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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)**

**CONTROLLING SHAREHOLDER WON THE BID OF  
EQUITY TRANSFER PROJECT OF AN EXPRESSWAY COMPANY**

This announcement is made in compliance with the disclosure obligations in the section headed “Relationship with our Controlling Shareholders” in the prospectus published on 28 December 2018 by Chengdu Expressway Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”).

In accordance with the Non-competition Agreement entered into between the Company and Chengdu Communications Investment Group Co., Ltd. (成都交通投資集團有限公司) (“**Chengdu Communications**”), its controlling shareholder, Chengdu Communications undertakes that, Chengdu Communications and its subsidiaries (excluding the Group) will not, during the term of the Non-competition Agreement, and will procure their associates not to directly or indirectly, engage in, individually or jointly, with other entities, or assist to engage in or participate in any business which competes with the principal business of the Company in Sichuan province. If Chengdu Communications and its subsidiaries (excluding the Group) are aware of any new business opportunities which directly or indirectly compete or may compete with the principal business of the Company (the “**New Business Opportunities**”), they shall immediately notify the Company in writing to enable the Company to consider whether to accept such New Business Opportunities.

The Company has previously received a letter from Chengdu Communications inquiring with the Company on whether to exercise the relevant right as stated above to participate in the project of transfer of 85% equity interest in PowerChina Road and Bridge Group Chongqing Expressway Construction and Development Co., Ltd. (中電建路橋集團重慶高速公路建設發展有限公司) (“**PowerChina Chongqing Company**”) (the “**Project**”). PowerChina Chongqing Company holds 100% equity interest in Sichuan Yurong Expressway Co., Ltd. (四川渝蓉高速公路有限公司) (“**Yurong Expressway Company**”), and Yurong Expressway Company mainly engages in the operation and management of Yurong Expressway (Sichuan section) within Sichuan province.

After making analysis of the Project, all independent non-executive directors of the Company are of the view that: (i) the Company proposes to focus on acquiring or investing in expressway projects with a reasonable return on investment. As Yurong Expressway (Sichuan section) has been in a loss-making position since the commencement of trial toll collection in 2018, participation in the Project at current stage will affect the Company's performance; and (ii) participation in the Project by the Company will take up a substantial amount of the self-owned capital of the Company, which would exert considerable pressure on the cash flow of the Company. After considering all above factors, all independent non-executive directors of the Company have resolved that the Company will not participate in the Project, provided that the Company shall at all times be entitled to exercise the acquisition option, right of first refusal and other rights under the Non-competition Agreement.

The Company recently noted that Chengdu Communications Investment Capital Management Co., Ltd. (成都交投資本管理有限責任公司), a wholly-owned subsidiary of Chengdu Communications, as a member of the consortium with Sichuan Transportation Investment Innovation Development Co., Ltd. (四川交投創新投資發展有限公司), participated in and won the bid for the Project at the bidding price of RMB6,269.6 million. If the Company exercises relevant rights under the Non-competition Agreement in respect of the Project, the Company will comply with approval procedures and disclosure requirements in accordance with applicable laws and regulations as well as the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

Chengdu, the PRC, 18 November 2020

*As at the date of this announcement, the Board of the Company comprises Mr. Yang Tan, 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.*