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

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

(Stock Code: 00107)

POSITIVE PROFIT ALERT

This announcement is made by Sichuan Expressway Company Limited* (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcement of the Company dated 17 February 2023 and the circular of the Company dated 10 March 2023 (the “**Circular**”) in relation to, among other things, the major transaction and connected transaction regarding the acquisition of 100% equity interest in the Target Company. Unless the context otherwise requires, the capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

As disclosed in the Circular, immediately after the completion of the Acquisition, the Target Company will become a wholly-owned subsidiary of the Company, i.e. the Company will hold 100% of the issued share capital of the Target Company. The financial results of the Target Company will be consolidated into the consolidated financial statements of the Group. During the first half of 2023, the Acquisition was completed and the financial results of the Target Company had been consolidated into the consolidated financial statements of the Group.

In respect of the consolidated financial results in the results forecast of the Company for the first half of the year ended 30 June 2023 (the “**Results Forecast for the First Half of 2023**”), in accordance with the requirements of the Hong Kong Financial Reporting Standards, the Company has made retroactive adjustments to the financial results for the same period in 2022 in light of the completion of the Acquisition. Therefore, the financial results contained in the Results Forecast for the First Half of 2023 are not directly comparable with the financial results of the Company for the same period in 2022 before retrospective adjustment (disclosed data).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the following preliminary assessment made based on the unaudited management accounts for the first half of 2023 and information currently available to the Board: it is expected that the net profit attributable to Shareholders for the first half of 2023 will be approximately RMB806,889,700, representing an increase of approximately RMB383,076,700, or approximately 90.39%, as compared to the data for the same period in 2022 (after retrospective adjustment).

Such increase was mainly attributable to the following factors:

1. for factors including the recovery of social economy, increase in demand for travel and enhancement of the Company’s operation services, traffic volume rebounded significantly and the toll revenue increased by approximately RMB420 million year-on-year, which contributed to a significant year-on-year increase in net profit attributable to Shareholders for the first half of 2023.
2. the results of the same period in 2022 was at a record low. In the first half of 2022, due to the complexities of a severe economic environment, diversion of traffic flow of road network, reduced demand for travel and other factors, the decline in traffic volume was relatively significant and the toll revenue was relatively low, and the Company achieved a net profit attributable to Shareholders of RMB423,813,000 in the same period in 2022 (after retrospective adjustment), a relatively small base number.
3. for the receipt by Sichuan Chengyu Xingshu Supply Chain Management Company Limited* (四川成渝興蜀供應鏈管理有限公司, a subsidiary of the Company) of all receivables for the judicial reorganization of the Weston project (威斯騰項目), the reversal of credit impairment loss accrued in the previous period amounted to approximately RMB33.92 million.

Based on above, it is expected that the Company's net profit attributable to Shareholders for the first half of 2023 will achieve a relatively significant increase as compared with the data for the same period in 2022 (after retrospective adjustment).

As at the date of this announcement, the Company is still in the process of preparing the financial results of the Group for the first half of 2023. The information contained in this announcement is only based on the Board's preliminary assessment of the unaudited management accounts of the Group for the first half of 2023, which have not been audited, nor reviewed, by the auditor or the audit committee of the Company. Details of the financial results of the Group for the first half of 2023 will be published by the Company in due course pursuant to the requirements of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares of the Company.

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

Chengdu, Sichuan Province, the PRC
14 July 2023

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

* *For identification purposes only*