

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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 27 August 2024, the Company entered into agreements with Micro Video Company and Xiandai R&B Company on the following matters:

1. the Company entered into an agreement with Micro Video Company in relation to the Company's informatization renovation project, pursuant to which, Micro Video Company shall carry out informatization upgrading and renovation for the command center of Changzhou Section of Shanghai-Nanjing Expressway. The term of the agreement is from 1 October 2024 to 31 December 2025, and the amount of the agreement shall not exceed RMB4,240,000.
2. the Company entered into an agreement with Xiandai R&B Company in relation to the Company's building construction and renovation, pursuant to which, Xiandai R&B Company shall carry out comprehensive upgrading and renovation for the station area of Zhenjiang Station of Shanghai-Nanjing Expressway. The term of the agreement is from 10 September 2024 to 31 December 2024, and the amount of the agreement shall not exceed RMB2,136,000.

Since Micro Video Company and Xiandai R&B Company, counterparties 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. The related party transaction with Micro Video Company is exempted from approval and disclosure requirements on related party transactions since Micro Video Company has been determined as the service provider through the way of a public tender organised by the Company. As the total amount of relevant fees related to related party transaction with Xiandai R&B Company accounts for less than 0.5% of the absolute value of the latest audited net assets of the Company, the related party transaction is not subject to any disclosure requirements.

Pursuant to Rule 14A.07(1) of the Hong Kong Listing Rules, Jiangsu Communications Holding, the controlling shareholder of the Company, is a connected person of the Company. As Micro Video Company and Xiandai R&B Company are directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, Micro Video Company and Xiandai R&B Company are connected persons of the Company under Rules 14A.07(4) and 14A.13 of the Hong Kong Listing Rules. Accordingly, the agreements entered into among the Company, Micro Video Company and Xiandai R&B 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 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 two 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 both 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 its 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 second meeting of the eleventh session of the board of directors of Jiangsu Expressway Company Limited (the “**Company**”) held on 27 August 2024 considered and approved the Company’s engagement in the following ordinary related party/continuing connected transactions with Nanjing Micro Video Technology Company Limited (南京感動科技有限公司) (“**Micro Video Company**”) and Jiangsu Xiandai Road & Bridge Co., Ltd. (江蘇現代路橋有限責任公司) (“**Xiandai R&B Company**”). On 27 August 2024,

1. the Company entered into an agreement with Micro Video Company in relation to the Company’s informatization renovation project, pursuant to which, Micro Video Company shall carry out informatization upgrading and renovation for the command center of Changzhou Section of Shanghai-Nanjing Expressway. The term of the agreement is from 1 October 2024 to 31 December 2025, and the amount of the agreement shall not exceed RMB4,240,000.
2. the Company entered into an agreement with Xiandai R&B Company in relation to the Company’s building construction and renovation, pursuant to which, Xiandai R&B Company shall carry out comprehensive upgrading and renovation for the station area of Zhenjiang Station of Shanghai-Nanjing Expressway. The term of the agreement is from 10 September 2024 to 31 December 2024, and the amount of the agreement shall not exceed RMB2,136,000.

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 the above resolution. All remaining directors have voted in favour of the above 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.

- (1) The five independent directors of the Company have held a special meeting of independent directors on the above related party/connected transactions, expressed approval opinions and agreed to submit the same to the board of directors for consideration; and

- (2) The Audit Committee of the Company has reviewed the above related party/connected transactions and agreed to submit the same to the board of directors for consideration.

Since Micro Video Company and Xiandai R&B Company, counterparties 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. The related party transaction with Micro Video Company is exempted from approval and disclosure requirements on related party transactions since Micro Video Company has been determined as the service provider through the way of a public tender organised by the Company. As the total amount of relevant fees related to related party transaction with Xiandai R&B Company accounts for less than 0.5% of the absolute value of the latest audited net assets of the Company, the related party transaction is not subject to any disclosure requirements.

Pursuant to Rule 14A.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), being companies directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, Micro Video Company and Xiandai R&B Company are connected persons of the Company under the Hong Kong Listing Rules. Accordingly, the agreements entered into among the Company, Micro Video Company and Xiandai R&B 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 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 two 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 <i>(Service provider)</i>	2024 original estimated amount <i>(RMB'0,000)</i>	2024 accumulated amount as at the date of announcement <i>(RMB'0,000)</i>	Estimated increase in 2024 <i>(RMB'0,000)</i>	2024 current estimated amount <i>(RMB'0,000)</i>
Information renovation service Building	Micro Video Company	2,100.8	895.81	169.6	2,270.4
construction and renovation service	Xiandai R&B Company	<u>4,550</u>	<u>0</u>	<u>213.6</u>	<u>4,763.6</u>

**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) <sup>#</sup> :	RMB78,661,443,000
Net assets at the end of the latest accounting period (2023) <sup>#</sup> :	RMB33,987,287,000
Revenue from operations for the latest accounting period (2023) <sup>#</sup> :	RMB15,192,010,000
Net profit for the latest accounting period (2023) <sup>#</sup> :	RMB4,609,625,000

***Jiangsu Xiandai Road & Bridge Co., Ltd.***

Registered office:	No. 2 Xianlin Avenue, Maqun Street, Qixia District, Nanjing
Business nature:	Limited liability company
Legal representative:	Yuan Shouguo
Registered capital:	RMB129,050,000
Shareholders (shareholding percentage):	Jiangsu Communications Holding Company Limited (25%) (Note 1)
	Jiangsu Expressway Company Limited (15%)
	Jiangsu Yanjiang Expressway Co., Ltd. (江蘇沿江高速公路有限公司) (15%) (Note 2)
	Jiangsu Guangjing Xicheng Expressway Co., Ltd. (江蘇廣靖錫澄高速公路有限責任公司) (7.5%) (Note 3)
	Jiangsu Sutong Bridge Company Limited (江蘇蘇通大橋有限責任公司) (7.5%) (Note 4)
	Jiangsu Yangtze Bridge Co., Ltd. (江蘇揚子大橋股份有限公司) (7.5%) (Note 5)
	Jiangsu Runyang Bridge Development Co., Ltd. (江蘇潤揚大橋發展有限責任公司) (7.5%) (Note 1)
	Jiangsu Taizhou Bridge Co., Ltd. (江蘇泰州大橋有限公司) (7.5%) (Note 6)
	Jiangsu Ninghang Expressway Co., Ltd. (江蘇寧杭高速公路有限公司) (7.5%) (Note 7)

Principal business: Bridge engineering, highway engineering, design, construction, maintenance and technical services of tunnel construction, railway engineering, municipal engineering, green engineering, landscape engineering, transportation engineering, construction engineering; testing services; engineering supervision; sales and technical research and development of new materials and road maintenance equipment; research and development and sales of building materials; general cargo storage services; lease, sales and technical services of construction machinery and equipment; design, production, agency, and release of various domestic advertisements; advertising engineering construction; information technology development and services

Total assets at the end of the latest accounting period (2023)<sup>#</sup>: RMB2,280,711,000

Net assets at the end of the latest accounting period (2023)<sup>#</sup>: RMB1,236,896,000

Revenue from operations for the latest accounting period (2023)<sup>#</sup>: RMB2,299,679,000

Net profit for the latest accounting period (2023)<sup>#</sup>: RMB243,112,000

***Nanjing Micro Video Technology Company Limited***

Registered office:	102, Block 39, No. 66 Lingjiao City, Qinhuai District, Nanjing
Business nature:	Limited liability company
Legal representative:	Wang Mingwen
Registered capital:	RMB12,003,700
Shareholders (shareholding percentage):	Jiangsu Tongxingbao Smart Transport Technology Co., Ltd. (江蘇通行寶智慧交通科技股份有限公司) (51%) (Note 8)  Ge Xiaochuan (16.16%)  Wu Wei (8.75%)  Gu Bin (7.91%)  Nanjing Ganchuang Investment Enterprise (Limited Partnership) (南京感創投資企業(有限合夥)) (8.83%) (Note 9)  Nanjing Ganxiang Management Consulting Partnership (Limited Partnership) (南京感想管理諮詢合夥企業(有限合夥)) (7.35%) (Note 10)
Principal business:	Construction of and technical consultation and technical services for projects in relation to roads, transportation engineering, communications, electromechanical equipment installation, technical consulting, technical services; sales of integration of computing systems, computer network engineering, computer hardware service, hardware and electrical materials; computer software and hardware and peripheral equipment manufacturing



Total assets at the end of the latest accounting period (2023)<sup>#</sup>: RMB242,642,500

Net assets at the end of the latest accounting period (2023)<sup>#</sup>: RMB117,090,160

Revenue from operations for the latest accounting period (2023)<sup>#</sup>: RMB261,026,490

Net profit for the latest accounting period (2023)<sup>#</sup>: RMB35,268,920

<sup>#</sup> In accordance with the Accounting Standards for Business Enterprises of the PRC

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

*Note 2:* The ultimate beneficial owners include: Jiangsu Communications Holding Company Limited (55.46%) (*Note 1*), Jiangsu Guangjing Xicheng Expressway Company Limited, Suzhou Yanjiang Expressway Company Limited (蘇州沿江高速公路有限公司) (8.91%) (its ultimate beneficial owners include Changshu State-owned Assets Supervision and Administration Office (36.66%) and State-owned Assets Supervision and Administration Commission of Suzhou People's Government.

*Note 3:* The Company's 85%-owned subsidiary, the ultimate beneficial owner of the remaining 15% is China Merchants Highway Network & Technology Holdings Co., Ltd. (招商局公路網絡科技控股股份有限公司) (Shenzhen Stock Exchange stock code: 001965).

*Note 4:* The ultimate beneficial owners are: Jiangsu Communications Holding Company Limited (46.54%) (*Note 1*), Rudong County Investment Management Office (如東縣投資管理辦公室) (8.31%), State-owned Assets Supervision and Management Committee of Nantong People's Government (20.09%) and Suzhou State-owned Assets Management Commission (15.1%). Based on publicly available information, there are no other persons holding more than 3% equity interest in the company.

*Note 5:* The ultimate beneficial owners are: Jiangsu Communications Holding Company Limited (47.78%) (*Note 1*), Jiangsu Expressway Company Limited (26.66%) and China Merchants Expressway Network & Technology Holdings Co., Ltd. (21.64%) (Shenzhen Stock Exchange stock code: 001965). Based on publicly available information, there are no other persons holding more than 4% equity interest in the company.

*Note 6:* The ultimate beneficial owners are: Jiangsu Communications Holding Company Limited (75.93%) and People's Government of Taizhou (13.02%). Based on publicly available information, there are no other persons holding more than 3% equity interest in the company.

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

*Note 8:* A company listed on the Shenzhen Stock Exchange (Shenzhen Stock Exchange stock code: 301339). The ultimate beneficial owner includes: Jiangsu Communications Holding Company Limited (49.35%) (*Note 1*).

*Note 9:* The general partner is Huang Yingqing.

*Note 10:* The general partner is Ge Xiaochuan.

## **(II) Related/Connected Relationship with the Listed Company**

Jiangsu Communications Holding, the controlling shareholder of the Company, is the actual controller of Micro Video Company and Xiandai R&B Company, as such, Micro Video Company and Xiandai R&B Company are related parties 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 companies directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, Micro Video Company and Xiandai R&B Company are connected persons 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 Micro Video Company, Xiandai R&B 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 TRANSACTION**

#### **1. Informatization renovation project**

In order to further enhance the informatization level of Changzhou Command Center of the Company, thoroughly analyze information data and provide robust support for dispatching and commanding, intelligent management and control, and coordination and interaction, the Company entered into an agreement with Micro Video Company in relation to the Company's informatization renovation project, pursuant to which, Micro Video Company shall carry out informatization upgrading and renovation for the command center of Changzhou Section of Shanghai-Nanjing Expressway. The term of the agreement is from 1 October 2024 to 31 December 2025, and the amount of the agreement shall not exceed RMB4,240,000, of which not exceeding RMB1,696,000 from 1 October to 31 December 2024 and not exceeding RMB2,544,000 from 1 January to 31 December 2025.

The successful bidder of the informatization renovation project is determined by way of public tender, and the tenders shall be evaluated by the bid evaluation committee consisting of experts in this field of transaction who are randomly selected from the bid evaluation expert database of Jiangsu Department of Transportation to ensure that the price is fully competitive. The maximum amount of the agreement is estimated on the basis of the expected workload of the project. The settlement fee shall be paid by the Company in one lump sum which is 40% of the approved amount in audit upon the completion of the project, 97% of the approved amount in audit shall be paid upon the trial operation and completion of acceptance, and the remaining warranty deposit shall be paid in one lump sum upon the expiration of the defect warranty period of 12 months.

#### **2. Building construction and renovation project**

In order to further improve the working environment of Zhenjiang Toll Station and enhance the image of the station area, the Company entered into an agreement with Xiandai R&B Company in relation to the Company's building construction and renovation, pursuant to which, Xiandai R&B Company shall carry out comprehensive upgrading and renovation for the station area of Zhenjiang Station of Shanghai-Nanjing Expressway. The term of the agreement is from 10 September 2024 to 31 December 2024, and the amount of the agreement shall not exceed RMB2,136,000.

In respect of the fees of the building construction and renovation project, the Company has made inquiries to three companies with relevant qualifications according to relevant business needs, among which, Xiandai R&B Company is a related party/connected person of the Company, and the other two companies are third parties independent of the Company and its related parties/connected persons. As these three companies meet other objective requirements (such as necessary licenses and there is no credit risk of violating regulations or contracts in national public record searches), the project assessment committee (whose members were randomly drawn from the Company's expert database with relevant experience) comprehensively analyses the quotations and services provided by these three parties, and chooses to cooperate with Xiandai R&B Company. In order to ensure the fairness and reasonableness of the transaction terms, the internal control department of the Company conducted a comprehensive review of all reports and relevant documents (including but not limited to the reason for inviting these three companies for bidding, quotations and terms of agreements) to ensure the fairness of the pricing of the related party transaction. The maximum amount of the agreement is estimated on the basis of the expected workload of the project and requirements of building construction and renovation. 50% of the contract amount shall be paid by the Company upon the completion of 50% of the workload 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 upon the completion of the project. The percentage of warranty deposit is 3% of the approved amount in audit, and the warranty period is within 24 months from the date of acceptance of the project, with a lump sum payment to be made upon the expiration of the defect warranty period (i.e. 12 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 revenue 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, are on normal commercial terms and the terms of the transactions are fair and reasonable. The revenue 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 interest 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, 28 August 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*