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Qilu Expressway Company Limited
齊魯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: 1576)

DISCLOSEABLE TRANSACTION
FORMATION OF PARTNERSHIP

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The Board is pleased to announce that on 4 August 2022, Shandong Huaying (as the general partner) entered into the Partnership Agreement with Qilu Expressway Investment (as the limited partner), pursuant to which, the Partnership shall be established with a fund scale of RMB285.01 million, of which Shandong Huaying and Qilu Expressway Investment shall commit to contributing RMB10,000 and RMB285 million to its capital fund, respectively. The fund from the Partnership shall be invested in the PPP Project.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in relation to the transaction contemplated under the Partnership Agreement exceeds 5% but all applicable percentage ratios are less than 25%, the transaction contemplated under the Partnership Agreement constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements, but is exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

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PARTNERSHIP AGREEMENT

The major terms of the Partnership Agreement are set out below:

- Date** : 4 August 2022
- Parties** : (i) Shandong Huaying (as the general partner); and
(ii) Qilu Expressway Investment (as the limited partner)
- Name of the Partnership** : Jinan Yingtong Equity Investment Fund Partnership (Limited Partnership) (濟南贏通股權投資基金合夥企業(有限合夥)) (subject to registration with the industrial and commerce authority)
- Term of the Partnership** : There is no fixed term for the duration of the Partnership, while the duration of the partnership fund thereunder is 7 years, comprising investment period of 5 years and exit stage of 2 years, commencing from the establishment of the partnership fund. The general partner may extend the duration of the partnership fund for one year upon the unanimous consent of all partners, subject to a maximum of two extensions.
- Purpose and business scope of the Partnership** : The Partnership shall conduct external investments with its self-owned funds and shall be responsible for investment management to attain desirable investment returns for its partners. The Partnership can invest in equity interest in project companies in the transportation, manufacturing, infrastructure and other sectors, including, among others, new material, high-end manufacturing, environmental protection, new energy, new-generation information technology and supply chain businesses in compliance with national laws, regulations, rules and policy requirements applicable to the industries.
- Method and amount of capital contribution of the partners** : The partners will contribute to the Partnership in monetary funds, details of which are as follows:

Partner	Type	Committed capital contribution RMB'000	Percentage (%)
Shandong Huaying	General partner	10	0.0035
Qilu Expressway Investment	Limited partner	<u>285,000</u>	<u>99.9965</u>
Total		<u>285,010</u>	<u>100</u>

The fund scale of the Partnership and the capital contribution of the partners are determined after arm's length negotiation with reference to, among others, the estimated capital needs of the Partnership, the expected continued operation of the partnership fund during its term, the capital needs of the PPP Project and the intended amount of investment in the PPP Project by the Company through the Partnership platform. In respect of the committed capital contribution of Qilu Expressway Investment, in addition to those stated above, the Group has also considered other factors including the current and future financial resources available to the Group and the Partnership's continued investment in the PPP Project during the duration of the partnership fund thereunder.

The timeframe for Qilu Expressway Investment to make its capital contribution to the Partnership shall be subject to the notice of committed capital contribution issued by the general partner. The committed capital contribution by Qilu Expressway Investment to the Partnership shall be funded with the Group's internal resources. In accordance with the applicable accounting standards, the financial results of the Partnership will not be consolidated into the Company's accounts.

**Management
of the Partnership**

: Shandong Huaying (as the general partner) also acts as the executive partner and the fund manager of the Partnership, and has sole and exclusive execution right in respect of the Partnership. Its major responsibilities include, among others, (i) selecting investment projects; (ii) making decisions on investment affairs of the Partnership, conducting independent management, utilising the Partnership's assets and executing investment plans; (iii) designating and replacing the executive representative of the Partnership; (iv) presiding over and convening the partners meetings; (v) approving limited partner's external transfer of interest in the Partnership; and (vi) determining profit distribution plan of the Partnership and distributing profits to the partners in a timely manner.

Meanwhile, the general partner is required to regularly report to other partners the execution of the affairs and financial conditions of the Partnership, and without the consent of all partners, the general partner shall not transfer its interest in the Partnership. The limited partner has the right to monitor the executive partner's implementation of the Partnership's affairs and propose reasonable suggestions, and shall have the right to understand the operations and financial conditions of the Partnership and inspect the accounting records and other financial information of the Partnership.

The limited partner may apply for transfer of any or all of its limited partnership interest upon satisfaction of the following conditions (subject to the exercise of the discretion by the executive partner to waive the transferor's obligation to comply with conditions (ii) to (iv) below), including:

- (i) the interest transfer will neither lead to a violation of the relevant provisions of the Partnership Law of the PRC in relation to the required number of partners of a limited partnership, nor constitute a violation on the part of the transferor or the intended transferee as to the investor qualification conditions under the applicable laws, regulations and other regulatory documents on fund management;
- (ii) the transferor has issued the transfer request to the executive partner at least thirty days in advance;
- (iii) the intended transferee has tendered the letter of undertaking expressing its consent to be bound by and abide by the Partnership Agreement, to assume all obligations of the transferor and to provide other documents, certificates and information as the executive partner considers appropriate; and
- (iv) the intended transferee has undertaken in writing to bear all fees to be incurred by the Partnership and the executive partner arising from the transfer,

upon which the executive partner shall make a decision as to the consent to the application for transfer of the limited partnership interest. Other limited partners of the Partnership shall have the right of first refusal as to the transfer of the limited partnership interest. Whereas those partners entitled to the right of first refusal waive so, the transferor may transfer the limited partnership interest to a third party.

Investment decision committee : The investment decision committee of the Partnership will be formed by the executive partner, and shall be responsible for the investment decisions of the Partnership, including resolutions on the external investments and divestments of the Partnership and discussions on the terms of the investment agreements.

Management fee : During the subsistence of the partnership fund, the fund manager will be entitled to an annual fund management fee equivalent to 0.1% of the unrecovered investment principal amount of the Partnership (being the entire investment principal amount which has yet to be withdrawn from invested projects) in respect of its investment management services as mentioned above. During the extended term of the partnership fund, the fund manager will no longer be entitled to management fee.

The above fee is determined after arm's length negotiation between the parties with reference to, among others, the management fee structures and rates charged by general partners of funds adopting similar structures and investment strategies in the market.

- Profit distribution** : The distributable funds of the Partnership may be allocated on the following basis:
- (i) first, to return the paid-in principal amount: the paid-in capital of the Partnership shall be returned to the partners in accordance with their paid-in capital contribution proportion until each partner has recovered its capital fund contributed to the Partnership;
 - (ii) then, to distribute the investment return: the remaining amount after the above distribution will be allocated based on the partners' paid-in capital contribution proportion to the Partnership until each partner obtains an amount equivalent to 6% of its capital fund contributed to the Partnership. The investment return rate shall be determined based on the period from the date of the partners' paid-in capital being in place to the date when such capital contribution amount has been recovered; and
 - (iii) when there are still residual funds after the above distributions, 20% and 80% of such funds shall be allocated to the fund manager as its performance bonus and the limited partner, respectively.

- Loss sharing** : The losses of the Partnership will be assumed by the limited partner to the extent of its committed capital contribution, whereas the general partner shall bear unlimited joint and several liability for the losses of the Partnership. Such losses shall be borne by the parties in the following manner:
- (i) all partners shall bear the losses of the Partnership in proportion to their committed capital contribution until their committed capital contribution amount have been reached; and
 - (ii) the general partner shall bear unlimited joint and several liability for the remaining losses of the Partnership.

- Termination and liquidation** : The Partnership may be terminated and liquidated when any one of the following occurs:
- (i) the term of operation of the Partnership or the term of the partnership fund has expired without extension;
 - (ii) all the partners resolve to dissolve the Partnership;

- (iii) the number of partners does not satisfy the quorum for at least 30 days;
- (iv) the purpose of the Partnership set forth in the Partnership Agreement has been realised or cannot be realised;
- (v) the Partnership has been disqualified or forced to be closed down, or the business license of such has been revoked in accordance with the applicable laws;
- (vi) where it has been lawfully dissolved, terminated or declared bankrupt by the fund manager;
- (vii) the Partnership has suffered from severe losses which reach or exceed 30% of its total paid-in capital, and is unable to operate on a going-concern basis; and
- (viii) other circumstances stipulated under applicable laws and regulations.

The termination of the Partnership shall be decided and initiated by the fund manager, and within 30 business days from the date on which a termination event of the Partnership occurs, the fund manager shall form the liquidation task force to liquidate the Partnership assets. Such Partnership assets, after deducting the associated costs including liquidation expenses, taxes and management fees as well as the indebtedness of the Partnership, will be distributed among the partners in accordance with the principle and procedure for the distribution of principal and profits mentioned above. When there are insufficient assets to cover the indebtedness of the Partnership, the general partner shall bear unlimited joint and several liability to the creditors.

SUMMARY OF PPP PROJECT

The Group intends to invest in the PPP Project through the Partnership. Set out below is a summary of the PPP Project:

- Details of project construction** : The PPP Project is in relation to the construction project of Hongqi Road and the southern section of Derun Road (Gangcheng West Street Interchange – Tonglin Road) (both being urban express roads) in Yantai, Shandong Province. Based on the design planning of the construction project:
- (i) the construction project of Hongqi Road (express road) route includes a newly constructed main road viaduct and a ramp, Derun Road interchange, Shenhai Expressway connecting interchange, new on-ground auxiliary roads and related ancillary works. The main road shall be 4.64 kilometres long and take the form of a viaduct;

- (ii) the southern section of Derun Road (Gangcheng West Street Interchange – Tonglin Road) (express road) shall be constructed with Derun Road and Gangcheng West Street spanning over approximately 1.3 kilometres and 2.2 kilometres in length, respectively, and the main road shall take the form of a viaduct; and
- (iii) the reserved construction project of the expressway passes through the Weiyuan High-speed Railway beneath Qiquan Express Road. The line generally runs on the north-south longitudinal configuration. It is located in the central and western parts of Yantai city centre and the middle section of the Fushan district. It passes beneath the Weiyuan High-speed Railway in the form of a bridge. The construction project comprises bridge and culvert works as well as drainage works.

Yantai, where the PPP Project is located, is one of the core cities on the Shandong Peninsula, an important port city in the Bohai Rim region, one of the first 14 coastal open cities in the PRC, and a key port city under the Belt and Road initiative. Yantai is an important fishery base in the PRC, a famous fruit producing area in northern China, and is also rich in mineral resources. Further, Yantai is the base of more than 40 domestic and foreign listed companies, the operations of which cover electrical equipment, basic chemical engineering, food and beverage, metal mining and other industries.

**Project investment
scale and cooperation
mode**

: The total investment of the PPP Project amounts to RMB6,120,302,800. The Yantai People’s Government authorised Yantai Highway Development Centre (煙台市公路事業發展中心) to implement the PPP Project, and authorised Yantai Urban Construction Development Group Co., Ltd. (煙台市城市建設發展集團有限公司) to be the government representative to form the project company with selected social capital contributors.

The PPP Project adopts the “build – operate – transfer” operation model, pursuant to which the project construction period and the operation period shall be 2 years and 17 years, respectively. The project company shall be responsible for the funding and financing, construction, operation and maintenance of the PPP Project and shall be entitled to operating subsidies. Upon expiry of the cooperation period, the project company shall transfer the relevant rights of the PPP Project to the government.

The PPP Project is a public welfare construction project under the “government payment” model. The government will pay the project company an annual operating subsidy with reference to the functionality of the project facilities, the operation and maintenance costs and the project performance.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PARTNERSHIP AGREEMENT

By virtue of the formation of the Partnership, the Group aims to leverage on the professional capabilities of the investment platform to enhance its income and comprehensive competitiveness, as well as to attain its potential capital appreciation and improve financial returns, thereby create value for all its Shareholders. Whereas the principal business of the Group focuses on the construction, investment and operation of expressways in Shandong Province, the investment in the PPP Project by means of the Partnership is in line with the core business value and strategic development of the Company, and represents a quality investment opportunity for the Group so as to diversify its asset portfolio and bring stable investment income to the Group.

In particular, the Board is of the view that becoming a limited partner of the Partnership can bring strategic values to the Group in various aspects, after taking into account of the following factors:

- **the PPP Project bears the characteristics of sustainable operation, which is in line with the strategic development goal of the transportation sector in the province:** as mentioned above, the PPP Project, comprising express road construction projects in Yantai, Shandong Province, is a transportation infrastructure upgrade project in a key city in the province. In line with the spirit of the Shandong Province “14th Five-Year” Comprehensive Traffic Transportation Development Plan (《山東省「十四五」綜合交通運輸發展規劃》), the PPP Project will effectively enhance the public traffic flow and improve regional logistics and transportation efficiency, thereby in fulfilment of the major goal of “promoting high-quality development of transportation” set out in the above plan and foster the formation of a “new infrastructure” transportation network;
- **strengthening the Group’s investment portfolio and attaining investment returns from the PPP Project income:** the transaction contemplated under the Partnership Agreement and the PPP Project provides a platform for the formation of strategic alliance comprising PPP participants to consolidate their respective resources advantages and expertise in project construction and operation. Meanwhile, through the formation of the Partnership, the Group can invest in the PPP Project and utilise its self-owned funds to earn investment returns in a more efficient manner. Whilst focusing on its principal business on the day-to-day expressway operation and management, the Group may, as a limited partner of the Partnership, leverage on the professional skills and experience in capital utilisation and project management of the other aforementioned parties to obtain investment returns derived from the PPP Project income with a pre-determined investment sum, namely the committed capital contribution to the Partnership.
- **participating in the PPP Project through the role as a limited partner of the Partnership enables the Group to control investment risks effectively:** the investment in the PPP Project by the Group (including the capital contribution and exit) is conducted in the manner stipulated under the Partnership Agreement, the major terms of which are set out in the section headed “Partnership Agreement” in this announcement. The Group may, on one hand, be entitled to the distribution of the Partnership’s income derived from the PPP Project in accordance with the mechanism set out by the Partnership Agreement, and on the other hand, may decide to transfer its interest in the Partnership or withdraw its investment in the Partnership after taking into account of factors including the PPP Project progress as well as the Group’s then funding needs. The formation of the Partnership brings high degree of flexibility to the Group’s investment in the PPP Project and enables the Group to have effective control over relevant investment risks at the same time; and

- **exchanges with industry peers may enhance the Group's comprehensive development capabilities and corporate image:** the involvement in financing the PPP Project through the formation of the Partnership may promote its exchanges with other industry peers participating in the PPP Project, help to explore potential opportunities of business cooperation with them, deepen the Group's understanding of the latest industry knowledge and market information, and enhance the integration of the Group's businesses in all aspects and bring synergies with various projects on hand. Meanwhile, the PPP Project is a public welfare express road construction project in Shandong Province during the 14th Five-Year Plan period. The Group may, capitalising on the government's engagement in the PPP Project construction, involve in financing the PPP Project, which will help further improve the Group's comprehensive development capabilities and corporate image.

In view of the above reasons and benefits, the Board (including the independent non-executive Directors) are of the view that the Partnership Agreement and the transaction contemplated thereunder are entered into, despite not in the ordinary and usual course of business of the Group, on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE COMPANY AND PARTIES TO THE PARTNERSHIP AGREEMENT

The Company

The Company is a joint stock company incorporated and validly subsisting under the PRC laws with limited liability, and its H Shares are listed on the Main Board of the Stock Exchange. The Company is principally engaged in (i) the construction, maintenance, operation and management of expressways (including the Jihe Expressway, Deshang Expressway (Liaocheng – Fan County section) and Shennan Expressway); (ii) highway engineering construction, expressway maintenance and municipal greening and other constructions; and (iii) sales of industrial products and other businesses in Shandong Province, the PRC.

Qilu Expressway Investment

Qilu Expressway Investment is a company incorporated under the PRC laws with limited liability and a wholly-owned subsidiary of the Company. It is mainly engaged in investment activities and corporate management consultation with self-owned funds.

Shandong Huaying

Shandong Huaying is a company incorporated under the PRC laws with limited liability, and is held as to 51%, 34%, 10% and 5% by Sun Haihua, Zhu Yanrong, Xu Ping and Cao Shuli, respectively. Shandong Huaying is mainly engaged in entrusted management of equity investment funds, management of equity investment and relevant consultation services (but prohibited from engaging in deposit acceptance, granting financial guarantees, entrusted wealth management and other financial activities without the approval by the financial regulatory authorities) as well as other projects which are not prohibited and do not require specific operation permit pursuant to applicable laws, regulation and decisions of the State Council of the People's Republic of China. Shandong Huaying is experienced in project management and has participated as the general partner and executive partner of partnerships of similar nature, and is responsible for the management, policies and control of the investment projects including:

- (i) establishment and management (as a fund manager) of Dongying Huaying New and Old Kinetic Energy Conversion Industry Investment Fund Partnership (Limited Partnership) (東營市華贏新舊動能轉換產業投資基金合夥企業(有限合夥)) with a total investment of RMB1 billion, within which Shandong New Growth Drivers Fund Co., Ltd. (山東省新動能基金有限公司) (as the Shandong governmental guidance fund), which is wholly-owned by Shandong Provincial Finance Bureau, contributed 25% of its committed capital, and the remaining is held as to 50%, 20%, 4% and 1% interest by Lihuayi Group Co., Ltd. (利華益集團股份有限公司), Zhoushan Runpu Energy Co., Ltd. (舟山潤普能源有限公司), Haiyi Liwei Investment Management (Shanghai) Co., Ltd. (海懿儷瑋投資管理(上海)有限公司) and Shandong Huaying, respectively, based on their respective committed capital contribution, and Shandong Huaying also acts as an executive partner of the partnership; and
- (ii) establishment and management (as a fund manager) of Jinan Yipu Equity Investment Fund Partnership (Limited Partnership) (濟南熠蒲股權投資基金合夥企業(有限合夥)) with a total investment amount of RMB200 million, which is held as to 99.995% and 0.005% interest by Shandong Caijin Venture Capital Co., Ltd. (山東省財金創業投資有限公司), which is wholly owned by Shandong Provincial Finance Bureau, as the limited partner, and Shandong Huaying, as the general partner, respectively, based on their respective committed capital contribution. Shandong Huaying also acts as its executive partner of the partnership.

The key personnel of the investment management team of Shandong Huaying comprises Mr. Sun Haihua, Ms. Zhu Yanrong and Mr. Xu Ce, whose biographical details and relevant projects experience are set out below:

Mr. Sun Haihua is currently the general manager of Shandong Huaying. Mr. Sun graduated from Tongji University in the PRC with a master's degree in management science and engineering and has the requisite qualification as a fund practitioner. Mr. Sun served as the chairman of Shandong Chuangrun Investment Co., Ltd. (山東創潤投資有限公司) and participated in the investment and divestment of a number of domestic capital market projects, including, among others, Sunshine Property and Casualty Insurance Co., Ltd. (陽光財產保險股份有限公司), Lecron Industrial Development Group Co., Ltd (山東聯創產業發展集團股份有限公司) (a joint stock company listed on the Shenzhen Stock Exchange, stock code: 300343), Loncin Motor Co., Ltd. (隆鑫通用動力股份有限公司) (a joint stock company listed on the Shanghai Stock Exchange, stock code: 603766), Shenzhen Sunwin Intelligent Co., Ltd. (深圳市賽為智能股份有限公司) (a joint stock company listed on the Shenzhen Stock Exchange, stock code: 300044), Shenzhen Xinhaoyuan Precision Technology Co., Ltd (深圳市鑫灝源精密技術股份有限公司) (formerly listed on the National Equities Exchange and Quotations System) and UCar Inc. (神州優車股份有限公司) (formerly listed on the National Equities Exchange and Quotations System).

Ms. Zhu Yanrong is currently the deputy general manager of Shandong Huaying. Ms. Zhu graduated from the Hong Kong University of Science and Technology with a master's degree in arts and the Fudan University in the PRC with a bachelor's degree in economics. She has the requisite qualification as a fund practitioner. Ms. Zhu has more than ten years of experience in private equity funds, mergers and acquisitions and asset management, and served as, among others, a director of China Civil Aviation Investment Group Limited (中國民用航空投資集團有限公司) and the vice president of securities finance business division of CITIC Securities Company Limited (中信証券股份有限公司). Projects that she has led and engaged in include, among others, the acquisition of Gategroup Holding AG by HNA Air Travel Group Co., Ltd. (海航航空旅遊集團有限公司) and the establishment of Cinda Air Catering Private Equity Fund (信達航食私募股權基金), the establishment and divestment of the Central and Eastern Europe Belt and Road Equity Investment Fund (中東歐一帶一路股權投資基金) and capital introduction of CITIC Securities Private Fund (中信証券私募基金).

Mr. Xu Ce is currently the chief investment officer of Shandong Huaying. Mr. Xu graduated from the Chinese University of Hong Kong with a masters' degree in science and the Sun Yat-sen University in the PRC with a bachelor's degree in management. He has the requisite qualifications as both a legal practitioner and a fund practitioner. Mr. Xu served as a senior investment manager of the strategic development department of Wudaokou Capital Company Limited (北京五道口投資基金管理有限公司), an assistant to the co-chairman of the Centre for Global Merger Acquisition and Restructuring of Tsinghua PBC School of Finance (清華五道口金融學院全球併購重組研究中心), and an investment manager of the global manufacturing technology sector of the investment banking department and the air travel investment fund business department of HNA Travel Industry Group (海航旅業集團). During his role as an investment fund business manager, he was responsible for application for fund license, product design and preparation of filing with the Asset Management Association of China, and participated in fund-raising, investment, management and divestment of multiple funds, investment and management of specific projects including equity investments in Tuniu Corporation (途牛旅遊網) and Belvedor (住百家). During his tenure in Wudaokou Capital Company Limited, he participated in the formation of the Chery NEV Fund (奇瑞新能源汽車基金) jointly established by the company and CDH Investments (鼎暉投資) with a total investment amount of RMB20 billion, whereby he was responsible for the reorganisation of Chery New Energy Automobile Co., Ltd. (奇瑞新能源汽車股份有限公司) and subsequent matters on capital operations and introduction of business partners.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, Shandong Huaying and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in relation to the transaction contemplated under the Partnership Agreement exceeds 5% but all applicable percentage ratios are less than 25%, the transaction contemplated under the Partnership Agreement constitutes a disclosable transaction of the Company and is subject to the reporting and announcement requirements, but is exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

“14th Five-Year Plan”	the relevant period of the 14th Five-Year Plan for National Economic and Social Development of the People’s Republic of China and the Outline of Long-term Goals for 2035 《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》, that is, 2021-2025
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China (excluding, for the purpose of this announcement, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan)
“Company”	Qilu Expressway Company Limited (齊魯高速公路股份有限公司), a joint stock company established in the PRC with limited liability on 6 December 2016, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1576)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary Share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign invested ordinary Share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed and traded on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Partnership”	a partnership to be formed by Qilu Expressway Investment and Shandong Huaying pursuant to the terms and conditions of the Partnership Agreement
“Partnership Agreement”	the Jinan Yingtong Equity Investment Fund Partnership (Limited Partnership) Partnership Agreement 《濟南贏通股權投資基金合夥企業(有限合夥)之合夥協議》 entered into between Shandong Huaying and Qilu Expressway Investment on 4 August 2022, in relation to, among others, the formation of the Partnership by Qilu Expressway Investment (as the limited partner) and Shandong Huaying (as a general partner)

“PPP Project”	the construction project of Hongqi Road and the southern section of Derun Road (Gangcheng West Street Interchange – Tonglin Road) (both being urban express roads) in Yantai, Shandong Provinces undertaken by a project company jointly established by the government representative authorised by the Yantai People’s Government and selected social capital contributors, and is responsible for the construction, operation and management of the project
“Qilu Expressway Investment”	Qilu Expressway (Shandong) Investment Management Co., Limited (齊魯高速(山東)投資管理有限公司), a company incorporated under the PRC laws with limited liability, and a wholly-owned subsidiary of the Company as at the date of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Shandong Huaying”	Shandong Huaying Equity Investment Management Co., Ltd. (山東華贏股權投資管理有限公司), a company incorporated under the PRC laws with limited liability, and the general partner and executive partner of the Partnership
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, including Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

By order of the Board
Qilu Expressway Company Limited
Wang Zhenjiang
Chairman

Shandong, the PRC
4 August 2022

As at the date of this announcement, the executive Directors are Mr. Wang Zhenjiang, Mr. Peng Hui and Mr. Liu Qiang; the non-executive Directors are Mr. Chen Dalong, Mr. Wang Shaochen, Mr. Zhou Cenyu, Mr. Su Xiaodong, Ms. Kong Xia, Mr. Du Zhongming and Mr. Shi Jinglei; and the independent non-executive Directors are Mr. Cheng Xuezhao, Mr. Li Hua, Mr. Wang Lingfang, Mr. He Jiale and Mr. Han Ping.