

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



浙江滬杭甬高速公路股份有限公司
ZHEJIANG EXPRESSWAY CO., LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 0576)

2019 THIRD QUARTERLY RESULTS ANNOUNCEMENT

The directors (the “**Directors**”) of Zhejiang Expressway Co., Ltd. (the “**Company**”) are pleased to announce the third quarterly results of the Company and its subsidiaries (the “**Group**”) for the nine months ended September 30, 2019 (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 2018:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the nine months ended	
	September 30,	
	2019	2018
	<i>Rmb’000</i>	<i>Rmb’000</i>
	(Unaudited)	(Unaudited and restated)
	<hr/>	<hr/>
Revenue	8,779,839	8,410,521
Including: interest income	1,164,869	1,073,710
Operating costs	(4,562,696)	(4,157,391)
	<hr/>	<hr/>
Gross profit	4,217,143	4,253,130
Securities investment gains	1,113,057	328,925
Other income and gains and losses	222,288	269,116
Administrative expenses	(77,898)	(71,657)
Other expenses	(64,253)	(60,926)
(Recognition) reversal of impairment losses, net	(6,220)	22,537
Share of profit of associates	497,169	267,549
Share of profit of a joint venture	27,133	17,478
Finance costs	(1,195,846)	(1,031,841)
	<hr/>	<hr/>

	For the nine months ended	
	September 30,	
	2019	2018
	<i>Rmb'000</i>	<i>Rmb'000</i>
	(Unaudited)	(Unaudited and restated)
	<u> </u>	<u> </u>
Profit before tax	4,732,573	3,994,311
Income tax expense	(1,045,610)	(850,963)
	<u> </u>	<u> </u>
Profit for the Period	3,686,963	3,143,348
	<u> </u>	<u> </u>
Other comprehensive income		
Items that may be reclassified subsequently		
to profit or loss:		
Exchange differences on translation of financial		
statements of foreign operations	309	4,258
	<u> </u>	<u> </u>
Total comprehensive income for the Period	3,687,272	3,147,606
	<u> </u>	<u> </u>
Profit for the Period attributable to:		
Owners of the Company	3,117,514	2,751,172
Non-controlling interests	569,449	392,176
	<u> </u>	<u> </u>
	3,686,963	3,143,348
	<u> </u>	<u> </u>
Total comprehensive income attributable to:		
Owners of the Company	3,117,659	2,753,170
Non-controlling interests	569,613	394,436
	<u> </u>	<u> </u>
	3,687,272	3,147,606
	<u> </u>	<u> </u>
Earnings per share		
Basic (Rmb cents)	71.78	63.35
	<u> </u>	<u> </u>
Diluted (Rmb cents)	68.44	60.44
	<u> </u>	<u> </u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at September 30, 2019 <i>Rmb'000</i> (Unaudited)	As at December 31, 2018 <i>Rmb'000</i> (Unaudited and restated)
Non-current assets	35,332,758	35,580,674
Current assets	73,215,084	58,116,675
Current liabilities	52,795,748	38,534,513
Net current assets	20,419,336	19,582,162
Total assets less current liabilities	55,752,094	55,162,836
Non-current liabilities	24,496,677	22,299,152
	31,255,417	32,863,684
Capital and reserves		
Share capital	4,343,115	4,343,115
Reserves	16,597,491	19,061,597
Equity attributable to owners of the Company	20,940,606	23,404,712
Non-controlling interests	10,314,811	9,458,972
	31,255,417	32,863,684

**Note:* The Company and its subsidiaries have adopted HKFRS 16 “Leases” (“HKFRS 16”) from January 1, 2019, except for short-term leases and leases for which the underlying asset is of low value, all leases are recognised in right-of-use assets and lease liabilities since the initial adoption of HKFRS 16 on January 1, 2019, without restating comparative information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the nine months ended	
	September 30,	
	2019	2018
	Rmb'000	Rmb'000
	(Unaudited)	(Unaudited and restated)
Net cash from operating activities	1,061,431	1,833,120
Net cash used in investing activities	(691,016)	(3,070,944)
Net cash from financing activities	3,568,411	1,959,946
Net increase in cash and cash equivalents	3,938,826	722,122
Cash and cash equivalents at beginning of the Period	6,601,784	5,719,029
Effect of foreign exchange rate changes	309	4,258
Cash and cash equivalents at end of the Period	10,540,919	6,445,409

By Order of the Board
Zhejiang Expressway Co., Ltd.
YU Zhihong
Chairman

Hangzhou, the PRC, October 31, 2019

As at the date of this announcement, the Chairman of the Company is Mr. YU Zhihong; the executive Directors of the Company are: Mr. CHENG Tao and Ms. LUO Jianhu; the non-executive Directors of the Company are: Mr. DAI Benmeng, Mr. YU Qunli, and Mr. YU Ji; and the independent non-executive Directors of the Company are: Mr. PEI Ker-Wei, Ms. LEE Wai Tsang, Rosa, and Mr. CHEN Bin.