
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in 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 advisor.

If you have sold or transferred all your shares in **Sichuan Expressway Company Limited*** (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

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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) GENERAL MANDATE TO ISSUE SHARES;
(II) PROPOSED ISSUANCE OF A SHARES TO SPECIFIC TARGETS
UNDER THE GENERAL MANDATE;
(III) PROPOSED CHANGE OF COMPANY NAME AND
AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
(IV) NOTICE OF THE FOURTH EXTRAORDINARY
GENERAL MEETING OF 2026

A letter from the Board is set out on pages 4 to 23 of this circular.

A notice convening the EGM of the Company to be held at 3:00 p.m. on Tuesday, 21 July 2026 at Conference Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited. If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For the holders of H Shares, the form of proxy should 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 and in any event not less than 24 hours before the time appointed for convening the EGM or any adjournment thereof or 24 hours before the time appointed for the passing of the resolutions. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

30 June 2026

* For identification purposes only

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DEFINITIONS

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

“A Share(s)”	RMB ordinary share(s) of the Company with a nominal value of RMB1.00 each, which are issued in the PRC, subscribed for in RMB and listed on the SSE
“Articles of Association”	the Articles of Association of Sichuan Expressway Company Limited* (《四川成渝高速公路股份有限公司章程》)
“Board”	the board of Directors of the Company
“Company”	Sichuan Expressway Company Limited* (四川成渝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 on the Main Board of the Stock Exchange (stock code: 00107) and the A Shares of which are listed on the SSE (stock code: 601107)
“Company Law”	the Company Law of the People’s Republic of China (《中華人民共和國公司法》)
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 3:00 p.m. on Tuesday, 21 July 2026 at Conference Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC
“General Mandate”	the unconditional general mandate to be granted to the Board at the EGM to issue additional A Shares and/or H Shares
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) of the Company with a nominal value of RMB1.00 each, which are issued in Hong Kong, subscribed for in Hong Kong dollars and listed on the Main Board of the Stock Exchange (stock code: 00107)

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Issuance” or “Issuance of A Shares to Specific Targets”	the proposed issuance of not more than 432,548,000 A Shares by the Company to not more than 35 specific targets (inclusive), as considered and approved by the Board on 18 June 2026
“Issuance Target(s)” or “Specific Target(s)”	the subscriber(s) of the Issuance of A Shares to Specific Targets
“Listing Rules”	the Hong Kong Listing Rules and/or the SSE Listing Rules, as the case may be
“Latest Practicable Date”	18 June 2026
“PRC” or “China”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Pricing Benchmark Date”	the first day of the issuance period of the Issuance of A Shares to Specific Targets
“Proceeds”	the proceeds raised from the Issuance
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	the Securities Law of the People’s Republic of China (《中華人民共和國證券法》)
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	A Share(s) and/or H Share(s), as the case may be
“Shareholder(s)”	the shareholder(s) of the Company
“SSE”	the Shanghai Stock Exchange
“SSE Listing Rules”	the Rules Governing the Listing of Stocks on the SSE

DEFINITIONS

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

Note: The attachments to this circular were originally prepared in Chinese, and the English versions are for reference only. In the event of any discrepancy between the English and Chinese versions, the Chinese versions shall prevail.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Luo Zuyi (Chairman)
Mr. You Zhiming (Vice Chairman)
Mr. Ou Hailong
Mr. Yao Jiancheng
Madam Mao Yurong

Registered Address:

252 Wuhouci Da Jie
Chengdu
Sichuan Province
the PRC
Postal code: 610041

Non-executive Directors:

Mr. Nie Yibin (Vice Chairman)
Mr. Li Chengyong

Independent Non-executive Directors:

Mr. Yu Haizong
Mr. Zhou Hua
Mr. Jiang Tao
Mr. Luo Hong

30 June 2026

To the Shareholders

Dear Sir or Madam,

**(I) GENERAL MANDATE TO ISSUE SHARES;
(II) PROPOSED ISSUANCE OF A SHARES TO SPECIFIC TARGETS
UNDER THE GENERAL MANDATE;
(III) PROPOSED CHANGE OF COMPANY NAME AND
AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
(IV) NOTICE OF THE FOURTH EXTRAORDINARY
GENERAL MEETING OF 2026**

I. INTRODUCTION

Reference is made to the announcement of the Company dated 18 June 2026 in relation to (i) the proposed change of company name and amendments to the Articles of Association; and (ii) the approval of the Issuance by the Board, pursuant to which the Company will issue up to 432,548,000 new A Shares (inclusive) to not more than 35 specific investors (inclusive) by way of issuance to Specific Targets, and the proceeds to be raised are expected to be not more than RMB3.18 billion (inclusive). The Issuance is subject to the consideration and approval of the relevant resolution on the General Mandate at the EGM, and matters relating to the Issuance may only be finalized after being approved by the Shareholders at the EGM.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information in relation to the resolutions to be proposed at the EGM.

II. GENERAL MANDATE TO ISSUE SHARES

In order to capture market opportunities in a timely manner and to improve work flexibility, the Board has resolved to propose to the EGM for consideration and approval of the General Mandate to issue shares. Pursuant to the General Mandate (if granted), according to market conditions and the needs of the Company, the Board will separately or concurrently issue additional A Shares and/or H Shares in the share capital of the Company, the total number of such additional A Shares and/or H Shares to be issued shall not exceed each of 20% of the issued A Shares and/or H Shares of the Company, respectively, as at the time of approval of the relevant resolution at the EGM.

As at the Latest Practicable Date, the issued share capital of the Company comprises 2,162,740,000 A Shares and 895,320,000 H Shares. Subject to the Shareholders' approval of the General Mandate and provided that no further shares are issued prior to the EGM, the Board will be authorized to issue up to 432,548,000 A Shares and 179,064,000 H Shares.

The specific contents of the General Mandate include but are not limited to the following:

1. Subject to the conditions set forth in item 2 below, the General Mandate is granted to the Board of the Company during the Relevant Period (as defined below) to issue, in accordance with market conditions and the needs of the Company, additional shares in the A Shares and/or H Shares capital of the Company, either separately or concurrently, and to make or grant any decisions that might be necessary to exercise such powers (including authorizing the Board to make or grant decisions during the Relevant Period which might require the exercise of such powers after the end of the Relevant Period).
2. The number of A Shares and/or H Shares conditionally or unconditionally agreed to be issued (whether issued pursuant to any acquisition of equity interests or for other reasons) by the Board of the Company shall not exceed 20% of the respective class of the shares of the Company in issue when this resolution is approved at the EGM.
3. The Board of the Company is authorised to formulate and implement the detailed issuance plan in exercising the foregoing General Mandate, including but not limited to (i) the class and number of the Shares to be issued; (ii) the pricing mechanism and/or issue price (including price range); (iii) the starting and closing date of the Issuance; (iv) specific use of the proceeds; (v) the making or granting of authorisations in respect of decisions which may require the exercise of such powers; and (vi) other contents that the detailed issuance plan should contain as required by the relevant laws and regulations and other normative documents, the relevant regulatory authorities, and the exchange where the relevant Shares are listed.

LETTER FROM THE BOARD

4. The Board of the Company is authorised to engage intermediary institutions in respect of the Issuance, to approve and sign all acts, documents and other relevant matters necessary or relevant to the Issuance, and to consider, approve, and sign, on behalf of the Company, agreements relating to the Issuance, including but not limited to the subscription agreements, underwriting agreements and intermediary engagement agreements.
5. The Board of the Company is authorised to consider, approve and execute, on behalf of the Company, statutory documents relating to the Issuance for submission to the relevant regulatory authorities, to carry out relevant approval procedures as required by regulatory authorities and the places in which the Company is listed, and to complete all necessary filings, registrations and records with the relevant governmental authorities in Hong Kong and/or any other regions or jurisdictions (if applicable).
6. The Board of the Company is authorised to amend, as required by domestic and overseas regulatory authorities, relevant agreements and statutory documents referred to in items 4 and 5 above.
7. The Board of the Company is authorised to approve the increase in registered capital of the Company after the issue of new shares, make appropriate and necessary amendments to the relevant contents relating to total share capital and shareholding structure in the Articles of Association, perform the relevant approval, registration and filing procedures pursuant to domestic and overseas statutory requirements, and take any other action and complete any procedures required to give effect to the issue of shares pursuant to this resolution and the increase in the registered capital of the Company.
8. Upon obtaining the aforesaid mandate by the Board of the Company, to delegate the above authority to the authorised person(s) of the Board to jointly or individually sign, execute, amend, complete and submit all agreements, contracts and documents relating to the issue of Shares under the General Mandate unless otherwise required under the laws and regulations.
9. Exercise of the above mandate by the Board of the Company is subject to the Company Law, the Securities Law of the People's Republic of China, the SSE Listing Rules, the Hong Kong Listing Rules, or all applicable laws, regulations and rules of any other governmental or regulatory authorities.

LETTER FROM THE BOARD

Except that the Board may make or grant relevant decisions required for the exercise of such mandate during the Relevant Period in relation to the Issuance of A Shares and/or H Shares, which might require further promotion or implementation after the end of the Relevant Period, the aforesaid mandate shall be effective only during the Relevant Period. “Relevant Period” refers to the period from the passing of this resolution as a special resolution at the EGM until whichever is the earlier of:

- (i) the expiration of a 12-month period following the passing of the resolution at the EGM;
- (ii) the revocation or variation of the mandate given under this resolution by passing of a special resolution of the Company at any general meeting.

Should the Board or its authorised person(s), during the Relevant Period, sign the necessary documents, complete the necessary formalities or take relevant steps which might require to be performed and carried out upon or after the end of the Relevant Period or continued until the end of the aforesaid Relevant Period, the Relevant Period will be extended accordingly.

The General Mandate has been considered and approved by the Board, and will be proposed at the EGM for the Shareholders’ consideration and approval by way of a special resolution.

III. PROPOSED ISSUANCE OF A SHARES TO SPECIFIC TARGETS

A. Issuance of A Shares to Specific Targets under the General Mandate

The Board is pleased to announce that, on 18 June 2026, the Board has approved the Issuance of A Shares to Specific Targets under the General Mandate, pursuant to which the Company will issue a maximum of 432,548,000 (inclusive) A Shares to no more than 35 (inclusive) Specific Targets, at a final issue price to be determined in the manner described under “Pricing benchmark date, issue price and pricing principles” below. The Company intends to raise gross proceeds of not more than RMB3.18 billion (inclusive).

Details of the Issuance are set out below:

1. Type and nominal value of the Issuance

The type of shares under the Issuance is RMB ordinary shares (A Shares) with a nominal value of RMB1.00 each, which are listed in the PRC.

LETTER FROM THE BOARD

2. *Method and date of issuance*

The Issuance will be conducted by way of Issuance of A Shares to Specific Targets. Upon obtaining the approval from the SSE and registration with the CSRC, the shares will be issued to Specific Targets at an appropriate time within the validity period stipulated in the registration approval.

3. *Issuance Targets and way of subscription*

The Issuance Targets will be not more than 35 (inclusive) legal persons, natural persons, or other legal investment organizations that meet the requirements stipulated by the CSRC and the SSE. If any securities investment fund management company, securities company, wealth management company, insurance company, qualified foreign institutional investor, and RMB qualified foreign institutional investor subscribes with two or more products under its management, it shall be deemed as a Issuance Target; where any trust company is a Issuance Target, it shall only subscribe with its own capital.

Upon the Company obtaining the approval from the SSE and the consent to registration from the CSRC for the Issuance, the final Issuance Targets shall be determined by the negotiations between the Board (as authorised by the general meeting of the Company) and the sponsor (lead underwriter) of the Issuance with reference to the price bidding results, in accordance with the relevant regulations of the CSRC and the SSE. If there are new requirements regarding the Issuance Targets in the relevant laws and regulations, departmental rules or normative documents at the time of issuance, the Company will make adjustments in line with such new requirements.

All Issuance Targets under the Issuance will subscribe for the A Shares in cash and at the same price.

As at the Latest Practicable Date, the Issuance Targets under the Issuance have not yet been determined, and therefore it cannot be determined whether the Issuance Targets are connected persons of the Company (as defined in the Listing Rules). Should any Issuance Targets be a connected person of the Company, the Company will otherwise comply with the relevant announcement, circular, and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

4. *Pricing benchmark date, issue price and pricing principles*

The Issuance of A Shares to Specific Targets will be conducted by way of price bidding. The Pricing Benchmark Date shall be the first day of the issuance period, and the issue price shall be set at no less than 80% of the average trading price of the A Shares for the 20 trading days prior to the Pricing Benchmark Date (i.e., the minimum issue price), and shall be no less than the latest audited net assets per share of the Company upon the Issuance (in the event that there occurs any ex-rights or ex-dividend activities such as distribution of dividends, grant of bonus shares, conversion of capital reserve into share capital during the period commencing from the balance sheet date of the latest audited financial report as of the Pricing Benchmark Date to the issuance date, adjustments shall be made to the net assets per share accordingly).

LETTER FROM THE BOARD

The average trading price of the A Shares for the 20 trading days prior to the Pricing Benchmark Date is the total trading amount of the A Shares for the 20 trading days prior to the Pricing Benchmark Date, divided by the total trading volume of the A Shares for the 20 trading days prior to the Pricing Benchmark Date.

In the event that there are any adjustments to the share prices due to ex-rights or ex-dividend events (such as cash dividend distribution, bonus issue, and conversion of capital reserve into share capital) within such 20 trading days, the trading prices on the trading days prior to the adjustment shall be calculated based on the prices after the corresponding ex-rights or ex-dividend adjustment.

In the event that any ex-rights or ex-dividend events (such as cash dividend distribution, bonus issue, and conversion of capital reserve into share capital) occur during the period commencing from the Pricing Benchmark Date to the issuance date, adjustments shall be made to the minimum issue price under the Issuance accordingly. The adjustment methods are as follows:

Distribution of cash dividends: $P1 = P0 - D$;

Bonus issue, or conversion of capital reserve into share capital: $P1 = P0 / (1 + N)$;

Simultaneous distribution of cash dividends and bonus issue or conversion of capital reserve: $P1 = (P0 - D) / (1 + N)$;

where $P0$ represents the issue price before adjustment, D represents the cash dividend distributed per share, N represents the number of bonus shares or shares issued upon conversion of capital reserve per share, and $P1$ represents the adjusted issue price.

After the application for the Issuance has been reviewed and approved by the SSE and the Issuance has obtained approval for registration from the CSRC, the final issue price of the Issuance will be determined by the negotiations between the Board under the authorization of the general meeting and the sponsor (lead underwriter) of the Issuance based on the results of the price bidding process, in accordance with the provisions of relevant laws and regulations, departmental rules and normative documents, provided that it shall not be lower than the aforementioned minimum issue price and the latest audited net assets per share at the time of issuance.

The Board will ensure that the issue price and the adjusted issue price (if applicable) shall under no circumstances be at a discount of 20% or more to the benchmark price as defined in Rule 13.36(5) of the Hong Kong Listing Rules.

LETTER FROM THE BOARD

5. *Number of new A Shares proposed to be issued*

The number of A Shares to be issued shall not exceed 20% of the number of A Shares of the Company prior to the Issuance, i.e., not more than 432,548,000 shares (inclusive). Within the aforementioned range, the final number of shares to be issued will be determined by the negotiations between the Board under the authorization of the general meeting and the sponsor (lead underwriter) based on the specific circumstances, after the Issuance has been reviewed and approved by the SSE and obtained approval for registration from the CSRC.

In the event that the Company undertakes a bonus issue, conversion of capital reserve into share capital and other events or any other activities leading to changes in its total share capital prior to the Issuance during the period from the Pricing Benchmark Date of the Issuance to the issuance date, the number of shares to be issued under the Issuance will be adjusted accordingly. In the event that the total number of shares to be issued under the Issuance needs to be adjusted due to changes in laws and regulations, departmental rules and normative documents, or pursuant to the requirements of the registration documents for issuance, the number of shares to be issued under the Issuance will be adjusted accordingly.

6. *Lock-up period*

The shares subscribed by the subscribers shall not be transferred within six months from the date of completion of the Issuance. Where the relevant laws and regulations, departmental rules or normative documents provide otherwise in respect of the lock-up period, such provisions shall prevail.

In the event that the number of A Shares held by the Issuance Targets increases due to a bonus issue, conversion of capital reserve into share capital or other reasons after the completion of the Issuance, such A Shares shall also be subject to the aforementioned lock-up arrangement. After the end of the aforementioned lock-up period, the disposal of the aforementioned A Shares shall be conducted in accordance with relevant requirements of the CSRC and the SSE.

7. *Total amount of proceeds and use of proceeds*

The total amount of proceeds originally proposed to be raised from the Issuance shall not exceed RMB3,200 million. After deducting RMB20 million from the total amount of proposed proceeds for the financial investments of the Company, by taking into account the financial investments newly made and proposed during the period from six months prior to the date of the Board resolution regarding the Issuance up to the Issuance, the total amount of proceeds from the Issuance has been reduced to not exceed RMB3,180 million (inclusive), subject ultimately to the registration approval document in respect of the Issuance from the CSRC.

LETTER FROM THE BOARD

The net proceeds after deducting the issuance expenses are intended to be used in the following projects:

Unit: RMB ten thousand

No.	Project name	Estimated total investment amount	Proposed amount of proceeds to be used
1	The expansion project for the Chengdu-Ya'an section of G5 Jingkun Expressway	2,788,939.96	230,000.00
2	Repayment of interest-bearing debt	88,000.00	88,000.00
Total		2,876,939.96	318,000.00

Note: The 36th meeting of the eighth session of the Board and the 2025 second extraordinary general meeting of the Company considered and approved the relevant matters concerning the investment in the Chengya Expressway expansion project and the connected transaction, with an estimated total investment of approximately RMB28.548 billion (subject to the final amount approved by the competent administrative authorities of the PRC government). According to the Approval of the Sichuan Provincial Development and Reform Commission on the Approval of the Expansion Project for the Chengdu-Ya'an Section of G5 Jingkun Expressway (四川省發展和改革委員會關於 G5京昆高速公路成都至雅安段擴容工程項目核准的批復) (Chuan Fa Gai Ji Chu [2025] No. 404), the estimated total investment of the project is RMB29.755 billion. Pursuant to the Approval of the Ministry of Transport on the Preliminary Design of the Reconstruction and Expansion Project for the Chengdu-Ya'an Section of G5 Jingkun Expressway in Sichuan Province (交通運輸部關於G5京昆高速公路四川省成都至雅安段改擴建工程初步設計的批復) (Jiao Gong Lu Han [2025] No. 596) and the Approval of the Sichuan Provincial Department of Transportation on the Two-stage Preliminary Design of the Lushan Branch Line of the Expansion Project for the Chengdu-Ya'an Section of G5 Jingkun Expressway (四川省交通運輸廳關於G5京昆高速公路成都至雅安段擴容工程蘆山支線兩階段初步設計的批復) (Chuan Jiao Xu Ke Jian [2025] No. 150), the approved budget based on the preliminary design of the project totaled RMB27,889.3996 million. The aforementioned budget based on the preliminary design is adopted as the expected total investment amount.

Prior to the receipt of the proceeds from the Issuance, the Company will make investments in advance with self-raised funds to the projects to be funded by the proceeds according to their actual progress, and will replace such self-raised funds in accordance with the procedures stipulated by the relevant laws and regulations upon the receipt of the proceeds. Upon the receipt of the proceeds, the Company will, within the scope of the investment projects to be funded by the proceeds from the Issuance, adjust and determine the specific investment projects, their priority, and the specific investment amount for each project, based on the actual amount of proceeds and according to the priority and urgency of the projects, if the actual net proceeds after deducting the issuance expenses are less than the total amount of proceeds proposed to be invested. Any shortfall in the proceeds will be made up by the Company with self-raised funds.

LETTER FROM THE BOARD

8. *Place of Listing*

The Shares to be issued will be applied for listing and trading on the SSE.

9. *Arrangement for undistributed profits*

The accumulated undistributed profits of the Company prior to the Issuance shall be shared between all Shareholders upon completion of the Issuance.

10. *Validity of the resolutions in respect of the Issuance*

The resolutions regarding the Issuance shall remain valid for a period of 12 months from the date of consideration and approval of the relevant resolutions at the EGM.

As at the Latest Practicable Date, the Company has not entered into any agreement with any potential subscribers in respect of the Issuance.

B. Conditions Precedent of the Issuance

The Issuance will be conditional upon, among other things, (i) the approval of the Issuance by way of special resolutions of the Shareholders at the EGM; and (ii) such consents, approvals and authorisations as may be required from the relevant governmental authorities in connection with the Issuance, including but not limited to the review and approval from the SSE and decision of registration from the CSRC having been made.

C. Ranking of New A Shares to be Issued Under the Issuance

The new A Shares to be issued under the Issuance will, when fully paid and issued, rank pari passu in all respects with the A Shares in issue at the time of issue of such new A Shares, except that the new A Shares to be issued under the Issuance will be subject to the lock-up period of six months, from the closing date of issue of such new A Shares as mentioned above.

Shareholders before and after completion of the Issuance will have the same rights to the distributable profits of the Company accumulated but not declared as at the date of completion of the Issuance proportionate to their shareholding in the Company after completion of the Issuance.

D. Application for Listing of the New A Shares to be Issued Under the Issuance

The Company will apply to the SSE for the listing of, and dealing in, the new A Shares to be issued under the Issuance after the relevant lock-up periods have expired.

LETTER FROM THE BOARD

E. Impact on the Shareholding Structure of the Company

Shareholders and potential investors should note that the following is provided for illustrative purposes only. The actual changes to the Company's shareholding structure following completion of the Issuance are subject to various factors, including the outcome of the Issuance. The final issuance number will, after the application for the Issuance has been reviewed and approved by the SSE and registered by the CSRC, be determined by the Board or its authorized persons through negotiating with the sponsor (lead underwriter) based on the final issue price and the subscription price quoted by Issuance Targets in accordance with the authorization of the general meeting.

As at the Latest Practicable Date, the total issued Share capital of the Company is 3,058,060,000 Shares, which comprises 2,162,740,000 A Shares and 895,320,000 H Shares. The shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately after completion of the Issuance (assuming that there is no change in the total issued Share capital of the Company since the Latest Practicable Date save for the issue of a maximum of 432,548,000 A Shares pursuant to the Issuance) is as follows:

Types of Shares	Name of Shareholders	As at the Latest Practicable Date		Immediately after completion of the Issuance	
		Number of Shares	Approximate % of total number of Shares in issue	Number of Shares	Approximate % of total number of Shares in issue
A Share	Shudao Investment Group Co., Ltd. and its associates	1,035,915,462	33.87%	1,035,915,462	29.68%
	China Merchants Expressway Network & Technology Holdings Co., Ltd. and its associates	664,487,376	21.73%	664,487,376	19.04%
	Existing Public A Shareholders	462,337,162	15.12%	462,337,162	13.25%
	Specific Targets of the Issuance	0	0.00%	432,548,000	12.39%
	Total number of A Shares in issue	2,162,740,000	70.72%	2,595,288,000	74.35%
H Share	Shudao Investment Group Co., Ltd. and its associates	183,064,200	5.99%	183,064,200	5.24%
	China Merchants Expressway Network & Technology Holdings Co., Ltd. and its associates	96,458,000	3.15%	96,458,000	2.76%
	Public H Shareholders	615,797,800	20.14%	615,797,800	17.64%
	Total number of H Shares in issue	895,320,000	29.28%	895,320,000	25.65%
Total		3,058,060,000	100%	3,490,608,000	100%

LETTER FROM THE BOARD

Notes: 1. Certain percentage figures set out in this section have been subject to rounding adjustments. Accordingly, the arithmetic sum shown may not be an aggregation of the figures preceding them.

2. As of the Latest Practicable Date, Shudao Investment Group Co., Ltd. and its associates directly or indirectly hold 1,218,979,662 Shares of the Company, representing in aggregate 39.86% of the total Share capital of the Company. Therefore, Shudao Investment Group Co., Ltd. and its associates are the controlling Shareholders of the Company. The State-owned Assets Supervision and Administration Commission of Sichuan Provincial Government is the de facto controller of the Company. Upon completion of the Issuance, Shudao Investment Group Co., Ltd. will remain as the controlling Shareholder of the Company. The Issuance will not result in any change in the control of the Company.

The Company will ensure compliance with the public float requirement before and after the completion of the Issuance.

F. Reasons for and Benefits of the Issuance

Upon completion of the Issuance, the total assets and net assets of the Company will increase accordingly, while the scale of liabilities will decrease, which will help improve the Company's risk-resilience ability and ability to continue as a going concern, provide financial support for the growth of its core business and strategic business layout, further strengthen the core competitiveness of the Company, and enable the Company to gain a competitive edge in the market. In addition, the use of proceeds from the Issuance for the implementation of the Chengya Expressway Expansion Project will facilitate the Company to continue securing high-quality expressway asset resources, and promote the synergistic development of businesses such as integrated energy and expressway-derived economy that rely on expressway projects. This will have a positive effect on the steady growth of the Company's cash flow, profit and asset scale, and is in line with the development strategy of the Company and the overall interests of the Shareholders.

The Directors (including the Independent Non-executive Directors) consider that the Issuance is on normal commercial terms which are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Moreover, the proposed size of the Issuance (subject to the approval by the CSRC) is within the limit permitted under Rule 13.36(2) (b) of the Hong Kong Listing Rules. Therefore, the Directors (including the Independent Non-executive Directors) are of the view that the Issuance is compliant with the applicable laws, rules and regulations, time and cost-efficient and in line with the Company's actual circumstances, strategic vision and sustainable development, and as such, it is in the best interests of the Company and its Shareholders as a whole.

G. Fund Raising Activities during the Past 12 Months

The Company has not conducted any fund raising activity involving issue of equity securities during the 12 months immediately preceding the Latest Practicable Date.

LETTER FROM THE BOARD

IV. PROPOSED ISSUANCE OF A SHARES TO SPECIFIC TARGETS TO BE APPROVED BY THE SHAREHOLDERS PURSUANT TO RELEVANT PRC LAWS AND REGULATIONS

At the EGM, in respect of the Issuance, the Company will propose resolutions to the Shareholders to consider and approve the following matters: (1) the resolution on the Company's satisfaction of the conditions for the Issuance of A Shares to Specific Targets; (2) the resolution on the plan for the Issuance of A Shares to Specific Targets by the Company; (3) the resolution on the preliminary plan for the Issuance of A Shares to Specific Targets by the Company; (4) the resolution on the analysis report on the plan for the Issuance of A Shares to Specific Targets by the Company; (5) the resolution on the feasibility analysis report on the use of proceeds from the Issuance of A Shares to Specific Targets by the Company; (6) the resolution on the Company not being required to prepare a report on the use of proceeds previously raised; (7) the resolution on the dilution of immediate returns by the Company's Issuance of A Shares to Specific Targets, measures to make up for the diluted immediate returns and undertakings by relevant parties; and (8) the resolution on the proposed authorisation by the general meeting of the Company to the Board and the persons authorised by the Board to deal with matters relating to the Issuance of A Shares to Specific Targets. The above resolutions will be proposed as special resolutions for approval by the Shareholders.

1. Resolution on the Company's Satisfaction of the Conditions for the Issuance of A Shares to Specific Targets

Pursuant to the requirements on the relevant qualifications and conditions for listed companies to issue A Shares to Specific Targets under laws, regulations and regulatory documents including the Company Law, the Securities Law and the Administrative Measures for the Registration of Securities Issuance by Listed Companies, the Company has conducted item-by-item verification of its actual operations and relevant matters. The Company complies with the relevant provisions of the prevailing laws, regulations and regulatory documents in respect of the Issuance of A Shares to Specific Targets by listed companies, and satisfies the conditions for the Issuance of A Shares to Specific Targets.

For details of the Company's satisfaction of the conditions for the Issuance of A Shares to Specific Targets, please refer to Appendix I to this circular.

2. Resolution on the Plan for the Issuance of A Shares to Specific Targets by the Company

The principal terms and conditions of this resolution are set out in the section headed "Letter from the Board" in this circular. In case of any discrepancy between the relevant English translation and the Chinese version, the Chinese version shall prevail.

3. Resolution on the Preliminary Plan for the Issuance of A Shares to Specific Targets by the Company

For details of this resolution, please refer to the overseas regulatory announcement of the Company dated 18 June 2026.

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4. Resolution on the Analysis Report on the Plan for the Issuance of A Shares to Specific Targets by the Company

For details of this resolution, please refer to Appendix I to this circular. In case of any discrepancy between the relevant English translation and the Chinese version, the Chinese version shall prevail.

5. Resolution on the Feasibility Analysis Report on the Use of Proceeds from the Issuance of A Shares to Specific Targets by the Company

For details of this resolution, please refer to Appendix II to this circular. In case of any discrepancy between the relevant English translation and the Chinese version, the Chinese version shall prevail.

6. Resolution on the Company Not Being Required to Prepare a Report on the Use of Proceeds Previously Raised

The Company has not raised funds by way of rights issue, additional issuance or issuance of convertible corporate bonds during the last five accounting years, and more than five accounting years have elapsed since the proceeds previously raised by the Company were received. Therefore, pursuant to the Guidelines for the Application of Regulatory Rules – Issuance Category No. 7 issued by the CSRC and other relevant requirements, the Company is not required to issue a report on the use of proceeds previously raised for the Issuance, nor is it required to engage an accounting firm to issue an assurance report on the use of proceeds previously raised.

7. Resolution on the Dilution of Immediate Returns by the Company's Issuance of A Shares to Specific Targets, Measures to Make Up for the Diluted Immediate Returns and Undertakings by Relevant Parties

For details of this resolution, please refer to Appendix IV to this circular. In case of any discrepancy between the relevant English translation and the Chinese version, the Chinese version shall prevail.

8. Resolution on the Proposed Authorisation by the General Meeting of the Company to the Board and the Persons Authorised by the Board to Deal with Matters Relating to the Issuance of A Shares to Specific Targets

It is proposed that the Board approve the submission to the general meeting for authorisation of the Board and the persons authorised by the Board to deal with all matters relating to the Issuance with full authority within the scope permitted by relevant laws and regulations. The authorised matters include but are not limited to:

- (1) to formulate, adjust, amend, supplement and implement the specific plan for the Issuance according to the specific circumstances, in accordance with the requirements of laws and regulations, regulatory requirements and the Articles of

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Association, and in light of the actual circumstances of the Company and market conditions, including but not limited to formulating or adjusting, within the total scale of the shares to be issued under the Issuance, the Pricing Benchmark Date, specific Issuance Targets, issue price, pricing principles, number of shares to be issued, amount and use of proceeds and other matters relating to the issuance plan due to amendments to and changes in laws, regulations and regulatory requirements, requirements of regulatory authorities, ex-dividend and ex-rights events, negotiations with subscribers or other reasons; to determine the specific issuance terms and issuance plan before the Issuance, formulate and implement the final plan for the Issuance, and decide on or adjust the timing and implementation progress of the Issuance;

- (2) to prepare, sign, supplement, amend, submit, deliver, complete and issue documents and materials relating to the Issuance according to the requirements of laws and regulations, relevant government authorities, regulatory authorities, stock exchanges and securities registration and clearing institutions, and the actual circumstances of the Issuance; to handle all application matters relating to the approval, registration, filing, verification and consent in respect of the Issuance, complete relevant procedures and implement other procedures relating to the Issuance, and handle information disclosure matters relating to the Issuance in accordance with regulatory requirements;
- (3) to examine the qualifications of investors who propose to subscribe for the Issuance in accordance with the requirements of relevant laws, regulations and regulatory authorities;
- (4) to amend, supplement, sign, perform and terminate contracts, agreements and other documents relating to the Issuance, including but not limited to share subscription agreements, agreements relating to the proceeds and agreements on the engagement of intermediaries, in accordance with the requirements of laws and regulations, regulatory requirements and the Articles of Association;
- (5) after completion of the Issuance, to handle matters relating to the registration, lock-up and listing of the shares under the Issuance with the SSE and China Securities Depository and Clearing Corporation Limited Shanghai Branch;
- (6) after completion of the Issuance, to amend the relevant provisions of the Articles of Association relating to the share capital and registered capital of the Company according to the implementation of the Issuance, and handle relevant reporting procedures, industrial and commercial change registration, filing and other relevant matters;
- (7) to handle matters relating to the opening of the proceeds account and the use of proceeds for the Issuance, and to make specific arrangements for the use of proceeds from the Issuance in the proposed investment projects and the repayment of interest-bearing liabilities within the scope of the resolutions of the general meeting

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according to changes in market conditions and the actual circumstances of the Company; before the proceeds from the Issuance are received, to decide, according to the implementation progress and actual circumstances of the investment projects to be funded by the proceeds, that the Company may make prior investment with self-raised funds, and replace such funds after the proceeds are received in accordance with the requirements of relevant regulations and regulatory documents;

- (8) subject to compliance with the PRC laws and regulations then applicable, if there are new requirements under laws, regulations and relevant regulatory authorities in relation to policies on the issuance of new shares by listed companies and securities companies, or if market conditions change, except for matters which are required to be re-voted at a general meeting under relevant laws, regulations and the Articles of Association and which may not be authorised, to adjust the plan for the Issuance and continue to handle matters relating to the Issuance in accordance with the requirements of relevant laws and regulations, the requirements of securities regulatory authorities, including review feedback on the application for the Issuance, and market conditions;
- (9) where relevant laws, regulations and regulatory authorities have the latest requirements on making up for immediate returns diluted by refinancing, to further analyse, study and demonstrate the impact of the Issuance on the Company's immediate financial indicators and the immediate returns of the Shareholders according to the requirements of the relevant laws, regulations and regulatory authorities then in force, formulate and amend relevant compensatory measures and policies, and deal with all other matters relating thereto with full authority.

The above authorisation shall be valid for 12 months from the date on which it is considered and approved at the general meeting of the Company. If the Company has obtained the registration document issued by the CSRC in respect of the Issuance within such validity period, the validity period of the above authorisation shall be automatically extended to the date of completion of the implementation of the Issuance.

Meanwhile, it is proposed that the general meeting agree that, subject to the Board obtaining the above authorisation, unless otherwise provided by relevant laws, regulations, regulatory documents and the Articles of Association, the Board may delegate the authorisations set out in this resolution to the chairman of the Company and the persons authorised by the chairman.

V. THREE-YEAR SHAREHOLDER RETURN PLAN OF THE COMPANY (2026-2028)

For details of this resolution, please refer to Appendix III to this circular. In case of any discrepancy between the relevant English translation and the Chinese version, the Chinese version shall prevail.

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VI. PROPOSED CHANGE OF COMPANY NAME AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board proposes to: (i) change the Chinese name of the Company from “四川成渝高速公路股份有限公司” to “四川成渝高速公路集團股份有限公司”, and change the English name of the Company from “SICHUAN EXPRESSWAY COMPANY LIMITED” to “SICHUAN EXPRESSWAY GROUP COMPANY LIMITED” (the “**Change of Company Name**”); and (ii) amend the Articles of Association of Sichuan Expressway Company Limited* (the “**Amendments to the Articles of Association**”). The Board will propose special resolution at the EGM for the Shareholders to consider and, if thought fit, approve the Change of Company Name and the Amendments to the Articles of Association.

The English and Chinese stock short names of the Company will remain unchanged.

REASONS FOR THE CHANGE OF COMPANY NAME

In recent years, focusing on its principal responsibilities and core business of expressways, the Company has continued to promote the integration of road assets and the investment in and construction of reconstruction and expansion projects, and has actively advanced related businesses such as integrated energy, road-derived economy and industrial investment, with its business layout and management levels continuously expanding. In order to better adapt to the needs of the Company’s business development and group-based management and control, further enhance the Company’s brand image, resource integration capability and the level of coordinated development among its various businesses, and accurately reflect the Company’s strategic positioning and actual development status, the Company proposes to change its name from “Sichuan Expressway Company Limited*” to “Sichuan Expressway Group Company Limited*”.

CONDITIONS OF THE CHANGE OF COMPANY NAME

The proposed Change of Company Name is subject to the fulfilment of the following conditions:

- (i) the Shareholders passing special resolutions at the EGM to approve the Change of Company Name and the Amendments to the Articles of Association; and
- (ii) the Company completing the industrial and commercial change registration procedures, the filing of the Articles of Association and other matters in relation to the change of name.

Subject to the fulfilment of the above conditions, the Company will carry out the necessary filing procedures with the Companies Registry in Hong Kong.

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EFFECTS OF THE CHANGE OF COMPANY NAME

The Change of Company Name will not affect any rights of the Shareholders. All existing share certificates bearing the existing Chinese and English names of the Company will, after the Change of Company Name, continue to be evidence of title and be valid for trading, clearing, registration and settlement purposes in respect of the same number of shares under the new name of the Company.

If the Change of Company Name becomes effective, any new share certificates of the Company thereafter issued will bear the new name of the Company, and the securities of the Company will be traded on The Stock Exchange of Hong Kong Limited under the new name. The Company will not make any arrangement for the free exchange of the existing share certificates for new share certificates bearing the new name of the Company.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Due to the Change of Company Name, the Board proposes to amend the Articles of Association as follows:

No.	Before amendment	After amendment
1	Title: SICHUAN EXPRESSWAY COMPANY LIMITED (a joint stock company incorporated in the People's Republic of China with limited liability) ARTICLES OF ASSOCIATION	Title: SICHUAN EXPRESSWAY GROUP COMPANY LIMITED (a joint stock company incorporated in the People's Republic of China with limited liability) ARTICLES OF ASSOCIATION
2	Article 1 For the purpose of regulating the organization and behaviors of Sichuan Expressway Company Limited (the "Company"), adhering to and strengthening the overall leadership of the Party, improving the corporate governance structure of the Company, building a modern state-owned enterprise system with Chinese characteristics, as well as protecting the legal rights and interests of the Company, the shareholders and the creditors, the Articles of Association are hereby formulated pursuant to the Company Law of the People's Republic of China (the "Company Law"), the Enterprise State-owned Asset Law of the People's Republic of China, the Interim Regulations on the Supervision and Administration of State-owned Assets of Enterprises, the Administrative Measures for the Formulation of Articles of Association of State-owned Enterprises, as well as other laws, administrative regulations, rules and normative documents.	Article 1 For the purpose of regulating the organization and behaviors of Sichuan Expressway <u>Group</u> Company Limited (the "Company"), adhering to and strengthening the overall leadership of the Party, improving the corporate governance structure of the Company, building a modern state-owned enterprise system with Chinese characteristics, as well as protecting the legal rights and interests of the Company, the shareholders and the creditors, the Articles of Association are hereby formulated pursuant to the Company Law of the People's Republic of China (the "Company Law"), the Enterprise State-owned Asset Law of the People's Republic of China, the Interim Regulations on the Supervision and Administration of State-owned Assets of Enterprises, the Administrative Measures for the Formulation of Articles of Association of State-owned Enterprises, as well as other laws, administrative regulations, rules and normative documents.

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No.	Before amendment	After amendment
3	Article 6 The company's registered name in Chinese is: 四川成渝高速公路股份有限公司, and English is: SICHUAN EXPRESSWAY COMPANY LIMITED	Article 6 The company's registered name in Chinese is: 四川成渝高速公路集團股份有限公司, and English is: SICHUAN EXPRESSWAY <u>GROUP</u> COMPANY LIMITED
4	Article 132 In accordance with the requirements of the Constitution of the Communist Party of China and the Regulations on the Work of Basic Organizations of the State-owned Enterprises of the Communist Party of China (Trial) and with approval of higher-level Party organizations, the Company shall establish the Committee of the Communist Party of Sichuan Expressway Company Limited ("Party Committee of the Company"). Meanwhile, the Company shall also establish the Commission for Discipline Inspection of the Communist Party in accordance with the relevant provisions.	Article 132 In accordance with the requirements of the Constitution of the Communist Party of China and the Regulations on the Work of Basic Organizations of the State-owned Enterprises of the Communist Party of China (Trial) and with approval of higher-level Party organizations, the Company shall establish the Committee of the Communist Party of Sichuan Expressway <u>Group</u> Company Limited ("Party Committee of the Company"). Meanwhile, the Company shall also establish the Commission for Discipline Inspection of the Communist Party in accordance with the relevant provisions.

Save for the foregoing, there will be no other changes to the Articles of Association.

The Amendments to the Articles of Association shall be subject to approval by the Shareholders by way of special resolutions at the EGM and shall become effective upon obtaining all necessary consents, authorisations or registrations from the relevant government or regulatory authorities, if applicable.

LETTER FROM THE BOARD

VII. EGM

The Company will convene the EGM at 3:00 p.m. on Tuesday, 21 July 2026 at Conference Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC, for the purpose of considering and, if thought fit, approving, among other things, (i) the General Mandate to issue Shares; (ii) the Issuance of A Shares to Specific Targets under the General Mandate; and (iii) the proposed change of company name and amendments to the Articles of Association.

The notice of EGM is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is also enclosed with this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For the holders of H Shares, the form of proxy should 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, not less than 24 hours before the time appointed for convening the EGM or any adjournment thereof or 24 hours before the time appointed for the passing of the resolutions.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish. The Hong Kong Listing Rules require that voting at the EGM be taken by way of poll.

VIII. CLOSURE OF REGISTER OF MEMBERS OF H SHARES

The H Shares register of members of the Company will be closed from Thursday, 16 July 2026 to Tuesday, 21 July 2026, both days inclusive. In order to attend the EGM, unregistered holders of H Shares shall ensure that all H Shares accompanied by the relevant share certificates and appropriate transfer documents must 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 for registration not later than 4:30 p.m. on Wednesday, 15 July 2026. Accordingly, the record date for determining the entitlement of the Shareholders to attend and vote at the EGM is Thursday, 16 July 2026.

IX. RECOMMENDATION

The Board considers that all the proposed resolutions are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of the relevant resolutions as set out in the notice of EGM to be proposed at the EGM.

LETTER FROM THE BOARD

X. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make this circular or any statement herein misleading.

XI. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular and the notice of EGM.

Shareholders and potential investors should note that, in addition to being subject to the approval of the Shareholders at the EGM, the Issuance is also subject to the approval of the CSRC and/or other regulatory authorities and the satisfaction of various conditions, further details of which are set out above. There is no assurance that the Issuance will proceed. Investors should exercise caution when dealing in the H Shares or other securities of the Company.

Yours faithfully,
By order of the Board
Sichuan Expressway Company Limited*
Yao Jiancheng
Executive Director and Company Secretary

30 June 2026

* *For identification purposes only*

**ANALYSIS REPORT ON THE PLAN FOR THE ISSUANCE OF A SHARES TO
SPECIFIC TARGETS BY SICHUAN EXPRESSWAY COMPANY LIMITED***

Sichuan Expressway Company Limited* (hereinafter referred to as “Sichuan Chengyu” or the “Company”) is a company listed on the main board of the Shanghai Stock Exchange (hereinafter referred to as the “SSE”). In order to satisfy the funding needs for the Company’s business development and enhance the Company’s capital strength and profitability, the Company proposes to issue A Shares to Specific Targets in accordance with the provisions of the Company Law of the People’s Republic of China (《中華人民共和國公司法》, hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (《中華人民共和國證券法》, hereinafter referred to as the “Securities Law”), the Administrative Measures for the Registration of Securities Issuance by Listed Companies (《上市公司證券發行註冊管理辦法》) (hereinafter referred to as the “Administrative Measures for Registration”) and other relevant laws, regulations and regulatory documents. The total proceeds to be raised will not exceed RMB3.18 billion and, after deducting issuance expenses, will be used for the G5 Beijing-Kunming Expressway Chengdu-Ya’an Section Expansion Project and repayment of interest-bearing debts.

Unless otherwise specified in this report, the relevant terms used herein shall have the same meanings as those defined in the Plan for the Issuance of A Shares to Specific Targets of Sichuan Expressway Company Limited*.

I. BACKGROUND AND PURPOSE OF THE ISSUANCE

(I) Background of the Issuance

1. National policies support the development of the expressway industry

The transportation industry is a fundamental and leading service industry of the national economy, and expressways are an important component of the national rapid transportation network. Expressways are public utilities and a basic industry strongly supported by national industrial policies and governments at all levels. In recent years, the government has introduced a number of policies and plans, providing all-round and multi-level support for the development of the expressway industry. The Outline for Building a Strong Transportation Country issued in September 2019 proposed a shift from the relatively independent development of various modes of transportation to greater emphasis on integrated and coordinated development. By 2035, China will basically become a strong transportation country, a modern integrated transportation system will be basically formed, with a developed rapid network, a complete trunk network and an extensive basic network, and the coordinated development of urban and rural regional transportation will reach a new level. According to the National Highway Network Plan issued by the National Development and Reform Commission and the Ministry of Transport, by 2030, China will have completed a national expressway network with a total scale of approximately 162,000 km, including approximately 8,000 km of long-term prospective routes, and ordinary national highways of approximately 299,000 km,

indicating that there remains considerable room for future road network construction. The Outline of the Fifteenth Five-Year Plan for National Economic and Social Development of the People's Republic of China states that the main backbone of the national integrated multi-dimensional transport network shall be improved, strategic backbone corridors such as coastal, border and riverside corridors, corridors leading out of Xinjiang and into Tibet and the New International Land-Sea Trade Corridor in the western region shall be constructed with high quality, and the “eight vertical and eight horizontal” high-speed railway main corridors and the national expressway network shall be basically completed. It also requires strengthening coverage and access support in weak areas, promoting the upgrading and renovation of ordinary-speed railways and ordinary national and provincial highways, carrying out a new round of rural road enhancement actions, strengthening railway and feeder airport construction in the western region, and improving the road network layout in border areas. In addition, according to the Sichuan Provincial Expressway Network Plan (2022—2035) issued by the Sichuan Provincial Government, by 2035, a provincial expressway network featuring “efficient and direct connection along the main axes, smooth accessibility on the two wings, close linkage among the three belts and convenient connection among the three prefectures” will be formed. The total planned mileage of the expressway network in the province will reach 20,000 km, including 600 km of expanded and parallel routes, of which national expressways will account for 8,500 km and provincial expressways will account for 11,500 km.

2. Improving traffic capacity and service level has become an inevitable trend in the development of the expressway industry

The Development Plan for Highway and Waterway Transportation in Sichuan Province during the “14th Five-Year Plan” Period issued in January 2022 clarified that one of the priorities of the transportation industry in Sichuan Province during the “14th Five-Year Plan” Period is to build an expressway network featuring smooth external access and internal connectivity: focusing on connecting national expressway corridors, expanding congested corridors, densifying inter-provincial corridors and improving inter-city corridors, Sichuan Province will accelerate the implementation of the expressway network plan and improve the coverage, accessibility depth and operating efficiency of the road network. It specifically proposed promoting capacity expansion and reconstruction of busy expressway sections, and advancing the preliminary work of projects including the G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project in an orderly manner, so as to improve the operating efficiency and service level of major expressway corridors. The National Highway Network Plan issued in July 2022 expressly proposed promoting the expansion and reconstruction of congested sections of the main lines of national expressways and improving the traffic capacity of major highway corridors.

The Chengdu-Ya'an Expressway, namely the expressway from Chengdu to Ya'an, forms part of the national G5 Beijing-Kunming Expressway. It is an important rapid corridor from Sichuan to Yunnan and Tibet, one of the main transport arteries for Western Development, and a Chengdu radial line of the expressway network of Sichuan Province. As the major expressway corridor connecting the three important cities of Chengdu, Meishan and Ya'an, vehicles from the Cheng'e, Sanrao, Chengming and Leya Expressways converge onto this section, and it therefore occupies an extremely important position in the national and regional road networks. The Chengdu-Ya'an Expressway starts from Yongfeng Interchange in Chengdu, passes through Chengdu High-tech Zone, Shuangliu District, Xinjin District, Pengshan District of Meishan, Qionglai City, Pujiang County, Mingshan District and Yucheng District of Ya'an City, and ends at Duiyan in Ya'an. Construction commenced in 1996, and the expressway was completed and opened to traffic in 1999, with a total length of approximately 144 km. The official toll collection period is from 1 January 2000 to 31 December 2029. As an important trunk corridor in Sichuan Province, the Chengdu-Ya'an Expressway was originally designed to relatively low standards, with rapid traffic growth and insufficient traffic capacity, and has become unable to meet the growing demand for transport and travel. Capacity expansion and reconstruction of the existing Chengdu-Ya'an Expressway will play an important role in improving road traffic capacity and service level. The Sichuan Provincial Expressway Network Layout Plan (2022—2035) has included the Chengdu-Ya'an Expansion Project as a key expressway project.

3. *Facilitating the construction of the Chengdu-Chongqing Twin-City Economic Circle and promoting a new round of major development of cities along the route*

In October 2021, the Central Committee of the Communist Party of China and the State Council issued the Outline of the Plan for the Construction of the Chengdu-Chongqing Twin-City Economic Circle. It proposed giving play to the driving functions of the dual cores of Chongqing and Chengdu, building a spatial development pattern of “one axis, two belts, dual cores and three zones”, relying on integrated transport corridors, strengthening the coordinated radiating and driving role of core cities, driving smaller cities through larger cities and accelerating the cultivation of small and medium-sized cities, driving regional balanced development through key nodes, and effectively promoting rural revitalisation through urban development, so as to form an urban agglomeration development pattern with distinctive characteristics, reasonable layout, intensiveness and high efficiency.

Meishan and Ya'an are within the scope of the growth pole of the Chengdu metropolitan area and are facing excellent development opportunities. They have proposed to position themselves within the Chengdu economic circle, highlight the three major advantages of a western Sichuan hub, ecological resources and hydropower energy, proactively undertake regional functions, give play to their unique ecological advantages, strive to achieve industrial transformation, explore an urban development model featuring coordination among nature, economy and society, and build ecologically liveable and tourist-friendly cities integrating mountain and water ecology with diverse cultures.

As the main transport route from Chengdu to Ya'an, the Chengdu-Ya'an Expressway is an important support for urban expansion of development space, industrial division of labour and cooperation, and population aggregation. Building a high-standard expressway corridor will help enhance the regional economic and population carrying capacity of the Chengdu-Chongqing Twin-City Economic Circle, give play to the comparative advantages of the Chengdu-Chongqing region, develop the vast hinterland of western China, expand strategic depth, accelerate the establishment of a complete domestic demand system, and form a new development pattern with domestic circulation as the mainstay and domestic and international dual circulation reinforcing each other.

The existing Chengdu-Ya'an Expressway has a small number of lanes and a relatively low service level, and is unable to meet the needs of economic development, integration of the Chengdu-Chongqing Economic Circle and revitalisation of resources. The expansion and reconstruction are of great significance to promoting the development of the Chengdu-Chongqing Twin-City Economic Circle and driving a new round of major development of cities along the route.

At present, the expressway corridor already opened to traffic between Chengdu and Ya'an is mainly the Chengdu-Ya'an Expressway, while the Qionglai-Lushan-Yingjing Expressway is under construction. After completion of the Lushan Branch, the two expressways between Chengdu and Ya'an can be connected laterally, which will effectively improve the transport infrastructure level of Ya'an in the Chengdu-Chongqing Twin-City Economic Circle, enhance the accessibility of people flow, vehicle flow and logistics, promote the coordinated development of the Chengdu-Chongqing region, and further strengthen the connection between Ya'an and major cities along the main axis belt, which is of great significance to the coordinated development of cities within the Chengdu-Chongqing Twin-City Economic Circle.

(II) Purpose of the Issuance

1. Satisfying business growth needs and improving sustainable operation capability

The Chengdu-Ya'an Expressway is a core asset of the Company, and its existing toll collection rights will expire on 31 December 2029. The expansion of the original Chengdu-Ya'an Expressway is a major highway transport corridor within the external "four directions and eight corridors" main backbone of Sichuan Province's integrated multi-dimensional transport network. As one of the Chengdu radial lines in the expressway network of Sichuan Province, it connects the three important cities of Chengdu, Meishan and Ya'an, and occupies an extremely important position in the national and regional road networks. Investment in the Chengdu-Ya'an Expansion Project will re-determine the toll collection period and toll rate of the Chengdu-Ya'an Expressway, safeguard the stable growth of the Company's cash flow, profit and asset scale, help the Company further expand and strengthen its core responsibilities and principal business, optimise the operating term structure of its highway assets, enhance its sustainable operation capability, and consolidate the foundation for long-term development. Meanwhile, the Company will be able to continue to control the corridor resources of the

Chengdu-Ya'an Expressway network and promote the coordinated development of businesses such as comprehensive energy and road-derived services. In the long run, the Chengdu-Ya'an Expansion Project will have a positive effect on the steady growth of the Company's cash flow, profit and asset scale, and is in line with the Company's development strategy and the overall interests of shareholders.

2. Optimising the Company's capital structure and enhancing its capital level

The expressway industry is capital-intensive. Expressways are infrastructure with long service cycles, high technical standards and large investment scale. Upon completion of the Issuance, the Company's net assets will increase accordingly, while the scale of liabilities will decrease, which is conducive to improving the Company's financial position, enhancing its risk resistance capability and sustainable operation capability, providing financial support for the growth of its principal business and strategic business layout, further enhancing the Company's core competitiveness, and enabling the Company to gain an advantage in market competition.

II. NECESSITY OF THE SECURITIES TO BE ISSUED AND THE CHOICE OF THEIR TYPE

(I) Type and nominal value of the securities to be issued

The shares to be issued to Specific Targets under the Issuance are domestic listed RMB ordinary shares (A Shares), with a nominal value of RMB1.00 per share.

(II) Necessity of the choice of securities type for the Issuance

Through the Issuance of A Shares to Specific Targets, the Company may raise funds for business development and debt repayment. After the proceeds are received and the investment projects to be funded by the proceeds are smoothly implemented, the Company's competitive advantages will become more prominent, its capital strength will be enhanced, and its long-term profitability will be significantly improved. The details are as follows:

1. Satisfying the funding needs of the investment projects to be funded by the proceeds and facilitating the Company's long-term sustainable development

The proceeds raised from the Issuance of A Shares to Specific Targets will be used for the G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project and repayment of interest-bearing liabilities, which is in line with relevant national industrial policies and the Company's strategic development direction. It is expected that after implementation of the investment projects to be funded by the proceeds, the Company's asset scale and operating efficiency will be further improved, which will help enhance the Company's capital strength and improve its risk prevention capability and competitiveness. This is in the interests of the Company and all shareholders, and is of significant strategic importance to the realisation of the Company's long-term sustainable development.

2. *Debt financing methods such as bank loans have limitations*

Debt financing methods such as bank loans have relatively limited financing amounts and relatively high financing costs. If the funds required for the Company's subsequent business development mainly rely on bank loans, this will, on the one hand, lead to a continuous increase in the Company's asset-liability ratio and increase the Company's operating risks and financial risks, and on the other hand, higher interest expenses will reduce the Company's overall profit level, which is not conducive to the Company's long-term stable operation.

3. *Equity financing meets the Company's current development needs*

Equity financing is conducive to optimising the Company's capital structure, is in line with the Company's long-term development strategy, and helps reduce operating risks and financial risks. By raising funds through the issuance of shares, the Company's total assets and net assets will increase accordingly, further enhancing its funding strength, improving its ability to withstand financial risks, promoting the Company's stable operation, and providing strong safeguards for subsequent development. Meanwhile, with the implementation of the investment projects to be funded by the proceeds, the Company's profitability will be further enhanced, and growth in operating results can absorb the impact of the expansion of share capital on the dilution of immediate returns, bringing sound returns to all shareholders of the Company.

III. APPROPRIATENESS OF THE SELECTION SCOPE, NUMBER AND CRITERIA OF THE TARGETS OF THE ISSUANCE**(I) Appropriateness of the selection scope of the targets of the Issuance**

The targets of the Issuance shall be not more than 35, inclusive, legal persons, natural persons or other lawful investment organisations that comply with the requirements of the CSRC and the SSE. Where a securities investment fund management company, securities company, wealth management company, insurance company, qualified foreign institutional investor or RMB qualified foreign institutional investor subscribes through two or more products under its management, it shall be deemed as one issuance target. Where a trust company acts as an issuance target, it may only subscribe with its proprietary funds.

The final issuance targets shall be determined by the Board, as authorised by the general meeting of the Company, in consultation with the sponsor (lead underwriter) of the Issuance based on the bidding results and in accordance with the relevant requirements of the CSRC and the SSE, after the application for the Issuance has been reviewed and approved by the SSE and the CSRC has issued its decision approving registration. If relevant laws, regulations, departmental rules or regulatory documents contain new provisions on issuance targets at the time of issuance, adjustments shall be made in accordance with the new provisions.

The selection scope of the targets of the Issuance complies with the relevant provisions of laws and regulations including the Administrative Measures for Registration, and is appropriate.

(II) Appropriateness of the number of targets of the Issuance

The number of targets of the Issuance shall be no more than 35 (inclusive), Specific Targets that comply with the requirements of relevant laws and regulations. Such number complies with the relevant provisions of laws and regulations including the Administrative Measures for Registration, and the number of issuance targets is appropriate.

(III) Appropriateness of the criteria for the targets of the Issuance

The targets of the Issuance shall have certain risk identification capability and risk-bearing capability, and shall possess corresponding financial strength. The criteria for the targets of the Issuance comply with the relevant provisions of laws and regulations including the Administrative Measures for Registration, and are appropriate.

In summary, the selection scope, number and criteria of the targets of the Issuance all comply with the requirements of relevant laws and regulations, and are compliant and reasonable.

IV. REASONABLENESS OF THE PRICING PRINCIPLES, BASIS, METHOD AND PROCEDURES OF THE ISSUANCE

(I) The pricing principles and basis of the Issuance are reasonable

The Issuance of A Shares to Specific Targets shall be conducted by way of bidding. The pricing benchmark date for the Issuance to Specific Targets shall be the first day of the issuance period. The issuance price shall not be lower than 80% of the average trading price of the Company's A Shares for the 20 trading days preceding the pricing benchmark date, namely the floor issue price, and shall not be lower than the latest audited net asset value per share at the time of issuance. If the Company conducts any ex-rights or ex-dividend events such as dividend distribution, bonus share issue or conversion of capital reserve into share capital during the period from the balance sheet date of the latest audited financial report as of the pricing benchmark date to the issuance date, the net asset value per share shall be adjusted accordingly.

The average trading price of A Shares for the 20 trading days preceding the pricing benchmark date = total trading amount of A Shares for the 20 trading days preceding the pricing benchmark date / total trading volume of A Shares for the 20 trading days preceding the pricing benchmark date.

If the Company's share price is adjusted as a result of ex-rights or ex-dividend events such as cash dividend distribution, bonus share issue or conversion of capital reserve into share capital during the 20 trading days, the trading price on the trading days prior to the adjustment shall be calculated based on the price after the corresponding ex-rights or ex-dividend adjustment.

If the Company conducts any ex-rights or ex-dividend events such as cash dividend distribution, bonus share issue or conversion of capital reserve into share capital during the period from the pricing benchmark date of the Issuance to the issuance date, the floor issue price of the Issuance shall be adjusted accordingly. The adjustment methods are as follows:

Cash dividend distribution: $P_1 = P_0 - D$;

Bonus share issue or conversion of capital reserve into share capital: $P_1 = P_0 / (1 + N)$;

Cash dividend distribution together with bonus share issue or conversion into share capital: $P_1 = (P_0 - D) / (1 + N)$;

Where P_0 represents the issue price before adjustment, D represents cash dividend distributed per share, N represents the number of bonus shares or shares converted into share capital per share, and P_1 represents the issue price after adjustment.

The pricing principles and basis of the Issuance comply with the relevant provisions of laws and regulations including the Administrative Measures for Registration, and are reasonable.

(II) The pricing method and procedures of the Issuance are reasonable

The pricing method and procedures for the Issuance of A Shares to Specific Targets are in accordance with the relevant provisions of laws and regulations including the Administrative Measures for Registration. The Company has convened a Board meeting and disclosed the relevant announcement on the website of SSE and the designated information disclosure media, and proposes to submit the matter to the general meeting for consideration. The Issuance may only be implemented after being reviewed and approved by the state-invested enterprise, being considered and approved at the general meeting of the Company, being reviewed and approved by the SSE, and being registered with the CSRC.

The pricing method and procedures of the Issuance comply with the relevant provisions of laws and regulations including the Administrative Measures for Registration, and are reasonable.

In summary, the pricing principles, basis, method and procedures of the Issuance all comply with the requirements of relevant laws and regulations, and are compliant and reasonable.

V. FEASIBILITY OF THE METHOD FOR THE ISSUANCE**(I) The method for the Issuance is lawful and compliant****1. *The Issuance satisfies the issuance conditions under the Securities Law***

- (1) The Issuance complies with the relevant provisions of Article 9 of the Securities Law: “No non-public issuance of securities shall be carried out by means of advertising, public inducement or disguised public offering.”
- (2) The Issuance complies with the relevant provisions of Article 12 of the Securities Law: “A listed company issuing new shares shall comply with the conditions prescribed by the securities regulatory authority under the State Council as approved by the State Council, and the specific administrative measures shall be prescribed by the securities regulatory authority under the State Council.”

2. *The Issuance complies with the relevant provisions of the Administrative Measures for Registration***(1) *The Company does not fall under any circumstance under Article 11 of the Administrative Measures for Registration where shares may not be issued to Specific Targets***

- 1) The use of proceeds previously raised has been changed without authorisation and has not been rectified, or has not been approved by the general meeting;
- 2) The preparation and disclosure of the financial statements for the most recent year do not comply with the requirements of the accounting standards for business enterprises or relevant information disclosure rules in material respects; the financial accounting report for the most recent year has been issued an audit report with an adverse opinion or disclaimer of opinion; or the financial accounting report for the most recent year has been issued an audit report with a qualified opinion, and the material adverse impact on the listed company of the matters to which the qualified opinion relates has not been eliminated, except where the Issuance involves a material asset restructuring;
- 3) The current directors and senior management members have been subject to administrative penalties by the CSRC in the last three years, or have been publicly censured by a stock exchange in the last year;
- 4) The listed company or its current directors and senior management members are under investigation by judicial authorities on suspicion of crimes, or are under investigation by the CSRC on suspicion of violations of laws and regulations;

- 5) The controlling shareholder or de facto controller has committed material illegal acts that have seriously harmed the interests of the listed company or the legitimate rights and interests of investors in the last three years;
 - 6) There have been material illegal acts that have seriously harmed the legitimate rights and interests of investors or the public interest in the last three years.
- (2) *The Company's use of proceeds complies with Article 12 of the Administrative Measures for Registration*
- 1) It complies with national industrial policies and the provisions of laws and administrative regulations relating to environmental protection and land administration;
 - 2) Except for financial enterprises, the proceeds shall not be used to hold financial investments, nor shall they be directly or indirectly invested in companies whose principal business is the trading of securities;
 - 3) After implementation of the projects to be funded by the proceeds, there will be no new horizontal competition with material adverse impact, manifestly unfair related-party transactions, or serious impact on the independence of the Company's production and operation with the controlling shareholder, de facto controller and other enterprises controlled by them.
- (3) *The Issuance complies with the relevant provisions of Article 55 of the Administrative Measures for Registration*

The targets of the Issuance shall be not more than 35, inclusive, legal persons, natural persons or other lawful investment organisations that comply with the requirements of the CSRC and the SSE. Where a securities investment fund management company, securities company, wealth management company, insurance company, qualified foreign institutional investor or RMB qualified foreign institutional investor subscribes through two or more products under its management, it shall be deemed as one issuance target. Where a trust company acts as an issuance target, it may only subscribe with its proprietary funds.

- (4) *The Issuance complies with the relevant provisions of Articles 56, 57 and 58 of the Administrative Measures for Registration*

The Company will issue shares by way of bidding under the Issuance. The pricing benchmark date for the Issuance shall be the first day of the issuance period. The issuance price shall not be lower than 80% of the average trading price of the Company's A Shares for the 20 trading days preceding the pricing benchmark date, namely the floor issue price, and shall not be lower than the latest audited net asset value per share at the time of issuance. If the Company conducts any ex-rights or ex-dividend events such as dividend distribution, bonus

share issue or conversion of capital reserve into share capital during the period from the balance sheet date of the latest audited financial report as of the pricing benchmark date to the issuance date, the net asset value per share shall be adjusted accordingly.

(5) *The Issuance complies with the relevant provisions of Article 59 of the Administrative Measures for Registration*

The shares issued under the Issuance shall not be transferred within six months from the date of completion of the Issuance. Where relevant laws, regulations, departmental rules or regulatory documents provide otherwise in respect of the lock-up period, such provisions shall prevail.

(6) *The Issuance complies with the relevant provisions of Article 66 of the Administrative Measures for Registration*

In the Issuance, the Company and its controlling shareholder, de facto controller and substantial shareholders have not harmed the interests of the Company by making undertakings to the issuance targets to guarantee principal or returns or to guarantee principal or returns in a disguised manner, or by directly or indirectly providing financial assistance or other compensation to the issuance targets through interested parties.

(7) *The Issuance to Specific Targets complies with the relevant provisions of Article 87 of the Administrative Measures for Registration*

The Issuance will not result in any change in the control of the Company.

3. *The Issuance complies with the relevant provisions of the Application Opinions on Articles 9, 10, 11, 13, 40, 57 and 60 of the Administrative Measures for the Registration of Securities Issuance by Listed Companies – Securities and Futures Law Application Opinions No. 18*

- (1) The Company did not have any financial investments of a relatively large amount as at the end of the most recent period;
- (2) In the last three years, the Company and its controlling shareholder and de facto controller have not committed any material illegal acts that have seriously harmed the interests of the listed company, the legitimate rights and interests of investors or the public interest;
- (3) The number of shares to be issued under the Issuance shall not exceed 20% of the number of A Shares of the Company before the Issuance, and shall not exceed 30% of the total share capital of the Company before the Issuance. The date of the Board resolution for the Issuance is more than 18 months from the date on which the

proceeds previously raised were received, and the proceeds previously raised have been fully utilised. Therefore, the Issuance constitutes rational financing, and the financing scale is reasonable;

- (4) The total proceeds proposed to be raised under the Issuance shall not exceed RMB3.18 billion and, after deducting issuance expenses, will be used for the G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project and repayment of interest-bearing debts. Among them, the amount to be used for debt repayment is RMB880 million in aggregate, representing 27.67% of the total proceeds from the Issuance, which does not exceed 30%, and complies with the interpretation and application requirements relating to “mainly invested in the principal business”.

4. The Company does not fall within the scope of enterprises subject to punishment under the Memorandum of Cooperation on Joint Disciplinary Measures against Dishonest Judgment Debtors and the Memorandum of Cooperation on Joint Disciplinary Measures against Dishonest Customs Enterprises, and is not a general discredited enterprise or discredited customs enterprise

After self-examination, the Company does not fall within the scope of enterprises subject to punishment under the Memorandum of Cooperation on Joint Disciplinary Measures against Dishonest Judgment Debtors and the Memorandum of Cooperation on Joint Disciplinary Measures against Dishonest Customs Enterprises, and is not a general dishonest enterprise or a dishonest customs enterprise.

(II) The procedures for the Issuance are lawful and compliant

The matters relating to the Issuance have been considered and approved at the second meeting of the ninth session of the Board of the Company, and have been disclosed on the website of the SSE and the designated information disclosure media, with the necessary consideration procedures and information disclosure procedures having been performed. The Issuance may only be implemented after being reviewed and approved by the state-invested enterprise, being considered and approved at the general meeting of the Company, being reviewed and approved by the SSE, and being registered with the CSRC.

In summary, the Company does not fall under any circumstance where it may not issue securities. The Issuance complies with the relevant provisions of laws and regulations including the Administrative Measures for Registration, and the consideration procedures and issuance method are lawful, compliant and feasible.

VI. FAIRNESS AND REASONABLENESS OF THE ISSUANCE PLAN

The issuance plan of the Company has been approved after prudent consideration by the Board and will be submitted to the general meeting for consideration. Implementation of the issuance plan will effectively optimise the Company's capital structure, further enhance the Company's capital strength and profitability, and strengthen the Company's comprehensive competitive advantages, and is in the interests of all shareholders.

The issuance plan and relevant documents have been disclosed on the information disclosure media designated by the CSRC, thereby ensuring all shareholders' right to know. The Company will convene a general meeting to consider the issuance plan, and all shareholders will vote fairly on the basis of the shares of the same class carrying the same rights. Resolutions on matters relating to the Issuance at the general meeting shall be passed by more than two-thirds of the voting rights held by the shareholders attending the meeting. The votes of small and medium investors shall be counted separately, and shareholders of the Company may exercise their shareholders' rights by way of on-site voting or online voting.

In summary, the issuance plan of the Company has been prudently considered by the Board, which considers that the issuance plan is in the interests of all shareholders. The issuance plan and relevant documents have completed the relevant disclosure procedures, thereby safeguarding shareholders' right to know. Meanwhile, the issuance plan will be subject to fair voting by the shareholders attending the general meeting, and is fair and reasonable.

VII. IMPACT OF THE ISSUANCE ON THE COMPANY'S IMMEDIATE RETURNS AND MEASURES TO MAKE UP FOR THE DILUTED IMMEDIATE RETURNS**(I) Measurement of the impact of the Issuance to Specific Targets on the Company's earnings per share*****1. Principal assumptions and explanations on the measurement***

The following assumptions are solely for the purpose of measuring the impact of the Issuance on the Company's principal financial indicators. They do not represent the Company's judgement on its operating results or financial position for future years, nor do they constitute a profit forecast. Investors should not make investment decisions based on such assumptions. The Company shall not be liable for any losses incurred by investors as a result of making investment decisions based on such assumptions. The relevant assumptions are as follows:

1. It is assumed that there will be no material adverse changes in the macroeconomic environment, industrial policies, industry development conditions, product market conditions, the Company's operating conditions and securities market conditions.
2. It is assumed that the Issuance will be completed at the end of November 2026. Such completion time is used only for the calculation of the impact of the Issuance on the dilution of immediate returns, and the actual issuance time after registration has been approved by the CSRC shall prevail.

3. It is assumed that the total proceeds to be raised from the Issuance to Specific Targets will be RMB3,180.0000 million, without taking into account issuance expenses, and without taking into account the impact of the use of proceeds from the Issuance to Specific Targets on the Company's production and operation and financial position, such as operating revenue, finance costs and investment income. The actual amount of proceeds received from the Issuance to Specific Targets will be finally determined according to the registration by the CSRC, the subscription of the Issuance and the issuance expenses.
4. In estimating the total share capital of the Company, the total share capital before the Issuance, being 3,058.0600 million shares, is used as the base, without taking into account the impact of factors other than the number of shares to be issued under the Issuance, such as conversion of capital reserve into share capital, share dividends, equity incentives and share repurchase and cancellation, on the total share capital of the Company.
5. The total share capital of the Company before the Issuance is 3,058.0600 million shares. Calculated on the basis of the upper limit of the number of A Shares to be issued to Specific Targets under the Issuance, namely 432.5480 million shares (inclusive), the total share capital of the Company upon completion of the Issuance will be 3,490.6080 million shares. The aforesaid number of A Shares to be issued to Specific Targets is assumed for measurement purposes only, and the actual number of shares issued upon completion after registration has been approved by the CSRC shall prevail.
6. According to the 2025 annual report published by the Company, the net profit attributable to shareholders of the listed company and the net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses for 2025 were RMB1,513.1550 million and RMB1,446.8335 million, respectively. It is assumed that the net profit attributable to shareholders of the listed company and the net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses for 2026 will be calculated under three scenarios, namely remaining flat, increasing by 10% and decreasing by 10% as compared with 2025.

**APPENDIX I ANALYSIS REPORT ON THE PLAN FOR THE ISSUANCE OF
A SHARES TO SPECIFIC TARGETS BY THE COMPANY**

2. *Analysis of the impact on the Company's principal financial indicators*

Based on the above assumptions, the Company has measured the impact of the Issuance on its principal financial indicators. The specific measurement is as follows:

Item	2025/ End of 2025	2026/End of 2026	
		Before issuance	After issuance
Assumption 1: Assuming the net profit attributable to shareholders of the listed company realised by the Company in 2026 remains flat as compared with 2025			
Total share capital (0'000 shares)	305,806.00	305,806.00	349,060.80
Net profit attributable to shareholders of the listed company (RMB0'000)	151,315.50	151,315.50	151,315.50
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB0'000)	144,683.35	144,683.35	144,683.35
Basic earnings per share (RMB/share)	0.4654	0.4654	0.4600
Diluted earnings per share (RMB/share)	0.4654	0.4654	0.4600
Assumption 2: Assuming the net profit attributable to shareholders of the listed company realised by the Company in 2026 increases by 10% as compared with 2025			
Total share capital (0'000 shares)	305,806.00	305,806.00	349,060.80
Net profit attributable to shareholders of the listed company (RMB0'000)	151,315.50	166,447.05	166,447.05
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB0'000)	144,683.35	159,151.69	159,151.69
Basic earnings per share (RMB/share)	0.4654	0.5149	0.5089
Diluted earnings per share (RMB/share)	0.4654	0.5149	0.5089
Assumption 3: Assuming the net profit attributable to shareholders of the listed company realised by the Company in 2026 decreases by 10% as compared with 2025			
Total share capital (0'000 shares)	305,806.00	305,806.00	349,060.80
Net profit attributable to shareholders of the listed company (RMB0'000)	151,315.50	136,183.95	136,183.95
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB0'000)	144,683.35	130,215.02	130,215.02
Basic earnings per share (RMB/share)	0.4654	0.4159	0.4111
Diluted earnings per share (RMB/share)	0.4654	0.4159	0.4111

Note 1: Earnings per share are calculated after deducting the interest on perpetual bonds in accordance with the Rules for the Compilation and Reporting of Information Disclosure by Companies Offering Securities to the Public No. 9 – Calculation and Disclosure of Return on Net Assets and Earnings per Share (CSRC Announcement [2010] No. 2) and the accounting standards; it is assumed that the interest on perpetual bonds in 2026 will remain consistent with that in 2025.

Note 2: The above hypothetical analysis and measurement data are used only for the simple analysis and measurement of the impact of the dilution of immediate returns by the Issuance on the Company's financial indicators, and do not constitute the Company's profit forecast or dividend distribution plan. Investors should not make investment decisions based on the above. The Company shall not be liable for compensation for any losses incurred by investors as a result of making investment decisions based thereon.

(II) Special reminder of the risk of dilution of immediate returns by this issuance of shares to Specific Targets

Upon completion of this issuance of shares to Specific Targets, the total share capital and net assets of the Company will increase to a certain extent. Therefore, in the short term, there is a risk that the Company's earnings per share, return on net assets and other indicators may be diluted. Investors are hereby reminded to pay attention to the risk of dilution of immediate returns by the Issuance to Specific Targets.

In addition, in the course of measuring the dilutive impact of the Issuance on immediate returns, the Company's hypothetical analysis of the net profit attributable to shareholders of the listed company and the net profit after deducting non-recurring gains and losses attributable to shareholders of the listed company for 2026 is not a profit forecast of the Company. The specific measures formulated to make up for the diluted immediate returns in response to the risk of dilution of immediate returns do not amount to any guarantee of the future profit of the Company. Investors should not make investment decisions based thereon. The Company shall not be liable for compensation for any losses incurred by investors as a result of making investment decisions based thereon. Investors are respectfully reminded to pay attention to investment risks.

(III) Necessity and reasonableness of the Issuance to Specific Targets

The investment direction of the proceeds raised from the Issuance is in line with national industrial policies and the direction of industry development. The investment projects to be funded by the proceeds have sound development prospects and comprehensive benefits, which are conducive to effectively advancing the Company's development strategy, enhancing the Company's core competitiveness and strengthening the Company's overall strength, and are in the interests of the Company and all its shareholders. For details, please refer to the Plan for the Issuance of A Shares to Specific Targets of Sichuan Expressway Company Limited* disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.cn) on the same date.

(IV) Relationship between the investment projects to be funded by the proceeds and the Company’s existing business, and the Company’s reserves in terms of personnel, technology and market for engaging in the investment projects to be funded by the proceeds

The total proceeds to be raised by the Company from the Issuance to Specific Targets will not exceed RMB3,180.0000 million. After deducting the relevant issuance expenses, all the proceeds will be used for the “G5 Beijing-Kunming Expressway Chengdu-Ya’an Section Expansion Project” and repayment of interest-bearing liabilities, which will help the Company strengthen its capital resources, effectively optimise its capital structure, enhance its risk resistance capability, and further improve its profitability and overall competitiveness. After the Issuance to Specific Targets, the business scope of the Company will remain unchanged. The investment project to be funded by the proceeds of the Company is under continuous construction, and the Company has sufficient personnel, technical and market reserves for the project.

The investment project to be funded by the proceeds of the Company possesses all conditions required for project implementation. For details, please refer to the Feasibility Analysis Report on the Use of Proceeds from the Issuance of A Shares to Specific Targets of Sichuan Expressway Company Limited* disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.cn) on the same date.

(V) Specific measures proposed to be adopted by the Company to make up for the diluted immediate returns

In order to protect the interests of investors, reduce the possible impact of this issuance of shares to Specific Targets on diluting immediate returns, ensure the effective use of the proceeds raised from this issuance of shares, guard against the risk of dilution of immediate returns, and improve immediate returns to shareholders, the Company proposes to adopt various measures. The specific measures proposed to be adopted by the Company are as follows:

1. Strengthening the management and use of proceeds and guarding against risks in the use of proceeds

In order to regulate the use and management of the Company’s proceeds and ensure that the proceeds are used in a regulated, safe and efficient manner, the Company has formulated the proceeds management system and relevant internal control systems in accordance with the requirements of relevant laws and regulations including the Company Law, the Securities Law and the Rules for the Supervision of Funds Raised by Listed Companies.

After completion of the Issuance, the proceeds will be deposited in the special account designated by the Board in accordance with the requirements of the system, with special-account storage and use for designated purposes, so as to ensure the reasonable and regulated use of the proceeds and guard against risks in the use of proceeds. The Company will actively cooperate with the sponsor and the supervising bank in conducting regular inspection and supervision of the use of funds to ensure that the Company uses the proceeds in a regulated and effective manner.

2. Strengthening operation management and internal control and continuously improving corporate governance

The Company will strictly comply with the requirements of laws and regulations, departmental rules and regulatory documents including the Company Law, the Securities Law and the Code of Corporate Governance for Listed Companies (《上市公司治理準則》), continuously improve its corporate governance structure, ensure that shareholders can fully exercise their rights, ensure that the Board can exercise its powers in accordance with laws and regulations and the Articles of Association, make scientific, prompt and prudent decisions, ensure that independent directors can diligently perform their duties and safeguard the overall interests of the Company, in particular the legitimate rights and interests of small and medium shareholders, and ensure that the audit committee of the Board can independently and effectively exercise its powers of supervision and inspection over directors, the general manager and other senior management members and the finances of the Company, thereby providing institutional safeguards for the development of the Company.

3. Accelerating the construction of the investment projects to be funded by the proceeds and striving to realise the expected benefits of the projects as soon as possible

The investment projects to be funded by the proceeds of the Company are in line with national industrial policies, industry development trends and the Company's overall future strategic development direction, and have favourable market prospects and economic benefits, which will help improve the Company's market competitiveness, profitability and risk resistance capability. After the proceeds raised from the Issuance are received, the Company will accelerate the construction and operation of the investment projects to be funded by the proceeds and strive to complete such projects and realise the expected benefits as soon as possible. With the smooth implementation of the investment projects to be funded by the proceeds, the Company will further enhance its profitability and offset the impact of the dilution of immediate returns caused by the Issuance.

4. Improving the profit distribution system and strengthening the investor return mechanism

In accordance with the relevant requirements of the Notice of the CSRC on Further Implementing Matters Relating to Cash Dividends of Listed Companies and the Regulatory Guidelines for Listed Companies No. 3 – Cash Dividends of Listed Companies, as well as the

relevant provisions on the profit distribution policy under the Articles of Association, while focusing on its own development, the Company attaches great importance to reasonable investment returns to shareholders. The Company has formulated the Three-Year Shareholder Return Plan of Sichuan Expressway Company Limited* (2026—2028). Subject to the conditions for cash dividends being satisfied, the profits to be distributed by the Company in cash each year from 2026 to 2028 shall be not less than 60% of the net profit attributable to owners of the parent as shown in the consolidated financial statements for that year. The Company will strictly implement the dividend distribution policy and shareholder return plan formulated by the Company and strive to enhance investment returns to shareholders.

After the Issuance, the Company will implement an active profit distribution policy in accordance with relevant laws and regulations, and pay attention to maintaining continuity and stability, while striving to strengthen shareholder returns, effectively safeguard the legitimate rights and interests of investors and protect the interests of the Company's shareholders.

(VI) Undertakings by relevant parties to ensure effective implementation of the Company's measures to make up for the diluted immediate returns

1. Undertakings of the directors and senior management of the Company

In order to ensure that the measures to compensate for the dilution of immediate returns after completion of the Issuance by the Company can be effectively implemented, the directors and senior management of the Company have made the following undertakings:

“1. I undertake that I will not transfer benefits to other entities or individuals without consideration or on unfair terms, nor will I harm the interests of the Company by other means;

2. I undertake to restrain my duty-related consumption;

3. I undertake that I will not use the assets of the Company to engage in investment or consumption activities unrelated to the performance of my duties;

4. I undertake that the remuneration system formulated by the Board or the remuneration committee will be linked to the implementation of the Company's measures to make up for the diluted immediate returns;

5. I undertake that, if the Company proposes to implement equity incentives in the future, the exercise conditions of the Company's equity incentives to be announced will be linked to the implementation of the Company's measures to make up for the diluted immediate returns;

6. From the date of issuance of this undertaking until completion of the implementation of the Issuance to Specific Targets by the Company, if the CSRC or the Shanghai Stock Exchange issues any new regulatory requirements in relation to measures to make up for the diluted immediate returns and the undertakings in respect thereof, and the above undertakings fail to satisfy such requirements of the CSRC or the Shanghai Stock Exchange, I undertake that I will issue supplemental undertakings in accordance with the latest requirements of the CSRC or the Shanghai Stock Exchange at that time;

7. I undertake to effectively implement the relevant measures to make up for the diluted immediate returns formulated by the Company and any undertakings made by me in respect of such measures to make up for the diluted immediate returns. If I breach such undertakings and cause losses to the Company or investors, I am willing to assume corresponding legal liabilities in accordance with the law.”

2. Undertakings of the controlling shareholder of the Company

In order to ensure that the measures to compensate for the dilution of immediate returns after completion of the Issuance by the Company can be effectively implemented, the controlling shareholder of the Company has made the following undertakings in accordance with the relevant requirements of the CSRC:

“1. The controlling shareholder undertakes that it will not interfere with the operation and management activities of the listed company beyond its authority, and will not misappropriate the interests of the listed company;

2. From the date of issuance of this undertaking letter until completion of the implementation of this issuance of shares to Specific Targets by the Company, if securities regulatory authorities including the CSRC and the Shanghai Stock Exchange issue any new regulatory requirements in relation to measures to make up for the diluted immediate returns and the undertakings in respect thereof, and the above undertakings fail to satisfy such requirements, the controlling shareholder will issue supplemental undertakings in accordance with the latest requirements at that time;

3. The controlling shareholder will effectively implement the relevant measures to make up for the diluted immediate returns formulated by the listed company and the relevant undertakings. If the controlling shareholder breaches such undertakings and causes losses to the listed company or investors, the controlling shareholder shall assume corresponding liabilities in accordance with the law. Meanwhile, as one of the responsible parties in relation to the measures to compensate for immediate returns, if the controlling shareholder breaches or refuses to perform the above undertakings, the controlling shareholder agrees that securities regulatory authorities including the CSRC and the Shanghai Stock Exchange may impose relevant penalties on it or adopt relevant regulatory measures against it in accordance with the relevant requirements and rules formulated or issued by them.”

VIII. CONCLUSION

In summary, the Company's Issuance of A Shares to Specific Targets is necessary and feasible. The plan for this issuance of shares to Specific Targets is fair and reasonable, complies with the requirements of relevant laws and regulations, will be conducive to further improving the Company's results, is in line with the Company's development strategy, and is in the interests of the Company and all shareholders.

The Board of
Sichuan Expressway Company Limited*
18 June 2026

* *For identification purposes only*

**FEASIBILITY ANALYSIS REPORT ON THE USE OF PROCEEDS FROM
THE ISSUANCE OF A SHARES TO SPECIFIC TARGETS
BY SICHUAN EXPRESSWAY COMPANY LIMITED***

I. USE PLAN FOR THE PROCEEDS FROM THE ISSUANCE

The total proceeds originally proposed to be raised from the Issuance of A Shares to Specific Targets were not more than RMB3,200.0000 million. After taking into account the financial investments newly made and proposed to be made during the period from six months prior to the date of the Board resolution for the Issuance to prior to the Issuance, and after deducting RMB20.0000 million of the Company's financial investments from the proposed total proceeds, the total proceeds from the Issuance have been reduced to not more than RMB3,180.0000 million inclusive, and shall be subject to the registration approval document issued by the CSRC in respect of the Issuance.

The net proceeds after deducting issuance expenses are proposed to be used for the following projects:

Unit: RMB0'000

No.	Project name	Estimated total investment	Proposed amount of proceeds to be used
1	G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project	2,788,939.96	230,000.00
2	Repayment of interest-bearing debts	88,000.00	88,000.00
Total		2,876,939.96	318,000.00

Note: The 36th meeting of the eighth session of the Board of Chengyu Company and the 2025 second extraordinary general meeting considered and approved matters relating to the investment in the Chengdu-Ya'an Expressway Expansion Project and the connected transaction, with an estimated total investment of approximately RMB28.548 billion, subject to the amount finally approved by the competent administrative authority of the PRC government. According to the Approval of the Sichuan Provincial Development and Reform Commission on the G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project (Chuan Fa Gai Ji Chu [2025] No. 404), the estimated total investment of the project is RMB29.755 billion. According to the Approval of the Ministry of Transport on the Preliminary Design of the Reconstruction and Expansion Project of the G5 Beijing-Kunming Expressway Sichuan Chengdu-Ya'an Section (Jiao Gong Lu Han [2025] No. 596) and the Approval of the Sichuan Provincial Department of Transportation on the Two-stage Preliminary Design of the Lushan Branch of the G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project (Chuan Jiao Xu Ke Jian [2025] No. 150), the aggregate preliminary design approved budget estimate of the project is RMB27,889.3996 million. The preliminary design budget estimate above is used as the estimated total investment.

Before the proceeds from the Issuance are received, the Company will make prior investment with self-raised funds according to the actual circumstances of the investment projects to be funded by the proceeds, and will replace such funds in accordance with the procedures prescribed under relevant laws and regulations after the proceeds are received. After the proceeds are received, if the actual net proceeds after deducting issuance expenses

are less than the total amount of proceeds proposed to be invested, within the scope of the investment projects to be funded by the proceeds from the Issuance, the Company will, based on the actual amount of proceeds raised and according to the order of priority of the projects, adjust and determine the specific investment projects, priority sequence and specific investment amount of each project, and any shortfall in the proceeds will be settled by the Company with self-raised funds.

II. BASIC INFORMATION AND FEASIBILITY ANALYSIS OF THE INVESTMENT PROJECTS TO BE FUNDED BY THE PROCEEDS

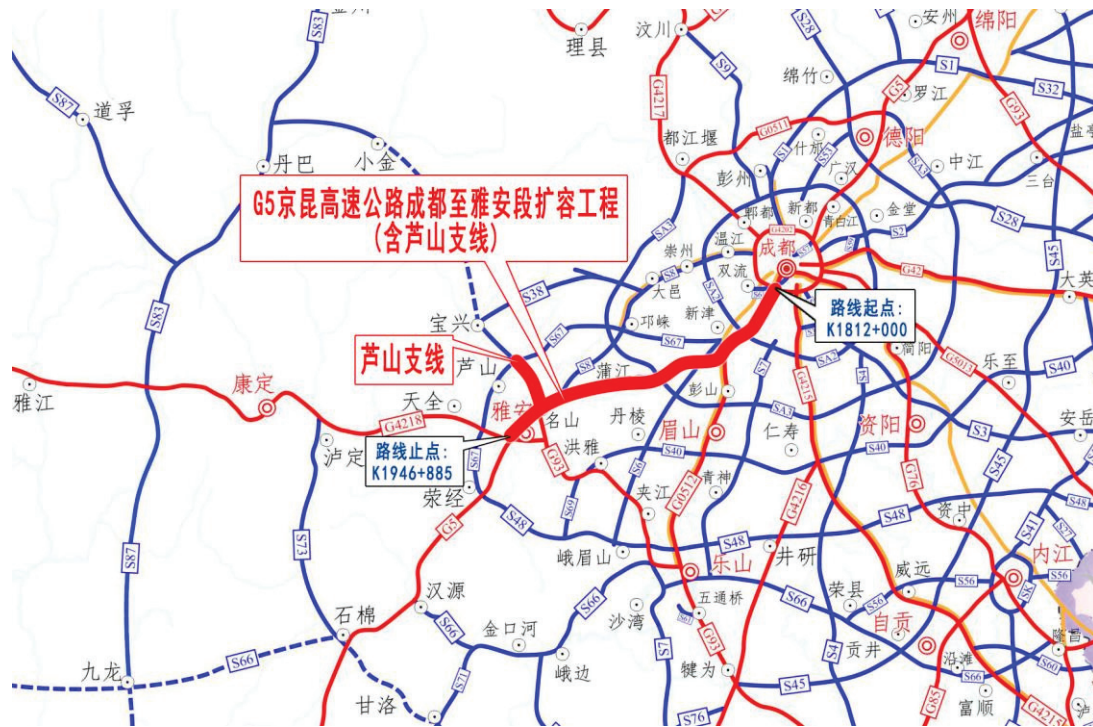
(I) G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project

1. Project Overview

The G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project consists of the expansion of the original Chengdu-Ya'an Expressway and the newly constructed Lushan Branch. The expansion of the original Chengdu-Ya'an Expressway is a major highway transport corridor within the external "four directions and eight corridors" main backbone of Sichuan Province's integrated multi-dimensional transport network. As one of the Chengdu radial lines in the expressway network of Sichuan Province, the Chengdu-Ya'an Expressway connects the three important cities of Chengdu, Meishan and Ya'an, and occupies an extremely important position in the national and regional road networks. In January 2022, the Sichuan Provincial Department of Transportation and the Sichuan Provincial Development and Reform Commission issued the Layout Plan for the Sichuan Provincial Expressway Network (2022—2035), which included the Chengdu-Ya'an Expansion Project as a key expressway project. The construction of the project will significantly enhance the traffic capacity of the Chengdu-Ya'an section of the Beijing-Kunming corridor, alleviate traffic congestion, strengthen the connection between Chengdu and cities along the route, improve the level of inter-city connectivity, and promote regional economic development along the route. The Lushan Branch is positioned as a connecting route under the Layout Plan for the Sichuan Provincial Expressway Network (2022—2035). It may connect the S67 Qionglai-Lushan-Yingjing Expressway and the G5 Chengdu-Ya'an Expressway, and is a key project for improving the functions of Ya'an as an integrated transport hub.

The entire route of the project is located within Chengdu, Meishan and Ya'an in Sichuan Province. The expansion of the original Chengdu-Ya'an Expressway starts from the Baijia hub interchange of the Chengdu Ring Expressway, widens along the original route, passes through Shuangliu District and Xinjin District of Chengdu, Pengshan District and Dongpo District of Meishan, Qionglai City and Pujiang County of Chengdu, and Mingshan District and Yucheng District of Ya'an, and ends at the Duiyan hub of Ya'an, connecting with the Ya'an-Xichang Expressway and the Ya'an-Kangding Expressway. The Lushan Branch starts from the vicinity of Luojiaba, Lushan County, Ya'an, connects with the Qionglai-Lushan-Yingjing Expressway, passes through Yucheng District, and ends in Mingshan District, where it connects with the Chengdu-Ya'an Expressway.

Geographical location schematic diagram of the G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project:



The total length of the project route is 159.279 km. Among them, the expansion of the original Chengdu-Ya'an Expressway is 134.647 km long. The section from the starting point to Qinglongchang is 35.094 km long, with a designed speed of 120 km/h, two-way eight lanes and a roadbed width of 42.5 m; the section from Qinglongchang to Gongyi is 7.424 km long, with a designed speed of 120 km/h, two-way eight lanes and a roadbed width of 41.5 m; the section from Gongyi to Shuiniamba is 75.007 km long, with a designed speed of 100 km/h, two-way eight lanes and a roadbed width of 41 m; the section from Shuiniamba to Duiyan is 17.122 km long, with a designed speed of 80 km/h, two-way eight lanes and a roadbed width of 40.5 m. The Lushan Branch is 24.632 km long, with a designed speed of 80 km/h, two-way four lanes and a roadbed width of 25.5 m. There are two connecting roads with a total length of 5.943 km, and other interchange connecting roads are included in the ramp works. Asphalt concrete pavement will be adopted for the entire route.

2. *Analysis of Project Necessity*

(1) *Strengthening the construction of the internal and external main backbone of Sichuan Province's integrated multi-dimensional transport network*

As a core component of the internal and external main backbone of Sichuan Province's integrated multi-dimensional transport network, the Chengdu-Ya'an Expressway plays an important role in the layout of Sichuan Province's "four directions and eight corridors" strategic integrated transport corridors.

From the perspective of Sichuan Province's external corridors, the main line of the Chengdu-Ya'an Expressway connects Chengdu and Ya'an, and is also a common section of the Sichuan-Tibet corridor and the Sichuan-Yunnan corridor. Starting from Chengdu, it extends westwards into Tibet and directly reaches the Lhasa city cluster, and extends southwards through Panxi to the central Yunnan city cluster. From the perspective of Sichuan Province's internal transport construction, the main line of the Chengdu-Ya'an Expressway is an important belt and an important link in the "one axis, two rings, three belts and four links" internal transport main backbone of Sichuan Province, namely the important belt from Guangyuan through Mianyang, Deyang, Chengdu, Meishan, Leshan/Ya'an and Xichang to Panzhihua, and the important link from Kangding through Ya'an and Chengdu to Bazhong. As an important component of the Sichuan Provincial Expressway Network Plan (2022—2035), the Lushan Branch may fill the gap of no expressway access in Lushan and Mingshan, effectively connect the Qionglai-Lushan-Yingjing Expressway (planned) and the Chengdu-Ya'an Expressway within the project area, and improve the layout of Sichuan Province's expressway network.

In summary, the implementation of the expansion construction of this project can further enhance the traffic capacity of the Sichuan-Tibet corridor and the Sichuan-Yunnan corridor in the integrated multi-dimensional transport network, and can strengthen the convenient connection between Lushan County and Mingshan District. The construction of the project will further increase the density of the expressway network in western Sichuan and enhance the radiation capacity of expressways, which is of great significance to the improvement of Sichuan Province's expressway network planning.

(2) *Meeting the needs of rapid growth in traffic volume and improvement of service level of the expressway transport corridor*

The Chengdu-Ya'an Expressway forms part of the major highway transport corridor under the national highway network plan. As one of the Chengdu radial lines in Sichuan Province's expressway network, it connects the three important cities of Chengdu, Meishan and Ya'an, and occupies an extremely important position in the national and regional road networks. The Chengdu-Ya'an Expressway was completed and opened to traffic in December 2000, and carries traffic from Chengdu, Aba Prefecture, northern Sichuan and northeastern Sichuan towards Ya'an, Xichang, Kangding and beyond. It plays a pivotal role in the road network. In recent years, traffic volume on the Chengdu-Ya'an Expressway has grown rapidly. With the

further advancement of the new round of Western Development and the comprehensive implementation of the integrated development of the Chengdu Plain Economic Zone, the flow of materials and movement of people along the Chengdu-Ya'an Expressway will become more frequent, and transport demand will become stronger. The existing road can no longer meet the growing traffic demand.

Capacity expansion and reconstruction of the existing Chengdu-Ya'an Expressway will play an important role in improving road traffic capacity and service level, effectively enhance the comprehensive benefits of regional highway transport, reduce logistics costs, meet the needs of rapid traffic growth in the future, and better give play to the role of expressways as major corridors.

(3) Promoting the comprehensive development of the regional economy and industries along the route

As the main transport route from Chengdu to Ya'an, the Chengdu-Ya'an Expressway is an important support for cities along the route to expand development space, carry out industrial division of labour and cooperation, promote regional economic exchanges, and develop and utilise resources. Due to high traffic volume and insufficient service level, the original Chengdu-Ya'an Expressway has seriously constrained regional economic development. In addition, the Lushan Branch connects economic nodes such as Lushan, Mingshan and Yucheng in Ya'an, and the rich industrial and ecological resources along the route also urgently need to be developed and utilised.

As a specific measure to implement the policies of "Western Development" and "transportation powerhouse", the Chengdu-Ya'an Expressway Expansion Project serves as support and a link for regional economic development. Its construction is conducive to improving regional transport conditions and plays an important role in the circulation of materials, resource development, investment attraction and industrial restructuring along the route. The construction of the project can effectively promote the integration of social and economic resources among regions, strengthen economic links among urban agglomerations along the route, and drive the comprehensive development of the regional economy and industries. It is of great significance to promoting the construction of the Chengdu-Chongqing Twin-City Economic Circle and facilitating the advancement of Western Development in the new era and under the new circumstances.

3. Project Feasibility Analysis

Since its establishment more than 20 years ago, the Company has continuously expanded and strengthened its core principal business. At present, the Company has completed and is operating core expressway projects including Chengyu, Chengya, Chengren, Chengle, Suiguang, Suixi, the Western Section of the Second Ring Expressway and Jingyi, with the total mileage opened to traffic exceeding 1,000 km. Among them, the engineering quality of Chengren, Suiguang and Suixi, which were independently invested in and constructed by the Company, has been highly recognised, and the projects have won awards such as the National

Quality Engineering Award, the Li Chun Award and the Tianfu Cup Gold Award. The Company has the strength to implement this project, and construction of the project is also an obligation and necessity for the Company to effectively fulfil its responsibilities as a state-owned enterprise.

4. *Overview of Project Investment*

The estimated total investment of this project is approximately RMB27,889.3996 million, and it is proposed that not more than RMB2,300.0000 million of the proceeds from the Issuance will be used for capital expenditures incurred after the Board resolution date.

5. *Implementation Entity*

This project will be implemented by Sichuan Chengya Expressway Company Limited, a controlling subsidiary in which the Company holds 85% equity interest.

6. *Economic Benefits of the Project*

After completion of the project, the traffic capacity, service level and driving safety of the north-south corridor in the region will be substantially improved, which is conducive to giving play to the benefits of the overall road network and has sound economic benefits.

7. *Status of Project Approval Matters*

In August 2025, the Sichuan Provincial Development and Reform Commission issued the Approval of the Sichuan Provincial Development and Reform Commission on the G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project (Chuan Fa Gai Ji Chu [2025] No. 404), approving the construction of the G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project.

In September 2025, the Sichuan Provincial Department of Ecology and Environment issued the Approval of the Sichuan Provincial Department of Ecology and Environment on the Environmental Impact Report of the G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project (Chuan Huan Shen Pi [2025] No. 122).

In July 2025, the project obtained the Preliminary Review and Site Selection Opinion for Construction Project Land Use issued by the Sichuan Provincial Department of Natural Resources (Yong Zi No. 5100002025XS0006571). In September 2025, the project obtained the Letter on the Advance Land Use for the G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project (Ya'an Section) issued by the General Office of the Ministry of Natural Resources (Zi Ran Zi Ban Han [2025] No. 2190). The construction land planning permit is under application.

(II) Repayment of Interest-bearing Debts**1. Project Overview**

The Company proposes to use not more than RMB880.0000 million of the proceeds from the Issuance to repay interest-bearing liabilities, so as to strengthen its capital resources, reduce funding costs and financial risks, satisfy the needs of future business growth and operating investment, continuously enhance market competitiveness and improve the Company's economic benefits.

2. Analysis of Project Necessity

The expressway industry in which the Company operates is a capital-intensive industry. Highway project construction and operation require substantial upfront capital investment and involve a long development cycle and investment payback period. The Company must have sufficient funds to maintain project operation and satisfy the needs of its continuous business development.

3. Project Feasibility Analysis

As of 31 December 2025, the Company's total assets amounted to RMB63.708 billion, total liabilities amounted to RMB42.459 billion, and the asset-liability ratio was 66.65%, representing a relatively high asset-liability ratio. The use of proceeds from the Issuance to repay interest-bearing liabilities is conducive to improving the capital structure, reducing financial risks, enhancing the Company's risk resistance capability, and ensuring the sustainable and healthy development of the Company's business.

After implementation of this project, the Company's financial position will be improved, and its capital structure will be effectively improved, financial risks and funding costs will be reduced, strong safeguards will be provided for the Company's subsequent development, the smooth and healthy operation of the Company's operating activities will be ensured, the Company's market competitiveness will be enhanced, and the comprehensive economic benefits will be evident.

**III. IMPACT OF THE ISSUANCE ON THE COMPANY'S OPERATION
MANAGEMENT AND FINANCIAL POSITION****(I) Impact of the Issuance on the Company's Operation Management**

The projects proposed to be invested in with the proceeds from the Issuance are in line with relevant national industrial policies and the Company's future development direction, and have sound development prospects and comprehensive benefits. They are conducive to further enhancing the competitiveness of the Company's core business and its subsequent development potential, and strengthening the Company's overall strength.

(II) Impact of the Issuance on the Company's Financial Position

The proceeds from the Issuance will expand the Company's asset scale and lay a foundation for the Company's sustainable and rapid development in the future. Upon completion of the Issuance, the Company's capital strength will be enhanced, and its risk resistance capability in operation will be further strengthened. Meanwhile, the Company's asset-liability ratio is expected to decrease, its current ratio and quick ratio will be improved, and its short-term solvency will be enhanced.

After the Issuance, with the increase in total share capital and net assets, the Company's principal financial indicators such as return on net assets and earnings per share may decrease to a certain extent due to dilution of immediate returns. However, in the future, with the investment of the proceeds, it is expected that the Company's business scale will continue to expand and profitability will be enhanced accordingly, thereby further strengthening the Company's sustainable profitability.

IV. CONCLUSION OF THE FEASIBILITY ANALYSIS ON THE USE OF PROCEEDS FROM THE ISSUANCE

In summary, the investment projects to be funded by the proceeds from the Issuance are in line with relevant national industrial policies and the Company's overall future strategic development direction, and have sound market prospects and economic benefits. They are conducive to further enhancing the competitiveness of the Company's core business and its subsequent development potential. At the same time, the Issuance will optimise the Company's capital structure and reduce the Company's financial risks and funding costs. Therefore, the investment projects to be funded by the proceeds from the Issuance are necessary and feasible, and are in the interests of the Company and all shareholders of the Company.

The Board of
Sichuan Expressway Company Limited*
18 June 2026

* For identification purposes only

**THREE-YEAR SHAREHOLDER RETURN PLAN OF SICHUAN EXPRESSWAY
COMPANY LIMITED* (2026—2028)**

In order to establish and improve a scientific, sustainable and stable dividend decision-making and supervision mechanism, and actively reward investors, Sichuan Expressway Company Limited* (hereinafter referred to as the “Company”) has formulated the Three-Year Shareholder Return Plan (2026—2028) (hereinafter referred to as the “Plan”) in accordance with the relevant requirements of the Company Law of the People’s Republic of China (《中華人民共和國公司法》, hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (《中華人民共和國證券法》, hereinafter referred to as the “Securities Law”), the Regulatory Guidelines for Listed Companies No. 3 – Cash Dividends of Listed Companies (2025 Revision) (《上市公司監管指引第3號–上市公司現金分紅(2025年修訂)》) and other laws, regulations and regulatory documents, as well as the relevant provisions of the Articles of Association of Sichuan Expressway Company Limited* (《四川成渝高速公路股份有限公司章程》, hereinafter referred to as the “Articles of Association”). The Company will distribute profits in accordance with the Plan where profits are sufficient, and the Plan does not constitute a profit forecast of the Company. The specific contents of the Plan are as follows:

I. FACTORS CONSIDERED BY THE COMPANY IN FORMULATING THE PLAN

From the perspective of long-term, healthy and sustainable development, and based on a comprehensive analysis of factors including the Company’s strategic development objectives, actual operating conditions, investors’ demands and wishes, cost of social funds and financing environment, the Company has fully considered the characteristics of the industry in which it operates, its development stage, profitability level, cash flow position, funding requirements for project investment and bank credit facilities, and has taken into account both the short-term and long-term interests of shareholders. The Company has formulated a sustainable, scientific and predictable return plan for investors, thereby making positive and clear institutional arrangements for profit distribution, so as to ensure the continuity, scientific nature and stability of the Company’s profit distribution policy.

II. PRINCIPLES FOR FORMULATING THE PLAN

1. To comply with the relevant provisions on profit distribution under relevant laws, regulations, rules, regulatory documents and the Articles of Association of the Company.
2. To fully consider the Company’s sustainable development strategic plan and actual development conditions.
3. To fully consider and listen to the demands and wishes of shareholders, in particular small and medium shareholders.

4. To take into account the continuity, scientific nature and stability of the profit distribution policy.

5. To distribute profits by way of cash, shares, a combination of cash and shares, or other methods permitted by relevant laws, regulations, rules and regulatory documents. Where the Company satisfies the conditions for cash dividends, priority shall be given to profit distribution in cash.

6. To adhere to the principle of open and transparent information disclosure.

III. SPECIFIC PLAN FOR THE THREE YEARS FROM 2026 TO 2028

1. Method of distribution: From 2026 to 2028, the Company may distribute dividends by way of cash, shares, a combination of cash and shares, or other methods permitted by relevant laws, regulations, rules and regulatory documents. Where the Company satisfies the conditions for cash dividends, priority shall be given to profit distribution in cash.

2. Distribution cycle: From 2026 to 2028, the Company shall, in principle, mainly conduct annual profit distribution. If the Company's operating conditions are favourable and its economic returns maintain rapid and stable growth, interim profit distribution may also be conducted, subject to consideration and approval by the general meeting of the Company.

3. Minimum cash dividend ratio for the Company's profit distribution: Subject to the satisfaction of the conditions for cash dividends, from 2026 to 2028, the profits to be distributed by the Company in cash each year shall not be less than 60% of the net profit attributable to owners of the parent company in the consolidated financial statements realised for that year.

4. Subject to ensuring full distribution of cash dividends, the Company may additionally distribute profits by way of share dividends. Where the Company distributes profits by way of share dividends, it shall take into account genuine and reasonable factors such as the Company's growth prospects and the dilution of net assets per share. Profit distribution shall not exceed the scope of accumulated distributable profits, and the profit distribution policy shall not violate the provisions of relevant national laws and regulations.

If the Company needs to adjust its shareholder return plan due to material changes in the external operating environment or its own operating conditions, it shall proceed from the interests of shareholders, provide detailed reasoning for the adjustment, prepare a written reasoning report, and submit the same to the general meeting of the Company for consideration after it has been reviewed and approved by the Board.

IV. DECISION-MAKING PROCEDURES FOR PROFIT DISTRIBUTION PLANS

1. The Company's profit distribution shall attach importance to reasonable investment returns to investors while taking into account the sustainable development of the Company. The Board of the Company shall formulate a reasonable distribution plan in light of the Company's profitability level, cash flow and future funding requirements, and shall fully listen to the opinions of the independent directors.

2. After the Board of the Company has considered and approved the profit distribution plan, it shall be submitted to the general meeting of the Company for consideration and approval.

3. When considering a profit distribution plan at a general meeting, the Company shall communicate and exchange views with shareholders, in particular small and medium shareholders, through various channels, fully listen to the opinions of small and medium shareholders, and effectively safeguard the rights of small and medium shareholders to participate in the general meeting.

4. Where the Company is profitable for the year and satisfies the conditions for cash dividends but does not formulate a cash dividend plan, it shall submit a detailed explanation to the Board, including the reasons for not distributing dividends, the specific purposes for which the funds not used for dividend distribution are retained by the Company, and the plan for their use. After consideration and approval by the Board, the same shall be submitted to the general meeting for consideration and approval.

5. After the profit distribution plan has been considered and approved at the general meeting of the Company, the Board of the Company shall complete the profit distribution arrangements within two months after the date of the general meeting.

V. SUPPLEMENTARY PROVISIONS

Matters not covered in the Plan shall be implemented in accordance with the provisions of relevant laws, regulations, rules, regulatory documents and the Articles of Association of the Company. The Plan shall be interpreted by the Board of the Company and shall take effect from the date on which it is considered and approved at the general meeting of the Company.

Sichuan Expressway Company Limited*
18 June 2026

* *For identification purposes only*

**DILUTION OF IMMEDIATE RETURNS BY THE ISSUANCE OF A SHARES TO
SPECIFIC TARGETS BY SICHUAN EXPRESSWAY COMPANY LIMITED*,
THE ADOPTION OF MEASURES TO MAKE UP FOR THE DILUTED IMMEDIATE
RETURNS AND UNDERTAKINGS BY RELEVANT PARTIES**

Sichuan Expressway Company Limited* (hereinafter referred to as the “Company”) convened the second meeting of the ninth session of the Board on 18 June 2026, at which the relevant resolutions in relation to the Issuance of A Shares to Specific Targets by the Company (hereinafter referred to as the “Issuance”) were considered and approved. Pursuant to the relevant requirements of the Opinions of the General Office of the State Council on Further Strengthening the Protection of the Legitimate Rights and Interests of Small and Medium Investors in the Capital Market (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》) (Guo Ban Fa [2013] No. 110), the Several Opinions of the State Council on Further Promoting the Healthy Development of the Capital Market (《國務院關於進一步促進資本市場健康發展的若干意見》) (Guo Fa [2014] No. 17) and the Guiding Opinions of the CSRC on Matters Relating to the Dilution of Immediate Returns in Initial Public Offerings, Refinancing and Material Asset Restructurings (《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》) (CSRC Announcement [2015] No. 31), in order to protect the interests of small and medium investors, the Company has analysed the possible impact of the Issuance of A Shares to Specific Targets on immediate returns, and has proposed relevant measures to compensate for such returns in light of the actual circumstances of the Company. The relevant parties have made undertakings that the Company's measures to make up for the diluted immediate returns can be effectively implemented. The details are set out below:

**I. MEASUREMENT OF THE IMPACT OF THE ISSUANCE TO SPECIFIC
TARGETS ON THE COMPANY'S EARNINGS PER SHARE**

(I) Principal assumptions and explanations on the measurement

The following assumptions are solely for the purpose of measuring the impact of the Issuance on the Company's principal financial indicators. They do not represent the Company's judgement on its operating results or financial position for future years, nor do they constitute a profit forecast. Investors should not make investment decisions based on such assumptions. The Company shall not be liable for any losses incurred by investors as a result of making investment decisions based on such assumptions. The relevant assumptions are as follows:

1. It is assumed that there will be no material adverse changes in the macroeconomic environment, industrial policies, industry development conditions, product market conditions, the Company's operating conditions and securities market conditions.

**APPENDIX IV DILUTION OF IMMEDIATE RETURNS BY THE COMPANY'S ISSUANCE OF A SHARES
TO SPECIFIC TARGETS, THE ADOPTION OF MEASURES TO MAKE UP FOR THE
DILUTED IMMEDIATE RETURNS AND UNDERTAKINGS BY RELEVANT PARTIES**

2. It is assumed that the Issuance will be completed at the end of November 2026. Such completion time is used only for the calculation of the impact of the Issuance on the dilution of immediate returns, and the actual issuance time after registration has been approved by the CSRC shall prevail.

3. It is assumed that the total proceeds to be raised from the Issuance to Specific Targets will be RMB3,180.0000 million, without taking into account issuance expenses, and without taking into account the impact of the use of proceeds from the Issuance to Specific Targets on the Company's production and operation and financial position, such as operating revenue, finance costs and investment income. The actual amount of proceeds received from the Issuance to Specific Targets will be finally determined according to the registration by the CSRC, the subscription of the Issuance and the issuance expenses.

4. In estimating the total share capital of the Company, the total share capital before the Issuance, being 3,058.0600 million shares, is used as the base, without taking into account the impact of factors other than the number of shares to be issued under the Issuance, such as conversion of capital reserve into share capital, share dividends, equity incentives and share repurchase and cancellation, on the total share capital of the Company.

5. The total share capital of the Company before the Issuance is 3,058.0600 million shares. Calculated on the basis of the upper limit of the number of A Shares to be issued to Specific Targets under the Issuance, namely 432.5480 million shares (inclusive), the total share capital of the Company upon completion of the Issuance will be 3,490.6080 million shares. The aforesaid number of A Shares to be issued to Specific Targets is assumed for measurement purposes only, and the actual number of shares issued upon completion after registration has been approved by the CSRC shall prevail.

6. According to the 2025 annual report published by the Company, the net profit attributable to shareholders of the listed company and the net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses for 2025 were RMB1,513.1550 million and RMB1,446.8335 million, respectively. It is assumed that the net profit attributable to shareholders of the listed company and the net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses for 2026 will be calculated under three scenarios, namely remaining flat, increasing by 10% and decreasing by 10% as compared with 2025.

**APPENDIX IV DILUTION OF IMMEDIATE RETURNS BY THE COMPANY'S ISSUANCE OF A SHARES
TO SPECIFIC TARGETS, THE ADOPTION OF MEASURES TO MAKE UP FOR THE
DILUTED IMMEDIATE RETURNS AND UNDERTAKINGS BY RELEVANT PARTIES**

(II) Analysis of the impact on the Company's principal financial indicators

Based on the above assumptions, the Company has measured the impact of the Issuance on its principal financial indicators. The specific measurement is as follows:

Item	2025/ End of 2025	2026/End of 2026	
		Before issuance	After issuance
Assumption 1: Assuming the net profit attributable to shareholders of the listed company realised by the Company in 2026 remains flat as compared with 2025			
Total share capital (0'000 shares)	305,806.00	305,806.00	349,060.80
Net profit attributable to shareholders of the listed company (RMB0'000)	151,315.50	151,315.50	151,315.50
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB0'000)	144,683.35	144,683.35	144,683.35
Basic earnings per share (RMB/share)	0.4654	0.4654	0.4600
Diluted earnings per share (RMB/share)	0.4654	0.4654	0.4600
Assumption 2: Assuming the net profit attributable to shareholders of the listed company realised by the Company in 2026 increases by 10% as compared with 2025			
Total share capital (0'000 shares)	305,806.00	305,806.00	349,060.80
Net profit attributable to shareholders of the listed company (RMB0'000)	151,315.50	166,447.05	166,447.05
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB0'000)	144,683.35	159,151.69	159,151.69
Basic earnings per share (RMB/share)	0.4654	0.5149	0.5089
Diluted earnings per share (RMB/share)	0.4654	0.5149	0.5089

**APPENDIX IV DILUTION OF IMMEDIATE RETURNS BY THE COMPANY'S ISSUANCE OF A SHARES
TO SPECIFIC TARGETS, THE ADOPTION OF MEASURES TO MAKE UP FOR THE
DILUTED IMMEDIATE RETURNS AND UNDERTAKINGS BY RELEVANT PARTIES**

Item	2025/ End of 2025	2026/End of 2026	
		Before issuance	After issuance
Assumption 3: Assuming the net profit attributable to shareholders of the listed company realised by the Company in 2026 decreases by 10% as compared with 2025			
Total share capital (0'000 shares)	305,806.00	305,806.00	349,060.80
Net profit attributable to shareholders of the listed company (RMB0'000)	151,315.50	136,183.95	136,183.95
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB0'000)	144,683.35	130,215.02	130,215.02
Basic earnings per share (RMB/share)	0.4654	0.4159	0.4111
Diluted earnings per share (RMB/share)	0.4654	0.4159	0.4111

Note 1: Earnings per share are calculated after deducting the interest on perpetual bonds in accordance with the Rules for the Compilation and Reporting of Information Disclosure by Companies Offering Securities to the Public No. 9 – Calculation and Disclosure of Return on Net Assets and Earnings per Share (CSRC Announcement [2010] No. 2) and the accounting standards; it is assumed that the interest on perpetual bonds in 2026 will remain consistent with that in 2025.

Note 2: The above hypothetical analysis and measurement data are used only for the simple analysis and measurement of the impact of the dilution of immediate returns by the Issuance on the Company's financial indicators, and do not constitute the Company's profit forecast or dividend distribution plan. Investors should not make investment decisions based on the above. The Company shall not be liable for compensation for any losses incurred by investors as a result of making investment decisions based thereon.

**II. SPECIAL REMINDER OF THE RISK OF DILUTION OF IMMEDIATE RETURNS
BY THE ISSUANCE OF SHARES TO SPECIFIC TARGETS**

Upon completion of this issuance of shares to Specific Targets, the total share capital and net assets of the Company will increase to a certain extent. Therefore, in the short term, there is a risk that the Company's earnings per share, return on net assets and other indicators may be diluted. Investors are hereby reminded to pay attention to the risk of dilution of immediate returns by the Issuance to Specific Targets.

In addition, in the course of measuring the dilutive impact of the Issuance on immediate returns, the Company's hypothetical analysis of the net profit attributable to shareholders of the listed company and the net profit after deducting non-recurring gains and losses attributable to shareholders of the listed company for 2026 is not a profit forecast of the Company. The specific measures formulated to make up for the diluted immediate returns in response to the risk of dilution of immediate returns do not amount to any guarantee of the future profit of the

Company. Investors should not make investment decisions based thereon. The Company shall not be liable for compensation for any losses incurred by investors as a result of making investment decisions based thereon. Investors are respectfully reminded to pay attention to investment risks.

III. NECESSITY AND REASONABLENESS OF THE ISSUANCE TO SPECIFIC TARGETS

The investment direction of the proceeds raised from the Issuance is in line with national industrial policies and the direction of industry development. The investment projects to be funded by the proceeds have sound development prospects and comprehensive benefits, which are conducive to effectively advancing the Company's development strategy, enhancing the Company's core competitiveness and strengthening the Company's overall strength, and are in the interests of the Company and all its shareholders. For details, please refer to the Plan for the Issuance of A Shares to Specific Targets of Sichuan Expressway Company Limited* disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.cn) on the same date.

IV. RELATIONSHIP BETWEEN THE INVESTMENT PROJECTS TO BE FUNDED BY THE PROCEEDS AND THE COMPANY'S EXISTING BUSINESS, AND THE COMPANY'S RESERVES IN TERMS OF PERSONNEL, TECHNOLOGY AND MARKET FOR ENGAGING IN THE INVESTMENT PROJECTS TO BE FUNDED BY THE PROCEEDS

The total proceeds to be raised by the Company from the Issuance to Specific Targets will not exceed RMB3,180.0000 million. After deducting the relevant issuance expenses, all the proceeds will be used for the "G5 Beijing-Kunming Expressway Chengdu-Ya'an Section Expansion Project" and repayment of interest-bearing liabilities, which will help the Company strengthen its capital resources, effectively optimise its capital structure, enhance its risk resistance capability, and further improve its profitability and overall competitiveness. After the Issuance to Specific Targets, the business scope of the Company will remain unchanged. The investment project to be funded by the proceeds of the Company is under continuous construction, and the Company has sufficient personnel, technical and market reserves for the project.

The investment project to be funded by the proceeds of the Company possesses all conditions required for project implementation. For details, please refer to the Feasibility Analysis Report on the Use of Proceeds from the Issuance of A Shares to Specific Targets of Sichuan Expressway Company Limited* disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.cn) on the same date.

**V. SPECIFIC MEASURES PROPOSED TO BE ADOPTED BY THE COMPANY TO
MAKE UP FOR THE DILUTED IMMEDIATE RETURNS**

In order to protect the interests of investors, reduce the possible impact of this issuance of shares to Specific Targets on diluting immediate returns, ensure the effective use of the proceeds raised from this issuance of shares, guard against the risk of dilution of immediate returns, and improve immediate returns to shareholders, the Company proposes to adopt various measures. The specific measures proposed to be adopted by the Company are as follows:

**(I) Strengthening the management and use of proceeds and guarding against risks in the
use of proceeds**

In order to regulate the use and management of the Company's proceeds and ensure that the proceeds are used in a regulated, safe and efficient manner, the Company has formulated a proceeds management system and relevant internal control systems in accordance with the requirements of relevant laws and regulations including the Company Law, the Securities Law and the Rules for the Supervision of Funds Raised by Listed Companies.

After completion of the Issuance, the proceeds will be deposited in the special account designated by the Board in accordance with the requirements of the system, with special-account storage and use for designated purposes, so as to ensure the reasonable and regulated use of the proceeds and guard against risks in the use of proceeds.

The Company will actively cooperate with the sponsor and the supervising bank in conducting regular inspection and supervision of the use of funds to ensure that the Company uses the proceeds in a regulated and effective manner.

**(II) Strengthening operation management and internal control and continuously
improving corporate governance**

The Company will strictly comply with the requirements of laws and regulations, departmental rules and regulatory documents including the Company Law, the Securities Law and the Code of Corporate Governance for Listed Companies (《上市公司治理準則》), continuously improve its corporate governance structure, ensure that shareholders can fully exercise their rights, ensure that the Board can exercise its powers in accordance with laws and regulations and the Articles of Association, make scientific, prompt and prudent decisions, ensure that independent directors can diligently perform their duties and safeguard the overall interests of the Company, in particular the legitimate rights and interests of small and medium shareholders, and ensure that the audit committee of the Board can independently and effectively exercise its powers of supervision and inspection over directors, the general manager and other senior management members and the finances of the Company, thereby providing institutional safeguards for the development of the Company.

(III) Accelerating the construction of the investment projects to be funded by the proceeds and striving to realise the expected benefits of the projects as soon as possible

The investment projects to be funded by the proceeds of the Company are in line with national industrial policies, industry development trends and the Company's overall future strategic development direction, and have favourable market prospects and economic benefits, which will help improve the Company's market competitiveness, profitability and risk resistance capability. After the proceeds raised from the Issuance are received, the Company will accelerate the construction and operation of the investment projects to be funded by the proceeds and strive to complete such projects and realise the expected benefits as soon as possible. With the smooth implementation of the investment projects to be funded by the proceeds, the Company will further enhance its profitability and offset the impact of the dilution of immediate returns caused by the Issuance.

(IV) Improving the profit distribution system and strengthening the investor return mechanism

In accordance with the relevant requirements of the Notice of the CSRC on Further Implementing Matters Relating to Cash Dividends of Listed Companies and the Regulatory Guidelines for Listed Companies No. 3 – Cash Dividends of Listed Companies, as well as the relevant provisions on the profit distribution policy under the Articles of Association, while focusing on its own development, the Company attaches great importance to reasonable investment returns to shareholders. The Company has formulated the Three-Year Shareholder Return Plan of Sichuan Expressway Company Limited* (2026—2028). Subject to the satisfaction of the conditions for cash dividends, the profits to be distributed by the Company in cash each year from 2026 to 2028 shall not be less than 60% of the net profit attributable to owners of the parent company in the consolidated financial statements realised for that year. The Company will strictly implement the dividend distribution policy and shareholder return plan formulated by the Company and strive to enhance investment returns to shareholders.

After the Issuance, the Company will implement an active profit distribution policy in accordance with relevant laws and regulations, and pay attention to maintaining continuity and stability, while striving to strengthen shareholder returns, effectively safeguard the legitimate rights and interests of investors and protect the interests of the Company's shareholders.

VI. UNDERTAKINGS BY RELEVANT PARTIES TO ENSURE EFFECTIVE IMPLEMENTATION OF THE COMPANY'S MEASURES TO MAKE UP FOR THE DILUTED IMMEDIATE RETURNS

(I) Undertakings of the directors and senior management of the Company on effectively implementing the Company's measures to compensate for the dilution of immediate returns by the Issuance of A Shares to Specific Targets

In order to ensure that the measures to compensate for the dilution of immediate returns after completion of the Issuance by the Company can be effectively implemented, the directors and senior management of the Company have made the following undertakings:

“1. I undertake that I will not transfer benefits to other entities or individuals without consideration or on unfair terms, nor will I harm the interests of the Company by other means;

2. I undertake to restrain my duty-related consumption;

3. I undertake that I will not use the assets of the Company to engage in investment or consumption activities unrelated to the performance of my duties;

4. I undertake that the remuneration system formulated by the Board or the remuneration committee will be linked to the implementation of the Company's measures to make up for the diluted immediate returns;

5. I undertake that, if the Company proposes to implement equity incentives in the future, the exercise conditions of the Company's equity incentives to be announced will be linked to the implementation of the Company's measures to make up for the diluted immediate returns;

6. From the date of issuance of this undertaking until completion of the implementation of the Issuance to Specific Targets by the Company, if the CSRC or the Shanghai Stock Exchange issues any new regulatory requirements in relation to measures to make up for the diluted immediate returns and the undertakings in respect thereof, and the above undertakings fail to satisfy such requirements of the CSRC or the Shanghai Stock Exchange, I undertake that I will issue supplemental undertakings in accordance with the latest requirements of the CSRC or the Shanghai Stock Exchange at that time;

7. I undertake to effectively implement the relevant measures to make up for the diluted immediate returns formulated by the Company and any undertakings made by me in respect of such measures to make up for the diluted immediate returns. If I breach such undertakings and cause losses to the Company or investors, I am willing to assume corresponding legal liabilities in accordance with the law.”

(II) Undertakings of the controlling shareholder of the Company on effectively implementing the Company's measures to compensate for the dilution of immediate returns by the Issuance of A Shares to Specific Targets

In order to ensure that the measures to compensate for the dilution of immediate returns after completion of the Issuance by the Company can be effectively implemented, the controlling shareholder of the Company has made the following undertakings in accordance with the relevant requirements of the CSRC:

“1. The controlling shareholder undertakes that it will not interfere with the operation and management activities of the listed company beyond its authority, and will not misappropriate the interests of the listed company;

2. From the date of issuance of this undertaking letter until completion of the implementation of this issuance of shares to Specific Targets by the listed company, if securities regulatory authorities including the CSRC and the Shanghai Stock Exchange issue any new regulatory requirements in relation to measures to make up for the diluted immediate returns and the undertakings in respect thereof, and the above undertakings fail to satisfy such requirements, the controlling shareholder will issue supplemental undertakings in accordance with the latest requirements at that time;

3. The controlling shareholder will effectively implement the relevant measures to make up for the diluted immediate returns formulated by the listed company and the relevant undertakings. If the controlling shareholder breaches such undertakings and causes losses to the listed company or investors, the controlling shareholder shall assume corresponding liabilities in accordance with the law. Meanwhile, as one of the responsible parties in relation to the measures to compensate for immediate returns, if the controlling shareholder breaches or refuses to perform the above undertakings, the controlling shareholder agrees that securities regulatory authorities including the CSRC and the Shanghai Stock Exchange may impose relevant penalties or adopt relevant regulatory measures in accordance with the relevant requirements and rules formulated or issued by them.”

The Board of
Sichuan Expressway Company Limited*
18 June 2026

* For identification purposes only

NOTICE OF EGM



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)

NOTICE OF THE FOURTH EXTRAORDINARY GENERAL MEETING OF 2026

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “**EGM**”) of Sichuan Expressway Company Limited* (the “**Company**”) will be held at 3:00 p.m. on Tuesday, 21 July 2026 at Conference Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC for the purposes of considering and, if thought fit, passing (with or without modifications) the following resolutions:

Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 30 June 2026.

SPECIAL RESOLUTIONS

To consider and approve the following resolutions by way of open ballot and non-cumulative voting at on-site meeting:

1. Resolution on the Proposed Grant by the General Meeting of a General Mandate to the Board to Issue Shares
2. Resolution on the Company's Satisfaction of the Conditions for the Issuance of A Shares to Specific Targets
3. Resolution on the Plan for the Issuance of A Shares to Specific Targets by the Company
 - 3.01 Type and nominal value of the Shares to be issued
 - 3.02 Issuance method and issuance time
 - 3.03 Issuance targets and subscription method
 - 3.04 Pricing benchmark date, issue price and pricing principles
 - 3.05 Number of Shares to be issued

NOTICE OF EGM

- 3.06 Lock-up period
- 3.07 Total amount of proceeds and use of proceeds
- 3.08 Place of listing
- 3.09 Arrangement for undistributed profits
- 3.10 Validity period of the resolution
- 4. Resolution on the Preliminary Plan for the Issuance of A Shares to Specific Targets by the Company
- 5. Resolution on the Analysis Report on the Plan for the Issuance of A Shares to Specific Targets by the Company
- 6. Resolution on the Feasibility Analysis Report on the Use of Proceeds from the Issuance of A Shares to Specific Targets by the Company
- 7. Resolution on the Company Not Being Required to Prepare a Report on the Use of Proceeds Previously Raised
- 8. Resolution on the Three-Year Shareholder Return Plan of the Company (2026-2028)
- 9. Resolution on the Dilution of Immediate Returns by the Company's Issuance of A Shares to Specific Targets, Measures to Make Up for the Diluted Immediate Returns and Undertakings by Relevant Parties
- 10. Resolution on the Proposed Authorisation by the General Meeting of the Company to the Board and the Persons Authorised by the Board to Deal with Matters Relating to the Issuance of A Shares to Specific Targets
- 11. Resolution on the Change of Company Name and Amendments to the Articles of Association

By order of the Board
Sichuan Expressway Company Limited*
Yao Jiancheng
Executive Director and Company Secretary

Chengdu, Sichuan Province, the PRC
30 June 2026

NOTICE OF EGM

Notes:

1. The register of members of H Shares of the Company will be closed from Thursday, 16 July 2026 to Tuesday, 21 July 2026, both days inclusive. In order to qualify for attending the EGM, unregistered holders of H Shares must ensure that all H Shares accompanied by the relevant share certificates and appropriate transfer documents are 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 for registration not later than 4:30 p.m. on Wednesday, 15 July 2026.
2. Any holder of H Shares who has registered on the register of members of H Shares before the close of business on Thursday, 16 July 2026 is entitled to attend the EGM after registration for the meeting. He/she is also entitled to appoint one or more proxies to attend and vote at the EGM on his/her behalf in accordance with the articles of association of the Company. A proxy needs not to be a Shareholder of the Company.
3. In order to be valid, the form of proxy of holders of H Shares and, if such form of proxy is signed by a person under a power of attorney or other authority on behalf of the principal, a notarially certified copy of that power of attorney or authority shall be deposited at 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 EGM or any adjournment thereof or 24 hours before the time appointed for the passing of the resolutions.
4. Shareholders or their proxies should produce their identity documents when attending the EGM. A proxy shall also present the form of proxy.
5. The resolutions numbered 1 to 11 above will be voted on by way of open ballot.
6. The EGM is expected to last for less than one day. Shareholders or their proxies attending the EGM shall be responsible for their own travelling and accommodation expenses.

As at the date of this notice, the Board comprises Mr. Luo Zuyi (Chairman), Mr. You Zhiming (Vice Chairman), Mr. Ou Hailong, Mr. Yao Jiancheng and Madam Mao Yurong as executive Directors, Mr. Nie Yibin (Vice Chairman) and Mr. Li Chengyong as non-executive Directors, and Mr. Yu Haizong, Mr. Zhou Hua, Mr. Jiang Tao and Mr. Luo Hong as independent non-executive Directors.

* *For identification purposes only*