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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**  
**RELATED PARTY/CONTINUING CONNECTED TRANSACTIONS**  
**IN RESPECT OF THE RENEWAL OF THE FINANCIAL SERVICES**  
**AGREEMENT WITH JIANGSU COMMUNICATIONS HOLDING**  
**GROUP FINANCE CO., LTD.**

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 accept legal responsibilities for the truthfulness, accuracy and completeness of its contents.

The Company entered into the Financial Services Agreement with Group Finance Company on 26 March 2025 for a term of three years commencing from 1 April 2025. The financial services to be provided by Group Finance Company to the Group include deposit services, settlement services, financing services, electronic commercial draft services and other financial services.

The maximum daily deposit balance of deposit services (including accrued interests) shall not exceed RMB500 million, and Group Finance Company undertakes that the deposit interest rates shall not be lower than the interest rate offered to the Group by any joint-stock or large state-owned commercial banks in China or lower than the average interest rate applicable to the deposits of the same kinds and for the same period made by any third party with Group Finance Company. The Company will strictly limit the maximum daily deposit such that it would not represent 5% or more of the total asset, audited revenue, and market capitalisation of the Company calculated in accordance with Rule 14.07 of the Hong Kong Listing Rules, whichever is the lowest.

The Group Finance Company has granted a comprehensive revolving credit of at least RMB5 billion to the Group, and undertook that the loan interest rate would not be higher than the benchmark interest rate for loans for the same period stipulated by the People's Bank of China and the rate offered to the Group by any joint-stock or large state-owned commercial banks in China. The Group is not required to provide any security pledge or guarantee.

Given that both Group Finance Company and the Company are controlled by Jiangsu Communications Holding, such transactions constitute related party transactions under the Shanghai Listing Rules. In accordance with Rule 14A.07 under the Hong Kong Listing Rules, Group Finance Company is a connected person of the Company, the abovementioned transactions constitute continuing connected transaction. As the applicable percentage ratios (excluding the profits ratio) for the deposit services are less than 5%, pursuant to Rule 14A.76(2)(a) of the Hong Kong Listing Rules, the deposit services transaction is subject to the announcement requirement, but is exempted from independent shareholders' approval at the general meeting. The deposit services under the abovementioned agreement are also subject to the annual review requirements under Rules 14A.55 to 14A.59 of the Hong Kong Listing Rules. As the comprehensive revolving credit is granted on normal commercial terms and the Group is not required to provide any security or guarantee, the transactions under the comprehensive revolving credit are exempt from announcement and independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules. As the annual caps of service fees of other financial services under the Financial Services Agreement are RMB5 million for each financial year, and no percentage ratios exceed 0.1%, such transactions are exempt from announcement and independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

### **Important Notice:**

**The related party transactions under the Financial Services Agreement entered into by the Company and the Group Finance Company with a period of three years commencing from 1 April 2025. The daily maximum deposit balance (including accrued interest) shall not exceed RMB500 million and shall be less than 5% of the Company's audited income, total assets, or market value. Meanwhile, the Group Finance Company has granted a comprehensive credit line of at least RMB5 billion to the Company, and undertook that the loan interest rate would not be higher than the Loan Prime Rate (LPR) for the same period stipulated by the People's Bank of China and the rate offered to the Company by major state-owned commercial banks or national joint-stock commercial banks under the same conditions. The Company is not required to provide any pledge or guarantee.**

The Group's average daily deposit in Group Finance Company was RMB244.8830 million, and the average daily working capital loan amounted to RMB709.1976 million in the past 12 months. There was no transaction related to different related parties.

The Company's daily maximum deposit balance in Group Finance Company, as well as the comprehensive credit line provided by the Group Finance Company to the Company, cover all entities within the scope of the Company's consolidated financial statements.

## I. OVERVIEW OF THE RELATED PARTY TRANSACTIONS

The ninth meeting of the eleventh session of the board of directors of Jiangsu Expressway Company Limited (the "**Company**") was held on 26 March 2025, for consideration and approval of the Financial Services Agreement to be entered by the Company and Jiangsu Communications Holding Group Finance Co., Ltd. (the "**Group Finance Company**") with a period of three years commencing from 1 April 2025. Given the possible change in external financial policies and the financing environment, the Company renewed the Financial Services Agreement with Group Finance Company to broaden financing channels and enhance the Company's capital allocation ability, so as to ensure the meeting of the requirement for operating capital.

The daily maximum deposit balance (including interest) of the Company shall not exceed RMB500 million and shall be less than 5% of the Company's audited income, total assets, or market value. Meanwhile, the Group Finance Company has granted a comprehensive credit line of at least RMB5 billion to the Company, and undertook that the loan interest rate would not be higher than the Loan Prime Rate (LPR) for the same period stipulated by the People's Bank of China and the rate offered to the Company by major state-owned commercial banks or national joint-stock commercial banks under the same conditions. The Company is not required to provide any pledge or guarantee.

Mr. Chen Yunjiang, Mr. Wang Yingjian, and Ms. Xie Mengmeng, being related directors, have abstained from voting on the resolution while all remaining directors, including five independent directors, have voted in favor of the transaction.

Five independent directors of the Company convened a special meeting of independent directors, and considered and approved the aforementioned related party transaction matters. The audit committee of the Company has assessed such related party transactions and agreed to submit such matter to the board of directors for consideration. Both the Group Finance Company and the Company are controlled by Jiangsu Communications Holding Co., Ltd. ("**Jiangsu Communications Holding**"). In accordance with the relevant provisions of the Shanghai Stock Exchange Listing Rules, the aforementioned matters constitute a related party transaction.

The related party transactions are not required to be submitted the general meeting for consideration.

The related party transactions do not constitute a major assets reorganization under the Measures for the Administration of Material Asset Reorganization of Listed Companies.

In accordance with Rule 14A.07 under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Hong Kong Listing Rules**”), Group Finance Company is a connected person of the Company, the abovementioned transactions constitute continuing connected transactions. As the applicable percentage ratios (excluding the profits ratio) for the deposit services are less than 5%, pursuant to Rule 14A.76(2)(a) of the Hong Kong Listing Rules, the deposit services transaction is subject to announcement requirement, but is exempted from independent shareholders’ approval at the general meeting. The deposit services transaction contemplated under the abovementioned agreement is also subject to the annual review requirements under Rules 14A.55 to 14A.59 of the Hong Kong Listing Rules. As the comprehensive revolving credit is granted on normal commercial terms and the Group is not required to provide any security or guarantee, the transactions under the comprehensive revolving credit are exempt from announcement and independent shareholders’ approval requirement under Chapter 14A of the Hong Kong Listing Rules. As the annual caps of service fees of other financial services under the Financial Services Agreement are RMB5 million for each financial year and no percentage ratios exceed 0.1%, such transactions are exempt from announcement and independent shareholders’ approval requirement under Chapter 14A of the Hong Kong Listing Rules.

As of the date of the related party transaction, the Group’s average daily deposit in Group Finance Company was RMB244.8830 million, and the average daily working capital loan amounted to RMB709.1976 million in the past 12 months. There was no transaction related to different related parties.

## II. INFORMATION ON RELATED PARTY/CONNECTED PERSON

### (I) Relationship with the related party/connected person

Given that both Group Finance Company and the Company are controlled by Jiangsu Communications Holding, Group Finance Company constitutes a related legal person under the Shanghai Listing Rules and a connected person of the Company under the Hong Kong Listing Rules.

### (II) Basic information of the related party/connected person

#### 1. *Basic information of the Group Financial Company*

Corporate form: Limited liability company;

Registered address: Floor 1, 2, 33, 34, Tower A2, Zijin Financial Centre, No. 399, Jiangdong Middle Road, Jianye District, Nanjing City; Legal representative: Yang Shuiming; Registered capital: RMB2 billion; Date of incorporation: December 2011; Business scope: Enterprise group financial company services (projects subject to legal approval may only commence business activities after approval by the relevant departments, and specific business projects are subject to the approval results).

#### 2. *Shareholding structure*

Shareholder name	Contribution (RMB0'000)	Percentage of shareholding (%)
Jiangsu Communications Holding Co., Ltd	137,500	68.75
Jiangsu Expressway Company Limited	50,000	25.00
Jiangsu Jinghu Expressway Company Limited	12,500	6.25
Total	200,000	100.00

**3. Development of main businesses of the related party/connected person in the past three years**

As a non-bank financial institution established with the approval of the former China Banking Regulatory Commission (CBRC), Group Finance Company is qualified to provide various financial services to group members and meets all the indicators required under the Measures for the Administration of Finance Companies of Enterprise Groups (《企業集團財務公司管理辦法》) issued by CBRC, and thus maintained a satisfactory operating results and strong corporate strength.

- 4.** The related party/connected person has no other relationships with the listed company in terms of property rights, business, assets, claims and debts, personnel, etc.

**5. Major financial indicators**

Major financial indicators of Group Finance Company over the past two years are as follows:

*Unit: RMB'0,000*

Items	31 December 2024	31 December 2023
Total assets	2,387,550.08	2,126,447.04
Net assets	293,508.51	286,074.89
	<b>2024</b>	<b>2023</b>
Operating revenue	42,087.73	45,238.74
Net profit	12,433.61	14,268.69

### III. THE MAIN CONTENTS OF THE FINANCIAL SERVICES AGREEMENT

#### (I) Service item

##### 1. *Deposit service*

The deposit interest rates provided by Group Finance Company to the Company and its subsidiaries shall not be lower than the interest rate offered to the Company and its subsidiaries by major state-owned commercial banks or national joint-stock commercial banks, or lower than the average interest rate applicable to the deposits of the same kinds and for the same period made by any third party with Group Finance Company.

The daily maximum deposit balance of the Company and its subsidiaries with Group Finance Company (including interest) shall not exceed RMB500 million and (1) be less than 5% of audited income, total assets or market value of the Company; (2) in principle shall not exceed the various outstanding financing amounts of the Company and its subsidiaries with Group Finance Company withdrawn and outstanding under the comprehensive credit granted by Group Finance Company. The above excess amount shall be transferred by Group Finance Company to the account designated by the Company and its subsidiaries within 3 working days. Group Finance Company shall ensure the security of the deposits of the Company and its subsidiaries. If Group Finance Company fails to fully settle the deposits or interest on time, the Company shall have the right to terminate the Agreement, and offset the deposits payable by Group Finance Company to the Company and its subsidiaries against the loans of the Company and its subsidiaries in Group Finance Company according to laws. If the Company incurred economic losses due to other breaches of agreement by Group Finance Company, Group Finance Company shall make full compensation and the Company shall have the right to terminate the Agreement.

It is estimated that the interest on deposits for each of the financial year under the Financial Services Agreement will not exceed RMB5 million. Interest will be paid quarterly.



## **2. *Settlement services***

Group Finance Company will provide the Company with services such as collection of accounts receivable, payment and division and allocation of tolls and ancillary services related to settlement business in accordance with the Company's instructions or this agreement. Group Finance Company provides the above settlement services free of charge.

## **3. *Financing services***

In compliance with relevant national laws and regulations, Group Finance Company provides financing consultation or financing solutions for the Company and its subsidiaries according to the Company and its subsidiaries' operation and development needs, and proactively helps the Company to implement internal and external financing matters.

In compliance with relevant national laws and regulations, the Group Finance Company provides comprehensive credit services for the Company and its subsidiaries according to the Company's operation and development needs. Within the term of this agreement, Group Finance Company has granted to the Company a comprehensive credit line in the amount of not less than RMB5 billion, and the Company may handle financing matters such as loans, acceptance of negotiable instruments, discounted bills, etc. under and within the limit of such comprehensive credit line, and Group Finance Company will satisfy the demands of the Company and its subsidiaries in priority to the extent that its funding sources allow.

The loan interest rate charged by Group Finance Company for the Company and its subsidiaries is determined by the parties after negotiation according to the interest rate announced by the People's Bank of China and the market conditions. It shall not be higher than the Loan Prime Rate (LPR) for the same period stipulated by the People's Bank of China, and under the same conditions, it would not be higher than the interest rate offered to the Company by major state-owned commercial banks or national joint-stock commercial banks. The Company is not required to provide any pledge or guarantee.

It is estimated that the interest on loans for each of the financial year under the Financial Services Agreement will not exceed RMB150 million. Interest will be paid on the last date of each interest period as agreed using the internal resources of the Group.



#### **4. *Electronic commercial draft services***

Acceptance services: to sign the electronic commercial draft issued by the Company and its subsidiaries, and undertake to pay a specified amount to the payee or bearer designated by the Company and its subsidiaries on the maturity date of the draft.

Discount services: due to the need of capital, the Company and its subsidiaries will transfer the right of endorsed notes to Group Finance Company through endorsement before the expiration date of the electronic commercial drafts. After deducting the discount interest, Group Finance Company will pay the balance to the Company and its subsidiaries.

Based on the total service fees incurred in 2022, 2023 and 2024, and from 1 January 2025 to 24 March 2025, as well as the forecast of service growth for the coming three years, it is estimated that the total service fees for each of the financial year under the Financial Services Agreement will not exceed RMB5 million. The fees under the agreement will be paid with the internal resources of the Group after the services are provided.

#### **5. *Other financial services***

Group Finance Company provides entrusted loan and other financial services to the Company and its subsidiaries within its business scope as per the Company's instructions and demands. Before Group Finance Company provides other financial services to the Company and its subsidiaries, both parties need to negotiate and enter into separate agreements.

The fees charged by Group Finance Company for providing other financial services shall not be higher than the reasonable fees charged by the domestic major financial institutes for similar services. Based on the total service fees incurred in 2022, 2023 and 2024, and from 1 January 2025 to 25 March 2025, as well as the forecast of service growth for the coming three years, it is estimated that the total service fees for each of the financial year under the Financial Services Agreement will not exceed RMB5 million. The fees under the agreement will be paid with the internal resources of the Group after the services are provided.

## **(II) Term of the Financial Services Agreement**

The Financial Services Agreement will take effect after the consideration and approval by the board of directors and shall be valid from 1 April 2025 to 31 March 2028.

## **(III) Liability for breach of contract**

Either party shall be liable for breach of contract, or the breaching party will bear all losses caused to the other party and expenses incurred due to claiming rights.

## **IV. RISK PREVENTION**

The Company has formulated a risk management plan for conducting the financing business of deposits and loans with Group Finance Company, which enables the Company to effectively prevent and timely control and mitigate its risks of capital with the Group Finance Company, and thus securing capital safety.

## **V. PURPOSE OF THE RELATED PARTY/CONTINUING CONNECTED TRANSACTIONS AND ITS EFFECTS ON THE COMPANY**

Given the possible change in external financial policies and the financing environment, the Company renewed the Financial Services Agreement with Group Finance Company to broaden financing channels and enhance the Company's capital allocation ability, so as to ensure the requirement for operating capital.

As a non-bank financial institution established with the approval of former CBRC, Group Finance Company is qualified to provide various financial services to group members and meets all the indicators required under the Measures for the Administration of Finance Companies of Enterprise Groups issued by CBRC. In respect of the provision of deposit services, loan services, capital settlement services and other financial services by the Group Finance Company for the Company and its subsidiaries, both parties shall follow the principles of equality, willingness, complementarities, mutual benefit and win-win cooperation. Without affecting the operation and allocation of its capital, the Company can make full use of the internal financial service platform provided by the Group Finance Company, thus lowering financing costs, enhancing capital use efficiency, accelerating turnover of capital and maximize returns on capital.

## **VI. THE PROCEDURES FOR THE CONSIDERATION OF THE RELATED PARTY/CONTINUING CONNECTED TRANSACTIONS**

The related party/continuing transactions have been considered and approved at the ninth meeting of the eleventh session of the board of directors of the Company, at which Mr. Chen Yunjiang, Mr. Wang Yingjian, and Ms. Xie Mengmeng, the related/connected directors, have abstained from voting. The related party/continuing connected transactions do not require to be submitted at the general meeting for consideration.

Five independent directors of the Company convened a special meeting of independent directors, considered and approved the aforementioned related party transaction matters. They agreed to submit the proposal for the related party transactions at the ninth meeting of the eleventh board of directors for consideration.

The audit committee of Company issued audit opinion in writing on the related party transactions, which is as follows: Group Finance Company is non-bank financial institution established with the approval of former CBRC. The financial services provided to the Company and its affiliated enterprises within the business scope based on Financial Services Agreement complies with the requirements of relevant national laws and regulations. The Financial Services Agreement is entered into by the parties on the principle of equality, willingness, and fair pricing, which are not detrimental to the interests of the Company or its shareholders, especially the interests of non-related shareholders and minority shareholders. The parties shall determine the caps and preferential price of deposit and loan related party transaction through agreement, which is conducive to obtaining financial support by the Company from the Group Finance Company, facilitating financing with low costs, improving financing capacity and reducing financing cost. The risk disposal plan formulated by the Company for the deposit and loan business with the Group Finance Company can prevent, control and resolve the risks of the Company's deposit and loan with the Group Finance Company, and effectively ensure the security of funds. In light of the above, we agreed to submit the matters in relation to Financial Services Agreement entered into by the Company and the Group Finance Company to the board of directors for consideration.

The related party/continuing connected transactions are not subject to the approval of competent authorities.

## VII. INFORMATION ON THE HISTORICAL RELATED PARTY TRANSACTIONS THAT NEED TO BE SPECIALLY STATED

During the period commencing from the beginning of this year to the date of disclosure, the average daily deposit of the Company and its subsidiaries in Group Finance Company amounted to RMB268.0418 million, and average daily loan amounted to RMB687.5293 million. The average daily agreement deposit balance of the Company in Group Finance Company amounted to RMB244.8830 million within 12 months immediate proceeding the date of the related party transactions, and average daily working capital loan amounted to RMB709.1976 million. There is no transaction related to different related parties.

By Order of the Board  
**Wang Feng**  
*Executive Director*

Nanjing, the PRC, 27 March 2025

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

*Chen Yunjiang<sup>#</sup>, Wang Yingjian<sup>#</sup>, Xie Mengmeng<sup>#</sup>, Wang Feng, Zhang Xinyu, Yang Shaojun<sup>#</sup>, Yang Jianguo<sup>#</sup>, Ma Chung Lai, Lawrence<sup>#</sup>, Xu Guanghua\*, Ge Yang\*, Gu Zhaoyang\*, Tan Shijun\*, Sun Lijun\**

<sup>#</sup> *Non-executive Directors*

<sup>\*</sup> *Independent Non-executive Directors*