

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



浙江滬杭甬高速公路股份有限公司

ZHEJIANG EXPRESSWAY CO., LTD.

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

(Stock code: 0576)

**UPDATE ANNOUNCEMENT
CONNECTED TRANSACTION
IN RELATION TO THE ACQUISITION OF A MAJORITY STAKE IN
AN EXPRESSWAY PROJECT COMPANY VIA
A CONSORTIUM COMPANY**

Reference is made to the announcement of Zhejiang Expressway Co., Ltd. (the “**Company**”) dated December 23, 2019 (the “**Announcement**”) in relation to a connected transaction for the acquisition of a majority stake in an expressway project company via a consortium company (the “**Acquisition**”). Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Announcement.

This announcement is made pursuant to Rule 14A.35 of the Listing Rules.

The Consortium Company has recently received a letter from IC Ictas to request for negotiation among the parties to terminate the Equity Acquisition Agreements. As at the date of this announcement, the parties to the Equity Acquisition Agreements fail to reach an agreement on the terms of refinancing, being a condition precedent to Completion. Therefore, not all of the conditions precedent to the Acquisition have been fulfilled in full or waived by the long stop date of the Acquisition.

In light of the above, shareholders of the Consortium Company agree that the Consortium Company will commence an arm’s length negotiation with IC Ictas in relation to the termination of the Equity Acquisition Agreements (the “**Proposed Termination**”).

As at the date of this announcement, the Consortium Company has not made any payment of the Acquisition Consideration and the Consortium Company has not acquired any right in the Underlying Assets. Thus the Proposed Termination will not cause any material adverse impact on the existing business or finance position of the Company and its subsidiaries.

The completion of the Acquisition may not take place as a result of the Proposed Termination. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. The Company will announce further details when and where appropriate.

On behalf of the Board
Zhejiang Expressway Co., Ltd.
YU Zhihong
Chairman

Hangzhou, the PRC, August 20, 2021

As at the date of this announcement, the Chairman of the Company is Mr. YU Zhihong; the executive directors of the Company are: Mr. CHEN Ninghui and Mr. YUAN Yingjie; the non-executive directors of the Company are: Mr. JIN Chaoyang, Mr. FAN Ye and Mr. HUANG Jianzhang; and the independent non-executive directors of the Company are: Mr. PEI Ker-Wei, Ms. LEE Wai Tsang, Rosa, and Mr. CHEN Bin.