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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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold all your shares in Jiangsu Expressway Company Limited, you should at once hand this circular and the accompanying form of proxy and confirmation slip to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser.

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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)

**(1) CONTINUING CONNECTED TRANSACTION AND
DISCLOSEABLE TRANSACTION IN RESPECT OF LENDING TO
A SUBSIDIARY,
(2) PROPOSED ISSUANCE OF ULTRA-SHORT-TERM NOTES,
(3) ELECTION OF EXECUTIVE DIRECTOR AND SUPERVISOR
AND
(4) NOTICE OF 2016 ANNUAL GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**

BALLAS
C A P I T A L

A letter from the Board is set out on pages 1 to 14 of this circular and a letter from the Independent Board Committee is set out on page 15 of this circular. A letter from Ballas Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders in relation to the terms of the Transaction is set out on pages 16 to 24 of this circular.

A notice convening the 2016 Annual General Meeting to be held at the Conference Room, 6 Xianlin Avenue, Nanjing, the P.R.C. on Thursday, 22 June 2017 at 3:00 p.m. is set out on pages N-1 to N-7 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company or in case of holders of H shares of the Company, to Hong Kong Registrars Limited, the registrar of H shares of the Company, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and, in any event, not less than 24 hours before the time appointed for the holding of the Annual General Meeting (being no later than 3:00 p.m. on 21 June 2017 (Hong Kong/Beijing time)). Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish, in which case you will be deemed to have withdrawn the proxy you have appointed.

5 May 2017

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LETTER FROM THE BOARD



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)

Directors:

Chang Qing
Gu Dejun
Du Wenyi
Wu Xinhua
Hu Yu
Ma Chung Lai, Lawrence
Zhang Erzhen*
Zhang Zhuting*
Chen Liang*
Lin Hui*

Registered Office:

6 Xianlin Avenue
Qixia District
Nanjing
Jiangsu Province
PRC

* *Independent non-executive Directors*

5 May 2017

To shareholders of the Company

Dear Sir or Madam,

**(1) CONTINUING CONNECTED TRANSACTION AND
DISCLOSEABLE TRANSACTION IN RESPECT OF LENDING TO
A SUBSIDIARY,
(2) PROPOSED ISSUANCE OF ULTRA-SHORT-TERM NOTES,
(3) ELECTION OF EXECUTIVE DIRECTOR AND SUPERVISOR
AND
(4) NOTICE OF 2016 ANNUAL GENERAL MEETING**

A. INTRODUCTION

The board (the “**Board**”) of directors (the “**Directors**”) of Jiangsu Expressway Company Limited (the “**Company**”) announced on 27 March 2017 that it has resolved to approve the Company’s following proposals:

LETTER FROM THE BOARD

- (i) to issue ultra-short-term notes of not more than RMB5 billion within one year from the date of the 2016 annual general meeting (the “**AGM**”);
- (ii) to lend up to RMB2 billion from the funds raised by the issuance of ultra-short-term notes to Jiangsu Guangjing Xicheng Expressway Company Limited (“**Guangjing Xicheng Company**”), an 85%-owned subsidiary of the Company, at any time during the 3-year period commencing from the date of approval by shareholders at the AGM, at an interest rate equal to the prevailing interest rate of the ultra-short-term notes to be issued by the Company (the “**Transaction**”); and
- (iii) to submit the above proposals (i) and (ii) to the AGM for consideration and approval.

Reference is also made to the announcements of the Company dated 29 April 2017, according to which, the Board proposed the appointment of Mr. Yao Yongjia as an executive Director and the supervisory committee (the “**Supervisory Committee**”) of the Company proposed the appointment of Mr. Chen Zhongyang as a supervisor (“**Supervisor**”).

The purpose of this circular is to provide, among other things, (i) details of the proposed continuing connected transaction and discloseable transaction in respect of lending to Guangjing Xicheng Company; (ii) details of the proposed issuance of ultra-short-term notes; (iii) information on the proposed appointment of the executive Director and Supervisor; and (iv) notice of the AGM, in accordance with The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Hong Kong Listing Rules**”).

B. SUMMARY OF THE CONTINUING CONNECTED TRANSACTION AND DISCLOSEABLE TRANSACTION

1. Main contents of the Transaction

Reference is made to the announcement of the Company dated 27 March 2017 regarding the continuing connected transaction and discloseable transaction in respect of lending to a subsidiary. According to the announcement, the Board announced that at the fourteenth meeting of the eighth session of the Board held on 24 March 2017, it had considered and approved the signing of a loan agreement between the Company and Guangjing Xicheng Company. The Company will lend up to RMB2 billion (inclusive of interest receivable from Guangjing Xicheng Company and other relevant expenses) from the funds raised by the issuance of ultra-short-term notes to Guangjing Xicheng Company at any time during the 3-year period commencing from the date of approval by shareholders at the AGM. The interest rate will be equal to the prevailing interest rate of the ultra-short-term notes to be issued by the Company. Repayment of the principal and the related interest expenses are to be borne by Guangjing Xicheng Company. Drawdowns of the loan will depend on the funding needs of Guangjing Xicheng Company and the timing of the Company’s issuance of ultra-short-term notes.

LETTER FROM THE BOARD

2. The Transaction is a continuing connected transaction and discloseable transaction

Given that China Merchants Expressway Network & Technology Holdings Co., Ltd. (“**China Merchants Expressway**”), the second largest shareholder of the Company holding 11.69% of equity interests in the Company, is entitled to exercise 15% of the voting right in Guangjing Xicheng Company, pursuant to Rule 14A.07 of the Hong Kong Listing Rules, Guangjing Xicheng Company is a connected person of the Company; and pursuant to the Listing Rules of the Shanghai Stock Exchange (the “**Shanghai Listing Rules**”), Guangjing Xicheng Company is a related person of the Company based on the prudence principle. According to the Hong Kong Listing Rules, the Transaction constitutes a continuing connected transaction of the Company. According to the Shanghai Listing Rules, the Transaction is disclosed in accordance with the prudence principle for related transactions.

Pursuant to Rule 14.07 of the Hong Kong Listing Rules, the Transaction is also a discloseable transaction of the Company as the applicable percentage ratios are more than 5% but less than 25%. The Transaction is subject to the requirements for reporting, announcement, circular and independent shareholders’ approval under chapters 14 and 14A of the Hong Kong Listing Rules.

The Transaction is not subject to the approval of any other authority.

3. Information of the Company and Guangjing Xicheng Company

Jiangsu Expressway Company Limited

Address:	No. 6 Xianlin Avenue, Nanjing City, Jiangsu Province, PRC
Corporate form:	joint-stock limited company
Legal representative:	Chang Qing
Registered capital:	RMB5,037,747,000
Principal businesses:	construction, management, maintenance and charging of fees of toll roads and expressways in Jiangsu Province
Total assets at the end of the most recent accounting year (2016):	RMB36,282,574,000 (calculated in accordance with the enterprise accounting standard of PRC)
Net assets at the end of the most recent accounting year (2016):	RMB22,941,857,000 (calculated in accordance with the enterprise accounting standard of PRC)

LETTER FROM THE BOARD

Revenue from principal businesses in the most recent accounting year (2016):	RMB9,201,297,000 (calculated in accordance with the enterprise accounting standard of PRC)
Net profit in the most recent accounting year (2016):	RMB3,437,138,000 (calculated in accordance with the enterprise accounting standard of PRC)

Jiangsu Guangjing Xicheng Expressway Company Limited

Address:	No. 6 Xianlin Avenue, Nanjing City, Jiangsu Province, PRC
Corporate form:	limited liability company
Legal representative:	Yang Fei
Registered capital:	RMB2,500,000,000
Principal businesses:	construction, management, maintenance and charging of fees of expressways
Total assets at the end of the most recent accounting year (2016):	RMB6,041,700,000 (calculated in accordance with the accounting standard of PRC)
Net assets at the end of the most recent accounting year (2016):	RMB3,686,093,000 (calculated in accordance with the accounting standard of PRC)
Revenue from principal businesses in the most recent accounting year (2016):	RMB1,180,275,000 (calculated in accordance with the accounting standard of PRC)
Net profit in the most recent accounting year (2016):	RMB607,142,000 (calculated in accordance with the accounting standard of PRC)

LETTER FROM THE BOARD

4. The main contents and pricing policies of the Transaction

To replenish the working capital of Guangjing Xicheng Company, enhance efficiency of its funding and effectively lower the cost of its funding, the Board of the Company agreed to lend up to RMB2 billion from the funds raised by the issuance of ultra-short-term notes to Guangjing Xicheng Company at any time during the 3-year period commencing from the date of approval by shareholders at the AGM. The annual balance for each of the three years and the balance at any time during the 3-year period owed to the Company will not exceed RMB2 billion (inclusive of interest receivable from Guangjing Xicheng Company and other relevant expenses). As such, the annual caps for 2017, 2018, 2019 and 2020 will be RMB2 billion. Drawdowns of the loan will depend on the funding needs of Guangjing Xicheng Company and the timing of the Company's issuance of ultra-short-term notes. The lending period of each drawdown will be the same as the tenure of the ultra-short-term notes and the repayment by Guangjing Xicheng Company will be used to repay the holders of the ultra-short-term notes. The last repayment date will fall within the above mentioned 3-year period.

The rate of interest payable by Guangjing Xicheng Company to the Company will be equal to the prevailing interest rate of the ultra-short-term notes to be issued by the Company. Repayment of the principal and related interest expense are to be borne by Guangjing Xicheng Company and shall be paid on the maturity date of the relevant ultra-short-term notes to be issued by the Company out of the internal resources of Guangjing Xicheng Company. Based on the interest rate of the ultra-short-term notes recently issued by the Company and taking into account of potential increase in lending rate, it is expected that the annual interest expenses of Guangjing Xicheng Company will not exceed RMB100 million for each of the three years.

LETTER FROM THE BOARD

Estimated amount and category of the Transaction

RMB ten thousand

Category of connected transaction	Connected person	Estimated amount in 2017	Percentage in the same type of continuing connected transaction (%)	Cumulated actual amount of transaction with the connected person from the beginning of 2017 up to the date of disclosure	Actual amount in 2016	Percentage in the same type of business (%)	The reason for major difference between the estimated amount of the current transaction and actual amount of last year
Lending to a connected person	Guangjing Xicheng Company	200,000	100	0	0	0	N/A

5. Purpose of the continuing connected transaction and its effects on the Company

- (i) Purpose and reasons of the Transaction: To replenish the working capital of Guangjing Xicheng Company, to meet its funding needs in ordinary course of business (including to fulfil payment obligations of certain of Guangjing Xicheng Company's capital commitment in respect of new toll road projects as more particularly set out below), and to adjust its existing liabilities structure.
- (ii) Effects on the Company: The loan interest rate shall be the prevailing interest rate of the ultra-short-term notes to be issued by the Company. The lending period of each drawdown will be the same as the tenure of the ultra-short-term notes and the repayment by Guangjing Xicheng Company will be used by the Company to repay the holders of the ultra-short-term notes. The loan will not cause any negative impact on the Company's current and future financial status and operation results.

LETTER FROM THE BOARD

- (iii) It is expected that Guangjing Xicheng Company's toll road project capital commitment from 2017 up to 31 December 2020 would be RMB3.821 billion, of which RMB912 million is for the construction of the Changzhou-Yixing Expressway; RMB909 million is for the construction of the Jiangsu section of Yixing to Changxing Expressway; and RMB2 billion is for the expansion construction of Northern Wuxi-Yixing West Dock Hub Expressway. The relevant capital will be contributed between 2017 and 2020 according to the progress of the projects and for which the capital requirement is expected not to exceed RMB1.5 billion each year.

Given (i) the audited income of over RMB1 billion and the audited net profit of RMB600 million of Guangjing Xicheng Company for the year ended 31 December 2016, (ii) the spread out of the above capital payment schedule and (iii) the availability of loan facility which Guangjing Xicheng Company may obtain from licensed bank in the PRC, it is expected that Guangjing Xicheng Company is in a position to fulfil its above capital commitment when due and the repayment under the loan agreement.

6. Analysis of the ability of the connected person to perform the agreement

For the reasons set out in the preceding paragraph 5 and given that Guangjing Xicheng Company is a subsidiary of the Company, which financial statements are consolidated with the Company's financial statements, the Company considers that there will be no risk of non-performance associated with the signing of the loan agreement. The entering of the loan agreement allows the Company, being a majority 85% shareholder of Guangjing Xicheng Company which manages and controls its operations, to provide the necessary funding to Guangjing Xicheng Company in accordance with the overall development of the Company and its subsidiaries (collectively, the "Group").

7. The approval procedures for the Transaction

On 24 March 2017, the Transaction was considered and approved at the fourteenth meeting of the eighth session of the Board.

The four independent non-executive Directors of the Company have conducted prior assessment on the Transaction, and have issued an opinion on the ordinary related transaction pursuant to the Shanghai Listing Rules. The audit committee of the Company has assessed and approved the Transaction and agreed to submit such matter to the Board for consideration.

LETTER FROM THE BOARD

As Mr. Wu Xinhua and Ms. Hu Yu, non-executive Directors of the Company, were employees of China Merchants Expressway, they were interested Directors for the Transaction and had therefore abstained from voting on the resolution of the Transaction at the fourteenth meeting of the eighth session of the Board. All the remaining nine Directors, including the independent non-executive Directors, voted in favour of the Transaction. The Directors are of the view that the Transaction is conducted in the ordinary and usual course of business of the Group on normal commercial terms which are fair and reasonable, and is in the interest of the Company and its shareholders as a whole.

At the AGM, any shareholder with a material interest in the Transaction (namely, China Merchants Expressway) and its associates will not vote on the resolution of the Transaction. Save for China Merchants Expressway, which, as at 27 April 2017, being the latest practicable date for ascertaining certain information in this circular prior to its publication (the “**Latest Practicable Date**”), held 589,059,077 shares of the Company (representing 11.69% of the issued shares of the Company), no other shareholder has to abstain from voting on the relevant resolution at the AGM.

8. Recommendation

Having considered the reasons set out in this circular, the Directors, including the independent non-executive Directors (having considered the advice of the Independent Financial Adviser), are of the opinion that the Transaction is conducted in the ordinary and usual course of business of the Group on normal commercial terms which are fair and reasonable, and is in the interest of the Company and its shareholders as a whole. Accordingly, the Directors recommend independent shareholders (being shareholders of the Company excluding China Merchants Expressway and its associates) (the “**Independent Shareholders**”) to vote in favour of the relevant resolution.

An independent board committee comprising the independent non-executive Directors (namely, Mr. Zhang Erzhen, Mr. Zhang Zhuting, Mr. Chen Liang and Mr. Lin Hui) (the “**Independent Board Committee**”) has been appointed to consider the Transaction. Ballas Capital Limited has been appointed as the independent financial adviser (the “**Independent Financial Adviser**”) to advise the Independent Board Committee and Independent Shareholders on the fairness and reasonableness of the terms of the Transaction. Your attention is drawn to (i) the letter of advice from the Independent Board Committee to Independent Shareholders in this circular; (ii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and Independent Shareholders on the terms of the Transaction in this circular; and (iii) other additional information set out in other parts of this circular.

LETTER FROM THE BOARD

C. ISSUANCE OF ULTRA-SHORT-TERM NOTES

On 27 March 2017, the Board announced that it has resolved to approve the proposed issuance of ultra-short-term notes by the Company (the “**Issuance**”).

Major terms of the Issuance are set out below:

Total amount raised:	not more than RMB5 billion
Terms of maturity:	not more than 270 days from the date of issue
Interest rate:	prevailing market rate of ultra-short-term notes of similar maturity
Underwriting expenses:	not more than approximately 0.4% of the issue price
Target investors:	domestic institutional investors participating in the inter-bank bond market of the PRC
Trading market:	inter-bank bond market of the PRC
Conditions:	(i) approval by the Company’s shareholders at the AGM; and (ii) entering into of an underwriting agreement on terms to the satisfaction of the Board
Use of proceeds:	as working capital of the Company (with a view to improving the financing structure and reducing the costs of financing of the Company) and for on-lending to Guangjing Xicheng Company (as set out in Section B. SUMMARY OF THE CONTINUING CONNECTED TRANSACTION AND DISCLOSEABLE TRANSACTION above)
Expected date of issuance:	within one year from the date of the AGM at which the resolution to issue the ultra-short-term notes is passed, and to issue on a rolling basis within the effective period of registration with reference to the working capital needs of the Company and the funding needs of Guangjing Xicheng Company

LETTER FROM THE BOARD

Repayment: in relation to issuance of ultra-short-term notes for the purpose of lending to Guangjing Xicheng Company under the Transaction, the Company will use the repayment by Guangjing Xicheng Company to repay the holders of the ultra-short-term notes; and in relation to other issuance of ultra-short-term notes, the Company will use its internal resources to repay the holders of the ultra-short-term notes

The Issuance is a means of ultra-short-term fund raising. Given that the interest rates applicable to such financial instruments are lower than those of short-term bank loans, the Board is of the view that approval for the Issuance is in the interests of the Company and its shareholders as a whole.

In view of the ever changing market conditions, it is proposed that Mr. Gu Dejun, a Director, be authorised to determine the relevant matters in respect of the Issuance according to market conditions and needs of the Company, including the final amount to be issued, date of issuance, manner of issue, terms of maturity, interest rate, etc., to conduct the relevant procedures and to implement the Issuance.

D. ELECTION OF EXECUTIVE DIRECTOR AND SUPERVISOR

Reference is made to the announcements of the Company dated 29 April 2017, according to which, the Board proposed the appointment of Mr. Yao Yongjia as an executive Director and the Supervisory Committee proposed the appointment of Mr. Chen Zhongyang as a Supervisor.

Please refer to Appendix I for personal information of the executive Director and Supervisor candidates.

In accordance with the Company Law and the articles of association of the Company, the tenure of the new executive Director and Supervisor will commence on the date of the AGM and will expire on the date of the annual general meeting to be convened for the year 2017. The Company will enter into a service contract and an appointment letter with the executive Director and Supervisor, respectively. Mr. Yao will not receive from the Company any Director's remuneration. It is disclosed in the Company's 2016 annual report that Mr. Yao's remuneration before tax as the Company's deputy general manager, secretary to the Board and Hong Kong company secretary in 2016 was RMB522,377. Mr. Chen will not receive from the Company remuneration as a Supervisor.

LETTER FROM THE BOARD

E. BOOK CLOSURE FOR H SHARES

1. The AGM

According to the articles of association of the Company, registration of transfers of H shares will be suspended by the Company from 23 May 2017 to 22 June 2017 (both days inclusive). Holders of H shares of the Company who wish to be eligible to attend and vote at the AGM must deliver their instruments of transfer together with the relevant share certificates to Hong Kong Registrars Limited, the registrar of H shares of the Company, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on 22 May 2017.

2. Final dividend for the year ended 31 December 2016

As required by the Hong Kong Listing Rules, the last day for trading in H shares of the Company with entitlement to final dividend for the year ended 31 December 2016 shall fall at least one trading day after the AGM. As such, the register of members of H shares of the Company will be closed from 28 June 2017 to 3 July 2017 (both days inclusive) and the record date of H shares of the Company for final dividend for the year ended 31 December 2016 shall be 3 July 2017. Holders of H shares of the Company who wish to be entitled to receive final dividend for the year ended 31 December 2016 must deliver their instruments of transfer together with the relevant share certificates to Hong Kong Registrars Limited, the registrar of H shares of the Company, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on 27 June 2017. The date of payment of final dividend for the year ended 31 December 2016 is expected to be on 12 July 2017.

As stipulated in the “Notice of the State Administration of Taxation on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Shareholders which are Overseas Non-resident Enterprises” (Guo Shui Han [2008] No. 897), when Chinese resident enterprises distribute dividends to their H shareholders who are overseas non-resident enterprises, the enterprise income tax shall be withheld at a uniform rate of 10%. After receiving dividends, non-resident enterprises may apply to the relevant tax authorities for enjoying treatment of taxation treaties (arrangement) in person or by proxy or by a person who has tax withholding or payment obligation and provide information to prove that it is an actual beneficiary under the requirement of taxation treaties (arrangement). After the relevant tax authorities have verified that there is no error, it shall refund tax difference between the amount of tax levied and the amount of tax payable calculated at the tax rate under the taxation treaties (arrangement).

LETTER FROM THE BOARD

Shareholders should note that the requirements under the “Circular on Some Policy Questions Concerning Individual Income Tax” (Cai Shui Zi [1994] No. 20) regarding the temporary exemption from individual income tax for dividends and bonuses received by foreign individuals from foreign investment enterprises have ceased to be effective since 2011.

Pursuant to the letter titled “Tax Arrangements on Dividends Paid to Hong Kong Residents by Mainland Companies” issued by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 4 July 2011 (accompanied with a reply in Chinese from the State Administration of Taxation to the Hong Kong Inland Revenue Department issued on 28 June 2011) (the “**Stock Exchange Letter**”), overseas resident individual shareholders of the stocks issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements entered into between the countries where they are residents and China or the tax arrangements between mainland China and Hong Kong/Macao.

The Company will withhold and arrange for the payment of the relevant tax pursuant to the Stock Exchange Letter and other relevant laws and regulations, including the “Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled to Non-residents under Tax Treaties (Tentative)” (Guo Shui Fa [2009] No. 124). The Company will determine the residence of the individual H shareholders based on their registered address as recorded in the register of members of the Company on the record date for the final dividend for the year ended 31 December 2016. The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual H shareholders and for any claims arising from any failure of or delay in or inaccurate determination of the tax status or tax treatment of the individual H shareholders or any disputes over the withholding mechanism or arrangements.

Pursuant to the “Notice on Tax Policies Concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets” (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the “Notice on Tax Policies Concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets” (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividends derived by domestic individual investors from investing in H shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, H share companies shall withhold individual income tax at a tax rate of 20% for the investors. For domestic securities investment funds that invest in shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the above rules also apply and individual income tax shall be levied on dividends derived therefrom. For domestic enterprise investors that invest in shares listed on the Stock Exchange through Shanghai-Hong Kong

LETTER FROM THE BOARD

Stock Connect or Shenzhen-Hong Kong Stock Connect, the H share companies will not withhold enterprise income tax in the distribution of dividends on their behalves, and the domestic enterprise investors shall report and pay the relevant taxes payable themselves. Any dividend received in respect of H shares which have been continuously held by a domestic enterprise investor for 12 months shall be exempted from enterprise income tax.

H shareholders are recommended to consult their tax advisers regarding the PRC, Hong Kong and other tax implications arising from their holding and disposal of H shares of the Company.

F. THE AGM

The AGM will be held at the Conference Room, 6 Xianlin Avenue, Nanjing, the PRC on Thursday, 22 June 2017 at 3:00 p.m.. A notice of the said meeting is set out on pages N-1 to N-7 of this circular. Ordinary resolutions will be proposed for approving the Transaction, the Issuance, the appointment of an executive Director and a Supervisor and other businesses to be considered at the AGM in general.

Any shareholder with a material interest in the Transaction and its associates will not vote on the resolution of the Transaction. Save for China Merchants Expressway, which as at the Latest Practicable Date held 589,059,077 shares of the Company, representing 11.69% of the issued shares of the Company, no other shareholder has to abstain from voting on the resolution of the Transaction at the AGM.

The Board considers that the terms of the resolutions to be approved at the AGM are fair and reasonable, and recommends shareholders to vote in favour of such resolutions.

All resolutions will be passed by way of poll.

For H shareholders, whether or not you are able to attend the AGM, you are requested to (i) complete the accompanying confirmation slip in accordance with the instructions printed thereon and return the same to the Company no later than 1 June 2017, and to (ii) complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company not less than 24 hours before the time appointed for holding the AGM (being no later than 3:00 p.m. on 21 June 2017 (Hong Kong/Beijing time)). Completion and return of the form of proxy will not preclude H shareholders from attending and voting at the AGM. Under these circumstances, the H shareholders will be deemed to have withdrawn the appointment of the proxy.

LETTER FROM THE BOARD

The form of proxy for domestic shareholders will be published in China Securities Journal, Shanghai Securities News and the websites of the Company (www.jsexpressway.com), the Stock Exchange (www.hkexnews.hk) and the Shanghai Stock Exchange (www.sse.com.cn). Domestic shareholders are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return the same to the registered office of the Company.

By order of the Board
Jiangsu Expressway Company Limited
Chang Qing
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



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)

5 May 2017

To the shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTION AND
DISCLOSEABLE TRANSACTION IN RESPECT OF LENDING TO
A SUBSIDIARY**

We have been appointed as members of the Independent Board Committee to advise you in respect of the Transaction (as defined in the circular of the Company dated 5 May 2017) (“**Circular**”). We refer to the Circular of which this letter forms a part. Capitalised terms defined in the Circular shall have the same meanings when used in this letter, unless the context otherwise requires.

We wish to draw your attention to the letter from the Board as set out on pages 1 to 14 of the Circular which sets out, among other things, information on the Transaction, the letter from the Independent Financial Adviser set out on pages 16 to 24 of the Circular which contains its advice to us and to you in relation to the Transaction, as well as other additional information set out in other parts of the Circular.

Having taken into account the advice of the Independent Financial Adviser, we consider that the Transaction is conducted in the ordinary and usual course of business of the Company and Guangjing Xicheng Company on normal commercial terms which are fair and reasonable so far as Independent Shareholders are concerned, and is in the interest of the Company and its shareholders as a whole. We therefore recommend that Independent Shareholders vote in favour of the ordinary resolution to be proposed at the AGM to approve the Transaction.

Yours faithfully,

Independent Board Committee

Zhang Erzhen
Independent
non-executive Director

Zhang Zhuting
Independent
non-executive Director

Chen Liang
Independent
non-executive Director

Lin Hui
Independent
non-executive Director



Unit 1802, 18/F,
1 Duddell Street, Central
Hong Kong

5 May 2017

To the Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

**CONNECTED AND DISCLOSEABLE TRANSACTION
IN RESPECT OF LENDING TO A SUBSIDIARY**

INTRODUCTION

We refer to our engagement as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the loan agreement between the Company and Guangjing Xicheng Company (the “**Loan Agreement**”), details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company (the “**Circular**”) to the shareholders of the Company (“**Shareholders**”) dated 5 May 2017, of which this letter forms part. Capitalized terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

On 27 March 2017, the Board announced that it has resolved to approve the Company’s proposal to enter into the Loan Agreement with Guangjing Xicheng Company, an 85%-owned subsidiary of the Company, pursuant to which the Company will lend up to RMB2 billion (inclusive of interest receivable from Guangjing Xicheng Company and other relevant expenses) from the funds raised by the issuance of ultra-short-term notes to Guangjing Xicheng Company at any time during the 3-year period commencing from the date of approval by the Independent Shareholders at the AGM, at an interest rate equal to the prevailing interest rate of the ultra-short-term notes to be issued by the Company (the “**Transaction**”). The Company’s issuance of ultra-short-term notes and subsequent drawdowns of the loan by Guangjing Xicheng Company will depend on the funding needs of Guangjing Xicheng Company.

Given that China Merchants Expressway, a substantial Shareholder of the Company, is entitled to exercise 15% of the voting right in Guangjing Xicheng Company, Guangjing Xicheng Company is a connected person of the Company pursuant to Rule 14A.07 of the Hong Kong Listing Rules. In accordance with the Hong Kong Listing Rules, the loan to be provided by the Company to Guangjing Xicheng Company constitutes a connected transaction of the Company. Pursuant to Rule 14.07 of the Hong Kong Listing Rules, this transaction is also a discloseable transaction of the Company as the applicable percentage ratios are more than 5% but less than 25%. The transaction is subject to the requirements for reporting, announcement, circular and independent shareholders’ approval under chapters 14 and 14A of the Hong Kong Listing Rules.

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The Independent Board Committee comprising all of the independent non-executive Directors has been established to advise and provide recommendation to the Independent Shareholders on the Transaction. As China Merchants Expressway is a substantial Shareholder of the Company and also a shareholder holding 15% interests in Guangjing Xicheng Company, China Merchants Expressway is deemed to have a material interest in the Transaction and therefore would be required to abstain from voting on the relevant resolution at the AGM.

BASIS OF OUR OPINION

In formulating our recommendation, we have relied on the information and facts contained or referred to in the Circular as well as the representations made or provided by the Directors and the senior management of the Company.

The Directors have declared in a responsibility statement set out in the Appendix to the Circular that they collectively and individually accept full responsibility for the accuracy of the information contained and representations made in the Circular and that there are no other matters the omission of which would make any statement in the Circular misleading. We have also assumed that the information and the representations made by the Directors as contained or referred to in the Circular were true and accurate at the time they were made and continue to be so up to the date of the AGM. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the senior management of the Company. We have also been advised by the Directors and believe that no material facts have been omitted from the Circular.

We consider that we have reviewed sufficient information to reach an informed view, to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our recommendation. We have not, however, conducted an independent verification of the information nor have we conducted any form of in-depth investigation into the businesses and affairs or the prospects of the Company, China Merchants Expressway or any of their respective subsidiaries or associates.

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PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and advice in respect of the Transaction, we have considered the following principal factors and reasons:

A. Information on the Group

A.1 *Background information of the Group and Guangjing Xicheng Company*

The Group is principally engaged in investment, construction, operation and management of expressways and toll roads in the Jiangsu Province, the PRC. Guangjing Xicheng Company, a 85%-owned subsidiary of the Company, owns and manages the Guangjing Expressway and the Xicheng Expressway in the Jiangsu Province, the PRC. The remaining 15% of Guangjing Xicheng Company is held by China Merchants Expressway, which is also a substantial Shareholder of the Company. As discussed with management of the Company, we understand that China Merchants Expressway has always been a passive investor and is not involved in the management and daily operations of Guangjing Xicheng Company.

As the Loan Agreement relates to the lending of money from the Company to Guangjing Xicheng Company, the entering into of the Loan Agreement is not in the ordinary and usual course of business of the Group.

A.2 *Historical financial performance of Guangjing Xicheng Company*

Set out below is a summary of the audited consolidated financial results of Guangjing Xicheng Company for the three years ended 31 December 2014 (“FY2014”), 31 December 2015 (“FY2015”) and 31 December 2016 (“FY2016”).

	Year ended 31 December		
	FY2016	FY2015	FY2014
	RMB'000	RMB'000	RMB'000
Revenue	1,180,275	1,142,569	1,104,380
Cost of sales	(464,988)	(449,446)	(435,304)
Gross profit	715,287	693,123	669,076
Profit before taxation	750,177	654,803	580,745
Taxation	(143,035)	(101,376)	(124,678)
Net profit	607,142	553,427	456,067

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FY2016 vs FY2015

Revenue of Guangjing Xicheng Company amounted to approximately RMB1,180.3 million for FY2016, which represented an increase of approximately RMB37.7 million from FY2015. Such increase was mainly due to an increase in toll income during FY2016. Gross profit remained relatively stable at approximately 60.6% for FY2015 and FY2016. Profit before taxation and net profit for FY2016 amounted to approximately RMB750.2 million and RMB607.1 million, respectively, which represented an increase of approximately RMB95.4 million and RMB53.7 million from FY2015. Such increase was mainly due to the increase in revenue and an increase in income from associated companies during the year.

FY2015 vs FY2014

Revenue of Guangjing Xicheng Company amounted to approximately RMB1,142.6 million for FY2015, which represented an increase by approximately RMB38.2 million from FY2014. Such increase was mainly due to an increase in toll income during FY2015. Gross profit remained relatively stable at approximately 60.6% for FY2014 and FY2015. Profit before taxation and net profit for FY2015 amounted to approximately RMB654.8 million and RMB553.4 million, respectively, which represented an increase of approximately RMB74.1 million and RMB97.4 million from FY2014. Such increase was mainly due to the increase in revenue, an increase in income from associated companies and reduced finance costs during the year.

A.3 Financial position of Guangjing Xicheng Company

Set out below is a summary of the audited consolidated assets and liabilities of Guangjing Xicheng Company as at 31 December 2016, as extracted from its audited financial statements:

	As as at 31 December 2016 RMB'000
Non-current assets	5,969,741
Current assets	71,959
Current liabilities	709,189
Non-current liabilities	1,646,418
Net assets	3,686,093

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As at 31 December 2016, Guangjing Xicheng Company's total assets amounted to approximately RMB6,041.7 million, mainly comprising intangible assets relating to toll road operation rights and investment in associated companies which mainly engage in toll road operations. Guangjing Xicheng Company's total liabilities amounted to approximately RMB2,355.6 million, mainly comprising short-term and long-term bank borrowings. Guangjing Xicheng Company had net assets of approximately RMB3,686.1 million as at 31 December 2016.

B. Background of and reasons for the Transaction

As disclosed in the Letter from the Board, the purpose of the Transaction is mainly to replenish the working capital of Guangjing Xicheng Company, to meet its funding needs in the ordinary course of business and to adjust its existing liabilities structure. We have discussed with management of the Company regarding Guangjing Xicheng Company's planned use of proceeds in respect of the funding to be obtained under the Loan Agreement and obtained a schedule in relation to the capital expenditure requirements of Guangjing Xicheng Company for the coming years. From such schedule, we understand that Guangjing Xicheng Company has plans to construct new toll roads in the coming years and if these constructions materialize according to plan, capital expenditure may well exceed RMB5 billion in total from year 2017 to 2020. In addition to capital expenditure and in accordance with its business plan, Guangjing Xicheng Company will also require additional working capital for its daily operations. Being a 85% majority shareholder of Guangjing Xicheng Company who manages and controls the operations of Guangjing Xicheng Company, we consider it fair for the Company to financially support the business and future development of Guangjing Xicheng Company through the Loan Agreement. Under the Loan Agreement, the Company will be able to provide financial support to Guangjing Xicheng Company to meet its future needs subject to the timing of the Company's issuance of ultra-short-term notes. Although Guangjing Xicheng can obtain largely the same interest rates from external bank borrowings (our work performed on this matter is elaborated below in the section headed "C. Major terms of the Transaction"), we consider the entering into of the Loan Agreement increases the funding options to Guangjing Xicheng Company as it allows Guangjing Xicheng Company to obtain funding from its parent in addition to external sources, and the entering of the Loan Agreement allows the Company, being a majority 85% shareholder of Guangjing Xicheng Company who manages and controls its operations, to provide the necessary funding to Guangjing Xicheng Company in accordance with the overall development of the Group. As such, we consider that the Loan Agreement supporting the development of Guangjing Xicheng Company is consistent with the Company's management and operational control over Guangjing Xicheng Company and is therefore beneficial to Guangjing Xicheng Company and in the interest of the Company.

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C. Major terms of the Transaction

According to the terms of the Transaction, the Company has agreed to lend up to RMB2 billion (inclusive of interest receivable from Guangjing Xicheng Company and other relevant expenses) from the funds raised by the issuance of ultra-short-term notes to Guangjing Xicheng Company at any time during the 3-year period commencing from the date of approval by the Independent Shareholders in the AGM. Any subsequent drawdowns of the loan by Guangjing Xicheng Company will depend on the funding needs of Guangjing Xicheng Company and the timing of the Company's issuance of ultra-short-term notes. The lending period of each drawdown will be the same as the tenure of the ultra-short-term notes and the repayment by Guangjing Xicheng Company will be used to repay the holders of the ultra-short-term notes. The last repayment date will fall within the above mentioned 3-year period. The interest rate under the Loan Agreement is to be equal to the prevailing interest rate of the ultra-short-term notes to be issued by the Company. As stated in the Letter from the Board, repayment of the principal and related interest expense are to be borne by Guangjing Xicheng Company and shall be paid on the maturity date of the relevant ultra-short-term notes to be issued by the Company out of the internal resources of Guangjing Xicheng Company.

As stated above, since the interest of the loan to be charged by the Company to Guangjing Xicheng Company under the Loan Agreement will be equal to the prevailing interest rate of the Company's ultra-short-term notes, there is essentially no extra cost to the Company as the interest expense to be paid by Guangjing Xicheng Company to the Company under the Loan Agreement shall be equal to the interest expense to be paid by the Company on the same amount of funds to be raised by issuance of the ultra-short-term notes.

In addition, in order to determine if the Company will be offering more favourable lending terms under the Loan Agreement to Guangjing Xicheng Company than market terms, we have obtained and reviewed selected loan documents for (i) borrowings obtained by Guangjing Xicheng Company from external banks (the "**Guangjing Xicheng Borrowing**"), and (ii) borrowings obtained by the Company from external banks (the "**Company Borrowing**") for each of year 2014, 2015, 2016 and 2017. Borrowings of principal amounts within RMB500 million were selected on a random basis for each year.

For year 2014, we obtained and reviewed selected loan documents for the Guangjing Xicheng Borrowing and Company Borrowing at similar timeframes, and noted that the bank borrowings were subject to the same 6.0% interest rate with comparable loan terms. For year 2015, we obtained and reviewed selected loan documents for the Guangjing Xicheng Borrowing and Company Borrowing at similar timeframes, and noted that the bank borrowings were subject to the same 5.1% interest rate with comparable loan terms. For year 2016, we obtained and reviewed selected loan documents for the Guangjing Xicheng Borrowing and Company Borrowing at similar timeframes, and noted that the bank borrowings were subject to the same 4.35% interest rate with comparable loan terms. For year 2017 up until end of March, we obtained and reviewed selected loan documents for the

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Guangjing Xicheng Borrowing and Company Borrowing at similar timeframes, and noted that the bank borrowings were subject to the same 4.1325% interest rate with comparable loan terms. Based on the above, we note that the interest rates for the Guangjing Xicheng Borrowing and the Company Borrowing were identical for borrowings of similar principal amounts obtained at similar timeframe. Furthermore, based on the past that the Guangjing Xicheng Borrowing and the Company Borrowing were subject to identical interest rates and comparable loan terms, the interest rate charged to Guangjing Xicheng Company under the Loan Agreement, which will be equal to the prevailing interest rate on the ultra-short-term notes, is therefore expected to be largely the same to the interest rate offered by external banks to Guangjing Xicheng Company i.e. the market interest rate.

While the Company will provide loans to support the future funding needs of Guangjing Xicheng Company via the Loan Agreement, we understand from management of the Company that China Merchants Expressway, being the remaining 15% shareholder of Guangjing Xicheng Company, is not required to provide its proportional share of financial support to Guangjing Xicheng Company or guarantee to the Company. Although China Merchants Expressway is a substantial shareholder of Guangjing Xicheng Company, we understand from management of the Company that China Merchants Expressway has always been a passive investor and is not involved in the management and daily operations of Guangjing Xicheng Company. The Company also confirms that both the Company and China Merchants Expressway have never been required to provide any guarantee for external bank borrowings. With regards to this, we have reviewed the relevant loan documents with respect to the Guangjing Xicheng Borrowing and note that both the Company and China Merchants Expressway have not provided any guarantees on the Guangjing Xicheng Borrowing. Taking into account that China Merchants Expressway has always been a passive investor and is not involved in the daily operations of Guangjing Xicheng Company, and no shareholder of Guangjing Xicheng Company, i.e. both the Company and China Merchants Expressway, has ever been required to provide any guarantee to support the external borrowings of Guangjing Xicheng Company, we consider it reasonable that the Company, being the 85% majority shareholder of Guangjing Xicheng Company managing and controlling its operations, does not require China Merchants Expressway to provide a guarantee proportional to its 15% shareholding in Guangjing Xicheng Company under the Loan Agreement. This is consistent with the practice that when Guangjing Xicheng Company raised external borrowings, none of its shareholders was required to provide any guarantees to support those borrowings.

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RECOMMENDATION

Based on the above principal factors and reasons, in particular the following (which should be read in conjunction with and interpreted in the full context of this letter):

- (i) Guangjing Xicheng Company will require funding for its capital expenditure and other operational needs, and it is reasonable for the Company, being the 85% majority shareholder of Guangjing Xicheng Company who manages and controls the business of Guangjing Xicheng Company, to continue its financial support to Guangjing Xicheng Company for its ongoing and future business development;
- (ii) the interest rate as stipulated under the Loan Agreement will be equal to the prevailing interest rate on the Company's ultra-short-term notes. It means that the Company will not be incurring extra interest cost in providing loans to Guangjing Xicheng Company under the Loan Agreement;
- (iii) based on our review of relevant loan documents of the Guangjing Xicheng Borrowing, the Company will not be offering more favourable lending terms under the Loan Agreement to Guangjing Xicheng Company than market terms as the interest rate charged by the Company to Guangjing Xicheng Company under the Loan Agreement is expected to be largely the same as the market interest rate offered by external banks to Guangjing Xicheng Company for similar principal loan amounts at similar timeframes; and
- (iv) although China Merchants Expressway is a substantial shareholder of Guangjing Xicheng Company, it has always been a passive investor and is not involved in the management and daily operations of Guangjing Xicheng Company. In addition, based on our review of the Guangjing Xicheng Borrowing, none of those external bank borrowings required any guarantee from Guangjing Xicheng Company's shareholders, i.e. both the Company and China Merchant Expressway. Therefore, it is reasonable that the Company has not required China Merchants Expressway to provide financial support or guarantee proportional to its 15% shareholding in Guangjing Xicheng Company under the Loan Agreement, which is consistent with the lending terms of external borrowings of Guangjing Xicheng Company;

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we are of the opinion that while the Transaction is not in the ordinary and usual course of business of the Group, the Transaction is on normal commercial terms and in the interests of the Company and the Shareholders as a whole, and the terms thereof are fair and reasonable so far as the Company and the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the resolutions to approve the Transaction at the AGM.

Yours faithfully,

For and on behalf of

Ballas Capital Limited

Alex Lau

Aaron Ko

Managing Director Assistant Director

Set out below is information as required under Rule 13.51(2) of the Hong Kong Listing Rules in respect of the Director and Supervisor candidates for election at the AGM.

A. PERSONAL INFORMATION OF THE EXECUTIVE DIRECTOR CANDIDATE NOMINATED FOR ELECTION

Personal information of Mr. Yao Yongjia, the executive Director candidate nominated for election, is as follows:

Mr. Yao Yongjia, deputy general manager, secretary to the Board and Hong Kong company secretary of the Company, born in 1964, holder of a master's degree in project management and a senior engineer. Mr. Yao joined the Company in August 1992. He was an assistant engineer of the Jiangsu Provincial Communications Planning and Design Institute, deputy section chief of the Jiangsu Expressways Command Office and the head of the securities department, as well as director of the secretariat to the Board of the Company. Mr. Yao has been engaging in project management, investment analysis, financing and securities and has accumulated extensive professional experience.

B. PERSONAL INFORMATION OF THE SUPERVISOR CANDIDATE NOMINATED FOR ELECTION

Personal information of Mr. Chen Zhongyang, the Supervisor candidate nominated for election, is as follows:

Mr. Chen Zhongyang, born in 1967, holder of a master's degree in roads and bridges from Southeast University and a senior engineer of the researcher rank. He is the head of the enterprise management and legal department of Jiangsu Communications Holding Company Limited. He used to serve at the Jiangsu Expressways Command Office as deputy section chief and was the deputy manager of the operation and development department of Jiangsu Jinghu Expressway Company Limited, head of the road assets and interests section of Jiangsu Communications Industry Group Co., Ltd., deputy head of the operational safety and engineering technology departments as well as head of the expansion office of Jiangsu Communications Holding Company Limited. Mr. Chen has been engaging in project management and construction and has accumulated extensive professional experience.

C. CONFIRMATION

Save as disclosed above, the above Director and Supervisor candidates have each confirmed that, he (i) is not related to any Directors, Supervisors, senior management, substantial or controlling shareholders of the members of the Group; (ii) does not have any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO"); and (iii) has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, or other major appointments and professional qualifications.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Company's shareholders; and there is no other information required to be disclosed pursuant to Rule 13.51(2)(h)-(w) of the Hong Kong Listing Rules.

APPENDIX II ILLUSTRATION ON THE ADOPTION OF CUMULATIVE POLL IN THE ELECTION OF EXECUTIVE DIRECTOR AND SUPERVISOR

ILLUSTRATION ON THE ADOPTION OF CUMULATIVE POLL IN THE ELECTION OF EXECUTIVE DIRECTOR AND SUPERVISOR

- I. The elections of Directors and Supervisors at a shareholder’s meeting will be numbered as separate groups of resolutions. Investors shall vote on each candidate under each separate group of resolution.

- II. The number of shares reported shall represent the votes to be cast for the elections. For each group of resolutions, the total number of votes to which a shareholder is entitled for each share held by himself/herself shall be equal to the number of Directors or Supervisors to be elected under that particular group of resolutions. If a shareholder holds 100 shares of the company, and there are 10 directors to be elected at the AGM with 12 candidates taking part in the directorship election, that shareholder shall be entitled to a total number of 1,000 votes for the shares held by himself/herself in respect of that particular group of resolutions on the election.

- III. Voting of shareholders shall be confined to the number of votes to which he/she is entitled in respect of each group of resolutions. Shareholders may cast their votes at their own discretion by casting his/her vote on one candidate or on different candidates in any combination. Upon completion of the voting, the votes will be counted cumulatively in respect of each of the resolutions.

- IV. Example:

A listed company convenes a general meeting for election of members of the board of directors and supervisory committee by way of cumulative poll, and there are six candidates to be elected for five directorships and two candidates to be elected for three supervisorships. The matters required to be voted by poll are as follows:

Resolutions by cumulative poll		
4.00	Resolution in relation to election of directors	Number of votes
4.01	e.g.: Chen ××	
4.02	e.g.: Zhao ××	
4.03	e.g.: Jiang ××	
.....	
4.06	e.g.: Song ××	
5.00	Resolution in relation to election of supervisors	Number of votes

APPENDIX II ILLUSTRATION ON THE ADOPTION OF CUMULATIVE POLL IN THE ELECTION OF EXECUTIVE DIRECTOR AND SUPERVISOR

Resolutions by cumulative poll		
5.01	e.g.: Li ××	
5.02	e.g.: Chen ××	
5.03	e.g.: Huang ××	

If an investor holds 100 shares in the company upon close of trading on the equity rights registration date, under the system of cumulative poll, he/she will be entitled to 500 votes for resolution No. 4.00 titled “Resolution in relation to election of directors” and 200 votes for resolution No. 5.00 titled “Resolution in relation to election of supervisors”.

Such investor may cast a maximum of 500 votes on resolution No. 4.00 at his/her own discretion in favour of one candidate or different candidates in any combination.

Details are set out below:

No.	Name of resolution	Number of votes			
		Scenario I	Scenario II	Scenario III	Scenario...
4.00	Resolution in relation to election of directors	–	–	–	–
4.01	e.g.: Chen ××	500	100	100	
4.02	e.g.: Zhao ××	0	100	50	
4.03	e.g.: Jiang ××	0	100	200	
.....	
4.06	e.g.: Song ××	0	100	50	

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was as follows:

	<i>RMB</i>
Issued share capital	
1,222,000,000 H shares	1,222,000,000
3,815,747,500 A shares	<u>3,815,747,500</u>
	<u><u>5,037,747,500</u></u>

3. DISCLOSURE OF INTERESTS BY DIRECTORS

As at the Latest Practicable Date, no Director or chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) to be entered in the register referred to therein; or (b) were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required, pursuant to the Model Code set out in Appendix 10 to the Hong Kong Listing Rules, to be notified to the Company and the Stock Exchange.

4. DISCLOSURE OF INTEREST UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, the following persons (other than the Directors and the chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under Section 336 of the SFO:

A shares

Name of shareholder	Capacity	Number of shares held	Percentage of A shares (total shares)
Jiangsu Communications Holding Company Limited	Others	2,742,578,825 (L)	71.88%(54.44%) (L)
China Merchants Expressway Network & Technology Holdings Co., Ltd. ⁽¹⁾	Others	589,059,077 (L)	15.44%(11.69%) (L)

H shares

Name of shareholder	Capacity	Number of shares held	Percentage of H shares (total shares)
BlackRock, Inc.	Interest of controlled corporations ⁽²⁾	125,364,874 (L)	10.26%(2.49%) (L)
Mondrian Investment Partners Limited	Investment manager	84,806,000 (L)	6.94%(1.68%) (L)
JPMorgan Chase & Co.	Beneficial owner/ Investment manager/custodian corporation/ approved lending agent ⁽³⁾	82,901,847 (L) 314,530 (S) 70,500,352 (P)	6.78%(1.65%) (L) 0.03%(0.01%) (S) 5.77%(1.40%) (P)
Commonwealth Bank of Australia	Interest of controlled corporation	86,510,187 (L)	7.08%(1.72%) (L)

Notes: (L) long position; (S) short position; (P) lending pool

- (1) China Merchants Group Limited was deemed to be interested in the Company by virtue of its controlling interests in its subsidiary, China Merchants Expressway.
- (2) BlackRock, Inc. was deemed to hold a total of 125,364,874 H shares (long position) of the Company, of which 362,000 H shares were held through cash settled derivatives (off exchange), by virtue of its control over numerous corporations which were indirectly wholly-owned by BlackRock, Inc., except for the following:
 - (a) BR Jersey International Holdings L.P. was indirectly owned as to 86% by BlackRock, Inc.. BR Jersey International Holdings L.P. held interest in the Company through the following indirectly wholly-owned corporations:
 - (i) BlackRock Japan Co., Ltd. held 1,198,000 H shares (long position) of the Company.
 - (ii) BlackRock Asset Management Canada Limited held 1,114,000 H shares (long position) of the Company.
 - (iii) BlackRock Investment Management (Australia) Limited held 176,000 H shares (long position) of the Company.
 - (iv) BlackRock Asset Management North Asia Limited held 654,425 H shares (long position) of the Company.
 - (v) BlackRock Investment Management (Korea) Limited held 310,000 H shares (long position) of the Company.
 - (vi) BlackRock (Singapore) Limited held 38,000 shares (long position) of the Company.
 - (vii) BlackRock Investment Management (Taiwan) Limited held 30,000 H shares (long position) of the Company.

- (b) BlackRock Group Limited was owned as to 90% by BR Jersey International Holdings L.P. (please refer to note 2(a) above). BlackRock Group Limited held interest in the Company through the following directly or indirectly wholly-owned corporations:
- (i) BlackRock (Netherlands) B.V. held 300,000 H shares (long position) of the Company.
 - (ii) BlackRock Advisors (UK) Limited held 7,962,482 H shares (long position) of the Company.
 - (iii) BlackRock International Limited held 282,000 H shares (long position) of the Company.
 - (iv) BlackRock Asset Management Ireland Limited held 10,471,865 H shares (long position) of the Company.
 - (v) BLACKROCK (Luxembourg) S.A. held 12,699,000 H shares (long position) of the Company.
 - (vi) BlackRock Fund Managers Limited held 3,384,000 H shares (long position) of the Company.
 - (vii) BlackRock Life Limited held 30,000 H shares (long position) of the Company.
 - (viii) BlackRock Asset Management (Schweiz) AG held 6,000 H shares (long position) of the Company.

- (3) JPMorgan Chase & Co. was deemed to hold a total of 82,901,847 H shares (long position) of the Company, of which 86,530 H shares were held through physically settled derivatives (off exchange), 20,000 H shares were held through cash settled derivatives (off exchange) and 314,530 H shares (short position), of which 86,530 H shares were held through physically settled derivatives (off exchange) and 228,000 H shares were held through cash settled derivatives (off exchange). JPMorgan Chase & Co. held the interest in the following capacities:

Capacity	Number of shares (long position)	Number of shares (short position)	Number of shares (lending pool)
Beneficial owner	3,797,495	314,530	–
Investment manager	8,604,000	–	–
Custodian corporation/approved lending agent	70,500,352	–	70,500,352

Save as disclosed above, to the best of the Company's knowledge, as at the Latest Practicable Date, there was no person required to make disclosure under the SFO of Hong Kong.

As at the Latest Practicable Date, Chang Qing, Gu Dejun and Du Wenyi, Directors of the Company, were respectively the general manager, a director and the deputy chief accountant of Jiangsu Communications Holding Company Limited, the Company's controlling shareholder, and Wu Xinhua and Hu Yu, Directors of the Company, were respectively the deputy general manager and general manager of finance of China Merchants Expressway. Save as disclosed above, to the best of the Directors' knowledge, no other Director held office in the substantial shareholders set out above.

5. SUBSTANTIAL SHAREHOLDER(S) OF OTHER MEMBERS OF THE GROUP

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, the following person(s) (other than a Director or chief executive of the Company) is/are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital (including any options in respect of such capital) carrying rights to vote in all circumstances at the general meetings of any member of the Group:

Name of subsidiary	Name of beneficial owner	Name of registered holder	Percentage of nominal value of issued share capital/registered capital held
Jiangsu Guangjing Xicheng Expressway Company Limited	China Merchants Group Limited	China Merchants Expressway Network & Technology Holdings Co., Ltd.	15%

Save as disclosed above, as at the Latest Practicable Date, no other person (other than a Director or chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or, so far as is known to the Director or chief executive of the Company, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital (including options in respect of such capital) carrying rights to vote in all circumstances at the general meetings of any member of the Group.

6. SERVICE CONTRACTS

Apart from the service contracts entered into between the Company and the executive Directors, each of the other Directors and supervisors has entered into an appointment letter with the Company. The content of these contracts was primarily the same in all material respects. The term of these contracts commenced from the date of the 2014 annual general meeting (or the appointment date) until the date of the 2017 annual general meeting. The Company, the Directors or the supervisors can terminate the contracts by giving not less than three months' prior notice in writing to the other party. Save as the abovementioned, no service contract that is expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation) has been entered or is proposed to be entered between the Company and any Director or supervisor. The Company was not required to pay compensation to any Director for reason that the Director intended to be re-elected at the next annual general meeting but the relevant service contract has not expired.

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or claims of material importance, nor was there any litigation or claims of material importance known to the Directors pending or threatened against any member of the Group.

8. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective close associates (as defined under the Hong Kong Listing Rules) had any interest in businesses, which would be considered to compete or would likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Hong Kong Listing Rules.

9. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS AND CONTRACTS

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors of the Company had any interest in any assets which had since 31 December 2016 (being the date to which the latest published audited accounts of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group. None of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which would be significant in relation to the business of the Group.

10. QUALIFICATION AND CONSENT OF EXPERT

The qualification of the expert which has given opinion or advice contained in this circular are set out as follows:

Name	Qualification
Ballas Capital Limited	a licensed corporation authorised to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under SFO

As at the date of this circular, the above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and reference to its name and opinion in the form and context in which they appear in this circular.

As at the Latest Practicable Date, the above expert did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

The above expert did not have any interest in any assets which had since 31 December 2016 (being the date to which the latest published audited accounts of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

11. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2016 (being the date to which the latest published audited accounts of the Company have been made up).

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the office of Reed Smith Richards Butler at 20/F, Alexandra House, 18 Chater Road, Central, Hong Kong during normal business hours on any business day from the date of this circular until 22 June 2017 (both days inclusive):

- (a) the loan agreement entered into between the Company and Guangjing Xicheng Company;
- (b) the letter from the Independent Financial Adviser as set out in this circular;
- (c) the letter from the Independent Board Committee as set out in this circular;
- (d) the written consent of the expert as referred to in the paragraph headed “10. Qualification and consent of expert” in this appendix; and
- (e) this circular.

13. MISCELLANEOUS

- (a) The registered office of the Company is at 6 Xianlin Avenue, Qixia District, Nanjing, Jiangsu Province, the PRC.
- (b) The registrar and transfer office of H shares of the Company is Hong Kong Registrars Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong.
- (c) The company secretary of the Company is Mr. Yao Yongjia. Mr. Yao joined the Company in August 1992. He was an assistant engineer of the Jiangsu Provincial Communications Planning and Design Institute, deputy section chief of the Jiangsu Expressways Command Office and the head of the securities department, as well as director of the secretariat to the Board of the Company. Mr. Yao has been engaging in project management, investment analysis, financing and securities and has accumulated extensive professional experience.

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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)

NOTICE OF 2016 ANNUAL GENERAL MEETING

Important Notice:

- Date of the AGM: 22 June 2017
- Online voting for the AGM: Shanghai Stock Exchange Online Voting System for Shareholders' Meetings.

NOTICE IS HEREBY GIVEN that the annual general meeting of Jiangsu Expressway Company Limited (the “**Company**”) convened by the board (the “**Board**”) of directors (the “**Directors**”) of the Company for the year 2016 (the “**AGM**”) will be held on Thursday, 22 June 2017 at 3:00 p.m. at the Conference Room of the Company at 6 Xianlin Avenue, Nanjing, Jiangsu Province, the People's Republic of China. Please note the following:

I. INFORMATION OF THE AGM

- (1) Session: 2016 AGM
- (2) Convener: the Board
- (3) Voting method: voting on site and online voting (for holders of A shares of the Company)
- (4) Venue, date and time for on-site voting
 - Date and time: 22 June 2017 at 3:00 p.m.
 - Venue: Conference Room of the Company, 6 Xianlin Avenue, Nanjing, Jiangsu Province, the People's Republic of China

NOTICE OF 2016 ANNUAL GENERAL MEETING

- (5) System, commencement and ending time and date of online voting

Online voting system: Shanghai Stock Exchange Online Voting System for Shareholders' Meetings

Commencement and ending time of online voting: From 22 June 2017 to 22 June 2017

Voting period for online voting: via the voting platform of the trading system of Shanghai Stock Exchange Online Voting System: the trading hours on the date of the AGM, i.e. 9:15 a.m.–9:25 a.m., 9:30 a.m.–11:30 a.m. and 1:00 p.m.–3:00 p.m.

via internet platform: 9:15 a.m.–3:00 p.m. on the date of the AGM

- (6) Margin trading, short selling and refinancing[#], agreed repurchase accounts and Shanghai-Hong Kong Stock Connect Investors voting procedure: voting involving margin trading, short selling and refinancing, agreed repurchase accounts as well as by Shanghai-Hong Kong Stock Connect Investors should be conducted in accordance with regulations including the “Implementation Rules of Online Voting for Shareholders Meeting of Listed Companies” issued by the Shanghai Stock Exchange.

- (7) Regarding solicitation of voting rights from shareholders

Not applicable

[#] refer to the margin trading, short selling and refinancing activities under the “Pilot Measures for Supervision and Administration of Refinancing Business”

II. RESOLUTIONS TO BE CONSIDERED AT THE AGM

The following resolutions shall be considered by way of ordinary resolutions:

Resolutions by non-cumulative poll

1. to approve the work report of the Board of the Company for the year ended 31 December 2016;
2. to approve the work report of the supervisory committee of the Company for the year ended 31 December 2016;

NOTICE OF 2016 ANNUAL GENERAL MEETING

3. to approve the audit report of the Company for the year ended 31 December 2016;
4. to approve the final accounting report of the Company for 2016;
5. to approve the financial budget report of the Company for 2017;
6. to approve the final dividends distribution proposal of the Company for 2016:

In this financial year, the Company recorded a net profit attributable to the shareholders of the parent company of approximately RMB3.346 billion. It was proposed to distribute the final dividends of RMB0.42 (tax inclusive) per share in favour of the shareholders based on the total share capital of 5,037,747,500 shares, representing 63.23% of the net profit attributable to the parent company for this year. The Company did not implement conversion of surplus reserve into share capital in 2016.

7. to approve the appointment of Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Company's auditors for the year 2017 at a remuneration of RMB2,400,000 per year;
8. to approve the appointment of Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Company's internal control auditor for the year 2017 at a remuneration of RMB800,000 per year;
9. to approve the issuance of ultra-short-term notes of up to RMB5 billion by the Company; to authorise Mr. Gu Dejun, a Director, to deal with the subsequent matters such as the execution of contracts and approval of fund appropriation; and to issue such notes within one year starting from the date of the approval at the AGM;
10. to approve the Company's lending of up to RMB2 billion to Guangjing Xicheng Company from the funds raised by the issuance of ultra-short-term notes during the 3-year period commencing from the date of approval by shareholders at the AGM and carrying an interest at a rate equal to the prevailing interest rate of the ultra-short-term notes to be issued by the Company;

NOTICE OF 2016 ANNUAL GENERAL MEETING

Resolutions by cumulative poll

11. Resolution in relation to the election of Director:

11.01 to elect Mr. Yao Yongjia as an executive Director of the Company and to approve the signing of a service contract between the Company and Mr. Yao with a term commencing from the date of the AGM and expiring on the date of the annual general meeting to be convened for the year 2017; and

12. Resolution in relation to the election of Supervisor:

12.01 to elect Mr. Chen Zhongyang as a Supervisor of the Company and to approve the signing of an appointment letter between the Company and Mr. Chen with a term commencing from the date of the AGM and expiring on the date of the annual general meeting to be convened for the year 2017.

Notes:

(1) Dates and mediums of disclosure of the resolutions

For details of the above resolutions, please refer to the announcement of the Fourteenth Meeting of the Eighth Session of the Board and the announcement of the Fifteenth Meeting of the Eighth Session of the Board and the announcement of the Eleventh Meeting of the Eighth Session of the Supervisory Committee published by the Company on 27 March 2017 and 29 April 2017, respectively. The announcements and information have been disclosed in China Securities Journal, Shanghai Securities News and the websites of the Company (www.jsexpressway.com), the Stock Exchange (www.hkexnews.hk) and the Shanghai Stock Exchange (www.sse.com.cn).

(2) Special resolution: nil.

(3) Resolution(s) with separate counting of votes from small and medium investors: 6, 7, 8 and 10

(4) Resolution(s) which interested shareholder(s) will abstain from voting: 10

Name(s) of the interested shareholder(s) to abstain from voting: China Merchants Expressway Network & Technology Holdings Co., Ltd.

(5) Resolution which holders of preference shares will vote on: not applicable.

NOTICE OF 2016 ANNUAL GENERAL MEETING

III. MATTERS OF CONCERN FOR VOTING AT THE AGM

1. Shareholders of the Company who would like to cast his or her vote through the Shanghai Stock Exchange Online Voting System for Shareholders' General Meetings may either log in the voting platform of the trading system (through the terminus of any specified securities trading company) or the internet voting platform (website: vote.sseinfo.com) to vote. Any investor who logs in the internet voting platform to vote for the first time is required to have his or her identity as a shareholder verified. For details, please refer to the instructions for the internet voting platform on the website.
2. Any shareholder of the Company holding more than one shareholder's account may vote using any of the said accounts through the Shanghai Stock Exchange Online Voting System for Shareholders' General Meetings. After voting, such a shareholder is deemed to have cast his or her votes in the same way in respect of all the ordinary or preference shares of the same class held under his or her said accounts.
3. In case the number of votes cast by a shareholder of the Company exceeds the number of votes that the shareholder is entitled to cast, or in case the number of votes cast outnumber the number of candidates to be elected in a competitive election, the votes for that particular resolution shall be deemed void.
4. If the same vote is cast more than once by way of voting in the physical meeting, via Shanghai Stock Exchange Online Voting System or otherwise, the vote first in time prevails.
5. Submission can only be made after the shareholder has voted on all the resolutions.
6. For cumulative poll in the election of Directors and Supervisors, please refer to Appendix II.

IV. ENTITLEMENT TO ATTENDANCE AND VOTING

1. Holders of A shares of the Company who are registered with the Shanghai Branch of China Securities Depository & Clearing Corporation Limited or the Caochangmen Outlet of Huatai Securities Co., Ltd. (the former Jiangsu Securities Depository Company (江蘇證券登記公司)) as at the close of trading of the afternoon session on 22 May 2017; and holders of H shares of the Company who are registered with Hong Kong Registrars Limited as at 4:30 p.m. on 22 May 2017 are entitled to attend the AGM;
2. the proxy/proxies duly appointed by the said shareholders;
3. Directors, supervisors and senior management of the Company;
4. lawyers engaged by the Company; and
5. other persons: auditors of the Company and other persons invited by the Board.

NOTICE OF 2016 ANNUAL GENERAL MEETING

V. REGISTRATION FOR ATTENDING THE AGM

1. Shareholders of the Company who are registered with the Shanghai Branch of China Securities Depository & Clearing Corporation Limited or the Caochangmen Outlet of Huatai Securities Co., Ltd. (the former Jiangsu Securities Depository Company (江蘇證券登記公司)) as at the close of trading of the afternoon session on 22 May 2017, and shareholders of H shares of the Company who are registered with Hong Kong Registrars Limited as at 4:30 p.m. on 22 May 2017 are entitled to attend and vote at the AGM, provided that such shareholders shall complete and return the confirmation slip to the Company before 1 June 2017. Further details are set out in the confirmation slip.
2. Registration of transfers of H shares will be suspended by the Company from 23 May 2017 to 22 June 2017 (both days inclusive). Shareholders of H shares who wish to be eligible to attend and vote at the AGM must deliver their instruments of transfer together with the relevant share certificates to Hong Kong Registrars Limited, the Registrar of H shares of the Company, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on 22 May 2017.
3. A shareholder who has the right to attend and vote at the AGM is entitled to appoint a proxy (whether or not a shareholder) to attend and vote on his/her behalf. A shareholder (or his/her proxy) is entitled to cast one vote for each share he/she holds or represents. Upon completion and delivery of the form of proxy, a shareholder (or his/her proxy) may attend and vote at the AGM. Nevertheless, the appointment of the proxy will be deemed to have been revoked by the shareholder. A domestic shareholder (or his/her proxy) shall present his/her shareholder account number to attend the meeting. A domestic corporate shareholder shall present its shareholding confirmation if its shareholder account had not yet been changed.
4. The instrument appointing a proxy must be in writing under the hand of the shareholder or his/her attorney duly authorised in writing. In the event that such instrument is signed by an attorney of the shareholder, an authorisation that authorised such signatory shall be notarised. To be valid, such notarised authorisation together with the form of proxy must be delivered to the Company, or in case of holders of H shares of the Company, must be deposited at Hong Kong Registrars Limited, the Registrar of H shares of the Company, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time appointed for the holding of the AGM (being no later than 3:00 p.m. on 21 June 2017 (Hong Kong/Beijing time)).

NOTICE OF 2016 ANNUAL GENERAL MEETING

VI. MISCELLANEOUS

1. The AGM will last for half a day. Shareholders and their proxies attending the AGM will be responsible for their own accommodation, travelling and other expenses.
2. Contact address: Secretariat Office of the Board, 6 Xianlin Avenue, Nanjing, Jiangsu Province, the People's Republic of China

Postal code: 210049

Telephone: (86) 25-8436 2700 ext. 301315 or (86) 25-8446 4303

Fax: (86) 25-8420 7788
3. The resolutions will be passed by way of poll.
4. In case during the electronic voting period for holders of A shares, there occurs any material event which affects the voting system, the proceedings of the AGM shall be conducted in accordance with notice published on such date.
5. The form of proxy and confirmation slip for the AGM will be despatched to shareholders with the circular of the Company dated 5 May 2017.

By Order of the Board
Yao Yongjia
Secretary to the Board

Nanjing, the PRC, 5 May 2017