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安徽皖通高速公路股份有限公司

ANHUI EXPRESSWAY COMPANY LIMITED

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

(Stock Code: 995)

**CONTINUING CONNECTED TRANSACTION
ENTERING INTO THE CONSTRUCTION AND OTHER SERVICES
FRAMEWORK AGREEMENT**

**Independent Financial Advisor to the Independent Board Committee and the
Independent Shareholders**



RAINBOW CAPITAL (HK) LIMITED
溢博資本有限公司

Rainbow Capital (HK) Limited

**CONSTRUCTION AND OTHER SERVICES FRAMEWORK
AGREEMENT**

On 8 July 2026, the Company and Anhui Transportation Holding Group entered into the Construction and Other Services Framework Agreement pursuant to which, Anhui Transportation Holding Group and its controlled entities may provide certain construction and other related services to the Group for the three years commencing from the Effective Date.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Anhui Transportation Holding Group is a controlling shareholder of the Company that holds approximately 33.63% of the issued Shares of the Company. Therefore, Anhui Transportation Holding Group is a connected person of the Company under Rule 14A.07(1) of the Listing Rules. As one or more of the applicable percentage ratios (other than the profit ratio) in respect of the transactions contemplated under the Construction and Other Services Framework Agreement exceed 5% on an annual basis, the Construction and Other Services Framework Agreement is subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to consider whether the terms of the Construction and Other Services Framework Agreement and the transactions contemplated thereunder, and the Construction Services Caps and the Other Services Caps are fair and reasonable, and are conducted in the ordinary and usual course of business of the Company on normal commercial terms or better and in the interests of the Company and its shareholders as a whole, and to advise the Independent Shareholders as to how to vote at the EGM. Rainbow Capital (HK) Limited has been appointed by the Company as the Independent Financial Advisor to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among others, (i) further details of the transactions contemplated under the Construction and Other Services Framework Agreement; (ii) the recommendation of the Independent Board Committee in connection with the Construction and Other Services Framework Agreement; (iii) the advice of the Independent Financial Advisor in connection with the Construction and Other Services Framework Agreement; and (iv) a notice convening the EGM is expected to be despatched to the shareholders on or before 25 August 2026 taking into account the estimated time required for the Company to prepare the relevant information for inclusion in the circular.

CONSTRUCTION AND OTHER SERVICES FRAMEWORK AGREEMENT

On 8 July 2026, the Company and Anhui Transportation Holding Group entered into the Construction and Other Services Framework Agreement pursuant to which, Anhui Transportation Holding Group and its controlled entities may provide certain construction and other related services to the Group for the three years commencing from the Effective Date.

The major terms of the Construction and Other Services Framework Agreement are set out as follows:

Date: 8 July 2026

Term: Three years commencing from the Effective Date

Parties: (1) the Company; and
(2) Anhui Transportation Holding Group

Scope of Services: 1. Anhui Transportation Holding Group and its controlled entities shall provide the following construction services (the “**Construction Services**”) to the Group:

- (1) Expressway reconstruction and expansion projects: including subgrade and pavement engineering, bridge and tunnel engineering, interchange engineering, traffic safety facility engineering, ancillary service facility engineering, and ecological and environmental engineering, etc.;
- (2) Expressway interchange engineering: including subgrade works, pavement engineering, bridges works, traffic safety facility projects, ancillary service facility projects, electromechanical system engineering, environmental protection and landscape engineering, etc.;
- (3) Expressway maintenance engineering, electromechanical engineering, building construction engineering, etc.;
- (4) Other engineering construction projects related to expressways.

2. Anhui Transportation Holding Group and its controlled entities shall provide the following services ancillary to the Construction Services (the “**Other Services**”) to the Group:
 - (1) Engineering supervision services: including construction supervision, supervision consulting, supervision training, etc.;
 - (2) Technical consulting services: including engineering technology consulting, technical solution demonstration, and promotion of new technology applications;
 - (3) Design services: including engineering survey and design, construction drawing design, design optimization, etc.;
 - (4) Inspection, testing and monitoring Services: including inspection and evaluation, road condition testing, structural monitoring, etc.;
 - (5) Procurement and installation services: including procurement of construction materials such as cement, rebar, crushed stone, and asphalt; procurement and installation of toll equipment, surveillance equipment, communication equipment, fire-fighting equipment, meteorological equipment, maintenance equipment, rescue equipment, safety facilities, etc.;
 - (6) Other services related to expressway operation and management.

Specific Agreements:

Pursuant to the Construction and Other Services Framework Agreement, the Group may from time to time enter into specific transaction agreements or orders with Anhui Transportation Holding Group and/or its controlled entities for the provision of the Construction Services and/or the Other Services to agree on the detailed terms and conditions for the provision of such services (including but not limited to the transaction price, details of services to be provided, duration of services and payment terms) in accordance with the principles and provisions set out in the Construction and Other Services Framework Agreement.

The Group has the right to elect whether to engage Anhui Transportation Holding Group and/or its controlled entities to provide services within the scope of the Construction Services and the Other Services and is not obliged to engage Anhui Transportation Holding Group and/or its controlled entities for the provision of such services.

Payment
Terms and Pricing
Policy:

1. The consideration payable by the Group to Anhui Transportation Holding Group and/or its controlled entities for the provision of the Construction Services and the Other Services shall be separately agreed under the specific transaction agreements or orders to be entered into for such services.

Such consideration shall be determined on arm's length basis based on the principle of fairness, impartiality and openness based on market prices, and shall be on terms that are normal commercial terms or better to the Group. Specifically, the following methods may be used to determine the consideration payable for any specific services provided under the Construction and Other Services Framework Agreement:

- (1) **Government regulated or recommended pricing:** if government regulated or recommended prices apply to any particular type of service, the price for the relevant service shall be determined according to the regulated or recommended prices promulgated by the relevant government authorities
- (2) **Tender pricing:** if the relevant services reach the threshold for tender pricing, the Group shall conduct public tendering for such services in accordance with the requirements of the Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》) and other relevant regulations and rules. Anhui Transportation Holding Group and/or its controlled entities may participate in such open bidding. The transaction price will be re-examined according to the same objective criteria that apply to all bidders. If Anhui Transportation Holding Group and/or its controlled entities satisfies the requirements as set by the Group, participates in the tendering and successfully wins the bid, the transaction price shall be the price indicated by Anhui Transportation Holding Group and/or its controlled entities in the bidding documents.
- (3) **Reference price comparison:** if the relevant services do not reach the threshold for tender pricing, the Group shall obtain quotations from, and conduct price inquiries with, other independent third parties to select the provider for the relevant services and confirm the terms and conditions for the provision of such services.

2. **Price Adjustment Mechanism:** In case of significant market price fluctuations or policy adjustments, the Group and Anhui Transportation Holding Group and/or the relevant controlled entities may negotiate on an adjustment to the agreed consideration for the provision of specific services subject to the completion of the requisite approval procedure in accordance with the applicable laws, rules and regulations.
3. The Group shall have the right to verify the service costs of, and the fairness and reasonableness of the consideration payable to, Anhui Transportation Holding Group and its controlled entities for the provision of the Construction Services and the Other Services.

Conditions precedent to the effectiveness of the Construction and Other Services Framework Agreement:

The Construction and Other Services Framework Agreement shall become effective upon the obtaining of the requisite authorisations and approvals.

ANNUAL CAPS FOR THE CONSTRUCTION SERVICES AND THE OTHER SERVICES

Having considered the factors as set out in the paragraph headed “Basis for Determining the Annual Caps”, the Directors propose that the annual caps for the Construction Services (the “**Construction Services Caps**”) during the term of the Construction and Other Services Framework Agreement shall be as follows:

	Annual Cap (RMB’000)
From the Effective Date to 31 December 2026	264,000
For the year ending 31 December 2027	1,091,000
For the year ending 31 December 2028	1,591,000
From 1 January 2029 up to the expiry date of the Construction and Other Services Framework Agreement	<u><u>1,165,000</u></u>

In addition, on the same basis, the Directors propose that the annual caps for the Other Services (the “**Other Services Caps**”) during the term of the Construction and Other Services Framework Agreement shall be as follows:

	Annual Cap (RMB’000)
From the Effective Date to 31 December 2026	430,000
For the year ending 31 December 2027	1,234,000
For the year ending 31 December 2028	1,111,000
From 1 January 2029 up to the expiry date of the Construction and Other Services Framework Agreement	<u>518,000</u>

BASIS FOR DETERMINING THE ANNUAL CAPS FOR THE CONSTRUCTION SERVICES AND THE OTHER SERVICES

In determining the annual cap for the aforesaid Construction and Other Services Framework Agreement, the Directors have considered a number of factors including: (i) the construction and maintenance plans for each of the expressways of the Group during the term of the Construction and Other Services Framework Agreement; and (ii) the business development plan of the Group, including the projects proposed under the strategic cooperation intentions reached between the Group and government authorities at different levels and other potential projects the Group observed in the market in which it can participate.

1. Basis of estimation

- (1) In estimating the contract sum of expressway and ancillary facilities construction to be entered into, the Directors have taken into account the contracts on expressways and ancillary facilities construction and related ancillary services which are expected to be conducted during the term of the Construction and Other Services Framework Agreement.
- (2) In estimating the timing and contract sum for upcoming construction contracts to be awarded, the Directors have made reference to the relevant government's development plan for construction, the Group's development plan for expressway and ancillary facilities construction. The Directors have also taken into account the fact that a number of the expressways operated by the Group are expected to require further expansion and maintenance during the term of the Construction and Other Services Framework Agreement due to the number of years in operation and operational needs of the Group.
- (3) The Directors have taken into account the latest construction progress of each project and the estimated amount to be recognized.
- (4) In estimating the maintenance work to take place during the relevant periods, the Directors have made reference to the daily maintenance schedule of each of the expressways operated by the Group.

2. Quantitative estimation

The Directors have prepared upcoming project schedules for the period from the Effective Date to 31 December 2026, each of the two years ending 31 December 2027 and 2028, and the period from 1 January 2029 up to the expiry date of the Construction and Other Services Framework Agreement, which set out: (i) the nature of the projects; (ii) the progress and cost recognition schedule estimated by the Directors for each of Group's ongoing projects; and (iii) the expected total contract sum as estimated by the Directors for each of the project in which Anhui Transportation Holding Group may participate. Having taken into account the aforementioned schedules, the Directors derived a quantitative estimation of the annual caps for the Construction Services and the Other Services, details of which are as follows:

- (1) The estimated amount for the Construction Services and the Other Services of the Gaojie and Lianhuo Expressway Reconstruction and Expansion Projects amounts to RMB4,777 million (comprising RMB442 million for 2026; RMB1,636 million for 2027; RMB1,723 million for 2028; RMB976 million for 2029);

- (2) The estimated amount for new expressway interchange engineering works amounts to RMB848 million (comprising RMB30 million for 2026; RMB245 million for 2027; RMB326 million for 2028; RMB247 million for 2029);
- (3) The estimated amount for expressway maintenance work amounts to RMB471 million (comprising RMB12 million for 2026; RMB11 million for 2027; RMB267 million for 2028; RMB181 million for 2029);
- (4) The estimated amount for expressway mechanical and electrical works amounts to RMB594 million (comprising RMB139 million for 2026; RMB205 million for 2027; RMB132 million for 2028; RMB118 million for 2029);
- (5) The estimated amount for procurement of expressway mechanical equipment and safety facilities amounts to RMB39 million (comprising RMB7 million for 2026; RMB15 million for 2027; RMB10 million for 2028; RMB7 million for 2029);
- (6) A general buffer of approximately RMB675 million to cover any unscheduled maintenance, construction and engineering works required, unexpected pricing, engineering variation and construction contingencies for the Construction Services and the Other Services.

As the Company has not entered into any framework agreement in respect of the Construction Services and the Other Services previously, no historical transaction amounts based on the scope of the Construction Services and the Other Services are readily available.

REASONS FOR AND BENEFITS OF THE CONSTRUCTION AND OTHER SERVICES FRAMEWORK AGREEMENT

The Group will require provision of the Construction Services and the Other Services in respect of the expressways operated by the Group from time to time, which are essential to the normal operations of the Group. Anhui Transportation Holding Group and its controlled entities possess the requisite qualifications under PRC laws and regulations to provide services within the scope of the Construction Services and the Other Services, and have a deep understanding of the Group's operational and business needs. Entering into the Construction and Other Services Framework Agreement would enable Anhui Transportation Holding Group and its controlled entities to participate in the Group's selection process of the providers of such services, which are often required by the Group within a tight timeframe to meet its operational needs. Through the internal control mechanism as outlined in this announcement, the selection mechanism (including but not limited to tendering or quotation by comparative selection or price enquiries) and the terms of the Construction and Other Services Framework Agreement, it will ensure that the Group will only contract with Anhui Transportation Holding Group and its controlled entities for such services where the terms of the services offered by Anhui Transportation Holding Group and its controlled entities are on normal commercial terms or better for the Group, which will be in the interest of the Company and its shareholders as a whole.

Having considered the above, the Directors (excluding the independent non-executive Directors whose views will be set out in the circular to be published by the Company in connection with the Construction and Other Services Framework Agreement) consider that the Construction and Other Services Framework Agreement is entered into in the ordinary and usual course of business of the Group and the terms as contained in the Construction and Other Services Framework Agreement are normal commercial terms, which are arrived at after arm's length negotiations between the parties, and that the Construction Services Caps and the Other Services Caps and the terms of the Construction and Other Services Framework Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INTERNAL CONTROL MEASURES

1. Internal control measures in relation to pricing policy

Please refer to the section headed “Construction and Other Services Framework Agreement” in this announcement for details of the pricing policy. The consideration payable by the Group to Anhui Transportation Holding Group and/or its controlled entities for the provision of the Construction Services and the Other Services shall be separately agreed under the specific transaction agreements or orders to be entered into for such services on arm's length basis based on the principle of fairness, impartiality and openness based on market prices, and shall be on terms that are normal commercial terms or better to the Group. Specifically, the consideration shall be determined by the following methods: (1) government regulated or recommended pricing; (2) tender pricing; and (3) reference price comparison. The Company will strictly comply with such pricing policies to implement the transactions under the Construction and Other Services Framework Agreement in order to protect the interests of the Company and the shareholders as a whole.

2. Internal control measures in relation to the payment terms

The payment terms are to be separately agreed between the Group and Anhui Transportation Holding Group and/or its controlled entities under the specific transaction agreements or orders to be entered into for the relevant services. Payment terms are determined on normal commercial terms and in a fair and reasonable manner, and shall be the same regardless of whether the successful tenderer is a connected person or an independent third party.

3. Other internal control measures

At the same time, in order to safeguard the interests of the Company and the shareholders as a whole, the Company has adopted the following measures to monitor the transactions under the Construction and Other Services Framework Agreement:

- (1) After the Construction and Other Services Framework Agreement was proposed and reported by the department responsible for connected transactions, the Directors of the Company (including independent non-executive Directors) reviewed the necessity and reasonableness of the connected transactions and the fairness of the pricing, and considered that the transaction terms are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.
- (2) The Company will review the transactions under the Construction and Other Services Framework Agreement on a regular basis, so as to consider (i) the effective implementation of the pricing policy and the payment method as well as the appraisal of the balance of the Construction Services Caps and the Other Services Caps; (ii) identify management weaknesses, and make recommendations for improvement to ensure that the internal control measures in respect of the transactions under the Construction and Other Services Framework Agreement remain complete and effective and the Company will take measures to address the weaknesses identified, if any, as soon as practicable.
- (3) The Company will conduct regular internal checks to ensure that internal control measures in respect of the transactions under the Construction and Other Services Framework Agreement remain complete and effective.
- (4) The auditor and independent non-executive Directors of the Company will carry out annual review on the continuing connected transactions (including but not limited to the relevant pricing policies and Construction Services Caps and the Other Services Caps) every year in accordance with the requirements of Chapter 14A of the Listing Rules.

ABSTENTION IN BOARD RESOLUTIONS AND AT THE EGM

The Board has considered the resolution regarding the Construction and Other Services Framework Agreement. Wang Xiaowen, Yu Yong, Chen Jiping and Wu Changming, who are directors of the Company, are directors or senior management of Anhui Transportation Holding Group or its subsidiaries and/or directors nominated by Anhui Transportation Holding Group. Therefore, Wang Xiaowen, Yu Yong, Chen Jiping and Wu Changming are considered to have interests in the Construction and Other Services Framework Agreement and have abstained from voting on the resolution regarding the connected transaction of the Construction and Other Services Framework Agreement in accordance with the Listing Rules. Save as aforesaid, none of the Directors has any material interest in the Construction and Other Services Framework Agreement or is required to abstain from voting on the relevant Board resolution.

In view of Anhui Transportation Holding Group's interest in the Construction and Other Services Framework Agreement, Anhui Transportation Holding Group and its associates will abstain from voting at the EGM on the resolutions in relation to the Construction and Other Services Framework Agreement.

INFORMATION ON THE PARTIES TO THE CONSTRUCTION AND OTHER SERVICES FRAMEWORK AGREEMENT

The Group is principally engaged in the holding, operation and development of toll expressways and highways within Anhui Province.

Anhui Transportation Holding Group is a state-owned enterprise incorporated in the PRC. Anhui Transportation Holding Group and its controlled entities are principally engaged in expressway and related infrastructure construction, supervision, inspection, design, construction, technical consultation and services, investment and asset management, as well as real estate development and operation.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Anhui Transportation Holding Group is the controlling shareholder of the Company holding approximately 33.63% of the issued Shares of the Company. Therefore, Anhui Transportation Holding Group is a connected person of the Company under Rule 14A.07(1) of the Listing Rules. As one or more of the applicable percentage ratios (other than the profit ratio) in respect of the transactions contemplated under the Construction and Other Services Framework Agreement exceed 5% on an annual basis, the Construction and Other Services Framework Agreement is subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to consider whether the terms of the Construction and Other Services Framework Agreement and the transactions contemplated thereunder, and the Construction Services Caps and the Other Services Caps are fair and reasonable, and are conducted in the ordinary and usual course of business of the Company on normal commercial terms or better and in the interests of the Company and its shareholders as a whole, and to advise the Independent Shareholders as to how to vote at the EGM. Rainbow Capital (HK) Limited has been appointed by the Company as the Independent Financial Advisor to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among others, (i) further details of the transactions contemplated under the Construction and Other Services Framework Agreement; (ii) the recommendation of the Independent Board Committee in connection with the Construction and Other Services Framework Agreement; (iii) the advice of the Independent Financial Advisor in connection with the Construction and Other Services Framework Agreement; and (iv) a notice convening the EGM is expected to be despatched to the shareholders on or before 25 August 2026 taking into account the estimated time required for the Company to prepare the relevant information for inclusion in the circular.

DEFINITIONS

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

“Anhui Transportation Holding Group”	Anhui Transportation Holding Group Company Limited* (安徽省交通控股集團有限公司), formerly known as Anhui Expressway Holding Group Company Limited* (安徽省高速公路控股集團有限公司), a state-owned enterprise incorporated in the PRC
“associate(s)”	has the meaning ascribed to it under the Listing Rules

“Board”	the board of directors of the Company
“Company”	Anhui Expressway Company Limited (安徽皖通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 Hong Kong Stock Exchange, and the A shares of which are listed on the Shanghai Stock Exchange in the PRC
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Construction and Other Services Framework Agreement”	the construction and other services framework agreement entered into between the Company and Anhui Transportation Holding Group on 8 July 2026
“Construction Services Caps”	has the meaning ascribed to it in the paragraph headed “Annual Caps for the Construction Services and the Other Services”
“Effective Date”	the date on which the Construction and Other Services Framework Agreement becomes effective in accordance with its terms and conditions
“EGM”	the extraordinary general meeting of the Company to be convened to consider and approve, among others, the Construction and Other Services Framework Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors established to advise the Independent Shareholders with respect to the Construction and Other Services Framework Agreement and the respective Construction Services Caps and Other Services Caps
“Independent Financial Adviser”	Rainbow Capital (HK) Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance and the independent financial adviser to the Independent Board Committee and the Independent Shareholders with respect to the Construction and Other Services Framework Agreement

“Independent Shareholders”	Shareholders other than Anhui Transportation Holding Group and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Other Services Caps”	has the meaning ascribed to it in the paragraph headed “Annual Caps for the Construction Services and the Other Services”
“percentage ratio(s)”	the percentage ratio(s) (other than the profits ratio and equity capital ratio) under Rule 14.07 of the Listing Rules
“PRC”	the People’s Republic of China, and for the sole purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan region
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
Anhui Expressway Company Limited
Jian Xuegen
Company Secretary

Hefei, Anhui, the PRC
8 July 2026

As at the date of this announcement, the Board of the Company comprises: Wang Xiaowen (chairman), Yu Yong and Chen Jiping as executive Directors, Yang Xudong as non-executive Director, Zhang Jianping, Lu Taiping and Zhao Jianli as independent non-executive Directors, and Wu Changming as employee Director.

* *For identification purposes only*