



SHENZHEN EXPRESSWAY COMPANY

Stock codes: 00548(SEHK) 600548(SSE)

Q1 2019 Results

11 May 2019



Company Profile

- The Company was incorporated at the end of 1996 and listed in Hong Kong and Shanghai in 1997 and 2001, respectively. The total share capital of the Company is 2,180,770,326, of which H shares are 747,500,000, accounting for 34.28% and domestic shares are 1,433,270,326, accounting for 65.72%.
- Core business: The Company principally engages in the investment, construction, operation and management of toll highways and roads, as well as other urban and transport infrastructure. Other urban infrastructure mainly refers to the further environmental protection business areas including water environmental remediation, solid waste treatment and wind power. In the current stage, the Company operated and invested in a total of 16 toll highway projects, which mainly located in Shenzhen region and Pearl River Delta area of Guangdong Province as well as economically developed provinces outside of Guangdong Province. The mileage of the highways (on equity basis) is approximately 546km. The Company is the largest toll road operator in Shenzhen City.
- Total assets: RMB40.4 billion (as at 31 March 2019)
- Development Strategies
 - Development orientation: Construction and operation service provider of urban and transport infrastructure.
 - Development strategy: Consolidating and strengthening the business of toll highway and proactively expanding the environmental protection business with solid waste treatment, water environment remediation, and wind power as the main direction.
 - Development goals: the main business indicators of the toll road business will reach the leading level of domestic industry by 2020; the subdivision of environmental protection business will strive to achieve the leading level of industry within 3 to 5 years; to create intelligent transportation, intelligent environmental protection, and intelligent Shenzhen Expressway.

The financial statements of the Company were prepared in accordance with China Accounting Standards for Business Enterprise (CASBE), and also were complied with the disclosure requirements under the Hong Kong Companies Ordinance and the Listing Rules of HKEx.

In this material, the total of breakdown and the total may not equal in mantissa due to rounding.



First Quarterly Results of 2019



“Three Projects”)



First Quarterly Results of 2019



Annual Results 2018





Financial Analysis - Income Highlights

(RMB 'million)				
(RMB)				
(%)	-			
Excluding non-recurring items ^{Note :}				
Net profit attributable to owners of the Company (RMB 'million)				
Earnings per share (EPS) (RMB)				
Return on equity – weighted average (ROE) (%)				



Financial Analysis - Revenue, Cost & Expenses

	(RMB 'million)	(RMB 'million)	(RMB 'million)	
Toll highways	5,066	4,684	+382	+8.17% ^{Note2}
Entrusted management services	246	75	+171	+226.75% ^{Note3}
Real estate development	286	317	-31	-10.00% ^{Note4}
Advertising and others	209	134	+75	+55.83% ^{Note5}
				+5.44% ^{Note6}
Toll highways	2,390			+1.90%
Entrusted management services		50	+134	+267.80% ^{Note3}
Real estate development	174	234	-60	-25.75% ^{Note4}
Advertising and others	111	82	+29	+35.77%
				+14.14% ^{Note7}



Financial Analysis

- Operating Profit from Main Business

	Cost of Services		(RMB '000)	(RMB '000)
	2018 (RMB '000)	Change in Amount (RMB '000)		
	431,765	+6,084		
	333,493	+33,610		
	119,351	+7,571		
	467,038	+33,619		
	228,638	-705		
	80,936	-98,046		
	23,989	-55,958		
	115,214	-11,572		
	78,947	+4,714		
	258,983	+33,705		
	2,138,355	-46,980		
	200,777	+85,107		
	50,850	+6,397		
	2,389,981	+44,524		

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- Operating Profits from Entrusted Management Service & Real Estate Development

	Operating Income		Operating Costs		(RMB '000)	(RMB '000)
	2018 (RMB '000)	Change in Amount (RMB '000)	2018 (RMB '000)	Change in Amount (RMB '000)		
	42,482	+9,485	42,302	+9,305		
	16,188	+12,104	9,046	+4,963		
	126,188	+126,188	125,019	+125,019		
	44,423	+23,116	7,553	-5,372		
	16,981	-	-	-		
	246,261	+170,893	183,920	+133,915		

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Financial Analysis

- Assets and Liabilities Highlights

	(RMB 'million)	(RMB 'million)	(RMB 'million)
(RMB)			
of which: Cash and cash equivalents	2,581	1,885	+696
of which: Total outstanding interest-bearing liabilities	13,923	21,686	-7,763 <i>Note 2</i>



Financial Analysis

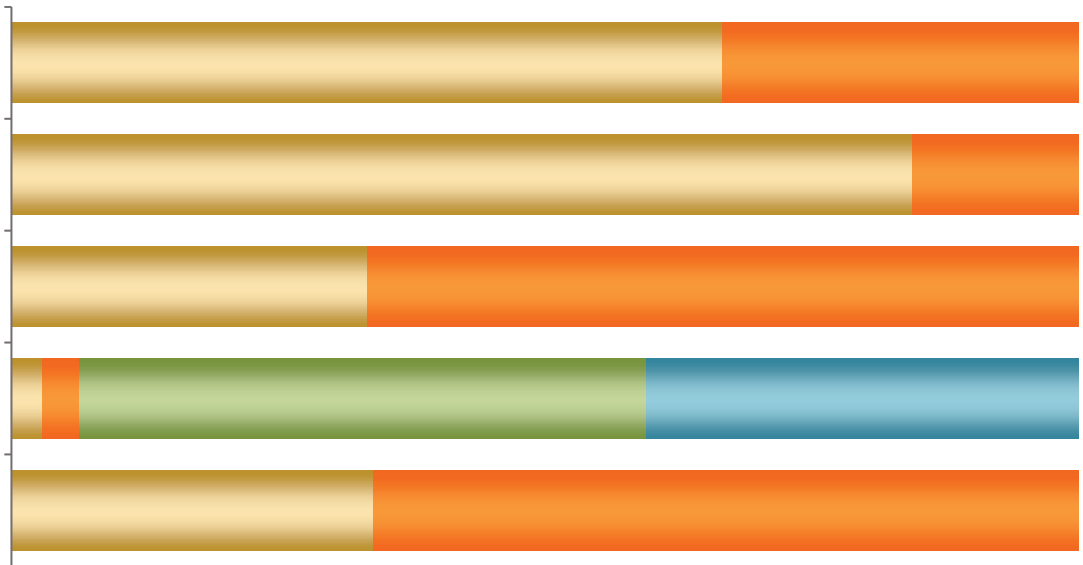
- Debt Ratio and Repayment

Group's

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Financial Analysis - Borrowing Structure



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Financial Analysis - Capital Expenditure 1

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■ Group's

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Group's

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Financial Analysis - Capital Expenditure 2

(RMB 'million)					
Outer Ring Project	962.3	1,041.7	2,068.5	1,190.7	4,300.9
Reconstruction and expansion of Meiguan Expressway	34.2	4.0	-	-	4.0
Qinglian Project	5.4	37.3	4.4	4.7	46.4
Nanguang Expressway	1.7	18.4	-	-	18.4
Coastal Phase II	10.5	17.9	17.9	17.9	53.7
Initial expenditure of reconstruction and expansion of Jihe Expressway	5.9	131.8	217.9	-	349.7
Other investment (Investment in mechanical and electrical equipment, etc.)	96.2	141.7	80.1	81.4	303.3
			208.2		
Yangmao Project	57.5	108.8	208.2	208.2	525.1
Nanjing Wind Power	-	510.0	-	-	510.0



Toll Highway - Operating Environment 1

■ China's

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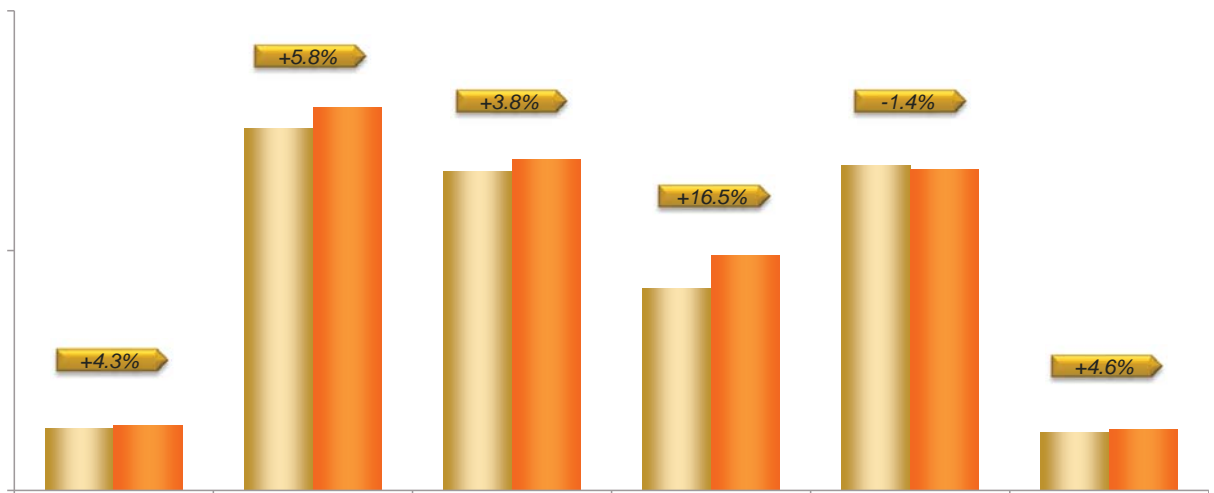
Toll Highway - Operating Environment 2

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Toll Highway - Operational Performance 1

(RMB '000)



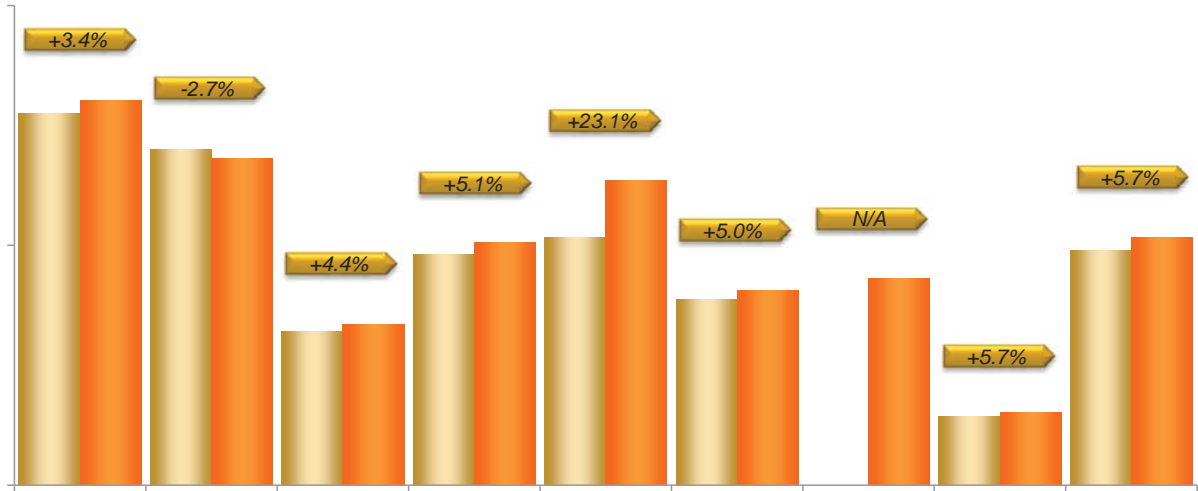
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"Three Projects")



Toll Highway - Operational Performance 2

(RMB '000)



Toll Highway - Management Improvement



“Maximizing

Period”





Troll Highway - Project Development 1

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Troll Highway - Project Development 2

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Toll Highway - Project under Construction

(“Out Project”)



General-Environmental Protection - Project Development 1



“Equity
“Acquisition Agreement”)

Ltd”





General-Environmental Protection - Project Development 2



Environment's

other's



General-Environmental Protection - Project Development 3





Transport Infrastructure

- Development and Management of Land 1





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Operating Environment & Conditions in 2019

- China's
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- Highways” (“ Regulations
- Group's
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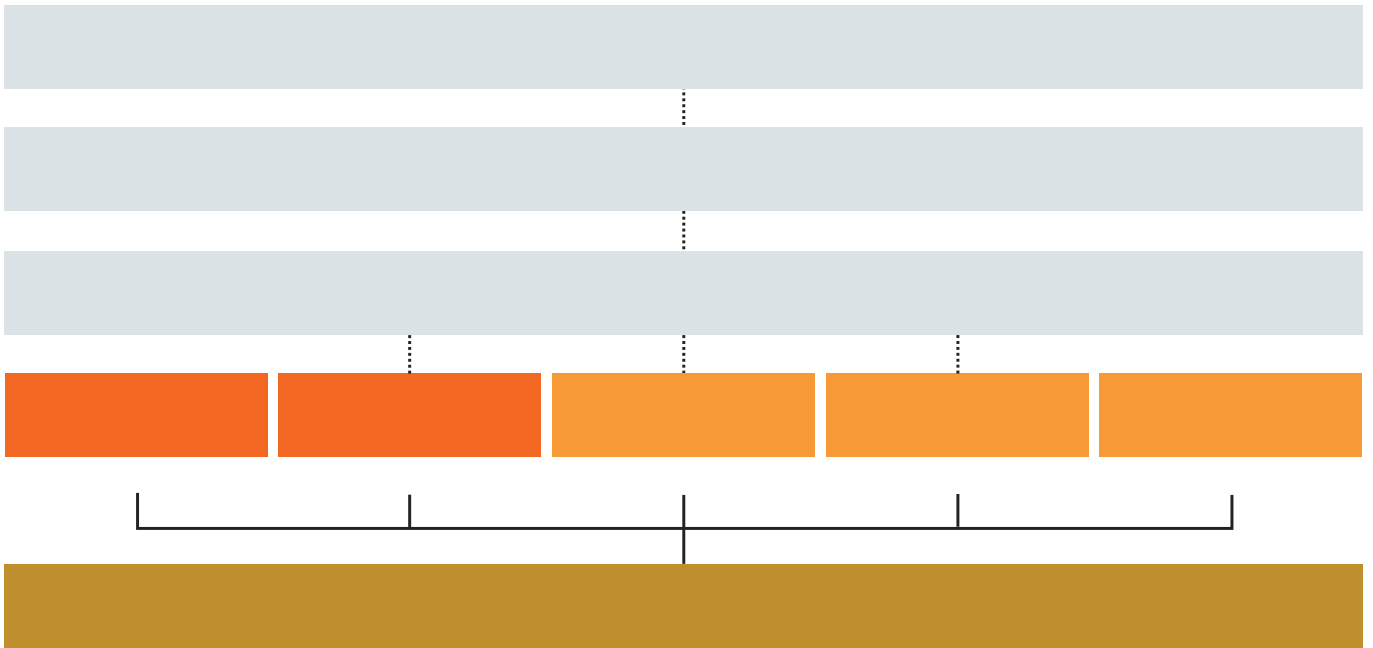


Operation and Development Plan

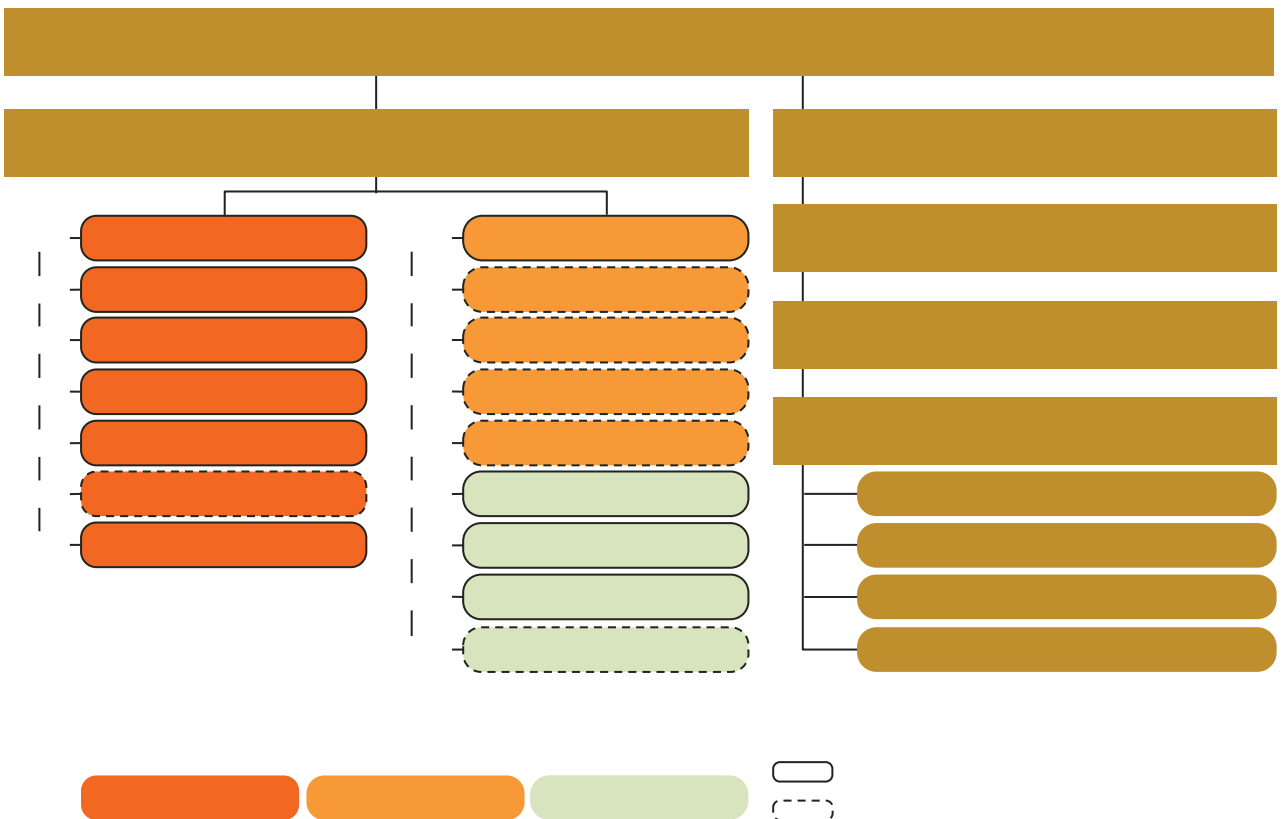
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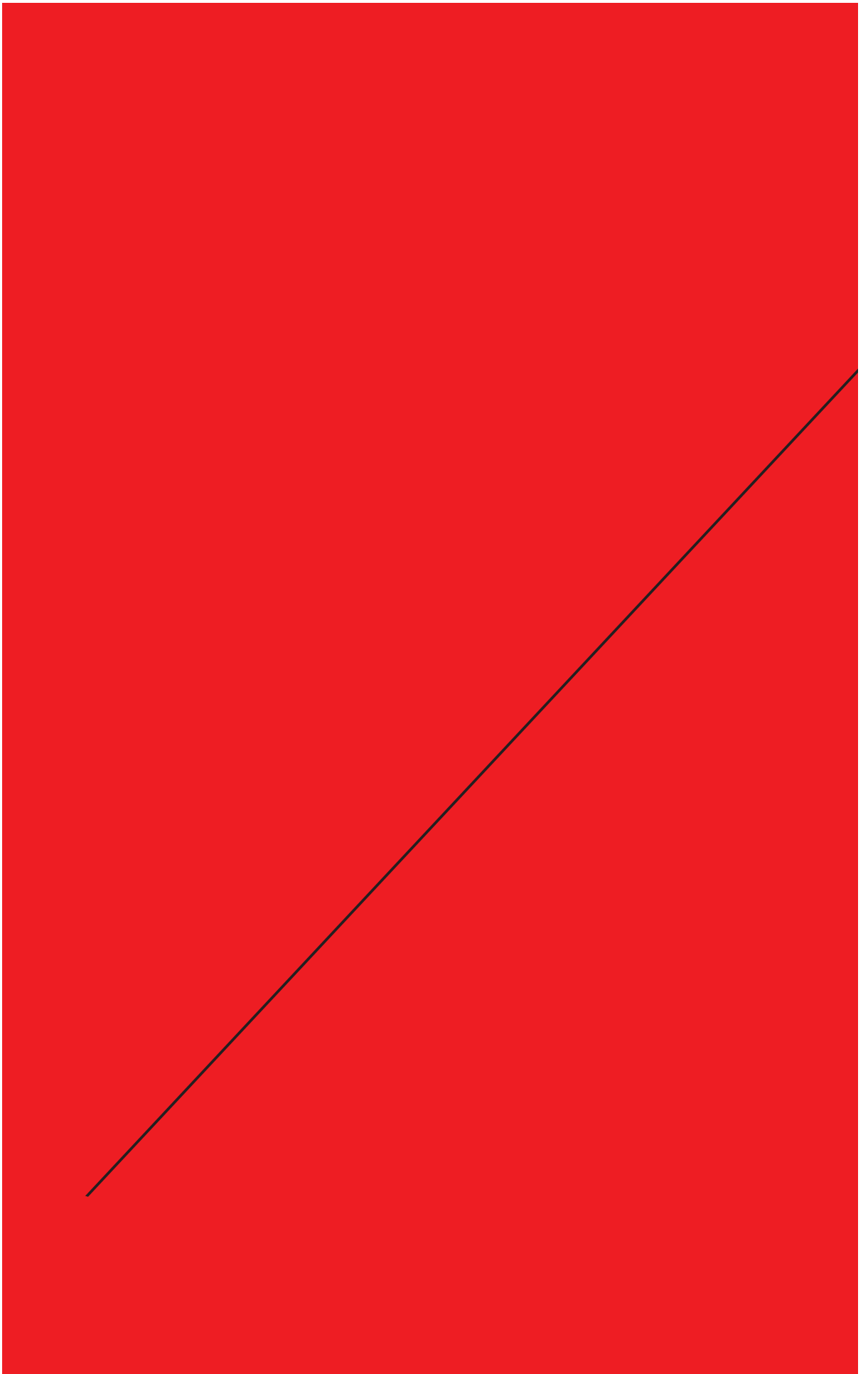
Shareholding Structure

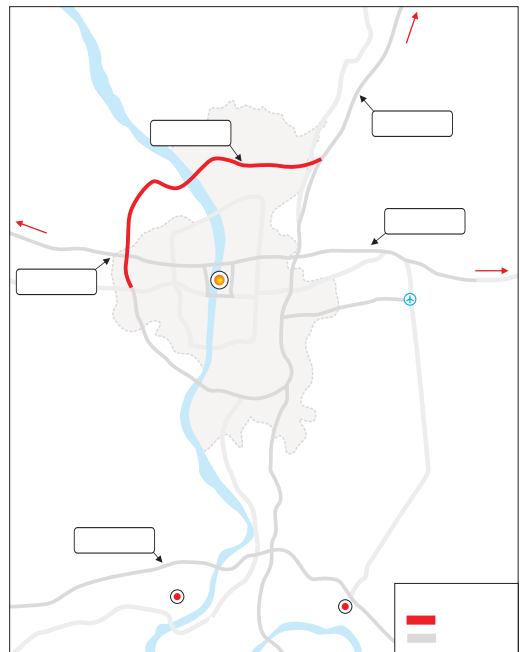


Business Structure









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Company Declaration

All information presented here is publicly available and for the purpose of understanding the operation and development planning of the Company. The Company might adjust the contents without pre-notice in any forms. Besides, investors should note that the data presented in this document does not constitute an invitation to trade the Company's stock and does not guarantee the performance of the stock in the future.