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Chengdu Expressway Co., Ltd.
成都高速公路股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01785)

ANNOUNCEMENT
IMPLEMENTATION OF THE CHENGGUAN EXPRESSWAY PIDU EAST
(FIVE-RING INTERCONNECTION) TRANSFORMATION PROJECT

This announcement is made by Chengdu Expressway Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company hereby announces that the People's Government of Pidu District, Chengdu, Sichuan Province (“**Pidu District Government**”) and the Management Committee of Chengdu High-tech Zone, Sichuan Province intended to jointly invest in the construction of the Pidu East (Five-Ring Interconnection) Transformation Project (the “**Project**”) of the Chengguan Expressway (the “**Chengguan Expressway**”), which is located at the Pidu East Toll Station (the “**Pidu East Toll Station**”) of the Chengguan Expressway, with an estimated construction period of 295 days. The Project will involve modification of the interconnected ramps, toll booths and toll plaza, widening of lanes of the expressway, etc. During the construction period of the Project, certain lanes of the Chengguan Expressway will be temporarily occupied (“**Construction Occupation**”) and the Pidu East Toll Station will be closed, and the traffic volume of the Chengguan Expressway will be affected accordingly during such period. In addition, as the traffic volume of the Chengguan Expressway will be partially diverted to local roads upon completion of the Project, the traffic volume of the Chengguan Expressway is also expected to be affected in the long term (collectively referred to as “**Loss of Traffic Volume**”).

Based on the above, the Company entered into the Agreement on Rights and Obligations of the Chengguan Expressway Pidu East (Five-Ring Interconnection) Transformation Project with the Pidu District Government (as the responsible entity of the Project) on 1 December 2022 to clarify the rights and obligations during the implementation of the Project. Pursuant to such agreement, in respect of the Construction Occupation and the assistance to be provided by the Company during construction, the Pidu District Government will pay the Company a compensation fee for temporary occupation, permanent occupation, safety supervision and construction assistance in accordance with the compensation standards stipulated in the relevant government documents; and in respect of the Loss of Traffic Volume during the period of closure of toll station of the Company and the Loss of Traffic Volume in the long term, the Pidu District Government will compensate the Company based on the amount determined by the parties with reference to the traffic volume study report issued by a third party. The specific amount of compensation is subject to the completion of relevant estimation and/or assessment. It is expected that the total amount will cover the Company's loss of traffic volume and other losses caused by construction of the Project and therefore the Company does not expect that the implementation of the Project will have a material adverse impact on the Group's operation and financial performance.

To the best of the knowledge, information and belief of the directors of the Company having made all reasonable enquiries, the Pidu District Government is independent of, and not connected with, the Company and its connected persons.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Chengdu Expressway Co., Ltd.
Xiao Jun
Chairman

Chengdu, the PRC, 1 December 2022

As at the date of this announcement, the Board of the Company comprises Mr. Yang Tan, Mr. Luo Dan and Mr. Ding Dapan as executive Directors, Mr. Xiao Jun, Ms. Wu Haiyan and Mr. Yang Bin as non-executive Directors, and Mr. Leung Chi Hang Benson, Mr. Qian Yongjiu and Mr. Wang Peng as independent non-executive Directors.