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

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

(Stock Code: 00177)

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

On 26 June 2024, the Company entered into an agreement with Communications Media Company on the following ordinary related party/continuing connected transactions:

1. In relation to the enhancement project of business environment in Maoshan Service Area, Communications Media Company shall carry out the renovation and upgrading for the indoor and outdoor facilities in the Company's Maoshan Service Area. The term of the agreement is from 26 June 2024 to 31 December 2024, and the transaction amount shall not exceed RMB6.44 million.
2. In relation to the Company's building construction and renovation project, Communications Media Company shall carry out layout adjustments and decorations for the Company's command center, conference room, archive room and other areas. The term of the agreement is from 26 June 2024 to 31 December 2024, and the transaction amount shall not exceed RMB2.1324 million.

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

Pursuant to Rule 14A.07(1) of the Hong Kong Listing Rules, Jiangsu Communications Holding, the controlling shareholder of the Company, is a connected person of the Company. As Communications Media Company is directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, Communications Media Company is a connected person of the Company under Rules 14A.07(4) and 14A.13 of the Hong Kong Listing Rules. Accordingly, agreements entered into between the Company and Communications Media Company and the transactions thereunder in respect of the above projects constitute continuing connected transactions of the Company.

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

IMPORTANT NOTICE:

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

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

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

The first meeting of the eleventh session of the board of directors of Jiangsu Expressway Company Limited (the “**Company**”) held on 26 June 2024 considered and approved the Company’s engagement in the following ordinary related party/continuing connected transactions with Jiangsu Communications & Culture Media Company Limited (“**Communications Media Company**”). On 26 June 2024,

1. the Company entered into an agreement with Communications Media Company in relation to the Company’s enhancement project of business environment in Maoshan Service Area. The term of the agreement is from 26 June 2024 to 31 December 2024, and the transaction amount shall not exceed RMB6.44 million.
2. the Company entered into an agreement with Communications Media Company in relation to the Company’s building construction and renovation project, pursuant to which, Communications Media Company shall carry out layout adjustments and decorations for the Company’s command center, conference room, archive room and other areas. The term of the agreement is from 26 June 2024 to 31 December 2024, and the transaction amount shall not exceed RMB2.1324 million.

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

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

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

Pursuant to Rule 14A.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), as a company is directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, Communications Media Company is a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the agreements entered into between the Company and Communications Media Company and the transactions thereunder in respect of the above projects constitute continuing connected transactions of the Company.

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

The related party transactions are not subject to approval by any other authorities.

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

Category of related party/connected transaction	Related party/connected person	2024	2024	Estimated increase in 2024 (0,000)	2024 current estimated amount (0,000)
		original estimated amount (0,000)	accumulated amount as at the date of announcement (0,000)		
Building construction and renovation project	Communications Media Company	850	0	857.24	1,707.24

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

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

Jiangsu Expressway Company Limited

Registered office:	6 Xianlin Avenue, Nanjing, Jiangsu Province, the PRC
Business nature:	Joint-stock limited company
Legal representative:	Chen Yunjiang
Registered capital:	RMB5,037,747,500
Principal business:	Construction, management, maintenance and toll collection of toll roads and expressways in Jiangsu Province
Total assets at the end of the latest accounting period (2023)*:	RMB78,661,443,000
Net assets at the end of the latest accounting period (2023)*:	RMB33,987,287,000
Revenue from operations for the latest accounting period (2023)*:	RMB15,192,010,000
Net profit for the latest accounting period (2023)*:	RMB4,609,625,000

* (in accordance with the Accounting Standards for Business Enterprises of the PRC)

Jiangsu Communications & Culture Media Company Limited

Registered office:	13/F, Building A3, Science and Technology Innovation Complex, No. 8 Bailongjiang East Street, Jianye District, Nanjing City
Business nature:	Limited liability company
Legal representative:	Xia Jiming
Registered capital:	RMB268,000,000
Shareholders (shareholding percentage):	Jiangsu Communications Holding Company Limited (37.31%) (Note 1) Jiangsu Xinhua Newspaper Media Group Co. Ltd. (25.37%) (Note 1) Jiangsu Expressway Company Limited (22.40%) Jiangsu Jinghu Expressway Company Limited (7.46%) (Note 2) Jiangsu Orient Expressway Operation and Management Company Limited (3.73%) (Note 1) Jiangsu Orient Road & Bridge Construction and Maintenance Company Limited (3.73%) (Note 1)
Principal business:	Design of, production of, agent for and distribution of national advertisements
Total assets at the end of the latest accounting period (2023)*:	RMB558,879,000
Net assets at the end of the latest accounting period (2023)*:	RMB366,610,000
Revenue from operations for the latest accounting period (2023)*:	RMB164,668,000
Net profit for the latest accounting period (2023)*:	RMB21,538,000

* (in accordance with the Accounting Standards for Business Enterprises of the PRC)

Note 1: The ultimate beneficial owner: State-owned Assets Supervision and Administration Commission of Jiangsu People's Government.

Note 2: The ultimate beneficial owner: Jiangsu Communications Holding Company Limited (70.27%), Jiangsu Yueda Investment Co., Ltd. (江蘇悅達投資股份有限公司) (6%) (Shanghai Stock Exchange stock code: 600805), State-owned Assets Supervision and Administration Commission of Yangzhou People's Government (11.76%). Based on publicly available information, there are no other persons holding more than 5% interests in the company.

(II) Related/Connected Relationship with the Listed Company

Jiangsu Communications Holding, the controlling shareholder of the Company, is the actual controller of Communications Media Company, as such, Communications Media Company is a related party of the Company and the relevant transactions constitute related party transactions under Rule 6.3.3 of the Shanghai Listing Rules.

Pursuant to Rule 14A.07(1) of the Hong Kong Listing Rules, Jiangsu Communications Holding, the controlling shareholder of the Company, is a connected person of the Company. Being directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, Communications Media Company is a connected person of the Company under Rules 14A.07(4) and 14A.13 of the Hong Kong Listing Rules.

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

As Communications Media Company and the Company are fellow subsidiaries, the previous agreements entered into have been effectively implemented without any breach, the Company considers that there is no risk of non-performance of the agreements for these related party/connected transactions.

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

1. Enhancement Project of Business Environment in Maoshan Service Area

In order to further enhance the external service image of the Maoshan Service Area, optimize the business environment, and create a high-quality commercial atmosphere, as considered and approved at the first meeting of the eleventh session of the board of directors of the Company, on 26 June 2024, the Company entered into an agreement with Communications Media Company in relation to the Company's enhancement project of business environment in Maoshan Service Area, pursuant to which, Communications Media Company shall carry out the renovation and upgrading for the indoor and outdoor facilities in the Company's Maoshan Service Area with the aim of deeply exploring its potential commercial value. The term of the agreement is from 26 June 2024 to 31 December 2024, and the transaction amount shall not exceed RMB6.44 million.

Enhancement project of business environment in Maoshan Service Area is priced by way of audits before bidding, i.e. third parties who are independent and qualified in construction costing are entrusted to prepare the control prices. The third parties take national laws, regulations and budget quotas as the basis for the audit process, and review, double-check and conduct market inquiry with regards to actual circumstances to ensure the fairness of the pricing of the transactions. The maximum amount of the agreement is estimated on the basis of the expected workload of the project. Upon the completion of the project, the settlement fee shall be paid by the Company in one lump sum which is 97% of the approved amount in audit, and the remaining warranty deposit shall be paid in one lump sum upon the expiration of the defect warranty period of 24 months.

2. Building Construction and Renovation Project

In order to enhance the work efficiency, accelerate the pace of digital and intelligent transformation, and meet the current business model and usage requirements, on 26 June 2024, the Company entered into an agreement with Communications Media Company in relation to the Company's building construction and renovation project, pursuant to which, Communications Media Company shall carry out layout adjustments and decorations for the Company's command center, conference room, archive room and other areas. The term of the agreement is from 26 June 2024 to 31 December 2024, and the transaction amount shall not exceed RMB2.1324 million.

The building construction and renovation project is priced by way of audits before bidding, i.e. third parties who are independent and qualified in construction costing are entrusted to prepare the control prices. The third parties take national laws, regulations and budget quotas as the basis for the audit process, and review, double-check and conduct market inquiry with regards to actual circumstances to ensure the fairness of the pricing of the transactions. The maximum amount of the agreement is estimated on the basis of the expected workload of the project. Upon the completion of the project, the settlement fee shall be paid by the Company in one lump sum which is 97% of the approved amount in audit, and the remaining warranty deposit shall be paid in one lump sum upon the expiration of the defect warranty period of 24 months.

IV. PURPOSE OF THE RELATED PARTY/CONNECTED TRANSACTIONS AND THEIR EFFECTS ON THE LISTED COMPANY

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

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

By Order of the Board
Wang Feng
Executive Director

Nanjing, the PRC, 27 June 2024

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

Chen Yunjiang, Wang Yingjian, Zhou Hong, Wang Feng, Zhang Xinyu, Wu Xinhua, Zhou Wei, Ma Chung Lai, Lawrence, Xu Guanghua, Ge Yang*, Gu Zhaoyang*, Tan Shijun*, Sun Lijun**

* *Independent Non-executive Directors*