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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)

ANNOUNCEMENT IN RELATION TO THE NEW NON-COMPETITION AGREEMENT REGARDING THE ACQUISITION OF EQUITY INTEREST IN SICHUAN TIANFU AIRPORT EXPRESSWAY CO., LTD. BY CONTROLLING SHAREHOLDER AND CONTINUING CONNECTED TRANSACTION UNDER RULE 14A.60(1) OF THE LISTING RULES

I. ANNOUNCEMENT IN RELATION TO THE NEW NON-COMPETITION AGREEMENT

References are made to the circular issued by the Company on 14 September 2022 (the "**Circular**") in relation to the New Non-competition Agreement entered into between the Company, Chengdu Communications Investment and Chengdu Communications Investment Transportation Construction and Management Group Co., Ltd. ("**Construction and Management Group**"), both being controlling shareholders, and the announcement issued by the Company on 28 November 2024 (the "**Announcement**") in relation to the supplemental agreement to the New Non-competition Agreement entered into between the Company, Chengdu Communications Investment and Construction and Management Group, both being controlling shareholders. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Circular and the Announcement. This announcement is made pursuant to the disclosure obligations set out in the section headed "Corporate Governance Measures" in the Circular.

Pursuant to the New Non-competition Agreement, Construction and Management Group undertakes that during the term of the New Non-competition Agreement, except for relevant stipulations of the New Non-competition Agreement and the Relevant Petrol Stations, Construction and Management Group and its subsidiaries (excluding the Group) shall not engage in the Competing Businesses in any form. Construction and Management Group and its subsidiaries (excluding the Group) shall, upon identifying any New Business opportunities, notify the Company in writing to enable the Company to consider whether to engage in such New Business opportunities.

The Company has previously received a letter from Construction and Management Group inquiring with the Company on whether to exercise the relevant rights as stated above to participate in the acquisition of 100% equity interest in Sichuan Tianfu Airport Expressway Co., Ltd. ("**Tianfu Airport Expressway**") (the "**Project**"). After making analysis of the Project, all independent non-executive Directors are of the view that: (i) the Project has a long loss-making period and the financial impact is significant; and (ii) the Project is expected to increase debt pressure, leading to continuous increase in gearing ratio, and participation in the Project will significantly drag down the Company's financial indicators, which is not in line with the requirements of financial stability and will be detrimental to the interests of the Shareholders. Taking into consideration of the above factors, all independent non-executive Directors have resolved that the Company will not participate in the Project.

The Company was recently informed that Construction and Management Group, as the sole intended transferee, has entered into equity transfer contracts regarding Tianfu Airport Expressway with each of China Railway Group Limited and China Railway Construction Corporation Limited at a consideration of RMB3,855,697,200, which have been disclosed on the Beijing Stock Exchange on 25 December 2025 (the "**Acquisition**"). If the Company exercises relevant rights under the New Non-competition Agreement and its supplemental agreement in respect of the Project in the future, the Company will comply with approval procedures and disclosure obligations in accordance with applicable laws and regulations as well as the Listing Rules.

II. CONTINUING CONNECTED TRANSACTION UNDER RULE 14A.60(1) OF THE LISTING RULES

1. Background

Reference is made to the announcement issued by the Company on 8 December 2020 in relation to the Company's successful tender for the project of Chengdu Tianfu International Airport Expressway Operation Business and the project of Operation Business of Pujiang-Dujiangyan Section of Chengdu Economic Zone Ring Expressway (collectively, the "**Expressway Operation Projects**") of Tianfu Airport Expressway.

On 25 December 2025 (the date of disclosure of the Acquisition on the Beijing Stock Exchange, the Acquisition was completed and Tianfu Airport Expressway became a wholly-owned subsidiary of Construction and Management Group (a controlling shareholder of the Company). Accordingly, Tianfu Airport Expressway became a connected person of the Company.

Before Tianfu Airport Expressway becoming a connected person of the Company, the Company had entered into the Contract for the Chengdu Tianfu International Airport Expressway Operation Business (the "**Tianfu Airport Expressway Operation Business Contract**") and the Contract for the Operation Business of Pujiang-Dujiangyan Section of Chengdu Economic Zone Ring Expressway (the "**Pudu Expressway Operation Business Contract**", together with the Tianfu Airport Expressway Operation Business Contract, the "**Operation Business Contracts**") with Tianfu Airport Expressway for providing relevant operation services under the Expressway Operation Projects, and the Operation Business Contracts were renewed on 30 December 2022. Therefore, the arrangements under the Operation Business Contracts have become continuing connected transactions of the Company.

Accordingly, the Company is subject to annual review and disclosure requirements under Rule 14A.60(1) of the Listing Rules. In case of renewal of the Operation Business Contracts or changes in the terms thereof, the Company will comply with the applicable requirements under Chapter 14A of the Listing Rules.

2. Principal terms of the Operation Business Contracts

The principal terms of the Tianfu Airport Expressway Operation Business Contract are as follows:

Date:	30 December 2022
Parties:	(1) Tianfu Airport Expressway (as the contracting party); and (2) the Company (as the contractor)
Term:	1 January 2023 to 31 December 2027
Content of contract:	The Company shall provide operation management and routine maintenance services for the JCYY Section of the Chengdu Tianfu International Airport Expressway, covering (1) toll management (primarily including ticket and card management, toll revenue clearing and settlement, toll auditing, toll cash management and payment, etc.); (2) use and maintenance management of electromechanical facilities (primarily including the use, daily inspection, cleaning and maintenance and repairing of electromechanical facilities such as surveillance systems, toll systems, communication systems, etc.); (3) road patrol management (primarily including patrols along the entire expressway, maintenance of road properties and rights, handling of traffic accidents, and clearance and rescue services); (4) surveillance service management (primarily including video surveillance patrols, handling inquiry, complaint and assistance calls, supervising toll collectors' work, etc.); and (5) safety and emergency management (primarily including safety management of toll stations and emergency management for various contingencies, etc.).
Consideration:	Contract sum of operation management: RMB41,491,650 per year (inclusive of tax) (of which the tax-exclusive amount is RMB39,143,066.04 per year), amounting to a total of RMB207,458,250 (inclusive of tax) for five years (of which the tax-exclusive amount is RMB195,715,330.19). Contract sum of routine maintenance: the price shall be calculated at 85% of the unit price or total price listed in the priced bill of quantities.

The principal terms of the Pudu Expressway Operation Business Contract are as follows:

Date:	30 December 2022
Parties:	(3) Tianfu Airport Expressway (as the contracting party); and (4) the Company (as the contractor)
Term:	1 January 2023 to 31 December 2027
Content of contract:	The Company shall provide operation management and routine maintenance services for the PDYY Section of the Pujiang-Dujiangyan Section of Chengdu Economic Zone Ring Expressway, covering (1) toll management (primarily including ticket and card management, toll revenue clearing and settlement, toll auditing, toll cash management and payment, etc.); (2) use and maintenance management of electromechanical facilities (primarily including the use, daily inspection, cleaning and maintenance and repairing of electromechanical facilities such as surveillance systems, toll systems, communication systems, etc.); (3) road patrol management (primarily including patrols along the entire expressway, maintenance of road properties and rights, handling of traffic accidents, and clearance and rescue services); (4) surveillance service management (primarily including video surveillance patrols, handling inquiry, complaint and assistance calls, supervising toll collectors' work, etc.); and (5) safety and emergency management (primarily including safety management of toll stations and emergency management for various contingencies, etc.).
Consideration:	Contract sum of operation management: RMB34,542,000 per year (inclusive of tax) (of which the tax-exclusive amount is RMB32,586,792.45 per year), amounting to a total of RMB172,710,000 (inclusive of tax) for five years (of which the tax-exclusive amount is RMB162,933,962.26). Contract sum of routine maintenance: the price shall be calculated at 85% of the unit price or total price listed in the priced bill of quantities.

3. Reasons for and benefits of entering into the Operation Business Contracts

The Group has accumulated relatively mature experience in the operation and management businesses of expressways, including toll collection, maintenance and asset management, etc. The entering into of the Operation Business Contracts with Tianfu Airport Expressway will increase the number of expressway projects under the Group's management, allow the Company to fully leverage its professional capabilities and management experience in expressway operation management, enhance project operational efficiency and service quality, and is conducive to the Group's expansion of its expressway operation and management business and deepening of its management experience, and at the same time, it will further export the brand name of "Chengdu Expressway", optimize and strengthen its main business and increase the sources of income and profit.

The Board (including the independent non-executive Directors) is of the view that the Operation Business Contracts were entered into on normal commercial terms in the ordinary and usual course of business of the Group and the terms and conditions thereof are fair and reasonable and in the interests of the Company and its shareholders as a whole.

4. General Information of the Parties

(1) The Company

The Company is primarily engaged in the operation, management and development of Chengguan Expressway. The Group is primarily engaged in the 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.

(2) Tianfu Airport Expressway, Construction and Management Group and Chengdu Communications Investment

As at the date of this announcement, Tianfu Airport Expressway is a wholly-owned subsidiary of Construction and Management Group and is principally engaged in highway project investment, construction, management and maintenance services of expressways and ancillary facilities.

Construction and Management Group is an immediate controlling shareholder of the Company, and is principally engaged in the construction and development of toll expressways, large-scale overpasses, stations, ancillary facilities and properties alongside toll expressways in Sichuan Province. It is one of the controlling shareholders of the Company and is wholly owned by Chengdu Communications Investment.

Chengdu Communications Investment is principally engaged in the investment, the financing of and the construction, development, operation and management of transportation infrastructure in Sichuan Province. It is one of the controlling shareholders of the Company and its ultimate beneficial owner is the State-owned Assets Supervision and Administration Commission of Chengdu Municipal Government (成都市國有資產監督管理委員會).

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

Chengdu, the PRC, 28 December 2025

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