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

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO BUILDING CONSTRUCTION AGREEMENT AND CIVIL ENGINEERING AGREEMENT

Reference is made to the announcement of the Company dated September 6, 2023 in relation to the Investment Agreement, pursuant to which the Project Company was designated for implementation of the Project.

BUILDING CONSTRUCTION AGREEMENT

On August 9, 2024, the Building Construction Agreement was entered into amongst the Project Company, Jindong Branch and, among others, Jiaogong Underground Construction regarding the building construction work of section TJ01 of the reconstruction and expansion of Ningbo-to-Jinhua section (Jinhua Section) of the Ningbo-Jinhua Expressway with a planned construction period of 43 months.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Jiaogong Underground Construction is an indirect non wholly-owned subsidiary of Communications Group, the controlling shareholder of the Company. Accordingly, Jiaogong Underground Construction is a connected person of the Company and the transaction with Jiaogong Underground Construction contemplated under the Building Construction Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the highest annual cap for the transaction under the Building Construction Agreement exceed 0.1% but less than 5%, the entering into of the Building Construction Agreement is subject to the reporting, announcement and annual review requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.52 of the Listing Rules, as the term of the Building Construction Agreement exceeds three years, the Company has appointed the Independent Financial Adviser to explain why a term longer than three years is required and to confirm that it is a normal business practice for agreements of this type to be of such duration.

CIVIL ENGINEERING AGREEMENT

On August 9, 2024, the Civil Engineering Agreement was entered into amongst the Project Company, Jindong Branch and, amongst others, Zhejiang Hongtu regarding the civil engineering work and subsequent pavement maintenance of section TJ02 of the reconstruction and expansion of Ningbo-to-Jinhua section (Jinhua Section) of the Ningbo-Jinhua Expressway with a planned construction period of 39 months followed by a pavement maintenance period of 120 months.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Zhejiang Hongtu is an indirect non wholly-owned subsidiary of Communications Group, the controlling shareholder of the Company. Accordingly, Zhejiang Hongtu is a connected person of the Company and the transaction with Zhejiang Hongtu contemplated under the Civil Engineering Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the highest annual cap for the transaction under the Civil Engineering Agreement exceed 0.1% but less than 5%, the entering into of the Civil Engineering Agreement is subject to the reporting, announcement and annual review requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.52 of the Listing Rules, as the term of the Civil Engineering Agreement exceeds three years, the Company has appointed the Independent Financial Adviser to explain why a term longer than three years is required and to confirm that it is a normal business practice for agreements of this type to be of such duration.

Reference is made to the announcement of the Company dated September 6, 2023 in relation to the Investment Agreement, pursuant to which the Project Company was designated for implementation of the Project.

THE BUILDING CONSTRUCTION AGREEMENT

On August 9, 2024, the Building Construction Agreement was entered into amongst the Project Company, Jindong Branch and, among others, Jiaogong Underground Construction regarding the building construction work of section TJ01 of the reconstruction and expansion of Ningbo-to-Jinhua section (Jinhua Section) of the Ningbo-Jinhua Expressway.

The principal terms in relation to the transaction with Jiaogong Underground Construction contemplated under the Building Construction Agreement are summarised below:

- Date:** August 9, 2024
- Parties:**
- (1) the Project Company and Jindong Branch, as the principals;
 - (2) Guangxi Road & Bridge and Jiaogong Underground Construction, as the contractors.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Jiaogong Underground Construction is a connected person, the details of which are set out in the section headed “INFORMATION OF THE PARTIES” below, Guangxi Road & Bridge and its ultimate beneficial owner(s) are third parties independent of, and not connected with, the Company and its connected persons.

Scope of Services: Jiaogong Underground Construction will be responsible for the construction, completion and defect rectification during warranty period, including (a) for the pump room, substation, high and low water tanks, rescue rooms for Baifengling Tunnel and Huailu Maintenance Area, etc. of section TJ01; (b) for the in-situ renovation of toll plaza and onsite demolition and reconstruction of the greenhouses at Caizhai Toll Station, Huailu Toll Station, Dongyang Toll Station and for the in-situ renovation of Dongyang Service Area.

Term: 43 months of planned construction period commencing as instructed by the supervisor with various warranty periods for different building construction project ranging from two to five years commencing from the actual completion acceptance date.

Consideration: The service fee payable to connected person, Jiaogong Underground Construction, during the term under the Building Construction Agreement is approximately RMB58,477,251.

Basis of consideration: The service fee was determined as a result of public tender. Other than the joint bid submitted by Guangxi Road & Bridge and Jiaogong Underground Construction, there were nine other independent service providers who separately or jointly made a bid and one other connected person who made a joint bid with an independent service provider for the project under the Building Construction Agreement.

The factors considered by the tender evaluation include but are not limited to: (i) commercial aspect: bidder's experience in similar construction project, qualifications and capabilities of the key personnel proposed for the project and bidder's overall corporate reputation and credibility; (ii) technical aspect: preparation of construction organization plan and conceptual approach for "Safe 100-year Quality Engineering" initiative; and (iii) bid price.

Terms of payment: During the interim payment stage, the service fee payable to Jiaogong Underground Construction will be measured and paid by the principal in accordance with the physical progress value confirmed by the supervisor and the principal: where, sub-engineering fees shall be paid based on 85% of the current measured engineering quantities, while other fees and taxes shall be paid based on 90% of the current measured engineering quantities; after the completion acceptance certificate is issued, an additional 5% of the measured sub-engineering fees shall be paid to Jiaogong Underground Construction; within 28 days after the settlement audit is completed, based on the audited settlement price, the remaining amount will be paid or Jiaogong Underground Construction will be required to return the shortfall.

Proposed Annual Caps and Basis of Determination

In accordance with Rule 14A.53 of the Listing Rules, the Company is required to set an annual cap on the amount of the service fee payable by the Group to Jiaogong Underground Construction under the Building Construction Agreement. The proposed annual caps on the service fee payable to Jiaogong Underground Construction under the Building Construction Agreement for the five financial years ending December 31, 2028 are set out below:

For the year ending December 31	Annual caps (RMB)
2024	1,000,000
2025	6,000,000
2026	40,000,000
2027	25,000,000
2028	6,000,000

The proposed annual caps on the service fee of the Building Construction Agreement are determined based on the following factors, including but not limited to expected progress of the construction works, estimated engineering quantity, payment arrangements, quality evaluation rewards, final settlement and a reasonable buffer amount.

If the actual amount of the service fee paid by the Group to Jiaogong Underground Construction for the relevant year under the Building Construction Agreement exceeds the abovementioned annual caps, the Company will re-comply with all applicable requirements under the Listing Rules.

THE CIVIL ENGINEERING AGREEMENT

On August 9, 2024, the Civil Engineering Agreement was entered into amongst the Project Company, Jindong Branch and, amongst others, Zhejiang Hongtu regarding the civil engineering work and subsequent pavement maintenance of section TJ02 of the reconstruction and expansion of Ningbo-to-Jinhua section (Jinhua Section) of the Ningbo-Jinhua Expressway.

The principal terms in relation to the transaction with Zhejiang Hongtu contemplated under the Civil Engineering Agreement are summarised below:

Date: August 9, 2024

Parties:

- (1) the Project Company and Jindong Branch, as the principals;
- (2) Zhejiang Hongtu and Chongqing Juneng Construction, as the contractors.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Zhejiang Hongtu is a connected person, the details of which are set out in the section headed “INFORMATION OF THE PARTIES” below, Chongqing Juneng Construction and its ultimate beneficial owner(s) are third parties independent of, and not connected with, the Company and its connected persons.

Scope of Services: Zhejiang Hongtu will be responsible for the construction, completion, defect rectification during defect liability period, maintenance during pavement warranty and maintenance period for roadbed, pavement, bridges and culverts, tunnels (including old tunnel reconstruction and reinforcement and pre-embedded pipes at the entrance of Shuangjianghu Tunnel), traffic safety, greenery, relocation of electrical facilities, environmental protection engineering, pipeline engineering, and the embedding of pre-embedded parts for the main line segment from K149+146 to K167+875 of section TJ02 of reconstruction and expansion of Ningbo-to-Jinhua section (Jinhua Section) of the Ningbo-Jinhua Expressway at the length of approximately 18.729 km, prefabrication of small prefabricated components and prefabrication and transportation of beams and slabs, etc. in sections TJ01 to TJ03.

Term:

- (i) 39 months of planned construction period with defect liability period of 24 months commencing from the actual completion acceptance date; and
- (ii) 120 months of pavement maintenance period subsequent to the actual completion acceptance date.

Consideration: The service fee payable to connected person, Zhejiang Hongtu, during the term under the Civil Engineering Agreement is approximately RMB2,278,719,205 (including approximately RMB12,600,000 for pavement maintenance).

Basis of consideration: The service fee was determined as a result of public tender. Other than the joint bid submitted by Zhejiang Hongtu and Chongqing Juneng Construction, there were nine other independent service providers who separately or jointly made a bid and one other connected person who made a joint bid with an independent service provider for the project under the Civil Engineering Agreement.

The factors considered by the tender evaluation include but are not limited to: (i) commercial aspect: bidder's experience in similar construction project, qualifications and capabilities of the key personnel proposed for the project and bidder's overall corporate reputation and credibility; (ii) technical aspect: preparation of construction organization plan and conceptual approach for "Safe 100-year Quality Engineering" initiative; and (iii) bid price.

Terms of payment: During the interim payment stage, the service fee payable to Zhejiang Hongtu will be paid in accordance with the construction progress fee confirmed by the principal. Within 28 days after completion settlement audit is completed, payment of up to 98.5% of the audited settlement amount shall be made to the contractor (if the quality assurance deposit is in the form of an engineering guarantee, payment will made up to the entire audited settlement amount).

PROPOSED ANNUAL CAPS AND BASIS OF DETERMINATION

In accordance with Rule 14A.53 of the Listing Rules, the Company is required to set annual caps on the amount of the service fee payable by the Group to Zhejiang Hongtu under the Civil Engineering Agreement. The proposed annual caps on the service fee payable to Zhejiang Hongtu under the Civil Engineering Agreement for the financial years ending December 31, 2037 are set out below:

For the year ending December 31	Annual caps (RMB)
2024	240,000,000
2025	800,000,000
2026	830,000,000
2027	800,000,000
2028	50,000,000
2029	50,000,000
2030	3,000,000
2031	3,000,000
2032	3,000,000
2033	3,000,000
2034	3,000,000
2035	3,000,000
2036	3,000,000
2037	4,000,000

The proposed annual caps on the service fee of the Civil Engineering Agreement are determined based on the following factors, including but not limited to expected progress of the construction works, estimated engineering quantity and payment arrangements from 2024 to 2027, and quality evaluation rewards, final settlement, subsequent pavement maintenance from 2028 to 2037, and a reasonable buffer amount.

If the actual amount of payment of service fee paid by the Group to Zhejiang Hongtu for the relevant year under the Civil Engineering Agreement exceeds the above mentioned annual caps, the Company will re-comply with all applicable requirements under the Listing Rules.

OPINION FROM THE INDEPENDENT FINANCIAL ADVISER

Based on the analysis mentioned below, the Independent Financial Adviser is of the view and confirms that (i) a term of longer than three years is required for each of the Building Construction Agreement and the Civil Engineering Agreement; and (ii) it is a normal business practice for this type of construction services agreement to be of such duration.

Reasons for a term exceeding three years

(i) Scale of the Project

The total length of the Project is about 69.7 km, of which the works include constructing of 144 bridges with a total length of 10.64 km and 5.5 tunnels with a total length of about 8.80 km (including open-cut tunnels and U-troughs), renovation of 4 hub-type interchanges and 8 general interchanges (among which the Xucun interchange was converted into a hub and included in the Yilongqing Expressway project), new addition of 1 Liushi interchange, renovation of 1 Dongyang service area, new addition of 1 Yiwu service area, reconstruction of 1 management sub-centre and 1 maintenance work area, new addition of 2 tunnel management stations, and new construction of the Fucun interchange connecting line of about 2.05 km.

Taking into account the scale of the Project and the construction plan in relation to the Project, the construction phase of the Project is estimated to take up to approximately 43 months. The Independent Financial Adviser noted that the aforesaid construction period is within the construction term as contemplated in the Investment Agreement and the approval letter in relation to the Project by Zhejiang Provincial Development and Reform Commission issued on March 22, 2024.

In addition, on November 28, 2023, Zhejiang Provincial Transportation Department* (浙江省交通運輸廳) published “Implementation Plan for Zhejiang Province’s Transportation Construction Project to Promote Safe and 100-Year Quality Engineering Construction” (《浙江省交通建设工程推进平安百年品质工程建设实施方案》) (the “**Safe 100-year Quality Engineering Initiative**”), pursuant to which, by 2025, all expressways construction projects in Zhejiang Province with a total investment exceeding RMB500 million must achieve full coverage of the “Safe 100-year Quality Engineering” standards; the asphalt pavements of the newly constructed expressways shall not have any major repairment within 15 years and any moderate repairment within 10 years. In order to meet the requirements of the Zhejiang Provincial Government for the “Safe 100-year Quality Engineering”, contractors for newly constructed expressways in Zhejiang Province are expected to provide pavement maintenance follow-up services for at least 10 years (i.e. 120 months).

(ii) Scope of services under the Building Construction Agreement and the Civil Engineering Agreement

Each of the Building Construction Agreement and the Civil Engineering Agreement has catered to cover the entire estimated construction phase of the Project as discussed in the sub-paragraph headed “Scale of the Project” above and the follow up works related thereto during the pavement maintenance period (if applicable).

The Independent Financial Adviser considers that it is reasonable and commercially justifiable for the Project Company, Jindong Branch, Guangxi Road & Bridge, Jiaogong Underground Construction to enter into the Building Construction Agreement; and the Project Company, Jinjdong Branch, Zhejiang Hongtu and Chongqing Juneng Construction to enter into the Civil Engineering Agreement with a term that covers the duration of the entire construction phase of the relevant sections of the Project and the follow up works related thereto during the pavement maintenance period (if applicable) as the term of the agreements is sufficient to ensure all the necessary services are duly performed during the contract term.

Taking into account (i) the scale of the Project; and (ii) it is reasonable and commercially justifiable for the term of each of the Building Construction Agreement and the Civil Engineering Agreement to cover the duration of the entire construction phase and the duration of the pavement maintenance follow-up services phase (if applicable) of section TJ01 and section TJ02 of the Project respectively, the Independent Financial Adviser is of the view that a term of longer than three years is necessary for each of the Building Construction Agreement and the Civil Engineering Agreement.

Whether a term exceeding three years is a normal business practice

Having considered the following principal factors and reasons, the Independent Financial Adviser considers that the contract period of over three years of Continuing Connected Transactions under each of the Building Construction Agreement and the Civil Engineering Agreement is necessary and it is normal business practice for agreements of such type to be of such duration.

The Independent Financial Adviser identified 11 listed issuers on the Main Board of the Stock Exchange which are principally engaged in operating expressways in the PRC. The Independent Financial Adviser has reviewed their announcements during the period of two years from August 10, 2022 to the date of this announcement and identified 9 transactions involving construction projects, supervision projects and/or maintenance projects related to expressway construction in the PRC (“**Comparable Transactions**”). The contract terms of the Comparable Transactions ranged from 12 months to 85 months, typically covered the entire duration of the construction phase of the projects and the relevant maintenance period. The Independent Financial Adviser noted that 7 out of the 9 Comparable Transactions had contract terms of over three years. The term of each of the Building Construction Agreement and the Civil Engineering Agreement, which is catered to cover the entire duration of the construction phase and the pavement maintenance follow-up services phase (if applicable) of section TJ01 and section TJ02 of the Project respectively, is therefore consistent with the observations from the Comparable Transactions.

On August 9, 2024, through public tender process, the Project Company and Jindong Branch entered into the construction agreement with an independent third party, namely China Communications Third Highway Engineering Co., Ltd.* (“**China Communications Third Highway**”), for section TJ03 of the Project. Pursuant to such construction agreement, China Communications Third Highway shall be responsible for the construction, completion, defect rectification, pavement maintenance regarding the building construction work and civil engineering work of section TJ03 of the Project with contract term of 39 months of construction period and 120 months of pavement maintenance period. As the contract term of the construction agreement entered into among the Project Company, Jindong Branch and an independent third party for section TJ03 of the Project is comparable to the contract term of each of the Building Construction Agreement and the Civil Engineering Agreement, the contract term offered by Jiaogong Underground Construction under the Building Construction Agreement and the contract term offered by Zhejiang Hongtu under the Civil Engineering Agreement are comparable to the contract term offered by the independent contractor.

The Independent Financial Adviser identified four expressway public tenders in relation to reconstruction and expansion projects in Zhejiang Province (“**Other Tenders**”) in recent 12 months from August 10, 2023 to the date of this announcement. As identified from the Other Tenders, (i) the respective construction periods of 43 and 39 months under each of the Building Construction Agreement and Civil Engineering Agreement are within the construction periods of the Other Tenders ranging from 12 months to 46 months; (ii) the defect liability period of 24 months under each of Building Construction Agreement and Civil Engineering Agreement is same as the defect liability period of Other Tenders; and (iii) the maintenance period of 120 months subsequent to the completion acceptance date under the Civil Engineering Agreement is in line with the pavement maintenance period (defect liability period of 24 months commencing from the completion acceptance date together with the 96 months of maintenance period commencing from the end of the defect liability period) of Other Tenders, and it is also in line with the target of no moderate repairment within 10 years implied under the Safe 100-year Quality Engineering Initiative.

The Independent Financial Adviser is of the view that the contract term for each of the Building Construction Agreement and the Civil Engineering Agreement of over three years is necessary given the construction of expressway is large scale infrastructure which takes years to complete. Besides, after taking into account (i) the contract terms of the Comparable Transactions, (ii) the contract term of the construction agreement entered into with the independent supplier for section TJ03 of the Project; and (iii) the contract terms of Other Tenders, the Independent Financial Adviser is of the view that it is normal business practice for the Building Construction Agreement and the Civil Engineering Agreement to be of such duration.

REASONS FOR AND BENEFITS OF ENTERING INTO THE BUILDING CONSTRUCTION AGREEMENT AND THE CIVIL ENGINEERING AGREEMENT

The transactions contemplated under the Building Construction Agreement and the Civil Engineering Agreement reflect the practical needs for the reconstruction and expansion of Ningbo-to-Jinhua section (Jinhua Section) of the Ningbo-Jinhua Expressway. By implementing the Project, it will enhance the road carrying capacity and travel experience, extend concession period of Ningbo-to-Jinhua section (Jinhua Section) of Ningbo-Jinhua Expressway, which facilitates sustainable development of core expressway businesses of the Group, while simultaneously bringing long-term stable returns to Shareholders.

As indirect non wholly-owned subsidiaries of Communications Group, Jiaogong Underground Construction and Zhejiang Hongtu fully understand the Group's business and operating needs and maintain effective communication to provide more quality services to the Group. Each of Jiaogong Underground Construction and Zhejiang Hongtu has the relevant qualifications and experience to provide the building construction and civil engineering services for the reconstruction and expansion of Ningbo-to-Jinhua section (Jinhua Section) of the Ningbo-Jinhua Expressway respectively.

In addition, the Group went through a tender process and obtained the relevant quotations from other independent service providers to select the service provider for the Project, during which Jiaogong Underground Construction and Zhejiang Hongtu won the respective tenders. The transactions contemplated under the Building Construction Agreement and the Civil Engineering Agreement are and will be conducted in the ordinary and usual course of business of the Group, and the consideration under each of the Building Construction Agreement and the Civil Engineering Agreement will not be higher than the average market price and will not be less favorable than those provided by other parties in the market for similar services. Given the above, the Directors (including the independent non-executive Directors) are of the view that the terms of each of the Building Construction Agreement and the Civil Engineering Agreement are on normal commercial terms, in the ordinary and usual course of business of the Group and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Project Company is a wholly-owned subsidiary of the Company established in the PRC. The principal business of the Project Company is expressway management and maintenance. Jindong Branch is the branch established by the Project Company in the PRC, principally engaged in construction management of the Project.

Jiaogong Underground Construction is a limited liability company established in the PRC and an indirect non wholly-owned subsidiary of Communications Group as at the date of this announcement. Jiaogong Underground Construction is principally engaged in construction services for building works, building decoration, environmental protection and municipal works.

Zhejiang Hongtu is a limited liability company established in the PRC and an indirect non wholly-owned subsidiary of Communications Group as at the date of this announcement. Zhejiang Hongtu is principally engaged in the business of providing construction and technical services for road, bridge and tunnel works, marketing and sale of construction materials, industrial and civil construction, repairing, maintaining and rent service for construction equipment, and investment in transportation construction.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Jiaogong Underground Construction and Zhejiang Hongtu are indirect non wholly-owned subsidiaries of Communications Group, the controlling shareholder of the Company. Accordingly, Jiaogong Underground Construction and Zhejiang Hongtu are connected persons of the Company and the transactions contemplated under the Building Construction Agreement and the Civil Engineering Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the highest annual cap for the transaction under the each of the Building Construction Agreement and Civil Engineering Agreement exceed 0.1% but less than 5%, the entering into each of the Building Construction Agreement and Civil Engineering Agreement is subject to the reporting, announcement and annual review requirements but are exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.52 of the Listing Rules, as the term of each of the Building Construction Agreement and the Civil Engineering Agreement exceeds three years, the Company has appointed the Independent Financial Adviser to explain why a term longer than three years is required and to confirm that it is a normal business practice for agreements of this type to be of such duration. The opinion of the Independent Financial Adviser is set out in the section headed "OPINIONS FROM THE INDEPENDENT FINANCIAL ADVISER" in this announcement.

Among the existing Directors, Mr. Yuan Yingjie, Mr. Fan Ye and Mr. Huang Jianzhang are deemed to have material interests in the Building Construction Agreement and the Civil Engineering Agreement as they are currently also employed by Communications Group and have abstained from voting on the relevant Board resolutions. Other than the Directors mentioned above, none of the existing Directors have a material interest in the transactions contemplated under Building Construction Agreement and the Civil Engineering Agreement, and none are required to abstain from voting on the relevant resolutions of the Board.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors of the Company
“Building Construction Agreement”	the building construction agreement for the building construction work of section TJ01 of the reconstruction and expansion of Ningbo-to-Jinhua section (Jinhua Section) of the Ningbo-Jinhua Expressway dated August 9, 2024 entered into between the Project Company, Jindong Branch, and, among others, Jiaogong Underground Construction
“Civil Engineering Agreement”	the civil engineering agreement for the civil engineering work and subsequent pavement maintenance work of section TJ02 of the reconstruction and expansion of Ningbo-to-Jinhua section (Jinhua Section) of the Ningbo-Jinhua Expressway dated August 9, 2024 entered into between the Project Company, Jindong Branch and, among others, Zhejiang Hongtu
“Chongqing Juneng Construction”	Chongqing Juneng Construction (Group) Co., Ltd.* (重慶巨能建設(集團)有限公司), a limited liability company established in PRC and an independent third party of the Group as at the date of this announcement
“Communications Group”	Zhejiang Communications Investment Group Co., Ltd.* (浙江省交通投資集團有限公司), a state-controlled enterprise established in the PRC on December 29, 2001 and the controlling shareholder of the Company
“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 H Shares are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guangxi Road & Bridge”	Guangxi Road & Bridge Engineering Group Co., Ltd.* (廣西路橋工程集團有限公司), a limited liability company established in PRC and an independent third party of the Group as at the date of this announcement
“H Shares”	the overseas listed foreign shares of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars since May 15, 1997
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Financial Adviser”	Lego Corporate Finance Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), which has been appointed as the independent financial adviser of the Company for the purpose of Rule 14A.52 of the Listing Rules in relation to the Building Construction Agreement and Civil Engineering Agreement
“Investment Agreement”	an agreement dated September 6, 2023 entered amongst the Company, Zhejiang Road and Transportation Management Centre* (浙江省公路與運輸管理中心) and Jinhua Road and Transportation Management Centre* (金華市公路與運輸管理中心) in respect of the investment and implementation of the Project

“Jiaogong Underground Construction”	Zhejiang Jiaogong Underground Construction Co., Ltd.* (浙江交工地下工程有限公司), a limited liability company established in the PRC and an indirect non wholly-owned subsidiary of Communications Group as at the date of this announcement
“Jindong Branch”	Zhejiang Jinhua Yongjin Expressway Co., Ltd., Jindong Branch* (浙江金華甬金高速公路有限公司金東分公司), one of the branches of the Project Company, being the construction command center for the Project
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“percentage ratio”	has the meaning ascribed to it under Rule 14.04(9) of the Listing Rules
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Project”	the reconstruction and expansion of Ningbo-to-Jinhua section (Jinhua Section) of the Ningbo-Jinhua Expressway
“Project Company”	Zhejiang Jinhua Yongjin Expressway Co., Ltd.* (浙江金華甬金高速公路有限公司), a wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

“Zhejiang Hongtu”

Zhejiang Jiaogong Hongtu Transportation Construction Co., Ltd.* (浙江交工宏途交通建設有限公司), a limited liability company established in the PRC and an indirect non wholly-owned subsidiary of Communications Group as at the date of this announcement

“%”

per cent

* *For identifications only.*

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

Hangzhou, the PRC, August 9, 2024

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. YU Mingyuan.