The board of directors and all directors of the Company warrant that there are no false representations or misleading statements contained in, or material omissions from, this announcement, and jointly and severally accept responsibilities for the truthfulness, accuracy and completeness of this announcement.

I. CONVENING OF THE MEETING

(I) The twenty-sixth meeting (the “Meeting”) of the ninth session of the board of directors of Jiangsu Expressway Company Limited (the “Company”) was held by way of on-site meeting and voting through communication on 24 December 2020.

(II) Notice of the Meeting was sent by mail or personal delivery to all directors.

(III) 12 directors shall be present at the Meeting. 12 directors were present and have voted at the Meeting.

(IV) The procedures of convening the Meeting were in compliance with the relevant provisions of the Company Law and the Articles of Association of the Company. The resolutions passed at the Meeting are valid.
II. VOTING RESULTS OF THE RESOLUTIONS

The following resolutions were considered and approved at the Meeting:

1. To consider and approve the Resolution in Relation to the Investment in the Establishment of the Wholly-owned Subsidiary Jiangsu Communications & Commercial Energy Company Limited (tentative name, subject to the name registered at the administrative authorities for industry and commerce, hereinafter referred to as “Communications & Commercial Energy Company”) by the Company.

   To approve the contribution of RMB100 million by the Company for the establishment of Communications & Commercial Energy Company as a wholly-owned subsidiary, and the transfer of the book assets and operation rights of 10 pairs of service areas which are directly under the operation of the Company to Communications & Commercial Energy Company at their audit value upon the completion of its incorporation.

   Voting results: Approving votes: 12; Dissenting votes: 0; Abstention votes: 0.

   This resolution was duly passed.

2. To consider and approve the Resolution in Relation to the Increase of Capital Contribution by the Company to its Wholly-owned Subsidiary Nanjing Hanwei Property Development Company Limited (hereinafter referred to as “Hanwei Company”).

   To approve the increase of registered capital contribution of RMB190 million by the Company to Hanwei Company, a wholly-owned subsidiary.

   Voting results: Approving votes: 12; Dissenting votes: 0; Abstention votes: 0.

   This resolution was duly passed.

3. To consider and approve the Resolution in Relation to the Related Party/Connected Transaction Regarding Reduction and Waiver of Certain Advertising Publication Fees Payable by Jiangsu Communications & Culture Media Company Limited (hereinafter referred to as “Communications Media”) during the COVID-19 Pandemic Period by Jiangsu Ninghu Investment Development Co., Ltd. (hereinafter referred to as “Ninghu Investment Company”), a Wholly-owned Subsidiary of the Company.
To approve the reduction and exemption by Ninghu Investment Company, a wholly-owned subsidiary of the Company, of advertising rent payable by advertising partner which is suffering from difficulties in its operations due to the impact of the COVID-19 pandemic, in accordance with the spirit of the documents issued by Jiangsu Provincial Government State-owned Assets Supervision and Administration Commission, and the entering into of a supplemental agreement regarding advertising operation and publication cooperation with Communications Media to reduce and exempt the advertising publication fees payable by Communications Media of not exceeding RMB6,554,150 and the late payment charges for performance of contract of not exceeding RMB2,600,000.

Voting results: Approving votes: 9; Dissenting votes: 0; Abstention votes: 0.

This resolution was duly passed.

4. To consider and approve the Resolution in Relation to the Adjustment to the Caps of the Ordinary Related Party/Continuing Connected Transactions between Jiangsu Guangjing Xicheng Expressway Company Limited (hereinafter referred to as “Guangjing Xicheng Company”), a Controlled Subsidiary of the Company, with Jiangsu Expressway Petroleum Development Co., Ltd. (hereinafter referred to as “Expressway Petroleum Company”) together with its Wholly-owned Subsidiary.

To approve the entering into of a supplemental agreement regarding the lease of petrol station in service areas between Guangjing Xicheng Company, a controlled subsidiary of the Company, and Expressway Petroleum Company together with its wholly-owned subsidiary, with the term of the agreement remaining unchanged, but the amount for the year of 2020 for the contract provided by Guangjing Xicheng Company regarding the lease service of petrol station will be adjusted from the original cap of not exceeding RMB13.20 million to not exceeding RMB14.50 million, of which, not exceeding RMB5.17 million for the amount of the contract for the petrol station of Guangling Service Area, not exceeding RMB7.88 million for the amount for the contract for the petrol station of Yanqiao Service Area, and not exceeding RMB1.45 million for the amount for the contract for the petrol station of Yixing Service Area. To approve the content of the transaction announcement and authorize Mr. Yao Yongjia, Secretary to the Board, to make the announcement upon the entering into of the agreement.

Voting results: Approving votes: 9; Dissenting votes: 0; Abstention votes: 0.

This resolution was duly passed.
5. To consider and approve the Resolution in Relation to the Adjustment to the Caps of the Ordinary Related Party/Continuing Connected Transactions between the Controlled Subsidiary Guangjing Xicheng Company and Jiangsu Expressway Engineering Maintenance Technology Co., Ltd. (hereinafter referred to as “Maintenance Technology Company”).

To approve the entering into of a supplemental agreement regarding maintenance technology research and services between Guangjing Xicheng Company, a controlled subsidiary of the Company, and Maintenance Technology Company, with the term of the agreement remaining unchanged, and the adjustment of the total amount of basic service fee and technical service fee payable by Guangjing Xicheng Company to Maintenance Technology Company for the year of 2020 from not exceeding RMB1.60 million to not exceeding RMB5.68 million.

**Voting results: Approving votes: 9; Dissenting votes: 0; Abstention votes: 0.**

This resolution was duly passed.

6. To consider and approve the Resolution in Relation to the Ordinary Related Party/Continuing Connected Transactions between Guangjing Xicheng Company, Jiangsu Changyi Expressway Co., Ltd. (hereinafter referred to as “Changyi Company”) and Jiangsu Yichang Expressway Co., Ltd. (hereinafter referred to as “Yichang Company”) and Jiangsu Tongxingbao Smart Transport Technology Co., Ltd. (hereinafter referred to as “Tongxingbao Company”).

To approve the entering into of a supplemental agreement regarding SD-WAN technical charge backup network services between Guangjing Xicheng Company, a controlled subsidiary of the Company, and Tongxingbao Company, with the term of the agreement remaining unchanged, to adjust the accumulative total amount and the amount for each year for the agreement from the original caps of not exceeding RMB3.9 million and not exceeding RMB1.3 million, respectively, to not exceeding RMB4.71 million and not exceeding RMB1.57 million, respectively, for the period from 1 April 2020 to 31 December 2022.

To approve the entering into of SD-WAN Technical Charge Backup Network Services Agreement between Yichang Company, a controlled subsidiary of the Company, and Tongxingbao Company, for a term commencing from 1 January 2021 and ending on 31 December 2022, with an agreement amount not exceeding RMB0.135 million for each year.
To approve the entering into of Non-cash Payment System Construction Contract between Changyi Company and Yichang Company, each of which is a controlled subsidiary of the Company, and Tongxingbao Company, respectively, with an aggregate contract amount not exceeding RMB0.15 million for Changyi Company and not exceeding RMB0.07 million for Yichang Company, both for a term commencing from the date of actual execution after approval by the Board of the Company and ending on 31 December 2020.

Voting results: Approving votes: 9; Dissenting votes: 0; Abstention votes: 0.

This resolution was duly passed.

All directors (including independent non-executive directors) are of the view that the terms of the related party/connected transactions in Resolutions 3, 4, 5 and 6 above are fair and reasonable, and the transactions are on normal commercial terms and conducted in the ordinary and usual course of business of the Company and in the interests of the Company and its shareholders as a whole. As the transaction amount of each of the above related party transactions accounts for less than 0.5% of the absolute value of the Company’s audited net assets as at the latest period, therefore, they are exempt from disclosure under Implementation Guideline for Related Party Transactions of Companies Listed on the Shanghai Stock Exchange (《上海证券交易所上市公司关联交易实施指引》). As the highest aggregate amount of the transaction under Resolution 4 is higher than 0.1% but less than 5% of the applicable percentage ratios (other than the profit ratio) under Rule 14.07 of the Rules Governing Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), the transaction under Resolution 4 is subject to reporting and announcement requirements but is exempt from the independent shareholders’ approval under Rule 14A.76(2)(a) of the Hong Kong Listing Rules. The transactions under Resolutions 3, 5 to 6 have not triggered announcement requirement.
As Jiangsu Communications Holding Company Limited (hereinafter referred to as “Jiangsu Communications Holding”), the controlling shareholder of the Company, directly and indirectly holds more than 30% of equity interest in Communications Media, Expressway Petroleum Company, Maintenance Technology Company and Tongxingbao Company, the transactions under the above four resolutions are related party/connected transactions. Mr. Sun Xibin, Mr. Chen Yanli and Mr. Chen Yongbing, being employees of Jiangsu Communications Holding, the controlling shareholder of the Company, are related/connected directors, have abstained from voting on these four resolutions and the remaining directors have casted votes on the relevant resolutions.

7. To consider and approve the Resolution in Relation to the Nomination of Ms. Li Xiaoyan to Serve as a Non-executive Director of the Ninth Session of the Board of Directors of the Company.

To approve the nomination of Ms. Li Xiaoyan as a non-executive director of the ninth session of the board of directors of the Company and the signing of a non-executive director appointment contract between the Company and Ms. Li, for a term commencing from the date of approval at the general meeting and expiring on the date of the annual general meeting for 2020, and to submit the resolution to the general meeting for consideration.

Voting results: Approving votes: 12; Dissenting votes: 0; Abstention votes: 0.

This resolution was duly passed.

Appendix: the biography of the director candidate

By Order of the Board

Yao Yong Jia
Secretary to the Board

Nanjing, the PRC, 25 December 2020

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


* Independent Non-executive Directors
Appendix:

Biography of the Director Candidate

Li Xiaoyan, female, born in 1977, is a graduate with a master’s degree and also a senior accountant, Chinese Certified Public Accountant (CPA), Association of Chartered Certified Accountant (ACCA), Chartered Global Management Accountant (CGMA) and a state high-caliber talent in accounting. Ms. Li once served as a member of the discipline inspection committee and the general manager of the financial department of Sinotrans Limited (中國外運股份有限公司), and currently serves as a deputy financial controller of China Merchants Expressway Network & Technology Holdings Co., Ltd. (招商局公路网络科技控股股份有限公司). Ms. Li has long been devoted in financial management of listed companies, and has accumulated rich experience in financial management, corporate management and investment and financing management.