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四川成渝高速公路股份有限公司
Sichuan Expressway Company Limited*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00107)

I. Proposed Change of Domestic and International Auditors;
II. Proposed Registration and Issuance of Perpetual Medium-Term Notes
in the PRC; and
III. 2023 Annual General Meeting

This announcement is made by the Company pursuant to Rule 13.51(4) and Rule 13.09 of the Listing Rules, and the Part XIVA of the Securities and Futures Ordinance (CAP. 571).

The Board hereby announces that the following resolutions will be considered at the 2023 AGM to approve, among other things, the proposed change of domestic and international auditors and the proposed registration and issuance of perpetual medium-term notes in the PRC.

I. PROPOSED CHANGE OF DOMESTIC AND INTERNATIONAL AUDITORS

Retirement of auditors

Pursuant to the requirements under the Administrative Measures issued by the Ministry of Finance of the PRC, the State-owned Assets Supervision and Administration Commission of the State Council and China Securities Regulatory Commission, the term of appointment of the same accounting firm by a state-owned enterprise (including state-controlled listed companies) shall not exceed eight (8) years, which, however, may be extended to no more than ten (10) years if needed. Both ShineWing, the domestic auditor of the Company, and EY, the international auditor of the Company, had exceeded the longest term as set out by the Administrative Measures. In order to continue the good corporate governance of the Company and to enhance the independence of the auditors, ShineWing will retire as the domestic auditor of the Company and EY will retire as the international auditor of the Company at the conclusion of the 2023 AGM.

The Board and the Audit Committee have confirmed that there are no disagreements or unresolved issues between the Company and ShineWing and between the Company and EY, and there are no matters in respect of the proposed change of domestic and international auditors that need to be brought to the attention of the Shareholders.

The Board would like to express its sincere appreciation to ShineWing and EY for their professional services to the Company for the past years.

Proposed appointment of auditors

The Board further announces that with the recommendation from Audit Committee, following the retirement of ShineWing and EY, respectively, the Board has resolved to propose: (1) the appointment of Shu Lun Pan CPAs as the domestic auditor of the Company, and (2) the appointment of PwC as the international auditor of the Company. Subject to the approval of Shareholders at the 2023 AGM, Shu Lun Pan CPAs and PwC will hold office until the conclusion of the next annual general meeting of the Company.

The Audit Committee has taken into account a number of factors, including but not limited to their qualifications, track records, quality management standards, work programs, staffing and other resources, information security management and risk tolerance, in recommending Shu Lun Pan CPAs and PwC to the Board to serve as the domestic auditor of the Company and the international auditor of the Company, respectively. The Audit Committee is of the view that: (1) Shu Lun Pan CPAs is qualified and well-suited to serve as the new domestic auditor of the Company; and (2) PwC is qualified and well-suited to serve as the new international auditor of the Company.

The Board is of the view that: (1) the proposed appointment of Shu Lun Pan CPAs as the domestic auditor of the Company; and (2) the proposed appointment of PwC as the international auditor of the Company are in the interests of the Company and its Shareholders as a whole.

The following resolutions, among other things, will be considered at the 2023 AGM:

- Proposed appointment of Shu Lun Pan CPAs as the domestic auditor of the Company, with a term until the conclusion of the next annual general meeting of the Company, and the authority for the Board to negotiate the audit fees.
- Proposed appointment of PwC as the international auditor of the Company, with a term until the conclusion of the next annual general meeting of the Company, and the authority for the Board to negotiate the audit fees.

II. PROPOSED REGISTRATION AND ISSUANCE OF PERPETUAL MEDIUM-TERM NOTES

In order to strengthen capital security, on 27 March 2024, the Board has resolved to propose the registration and issuance of perpetual medium-term notes in the PRC.

Particulars of the Perpetual Medium-Term Notes:

Issuer	:	The Company
Place of issuance	:	The PRC
Scale	:	Not more than RMB3 billion in total of registered perpetual medium-term notes to be issued in one or several tranches within the validity period of registration.
Interest rate	:	To be determined according to the prevailing market conditions at the time of the issue.
Target of issuance	:	Not for the general public. Only to institutional investors in the inter-bank bond market in the PRC, save for those prohibited by the PRC laws or regulations from subscription.
Issue method	:	To be arranged and underwritten by the financial institution(s) to be engaged by the Company.
Use of proceeds	:	It is expected that the proceeds from the registration and issuance of the perpetual medium-term notes will be used for business activities in compliance with the laws, regulations and government policies of the PRC, including but not limited to funding the Company's projects under construction and proposed investment projects, repayment of maturing debts, replenishing working capital, equity acquisition, capital injection to subsidiaries and other purposes in compliance with regulatory requirements.

The proposed registration and issuance of the perpetual medium-term notes in the PRC is subject to the approval of the Shareholders by way of special resolution at the 2023 AGM and it is also conditional upon obtaining the notice of acceptance of registration and all other necessary approvals from the National Association of Financial Market Institutional Investors.

The Board proposes an approval of the Shareholders to be sought for the registration and issuance of the perpetual medium-term notes in the PRC and an unconditional general mandate to be given to the Board or any two Directors to deal with all matters in relation to the issuance of the perpetual medium-term notes within three (3) years from the date of the approval at the 2023 AGM and within the validity period of the registration. With such mandate, the Board or any two Directors shall deal with all related matters, including but not limited to the following:

1. to decide the terms of the issuance of the perpetual medium-term notes, including but not limited to the type, the amount, the term, the number of tranches for the issue, timing of the issue, the method of the issue, the interest rate based on the prevailing market conditions at the time of issue;
2. to select and engage qualified professional intermediaries, including but not limited to selecting and engaging the underwriting institution(s), the credit rating institution(s) and legal counsel(s);
3. to undergo all necessary negotiations, and to amend and execute all relevant agreements and other necessary documents (including but not limited to the applications for approval of the issuance of the perpetual medium-term notes, registration report, offering document, underwriting agreement, all announcements and documents for necessary disclosure);
4. to apply for all necessary approvals and make all necessary filings and registrations in connection with the issuance of the perpetual medium-term notes, including but not limited to submitting application for registration to the relevant authorities in the PRC in relation to the issuance of the perpetual medium-term notes and making necessary amendments to the proposal on the issuance of the perpetual medium-term notes in response to any request from the relevant authorities in the PRC;
5. to authorize the Board or any two Directors to make appropriate adjustments to the matters in relation to the registration and issuance of the perpetual medium-term notes in accordance with the views of the regulatory authorities (except for matters relating to the relevant laws, regulations and the Articles of Association, which shall be subject to a re-vote of the Shareholders at the general meeting) in the event of any change in the laws, regulations and policies of the regulatory authorities on the registration and issuance of the perpetual medium-term notes or any change in market conditions; and
6. to take all necessary actions and deal with or make decisions on all matters relevant to the issuance of the perpetual medium-term notes.

The Board believes that the registration and issuance of perpetual medium-term notes in the PRC will provide additional source of funding for the Company, and improve the capital structure. The Board considers that the proposed registration and issuance of the perpetual medium-term notes is in the interest of the Company and its Shareholders as a whole.

The following resolution, among other things, will be considered at the 2023 AGM:

- Proposed registration and issuance of perpetual medium-term notes in the PRC.

The registration and issuance of perpetual medium-term notes in the PRC may or may not occur. Shareholders and investors should therefore exercise caution in dealing in the Shares.

III. 2023 AGM

A circular and notice of the 2023 AGM will be published on the websites of the Hong Kong Stock Exchange and the Company in a timely manner in accordance with the Listing Rules and the Articles of Association, which will include, among other things, details of (1) the proposed appointment of Shu Lun Pan CPAs as the domestic auditor of the Company; (2) the proposed appointment of PwC as the international auditor of the Company; and (3) the proposed registration and issuance of perpetual medium-term notes in the PRC. Hard copies will be distributed to Shareholders upon request.

Definitions

In this announcement, the following terms shall, unless the context requires otherwise, have the following meaning:

“2023 AGM”	The annual general meeting of the Company to be convened and held on 23 May 2024 (Thursday)
“Articles of Association”	The articles of association of the Company, as amended from time to time
“A Share(s)”	Ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the SSE and traded in RMB
“Administrative Measures”	Administrative Measures for State-owned Enterprises and Listed Companies to Select and Engage Accounting Firms (Cai Kuai[2023]No. 4) (國有企業、上市公司選聘會計師事務所管理辦法》(財會[2023]4號))

“Audit Committee”	The audit committee under the Board
“Board”	The board of Directors of the Company
“China or the PRC”	The People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Company”	Sichuan Expressway Company Limited, a joint-stock company incorporated in the PRC, whose H shares are listed and traded on the Main Board of the Hong Kong Stock Exchange (stock code: 00107) and A shares are listed and traded on the SSE (stock code: 601107)
“Director(s)”	The director(s) of the Company
“EY”	Ernst & Young LLP
“Group”	The Company and its subsidiaries
“H Share(s)”	Overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are issued in Hong Kong, subscribed for in Hong Kong dollars and traded on the Main Board of the Hong Kong Stock Exchange
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	Rules Governing the Listing of Securities on Hong Kong Stock Exchange and/or the Rules Governing the Listing of Stocks on SSE, subject to the contexts
“PwC”	PricewaterhouseCoopers
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	A Share(s) and/or H Share(s) (subject to the contexts)
“Shareholder(s)”	Registered holder(s) of the Share(s)

“ShineWing”	ShineWing Certified Public Accountants (Special General Partnership)
“Shu Lun Pan CPAs”	BDO China Shu Lun Pan Certified Public Accountants LLP
“SSE”	The Shanghai Stock Exchange
“%”	The percentage

By order of the Board
Sichuan Expressway Company Limited*
Yao Jiancheng
Joint Company Secretary

Chengdu, Sichuan Province, the PRC
27 March 2024

As at the date of this announcement, the Board comprises Mr. You Zhiming (Vice Chairman) and Madam Ma Yonghan as executive Directors, Mr. Wu Xinhua (Vice Chairman), Mr. Li Chengyong and Mr. Chen Chaoxiong as non-executive Directors, Mr. Yu Haizong, Madam Bu Danlu, Mr. Zhang Qinghua and Mr. Zhou Hua as independent non-executive Directors.

* *For identification purposes only*