Company.

On behalf of the board of directors
Chengdu Expressway Co., Ltd.
Xiao Jun
Chairman

Chengdu, the PRC, 31 May 2021

As at the date of this announcement, the board of directors of the Company comprises Mr. Yang Tan, Ms. Wang Xiao, Mr. Zhang Dongmin and Mr. Luo Dan as executive directors, Mr. Xiao Jun and Mr. Yang Bin as non-executive directors, and Mr. Shu Wa Tung, Laurence, Mr. Ye Yong and Mr. Li Yuanfu as independent non-executive directors.