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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)**

**DISCLOSEABLE TRANSACTION**  
**SUBSCRIPTION FOR STRUCTURED DEPOSITS**

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On 2 July 2024, the Company subscribed for the Structured Deposits offered by each of CCB and ICBC in an amount of RMB300 million and RMB200 million, respectively.

**LISTING RULES IMPLICATIONS**

Pursuant to Rule 14.07 of the Listing Rules, as one or more of the applicable percentage ratios (as defined under the Listing Rules) of each of the CCB Structured Deposit Agreement and the ICBC Structured Deposit Agreement exceeds 5% but all of such ratios are less than 25%, the transactions contemplated thereunder hence constitute discloseable transactions of the Company under the Listing Rules, and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules but are exempt from the Shareholders' approval requirement.

**SUBSCRIPTION FOR STRUCTURED DEPOSITS**

The Board hereby announces that on 2 July 2024, the Company entered into agreements in relation to the Structured Deposits with each of CCB Chengdu No.1 Sub-branch and ICBC Chengdu Binjiang Sub-branch (Wuhouci Sub-branch). The salient terms of such agreements are set out as follows:

**The CCB Structured Deposit Agreement**

Date: 2 July 2024

Parties: (1) the Company; and  
(2) CCB Chengdu No.1 Sub-branch

Principal amount of the subscription:	RMB300 million
Term of investment:	98 days
Commencement date:	5 July 2024
Expiry date:	11 October 2024
Type of the Structured Deposit:	Principal-guaranteed with floating return
Expected annualised rate of return:	1.05% to 2.70%
Observation period:	Commencement date of the product to two Tokyo business days prior to the expiry of the product (both days inclusive)
Investment scope:	The principal of the Structured Deposit will be integrated into the internal capital management of CCB, and the income will be invested in financial derivative products whose performance will in turn be linked to the income of the Structured Deposit.
Benchmark:	The performance of the exchange rate of the Euro against the US Dollar during the observation period
Guarantee made by CCB:	CCB will provide a guarantee for the principal and the minimum income to be earned at the lowest expected annualised rate of return, observe the exchange rate of the Euro against the US Dollar during the observation period according to market conditions based on the principle of fairness and justice, and will pay the income to the Group in strict accordance with the terms explicitly agreed in the relevant agreement.
Frequency of income payment:	Paid in a lump sum upon maturity
Redemption:	The Company shall not redeem the principal and income in advance during the term of the Structured Deposit.

**The ICBC Structured Deposit Agreement**

Date:	2 July 2024
Parties:	(1) the Company; and  (2) ICBC Chengdu Binjiang Sub-branch (Wuhouci Sub-branch)
Principal amount of the subscription:	RMB200 million
Term of investment:	98 days
Commencement date:	5 July 2024
Expiry date:	11 October 2024
Type of the Structured Deposit:	Principal-guaranteed with floating return
Expected annualised rate of return:	1.20% to 2.49%
Observation period:	5 July 2024 to 9 October 2024 (both days inclusive)
Investment scope:	The principal of the Structured Deposit will be integrated into the internal capital management of ICBC, and the income will be invested in derivative products linked to the exchange rate of the Euro against the US Dollar. The income of the Structured Deposit shall be linked to the performance of the exchange rate of the Euro against the US Dollar in the international market during the observation period.
Guarantee made by ICBC:	ICBC will provide a guarantee for the principal and the minimum income to be earned at the lowest expected annualised rate of return, observe the exchange rate of the Euro against the US Dollar during the observation period according to market conditions based on the principle of fairness and justice, and will pay the income to the Group in strict accordance with the terms explicitly agreed in the relevant agreement.
Frequency of income payment:	Paid in a lump sum upon maturity
Redemption:	The Company shall not redeem the principal and income in advance during the term of the Structured Deposit.

## **BASIS FOR DETERMINING THE CONSIDERATIONS**

The directors of the Company (including the independent non-executive directors) confirmed that, the considerations of RMB300 million and RMB200 million, respectively underlying the subscriptions by the Company for the Structured Deposits offered by each of CCB and ICBC has been determined by the Company and each of CCB and ICBC after arm's length negotiations on commercial terms taking into account the idle cash that is available to the Group for cash management purposes, the risk profiles of the products, investment terms and the expected annualised rates of return.

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS**

In order to enhance the capital efficiency as well as the return of the capital operation, the Company reasonably utilised idle funds to subscribe for the Structured Deposits issued by each of CCB and ICBC. Taking into account, among others, (i) the nature of principal-guaranteed with floating return; (ii) the expected rates of return; and (iii) the short terms of 98 days of the Structured Deposits, the Company believes the use of idle funds to subscribe for the Structured Deposits of each of CCB and ICBC will have higher returns on deposits than those generally available from commercial banks and is conducive to improving the efficiency of the use of the Group's own idle funds and increasing the Group's additional income without adversely affecting its normal operation, principal business development and the rights and interests of investors. The condition of the Structured Deposits will be closely and effectively monitored by the Company. The directors of the Company (including the independent non-executive directors) are of the view that, the subscription for the Structured Deposits is conducted on normal commercial terms, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION OF THE PARTIES**

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

CCB is a large commercial bank established in the PRC with the approval from the National Financial Regulatory Administration of the PRC (國家金融監督管理總局) (NFRA), mainly engaged in absorbing public deposits, granting loans, handling domestic and foreign settlements, handling bills acceptance and discount, issuing financial bonds and other business. Its controlling shareholder is Central Huijin Investment Ltd. (中央匯金投資有限責任公司), which is ultimately wholly owned by the State Council of the PRC (國務院). To the best of knowledge, information and belief of the directors of the Company after making all reasonable enquiries, as at the date of this announcement, each of CCB and its ultimate beneficial owner is a third party independent of the Company and its connected persons.

ICBC is a large commercial bank established in the PRC with the approval from the NFRA, mainly engaged in absorbing public deposits, granting loans, handling domestic and foreign settlements, handling bills acceptance and discount, issuing financial bonds and other business. Its substantial shareholders are Central Huijin Investment Ltd. and the Ministry of Finance of the PRC, of which Central Huijin Investment Ltd. is ultimately wholly owned by the State Council. To the best of knowledge, information and belief of the directors of the Company after making all reasonable enquiries, as at the date of this announcement, each of ICBC and its ultimate beneficial owner is a third party independent of the Company and its connected persons.

## LISTING RULES IMPLICATIONS

Pursuant to Rule 14.07 of the Listing Rules, as one or more of the applicable percentage ratios (as defined under the Listing Rules) of each of the CCB Structured Deposit Agreement and the ICBC Structured Deposit Agreement exceeds 5% but all of such ratios are less than 25%, the transactions contemplated thereunder hence constitute discloseable transactions of the Company under the Listing Rules, and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules but are exempt from the Shareholders' approval requirement.

## DEFINITIONS

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

“Board”	the board of directors of the Company
“CCB”	China Construction Bank Corporation (中國建設銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose shares are listed on the Shanghai Stock Exchange (stock code: 601939) and the Stock Exchange (stock code: 939)
“CCB Structured Deposit Agreement”	the agreement entered into between the Company and CCB Chengdu No.1 Sub-branch on 2 July 2024 in relation to subscription for the Structured Deposit in an amount of RMB300 million by 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 on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“ICBC”	Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, whose shares are listed on the Shanghai Stock Exchange (stock code: 601398) and the Stock Exchange (stock code: 1398)
“ICBC Structured Deposit Agreement”	the agreement entered into between the Company and ICBC Chengdu Binjiang Sub-branch (Wuhouci Sub-branch) on 2 July 2024 in relation to subscription for the Structured Deposit in an amount of RMB200 million by the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Deposit(s)”	the structured deposit(s) (individually or collectively) issued by CCB and/or ICBC, the salient terms of which are summarised in this announcement
“%”	per cent

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

Chengdu, the PRC, 2 July 2024

*As at the date of this announcement, the Board 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.*