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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)

POTENTIAL DISCLOSEABLE TRANSACTION
ANNOUNCEMENT ON THE CAPITAL INCREASE
TO A SUBSIDIARY

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 Board has approved the further capital contribution by the Company to Xitai Company according to the progress of the Xitai Project. The registered capital of Xitai Company will be increased by RMB5,599,095,550 to RMB12,099,095,550. For the purpose of enlarging the social base of investors as promoted by the provincial government, certain selected contractors of the Xitai Project were invited by Xitai Company to be shareholders of Xitai Company with a total capital contribution of RMB650,000,000, the rest of the capital increase will be contributed by the existing shareholders on a pro rata basis and the Company will contribute RMB2,497,047,775. The Company's equity interest in Xitai Company will be reduced from 50% to 47.5% of the enlarged registered capital as a result of the new investors. Given Xitai Project has only been newly commenced, there are no material changes in circumstances and Xitai Company only recorded a minor loss, the parties agree that the new investors will invest on the same terms as the existing shareholders at RMB1 per registered capital of RMB1, as if they were initial investors.

Given the highest applicable percentage ratio calculated pursuant to Rules 14.07 and 14.22 (aggregating the previous capital contribution by the Company in Xitai Company completed in December 2024) of the Hong Kong Listing Rules are more than 5% but less than 25%, the capital contribution by the Company will constitute a discloseable transaction of the Company, which is subject only to disclosure requirement and exempt from shareholders approval requirement.

Further announcement will be made pursuant to the Hong Kong Listing Rules upon signing of the relevant agreement.

IMPORTANT NOTICE:

1. Brief Description of the Transaction: Jiangsu Expressway Company Limited (hereinafter referred to as the “**Company**” or “**Jiangsu Expressway Company**”) made a capital increase to a subsidiary Jiangsu Xitai Expressway Co., Ltd. (hereinafter referred to as “**Xitai Company**”).
2. Amount of the Capital Increase: RMB2,497,047,775.
3. The transaction does not constitute a related party transaction.
4. The transaction does not constitute a material asset restructuring.

I. SUMMARY OF THE CAPITAL INCREASE

(I) Basic Information on the Capital Increase

On 26 December 2023, the 23rd meeting of the tenth session of the board of directors of the Company considered and approved the investment in the construction of the Wuxi to Suzhou Section of Wutai Expressway project (hereinafter referred to as “**Xitai Project**”). The total estimated investment for the Xitai Project is approximately RMB24,198,000,000, of which the project capital is approximately RMB12,099,000,000 (accounting for 50% of the total investment). The initial registered capital of the project company is RMB6,500,000,000, with the Company investing RMB3,250,000,000 in capital, representing a 50% equity ratio. For details, please refer to the Announcement on the Investment in the Construction of the Wuxi to Suzhou Section of Wutai Expressway Project dated 27 December 2023 disclosed by the Company.

On 12 April 2024, the Company entered into a capital contribution agreement with Wuxi Transport Infrastructure Investment and Development Co., Ltd.* (無錫交通基礎設施投資發展有限公司) (hereinafter referred to as “**Wuxi Transport Infrastructure**”) and Suzhou Xitai Expressway Investment Co., Ltd.* (蘇州市錫太高速公路投資有限公司) (hereinafter referred to as “**Suzhou Xitai Investment**”), agreeing to jointly contribute capital to establish Jiangsu Xitai Expressway Co., Ltd.. For details, please refer to the Announcement on the Progress of the Investment in the Construction of the Wuxi to Suzhou Section of Wutai Expressway Project dated 13 April 2024 disclosed by the Company. The Company has contributed RMB3,250,000,000, representing a 50% equity interest; the entire contribution has been fully paid up by December 2024.

In order to further implement the requirements of the Jiangsu Province’s Party committee and government regarding guiding and encouraging social capital investment in transportation infrastructure, and to unleash the investment capacity of the Company, it is proposed to introduce social capital to raise the construction fund for the Xitai Project in the mode of “construction contracting + equity investment”. Among these: the project’s specially selected construction contractor will participate in this capital increase as a social capital contributor, with a total investment amount of RMB605,000,000; the existing shareholders of Xitai Company will contribute cash to Xitai Company in proportion to their existing equity holdings, amounting to RMB4,994,095,550. The registered capital of Xitai Company will be increased by RMB5,599,095,550, and the registered capital of Xitai Company after the capital increase will amount to RMB12,099,095,550. Of which, the Company will contribute RMB2,497,047,775 and RMB5,747,047,775 in aggregate after the capital increase. Each capital contributor of such capital increase shall pay the capital contribution in cash in accordance with the progress of the project as notified by Xitai Company. Any capital contributor who fails to make the payment shall have its dividend rights suspended and shall compensate Xitai Company and other capital contributors who have made the payment, in accordance with the provisions of the Company Law of the People’s Republic of China. The composition of the board of directors of Xitai Company before and after the capital increase shall remain unchanged.

(II) Consideration of the Board of Directors

On 23 May 2025, the 12th meeting of the eleventh session of the board of directors of the Company considered and approved the Resolution on Capital Increase to A Subsidiary Xitai Company, approving that the Company will make a cash capital increase to a subsidiary Xitai Company, with an amount of RMB2,497,047,775.

In accordance with the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the capital increase is within the scope of decision-making authorized by the board of directors and was considered and approved at the 12th meeting of the eleventh session of the board of directors of the Company, and does not subject to the approval of the general meeting.

(III) The capital increase does not constitute a related party transaction, nor does it constitute a material asset restructuring stipulated in the Administrative Measures for the Material Asset Restructuring of Listed Companies.

II. BASIC INFORMATION ON THE SUBJECT UNDER THE CAPITAL INCREASE AGREEMENT

(I) 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 (2024):	RMB89,886,075,000 (In accordance with the Accounting Standards for Business Enterprises of the PRC)

Net assets as at the end of the latest accounting period (2024):	RMB38,596,796,000 (In accordance with the Accounting Standards for Business Enterprises of the PRC)
Revenue from operations for the latest accounting period (2024):	RMB23,198,204,000 (In accordance with the Accounting Standards for Business Enterprises of the PRC)
Net profit for the latest accounting period (2024):	RMB4,946,692,000 (In accordance with the Accounting Standards for Business Enterprises of the PRC)

The Company had total assets of RMB91,484,769,000 and net assets of RMB39,631,006,000 as at 31 March 2025; the operating revenue of RMB4,781,526,000, and net profit of RMB1,210,866,000 from January to March 2025.

(II) Given that the capital increase agreement has not been entered into, identities of the other investors will be disclosed in the progress announcement.

III. BASIC INFORMATION ON THE TARGET OF CAPITAL INCREASE

(I) Jiangsu Xitai Expressway Co., Ltd.

Registered office:	Room 1203, No. 369 Jiefang West Road, Chongansi Street, Liangxi District, Wuxi
Business nature:	Limited company
Date of establishment:	April 2024
Legal representative:	Wang Feng
Registered capital:	RMB6,500,000,000
Shareholders (shareholding percentage):	Jiangsu Expressway Company Limited (50%) Wuxi Transport Infrastructure Investment and Development Co., Ltd.* (無錫交通基礎設施投資發展有限公司) (36.194%) Suzhou Xitai Expressway Investment Co., Ltd.* (蘇州市錫太高速公路投資有限公司) (13.806%)

Principal business:	<p>Permitted items: highway management and maintenance; construction projects (except the construction and operation of nuclear power plants and the construction of civil airports); publication retail; tobacco products retail; food sales; catering service; refined oil retail (excluding dangerous chemicals); accommodation service; road freight transport (excluding dangerous goods) (For projects subject to approval in accordance with the law, approved by the relevant departments shall be obtained before commencement of business activities, and the specific business projects are subject to the results of approval) General items: municipal facilities management; general cargo storage services (excluding hazardous chemicals and other items subject to permission and approval); housing lease; land use right leasing; machinery and equipment leasing; machinery and equipment sales; power facilities equipment sales; computer hardware and software and auxiliary equipment retail; communication equipment sales; electronic products sales; instrument and meter sales; needle and textile sales; daily necessities sales; automobile sales; chemical products sales (excluding permitted chemical products); rental services (excluding permitted rental services); motor vehicle charging sales; operation of electric vehicle charging infrastructure; repair and maintenance of motor vehicles; petroleum products sales (excluding hazardous chemicals) (Carrying out business activities independently in accordance with laws by business license except for special projects that require approval in accordance with laws)</p>
Total assets as at the end of the latest accounting period (2024):	<p>RMB6,485,453,000 (In accordance with the Accounting Standards for Business Enterprises of the PRC)</p>
Net assets as at the end of the latest accounting period (2024):	<p>RMB6,485,348,000 (In accordance with the Accounting Standards for Business Enterprises of the PRC)</p>

Revenue from operations for the latest accounting period (2024):	RMB6,065,813,000 (In accordance with the Accounting Standards for Business Enterprises of the PRC)
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Net profit for the latest accounting period (2024):	RMB-1,565,000 (In accordance with the Accounting Standards for Business Enterprises of the PRC)
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(II) Major Financial Indicators of the Target of Capital Increase

The major financial indicators of Xitai Company for the most recent year and period are as follows:

Unit: RMB'000

Items	31 December 2024	31 March 2025
	(Audited)	(Unaudited)
Total assets	6,485,453	6,499,085
Net assets	6,485,348	6,499,085

Items	2024	January to March 2025
	(Audited)	(Unaudited)
Operating revenue	6,065,813	433,000
Gross profit	0	0
Net profit before tax	-1,565	650
Net profit after tax	-1,565	650

IV. BASIS FOR PRICING THE CAPITAL INCREASE

Given Xitai Project has only been newly commenced, there are no material changes in circumstances and Xitai Company only recorded a minor loss, the parties agree that the new investors will invest on the same terms as the existing shareholders at RMB1 per registered capital of RMB1, as if they were initial investors.

V. IMPACT OF CAPITAL INCREASE ON THE LISTED COMPANY

The Xitai Project is one of the major provincial transportation projects as outlined in the three-year rolling plan for preliminary work which the Jiangsu Provincial Government strived for commencement of construction in 2024. Successful implementation of this project will further strengthen the Company's leading position within the southern Jiangsu road network. The proposed introduction of social capital through a capital increase will help to secure the necessary funding for the Xitai Project, while also reducing the Company's own capital contribution requirements.

This transaction is carried out in accordance with the principles of voluntariness, fairness, reasonableness, and mutual agreement. Prior to the proposed capital increase, the Company held a 50% equity interest in Xitai Company. In accordance with the relevant agreements, the Company retains the authority to make decisions regarding Xitai Company's business plans and investment strategies. As a result, the Company considers that the Company exercises actual control over Xitai Company, and accordingly, Xitai Company is consolidated into the Company's financial statements. Upon completion of the capital increase, the Company's equity interest in Xitai Company will be decrease from 50% to 47.5%. Notwithstanding this reduction, the Company will continue to exercise actual control over Xitai Company, and there will be no change to the scope of the Company's consolidated financial statements.

The directors of the Company, including the independent non-executive directors, are of the opinion that this transaction is conducted on normal commercial terms or better, and that both the terms and the transaction price are fair and reasonable. The transaction is not expected to have any adverse effect on the Company's future financial position or operating results. Furthermore, it will not prejudice the interests of the Company or its shareholders, whether unrelated or unconnected, and in particular, will not harm the interests of minority shareholders. The transaction is therefore considered to be in the best interests of the Company and all its shareholders as a whole.

By Order of the Board
Wang Feng
Executive Director

Nanjing, the PRC, 27 May 2025

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

Chen Yunjiang[#], Wang Yingjian[#], Xie Mengmeng[#], Wang Feng, Zhang Xinyu, Yang Shaojun[#], Yang Jianguo[#], Ma Chung Lai, Lawrence[#], Xu Guanghua^{}, Ge Yang^{*}, Gu Zhaoyang^{*}, Tan Shijun^{*}, Sun Lijun^{*}*

[#] *Non-executive Directors*

^{*} *Independent Non-executive Directors*