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江蘇寧滬高速公路股份有限公司
JIANGSU EXPRESSWAY COMPANY LIMITED

(Established in the People's Republic of China as a joint-stock limited company)

(Stock Code: 00177)

**ANNOUNCEMENT ON ORDINARY RELATED PARTY/
CONTINUING CONNECTED TRANSACTION**

On 17 November 2023, Guangjing Xicheng Company, a subsidiary of the Company, entered into a maintenance and construction project agreement with Xiandai R&B Company in respect of the quality improvement, upgrading and renovation of the guardrail of Guangjing Xicheng Expressway. The term of the agreement is from 1 December 2023 to 31 December 2023, and the transaction amount shall not exceed RMB40 million.

Since Xiandai R&B Company (the counterparty in the transaction) and the Company are under the common control by Jiangsu Communications Holding, such transaction constitutes a related party transaction under the Shanghai Listing Rules. As the total amount of relevant expenses relating to the related party transaction with Xiandai R&B Company accounts for less than 0.5% of the audited absolute value of the net assets of the Company in the latest period, the transaction is not subject to any disclosure requirements.

Pursuant to Rule 14A.07(1) of the Hong Kong Listing Rules, Jiangsu Communications Holding, the controlling shareholder of the Company, is a connected person of the Company. As Xiandai R&B Company is a company directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, Xiandai R&B Company is a connected person of the Company under Rules 14A.07(4) and 14A.13 of the Hong Kong Listing Rules. Accordingly, the entering into of the agreement and the transaction thereunder between the Company and Xiandai R&B Company in respect of the above maintenance and construction project constitute a continuing connected transaction of the Company.

As the revenue ratio calculated in accordance with Rule 14.07 of the Hong Kong Listing Rules in respect of the annual caps (the above transaction shall be aggregated with previously announced transactions in accordance with Rule 14A.81 of the Hong Kong Listing Rules) for the continuing connected transaction exceeds 0.1% but is less than 5%, such transaction is only subject to the announcement requirement but is exempt from the independent shareholders' approval requirement in general meeting under Rule 14A.76(2)(a) of the Hong Kong Listing Rules. The above transaction shall also be subject to the annual review requirements under Rule 14A.55 to Rule 14A.59 of the Hong Kong Listing Rules.

IMPORTANT NOTICE:

- The ordinary related party/continuing connected transaction is not subject to approval in general meeting.
- The directors (including independent non-executive directors) of the Company are of the view that the transaction is conducted in the ordinary and usual course of business of the Company, is on normal commercial terms, and the price of the transaction is fair and reasonable. The revenue and profit of the Company are not dependent on such type of related party/connected transaction and such transaction does not affect the independence of the Company as a listed company or impose any negative effects on or prejudice the interests of the Company and unrelated/unconnected shareholders, especially the interest of the minority shareholders, and is in the interests of the Company and its shareholders as a whole.
- Other matters that need to be brought to the attention of the investors: None.

I. BASIC INFORMATION ON THE ORDINARY RELATED PARTY/CONTINUING CONNECTED TRANSACTION

(I) Procedures on the consideration of ordinary related party/continuing connected transaction

The twenty-second meeting of the tenth session of the board of directors of Jiangsu Expressway Company Limited (the “**Company**”) held on 17 November 2023 considered and approved that Jiangsu Guangjing Xicheng Expressway Company Limited (“**Guangjing Xicheng Company**”), a subsidiary of the Company, carried out ordinary related party/continuing connected transaction with Jiangsu Sundian Road & Bridge Co., Ltd. (“**Xiandai R&B Company**”) in respect of the quality improvement,

upgrading and renovation of guardrails of the northern connection of Jiangyin Yangtze Bridge (Guangling-Jingjiang Section) and southern connection of Jiangyin Yangtze Bridge (Jiangyin-Wuxi Section) (collectively, the “**Guangjing Xicheng Expressway**”) operated by it. On 17 November 2023, Guangjing Xicheng Company, a subsidiary of the Company, entered into a maintenance and construction project agreement with Xiandai R&B Company, pursuant to which Xiandai R&B Company was entrusted to upgrade and renovate the mid-road and roadside guardrails on the southbound lanes of the Guangjing Xicheng Expressway, in order to improve the protection level of the guardrails. The term of the agreement is from 1 December 2023 to 31 December 2023, and the transaction amount shall not exceed RMB40 million.

Mr. Xu Haibei and Mr. Wang Yingjian, being related/connected directors of the Company (both being employees of Jiangsu Communications Holding Company Limited (“**Jiangsu Communications Holding**”), the controlling shareholder of the Company), have abstained from voting on the resolution. All the remaining directors have voted in favour of the resolution and are of the view that the transaction is conducted in the ordinary and usual course of business of the Company, are on normal commercial terms, the terms of the transaction is fair and reasonable, and is in the interests of the shareholders as a whole.

The five independent directors of the Company have conducted a prior review on the ordinary related party transaction and issued their independent opinions on the ordinary related party transaction in accordance with the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (the “**Shanghai Listing Rules**”). The Audit Committee of the Company has reviewed the related party/connected transaction and agreed to submit the same to the board of directors for consideration.

Since Xiandai R&B Company (the counterparty in the transaction) and the Company are under the common control by Jiangsu Communications Holding, such transaction constitutes a related party transaction under the Shanghai Listing Rules. As the total amount of relevant expenses accounts for less than 0.5% of the audited absolute value of the net assets of the Company in the latest period, the transaction is not subject to any disclosure requirements.

Pursuant to Rule 14A.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), as a company directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, Xiandai R&B Company is a connected person of the Company under Hong Kong Listing Rules. Accordingly, the entering into of the agreement and the transaction thereunder between the Company and Xiandai R&B Company in respect of the above maintenance and construction project constitute a continuing connected transaction of the Company.

As the revenue ratio calculated in accordance with Rule 14.07 of the Hong Kong Listing Rules in respect of the annual caps (the above transaction shall be aggregated with the previously announced transactions in accordance with Rule 14A.81 of the Hong Kong Listing Rules) for the continuing connected transaction exceeds 0.1% but is less than 5%, such transaction is only subject to the announcement requirement but is exempt from the independent shareholders’ approval requirement in general meeting under Rule 14A.76(2)(a) of the Hong Kong Listing Rules. The above transaction shall also be subject to the annual review requirements under Rule 14A.55 to Rule 14A.59 of the Hong Kong Listing Rules.

The related party transaction is not subject to approval by any other authorities.

(II) Estimated Amount and Category of Ordinary Related Party/Continuing Connected Transaction

Category of transaction	Related party /connected person	2023	2023	Estimated increase in 2023 (0,000)	2023
		original estimated amount (0,000)	accumulated amount as at the date of announcement (0,000)		current estimated amount (0,000)
Maintenance and construction project	Xiandai R&B Company (as service provider)	1,065	805	4,000	5,065

II. INFORMATION ON AND RELATED/CONNECTED RELATIONSHIP WITH RELATED PARTIES/CONNECTED PERSONS

(I) Basic Information on the Related Parties/Connected Persons

Jiangsu Expressway Company Limited

Registered office:	No. 6 Xianlin Avenue, Nanjing, Jiangsu Province, the PRC
Business nature:	Joint-stock limited company
Legal representative:	Chen Yunjiang
Registered capital:	RMB5,037,747,500
Principal business:	Construction, management, maintenance and toll collection of toll roads and expressways in Jiangsu Province
Total assets at the end of the latest accounting period (2022):	RMB78,458,345,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)
Net assets at the end of the latest accounting period (2022):	RMB37,950,332,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)
Revenue from operations for the latest accounting period (2022):	RMB13,255,603,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)
Net profit for the latest accounting period (2022):	RMB3,747,989,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)

Jiangsu Sundian Road & Bridge Co., Ltd.

Registered office:	No. 2 Xianlin Avenue, Maqun Street, Qixia District, Nanjing
Business nature:	Limited liability company
Legal representative:	Yuan Shouguo
Registered capital:	RMB129,050,000
Shareholders (shareholding percentage):	Jiangsu Communications Holding Company Limited* (25%) Jiangsu Expressway Company Limited (15%) Jiangsu Yanjiang Expressway Co., Ltd.* (15%) (Note 1) Jiangsu Guangjing Xicheng Expressway Company Limited* (7.5%) (Note 2) Jiangsu Sutong Bridge Company Limited* (7.5%) (Note 3) Jiangsu Yangtze Bridge Co., Ltd.* (7.5%) (Note 4) Jiangsu Runyang Bridge Development Co., Ltd.* (7.5%) (Note 5) Jiangsu Taizhou Bridge Co., Ltd. (7.5%) (Note 6) Jiangsu Ninghang Expressway Co., Ltd.* (7.5%) (Note 7)

Principal business:	Bridge engineering, highway engineering, design, construction, maintenance and technical services of tunnel construction, railway engineering, municipal engineering, green engineering, landscape engineering, transportation engineering, construction engineering; testing services; engineering supervision; sales and technical research and development of new materials and road maintenance equipment; research and development and sales of building materials; general cargo storage services; lease, sales and technical services of construction machinery and equipment; design, production, agency and release of various domestic advertisements; advertising engineering construction; information technology development and services
Total assets at the end of the latest accounting period (2022):	RMB1,788,412,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)
Net assets at the end of the latest accounting period (2022):	RMB989,779,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)
Revenue from operations for the latest accounting period (2022):	RMB1,874,585,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)
Net profit for the latest accounting period (2022):	RMB246,562,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)

Jiangsu Guangjing Xicheng Expressway Company Limited

Registered office:	No. 6 Xianlin Avenue, Nanjing, Jiangsu Province, the PRC
Business nature:	Limited liability company
Legal representative:	Lou Jun
Registered capital:	RMB2,500,000,000
Shareholders (shareholding percentage):	Jiangsu Expressway Company Limited (85%) China Merchants Expressway Network & Technology Holdings Co., Ltd. (15%) (Note 8)
Principal business:	Construction, management, maintenance and toll collection of expressways
Total assets at the end of the latest accounting period (2022):	RMB15,300,614,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)
Net assets at the end of the latest accounting period (2022):	RMB8,443,024,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)
Revenue from operations for the latest accounting period (2022):	RMB1,967,808,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)
Net profit for the latest accounting period (2022):	RMB748,619,000 (in accordance with the Accounting Standards for Business Enterprises of the PRC)

- Note 1:* The ultimate beneficial owners include: Jiangsu Communications Holding Company Limited (55.46%), Jiangsu Guangjing Xicheng Expressway Company Limited (see Note 2 above), Suzhou Yanjiang Expressway Company Limited (8.91%) (its ultimate beneficial owners include Changshu State-owned Assets Supervision and Administration Office (36.66%), the State-owned Assets Supervision and Administration Commission of Suzhou People's Government (24.71%), Zhangjiagang City Public Assets Management Committee (17.90%), China Life Soochow (Suzhou) Urban Industrial Investment Enterprise (Limited Partnership) (1.45%) (whose executive partner is Soochow Venture Capital Co., Ltd.)), the State-owned Assets Supervision and Administration Office of Taicang People's Government (19.35%), Zhangjiagang City Public Assets Management Committee (6.25%), Suzhou Taicang Port Shugang Expressway Limited Company (2.48%) (its ultimate beneficial owners include the State-owned Assets Supervision and Administration Office of Taicang People's Government (38.87%), the State-owned Assets Supervision and Administration Commission of Suzhou People's Government (33.33%), and the State-owned Assets Supervision and Administration Office of Kunshan People's Government (5.54%), Jiangsu Communications Holding Company Limited (4.51%), the State-owned Assets Supervision and Administration Commission of Lianyungang People's Government (4.12%)), and the State-owned Assets Supervision and Administration Commission of Changzhou People's Government (1.58%). Based on publicly available information, there are no other persons holding more than 1% interests in the company.
- Note 2:* The Company's 85%-owned subsidiary, the ultimate beneficial owner of the remaining 15% is China Merchants Highway Network & Technology Holdings Co., Ltd. (Shenzhen Stock Exchange stock code: 001965).
- Note 3:* The ultimate beneficial owners are: Jiangsu Communications Holding Company Limited (46.54%), Rudong County Investment Management Office (8.31%), the State-owned Assets Supervision and Management Committee of Nantong People's Government (20.09%) and the State-owned Assets Management Committee of Suzhou People's Government (15.1%). Based on publicly available information, there are no other persons holding more than 3% interests in the company.
- Note 4:* The ultimate beneficial owners include: Jiangsu Communications Holding Company Limited (47.78%), Jiangsu Expressway Company Limited (26.66%), China Merchants Expressway Network & Technology Holdings Co., Ltd. (21.64%) (see Note 8), Jiangyin Bridge United Investment Co., Ltd.* (江陰大橋聯合投資有限公司) (3.59%) (see Note 9) and Jingjiang Economic Technology Development General Company*(0.33%) (see Note 10).
- Note 5:* The ultimate beneficial owner: Jiangsu Communications Holding Company Limited.
- Note 6:* The ultimate beneficial owners: Jiangsu Communications Holding Company Limited (75.93%) and Taizhou Municipal People's Government (13.02%). Based on publicly available information, there are no other persons holding more than 3% interests in the company.

Note 7: The ultimate beneficial owners are the State-owned Assets Supervision and Administration Commission of Jiangsu Province (79.99%), Nanjing State-owned Assets Supervision and Administration Commission (10%), the State-owned Assets Supervision and Administration Commission of Changzhou People's Government (7.82%) and the State-owned Assets Supervision and Administration Commission of Wuxi People's Government (2.19%).

Note 8: The ultimate beneficial owner: a company listed on the Shenzhen Stock Exchange with stock code 001965.

Note 9: The ultimate beneficial owners: Labour Union Committee of Jiangyin New Guolian Group Co., Ltd. (98.4142%) and the State-owned Assets Supervision and Administration Office of Jiangyin People's Government (1.5858%).

Note 10: Information on relevant authority: Jingjiang Economic and Technological Development Zone Management Committee (100%).

* *For identification purpose only*

(II) Related/Connected Relationship with the Listed Company

Jiangsu Communications Holding, the controlling shareholder of the Company, is the actual controller of Xiandai R&B Company, as such, Xiandai R&B Company is a related party of the Company and the relevant transaction constitutes a related party transaction under Rule 6.3.3 of the Shanghai Listing Rules.

According to Rule 14A.07(1) of the Hong Kong Listing Rules, Jiangsu Communications Holding, the controlling shareholder of the Company, is a connected person of the Company. As a company directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, Xiandai R&B Company is a connected person of the Company under Rules 14A.07(4) and 14A.13 of the Hong Kong Listing Rules.

(III) Implementation of Related Party/Connected Transactions of the Same Type in the Previous Period and Performance Capability Analysis

As Xiandai R&B Company and the Company are subsidiaries of the same controlling shareholder, the previous agreements entered into have been effectively implemented without any breach. Therefore, the Company considers that there is no risk of non-performance of the agreement for this related party/connected transaction.

III. MAIN CONTENT AND PRICING POLICY OF RELATED PARTY/CONNECTED TRANSACTION

1. Maintenance and Construction Services

Guangjing Xicheng Company, a subsidiary of the Company, intends to upgrade and renovate the mid-road and roadside guardrails on the southbound lanes of the Guangjing Xicheng Expressway, with a length of approximately 59 kilometers, in order to improve the protection level of the guardrails, and realize the quality improvement and upgrading of the traffic safety facilities. Upon consideration and approval by the board of directors, on 17 November 2023, Guangjing Xicheng Company entered into a related party transaction agreement with Xiandai R&B Company for the provision of maintenance and construction services to Guangjing Xicheng Company by Xiandai R&B Company for a term commencing from 1 December 2023 to 31 December 2023, and the transaction amount shall not exceed RMB40 million.

The pricing for maintenance and construction services is determined through audits before bidding, i.e. third parties auditors who are independent of the Company and its related parties/connected persons and qualified in costing are entrusted to prepare the control prices. The third parties took national laws, regulations and budget quotas as the basis for the audit process, and review, double-check and conduct market inquiry in light of actual circumstances to ensure the fairness of the pricing of the transaction. The fees under the agreement will be financed by Guangjing Xicheng Company with its own funds or financing funds eligible for the purpose of funds after receiving the relevant services.

IV. PURPOSE OF THE RELATED PARTY/CONNECTED TRANSACTION AND ITS EFFECTS ON THE LISTED COMPANY

The transaction falls within the ordinary business contracts of the Company. The price of the contract is determined with reference to the fair price on the market, the transaction does not impair the interests of the Company, nor does it involve any transfer of benefits to the internal related/connected persons of the Group. By leveraging on synergies derived from the businesses of the internal related/connected companies of the Group, the Company can further save management costs and improve its management efficiency to ensure effective operation of principal businesses. The income and profit of the Company are not dependent on such related party/connected transaction and hence the independence of the Company as a listed company will not be impaired. The related party/connected transaction does not have any adverse impacts on the Company.

The directors (including independent non-executive directors) of the Company are of the view that the above transaction is conducted in the ordinary and usual course of business of the Company, on normal commercial terms and the terms of the transaction are fair and reasonable. The income and profit of the Company are not dependent on such transaction and as such, the independence of the Company as a listed company will not be impaired. The transaction does not have any adverse impacts on the Company and will not impair the interests of the Company and its unrelated/unconnected shareholders, especially the interests of the minority shareholders, and are in the interests of the Company and its shareholders as a whole.

By Order of the Board
Yao Yongjia
Company Secretary

Nanjing, the PRC, 18 November 2023

As at the date of this announcement, the Directors of the Company are:

Chen Yunjiang, Xu Haibei, Wang Yingjian, Wang Feng, Yao Yongjia, Wu Xinhua, Li Xiaoyan, Ma Chung Lai, Lawrence, Zhou Shudong, Liu Xiaoxing*, Yu Mingyuan*, Xu Guanghua*, Ge Yang**

* *Independent Non-executive Directors*