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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 14 November 2024, Longtan Bridge Company, a subsidiary of the Company, entered into an agreement with JSE New Material in relation to the procurement of construction materials, pursuant to which Longtan Bridge Company shall purchase asphalt and new materials for construction use from JSE New Material. The term of the agreement is from 1 January 2025 to 31 December 2025, and the amount of the agreement shall not exceed RMB60,000,000.

Since JSE New Material, the counterparty to the transaction, and the Company are under the common control by Jiangsu Communications Holding, such transaction constitutes a related party transaction under the Shanghai Listing Rules; as the total consideration of the transaction with JSE New Material 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.

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. As JSE New Material is indirectly owned as to 30% or more by Jiangsu Communications Holding, it is a connected person of the Company under Rules 14A.07(4) and 14A.13 of the Hong Kong Listing Rules. Accordingly, the agreement entered into between the Company and JSE New Material and the transaction thereunder in respect of the aforementioned project constitutes a 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 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: Nil.

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

### (I) Procedures on the Approval of Ordinary Related Party/Continuing Connected Transaction

The sixth meeting of the eleventh session of the board of directors of Jiangsu Expressway Company Limited (the “**Company**”) held on 14 November 2024 approved the engagement of Jiangsu Longtan Bridge Co., Ltd. (江蘇龍潭大橋有限公司) (“**Longtan Bridge Company**”), a subsidiary of the Company, in the following ordinary related party/continuing connected transaction with Jiangsu Expressway New Material Technology Co., Ltd. (江蘇高速新材料科技有限公司) (“**JSE New Material**”). On 14 November 2024, Longtan Bridge Company entered into an agreement with JSE New Material in relation to the procurement of construction materials, pursuant to which Longtan Bridge Company shall purchase asphalt and new materials for construction use from JSE New Material. The term of the agreement is from 1 January 2025 to 31 December 2025, and the amount of the agreement shall not exceed RMB60,000,000.

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 transaction, expressed approval opinions and agreed to submit the same to the board of directors for approval; and (2) the Audit Committee of the Company has reviewed the above related party transaction and agreed to submit the same to the board of directors for approval.

Since JSE New Material, the counterparty to the transaction, and the Company are under the common control by Jiangsu Communications Holding, such transaction constitutes a related party transaction under the Shanghai Listing Rules; as the total consideration of the transaction with JSE New Material 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.

Pursuant to Rule 14A.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), JSE New Material, a company indirectly owned as to 30% or more by Jiangsu Communications Holding, is a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the agreement entered into between the Company and JSE New Material and the transaction thereunder in respect of the aforementioned project constitutes a 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 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	2025 original	2025	Estimated increase in 2025	2025 current estimated amount
		estimated amount (RMB’0,000)	accumulated amount as at the date of announcement (RMB’0,000)		
Procurement of construction materials	JSE New Material	0	0	6,000	6,000

## 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 Expressway New Material Technology Co., Ltd.*

Registered office:	No.2, Binjiang Road, Changjiang Town, Rugao City
Business nature:	Limited liability company (legal person invested and controlled by non-natural person)
Legal representative:	Chen Zhilin
Registered capital:	RMB260,000,000

Shareholders (shareholding percentage):	Jiangsu Tongsha Industrial Investment Group Co., Ltd. (江蘇通沙產業投資集團有限公司) (100%) <i>(Note 1)</i>
Principal business:	<p>Licensed items: import and export of goods; import and export of technology; road transport of goods (excluding hazardous goods); water transport of hazardous goods; warehousing services for goods under customs supervision (excluding dangerous chemicals); highway management and maintenance (for the items subject to approval in accordance with the law, business activities can only be carried out after approval by relevant authorities, and specific business projects are subject to the approval results)</p> <p>General items: service, development, consultation, exchange, transfer and promotion of technology, non-metallic mineral products manufacturing; new building materials manufacturing (excluding hazardous chemicals); non-metallic minerals and products sales; petroleum products sales (excluding hazardous chemicals); general cargo warehouse services (excluding hazardous chemicals and other items subject to licensing approval) (except for projects subject to approval in accordance with the law, business activities can be carried out independently in accordance with the law with the business license)</p>
Total assets as at the end of the latest accounting period (2023)#:	RMB937,752,000
Net assets as at the end of the latest accounting period (2023)#:	RMB292,951,000
Revenue from operations for the latest accounting period (2023)#:	RMB1,335,933,000
Net profit for the latest accounting period (2023)#:	RMB53,959,000

***Jiangsu Longtan Bridge Co., Ltd.***

Registered office:	6 Xianlin Avenue, Qixia District, Nanjing
Business nature:	Limited company
Legal representative:	Wang Feng
Registered capital:	RMB5,993,860,000
Shareholders (shareholding percentage):	Jiangsu Expressway Company Limited (57.33%)  Nanjing Highway Development (Group) Co., Ltd. (南京公路發展 (集團)有限公司) (13.27%) <i>(Note 3)</i>  Yangzhou Transportation Industrial Group Co. Ltd. (揚州市交通產 業集團有限責任公司) (29.40%) <i>(Note 4)</i>
Principal business:	Design and construction of road, tunnel and bridge, wire and pipeline engineering (excluding hazardous chemicals transportation), road management and maintenance; municipal facilities management
Total assets as at the end of the latest accounting period (2023)#:	RMB7,091,800,000
Net assets as at the end of the latest accounting period (2023)#:	RMB4,782,666,000
Revenue from operations for the latest accounting period (2023)#:	RMB1,720,627,000
Net profit for the latest accounting period (2023)#:	RMB458,000

# In accordance with the Accounting Standards for Business Enterprises of the PRC

*Note 1:* The shareholder is: Jiangsu Communications Holding Company Limited (100%) <sup>(Note 2)</sup>.

*Note 2:* The ultimate beneficial owner is: State-owned Assets Supervision and Administration Commission of Jiangsu People's Government.

*Note 3:* The shareholder is Nanjing Transportation Construction Investment Holding (Group) Co., Ltd. (南京市交通建設投資控股(集團)有限責任公司) (100%), the ultimate beneficial owner of which is the State-owned Assets Supervision and Administration Commission of Nanjing Municipal Government (100%).

*Note 4:* The shareholder is Yangzhou Urban Construction State-owned Assets Holding (Group) Co., Ltd. (揚州市城建國有資產控股(集團)有限責任公司) (100%), the ultimate beneficial owner of which is the People's Government of Jiangsu Province.

## **(II) Related/Connected Relationship with the Listed Company**

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

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

#### **1. Procurement Project of Construction Materials**

In order to ensure the supply of construction materials required for the Longtan Bridge North Connection Project, Longtan Bridge Company, a subsidiary of the Company, entered into an agreement with JSE New Material in respect of the procurement of construction materials, pursuant to which, JSE New Material shall provide modified asphalt, modified emulsified asphalt, road petroleum asphalt, high-modulus additives, ligno-mass fibers, anti-splitting agents and other construction materials required for the project to Longtan Bridge Company. The term of the agreement is from 1 January 2025 to 31 December 2025, and the amount of the agreement shall not exceed RMB60,000,000.

In respect of the consideration for the procurement project of construction materials, the Company made inquiries to three companies with relevant qualifications according to the requirements regarding the procurement of construction materials, among which, JSE New Material is a related party/connected person of the Company, and the other two companies are third parties independent of the Company and its related parties/connected persons. As these three companies meet other relevant requirements (such as the necessary licenses, and there is no credit risk of violating regulations or contracts in the national public record search system), the project assessment committee (with members randomly selected from the Company's experts database) has selected JSE New Material for cooperation after comprehensively analyzing the quotations and the services submitted by these three companies. In order to ensure the fairness and reasonableness of the transaction terms, the internal control department of the Company conducted a comprehensive review of all reports and relevant documents (including but not limited to the reasons for inviting these three companies for bidding, the quotations and terms of agreements) to ensure the fairness of the pricing of the related party transaction.

The maximum amount of the agreement is estimated on the basis of the production, quality, transportation, technical service, after-sale warranty and all services related to the asphalt and new materials required for the Longtan Bridge North Connection Project. The consideration of the project shall be settled according to the quantity purchased: payment shall be made upon reaching every 1,000 tons of modified asphalt, 500 tons of modified emulsified asphalt, 500 tons of asphalt for road petroleum, or 500 tons of high-modulus additives; and the supply of other materials such as lignin fibers and anti-splitting agents shall be settled at the end of the agreement period. The warranty deposit is 3% of the approved amount in audit, which shall be paid within one month upon the completion and acceptance of the project. Longtan Bridge Company shall pay the consideration with its own funds or financing funds in line with the use of funds.

#### **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 consideration of the agreement 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 party/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 reduce 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, 15 November 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*