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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)

CONTINUING CONNECTED TRANSACTION

(1) REVISION OF THE 2023 ANNUAL CAP OF THE ORIGINAL PROPERTY LEASING FRAMEWORK AGREEMENT

AND

(2) RENEWAL OF PROPERTY LEASING FRAMEWORK AGREEMENT AND GENERAL SERVICES FRAMEWORK AGREEMENT

REVISION OF THE 2023 ANNUAL CAP OF THE ORIGINAL PROPERTY LEASING FRAMEWORK AGREEMENT

Reference is made to the Company's announcement dated 7 August 2020 which set out that the Company entered into the Original Property Leasing Framework Agreement with Chengdu Communications Investment on 7 August 2020. In accordance with relevant accounting standards, the Company reasonably estimates that the existing property leases will be renewed to end on 31 December 2026 and that the increase in right-to-use assets as a result of the renewals shall be recognized and accounted for in 2023. Taking into account of the above reasons and the usage of the Original 2023 Annual Cap, on 25 December 2023, the Board resolved to revise the annual cap under the Original Property Leasing Framework Agreement for the year ending 31 December 2023 from the Original 2023 Annual Cap of RMB17 million to RMB27 million.

RENEWAL OF PROPERTY LEASING FRAMEWORK AGREEMENT AND GENERAL SERVICES FRAMEWORK AGREEMENT

As the Original Property Leasing Framework Agreement and the Original General Services Framework Agreement and the continuing connected transactions thereunder will expire on 31 December 2023, on 27 December 2023, the Company and Chengdu Communications Investment entered into the New Property Leasing Framework Agreement and the New General Services Framework Agreement for a term of three years commencing from 1 January 2024 and ending on 31 December 2026.

LISTING RULES IMPLICATIONS

Chengdu Communications Investment is one of the controlling shareholders of the Company and thus a connected person of the Company under the Listing Rules. The transactions under the Original Property Leasing Framework Agreement (including the Revised 2023 Annual Cap), the New Property Leasing Framework Agreement and the New General Services Framework Agreement constitute continuing connected transactions of the Company. As one or more of the applicable percentage ratios in relation to the Revised 2023 Annual Cap and the transactions under the New Property Leasing Framework Agreement and the New General Services Framework Agreement is/are higher than 0.1% but all are less than 5%, such transactions are subject to the reporting and announcement requirements but are exempted from the circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

I. REVISION OF THE 2023 ANNUAL CAP OF THE ORIGINAL PROPERTY LEASING FRAMEWORK AGREEMENT

Reference is made to the Company's announcement dated 7 August 2020 in relation to the Original Property Leasing Framework Agreement entered into between the Company and Chengdu Communications Investment on 7 August 2020, pursuant to which Chengdu Communications Investment Group may lease properties to the Group at rent which shall be determined at arm's length negotiations between relevant parties and with reference to the prevailing market price of local properties in the vicinity with similar size and quality. Such agreement has a term of three years commencing from 1 January 2021 and ending on 31 December 2023.

Reasons for and Benefits of Revision of the 2023 Annual Cap of the Original Property Leasing Framework Agreement

The Original 2023 Annual Cap of the Original Property Leasing Framework Agreement is determined based on the terms of the then existing property lease agreements of the Group, the expected total gross floor area and conditions of properties to be leased, the expected market prices of properties in similar conditions, the effect of recognition of property leases as right-of-use assets on transaction amount and other relevant factors. In accordance with relevant accounting standards (including but not limited to the "Q&A on the Implementation of Accounting Standards for Business Enterprises of the Ministry of Finance" – "Whether a lease agreement entered into by a lessee with a lessor for a lease term of one year may be simply recognized as a 'short-term lease'", and that the Property Leasing Framework Agreement will be renewed to end on 31 December 2026), the Company reasonably estimates that the existing property leases will be renewed to end on 31 December 2026 (the "**Renewals**") and that the increase in right-to-use assets as a result of the Renewals shall be recognized and accounted for in 2023.

The Original 2023 Annual Cap under the Original Property Leasing Framework Agreement was RMB17 million. From 1 January 2023 to 31 October 2023, the right-of-use assets involved in the properties leased by the Group from Chengdu Communications Investment Group under the Original Property Leasing Framework Agreement amounted to RMB3.9 million, leaving an unused balance of RMB13.1 million under the Original 2023 Annual Cap. The Board confirms that the Original 2023 Annual Cap has not been exceeded as at the date of this announcement.

Taking into account of the above reasons and the usage of the Original 2023 Annual Cap, on 25 December 2023, the Board resolved to revise the Original 2023 Annual Cap of RMB17 million to RMB27 million.

The Revised 2023 Annual Cap is determined after taking into account (i) the right-of-use assets recognized in respect of the properties leased by the Group from Chengdu Communications Investment Group from 1 January 2023 to 31 October 2023; (ii) the right-of-use assets expected to be recognized in respect of the properties leased by the Group from Chengdu Communications Investment Group for the year ending 31 December 2023; and (iii) the increase in right-of-use assets as a result of the Renewals.

II. ENTERING INTO THE NEW PROPERTY LEASING FRAMEWORK AGREEMENT

Reference is made to the Company's announcement dated 7 August 2020 in relation to the Original Property Leasing Framework Agreement entered into between the Company and Chengdu Communications Investment on 7 August 2020.

As the Original Property Leasing Framework Agreement and the continuing connected transactions thereunder will expire on 31 December 2023, on 27 December 2023, the Company and Chengdu Communications Investment entered into the New Property Leasing Framework Agreement for a term of three years commencing from 1 January 2024 and ending on 31 December 2026.

Principal Terms

The principal terms of the New Property Leasing Framework Agreement are set out below:

Date	:	27 December 2023
Parties	:	(1) Chengdu Communications Investment; (2) the Company
Term	:	The agreement shall be valid for a term of three years from 1 January 2024 to 31 December 2026.
Nature of transaction	:	Chengdu Communications Investment Group shall lease its legally held properties to the Group.

Principle of the transaction : For rental services of leased subjects provided by Chengdu Communications Investment Group, if the terms of transaction (including but not limited to prices) offered by third parties are more favourable to the Group than those offered by Chengdu Communications Investment Group, the Company shall prefer the use of services provided by third parties.

Chengdu Communications Investment undertakes that the New Property Leasing Framework Agreement is on normal commercial terms or better and that the services or terms of transaction (including but not limited to prices) offered by it to the Group are more favourable to the Group than the terms of transaction offered by third parties to the Group for the same or similar leasing services.

Pricing principle : The rental shall be determined in accordance with the principle of the transaction after arm's length negotiations between the parties with reference to the prevailing market rental quotations provided or actual rental currently charged by third parties leasing the properties of at least two comparable properties in the same area or similar locations of similar size, with scale of use and quality in the local market in the course of normal commercial transactions.

In accordance with the provisions of relevant laws and regulations, tender procedures are adopted for determining the counterparties and pricing for projects subject to tender.

Method of implementation : The parties may enter into separate specific contract(s), which shall not violate the provisions under the New Property Leasing Framework Agreement.

Historical Transaction Amount

The historical transaction amounts between the Group and Chengdu Communications Investment Group under the Original Property Leasing Framework Agreement are set out below:

	For the year ended 31 December 2021 (RMB million)	For the year ended 31 December 2022 (RMB million)	For the ten months ended 31 October 2023 (RMB million)
Total value of right-of-use assets involved in the properties leased by the Group from Chengdu Communications Investment Group	<u>5.126</u>	<u>0</u>	<u>3.9^(Note)</u>

Note: Historical transaction amount for the ten months ended 31 October 2023 is based on unaudited management accounts.

Proposed Annual Caps

The Directors propose the annual caps for the continuing connected transactions contemplated under the New Property Leasing Framework Agreement for the three years ending 31 December 2026 as follows:

	For the year ending 31 December 2024 (RMB million)	For the year ending 31 December 2025 (RMB million)	For the year ending 31 December 2026 (RMB million)
Total value of right-of-use assets involved in the properties leased by the Group from Chengdu Communications Investment Group	<u>31</u>	<u>52</u>	<u>47</u>

Basis of Determining the Annual Caps

In estimating the above annual caps, the Company has primarily taken into account of the following factors: (i) the terms of the existing property lease agreements of the Group; (ii) the expected total area (including floor area of approximately 12,000 m² for office premises, site area of approximately 23,997 m² for gas stations in service areas and site area of approximately 54,892 m² for new energy services and other businesses) and conditions of properties to be leased; (iii) the expected market prices of properties in similar conditions; (iv) the estimated amount of property leases to be recognized as right-of-use assets over the next three years; and (v) a reasonable buffer to accommodate any unanticipated increase in the above right-of-use assets during the term of the New Property Leasing Framework Agreement.

Reasons for and Benefits of Entering Into the New Property Leasing Framework Agreement

The Group has been leasing various types of properties from Chengdu Communications Investment Group for use as office premises, new energy services and other businesses since March 2017, and expects to lease gas stations in service areas in the future, and such leasing transactions will continue to take place. The Company believes that leasing instead of directly acquiring the relevant office premises from Chengdu Communications Investment Group is more cost effective and more conducive to enhancing the capital utilization efficiency of the Company, and considering that the lease of properties from Chengdu Communications Investment Group is offered at market rate, the renewal will be beneficial to the Company.

III. ENTERING INTO THE NEW GENERAL SERVICES FRAMEWORK AGREEMENT

Reference is made to the Company's announcement dated 7 August 2020 in relation to the Original General Services Framework Agreement entered into between the Company and Chengdu Communications Investment on 7 August 2020.

As the Original General Services Framework Agreement and the continuing connected transactions thereunder will expire on 31 December 2023, on 27 December 2023, the Company and Chengdu Communications Investment entered into the New General Services Framework Agreement for a term of three years commencing from 1 January 2024 and ending on 31 December 2026.

Principal Terms

The principal terms of the New General Services Framework Agreement are set out below:

- Date : 27 December 2023
- Parties : (1) Chengdu Communications Investment;
(2) the Company
- Term : The agreement shall be valid for three years from 1 January 2024 to 31 December 2026.
- Nature of transaction : Chengdu Communications Investment Group will provide the following general services to the Group:
- (1) To provide property management service, water and electricity services, lift access control card issuance service, parking management service and repair and maintenance service to the properties of Chengdu Communications Investment Group leased by the Group;
 - (2) Staff canteen catering service;
 - (3) To provide management and leasing services to the properties owned by the Group;
 - (4) Labour services;
 - (5) Engineering design, construction and assessment services;
 - (6) System software development, authorized use, operation and maintenance, technical support and other information technology services;
 - (7) To provide construction management services in respect of the Group's construction projects, including but not limited to preliminary project planning, economic analysis and project assessment, project tender, project construction management, organization of project inspection, acceptance and settlement, production commissioning, management of project warranty period and other services; and
 - (8) To provide other services as agreed by both parties to the Group.

The Group will provide the following general services to Chengdu Communications Investment Group:

- (1) To provide construction management services in respect of the construction projects of Chengdu Communications Investment Group, including but not limited to assisting in preliminary project planning, economic analysis and project assessment, project tender, project construction management, organization of project inspection, acceptance and settlement, production commissioning, management of project warranty period and other services;
- (2) To provide management, daily operation and other operational services to the properties owned by Chengdu Communications Investment Group; and
- (3) To provide other services as agreed by both parties to Chengdu Communications Investment Group.

Principle of the transaction : For services or transactional items provided to the Group by Chengdu Communications Investment Group, if the terms of service or transaction offered by third parties are the same as or more favourable than those offered by Chengdu Communications Investment Group, the Group shall prefer the use of services provided by third parties.

Each of the parties undertakes that the New General Services Framework Agreement is conducted on normal commercial terms or better and that the services or terms of transaction (including but not limited to prices) offered by it to the other party are more favourable to the Group than the terms of transaction offered by third parties to the Group or by the Group to third parties for the same or similar leasing services.

- Pricing principle : The prices of various services under the New General Services Framework Agreement shall be determined based on the principle of the transaction and in the following order:
- (1) If the service is subject to government pricing regulations or there is a government guidance price, government pricing (i.e., pricing based on the prescribed prices and relevant official pricing documents officially published by the government) or pricing by negotiation within the government guidance price (i.e., the guidance price published on the government’s official website or through the relevant official pricing documents) shall be adopted;
 - (2) The “market price” shall be adopted, i.e., the price then charged by at least two independent third parties providing the same or similar services in the ordinary course of business on normal commercial terms at the place where such service is rendered or in the vicinity thereof;
 - (3) Where there is no market price or where the above transaction principles cannot be applied in the actual transaction, the “agreed price” shall be adopted, i.e. the fee shall be determined on the basis of reasonable cost of the service plus a reasonable profit, with the upper limit of the reasonable profit (generally not exceeding 8%) to be determined with reference to past transactions; and
 - (4) For services that are subject to tender procedures as required by applicable laws and regulations, pricing shall be based on the final prices determined in the tender procedures.
- Method of implementation : The parties may enter into separate specific contract(s), which shall not violate the provisions under the New General Services Framework Agreement.

Historical Transaction Amount

The historical transaction amounts between the Group and Chengdu Communications Investment Group under the Original General Services Framework Agreement are set out below:

	For the year ended 31 December 2021 (RMB million)	For the year ended 31 December 2022 (RMB million)	For the ten months ended 31 October 2023 (RMB million)
Service fees paid by the Group to Chengdu Communications Investment Group	<u>2.636</u>	<u>3.42</u>	<u>3.4^(Note 2)</u>

For the provision of general services by the Group to Chengdu Communications Investment Group, the historical transaction amounts paid by Chengdu Communications Investment Group to the Group are set out below:

	For the year ended 31 December 2021 (RMB million)	For the year ended 31 December 2022 (RMB million)	For the ten months ended 31 October 2023 (RMB million)
Service fees paid by Chengdu Communications Investment Group to the Group ^(Note 1)	<u>–</u>	<u>3.877</u>	<u>6.974^(Note 2)</u>

Proposed Annual Caps

The Directors propose the annual caps for the continuing connected transactions contemplated under the New General Services Framework Agreement for the three years ending 31 December 2026 as follows:

	For the year ending 31 December 2024 (RMB million)	For the year ending 31 December 2025 (RMB million)	For the year ending 31 December 2026 (RMB million)
Service fees payable by the Group to Chengdu Communications Investment Group	45	123	125
Service fees payable by Chengdu Communications Investment Group to the Group ^(Note 1)	<u>3</u>	<u>26</u>	<u>26</u>

Notes:

1. The service fees paid or payable by Chengdu Communications Investment Group to the Group mainly comprise the service fees received by Chengdu Communications Investment Energy Operation and Management Co., Ltd. (成都交投能源經營管理有限公司) (now known as Chengdu Xinyuanli Energy Management Co., Ltd. (成都新源里能源管理有限公司)), an indirect non-wholly owned subsidiary of the Company, for the entrusted management (the “**Entrusted Management Services**”) of the service fees collected from the overall operation of Chengdu Xinhua Petrol Station, Chengdu Municipal Shiling Petrol Station and Chengdu Huamin Municipal Petrol Station, all of which are under effective control of Chengdu Communications Investment. Details are set out in the Company’s announcement dated 29 August 2022.
2. Historical transaction amounts for the ten months ended 31 October 2023 are based on unaudited management accounts.

Basis of Determining the Annual Caps

In estimating the annual caps for the service fees payable by the Group to Chengdu Communications Investment Group, the Company has primarily taken into account of the following factors: (i) the historical transaction amount of general services provided to the Group by Chengdu Communications Investment Group under the Original General Services Framework Agreement; (ii) the type, volume, market price and transaction amount of general services currently and expected to be obtained by the Group from Chengdu Communications Investment Group in the next three years; (iii) having considered that upon the expiry of the highway business operation services framework agreement entered into between the Company and Chengdu Communications Investment on 20 May 2022 (details of which are set out in the Company's announcement dated 20 May 2022) on 31 December 2024, the general services relating to highway business operation to be incurred in 2025 and 2026 will be included in the New General Services Framework Agreement, and accordingly, references have also been made to the type, volume, market price and transaction amount of such general services relating to highway business operation expected to be provided by Chengdu Communications Investment Group to the Group in 2025 and 2026 (the 2024 annual cap for such general services relating to highway business operation is RMB81.5 million); (iv) expected increase in prices and service fees due to inflation in the next three years; and (v) a reasonable buffer reserved to accommodate any unanticipated increase in the above service fees during the term of the New General Services Framework Agreement.

In estimating the annual caps for the service fees payable by Chengdu Communications Investment Group to the Group, the Company has primarily taken into account of the following factors: (i) the historical transaction amount of general services provided to Chengdu Communications Investment Group by the Group; (ii) the type, volume, market price and transaction amount of general services currently and expected to be provided in the next three years by the Group to Chengdu Communications Investment Group; (iii) having considered that upon the expiry of the management agreements entered into between Chengdu Communications Investment Energy Operation and Management Co., Ltd. (now known as Chengdu Xinyuanli Energy Management Co., Ltd. (成都新源里能源管理有限公司)) and Chengdu Huamin Municipal Petrol Station, Chengdu Xinhua Petrol Station and Chengdu Municipal Shiling Petrol Station respectively on 29 August 2022 (details of which are set out in the Company's announcement dated 29 August 2022) on 31 December 2024, the relevant Entrusted Management Services to be incurred in 2025 and 2026 will be included in the New General Services Framework Agreement, and accordingly, references have also been made to the type, volume, market price and transaction amount of the Entrusted Management Services expected to be provided by the Group to Chengdu Communications Investment Group in 2025 and 2026 (the 2024 annual cap for the Entrusted Management Services is RMB11.2 million in aggregate); (iv) expected increase in prices and service fees due to inflation in the next three years; and (v) a reasonable buffer to accommodate any unanticipated increase in the above service fees during the term of the New General Services Framework Agreement.

Reasons for and Benefits of Entering Into the New General Services Framework Agreement

Chengdu Communications Investment Group has been providing general services to the Group over the years, is more familiar with the Group's business and operation, and has a better understanding of the Group's service needs, which is conducive to providing services with higher quality to the Group. In addition, engaging Chengdu Communications Investment Group to provide services can relatively reduce communication costs and enhance timeliness. The Group's use of its services can reduce transaction costs, enhance efficiency and facilitate more efficient and orderly business operations, and the continuous use of its services will be beneficial to the Group.

In addition, in entering into the New General Services Framework Agreement, taking into account the continuous provision of the Entrusted Management Services by the Group to Chengdu Communications Investment Group in its ordinary course of business in recent years and the expected continuation of the Entrusted Management Services (as set out in the Company's announcements dated 22 April 2022 and 29 August 2022, respectively, the Company planned to acquire the gas stations. Due to the longer than expected time required to resolve the unsettled issues and the delay caused by uncontrollable factors, it is expected that the completion of the acquisition of such gas stations will be delayed and the Group will need to continue to provide entrusted management services for such gas stations), the scope of general services to be provided by the Group to Chengdu Communications Investment Group have been expanded in order to enable Chengdu Communications Investment Group to become a stable customer of the Group for provision of relevant services on an arm's length basis in the ordinary course of business of the Group, expand the business scale of the Group, increase the Group's revenue and operating profit and facilitate the Group in better monitoring relevant continuing connected transactions.

IV. INTERNAL CONTROL MEASURES

The Company has a comprehensive internal control system in place to ensure that the continuing connected transactions under the New Property Leasing Framework Agreement and the New General Services Framework Agreement are fair and reasonable and are conducted in the ordinary course of business of the Company in accordance with relevant transaction agreements and on normal commercial terms or better, and in the interests of the Company and its shareholders as a whole. The relevant internal control measures include the following:

1. Before entering into any specific agreements, the Group will actively seek to obtain market price information through various channels, for example, by comparing the terms and quotations of specific agreements with the terms and quotations of agreements from at least two third parties in the vicinity for provision of the same or similar services, so as to ensure that the terms and quotations offered to the Group by Chengdu Communications Investment Group are fair and reasonable and that the prices are on normal commercial terms or no less favorable than the quotations obtained or provided by the Group from or to third parties, thereby determining whether to accept the quotations offered by Chengdu Communications Investment Group;

2. Before entering into any specific agreements, the Group will assign a designated person to check the prices. The designated person will pay attention in real time to whether the service is subject to government pricing requirements or has a government guidance price, so as to ensure that the transaction will be executed in accordance with the pricing principles set out in the New General Services Framework Agreement;
3. The Company has completed the approval procedures for the New Property Leasing Framework Agreement and the New General Services Framework Agreement in accordance with the management rules for connected transactions and relevant internal control system;
4. The Company's audit and supervision department, together with the finance management department, will regularly review the implementation of continuing connected transactions and the actual transaction amounts incurred to ensure that such amounts will not exceed relevant annual caps;
5. The Company's management team will regularly organize and conduct internal control inspection to assess the completeness and effectiveness of internal control measures related to continuing connected transactions;
6. The audit and risk management committee under the Board will review the annual financial statements and express an opinion on the continuing connected transactions for the year, including whether the terms of the continuing connected transactions are fair and reasonable and whether the transaction amounts are within relevant annual caps;
7. The Board will review the implementation of the New Property Leasing Framework Agreement and the New General Services Framework Agreement on an annual basis and review the financial statements on a half-yearly basis. The review mainly covers whether the Company and the connected persons have fulfilled the terms of the said agreements in the relevant years and whether the actual transaction amounts incurred between the Company and the connected persons are within the annual caps;
8. The independent non-executive Directors will review the continuing connected transactions on an annual basis and provide annual confirmation in the Company's annual report as to whether the continuing connected transactions are (a) conducted in the ordinary and usual course of business of the Group; (b) on normal commercial terms or better; and (c) according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company and the shareholders as a whole; and
9. In order to assist the Company in complying with the applicable rules as set out in Chapter 14A of the Listing Rules, the Company's auditor will perform relevant work in each year to confirm and issue a letter as to whether the transactions have been approved by the Board, whether the transactions have been conducted in accordance with relevant transaction agreements in material respects and whether the caps have been exceeded.

V. LISTING RULES IMPLICATIONS

Chengdu Communications Investment is one of the controlling shareholders of the Company and thus a connected person of the Company under the Listing Rules. The transactions under the Original Property Leasing Framework Agreement (including the Revised 2023 Annual Cap), the New Property Leasing Framework Agreement and the New General Services Framework Agreement constitute continuing connected transactions of the Company. As one or more of the applicable percentage ratios in relation to the Revised 2023 Annual Cap and the transactions under the New Property Leasing Framework Agreement and the New General Services Framework Agreement is/are higher than 0.1% but less than 5%, such transactions are subject to the reporting and announcement requirements but are exempted from the circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

None of the Directors has a material interest in the transactions contemplated under the Original Property Leasing Framework Agreement (including the Revised 2023 Annual Cap), the New Property Leasing Framework Agreement and the New General Services Framework Agreement and is required to abstain from voting on the relevant resolutions at the Board meetings. The Directors (including the independent non-executive Directors) consider that the Original Property Leasing Framework Agreement (including the Revised 2023 Annual Cap), the New Property Leasing Framework Agreement and the New General Services Framework Agreement are entered into in the ordinary and usual course of business of the Group and on normal commercial terms and the terms and conditions thereof as well as the proposed annual caps for the transactions are fair and reasonable and in the interests of the Company and its shareholders as a whole.

VI. GENERAL INFORMATION OF THE PARTIES

The Group is primarily engaged in operation, management and development of expressways in and around Chengdu, Sichuan Province, and also carries out retail of refined oil and operation of natural gas.

Chengdu Communications Investment is one of the controlling shareholders of the Company, holds 72.46% equity interests in the Company directly and indirectly through Communications Investment Construction and Management, is primarily engaged in the investment, the financing of and the construction, development, operation and management of transportation infrastructure in Sichuan province, and its ultimate beneficial owner is Chengdu Municipal State-owned Assets Supervision and Administration Commission (成都市國有資產監督管理委員會).

VII. DEFINITIONS

In this announcement, unless otherwise indicated, the following terms shall have the meanings set out below:

“Revised 2023 Annual Cap”	the revised 2023 annual cap for the aggregate value of the Group’s right-of-use assets in respect of the properties leased from Chengdu Communications Investment Group under the Original Property Leasing Framework Agreement for the year ending 31 December 2023, being RMB27 million
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Board”	the board of Directors
“Chengdu Communications Investment”	Chengdu Communications Investment Group Co., Ltd. (成都交通投資集團有限公司), a company incorporated in the PRC with limited liability on 16 March 2007, which is one of the controlling shareholders of the Company
“Chengdu Communications Investment Group”	Chengdu Communications Investment and/or its associates, but excluding the Group
“Communications Investment Construction and Management”	Chengdu Communications Investment Transportation Construction and Management Group Co., Ltd. (成都交投交通建設管理集團有限公司), a company incorporated in the PRC with limited liability on 25 June 1996, which is a controlling shareholder of the Company
“Company”	Chengdu Expressway Co., Ltd. (成都高速公路股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed and traded on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Group”	the Company and/or its subsidiaries

“H Share(s)”	overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and are listed and traded on the Stock Exchange
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New General Services Framework Agreement”	the “General Services Framework Agreement” entered into between the Company and Chengdu Communications Investment on 27 December 2023
“New Property Leasing Framework Agreement”	the “Property Leasing Framework Agreement” entered into between the Company and Chengdu Communications Investment on 27 December 2023
“Original 2023 Annual Cap”	the original 2023 annual cap for the aggregate value of the Group’s right-of-use assets in respect of the properties leased from Chengdu Communications Investment Group under the Original Property Leasing Framework Agreement for the year ending 31 December 2023, being RMB17 million
“Original General Services Framework Agreement”	the “General Services Framework Agreement” entered into between the Company and Chengdu Communications Investment on 7 August 2020
“Original Property Leasing Framework Agreement”	the “Property Leasing Framework Agreement” entered into between the Company and Chengdu Communications Investment on 7 August 2020
“percentage ratio(s)”	has the meaning ascribed thereto under the Listing Rules
“PRC”	the People’s Republic of China, excluding, for the purpose of this announcement only, Hong Kong Special Administrative Region of the PRC, Macao Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“third party(ies)”	economic entities (companies, enterprises, units) and natural persons other than Chengdu Communications Investment Group and the Group
“%”	per cent

On behalf of the Board
Chengdu Expressway Co., Ltd.
Yang Tan
Chairman

Chengdu, the PRC, 27 December 2023

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