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

(Stock code: 0576)

2023 THIRD QUARTERLY RESULTS ANNOUNCEMENT

The directors (the “**Directors**”) of Zhejiang Expressway Co., Ltd. (the “**Company**”) announced the third quarterly results of the Company and its subsidiaries (the “**Group**”) for the nine months ended September 30, 2023 (the “**Period**”).

The audit committee of the Company has reviewed the quarterly results of the Group for the Period. Set out below are the Group’s unaudited condensed consolidated statement of profit or loss and other comprehensive income, unaudited condensed consolidated statement of financial position and unaudited condensed consolidated statement of cash flows for the Period together with the comparative figures for the corresponding period of 2022:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | For the nine months ended September 30, | |
|---|--|---------------------------------------|
| | 2023 <i>Rmb'000</i> (Unaudited) | 2022 <i>Rmb'000</i> (Unaudited) |
| Revenue | 12,350,187 | 11,296,067 |
| Including: interest income under effective interest method | 1,814,183 | 1,794,816 |
| Operating costs | <u>(6,720,726)</u> | <u>(6,601,231)</u> |
| Gross profit | 5,629,461 | 4,694,836 |
| Securities investment gains | 884,494 | 667,651 |
| Other income and gains and losses | 243,819 | 76,913 |
| Administrative expenses | (107,283) | (88,573) |
| Other expenses | (27,326) | (30,548) |
| Impairment losses under expected credit loss model, net of reversal | (73,745) | (25,380) |
| Share of profit of associates | 845,041 | 626,142 |
| Share of profit of a joint venture | 48,690 | 44,948 |
| Finance costs | <u>(1,320,053)</u> | <u>(1,368,690)</u> |
| Profit before tax | 6,123,098 | 4,597,299 |
| Income tax expense | <u>(963,965)</u> | <u>(846,859)</u> |
| Profit for the Period | <u>5,159,133</u> | <u>3,750,440</u> |

| | For the nine months ended | |
|---|----------------------------------|-----------------------|
| | September 30, | |
| | 2023 | 2022 |
| | <i>Rmb'000</i> | <i>Rmb'000</i> |
| | (Unaudited) | (Unaudited) |
| Other comprehensive income | | |
| Items that may be reclassified subsequently to profit or loss: | | |
| Fair value gain on debt instruments measured at fair value through other comprehensive income | 37,130 | – |
| Impairment loss for debt instruments at fair value through other comprehensive income | 575 | – |
| Income tax impact relating to items that may be reclassified subsequently to profit or loss | (9,426) | – |
| Exchange differences on translation of financial statements of foreign operations | 7,247 | 25,016 |
| Share of other comprehensive income of an associate, net of related income tax | 46,959 | 32,472 |
| | <hr/> 82,485 <hr/> | <hr/> 57,488 <hr/> |
| Other comprehensive income for the Period, net of income tax | | |
| Total comprehensive income for the Period | 5,241,618 | 3,807,928 |
| | <hr/> 5,241,618 <hr/> | <hr/> 3,807,928 <hr/> |
| Profit for the Period attributable to: | | |
| Owners of the Company | 4,078,582 | 2,940,692 |
| Non-controlling interests | 1,080,551 | 809,748 |
| | <hr/> 5,159,133 <hr/> | <hr/> 3,750,440 <hr/> |
| Total comprehensive income attributable to: | | |
| Owners of the Company | 4,139,832 | 2,982,445 |
| Non-controlling interests | 1,101,786 | 825,483 |
| | <hr/> 5,241,618 <hr/> | <hr/> 3,807,928 <hr/> |
| Earnings per share | | |
| Basic (Rmb cents) | 93.91 | 67.71 |
| | <hr/> 93.91 <hr/> | <hr/> 67.71 <hr/> |
| Diluted (Rmb cents) | 88.40 | 62.35 |
| | <hr/> 88.40 <hr/> | <hr/> 62.35 <hr/> |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | As at September 30, 2023 <i>Rmb'000</i> <u>(Unaudited)</u> | As at December 31, 2022 <i>Rmb'000</i> <u>(Audited)</u> |
|--|--|---|
| Non-current assets | 42,021,356 | 40,276,748 |
| Current assets | 157,617,972 | 146,128,776 |
| Current liabilities | 103,481,663 | 101,298,754 |
| Net current assets | 54,136,309 | 44,830,022 |
| Total assets less current liabilities | 96,157,665 | 85,106,770 |
| Non-current liabilities | 42,269,291 | 34,897,108 |
| | 53,888,374 | 50,209,662 |
| Capital and reserves | | |
| Share capital | 4,343,115 | 4,343,115 |
| Reserves | 28,893,872 | 26,575,175 |
| Equity attributable to owners of the Company | 33,236,987 | 30,918,290 |
| Non-controlling interests | 20,651,387 | 19,291,372 |
| | 53,888,374 | 50,209,662 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| | For the nine months ended | |
|--|---------------------------|-------------|
| | September 30, | |
| | 2023 | 2022 |
| | Rmb'000 | Rmb'000 |
| | (Unaudited) | (Unaudited) |
| Net cash generated from operating activities | 8,718,485 | 1,509,583 |
| Net cash (used in) generated from investing activities | (13,942,967) | 268,778 |
| Net cash generated from (used in) financing activities | 2,211,419 | (1,472,187) |
| Net (decrease) increase in cash and cash equivalents | (3,013,063) | 306,174 |
| Cash and cash equivalents at beginning of the Period | 23,917,236 | 17,153,977 |
| Effect of foreign exchange rate changes | 7,247 | 25,016 |
| Cash and cash equivalents at end of the Period | 20,911,420 | 17,485,167 |

On behalf of the Board
Zhejiang Expressway Co., Ltd.
YUAN Yingjie
Chairman

Hangzhou, the PRC, October 31, 2023

As at the date of this announcement, the Chairman of the Company is Mr. YUAN Yingjie; the executive Directors of the Company are: Mr. WU Wei and Mr. LI Wei; the other non-executive Directors of the Company are: Mr. YANG Xudong, Mr. FAN Ye and Mr. HUANG Jianzhang; and the independent non-executive Directors of the Company are: Mr. PEI Ker-Wei, Ms. LEE Wai Tsang, Rosa and Mr. CHEN Bin.