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

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

(Stock Code: 00177)

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

On 29 October 2024, the Company entered into an agreement with Xiandai R&B Company, pursuant to which, Xiandai R&B Company shall undertake the expansion and renovation works of the Ningchang Management Office Command Center. The term of the agreement is from 29 October 2024 to 31 December 2024, and the amount of the agreement shall not exceed RMB1,631,400.

Since Xiandai R&B Company, counterparty to the transaction, and the Company are under the common control by Jiangsu Communications Holding, such transaction constitutes related party transaction under the Shanghai Listing Rules; 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.

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

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

IMPORTANT NOTICE:

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

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

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

The fifth meeting of the eleventh session of the board of directors of Jiangsu Expressway Company Limited (the “**Company**”) held on 29 October 2024 considered and approved the Company’s engagement in the following ordinary related party/continuing connected transaction with Jiangsu Xiandai Road & Bridge Co., Ltd. (江蘇現代路橋有限責任公司) (“**Xiandai R&B Company**”).

On 29 October 2024, the Company entered into an agreement with Xiandai R&B Company, pursuant to which, Xiandai R&B Company shall undertake the expansion and renovation works of the Ningchang Management Office Command Center. The term of the agreement is from 29 October 2024 to 31 December 2024, and the amount of the agreement shall not exceed RMB1,631,400.

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

In accordance with the Administrative Measures for Independent Directors of Listed Companies(《上市公司獨立董事管理辦法》) of the China Securities Regulatory Commission:

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

Since Xiandai R&B Company, counterparty to the transaction, and the Company are under the common control by Jiangsu Communications Holding, such transaction constitutes related party transaction under the Shanghai Listing Rules; 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.

As Xiandai R&B Company is directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, the controlling shareholder of the Company, Xiandai R&B Company is a connected person of the Company under Rules 14A.07(1), 14A.07(4) and 14A.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”). Accordingly, the agreement entered into between the Company and Xiandai R&B Company and the transaction thereunder in respect of the aforementioned project constitute continuing connected transaction of the Company.

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

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

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

Category of related party/ connected transaction	Related party/ connected person	2024 original	2024	Estimated increase in 2024	2024 current estimated amount
		estimated amount (RMB'0,000)	accumulated amount as at the date of announcement (RMB'0,000)		
Building construction and renovation service	Xiandai R&B Company	4,763.6	0	163.14	4,926.74

II. INFORMATION ON RELATED PARTY/CONNECTED PERSON AND RELATED/CONNECTED RELATIONSHIP

(I) Basic Information on the Related Party/Connected Person

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 as at the end of the latest accounting period (2023)#:	RMB78,661,443,000
Net assets as 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

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:	Design, construction, maintenance and technical services of bridge construction, highway construction, 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
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Total assets as at the end of the latest accounting period (2023)#:	RMB2,280,711,000
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Net assets as at the end of the latest accounting period (2023)#:	RMB1,236,896,000
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Revenue from operations for the latest accounting period (2023)#:	RMB2,299,679,000
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Net profit for the latest accounting period (2023)#:	RMB243,112,000
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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 (25.14%) (Note 3), 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 (常熟市國有資產監督管理辦公室) (36.66%) and State-owned Assets Supervision and Administration Commission of Suzhou People's Government (蘇州市人民政府國有資產監督管理委員會) (20.36%), Zhangjiagang City State-owned Assets Management Center (張家港市國有資產管理中心) (17.90%), Taicang State-owned Assets Supervision and Administration Office (Taicang City Financial Holdings Development Co., Ltd.) (太倉市政府國有資產監督管理辦公室(太倉市金控發展有限公司) (19.35%), there are no other persons holding more than 5% interests in the entity), and Zhangjiagang City State-owned Assets Management Center (張家港市國有資產管理中心) (6.41%), there are no other persons holding more than 5% interests in the company.
- 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 (南通市人民政府國有資產監督管理委員會) (20.09%) and Suzhou State-owned Assets Management Commission (蘇州市國有資產管理委員會) (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 (江蘇省國有資產監督管理委員會) (79.99%), Nanjing State-owned Assets Supervision and Administration Commission (南京市國有資產管理委員會) (10%), State-owned Assets Supervision and Administration Commission of Changzhou People's Government (常州市人民政府國有資產監督管理委員會) (7.82%) and State-owned Assets Supervision and Administration Commission of Wuxi People's Government (無錫市人民政府國有資產監督管理委員會) (2.19%).

(II) Related/Connected Relationship with the Listed Company

Jiangsu Communications Holding, the controlling shareholder of the Company, is the actual controller of Xiandai R&B Company, as such, Xiandai R&B Company is a related party of the Company and the relevant transaction constitutes related party transaction 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 a company directly or indirectly owned as to 30% or more by Jiangsu Communications Holding, Xiandai R&B Company is a connected person of the Company under Rules 14A.07(4) and 14A.13 of the Hong Kong Listing Rules.

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

As 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 agreement for the related party/connected transaction.

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

As the actual office area of the Ningchang Management Office Command Center of the Company is currently too small to meet the requirements for coordinated command and dispatch among various units, the Company entered into an agreement with Xiandai R&B Company, pursuant to which, Xiandai R&B Company shall undertake the expansion and renovation works of the Ningchang Management Office Command Center. The term of the agreement is from 29 October 2024 to 31 December 2024, and the amount of the agreement shall not exceed RMB1,631,400.

Building construction and renovation project is priced by way of audits before bidding, i.e. third-party valuer who are independent and qualified in construction costing are entrusted to prepare the control prices. The third-party valuer shall 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 transaction.

The maximum amount of the agreement is estimated on the basis of the expected workload of the project and the requirements of the building construction and renovation works. 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 warranty deposit is 3% of the approved amount in audit and a lump sum payment will be made upon the expiration of the defect warranty period (i.e. 24 months).

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

The transaction falls within the ambit of ordinary business contracts of the Company. The price of the contract is determined with reference to the fair price on the market, the transaction does not impair the interests of the Company, nor does it involve any transfer of benefits to the internal related/connected persons of the Group. 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 transaction and hence the independence of the Company as a listed company will not be impaired. The related party/connected transaction does not have any adverse impacts on the Company.

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

By Order of the Board
Wang Feng
Executive Director

Nanjing, the PRC, 29 October 2024

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

Chen Yunjiang, Wang Yingjian, 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*