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

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

(Stock Code: 00107)

I. PROPOSED SHAREHOLDER RETURN PLAN FOR THE THREE YEARS (2023–2025); II. PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR; AND III. APPOINTMENT OF VICE CHAIRMAN AND GENERAL MANAGER

The board (the “**Board**”) of directors (the “**Directors**”) of Sichuan Expressway Company Limited* (the “**Company**”) hereby announces that, a meeting of the Board of the Company was held on Friday, 15 March 2024 for the purposes of approving among other things, the following resolutions.

I. PROPOSED SHAREHOLDER RETURN PLAN FOR THE THREE YEARS (2023–2025)

Pursuant to the relevant requirements under the Notice Regarding Further Implementation of Cash Dividends Distribution by Listed Companies (《關於進一步落實上市公司現金分紅有關事項的通知》) (Zheng Jian Fa [2012]137 No. 37), the Listed Companies Regulatory Guidance No. 3 – Cash Dividends Distribution of Listed Companies (《上市公司監管指引第3號–上市公司現金分紅》) (revised in 2023) issued by the China Securities Regulatory Commission and the relevant provisions of the articles of association of the Company (the “**Articles of Association**”), and in order to fully safeguard the rights of the shareholders of the Company (the “**Shareholders**”), enable the investors to share the achievements of the Company development and on the basis of taking into account the Company’s strategic development goals, profitability,

reasonable return to Shareholders and social capital costs, the Company formulated the Shareholder Return Plan for the Three Years (2023–2025) (the “**Plan**”). The Company will distribute its profit in accordance with the Plan when it has sufficient profit and the Plan does not constitute profit forecasts of the Company. Details of the Plan are set out below:

(I) Factors Considered in Formulating the Plan

With a view to maintain the long-term, healthy and sustainable development of the Company, and based on a comprehensive analysis of the Company’s strategic development goals, actual operation conditions, demands and wishes of the investors, the social capital costs, the financing environment and other factors, and comprehensive consideration of the characteristics of the industry in which the Company operates, its stage of development, the level of profitability, the cash flow position, the capital requirements for project investment and banking facilities, etc., as well as a coordinated consideration of the short-term and long-term interests of the Shareholders, the Company has formulated a sustainable, scientific and foreseeable return plan for investors so as to make positive and specific institutional arrangements on profit distribution, thereby ensuring the continuity and stability of the Company’s profit distribution policy.

(II) Principles for Formulating the Plan

1. Complying with the relevant provisions on profit distribution under the relevant laws, regulations, rules and regulatory documents as well as the Articles of Association.
2. Taking into account the Company’s sustainable development strategic plan and its actual development condition.
3. Taking into account and listening to the demands and wishes of the Shareholders (in particular the minority Shareholders).
4. Taking into account the continuity and stability of the Company’s profit distribution policy.
5. Distributing profits in cash, shares or a combination of both cash and shares or as otherwise permitted by the relevant laws, regulations, rules and regulatory documents. Where the conditions of cash dividend are fulfilled by the Company, profit distribution shall be given priority in form of cash dividend.
6. Insisting on the principle of a public and transparent information disclosure.

(III) Details of the Plan

1. Manner of the distribution: from 2023 to 2025, the Company may distribute profits in cash, shares or a combination of both cash and shares or as otherwise permitted by the relevant laws, regulations, rules and regulatory documents. Where the conditions of cash dividend are fulfilled by the Company, profit distribution shall be given priority in form of cash dividend.
2. Distribution period: from 2023 to 2025, the Company in principle will make distribution on a yearly basis; if the operation is prosperous and the economy maintains steady and rapid growth, the Company may also make an interim profit distribution subject to the consideration and approval at the general meeting of the Company.
3. Minimum proportion of cash dividend concerning Company's profit distribution: subject to the fulfillment of the conditions for cash dividend, the Company's profit distribution in cash for each of the years from 2023 to 2025 shall not be less than 60% of the net consolidated profit attributable to the owners of the parent company realized for that year.
4. Under the premise of ensuring the distribution of cash dividend in full, the Company may increase the distribution of profits by way of stock dividends. In the case where profits are distributed by way of shares, true and reasonable reasons such as the Company's growth, dilution of net asset value per share shall be taken into consideration. The profit to be distributed shall not exceed its accumulated distributable profit and the policy of profit distribution shall not in violation of relevant laws and regulations.

In the event that the Company needs to adjust the profit distribution policy due to the significant changes in the external operating environment and its operating conditions, the interest of Shareholders shall be of the first priority, detailed argumentation and reasons for such adjustments shall be given and a written report formed herein shall be submitted to the Company's general meeting for consideration after it was reviewed and approved by the Board.

(IV) Decision-Making Procedures for Profit Distribution Plan

1. The Company's profit distribution should give weight to the reasonable investment return to investors and also pay attention to the Company's sustainable development. The Board of the Company shall, based on the Company's profit level, the cash flows and the future capital needs, etc., formulate a reasonable profit distribution plan, and listen fully to the opinions from the independent Directors.
2. After the Board of the Company has considered and passed the profit distribution plan, the Board should submit it to the general meeting for consideration and approval.
3. When the general meeting considers a profit distribution plan, the Company shall communicate and exchange views with the Shareholders (especially minority Shareholders) through various channels, and fully listen to the opinions of the minority Shareholders so as to effectively protect the rights of minority Shareholders to participate in the general meeting.
4. The supervisory committee shall supervise the implementation of the Company's profit distribution policy by the Board and the management.
5. When the Company is profitable in the current year and meets the conditions for cash dividend, but does not put forward any plan for cash dividend, a detailed explanation, including reasons for not making dividend and the specific use and usage plan of capital that may otherwise be used as dividends but has been retained by the Company, shall be submitted to the Board. After being considered and passed by the Board, the detailed explanation shall be submitted to the general meeting for consideration and approval.
6. After the general meeting of the Company has considered and passed a profit distribution plan, the Board of the Company must complete the distribution of profits within two months after the convening of the general meeting.

(V) Supplementary Provisions

The matters not covered herein shall be implemented in accordance with the relevant laws, regulations, rules, regulatory documents and the Articles of Association. The Plan shall be implemented upon the approval obtained at the general meeting and the power of interpretation of the Plan shall be vested in the Board of the Company.

The following, among other things, resolution will be considered at the general meeting to be held by the Company:

- Proposed Shareholder return plan for the three years (2023–2025).

II. PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR

The Board is pleased to announce that, Mr. Luo Zuyi (“**Mr. Luo**”) has been nominated as a candidate for the executive Director of the eighth session of the Board of the Company, which shall be subject to the consideration and approval of the Shareholders at the general meeting.

The biography of Mr. Luo is set out below:

Mr. Luo Zuyi, aged 50, successively graduated from Sichuan Transportation School, Party School of the Central Committee of Communist Party of China and University of Electronic Science and Technology of China. He holds a master’s degree in business administration, and is a political engineer* (政工師). He served as an assistant director and the head of the road safety section of the Zizhong Management Division of the Chengdu-Chongqing Expressway, the deputy director and the chairman of the labor union of the Ziyang Division of Sichuan Expressway Company Limited, the director of Ziyang Management Division of Sichuan Expressway Company Limited, the deputy general manager of Sichuan Jiuzhai Huanglong Airport Co., Ltd., the secretary of the Party Committee and the general manager of Sichuan Expressway Company Limited Chengyu Branch, a member of the Party Committee of Sichuan Expressway Company Limited, the secretary of the Party Committee, the chairman and the legal representative of Sichuan Chengle Expressway Company Limited, the secretary of the Party the Committee, the chairman and the legal representative of Sichuan Trading Landmark Co., Ltd., and the deputy secretary of the Party Committee, the vice chairman and the general manager of Sichuan Shudao Urban&Rural Investment Group Co., Ltd..

Mr. Luo has many years of experience in the expressway industry. Therefore, the proposed executive Director can promote the Board diversity and bring richer perspectives, professional knowledge and experience in expressway industry to the Board. When determining the nomination of executive Director of the Company, the Company considered the diversity of Board members in several aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge and the contribution and value that can be provided to the Board and the benefits from the diversity of the Board have been taken into full consideration according to the objective conditions. The selection of Board members shall be conducted in accordance with laws, regulations and relevant requirements of regulatory authorities.

Subject to the approval of his appointment at the general meeting of the Company, the Company will enter into a service contract (not being a service contract expiring within one year or terminable by the Company without payment of any compensation (other than statutory compensation) within one year) with Mr. Luo. His term of office shall commence from the date of consideration and approval at the general meeting of the Company until the expiration of the term of office of the eighth session of the Board of the Company. In accordance with the Rules Governing the Listing of Stocks on Shanghai Stock Exchange and/or the Articles of Association, the newly appointed Director shall be eligible for re-election upon the expiration of his term of office.

The following, among other things, resolution will be considered at the general meeting to be held by the Company:

- Mr. Luo's proposed remuneration plan shall be determined in conjunction with the opinion of the Remuneration and Appraisal Committee and in accordance with the relevant policies and the standards of the Company.

The above-mentioned remuneration will be disclosed by the Company after confirmation. For details, please refer to the annual report released by the Company in due course.

Save as disclosed above, Mr. Luo has confirmed that (i) he did not hold any position within the Group or any directorship of other listed companies in the last three years; (ii) he does not have any relationship with any Director, supervisor, senior management, substantial or controlling shareholder of the Company; and (iii) he does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Save as disclosed above, there is no information which is disclosable nor is Mr. Luo involved in any of the matters required to be disclosed pursuant to the requirements under Rule 13.51(2) (h) and Rule 13.51(2) (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), and there is no other matter that needs to be brought to the attention of the Shareholders.

III. APPOINTMENT OF VICE CHAIRMAN AND GENERAL MANAGER

The Board also announces that according to the need of operation and management of the Company, the Board of the Company has considered and agreed the appointment of Mr. You Zhiming ("**Mr. You**"), one of the incumbent executive Director, as the vice chairman of the eighth session of the Board and the general manager of the Company on 15 March 2024, with term of office being effective from the date of passing the resolution by the Board (i.e. 15 March 2024) to the date of expiry of the eighth session of the Board.

In view that the election of the new chairman of the Board has yet to go through corresponding legal procedures, in accordance with the relevant laws and regulations and the relevant provisions of the Articles of Association, more than half of the Directors of the Company jointly elected Mr. You, an executive Director, the vice chairman and the general manager of the Company, to act as the chairman of the Board for a period commencing from 15 March 2024 to the date on which the new chairman of the Board is elected to assume office.

The biography of Mr. You is set out below:

Mr. You Zhiming, aged 51, successively graduated from Neijiang Teachers College* (內江師範專科學校) and the Party School of Sichuan Provincial Committee of the Chinese Communist Party. He holds a master's degree, and is a political engineer* (政工師). He successively served as a teacher and the secretary of the League Committee of Jiajia High School of Jianyang City, the deputy secretary and the secretary of Jianyang Municipal Committee of the Communist Youth League of China, the secretary of the Party Committee of Pingquan Town of Jianyang City, a cadre of Ziyang Urban Planning and Development Bureau, the chief of the Village and Town Construction Section and the Urban-rural Planning and Management Section, the director of the Municipal Surveying and Mapping Office, the deputy director of the Management Committee of Ziyang Economic Development Zone of Sichuan, the deputy chief executive, a standing member of the District Committee, the chief of the Organization Department and the principal of the Party School of the Yanjiang District Government of Ziyang City, the director and the secretary of the Leading Party Members' Group of Ziyang Supply and Marketing Cooperatives, and the chief of the Organization Department (Human Resources Department, United Front Work Department) of Party Committee of Sichuan Transportation Investment Group Corporation Limited, the director of the Office of the Remuneration and Appraisal Committee of Sichuan Transportation Investment Group Corporation Limited, the non-executive director, the executive director and the deputy general manager of the Company. He currently serves as an executive Director of the eighth session of the Board of the Company and concurrently, the chairman, the legal representative of Chengdu Chengbei Exit Expressway Co., Ltd. (成都城北出口高速公路有限公司).

The Board would like to take this opportunity to welcome Mr. You to his new positions in the Company.

The following, among other things, resolution will be also considered at the general meeting to be held by the Company:

- The proposed remuneration plan of Mr. You, the executive Director, as the vice chairman shall be determined in conjunction with the opinion of the Remuneration and Appraisal Committee and in accordance with the relevant policies and the standards of the Company.

The above-mentioned remuneration will be disclosed by the Company after confirmation. For details, please refer to the annual report released by the Company in due course.

IV. GENERAL MEETING

A circular and a notice of the general meeting containing, among other things, details of (1) proposed Shareholder return plan for the three years (2023–2025); (2) the resolution regarding the proposed appointment of Mr. Luo Zuyi as the executive Director and his proposed Director’s remuneration; and (3) the resolution regarding the proposed remuneration of Mr. You Zhiming, the executive Director, as the vice chairman will be despatched to the Shareholders in accordance with the Listing Rules and the Articles of Association in due course.

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

Chengdu, Sichuan Province, the PRC
15 March 2024

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

* *For identification purposes only*