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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)**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an annual general meeting for the year 2018 (the “**AGM**”) of Chengdu Expressway Co., Ltd. (the “**Company**”) will be held at the meeting room of Chengdu Expressway Co., Ltd., 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the People’s Republic of China (the “**PRC**”) at 9:30 a.m. on Thursday, 27 June 2019, for the purpose of considering, and if thought fit, passing the following resolutions:

**ORDINARY RESOLUTIONS**

1. To consider and approve the report of the board of directors of the Company (the “**Board**”) for 2018.
2. To consider and approve the report of the supervisory committee of the Company for 2018.
3. To consider and approve the 2018 final accounts report of the Company.
4. To consider and approve the 2019 financial budget of the Company.
5. To consider and approve the profit distribution plan of the Company for 2018 and the payment of dividend.
6. To consider and approve the appointment of Ernst & Young as the international auditor of the Company to hold office until the conclusion of the next annual general meeting, the appointment of Ernst & Young Hua Ming LLP as the domestic auditor of the Company to hold office until the conclusion of the next annual general meeting, and to authorise the Board to determine their remunerations.
7. To consider and approve the authorisation to the Board to invest in structured deposits where the Board may exercise investment decision-making function to determine the amount and term for each specific purchase within the authorisation limit of the balance of structured deposits not exceeding RMB500 million and within 36 months from the date of approval at the general meeting and such person authorised by the Board may sign or enter into all relevant documents but is subject to the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and shall perform the approval procedures stipulated thereunder.

## SPECIAL RESOLUTION

8. To consider and approve the issue of debt financing instruments (including but are not limited to corporate bonds, ultra-short-term commercial papers, short-term commercial papers, mid-term notes, domestic non-public targeted debt financing instruments, overseas debt financing instruments and overseas bonds/notes denominated in RMB or foreign currencies) (the “**Debt Financing Instruments**”) within the permissible size under the applicable laws and regulations in one or multiple tranche(s), the details of which are indicated in Appendix IV to this notice, and authorise the Board to deal with the followings in accordance with the specific needs of the Company and market conditions:
- (i) to determine the issuer, issue size, type, specific instruments, detailed terms, conditions and other matters relating to the issuance (including, but not limited to, the issue size, actual principle amount, currency, issue price, interest rate or mechanism for determining the interest rate, issue place, issue timing, term, whether or not to issue in multiple tranches and number of tranches, whether or not to set put-back terms, cross-default clause, accelerated maturity, redemption or early redemption clause, credit rating, guarantee, repayment term, detailed fund-raising arrangements within the scope of use approved by the shareholders’ meeting, detailed placing arrangements, underwriting arrangements and all other matters relating to the issuance);
  - (ii) to carry out all necessary and ancillary actions and procedures relating to the issuance (including, but not limited to, select and engage intermediary institutions, handle all approval, registration and filing procedures with the relevant regulatory authorities in connection with the issuance on behalf of the Company, execute all necessary legal documents, select bonds trustee manager for the issuance, formulate rules for the bondholders’ meeting and handle any other matters relating to the issuance and trading);
  - (iii) to approve, confirm and ratify any action or procedure relating to the issuance as mentioned above already taken by the Company;
  - (iv) to make adjustments to the relevant matters such as the specific proposals for the issuance in accordance with the comments from the regulatory authorities or the prevailing market conditions within the authority granted at a general meeting, except where voting at a general meeting is required by any relevant laws and regulations and the Articles of Association;
  - (v) to determine and handle all relevant matters relating to the listing of the issued Debt Financing Instruments upon the completion of the issuance;
  - (vi) in the case of issuance of Debt Financing Instruments by the Company, during the term of Debt Financing Instruments, to determine not to distribute dividends to the shareholders to safeguard repayment of debts as required under the relevant laws and regulations in the event that the Company expects to, or does fail to pay the principal and/or coupon interests of such bonds as they fall due;

- (vii) to approve, execute and dispatch any announcements or circulars relating to the issuance and make any related disclosure in accordance with the applicable regulatory requirements of the relevant jurisdiction where the shares of the Company are listed; and
- (viii) to authorise the Board to delegate the authorisations set forth in items (i) to (vi) above to the general manager and the chief financial officer of the Company; and to authorise the Board to delegate the authorisation set forth in item (vii) above to the secretary of the Board.

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

Chengdu, the PRC, 10 May 2019

*As at the date of this notice, the Board of the Company comprises Mr. Tang Fawei, Mr. Zhang Dongmin, Ms. Wang Xiao and Mr. Luo Dan as executive Directors, Mr. Xiao Jun and Mr. Yang Bin as non-executive Directors, and Mr. Shu Wa Tung, Laurence, Mr. Ye Yong and Mr. Li Yuanfu as independent non-executive Directors.*

*Notes:*

**1. CLOSURE OF REGISTER OF MEMBERS FOR THE AGM**

For the purpose of holding the AGM, the register of members (the “**Register of Members**”) will be closed from Tuesday, 28 May 2019 to Thursday, 27 June 2019 (both days inclusive), during which period no transfer of shares can be registered.

In order to be qualified to attend and vote at the AGM, for holders of H shares, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 27 May 2019.

The shareholders whose names appear on the Register of Members of the Company on Tuesday, 28 May 2019 are entitled to attend and vote at the AGM.

**2. REPORT OF THE BOARD FOR 2018**

The report of the Board for 2018 is set out in the 2018 annual report of the Company.

**3. REPORT OF THE SUPERVISORY COMMITTEE FOR 2018**

The report of the supervisory committee for 2018 is set out in Appendix I to this notice.

**4. 2018 FINAL ACCOUNTS REPORT**

The audited consolidated financial statements prepared under the International Financial Reporting Standards of the Company for 2018 and the auditor’s report are set out in the 2018 annual report of the Company.

## 5. 2019 FINANCIAL BUDGET

Details of the 2019 financial budget of the Company are set out in Appendix II to this notice.

## 6. PROFIT DISTRIBUTION PLAN OF THE COMPANY FOR 2018 AND THE PAYMENT OF DIVIDEND

### (i) Profit distribution plan for 2018 and the payment of dividend

The Board has recommended a final dividend for the year ended 31 December 2018 of RMB215,293,260 in aggregate and based on the current total number of shares of the Company of 1,656,102,000, RMB0.13 per share (tax inclusive) (the “**Final Dividend**”).

### (ii) Entitlement to receive the Final Dividend

For the purpose of the distribution of the Final Dividend, the Register of Members will be closed from Thursday, 4 July 2019 to Tuesday, 9 July 2019 (both days inclusive) during which period no transfer of H shares will be registered. If the resolution regarding the payment of the Final Dividend is approved by the shareholders at the AGM, it is expected to be distributed on Friday, 16 August 2019 to the shareholders whose names appear on the Register of Members on Tuesday, 9 July 2019.

In order to be qualified to receive the Final Dividend, for holders of H shares, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, 3 July 2019.

### (iii) Taxation on Dividends

Pursuant to the Enterprise Income Tax Law of the PRC and its implementing regulations (hereinafter collectively referred to as the “**EIT Law**”), the tax rate of the enterprise income tax applicable to the income of non-resident enterprise deriving from the PRC is 10%. For this purpose, any H shares registered under the name of HKSCC Nominees Limited, other nominees or trustees, or other organisations or entities, shall be deemed as shares held by non-resident enterprise shareholders as defined under the EIT Law. The Company will distribute the Final Dividend to non-resident enterprise shareholders subject to a deduction of 10% enterprise income tax withheld and paid by the Company on their behalf.

According to the Circular on Issues Concerning Taxation and Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348), the Company shall withhold and pay individual income tax for individual Shareholders of the H Shares. If the individual Shareholders of the H Shares are Hong Kong or Macau residents or residents of the countries or regions which have an agreed tax rate of 10% under the relevant tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such Shareholders.

If the individual Shareholders of the H Shares are residents of the countries or regions that have a tax rate lower than 10% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such Shareholders. If such Shareholders claim refund of the amount in excess of the individual income tax payable under the tax treaties, the Company can apply on behalf of such Shareholders according to the relevant tax treaties for the relevant agreed preferential tax treatment provided that the relevant Shareholders submit the relevant documents and information in a timely manner required by the Administrative Rules on Enjoying Treatment under Taxation Treaties by Non-resident Taxpayers (State Administration of Taxation Announcement, 2015, No. 60) and the provisions of the relevant tax treaties. The Company will assist with the tax refund subject to approval of the competent tax authority.

If the individual Shareholders of the H Shares are residents of the countries or regions that have a tax rate higher than 10% but lower than 20% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the applicable tax rates stated in such tax treaties on behalf of such Shareholders.

If the individual holders of the H Shares are residents of the countries or regions that have a tax rate of 20% under the tax treaties with the PRC, or that have not entered into any tax treaties with the PRC, or otherwise, the Company will withhold and pay individual income tax at the rate of 20% on behalf of such Shareholders.

Shareholders are recommended to consult their tax advisors regarding the ownership and disposal of H shares of the Company in the PRC and in Hong Kong and other tax effects.

**7. MANDATE TO INVEST IN STRUCTURED DEPOSITS**

Details of the mandate of the structured deposits are set out in Appendix III to this notice.

**8. MANDATE TO ISSUE DEBT FINANCING INSTRUMENTS**

Details of the mandate to issue Debt Financing Instruments are set out in Appendix IV to this notice.

**9. APPOINTMENT OF PROXIES**

Shareholders who are entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a member of the Company.

The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorised in writing. If the shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorised to sign the same.

In order to be valid, the proxy form must be deposited, for the holders of H shares, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or for the holders of Domestic shares, to the Board Office of the Company in the PRC not less than 24 hours before the time for holding the AGM. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or other authority shall be deposited with the proxy form at the same address as mentioned above. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the AGM or any adjourned meetings should you so wish.

Shareholders shall produce their identity documents and supporting documents in respect of the shares of the Company held when attending the AGM. If corporate shareholders appoints authorised representative to attend the AGM, the authorised representative shall produce his/her identity documents and a notarially certified copy of the relevant authorisation instrument signed by the board of directors or other authorised parties of the corporate shareholders or other notarially certified documents allowed by the Company. Proxies shall produce their identity documents and the proxy form signed by the shareholders or their attorney when attending the AGM.

**10. JOINT SHAREHOLDERS**

In the case of joint holders of shares of the Company, only holder whose name stands first in the register of members of the Company shall alone be entitled to vote at the AGM either in person or by proxy in respect of such shares.

**11. REPLY SLIP**

Shareholders who intend to attend the AGM should complete the reply slip and return it to the Board Office of the Company in the PRC by hand, by post or by fax on or before Friday, 7 June 2019. The contact details are as follows:

Address: 9th Floor, Chengnan Tianfu Building,  
No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the PRC

Telephone No.: 86 28 86056037

Fax No.: 86 28 86056067

**12. MISCELLANEOUS**

The AGM is expected to take for less than half a day. Shareholders attending the AGM shall be responsible for their own travel and accommodation expenses.

## **APPENDIX I – REPORT OF THE SUPERVISORY COMMITTEE FOR 2018**

According to the Company Law of the People’s Republic of China (the “**Company Law**”), the Articles of Association of Chengdu Expressway Co., Ltd. (the “**Articles of Association**”) and the Rules of Procedure of the Company’s Supervisory Committee and other relevant regulations, the Company’s Supervisory Committee earnestly performed its duties in the spirit of being responsible to all shareholders, independently exercised its functions and powers according to law and actively and effectively carried out the work of the Supervisory Committee to protect the interests of the Company and investors. The major work of the Supervisory Committee in 2018 is reported as follows:

### **I. BASIC WORK INFORMATION**

During the reporting period, the Supervisory Committee earnestly performed its supervisory duties. Through attending the Board meetings and general meetings, it monitored and verified the Company’s production and operation, various decision-making procedures, legal operation, financial condition, internal management system, and the performance of the Company’s directors and senior management personnel, thus promoting the Company’s standardised operation and healthy development.

The major work of the Supervisory Committee during the reporting period included: understanding and supervising the legality and rationality of the actions of directors, general managers and other senior management personnel in operational decision-making and daily management etc. and carefully reviewing the Company’s financial condition and discussing and reviewing the final accounts report and profit distribution plan to be submitted by the Board to the general meeting by convening meetings of the Supervisory Committee, attending general meetings and Board meetings etc..

### **II. SPECIFIC WORK INFORMATION**

The Supervisory Committee held three meetings in 2018. The details are as follows:

#### **(i) Meetings of the first session of the Supervisory Committee in 2018**

##### **1. *The first meeting***

On 24 April 2018, the 2018 first meeting of the first session of the Supervisory Committee was held on-site in the Company’s meeting room, at which the Proposal on Appointment and Removal of Zhang Dongmin and Other People and the Proposal on Review of the 2017 Final Accounts (consolidated) Report of Chengdu Expressway Co., Ltd. were considered and approved.

##### **2. *The second meeting***

On 10 May 2018, the 2018 second meeting of the first session of the Supervisory Committee was held on-site in the Company’s meeting room, at which the Proposal on Removal of Zeng Xianyun from the Posts of Supervisor and Chairman of the Supervisory Committee and the Proposal on Electing the Chairman of the Supervisory Committee were considered and approved.

### **3. *The third meeting***

On 19 July 2018, the 2018 third meeting of the first session of the Supervisory Committee was held on-site in the Company's meeting room, at which the Proposal on Consideration of the Report of the Supervisory Committee of Chengdu Expressway Co., Ltd. for 2017 was considered and approved.

The convening procedures and considerations of the meetings of the Supervisory Committee in 2018 were in line with the relevant provisions of the Company Law, the Articles of Association and the Rules of Procedure of the Supervisory Committee of the Company.

### **III. ATTENDANCE OF SPECIAL MEETINGS**

In 2018, members of the Supervisory Committee attended 5 general meetings, 10 Board meetings and listened to the consideration of 20 resolutions of the general meetings and 40 resolutions of the Board meetings in accordance with the provisions of the Company Law and the Articles of Association. It actively performed the supervisory duties in the process of attending the meeting, fully understood the major decision-making matters related to the Company's reform and development and the operation and management situation, supervised the convening procedures, decision-making process and its legal compliance of relevant meetings, participated in the demonstration of decisions on major issues of the Company, and expressed opinions and suggestions. With regard to the Board resolutions on the list of authorisation for the operation and management of subsidiaries by the Company to its subsidiaries, the supervisors fully considered the actual operating conditions of the Company and its subsidiaries and put forward reasonable suggestions in accordance with relevant laws and regulations to facilitate the Company to further optimise the scope of authorisation, clarify the management content and improve the management level of the Company. During the period when the general meeting and the Board meeting were not in session, the Supervisory Committee paid close attention to the implementation of major decisions of the Company by the Board, the management and its members, as well as the performance of their duties in the Company. The employee representative supervisors of the Supervisory Committee kept informed of and supervised the Company's major management activities and the performance of duties of directors and senior management personnel by attending meetings such as the general manager's office meeting.

#### **IV. INDEPENDENT OPINIONS OF THE SUPERVISORY COMMITTEE ON RELEVANT MATTERS OF THE COMPANY**

##### **(i) The Company's legal operation**

In 2018, supervisors of the Company attended all general meetings and Board meetings, carefully supervised and monitored the convening procedures, resolutions and the execution of written resolutions of the above-mentioned meetings, and effectively supervised the operation and management of directors and senior management personnel as well as the Company's decision-making and operation.

The Supervisory Committee were of the view that, the Company conducted operational decision-makings in strict accordance with the Company Law, the Articles of Association and other rules and regulations and remained in standard operation. The convening procedures, rules of procedure and resolution procedures of the general meetings and the Board meetings were legal and effective and the internal control system was relatively perfect, which conformed to the Company Law and other laws and regulations, the Articles of Association and relevant rules of procedure. The directors and senior management personnel diligently and faithfully performed their duties, and there was no violation of laws, regulations, the Articles of Association of the Company or any act that damaged the interests of the Company or infringed upon the rights and interests of shareholders.

##### **(ii) Financial condition of the Company**

The Supervisory Committee carefully reviewed the Company's 2018 financial report and found that the Company's financial revenue and expenditure were straight-forward, accounting and financial management were in accordance with relevant regulations, and no question was raised. The Company's domestic and international auditors Sichuan Yongle Certified Public Accountants Co., Ltd. and Ernst & Young respectively audited the 2018 financial report of the Company in accordance with the Chinese Accounting Standards for Enterprises and the International Financial Reporting Standards, and issued standard unqualified audit reports. The Supervisory Committee believed that the financial report, which, the Supervisory Committee believed truly reflected the 2018 financial situation, operating results and cash flows of the Company.

##### **(iii) Opinion on internal control self-evaluation report**

The Supervisory Committee carefully reviewed the 2018 Internal Control Evaluation Report, and considered that the Company's existing internal control system was sound, satisfied the requirements of relevant national laws and regulations, met the regulatory requirements of the securities regulatory authorities on the management of the internal control system of listed companies and the actual operation of the Company, and was effectively implemented. No major defects in internal control design or implementation was found. The Company had established a relatively perfect internal control system which was continuously optimised and improved and played supervisory and guiding role in the standardised operation of the Company.



## **V. 2019 WORK PLAN OF THE SUPERVISORY COMMITTEE**

### **(i) Conscientiously performing duties in accordance with laws and regulations**

In 2019, the Supervisory Committee will continue to explore and improve the working mechanism and operation mechanism of the Supervisory Committee, earnestly implement the Company Law, the Articles of Association, the Listing Rules and other laws and regulations, improve the supervision and management of the Company's operation according to law, strengthen the communication with the Board and management, and supervise the Board and senior management according to law, so as to render their decision-making and business activities more standardised and legal. In accordance with the provisions of the Rules of Procedure of the Supervisory Committee of the Company, regular working meetings of the Supervisory Committee will be organised to continue to strengthen the implementation of the supervisory functions, to attend the Board and general meetings of the Company in accordance with the law, and to grasp the legality of major decision-making matters and various decision-making procedures of the Company in a timely manner so as to better safeguard the rights and interests of shareholders.

### **(ii) Strengthening supervision and inspection to prevent business risks**

Firstly, it will focus on the financial supervision to supervise and inspect the Company's financial condition according to law.

Secondly, it will further strengthen the internal control system, regularly get information from the Company and grasp the Company's operating conditions, especially major business activities and investment projects. Once any problem is found, it will timely put forward suggestions to eradicate and correct such problems.

Thirdly, it will maintain frequent communication and contact with internal audit and accounting firms entrusted by the Company, make full use of internal and external audit information, and timely understand and grasp the relevant information.

Fourthly, it will focus on the risky aspects of the Company and carry out inspections on important aspects of the Company such as major investments, management of raised funds, connected transactions, etc..

## **APPENDIX II – 2019 FINANCIAL BUDGET**

Details of the financial budget of the Company for the year 2019 proposed to be submitted for approval at the AGM are set out as follows:

### **I. PREPARATION SCOPE**

The investment, financing and operation activities by the Company and its subsidiaries have been included in the preparation scope for the annual budget.

### **II. PREPARATION PRINCIPLES**

- (i) Investment budget: follow the Interim Measures for the Budget Management of the Company and detail the image progress of projects investment and construction as well as the progress of capital demands. Capitalised projects shall not be expensed during the period.
- (ii) Financing budget: seek the self-balances of operational projects, match the investment and the budget, and make both ends meet.
- (iii) Operation budget: based on the actual operation situations of the Company in 2018, fully anticipate the substantial impacts on the revenue by the changes of external environments in operation in 2019. By implementing the requirement of “two reductions and two improvements” for costs and on the premise that security and normal operation are ensured, try to control the costs.

## **APPENDIX III – DETAILS OF THE AUTHORISATION PLAN FOR STRUCTURED DEPOSITS**

Details of the Company’s authorisation plan for structured deposits to be submitted for approval at the AGM are set out below:

### **I. BACKGROUND**

According to the requirements in (ix) of article 146 of the Articles of Association, “The Board of Directors shall be accountable to the shareholders’ general meetings, and shall exercise the relevant powers: to determine, to the extent authorised by the shareholders’ general meetings, on such matters as the external investments, purchase or sale of assets, assets pledge, external guarantee, entrusted financing and related transactions of the Company” and article 14 of the Administrative Measures on Investment of the Company, “The Company and its subsidiaries shall not engage in investments in secondary market stocks, wealth management products and financial derivatives, including but not limited to futures, options, forwards, swaps, etc. without the approval of the shareholders’ general meeting of the Company”, structured deposits constitute investments in wealth management products and therefore shall be considered and approved at the shareholders’ general meeting of the Company.

In order to improve the fund utilisation efficiency of the Company and the yield level of the stock capital, and to seek more return on investment for the shareholders of the Company, the Company plans to use idle self-owned funds to subscribe for structured deposits in due course without affecting normal production and operation and capital security. Details are as follows:

### **II. Description of the specific proposal on structured deposits:**

(i) Investment products: In order to control risks, the Company plans to purchase structured deposit products that banks and financial institutions can provide principal guarantee commitments and such products are bank wealth management products. The Company will conduct a strict evaluation on wealth management products and select the types with high safety, low risk, high liquidity and relatively high return on investment.

The counterparty for the purchase of structured deposit products shall be a third party independent from the Company and its connected persons.

- (ii) Investment limit and duration: The balance of structured deposits to be purchased by the Company and its subsidiaries shall not exceed RMB500 million (or equivalent foreign currency), within which the funds can be used in a rolling manner within one year. The investment period of a single bank structured deposit product shall not exceed 6 months.
- (iii) Source of funds: On the premise of not affecting the normal production and operation and capital security, it is proposed to use the idle self-owned funds of the Company and its subsidiaries to subscribe for structured deposit products, which will not affect the capital demand of the Company's daily operation and capital turnover.
- (iv) Investment risk and risk control measures: Although the purchase of structured deposits is a low-risk investment, the fluctuation risk of the return rate of the investment due to macroeconomic influence cannot be ruled out. In response to investment risks, the Company plans to take the following measures:
- (i) the Financial Department of the Company will timely analyse and track the product investment target and project progress and will take corresponding measures in time to control investment risks if there are risk factors that may affect the Company's capital safety spotted in the evaluation.
  - (ii) the Audit Department of the Company is responsible for the daily supervision of the use and custody situation of the invested funds, and auditing and verifying the use of funds from time to time.
  - (iii) the supervisory committee of the Company shall supervise and inspect the use of investment funds.
- (v) Disclosure and announcement obligations: Where the Company is required to make relevant disclosure and/or obtain shareholders' approval in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") for the above-mentioned subscription of structured deposit products, the Company will perform relevant procedures in accordance with the Listing Rules in a timely manner.
- (vi) Duration of authorisation: The authorisation shall be valid for 36 months from the date of approval at the shareholders' general meeting.

## **APPENDIX IV – DETAILS OF THE MANDATE TO ISSUE DEBT FINANCING INSTRUMENTS**

Details of the Debt Financing Instruments Issue Mandate of the Company proposed to be submitted for approval at the AGM are set out as follows:

### **I. BACKGROUND**

According to the capital balance of the Company, principal and interest payment condition and the funding plan of the investment project, the Company plans to issue Debt Financing Instruments to ensure the capital liquidity and the capital demand of the investment project, a special resolution will be proposed at the AGM to grant a general mandate to the Board to issue the Debt Financing Instruments.

### **II. PRINCIPAL TERMS OF DEBT FINANCING INSTRUMENTS**

- (i) Issuer: the Company and/or its wholly-owned or controlled subsidiaries, and the specific issuer shall be determined by the Company according to the needs of issuance
- (ii) Placing arrangement: no preferential placement to the shareholders
- (iii) Issue size: subject to that the balance of the Debt Financing Instruments outstanding shall be within the permissible size prescribed by the relevant laws and regulations and specified by regulatory authorities, and the specific issue size shall be determined by the Board according to the capital needs and the market situations
- (iv) Term and type: not more than 15 years for one single-term instrument or a portfolio of instruments with various terms, and the specific terms composition and the issue size of instruments with various terms shall be determined by the Board according to the relevant regulations and market situations and in compliance with the Company's financial policy
- (v) Use of proceeds: the proceeds to be raised from the issuance are intended to be used towards meeting the demand of the Company's operations, replenishing its working capital, funding its project investments or adjusting its debt structure, among others, and the specific use of proceeds shall be determined by the Board according to the capital needs
- (vi) Duration of authorisation: 36 months from the date of the passing of the resolution at the AGM