
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Qilu Expressway Company Limited (the “Company”), you should at once hand this circular with the enclosed forms of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or 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.



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

(Stock Code: 1576)

**WORK REPORT OF THE BOARD FOR 2023;
WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2023;
AUDITED FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT AUDITORS FOR 2023;
2023 ANNUAL REPORT;
2023 FINAL FINANCIAL REPORT;
PROFIT DISTRIBUTION AND DIVIDEND DISTRIBUTION PLAN FOR 2023;
RE-APPOINTMENT OF AUDIT FIRMS AND DETERMINATION OF
RELEVANT AUDIT FEES FOR 2024;
EXECUTION PERFORMANCE OF INVESTMENT PLAN FOR 2023 AND
INVESTMENT PLAN FOR 2024;
2024 FINANCIAL BUDGET PLAN;
AUTHORISATION OF CASH MANAGEMENT OF IDLE FUNDS;
AND
NOTICE OF 2023 ANNUAL GENERAL MEETING**

Capitalised terms used in this cover shall have the same meanings as those defined in this circular.

A notice for convening the 2023 AGM to be held at 10:00 a.m. on Wednesday, 26 June 2024 at Oriental Room, Enjoy Hotel (Hanyu Jingu), Building A6-2, Hanyu Financial & Business Centre, Jinan City, Shandong Province, the PRC is set out on pages AGM-1 to AGM-2 of this circular.

If you wish to appoint proxy(ies) to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For the holders of H Shares, the aforementioned documents shall be lodged with 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. The form of proxy must be returned not less than 24 hours before the time scheduled for holding the 2023 AGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2023 AGM or any adjournment thereof should you so wish.

23 April 2024

CONTENTS

	<i>Page</i>
DEFINITIONS	ii
LETTER FROM THE BOARD	1
NOTICE OF 2023 ANNUAL GENERAL MEETING	AGM-1

DEFINITIONS

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

“2023 AGM”	the 2023 annual general meeting or any adjournment thereof of the Company to be held at 10:00 a.m. on Wednesday, 26 June 2024 at Oriental Room, Enjoy Hotel (Hanyu Jingu), Building A6-2, Hanyu Financial & Business Centre, Jinan City, Shandong Province, the PRC
“2023 Annual Report”	the annual report for the year ended 31 December 2023 of the Company
“2023 Final Dividend”	the final dividend proposed by the Board to be paid to the Shareholders in the form of a cash dividend of RMB0.15 (tax inclusive) per Share
“Announcement”	the announcement of the Company dated 26 March 2024 regarding, among others, the 2023 annual results of the Group and the proposed distribution of the 2023 Final Dividend
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board” or “Board of Directors”	the board of Directors
“Company”	Qilu Expressway Company Limited (齊魯高速公路股份有限公司), a joint stock company incorporated 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)
“Company Law”	Company Law of the People’s Republic of China (《中華人民共和國公司法》)
“Director(s)”	director(s) of the Company
“Domestic Unlisted 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

DEFINITIONS

“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 was listed and traded on the Stock Exchange
“H Shareholder(s)”	holder(s) of the H Share(s)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, including Domestic Unlisted 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 as ascribed to it under the Listing Rules
“Supervisory Committee”	the supervisory committee of the Company
“%”	per cent

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Listing Rules or any modification thereof and used in this circular shall, where applicable, have the meaning assigned to it under the Listing Rules or any modification thereof, as the case may be.

LETTER FROM THE BOARD



齐鲁高速公路股份有限公司
QILU EXPRESSWAY COMPANY LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1576)

Executive Directors:

Mr. Wang Zhenjiang
(Chairman of the Board)
Mr. Peng Hui
Mr. Liu Qiang

Non-executive Directors:

Mr. Ma Xianghui
Ms. Kong Xia
Mr. Su Xiaodong
Mr. Kang Jian
Mr. Wang Gang
Mr. Shi Jinglei
Mr. Du Zhongming

Independent Non-executive Directors:

Mr. Liu Hongwei
Mr. He Jiale
Mr. Wang Lingfang
Mr. Leng Ping
Ms. Shen Chen

Registered office:

Room 2301, Block 4
Zone 3, Hanyu Financial & Business Centre
No. 7000, Jingshi East Road
High-tech Zone, Jinan City
Shandong Province, the PRC

Principal place of business in Hong Kong:

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai, Hong Kong

23 April 2024

To the Shareholders

Dear Sir or Madam,

**WORK REPORT OF THE BOARD FOR 2023;
WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2023;
AUDITED FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT AUDITORS FOR 2023;
2023 ANNUAL REPORT;
2023 FINAL FINANCIAL REPORT;
PROFIT DISTRIBUTION AND DIVIDEND DISTRIBUTION PLAN FOR 2023;
RE-APPOINTMENT OF AUDIT FIRMS AND DETERMINATION OF
RELEVANT AUDIT FEES FOR 2024;
EXECUTION PERFORMANCE OF INVESTMENT PLAN FOR 2023 AND
INVESTMENT PLAN FOR 2024;
2024 FINANCIAL BUDGET PLAN;
AUTHORISATION OF CASH MANAGEMENT OF IDLE FUNDS;
AND
NOTICE OF 2023 ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

Introduction

The purpose of this circular is to issue the notice of the 2023 AGM, and provide you with the information as particularised below in relation to the resolutions to be proposed at the 2023 AGM for consideration and, if thought fit, approval by the Shareholders.

Work Report of the Board for 2023

In accordance with the Articles of Association, the Board has prepared the work report of the Board for 2023, which was considered and approved by the Board on 26 March 2024, and is hereby submitted to the 2023 AGM for consideration and approval by way of an ordinary resolution. The main contents of the work report are as follows:

In 2023, with the great support of the Shareholders, the Board of Directors, adhering to an attitude of responsibility to all Shareholders, diligently and earnestly performed its duties by strictly complying with the requirements of the relevant laws, regulations and regulatory documents including the Company Law, the Listing Rules as well as the Articles of Association, actively and effectively performed their duties with scientific, prudent, careful and objective working attitude and carefully implemented various resolutions of the general meetings, strived for further achievement willingly and overcame difficulties, diligently and responsibly convened the work of the Board of the Directors and participated in the decision-making of various significant matters of the Company and highly guaranteed the standardised operation and the sustainable development of the Company.

For more details of the work of the Board for the year ended 31 December 2023, please refer to the section headed “Report of the Board of Directors” in the 2023 Annual Report.

Work Report of the Supervisory Committee for 2023

In accordance with the Articles of Association, the Supervisory Committee has prepared the work report of the Supervisory Committee for 2023, which was considered and approved by the Supervisory Committee on 26 March 2024, and is hereby submitted to the 2023 AGM for consideration and approval by way of an ordinary resolution. The main contents of the work report are as follows:

In 2023, the Supervisory Committee, adhering to an attitude of responsibility to all Shareholders, diligently and earnestly performed its supervisory duties by convening meetings of the Supervisory Committee as scheduled, attending Board meetings and general meetings and regulating the production and operation condition, decision-making procedures, legality of operations, financial conditions and management of internal control standards of the Company as well as the duty performance of the Directors and senior management personnel of the Company, in accordance with the Company Law, the Listing Rules, the Articles of Association, the Rules of Procedures for the Supervisory Committee and the requirements of other applicable laws and regulations, which promoted the standard operation of the Company. It also discussed and reviewed the 2023 final financial report, the resolutions on the 2023 profit

LETTER FROM THE BOARD

distribution plan and the dividend distribution plan to be submitted by the Board to the general meetings, to performed their duties prudently and actively with an aim to safeguard the legal interest of the Shareholders and the Company.

For more details of the work of the Supervisory Committee for the year ended 31 December 2023, please refer to the section headed “Work Report of the Supervisory Committee” in the 2023 Annual Report.

Audited Financial Statements and Report of Independent Auditors for 2023

The audited financial statements and the report of independent auditors of the Group for the year ended 31 December 2023 have been considered and approved at the Board meeting held on 26 March 2024. The full text of the auditor’s report is set out in the 2023 Annual Report. The audited financial statements and the report of independent auditors are hereby submitted to the 2023 AGM for consideration and approval as an ordinary resolution.

2023 Annual Report

An ordinary resolution will be proposed at the 2023 AGM to approve the 2023 Annual Report. The 2023 Annual Report was published on the HKEXnews website (www.hkexnews.hk) and the website of the Company (www.qlccl.com).

2023 Final Financial Report

The Board has considered and approved the 2023 final financial report of the Group on 26 March 2024. According to the report and the PRC Accounting Standards for Business Enterprises, in 2023, the total assets of the Group amounted to approximately RMB14,507.07 million, while the total liabilities amounted to approximately RMB8,455.05 million. The Group recorded a total operating revenue of approximately RMB5,608.82 million, operating costs of approximately RMB4,787.58 million, operating profit of approximately RMB708.15 million, and total profit of approximately RMB713.44 million, while the net profit attributable to owners of the parent company was approximately RMB525.10 million.

It is hereby submitted to the 2023 AGM for consideration and approval as an ordinary resolution.

Profit Distribution and Dividend Distribution Plan for 2023

Reference is hereby made to the Announcement whereby the Board proposed to distribute a cash dividend of RMB0.15 (tax inclusive) per Share to all Shareholders, with the total amount of RMB300,000,000 (tax inclusive) as the 2023 Final Dividend. For details of the plan, please refer to the relevant parts of the Announcement. Such resolution has been considered and approved at the Board meeting held on 26 March 2024, and is hereby submitted to the 2023 AGM for consideration and approval as an ordinary resolution.

LETTER FROM THE BOARD

Re-appointment of Audit Firms and Determination of Relevant Auditing Fees for 2024

The Board proposed to re-appoint Ernst & Young Hua Ming LLP and Ernst & Young as the Group's domestic and overseas auditors for 2024, respectively. The term of office of Ernst & Young Hua Ming LLP and Ernst & Young will commence upon the conclusion of the 2023 AGM until the conclusion of the next annual general meeting of the Company, with an aggregate auditing fee of RMB1.56 million. Such resolution has been considered and approved at the Board meeting held on 26 March 2024, and is hereby submitted to the 2023 AGM for consideration and approval as an ordinary resolution.

Execution Performance of Investment Plan for 2023 and Investment Plan for 2024

The execution performance of investment plan for 2023 and investment plan for 2024 of the Company have been considered and approved by the Board on 26 March 2024. Following the relevant resolution of the 2022 annual general meeting, the Company actively implemented the 2023 investment plan and completed its phased tasks, including the reconstruction and expansion project of the Jihe Expressway, the Pingyin smart transportation industrial base project and formation of partnerships for investment in infrastructure project. In relation to the 2024 investment plan, 2024 is the final year as we reach the comprehensive culmination of the reconstruction and expansion project of the Jihe Expressway. It is also a critical year for the Company to implement the 14th Five-Year Plan and a momentous year when the transformation and development strategy gains momentum and achieves a breakthrough. The Company will closely keep the new development strategy of “leading by principal business and industry-finance integration and two-wheel drive (主業引領、產融結合、雙輪驅動)” in mind with a focus on main responsibility and core business when continuously deepening strategic transformation. The Company will speed up the progress towards innovative, open and green low-carbon development so as to create a new layout for achieving its goal of “becoming a leading provider of expressway comprehensive services”. The Company will make further announcement on the latest update in relation to the above plan in accordance with the requirements of relevant laws and regulations (including but not limited to the Listing Rules) in a timely manner.

It is hereby submitted to the 2023 AGM to consider, approve and authorise the Board to handle all necessary or appropriate matters to implement the plan by way of an ordinary resolution.

2024 Financial Budget Plan

The Board has considered and approved the 2024 financial budget plan of the Group on 26 March 2024. According to the plan, in 2024, the Company intends to arrange capital expenditures of approximately RMB6,681.64 million based on its needs for strategic development and business expansion, which will be used for the reconstruction and expansion project of the Jihe Expressway and other infrastructure investments as well as digital transformation, as well as the acquisition of fixed assets and intangible assets.

LETTER FROM THE BOARD

It is hereby submitted to the 2023 AGM for consideration and approval as an ordinary resolution.

Authorisation of Cash Management of Idle Funds

For the purpose of improving the capital utilisation rate of the Company and increasing investment income, without affecting the normal development of its main business and on the premise of ensuring its business needs, the Company intends to use the idle self-raised funds of not more than RMB1 billion to purchase short-term (with maturity of not more than one year) low-risk and principal-guaranteed wealth management products issued by financial institutions. Such resolution has been considered and approved at the Board meeting held on 26 March 2024, and is hereby submitted to the 2023 AGM for consideration and approval as an ordinary resolution.

2023 AGM

The 2023 AGM will be held at 10:00 a.m. on Wednesday, 26 June 2024 at Oriental Room, Enjoy Hotel (Hanyu Jingu), Building A6-2, Hanyu Financial & Business Centre, Jinan City, Shandong Province, the PRC. The notice of the 2023 AGM is set out on pages AGM-1 to AGM-2 of this circular. No Shareholder is required to abstain from voting in connection with the matters to be resolved at the 2023 AGM.

Form of proxy for the 2023 AGM is enclosed with this circular. If you wish to appoint proxy(ies) to attend the 2023 AGM or any adjourned meeting thereof, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon. For holders of H Shares, the aforementioned documents shall be lodged with 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. The form of proxy must be served not less than 24 hours before the time scheduled for holding the 2023 AGM (or any adjournment thereof). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the 2023 AGM or any adjourned meeting thereof should you so wish.

Closure of Register of Members

The register of members of the Company will be closed from Monday, 27 May 2024 to Wednesday, 26 June 2024 (both days inclusive), during which period no transfer of Shares will be registered. To qualify for attending the 2023 AGM, unregistered shareholders shall ensure that all transfers of shares accompanied by share certificates and transfer documents must be lodged with the Company's Hong Kong 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 (for holders of H shares), or the head office of the Company in the PRC at Room 2301, Block 4, Zone 3, Hanyu Financial & Business Centre, No. 7000, Jingshi East Road, High-tech Zone, Jinan City, Shandong Province, PRC (for holders of domestic unlisted shares) for registration, and in any case no later than 4:30 p.m. on Friday, 24 May 2024.

LETTER FROM THE BOARD

Voting by Poll

Pursuant to the Listing Rules, voting by poll is mandatory at all general meetings (except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands). The chairman of the 2023 AGM will request for voting by poll on all the proposed resolutions in the notice of the 2023 AGM. The results of the poll will be published on the HKEXnews website (www.hkexnews.hk) and the website of the Company (www.qlecl.com) on the day of the 2023 AGM.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorized representative shall have one vote for each Share registered in his/her name in the register of members of the Company. A Shareholder entitled to more than one vote need not use all his/her votes or cast all the votes he/she uses in the same manner.

Recommendations

The Board is of the opinion that the proposed resolutions above are in the interests of the Company and its Shareholders as a whole. The Board therefore recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the 2023 AGM.

Responsibility Statement

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with respect to the Company. The information contained herein relating to the Company has been supplied by the Directors, who collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, no other facts are omitted in this circular which would make any statement herein misleading insofar as it relates to the Company.

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

Shandong, the PRC

NOTICE OF 2023 ANNUAL GENERAL MEETING



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

(Stock Code: 1576)

NOTICE OF 2023 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2023 annual general meeting (the “**2023 AGM**”) of Qilu Expressway Company Limited (the “**Company**”) will be held at 10:00 a.m. on Wednesday, 26 June 2024, at Oriental Room, Enjoy Hotel (Hanyu Jingu), Building A6-2, Hanyu Financial & Business Centre, Jinan City, Shandong Province, the People’s Republic of China (the “**PRC**”), for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the Work Report of the Board of Directors of the Company for 2023;
2. To consider and approve the Work Report of the Supervisory Committee of the Company for 2023;
3. To consider and approve the audited financial statements and the report of the independent auditors of the Company for 2023;
4. To consider and approve the 2023 Annual Report of the Company;
5. To consider and approve the 2023 Final Financial Report of the Company;
6. To consider and approve the Profit Distribution and Dividend Distribution Plan of the Company for 2023;
7. To consider and approve the re-appointment of audit firms and determination of relevant audit fees of the Company for 2024;
8. To consider and approve the execution performance of investment plan for 2023 and investment plan of the Company for 2024;
9. To consider and approve the 2024 Financial Budget Plan of the Company; and

NOTICE OF 2023 ANNUAL GENERAL MEETING

10. To consider and approve the authorisation of cash management of idle funds of the Company.

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

Shandong, the PRC

23 April 2024

Notes:

1. The register of members of the Company will be closed from Monday, 27 May 2024 to Wednesday, 26 June 2024 (both days inclusive).
2. Any shareholder entitled to attend and vote at the 2023 AGM can appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company.
3. In order to be valid, the proxy form must be deposited in person or by post to the Company's Hong Kong H share registrar and transfer office, 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 correspondence address of the Company (attention: secretary of the Board) (for holders of domestic unlisted shares) not less than 24 hours before the time for holding the 2023 AGM (or any adjournment thereof) or the time appointed for polling. 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 authority shall be deposited at the same time as mentioned in the proxy form. Completion and delivery of the proxy form will not preclude shareholders from attending and voting in person at the 2023 AGM or any adjournment thereof should they so wish.
4. Shareholders or their proxies shall produce their identification documents when attending the 2023 AGM.
5. The 2023 AGM is expected to last for no more than half a day. Shareholders who attend the 2023 AGM shall bear their own travelling and accommodation expenses.
6. The correspondence address of the Company is as follows:

Address: Room 2301, Block 4, Zone 3, Hanyu Financial & Business Centre, No. 7000, Jingshi East Road, High-tech Zone, Jinan City, Shandong Province, the PRC
Postal Code: 250101
Fax: (+86) 0531-87207077
7. The voting at the 2023 AGM shall be conducted by way of poll. The results of the poll will be published on the HKEXnews website (www.hkexnews.hk) and the website of the Company (www.qlecl.com).

As at the date of this notice, the executive Directors are Mr. Wang Zhenjiang, Mr. Peng Hui and Mr. Liu Qiang; the non-executive Directors are Mr. Ma Xianghui, Ms. Kong Xia, Mr. Su Xiaodong, Mr. Kang Jian, Mr. Wang Gang, Mr. Shi Jinglei and Mr. Du Zhongming; and the independent non-executive Directors are Mr. Liu Hongwei, Mr. He Jiale, Mr. Wang Lingfang, Mr. Leng Ping and Ms. Shen Chen.