
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountants or other professional adviser.

If you have sold or transferred all your shares in **Chengdu Expressway Co., Ltd.**, you should at once hand this circular and the accompanying form of proxy and reply slip to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.



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)

(1) PROPOSED INVESTMENT IN CHENGWENQIONG EXPRESSWAY EXPANSION PROJECT

(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND

(3) NOTICE OF ANNUAL GENERAL MEETING

A letter from the Board is set out on pages 3 to 8 of this circular. The AGM of the Company will be held at meeting room 1 of Chengdu Expressway Co., Ltd., 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the PRC at 10:00 a.m. on Friday, 12 May 2023. Notice of the AGM will be despatched to the Shareholders together with this circular.

If you intend to appoint a proxy to attend the aforementioned meeting, you are required to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. The form of proxy shall be returned to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or to the Board Office of the Company in the PRC at 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the PRC (for holders of domestic shares) as soon as possible and in any event not less than 24 hours before the time appointed for convening the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

If you intend to attend the AGM in person or by proxy, you are required to lodge the completed reply slip to the Board Office of the Company on or before Friday, 21 April 2023.

14 April 2023

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
I. Introduction	3
II. Proposed Investment in Chengwenqiong Expressway Expansion Project	4
III. Proposed Amendments to the Articles of Association	7
IV. Annual General Meeting	7
V. Recommendations	8
Appendix I Details of the Proposed Amendments to the Articles of Association	9
Notice of Annual General Meeting	17

DEFINITIONS

In this circular, unless the context otherwise requires, the following terms shall have the following meanings:

“AGM”	the annual general meeting of the Company to be held at meeting room 1 of Chengdu Expressway Co., Ltd., 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the PRC at 10:00 a.m. on Friday, 12 May 2023
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“Board”	the board of Directors of the Company
“Chengwenqiong Company”	Chengdu Chengwenqiong Expressway Co., Ltd. (成都成温邛高速公路有限公司), a company incorporated in the PRC with limited liability, which is a wholly-owned subsidiary of the Company
“Chengwenqiong Expressway”	the expressway connects Chengdu to Qionglai via Wenjiang
“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 and traded on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, excluding, for the purpose of this circular, Hong Kong, Macao Special Administrative Region of the PRC and Taiwan
“Project” or “Expansion Project”	the expansion project on the Chengdu-Wenjiang-Qionglai expressway
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)” or “H Share(s)”	overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and are approved to be listed and traded on the Stock Exchange

DEFINITIONS

“Shareholder(s)”	holders(s) of the Share(s)
“Sichuan Government”	the People’s Government of Sichuan Province (四川省人民政府)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tolling Policy”	tolling standards and term

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Yang Tan (*General Manager and
acting as the Chairman*)

Mr. Luo Dan

Mr. Ding Dapan

Non-executive Directors:

Ms. Wu Haiyan

Mr. Yang Bin

Independent non-executive Directors:

Mr. Leung Chi Hang Benson

Mr. Qian Yongjiu

Mr. Wang Peng

Registered office:

9th Floor, Youyi Data Building

No. 28 Jingyuan East Road

Deyuan town (Jingrong town), Pidu District

Chengdu, Sichuan

PRC

Principal place of business in Hong Kong:

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai

Hong Kong

14 April 2023

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED INVESTMENT IN CHENGWENQIONG EXPRESSWAY
EXPANSION PROJECT
(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

I. INTRODUCTION

References are made to the respective announcements of the Company (i) dated 1 March 2023 in relation to the investment in Chengwenqiong Expressway Expansion Project; and (ii) dated 27 March 2023 in relation to the proposed amendments to the Articles of Association.

The purpose of this circular is to provide you with details regarding, among other things, (i) the proposed investment in the Chengwenqiong Expressway Expansion Project; (ii) proposed amendments to the Articles of Association; and (iii) notice convening the AGM, so as to enable you to make an informed decision while voting for or against the resolutions to be submitted at the AGM.

LETTER FROM THE BOARD

II. PROPOSED INVESTMENT IN CHENGWENQIONG EXPRESSWAY EXPANSION PROJECT

Major Details of the Project

Set out below are the major details of the Project:

Project background	Chengwenqiong Expressway starts from Wenjiachang Junction Interchange on Chengdu Ring Expressway and terminates at Sangyuan Interchange, Qionglai City, connecting Wenjiang District, Chongzhou City and Dayi County, with a designed speed of 100km per hour. It was completed and open to traffic in 2004, and has a total mileage of 65.6km, including two-way 6-lane section from Wenjiachang Junction Interchange to Chongzhou City, and two-way 4-lane section from Chongzhou City to Qionglai City. Since commencement of operation, Chengwenqiong Expressway has maintained a rapid increase in traffic volume, and currently suffers increasingly intensified traffic congestion.
Project content	Chengwenqiong Expressway will be expanded along its original route subject to the two-way 8-lane standard.
Investment and construction mode	The Project will be constructed in the “Build-Operate-Transfer” (BOT) model, and will involve the Company as the investor and Chengwenqiong Company as the owner to conduct its financing and construction work. In March 2023, the General Office of the People’s Government of Sichuan Province issued the official reply to Chengdu Municipal People’s Government, pursuant to which, the aforementioned arrangement has been approved.
Plan for construction period	The construction of the Project will start in, as soon as practicable, 2023 and its construction period will be three years.
Tolling Policy	The actual Tolling Policy of the Project following completion shall be subject to the final approval of the Sichuan Government.
Total investment amount	The total estimated investment amount is approximately RMB12.652 billion.
Source of funds	The Project will be financed by, among other things, the Company’s self-owned funds and bank loans.

LETTER FROM THE BOARD

Project Feasibility

Chengwenqiong Expressway serves as an important passage connecting western Chengdu. The Expansion Project has been incorporated into the Sichuan Expressway Network Planning (2022-2035) (《四川省高速公路網佈局規劃(2022-2035年)》), Sichuan Province's Plan to Strengthen the Transportation Infrastructure Construction of Chengdu-Chongqing Dual-city Economic Circle (《四川省加強成渝地區雙城經濟圈交通基礎設施建設規劃》), Sichuan Province's List of Key Projects of Comprehensive Transportation Construction Development Plan in the "14th Five-Year Period" (《四川省“十四五”綜合交通建設發展規劃重點項目清單》) and Chengdu's Key Projects Plan in 2023 (《2023年成都市重點項目計劃》), and thus it is supported by policy stimulus and the government. In addition, the feasibility study report of the Project has been prepared, and having taken into account the internal rate of return, the Company expects that the Project will also bring favorable financial income to the Group.

Project Necessity

As an important passage connecting urban agglomeration in western Chengdu, Chengwenqiong Expressway has an imminent demand for expansion given prolonged congestion on most of its road sections with the economic development. The Project will effectively mitigate the pressure on radial passages extending to western Chengdu, further shorten the time travelling from western counties and cities to downtown Chengdu, and enhance the economic influence of downtown Chengdu over western counties and cities. In addition, the successful implementation of the Project will expand the asset scale of the Company, strengthen the sustainability of the operation of quality assets of the Company, instill new vitality into the Company and improve the capability for sustainable development and operating quality of the Company.

Project Risks and Countermeasures

1. Risk of Tolling Policy

Pursuant to relevant policies, Tolling Policy of expressway projects, upon completion, shall be subject to approval of the Sichuan Government taking into comprehensive consideration of factors such as total investment amount. As a result, the Tolling Policy of the Project cannot be determined at this stage, and the expected income involves uncertainties. The Company will keep abreast of industry policy dynamics, and maintain communications with relevant competent government authorities to strive for the most favorable Tolling Policy.

2. Technical risk of the construction

Construction of expressways poses relatively high requirements for design and construction technologies, and thus involves certain technical risks. The Company will supervise each party involved in the construction to strictly abide by industry norms and guarantee construction quality, and overcome potential technical risks during the construction process through improvement of construction methods and employing new technologies and processes.

LETTER FROM THE BOARD

3. *Investment control risk*

The total investment amount of the Project cannot be accurately calculated at this stage. The Company will engage intermediary institution(s) to launch preliminary preparations as soon as practicable, and limit the total investment amount within RMB12.652 billion.

4. *Financing risk*

If the construction funds of the Project cannot be financed in time as the Company does not receive the financing funds, the Project progress will be materially affected. Besides, an increase in floating interest rate at which financing is raised during the operation period will result in an increase in finance cost, and in turn have an impact on the yield of the Project. The Company will formulate reasonable financing schemes in advance and proactively seek financing, adopt multiple credit enhancement measures to reduce financing cost, and complete delivery of financing in time in strict accordance with the investment agreement and Project progress to ensure Project construction.

5. *Operation risk*

Profit generated during the operation period will be reduced in case of possible decrease in traffic volume and increase in maintenance cost of the Project during the construction period or following its completion. The Company will adopt professional management approaches to improve operation quality and expressway accessibility, reinforce road network marketing, enhance personnel arrangement leveraging reasonable use of new techniques to achieve cost reduction and efficiency enhancement, and endeavor to minimise operation risk.

Listing Rules Implications

The Company expects to conduct a series of contemplated transactions with different parties for the purpose of the Project, and if materialised, such contemplated transactions may constitute discloseable and/or connected transactions of the Company under Chapter 14 and Chapter 14A of the Listing Rules. The Company will comply with relevant requirements of the Listing Rules with respect to such transactions.

The proposed investment in Chengwenqiong Expressway Expansion Project is subject to approval of the Shareholders by way of ordinary resolution at the AGM.

LETTER FROM THE BOARD

III. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

At the Board meeting held on 27 March 2023, the Board resolved to make certain amendments to the Articles of Association currently in force pursuant to the Administrative Measures on the Formulation of the Articles of Association of State-owned Enterprises (《國有企業公司章程制定管理辦法》) and other requirements, and make corresponding amendments to the Articles of Association applicable after listing of the A shares of the Company. The full text of the proposed amendments to the Articles of Association is set out in Appendix I to this circular.

The proposed amendments to the Articles of Association are subject to approval of the Shareholders by way of special resolution at the AGM.

IV. ANNUAL GENERAL MEETING

The AGM of the Company will be held at meeting room 1 of Chengdu Expressway Co., Ltd., 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the PRC at 10:00 a.m. on Friday, 12 May 2023. Notice convening the AGM is set out at the end of this circular.

The reply slip and form of proxy for use at the AGM are also enclosed herein and published on the website of the Stock Exchange (www.hkexnews.hk). If the Shareholders intend to appoint proxy(ies) to attend the AGM, they are required to complete and return the form of proxy in accordance with the instructions printed thereon.

For holders of H Shares, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority must be delivered to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the AGM in order for such documents to be valid. For holders of domestic shares, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority must be delivered to the Board Office of the Company in the PRC at 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the PRC, not less than 24 hours before the time for holding the AGM in order for such documents to be valid.

Holders of H Shares and domestic shares who intend to attend the AGM must complete the reply slip and return the same to the Board Office of the Company not later than Friday, 21 April 2023.

In order to ascertain Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 9 May 2023 to Friday, 12 May 2023 (both days inclusive), during which period no transfer of Shares will be registered. Shareholders whose names appear on the register of members of the Company on Tuesday, 9 May 2023 shall be eligible to attend and vote at the AGM.

LETTER FROM THE BOARD

In order to qualify for attending and voting at the AGM, for holders of H Shares, all transfer documents accompanied by the relevant Share certificates shall be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, before 4:30 p.m. on Monday, 8 May 2023; while for holders of domestic shares, all transfer documents accompanied by the relevant Share certificates shall be lodged with the Company's Board Office in the PRC at 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the PRC, before 4:30 p.m. on Monday, 8 May 2023.

V. RECOMMENDATIONS

The Directors consider that the above resolutions are in the interests of the Company and the Shareholders as a whole, and accordingly recommend the Shareholders to vote in favor of the relevant resolutions to be proposed at the AGM.

By order of the Board
Chengdu Expressway Co., Ltd.
Yang Tan
Executive Director

APPENDIX I DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Set out below are details regarding the proposed amendments to the Articles of Association (as indicated with underlines and strikethroughs), and those articles renumbered due to such proposed amendments are not separately included herein, and the numbering of the Articles of Association (applicable after A-share listing) are not reflected herein:

DETAILS REGARDING PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments	Basis of amendments	Version subject to amendments
CHAPTER I GENERAL PROVISIONS	CHAPTER I GENERAL PROVISIONS		
Article 7 The Company shall establish a party organization and carry out party activities in accordance with the provisions of the Constitution of the Communist Party of China. The Company's party organization is an integral part of the Company's corporate governance structure.	Article 7 ⁵ The Company shall establish a party organization and carry out party activities in accordance with the provisions of <u>the Company Law and</u> the Constitution of the Communist Party of China. The Company's party organization is an integral part of the Company's corporate governance structure. <u>Employees of the Company shall set up a labor union organization in accordance with the Trade Union Law to carry out labor union activities and safeguard the legitimate rights and interests of employees; a Communist Youth League organization shall be established in accordance with the Constitution of the Communist Youth League; and the Company shall establish an employee congress system to implement democratic management and protect the legitimate rights and interests of employees.</u>	Article 7 of the General Provisions is renumbered to Article 5, before the article which reads "The legal representative of the Company is the chairman of the Board of Directors of the Company.". Organizational setting of the labor union and the Communist Youth League and relevant content has been integrated into the General Provisions, instead of constituting a separate chapter.	Articles of Association currently in force and Articles of Association (applicable after A-share listing)
CHAPTER XV PARTY ORGANIZATION AND PARTY BUILDING	CHAPTER X PARTY ORGANIZATION AND PARTY BUILDING	This chapter is revised in accordance with the Administrative Measures on the Formulation of the Articles of Association of State-owned Enterprises. The chapter of "Party Organization and Party Building" is moved to a position before the chapter of "The Board of Directors".	Articles of Association currently in force and Articles of Association (applicable after A-share listing)

APPENDIX I DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments	Basis of amendments	Version subject to amendments
	<p><u>Article 131 General requirements for party building of the Company: Thoroughly study and implement the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implement the general requirements for party building in the new era, and effectively play the leading role of enterprise party organizations; adhere to the Party’s basic theories, basic lines and basic strategies by supporting the “Two Establishments”, strengthening the “Four Kinds of Consciousness”, affirming the “Four Self-confidences” and achieving the “Two Preserves”; adhere to and strengthen the overall leadership of the Party and adhere to self-disciplined and all-round strict governance of the Party to highlight its political function and improve its organizational strength; adhere to the unity of strengthening the leadership of the Party and improving corporate governance, accelerate the improvement of the modern enterprise system with Chinese characteristics, and adhere to simultaneous planning of party building, simultaneous setting of the Party’s organizations and work organs, simultaneous staffing of heads of the Party’s organizations and officials for party affairs, and simultaneous arrangement of the Party’s work during the Company’s reform and development; and strictly implement the requirements on all-round strict governance of the Party, strictly implement the “Two Responsibilities” for party building and anti-corruption, make party building more scientific on an ongoing basis, and lead and guarantee high-quality corporate development with high-quality party building.</u></p>	<p>In accordance with the Constitution of the Communist Party of China, the Work Rules on Grass-roots Organizations of the Communist Party of China at State-owned Enterprises (Trial) and relevant provisions, the general requirements for party building of the Company are clarified.</p>	<p>Articles of Association currently in force and Articles of Association (applicable after A-share listing)</p>

APPENDIX I DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments	Basis of amendments	Version subject to amendments
<p>Article 205 Establishment of Party Organization</p> <p>In accordance with the Constitution of the Communist Party of China, the Company has established a Party committee (hereinafter referred to as the “Party Committee”) and a discipline inspection commission (hereinafter referred to as the “Discipline Inspection Commission”). The Party Committee shall consist of 5 Party Committee members, among whom, one serves as the secretary, and 2 serve as deputy secretaries. The secretary to the Party Committee and the chairman of the Board of Directors of the Company shall be served by the same individual in principle to perform the duty as the first responsible person for Party building. The Discipline Inspection Commission shall consist of 3 Discipline Inspection Commission members, among whom, one serves as the secretary. The secretary to the Discipline Inspection Commission performs the duty as the first responsible person for supervising the style of work and Party integrity, and is also responsible for the discipline inspection and monitoring.</p> <p>Pursuant to the relevant regulations, the Party Committee of the Company shall gradually establish the grass-root organizations of the Party and carry out the activities of the Party. The Party organization of the Company shall hold regular elections in accordance with the “Provisional Regulations on the Election of Grass-root Organizations of the Communist Party of China”.</p>	<p>Article 205¹³² Establishment of Party Organization</p> <p>In accordance with the Constitution of the Communist Party of China, the Company has established shall establish a Party committee (hereinafter referred to as the “Party Committee”) and a discipline inspection commission (hereinafter referred to as the “Discipline Inspection Commission”). Members of the Party Committee and the Discipline Inspection Commission are elected by the Party members’ general meeting, and have a term of office of 5 years, subject to re-election as scheduled upon expiry of the term of office.</p> <p>The leading group of the Party Committee shall consist of 5 Party Committee members, among whom, including one serves as the secretary to the Party Committee, and 2 serve as 2 deputy secretaries to the Party Committee and 2 other members of the Party Committee. The secretary to the Party Committee and the chairman of the Board of Directors of the Company shall be served by the same individual in principle to earnestly perform the duty as the first responsible person for Party building, party building. The general manager shall in principle serve as a deputy secretary to the Party Committee. The secretary and deputy secretaries to the Party Committee and the secretary to the Discipline Inspection Commission shall be appointed or removed according to the cadre management authorizations, or elected through a single-candidate election mechanism in accordance with relevant provisions and procedures. Members of the Party Committee and the Discipline Inspection Commission shall be elected through a multi-candidate election mechanism in accordance with the Constitution of the Communist Party of China and relevant provisions and procedures.</p> <p>Under the principle of “two-way entry and cross-appointment”, qualified members of the Party Committee may take seats in the Board of Directors, the supervisory committee and the management through statutory procedures, while qualified Party members serving in the Board of Directors, the supervisory committee and the management may take seats in the Party Committee in accordance with relevant provisions and procedures.</p> <p>The Discipline Inspection Commission shall consist of 3 Discipline Inspection Commission members, among whom, including one serves as the secretary. The secretary to the Discipline Inspection Commission performs the duty as the first responsible person, who shall be also a member of the Party Committee and shall earnestly perform the duty for supervising the style of work and Party integrity, and is also responsible for the discipline inspection and monitoring.</p> <p>Pursuant to the relevant regulations, the Party Committee of the Company shall gradually establish the grass-root organizations of the Party and carry out the activities of the Party. The Party organization of the Company shall hold regular elections in accordance with the “Provisional Regulations on the Election of Grass-root Organizations of the Communist Party of China”.</p>	<p>In accordance with the Constitution of the Communist Party of China, the Work Rules on Grass-roots Organizations of the Communist Party of China at State-owned Enterprises (Trial), the Work Rules on Election of Grass-roots Organizations of the Communist Party of China and relevant provisions, the term of office and election method for the Party Committee and the Discipline Inspection Commission as well as the principle of “two-way entry and cross-appointment” are further clarified.</p>	<p>Articles of Association currently in force and Articles of Association (applicable after A-share listing)</p>

APPENDIX I DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments	Basis of amendments	Version subject to amendments
<p>Article 206 Party Committee's Duties</p> <p>The Party Committee of the Company shall play a core leadership role, and shall carry out the works by holding the general direction, controlling the general situation and ensuring implementation to guarantee and supervise the implementation of the Party's and the state's policies in the Company, and to study and implement the major work arrangements of the superiors; to study and discuss major operational and managerial issues of the Company and put forward opinions and suggestions, and to support the shareholders' general meeting, the board of directors, the supervisory committee and the management to exercise their functions and powers according to law; to strengthen the leadership and control over the selection and employment of personnel; to fulfill the major responsibility of building a style of work of the Party with integrity, and promote the all-round strict administration of the Party to the grassroots; to strengthen the construction of grass-roots party organizations and team-building of party members, unite and lead the masses of workers to actively participate in the reform and development of the Company; and to lead ideological and political work and the construction of spiritual civilization, and to lead mass organizations such as trade unions, the Communist Youth League and women's organizations.</p>	<p>Article 206<u>133</u> Party Committee's Duties</p> <p>The Party Committee <u>as an integral part</u> of the Company's <u>corporate governance structure shall give full play a to its</u> core leadership role, and shall carry out the works by holding the general direction, controlling the general situation and ensuring implementation to guarantee. <u>It shall implement the systems of the "First Topic" and the "First Classroom", thoroughly study and implement the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, study and publicize the Party's theories, implement the Party's lines, guidelines and policies, ensure</u> and supervise the implementation of <u>major decisions and deployments of the Party's and the state's policies in the Company, and to study and implement the major work arrangements of the superiors; to study and discuss major operational and managerial issues of the Company and put forward opinions and suggestions, and to support the shareholders' general meeting, the board of directors, the supervisory committee and the management to exercise their functions and powers according to law; to strengthen the leadership and control over the selection and employment of personnel; to fulfill the major responsibility of building a style of work of the Party with integrity, and promote the all-round strict administration of the Party to the grassroots; to and the state as well as resolutions of superior party organizations in the enterprise, and maintain a high degree consistency with the Party Central Committee centering on Xi Jinping on the ideological, political and behavioral basis; discuss and determine significant matters of the Company, and conduct pre-research on major decision-making issues of the Board of Directors and the management in accordance with relevant provisions; implement the principle that the Party has the administration over cadres and talents, and play a leading and gatekeeper role in selection and appointment of personnel; lead the ideological and political work of the Company and mass organizations such as the labor union and the Communist Youth League, support the labor union and the Communist Youth League to carry out their work in accordance with their respective constitutions, and adhere to the socialist core value system to guide corporate culture construction; and</u> strengthen the construction of grass-roots party organizations and team-building of party members, unite and lead the masses of workers to actively participate in the reform and development of the Company; and to lead ideological and political work and the construction of spiritual civilization, and to lead mass organizations such as trade unions, the Communist Youth League and women's organizations <u>to give full play to the role of grass-roots party organizations as strongholds and the pioneering and exemplary role of party members.</u></p>	<p>In accordance with the Constitution of the Communist Party of China, the Work Rules on Grass-roots Organizations of the Communist Party of China at State-owned Enterprises (Trial) and relevant provisions, the duties, authorities and operational mechanisms of the Party Committee and the Discipline Inspection Commission are further clarified.</p>	<p>Articles of Association currently in force and Articles of Association (applicable after A-share listing)</p>

APPENDIX I DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments	Basis of amendments	Version subject to amendments
	<p><u>The Discipline Inspection Commission shall perform the following duties: maintain the Party's constitution and other regulations within the Party, and inspect the implementation of the Party's lines, guidelines, policies and resolutions; supervise and inspect the Company's party organizations at all levels, the Board of Directors, the management and their members in maintaining the Party's political disciplines, carrying through democratic centralism and implementing the rules on "three significant and one major"; assist the Party Committee to promote all-round strict governance of the Party, fulfill the supervision responsibility for all-round strict governance of the Party, and strengthen the supervision on same-level party organizations, management members, and leading cadres of party members under the administration of the Party Committee; investigate and verify the violations of disciplines and regulations by the party organizations at all levels, or leading cadres of party members as overseen by it, and put forward treatment suggestions accordingly; accept and handle whistle-blowing and accusation by party members and the masses and accept complaints by party members at the Company according to the cadre management authorities; strengthen the leadership over discipline inspection and supervision bodies of affiliated companies, and procure them to perform their duties in supervision and discipline enforcement; and undertake other matters assigned by the superior discipline inspection and supervision institution.</u></p>		
<p>Article 207 Discipline Inspection Commission's Duties</p> <p>The Discipline Inspection Commission of the Company, under the leadership of the Party Committee and the Discipline Inspection Commission at higher levels, assists the Party Committee with the building of the style of work and integrity culture as well as the organization and coordination of corruption combat, performs the supervisory duties assigned by the Constitution of the Communist Party of China and the Supervision Law, and implements discipline inspection and accountability in a stringent manner; to review the implementation of the Party's directions and policies and the major decisions and arrangements of the Company, and supervise the performance of duties and exercise of powers by the Party members and cadres; to reinforce warning education and the supervision on the style of work, strictly follow the spirit of the eight requirements of the central government and the detailed implementation rules of the provincial and municipal Party committee, and exert consistent efforts in combating and rectifying formalism, bureaucracy, hedonism and extravagance; to put more efforts on the investigation of illegal cases, and seriously investigate the behaviors in breach of Party disciplines and corruption-related cases in strict compliance with relevant disciplines and laws.</p>	<p>Article 207 Discipline Inspection Commission's Duties</p> <p>The Discipline Inspection Commission of the Company, under the leadership of the Party Committee and the Discipline Inspection Commission at higher levels, assists the Party Committee with the building of the style of work and integrity culture as well as the organization and coordination of corruption combat, performs the supervisory duties assigned by the Constitution of the Communist Party of China and the Supervision Law, and implements discipline inspection and accountability in a stringent manner; to review the implementation of the Party's directions and policies and the major decisions and arrangements of the Company, and supervise the performance of duties and exercise of powers by the Party members and cadres; to reinforce warning education and the supervision on the style of work, strictly follow the spirit of the eight requirements of the central government and the detailed implementation rules of the provincial and municipal Party committee, and exert consistent efforts in combating and rectifying formalism, bureaucracy, hedonism and extravagance; to put more efforts on the investigation of illegal cases, and seriously investigate the behaviors in breach of Party disciplines and corruption-related cases in strict compliance with relevant disciplines and laws.</p>	<p>Such content has been integrated into Article 207</p>	<p>Articles of Association currently in force and Articles of Association (applicable after A-share listing)</p>

APPENDIX I DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments	Basis of amendments	Version subject to amendments
<p>Article 208 Working Body</p> <p>The Company has established a party-mass human resources department, which, acting as the working body for the implementation of Party building work, is responsible for various work, such as Party organization and building, team building for Party members, selection and appointment, education and cultivation, as well as supervision of the management members within its authority. It shall be equipped with a sufficient number of Party workers.</p> <p>The Company has established an audit and supervision department, which, acting as the working body for performing discipline inspection and supervision duties, is responsible for discipline enforcement, supervision and accountability and it is equipped with a sufficient number of discipline inspection and supervision staff.</p>	<p>Article 208134 Working Body</p> <p>The Company has established a party-mass masses human resources department, which, acting as the working body for the implementation of Party building work, is responsible for various work, such as Party the organization and building, team building for Party members, selection and appointment, education and cultivation, as well as supervision of the management members within its authority. It shall be equipped with a sufficient number of Party workers. <u>convening of the Party Committee's meetings, daily work of the Party Committee Office, party organization construction, team-building of party members, primary responsibility and idea propaganda for all-round strict governance of the Party, corporate culture, labor union and the Communist Youth League affairs, maintenance of stability of petition letters and visits, liaison for assistances and offerings, etc.; and the inspection, appointment and removal, assessment, training, supervision, recruitment, archives and other managerial work in respect of middle managers. Full-time officials for party affairs shall be staffed in accordance with relevant provisions.</u></p> <p>The Company has established an audit and <u>Discipline Inspection Commission shall establish a</u> supervision department, which, acting as the working as a dedicated body for performing discipline inspection and <u>implementing</u> supervision duties, is responsible for, discipline enforcement, supervision and accountability and it is equipped with a sufficient number, is responsible for <u>guiding the construction</u> of discipline inspection and supervision staff <u>bodies of affiliated companies, organizing and coordinating anti-corruption efforts, carrying out warning education, accepting whistle-blowing and investigating the cases for violation of disciplines and regulations. Full-time officials for discipline inspection and supervision affairs shall be staffed in accordance with relevant provisions.</u></p>	<p>In accordance with the Constitution of the Communist Party of China, the Work Rules on Grass-roots Organizations of the Communist Party of China at State-owned Enterprises (Trial) and relevant provisions, the organizational setting, functions and duties of the Party Committee and the Discipline Inspection Commission are further clarified.</p>	<p>Articles of Association currently in force and Articles of Association (applicable after A-share listing)</p>

APPENDIX I DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments	Basis of amendments	Version subject to amendments
<p>Article 209 Working Guarantee</p> <p>The Company provides necessary conditions for the conduction of Party activities, and guarantees the venues for and finances the activities of the Party organization.</p>	<p>Article 209¹³⁵ Working Guarantee</p> <p>The Company provides <u>Organizational setting and staffing of the party organization shall be included in organizational and staffing management of the Company. The Company shall provide</u> necessary conditions for the conduction of Party-party activities, and guarantees <u>guarantee</u> the venues for and finances the activities of the Party organization <u>party organization, and finance the party building work in accordance with relevant provisions, which shall be included into its annual budget.</u></p>	<p>In accordance with the Constitution of the Communist Party of China, the Work Rules on Grass-roots Organizations of the Communist Party of China at State-owned Enterprises (Trial) and relevant provisions, the basic guarantees for the party organization and relevant content are clarified.</p>	<p>Articles of Association currently in force and Articles of Association (applicable after A-share listing)</p>
<p>CHAPTER X THE BOARD OF DIRECTORS</p>	<p>CHAPTER XI THE BOARD OF DIRECTORS</p>		
<p>Article 145 The Board of Directors shall be accountable to the shareholders' general meetings, and shall exercise the following powers:</p> <p>.....</p>	<p>Article 145¹⁴⁹ The Board of Directors <u>tasked for establishing strategies, making decisions and preventing risks</u> shall be accountable to the shareholders' general meetings, and shall exercise the following powers:</p> <p>.....</p>	<p>This article is revised in accordance with the Administrative Measures on the Formulation of the Articles of Association of State-owned Enterprises.</p>	<p>Articles of Association currently in force</p>
<p>CHAPTER XII GENERAL MANAGER OF THE COMPANY</p>	<p>CHAPTER XIII GENERAL MANAGER OF THE COMPANY</p>		
<p>Article 167 The Company shall have one general manager, who shall be appointed or dismissed by the Board of Directors. The Company shall have several deputy general managers, one chief financial officer and one chief engineer.</p> <p>The term of office of the general manager and other senior management members shall be three years, renewable upon reappointment.</p>	<p>Article 167¹⁷¹ <u>The management of the Company is tasked for planning for business operations, ensuring execution and strengthening management.</u> The Company shall have one general manager, who shall be appointed or dismissed by the Board of Directors. The Company shall have several deputy general managers, one chief financial officer and one chief engineer.</p> <p>The term of office of the general manager and other senior management members shall be three years, renewable upon reappointment.</p>	<p>This article is revised in accordance with the Administrative Measures on the Formulation of the Articles of Association of State-owned Enterprises.</p>	<p>Articles of Association currently in force</p>

APPENDIX I DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before amendments	After amendments	Basis of amendments	Version subject to amendments
CHAPTER XVIII LABOR UNION AND COMMUNIST YOUTH LEAGUE	CHAPTER XVIII LABOR UNION AND COMMUNIST YOUTH LEAGUE		Articles of Association currently in force and Articles of Association (applicable after A-share listing)
Article 236 The employees of the Company shall organize a labor union in accordance with the Trade Union Law of the People's Republic of China, which shall conduct union activities and safeguard the lawful rights and interests of the employees. The Company shall establish an organisation of the Communist Youth League and conduct league activities in accordance with the provisions of the Constitution of the Chinese Communist Party Youth League (《中國共產主義青年團章程》).	Article 236 The employees of the Company shall organize a labor union in accordance with the Trade Union Law of the People's Republic of China, which shall conduct union activities and safeguard the lawful rights and interests of the employees. The Company shall establish an organisation of the Communist Youth League and conduct league activities in accordance with the provisions of the Constitution of the Chinese Communist Party Youth League (《中國共產主義青年團章程》).	The relevant content has been included in the General Provisions.	
Article 237 The Company shall provide the necessary conditions for the labor union and the Communist Youth League to conduct its activities.	Article 237 The Company shall provide the necessary conditions for the labor union and the Communist Youth League to conduct its activities.	The relevant content has been included in the General Provisions.	
Article 238 When the Company studies and decides on major problems in restructuring and operation, and formulates important rules and regulations, it shall listen to the opinions of the labor union and the opinions and suggestions of the employees through the meetings of employee representatives or other forms.	Article 238 When the Company studies and decides on major problems in restructuring and operation, and formulates important rules and regulations, it shall listen to the opinions of the labor union and the opinions and suggestions of the employees through the meetings of employee representatives or other forms.	The relevant content has been included in the General Provisions.	

NOTICE OF ANNUAL GENERAL MEETING

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, 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 notice.



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting for the year 2022 (the “**AGM**”) of Chengdu Expressway Co., Ltd. (the “**Company**”) will be held at meeting room 1 of Chengdu Expressway Co., Ltd., 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the People’s Republic of China (the “**PRC**”) at 10:00 a.m. on Friday, 12 May 2023, for the purpose of considering, and if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the report of the board of directors of the Company (the “**Board**”) for 2022.
2. To consider and approve the report of the supervisory committee of the Company (the “**Supervisory Committee**”) for 2022.
3. To consider and approve the 2022 final accounts report of the Company.
4. To consider and approve the profit distribution plan of the Company for 2022 and the payment of dividend.
5. To consider and approve the 2023 financial budget of the Company.
6. To consider and approve the re-appointment of Ernst & Young Hua Ming LLP as the auditor of the Company to hold office until the conclusion of the next annual general meeting, and to authorise the Board to determine its remuneration.
7. To consider and approve the resolution in relation to the proposed investment in the Chengdu-Wenjiang-Qionglai Expressway expansion and renovation project.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTION

8. To consider and approve the proposed amendments to the articles of association of the Company, details of which are set out in Appendix I to the circular of the Company dated 14 April 2023.

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

Chengdu, the PRC, 14 April 2023

As at the date of this notice, the Board of the Company comprises Mr. Yang Tan, Mr. Luo Dan and Mr. Ding Dapan as executive directors, Ms. Wu Haiyan and Mr. Yang Bin as non-executive directors, and Mr. Leung Chi Hang Benson, Mr. Qian Yongjiu and Mr. Wang Peng as independent non-executive directors.

Notes:

1. CLOSURE OF REGISTER OF MEMBERS FOR THE AGM

For the purpose of holding the AGM, the register of members of the Company (the “**Register of Members**”) will be closed from Tuesday, 9 May 2023 to Friday, 12 May 2023 (both days inclusive), during which period no transfer of shares can be registered.

In order to qualify for attending and voting at the AGM, for holders of H shares, all transfer documents accompanied by the relevant share certificates shall be lodged with the Company’s H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, before 4:30 p.m. on Monday, 8 May 2023; while for holders of domestic shares, all transfer documents accompanied by the relevant share certificates shall be lodged with the Company’s Board Office in the PRC at 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the PRC, before 4:30 p.m. on Monday, 8 May 2023.

Shareholders whose names appear on the Register of Members on Tuesday, 9 May 2023 shall be eligible to attend and vote at the AGM.

2. REPORT OF THE BOARD FOR 2022

The report of the Board for 2022 is set out in the 2022 annual report of the Company.

3. REPORT OF THE SUPERVISORY COMMITTEE FOR 2022

The report of the Supervisory Committee for 2022 is set out in the 2022 annual report of the Company.

4. 2022 FINAL ACCOUNTS REPORT

The audited consolidated financial statements prepared under the China Accounting Standards for Business Enterprises of the Company for 2022 and the auditor’s report are set out in the 2022 annual report of the Company.

NOTICE OF ANNUAL GENERAL MEETING

5. PROFIT DISTRIBUTION PLAN OF THE COMPANY FOR 2022 AND THE PAYMENT OF DIVIDEND

The Board has recommended a final cash dividend for the year ended 31 December 2022 of RMB0.178 (tax inclusive) per share, totalling RMB294,786,156 based on the current total number of shares of the Company of 1,656,102,000 (the “**Final Dividend**”).

(i) Entitlement to the Final Dividend

For the purpose of the distribution of the Final Dividend, the Register of Members will be closed from Thursday, 18 May 2023 to Tuesday, 23 May 2023 (both days inclusive), during which period no transfer of H shares will be registered. If the resolution regarding the payment of the Final Dividend is approved by the shareholders at the AGM, it is expected that the Final Dividend will be distributed on Tuesday, 11 July 2023 to the shareholders whose names appear on the Register of Members on Tuesday, 23 May 2023.

In order to be qualified to receive the Final Dividend, for holders of H shares, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, as soon as practicable and in any event not later than 4:30 p.m. on Wednesday, 17 May 2023.

(ii) Taxation on Dividends

Pursuant to the Enterprise Income Tax Law of the PRC and its implementing regulations (hereinafter collectively referred to as the “**EIT Law**”), the tax rate of the enterprise income tax applicable to the income of non-resident enterprise deriving from the PRC is 10%. For this purpose, any H shares registered under the name of HKSCC Nominees Limited, other nominees or trustees, or other organisations or entities, shall be deemed as shares held by non-resident enterprise shareholders as defined under the EIT Law. The Company will distribute the Final Dividend to non-resident enterprise shareholders subject to a deduction of 10% enterprise income tax withheld and paid by the Company on their behalf.

According to the Circular on Issues Concerning Taxation and Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348), the Company shall withhold and pay individual income tax for individual shareholders of the H shares. If the individual shareholders of the H shares are Hong Kong or Macau residents or residents of the countries or regions which have an agreed tax rate of 10% under the relevant tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such shareholders.

If the individual shareholders of the H shares are residents of the countries or regions that have a tax rate lower than 10% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such shareholders. If such shareholders claim refund of the amount in excess of the individual income tax payable under the tax treaties, the Company can apply on behalf of such shareholders according to the relevant tax treaties for the relevant agreed preferential tax treatment provided that the relevant shareholders submit the relevant documents and information in a timely manner required by the Administrative Rules on Enjoying Treatment under Taxation Treaties by Non-resident Taxpayers (State Administration of Taxation Announcement, 2015, No. 60) and the provisions of the relevant tax treaties. The Company will assist with the tax refund subject to approval of the competent tax authority.

If the individual shareholders of the H shares are residents of the countries or regions that have a tax rate higher than 10% but lower than 20% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the applicable tax rates stated in such tax treaties on behalf of such shareholders.

If the individual holders of the H shares are residents of the countries or regions that have a tax rate of 20% under the tax treaties with the PRC, or that have not entered into any tax treaties with the PRC, or otherwise, the Company will withhold and pay individual income tax at the rate of 20% on behalf of such shareholders.

Shareholders are recommended to consult their tax advisors regarding the ownership and disposal of H shares of the Company in the PRC and in Hong Kong and other tax effects.

NOTICE OF ANNUAL GENERAL MEETING

6. 2023 FINANCIAL BUDGET

Details of the financial budget of the Company for the year 2023 are set out below:

I. Preparation Scope

The investment, financing and operation activities by the Company and its subsidiaries have been included in the preparation scope for the annual budget.

II. Preparation Principles

Investment budget: following the Financial Budget Administrative Rules (《財務預算管理制度》) of the Company to refine the physical progress and capital demand progress of project investment and construction.

Financing budget: seeking self-balances of operational projects and matching the financing with the investment.

Operation budget: based on the actual operation of the Company in 2022, fully anticipating the significant impact on revenue to be caused by changes in external environments in 2023.

7. RECOMMENDATIONS

The directors of the Company are of the opinion that, all of the resolutions as set out in the notice of the AGM are in the interests of the Company and the shareholders as a whole, and accordingly recommend the shareholders to vote in favor of all the resolutions to be proposed at the AGM.

8. APPOINTMENT OF PROXY(IES)

Shareholders who are entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a member of the Company.

The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorised in writing. If the shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorised to sign the same.

In order to be valid, the proxy form must be deposited, for the holders of H shares, at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or for the holders of domestic shares, at the Board Office of the Company in the PRC at 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the PRC, not less than 24 hours before the time for holding the AGM. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or other authority shall be deposited with the proxy form at the same address as mentioned above. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the AGM or any adjourned meetings should you so wish.

Shareholders shall produce their identity documents and supporting documents in respect of the shares of the Company held when attending the AGM in person. If corporate shareholders appoint authorised representative to attend the AGM, the authorised representative shall produce his/her identity documents and a notarially certified copy of the relevant authorisation instrument signed by the board of directors or other authorised parties of the corporate shareholders or other notarially certified documents allowed by the Company. Proxies shall produce their identity documents and the proxy form signed by the shareholders or their attorney when attending the AGM.

NOTICE OF ANNUAL GENERAL MEETING

9. JOINT SHAREHOLDERS

In the case of joint holders of shares of the Company, only holder whose name stands first in the Register of Members shall alone be entitled to vote at the AGM either in person or by proxy in respect of such shares.

10. REPLY SLIP

Shareholders who intend to attend the AGM should complete the reply slip and return it to the Board Office of the Company in the PRC by hand, by post or by fax on or before Friday, 21 April 2023. The contact details are as follows:

Contact Person: Mr. Zhang Guangwen
Telephone No.: 86 28 86056037
Fax No.: 86 28 86056070
Address: 9th Floor, Chengnan Tianfu Building, No. 66 Shenghe 1st Road, High-Tech Zone, Chengdu, Sichuan Province, the PRC

11. MISCELLANEOUS

The AGM is expected to take for less than half a day. Shareholders attending the AGM shall be responsible for their own travel and accommodation expenses.