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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)

2020 FIRST QUARTERLY RESULTS ANNOUNCEMENT

The directors (the “Directors”) of Zhejiang Expressway Co., Ltd. (the “Company”) are pleased to announce the first quarterly results of the Company and its subsidiaries (the “Group”) for the three months ended March 31, 2020 (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 2019:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the three months ended March 31,	
	2020	2019
	<i>Rmb'000</i>	<i>Rmb'000</i>
	(Unaudited)	(Unaudited and restated)
Revenue	1,567,049	2,655,919
Including: interest income under effective interest method	394,574	331,300
Operating costs	(1,657,343)	(1,424,325)
Gross profit	(90,294)	1,231,594
Securities investment gains	612,918	417,017
Other income and gains and losses	141,254	72,905
Administrative expenses	(21,325)	(20,140)
Other expenses	(77,473)	(18,616)
Impairment losses under expected credit loss model, net of reversal	(2,292)	(2,223)
Share of profit of associates	250,653	206,925
Share of (loss) profit of a joint venture	(18,386)	7,062
Finance costs	(390,388)	(346,625)

	For the three months ended March 31,	
	2020	2019
	<i>Rmb'000</i>	<i>Rmb'000</i>
	(Unaudited)	(Unaudited and restated)
Profit before tax	404,667	1,547,899
Income tax expense	(88,998)	(354,885)
Profit for the Period	315,669	1,193,014
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of foreign operations	900	(866)
Other comprehensive income (loss) for the Period, net of income tax	900	(866)
Total comprehensive income for the Period	316,569	1,192,148
Profit for the Period attributable to:		
Owners of the Company	220,588	1,005,703
Non-controlling interests	95,081	187,311
	315,669	1,193,014
Total comprehensive income attributable to:		
Owners of the Company	221,010	1,005,296
Non-controlling interests	95,559	186,852
	316,569	1,192,148
Earnings per share		
Basic (Rmb cents)	5.08	23.16
Diluted (Rmb cents)*	5.08	22.34

* Note: For the three months ended March 31, 2020, the computation of diluted earnings per share does not assume the conversion of outstanding convertible bonds issued by the Company and Zheshang Securities Co., Ltd., since their exercise would result in an increase in earnings per share.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at March 31, 2020 <i>Rmb'000</i> (Unaudited)	As at December 31, 2019 <i>Rmb'000</i> (Audited)
Non-current assets	35,581,574	35,873,185
Current assets	75,118,712	68,703,769
Current liabilities	55,374,104	50,057,870
Net current assets	19,744,608	18,645,899
Total assets less current liabilities	55,326,182	54,519,084
Non-current liabilities	22,983,329	22,536,973
	32,342,853	31,982,111
Capital and reserves		
Share capital	4,343,115	4,343,115
Reserves	17,471,912	17,250,900
Equity attributable to owners of the Company	21,815,027	21,594,015
Non-controlling interests	10,527,826	10,388,096
	32,342,853	31,982,111

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the three months ended March 31,	
	2020	2019
	Rmb'000	Rmb'000
	(Unaudited)	(Unaudited and restated)
Net cash from operating activities	2,286,206	70,238
Net cash used in investing activities	(2,062)	(17,435)
Net cash (used in) from financing activities	(883,825)	2,089,875
Net increase in cash and cash equivalents	1,400,319	2,142,678
Cash and cash equivalents at beginning of the Period	8,076,598	6,601,784
Effect of foreign exchange rate changes	900	(866)
Cash and cash equivalents at end of the Period	9,477,817	8,743,596

On behalf of the Board of Directors
Zhejiang Expressway Co., Ltd.
YU Zhihong
Chairman

Hangzhou, the PRC, April 29, 2020

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 other non-executive Directors of the Company are: Mr. DAI Benmeng, Mr. YUAN Yingjie 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.