
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Zhejiang Expressway Co., Ltd.**, you should at once hand this Circular and the enclosed proxy form and reply slip to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

**PROPOSED ISSUE OF MID-TERM NOTES AND SUPER AND
SHORT-TERM COMMERCIAL PAPER
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A letter from the Board is set out on pages 3 to 6 of this Circular.

A notice for convening the extraordinary general meeting (the “EGM”) of the Company to be held at 10 a.m. on March 18, 2022 at 5/F, No. 2 Mingzhu International Business Center, 199 Wuxing Road, Hangzhou City, Zhejiang Province, the People’s Republic of China is set out on pages EGM-1 to EGM-5 of this Circular.

A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. In case of H Shares, the proxy form shall be lodged with the Company’s H Shares Registrar, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the EGM (or any adjournment thereof). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

March 1, 2022

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DEFINITIONS

In this Circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Circular”	this circular to the Shareholders
“Company”	Zhejiang Expressway Co., Ltd. (浙江滬杭甬高速公路股份有限公司), a joint stock limited company established in the PRC on March 1, 1997, whose shares are listed on the main board of the Stock Exchange (stock code: 0576)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Shareholders of the Company to be convened for the purposes of, among other things, approval of the special resolution regarding the proposed Mid-term Notes Issue and the Super and Short-Term Commercial Paper Issue, the notice of which is set out on pages EGM-1 to EGM-5 of this Circular
“Group”	the Company and its subsidiaries
“H Shares”	the overseas listed foreign shares of RMB1.00 each in the share capital of the Company which are primarily listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars since May 15, 1997
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	February 25, 2022, being the latest practicable date for ascertaining certain information in this Circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Mid-Term Notes”	the mid-term notes of no more than RMB5 billion proposed to be issued by the Company
“Mid-Term Notes Issue”	the offer and issuance of the Mid-Term Notes

DEFINITIONS

“PRC”	the People’s Republic of China which, for the purpose of this Circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Super and Short-Term Commercial Paper”	the Super and Short-Term commercial paper of no more than RMB2 billion proposed to be issued by the Company
“Super and Short-Term Commercial Paper Issue”	the offer and issuance of the Super and Short-Term Commercial Paper
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

LETTER FROM THE BOARD



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)

Chairman of the Company:

Mr. Yu Zhihong

Executive Directors:

Mr. CHEN Ninghui

Mr. YUAN Yingjie

Non-executive Directors:

Mr. JIN Chaoyang

Mr. FAN Ye

Mr. HUANG Jianzhang

Independent Non-executive Directors:

Mr. PEI Ker-Wei

Ms. LEE Wai Tsang, Rosa

Mr. CHEN Bin

Registered Office:

12th Floor, Block A

Dragon Century Plaza

1 Hangda Road

Hangzhou

Zhejiang Province 310007

The People's Republic of China

Principal Place of Business:

5/F., No. 2

Mingzhu International Business Center

199 Wuxing Road

Hangzhou

Zhejiang Province 310020

The People's Republic of China

March 1, 2022

To the Shareholders

Dear Sir or Madam,

PROPOSED ISSUE OF MID-TERM NOTES AND SUPER AND SHORT-TERM COMMERCIAL PAPER AND NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

Reference is made to the Company's announcement dated February 25, 2022.

Pursuant to the relevant laws and regulations of the PRC and the Articles of Association of the Company, the offer and issuance of each of the Mid-Term Notes and the Super and Short-Term Commercial Paper is subject to the approval of the Shareholders at an extraordinary general meeting of the Company and approval by the National Association of Financial Market Institutional Investors (中國銀行間市場交易商協會).

The purpose of this Circular is to give you notice of the EGM and to provide you with information in relation to the resolutions to be proposed at the EGM to enable you to make an informed decision on whether to vote for or against the resolutions at the EGM.

LETTER FROM THE BOARD

2. PROPOSED ISSUE OF THE MID-TERM NOTES AND THE SUPER AND SHORT-TERM COMMERCIAL PAPER

(i) the proposed Mid-term Notes Issue

The principal terms of the proposed Mid-term Notes Issue are set out below:

Issue size:	not more than RMB5 billion
Term:	according to the prevailing market circumstances as normally no more than five years from the date of issue
Manner of issue:	one-time registration or multiple registrations with the relevant authorities, which is valid for a period of two years from each registration; the Mid-Term Notes will be issued in one tranche or tranches
Interest rate:	prevailing market rate of mid-term notes of similar maturity
Use of Proceeds:	to repay the borrowings of the Group, replenish working capital of the Group, equity investment and invest in projects consistent with national industrial policies

(ii) the proposed Super and Short-Term Commercial Issue

The principal terms of the proposed Super and Short-Term Commercial Issue are set out below:

Issue size:	not more than RMB2 billion
Term:	in terms of short-term commercial paper, not more than one year from the date of the issue in terms of super short-term commercial paper, not more than 270 days from the date of issue
Manner of issue:	one-time registration or multiple registrations with the relevant authorities, which is valid for a period of two years from each registration; the Super and Short-Term Commercial Paper will be issued in tranches
Interest rate:	prevailing market rate of short-term commercial papers and/or super short-term commercial papers of similar maturity
Use of Proceeds:	to repay the borrowings of the Group, replenish working capital of the Group and invest in projects consistent with national industrial policies

LETTER FROM THE BOARD

It is proposed that the general manager of the Company shall be authorised, when this special resolution is approved by the Shareholders at the EGM within the validity period of the relevant registration, to determine in his absolute discretion and deal with matters in relation to the Mid-Term Notes Issue and/or the Super and Short-Term Commercial Paper Issue, including but not limited to the following:

- (a) to determine, to the extent permitted by laws and regulations and according to the Company's specific circumstances and the prevailing market conditions, the specific terms and arrangements of the Mid-Term Notes Issue and/or the Super and Short-Term Commercial Paper Issue and make any changes and adjustments to such types and terms of the Mid-Term Notes Issue and/or the Super and Short-Term Commercial Paper Issue, including but not limited to, the types of issue, time of issue, manner of issue, size of issue, issue price, term of maturity, interest rates, tranches and any other matters in relation to the Mid-Term Notes Issue and/or the Super and Short-Term Commercial Paper Issue;
- (b) to appoint the relevant intermediaries in connection with the Mid-Term Notes Issue and/or the Super and Short-Term Commercial Paper Issue and to deal with filing and submission matters;
- (c) to enter into agreements, contracts and other legal documents relating to the Mid-Term Notes Issue and/or the Super and Short-Term Commercial Paper Issue, and to disclose relevant information in accordance with the applicable laws and regulations; and
- (d) to deal with any other the matters in relation to the Mid-Term Notes Issue and/or the Super and Short-Term Commercial Paper Issue.

REASONS FOR AND BENEFITS OF ISSUING OF THE MID-TERM NOTES AND THE SUPER AND SHORT-TERM COMMERCIAL PAPER

The Directors are of the view that the proposed Mid-Term Notes Issue and the Super and Short-Term Commercial Paper Issue will enable the Company to fully utilise the financing channels available on the capital market, help improve the Company's financing structure, reduce its cost of capital and lower its finance costs. On these bases, the Directors are of the view that the proposed issuance of the Mid-Term Notes and the Super and Short-Term Commercial Paper is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

3. NOTICE OF THE EGM

You will find on pages EGM-1 to EGM-5 of this Circular a notice of the EGM to be held at 10 a.m. on March 18, 2022 at 5/F, No. 2 Mingzhu International Business Center, 199 Wuxing Road, Hangzhou City, Zhejiang Province, the PRC.

A form of proxy for use at the EGM and a reply slip are enclosed and are also published on the HKExnews website of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and on the Company's website (www.zjec.com.cn). Whether or not you are able to attend the EGM in person, you are requested to complete and return the accompanying form of proxy and the reply slip in accordance with the instructions printed thereon. In case of H Shares, the proxy form shall be lodged with the Company's H Shares registrar, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the EGM (or any adjournment thereof). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

4. CONCLUSIONS AND RECOMMENDATIONS

The Directors are of the view that the proposed Mid-term Notes Issue and the proposed Super and Short-Term Commercial Paper Issue will enable the Company to fully utilise the financing channels available on the capital market, help improve the Company's financing structure, reduce its cost of capital and lower its finance costs. On these bases, the Directors are of the view that the proposed issuance of the Mid-Term Notes and the Super and Short-Term Commercial Paper is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders should vote in favour of the resolution(s) in respect of the Mid-term Notes Issue and the Super and Short-Term Commercial Paper Issue at the EGM.

5. OTHER INFORMATION

Your attention is also drawn to the notice of the EGM.

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

NOTICE OF EGM



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the “**EGM**”) of Zhejiang Expressway Co., Ltd. (the “**Company**”) will be held at March 18, 2022 at 5/F, No. 2 Mingzhu International Business Center, 199 Wuxing Road, Hangzhou City, Zhejiang Province, the People's Republic of China (the “**PRC**”), for the purpose of considering and, if thought fit, passing with or without modification or amendment the following resolutions:

AS SPECIAL RESOLUTIONS

“1. To consider and approve the following resolutions as special resolutions:

- (i) upon approval by the National Association of Financial Market Institutional Investors, the issue of mid-term notes by the Company of not more than RMB5 billion (the “**Mid-Term Notes**”), on the conditions set forth below be and is hereby approved:

Issue size:	not more than RMB5 billion
Term:	according to the prevailing market circumstances as normally no more than five years from the date of issue
Manner of issue:	one-time registration or multiple registrations with the relevant authorities, which is valid for a period of two years from each registration; the Mid-Term Notes will be issued in one tranche or tranches
Interest rate:	prevailing market rate of mid-term notes of similar maturity
Use of Proceeds:	to repay the borrowings of the Group, replenish working capital of the Group, equity investment and invest in projects consistent with national industrial policies

NOTICE OF EGM

- (ii) the general manager of the Company be and hereby authorised, when this special resolution is approved by the shareholders of the Company at the EGM, within the validity period of the relevant registration to determine in his absolute discretion and deal with matters in relation to the issue of the Mid-Term Notes (the “**Mid-Term Notes Issue**”), including but not limited to the following:
 - (a) to determine, to the extent permitted by laws and regulations and according to the Company’s specific circumstances and the prevailing market conditions, the specific terms and arrangements of the Mid-Term Notes Issue and make any changes and adjustments to such types and terms of the Mid-Term Notes Issue, including but not limited to, the types of issue, time of issue, manner of issue, size of issue, issue price, term of maturity, interest rates, tranches and any other matters in relation to the Mid-Term Notes Issue;
 - (b) to appoint the relevant intermediaries in connection with the Mid-Term Notes Issue and to deal with filing and submission matters;
 - (c) to enter into agreements, contracts and other legal documents relating to the Mid-Term Notes Issue, and to disclose relevant information in accordance with the applicable laws and regulations; and
 - (d) to deal with any other the matters in relation to the Mid-Term Notes Issue.

2. To consider and approve the following resolutions as special resolutions:

- (i) upon approval by the National Association of Financial Market Institutional Investors, the issue of Super and Short-Term commercial paper by the Company of not more than RMB2 billion (the “**Super and Short-Term Commercial Paper**”), on the conditions set forth below be and is hereby approved:

Issue size: not more than RMB2 billion

Term: in terms of short-term commercial paper, not more than one year from the date of the issue

in terms of super short-term commercial paper, not more than 270 days from the date of issue

Manner of issue: one-time registration or multiple registrations with the relevant authorities, which is valid for a period of two years from each registration; the Super and Short-Term Commercial Paper will be issued in tranches

NOTICE OF EGM

Interest rate: prevailing market rate of short-term commercial papers and/or super short-term commercial papers of similar maturity

Use of Proceeds: to repay the borrowings of the Group, replenish working capital of the Group and invest in projects consistent with national industrial policies

- (ii) the general manager of the Company be and hereby authorised, when this special resolution is approved by the shareholders of the Company at the EGM, within the validity period of the relevant registration to determine in his absolute discretion and deal with matters in relation to the issue of the Super and Short-Term Commercial Paper (the “**Super and Short-Term Commercial Paper Issue**”), including but not limited to the following:
- (a) to determine, to the extent permitted by laws and regulations and according to the Company’s specific circumstances and the prevailing market conditions, the specific terms and arrangements of the Super and Short-Term Commercial Paper Issue and make any changes and adjustments to such types and terms of the Super and Short-Term Commercial Paper Issue, including but not limited to, the types of issue, time of issue, manner of issue, size of issue, issue price, term of maturity, interest rates, tranches and any other matters in relation to the Super and Short-Term Commercial Paper Issue;
 - (b) to appoint the relevant intermediaries in connection with the Super and Short-Term Commercial Paper Issue and to deal with filing and submission matters;
 - (c) to enter into agreements, contracts and other legal documents relating to the Super and Short-Term Commercial Paper Issue, and to disclose relevant information in accordance with the applicable laws and regulations; and
 - (d) to deal with any other the matters in relation to the Super and Short-Term Commercial Paper Issue.

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

Hangzhou, the PRC
March 1, 2022

NOTICE OF EGM

Notes:

1. Registration procedures for attending the EGM

- (a) Holders of H shares of the Company (the “**H Shares**”) and domestic shares of the Company (the “**Domestic Shares**”) intending to attend the EGM should return the reply slip for attending the EGM to the Company by post or by facsimile (address and facsimile numbers are shown in paragraph 5(b) below) such that the same shall be received by the Company on or before March 17, 2022.
- (b) A shareholder or his/her/its proxy should produce proof of identity when attending the EGM. If a corporate shareholder appoints its legal representative to attend the meeting, such legal representative shall produce proof of identity and a copy of the resolution of the board of directors or other governing body of such shareholder appointing such legal representative to attend the meeting.

2. Proxy

- (a) A shareholder eligible to attend and vote at the EGM is entitled to appoint, in written form, one or more proxies to attend and vote at the EGM on behalf of him/her/it. A proxy need not be a shareholder of the Company.
- (b) A proxy shall be appointed by a written instrument signed by the appointor or an attorney authorized by him/her/it for such purpose. If the appointor is a corporation, the same shall be affixed with the seal of such corporation, or signed by its director(s) or duly authorized representative(s). If the instrument appointing a proxy is signed by a person authorized by the appointor, the power of attorney or other authorization document(s) shall be notarized.
- (c) To be valid, the power of attorney or other authorization document(s) (which have been notarized) together with the completed form of proxy must be delivered, in the case of holders of Domestic Shares, to the Company at the address shown in paragraph 5(b) below and, in the case of holders of H Shares, to Hong Kong Registrars Limited at 17M Floor, Hopewell Center, 183 Queen’s Road East, Wanchai, Hong Kong by no later than 10 a.m. on March 17, 2022).
- (d) Any vote of the shareholders of the Company present in person or by proxy at the EGM must be taken by poll.

3. Book closing period

For the purpose of the EGM, the register of members holding H Shares will be closed from March 15, 2022 to March 18, 2022 (both days inclusive).

4. Last Day of Transfer and Record Date

Holders of H Shares who intend to attend the EGM must deliver all transfer instruments and the relevant shares certificates to Hong Kong Registrars Limited at Rooms 1712–1716, 17/F, Hopewell Center, 183 Queen’s Road East, Hong Kong, at or before 4:30 p.m. on March 14, 2022. For the purpose of the EGM, the record date will be March 18, 2022.

NOTICE OF EGM

5. Miscellaneous

- (a) The EGM will not last for more than one day. Shareholders who attend shall bear their own traveling and accommodation expenses.
- (b) The principal place of business of the Company in the PRC is:

5/F, No. 2 Mingzhu International Business Center
199 Wuxing Road
Hangzhou City, Zhejiang Province
People's Republic of China
310020
Telephone No.: (+86)-571-8798 7700
Facsimile No.: (+86)-571-8795 0329

As at the date of this announcement, the Chairman of the Company is Mr. YU Zhihong; the executive Directors of the Company are: Mr. CHEN Ninghui and Mr. YUAN Yingjie; the other non-executive Directors of the Company are: Mr. JIN Chaoyang, 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.