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Chengdu Expressway Co., Ltd.

成都高速公路股份有限公司

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

(Stock Code: 01785)

**DISCLOSEABLE AND CONNECTED TRANSACTION
SUBSCRIPTION OF LIMITED PARTNER INTERESTS IN A FUND**

SUBSCRIPTION OF LIMITED PARTNER INTERESTS IN A FUND

The Board announces that on 31 August 2026, Energy Development Company, a subsidiary of the Company (as a new junior limited partner), entered into the Partnership Agreement with Chengdu Communications Investment Zhuoyue Fund (as the fund manager and general partner), Chengdu Communications Investment Capital (as a junior limited partner), other general partner, senior limited partners and junior limited partners, pursuant to which (i) Energy Development Company, as a new junior limited partner, subscribed for RMB150 million, representing 15% of the total capital commitment of the Fund; and (ii) Xiamen International Trust, Jiaozi Kechan M&A Fund and Chengdu Mengjiang, as new senior limited partners, subscribed for RMB200 million, RMB200 million and RMB100 million, respectively, representing 20%, 20% and 10% of the total capital commitment of the Fund, respectively. Upon completion of the transaction, the Company's investment in the Fund will be accounted for as a long-term equity investment. Profits of the Fund will be recognised as investment income of the Company on an annual basis in proportion to the Company's equity interest in the Fund. The Fund will not become a subsidiary of the Company and will not be included in the Company's consolidated financial statements.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Chengdu Communications Investment is one of the controlling shareholders of the Company holding, either directly or indirectly through Communications Investment Construction and Management, 72.46% equity interests of the Company. As each of Chengdu Communications Investment Zhuoyue Fund and Chengdu Communications Investment Capital is a wholly-owned subsidiary of Chengdu Communications Investment, they are hence connected persons of the Company under Chapter 14A of the Listing Rules, and the Partnership Agreement and the transactions thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, where a series of connected transactions were all entered into within a 12-month period or are otherwise related, such transactions shall be aggregated and treated as a single transaction. As the relevant parties to the Partnership Agreement and the relevant parties to the Energy Storage Fund Partnership Agreement are Chengdu Communications Investment Zhuoyue Fund and Chengdu Communications Investment Capital, such transactions shall be aggregated. As the highest applicable percentage ratio calculated on an aggregated basis exceeds 5%, the Partnership Agreement and the transactions thereunder are subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In addition, pursuant to Rule 14.22 of the Listing Rules, where a series of transactions were all entered into within a 12-month period or are otherwise related, such transactions shall be aggregated and treated as a single transaction. As the relevant parties to the Partnership Agreement and the relevant parties to the Energy Storage Fund Partnership Agreement are Chengdu Communications Investment Zhuoyue Fund and Chengdu Communications Investment Capital, such transactions shall be aggregated. As the highest applicable percentage ratio calculated on an aggregated basis exceeds 5% but is less than 25%, the Partnership Agreement and the transactions thereunder constitute a discloseable transaction of the Company and are subject to the reporting and announcement requirements but are exempted from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

EXTRAORDINARY GENERAL MEETING

The Company will convene an extraordinary general meeting to, among other matters, obtain the approval of independent Shareholders for the Partnership Agreement and the transactions thereunder. Chengdu Communications Investment and Communications Investment Construction and Management will abstain from voting on the relevant resolutions at the extraordinary general meeting. The Company has established an independent Board committee comprising all independent non-executive Directors (namely, Mr. Leung Chi Hang Benson, Mr. Qian Yongjiu and Mr. Wang Peng) to advise the independent Shareholders on the Partnership Agreement and the transactions thereunder. Gram Capital has been appointed as the Independent Financial Adviser to advise the independent Board committee and the independent Shareholders on this matter. A circular containing, among other things, (i) details of the Partnership Agreement and the transactions thereunder; (ii) a letter from the independent Board committee to the independent Shareholders; and (iii) the recommendation from the Independent Financial Adviser to the independent Board committee and the independent Shareholders, will be published on or before 4 September 2026.

The Board announces that on 31 August 2026, Energy Development Company, a subsidiary of the Company (as a new junior limited partner), entered into the Partnership Agreement with Chengdu Communications Investment Zhuoyue Fund (as the fund manager and general partner), Chengdu Communications Investment Capital (as a junior limited partner), other general partner, senior limited partners and junior limited partners, pursuant to which (i) Energy Development Company, as a new junior limited partner, subscribed for RMB150 million, representing 15% of the total capital commitment of the Fund; and (ii) Xiamen International Trust, Jiaozi Kechan M&A Fund and Chengdu Mengjiang, as new senior limited partners, subscribed for RMB200 million, RMB200 million and RMB100 million, respectively, representing 20%, 20% and 10% of the total capital commitment of the Fund, respectively. Upon completion of the transaction, the Company's investment in the Fund will be accounted for as a long-term equity investment. Profits of the Fund will be recognised as investment income of the Company on an annual basis in proportion to the Company's equity interest in the Fund. The Fund will not become a subsidiary of the Company and will not be included in the Company's consolidated financial statements.

The principal terms of the Partnership Agreement are summarised as follows:

Signing date:	31 August 2026
Name of the Fund:	Chengdu Zhuoyue Microgrid M&A Equity Investment Fund Partnership (Limited Partnership) (subject to registration with the enterprise registration authority)
Parties:	(1) Chengdu Communications Investment Zhuoyue Fund (as general partner and fund manager); (2) Lok Capital (as general partner); (3) Chengdu Communications Investment Capital (as a junior limited partner); (4) Energy Development Company (as a new junior limited partner); (5) PCG Power (as a junior limited partner); (6) Xiamen International Trust (as a new senior limited partner); (7) Jiaozi Kechan M&A Fund (as a new senior limited partner); and (8) Chengdu Mengjiang (as a new senior limited partner).

The Fund comprises two general partners, three senior limited partners and three junior limited partners. Chengdu Communications Investment Zhuoyue Fund serves as the fund manager and executive partner 1, responsible for the overall investment management and operational affairs of the Fund. Lok Capital serves as executive partner 2, responsible for assisting in project sourcing, investment plan design, post-investment management and appointing one member of the investment decision committee. The general partners bear unlimited liability for the debts of the Fund. As detailed below, the senior limited partners (Xiamen International Trust, Jiaozi Kechan M&A Fund and Chengdu Mengjiang) are entitled to priority return of capital and hurdle investment returns, receive 5% of performance income (if there is any remaining distributable cash), and each appoint one observer with pre-review rights over investment and exit proposals. The junior limited partners (Chengdu Communications Investment Capital, Energy Development Company and PCG Power) receive return of capital and hurdle investment returns after the senior limited partners, and are entitled to 75% of performance income (if there is any remaining distributable cash). All limited partners' liability is limited to their respective capital commitments.

Scope of operation:

General operations: to be engaged in, among other things, equity investment, investment management and asset management activities in the form of private fund (subject to registration with the enterprise registration authority)

Scope of investment:	The Fund will be filed with the Asset Management Association of China as a private equity fund, and its investments will take the form of equity investments in target companies. The Fund shall invest in high-quality targets in the photovoltaic and energy storage industries. Specifically, the Fund targets the acquisition of mature, operating commercial and industrial (“C&I”) distributed solar PV power stations, predominantly operating under a “self-consumption with surplus grid feed-in” model, i.e., solar generation is primarily consumed by the underlying C&I operations, with surplus power exported to the grid. The target asset portfolio is approximately 560 MW across approximately 200 solar stations, averaging approximately 3 MW per station. Target assets are distributed nationwide: approximately 10% in the Sichuan-Chongqing region, over 60% in Eastern and Southern China (regions with favorable solar irradiation), and the balance in Central and Northern China. The underlying C&I offtakers are primarily cold-chain warehousing and logistics enterprises and large-scale manufacturers located at major domestic transportation hubs. Chengdu Communications Investment Zhuoyue Fund may, for cash management purposes, determine to invest, with the cash assets of the Fund, in bank deposits, treasury bonds, central bank bills, money market funds and other cash management instruments recognised by the China Securities Regulatory Commission prior to completion of filing of the Fund as a private fund or during periods when capital of the Fund remains idle. Save and except for the investment scope specified above, the Fund shall not engage in any other investment activities without the unanimous consent of all partners.
Investment objective:	The investment objective of the Fund is to engage in project investments in accordance with the provisions of the Partnership Agreement, and to achieve capital appreciation through the acquisition, holding and disposal of interests in investee enterprises.
Term:	The term of the Fund, as a limited partnership, shall be 20 years. The establishment date of the Fund (the “Fund Establishment Date”) shall be the date on which the Fund finalises its industrial and commercial registration and each of the partners contributes the first instalment of their subscribed capital commitment, the raised capital is transferred to the custody account of the Fund, and the custodian issues a notice certifying the receipt of the proceeds, being 8 May 2026.

The term of the Fund as a private fund (the “**Fund Term**”) shall be until the date falling upon the eighth anniversary since the Fund Establishment Date, which may be extended by up to two times, each extension not exceeding one year, subject to the operating requirements of the Fund and unanimous consent of all partners.

The term of investment of the Fund shall span over a period from the Fund Establishment Date until the fifth anniversary of the Fund (the “**Term of Investment**”). The term of exit of the Fund shall span over a period from the end of the Term of Investment until the eighth anniversary of the Fund Establishment Date (the “**Term of Exit**”).

Size and capital commitment
of the Fund:

Upon completion of the transaction, the total capital commitment of the Fund shall be RMB1,000 million, with the amount subscribed for by each partner as follows:

Fund partners	Category	Subscribed amount (RMB million)	As a percentage of total capital commitment (%)
Chengdu Communications Investment Zhuoyue Fund	General partner and fund manager	1	0.10
Lok Capital	General partner	1	0.10
Chengdu Communications Investment Capital	Junior limited partner	149	14.90
Energy Development Company	Junior limited partner (newly added)	150	15.00
PCG Power	Junior limited partner	199	19.90
Xiamen International Trust	Senior limited partner (newly added)	200	20.00
Jiaozi Kechan M&A Fund	Senior limited partner (newly added)	200	20.00
Chengdu Mengjiang	Senior limited partner (newly added)	100	10.00
	Total:	<u>1,000</u>	<u>100.00</u>

The capital commitment of the Fund was determined among the partners after arm's length negotiations with reference to the expected capital requirements and investment targets of the Fund. In particular, the total capital commitment of the Fund of RMB1 billion was determined with reference to the Fund's target asset portfolio of approximately 560 MW of distributed solar PV power stations, which requires a total acquisition cost of approximately RMB2.2 billion. The Fund intends to finance such acquisitions through a combination of equity capital contributed by the partners (being the total capital commitment of RMB1 billion) and acquisition financing of approximately RMB1.2 billion, representing a leverage ratio of approximately 55%, which the Directors consider to be prudent given that leverage ratios of 60% to 70% are typical for comparable acquisition financing in the market. Energy Development Company's capital commitment of RMB150 million (representing 15% of the total capital commitment) was determined after arm's length negotiations among the partners with reference to the overall capital requirements of the Fund and Energy Development Company's investment capacity, and represents a level of investment proportionate to its role as a strategic junior limited partner participating in the Fund's investment decision-making and post-investment asset management. Energy Development Company shall fund its share of the subscribed amount with self-owned funds.

Method of capital
contribution and payment:

Capital contributions shall be paid in cash in four tranches: the first tranche shall be paid upon the signing and effectiveness of the Partnership Agreement, with all partners making initial capital contributions of RMB10 million in aggregate in accordance with the payment notice issued by the fund manager to enable the partnership to complete the filing procedures as a fund product; The second tranche of capital contributions shall be paid by all partners based on their respective capital commitment percentages to cumulatively complete 30% of the total capital contributions, and the fund manager shall issue the second payment notice only after the proposed investment plan for the relevant tranche has been submitted to the investment decision committee for consideration; the third and fourth tranches of capital contributions shall be paid by all partners based on 45% and 25% of their respective capital commitment amounts. The timing and proportion of contributions by the general partners shall be the same as those of the limited partners.

Apart from the first and second tranches of paid-in contributions, the fund manager may issue the next payment notice only upon the simultaneous satisfaction of the following two conditions: (1) the funds from the previous tranche have been utilised to 70% (the utilised investment funds are measured based on the signing of investment contracts, including reasonable reserves for taxes, partnership fees and other necessary expenses); and (2) the investment plan for the relevant tranche has been submitted to the investment decision committee for consideration. The contribution progress of all partners shall in principle be consistent.

For each capital call made by the fund manager, Chengdu Communications Investment Capital and Energy Development Company shall be obliged to make payment only after PCG Power has made payment on time; and the new senior limited partners (Jiaozi Kechan M&A Fund, Chengdu Mengjiang and Xiamen International Trust) shall make their contributions only after the contribution amounts of the other partners have been determined and actually paid into the designated account for fundraising and settlement.

Operation and management of the Fund:

The partners' meeting, comprising all the partners, shall be convened and presided over by Chengdu Communications Investment Zhuoyue Fund. Specific matters in relation to the Fund shall be determined with the unanimous consent of all partners, including extension of the Fund Term, change of capacity of partners, change of manager, non-cash distribution, early dissolution and liquidation of the Fund, amendments to the Partnership Agreement, and other proposals as deemed necessary by the general partner to be submitted to the partners' meeting for resolution. Matters relating to the change, removal, admission and withdrawal, and transfer of partnership interests by, the general partner, and admission of a new general partner for the election of a new executive partner following the resolution to replace the general partner, shall be determined with the unanimous consent of all other partners (excluding partners that are related parties of the partners concerned) except for the partners concerned. Other matters shall be passed by all general partners and limited partners representing over 50% (exclusive) of the paid-in capital contributions.

Chengdu Communications Investment Zhuoyue Fund shall be the manager of the Fund responsible for its investment and other related matters, including: (i) managing, deciding, executing and overseeing the Fund's investment activities and administrative matters; (ii) representing the Fund in acquiring, holding, managing and maintaining its assets; (iii) appointing professional advisers and service providers (including lawyers, auditors, appraisers and other intermediaries); (iv) selecting and replacing the custodian institution; (v) initiating or defending legal proceedings and resolving disputes on behalf of the Fund; (vi) executing documents on behalf of the Fund; (vii) accruing and paying fund expenses; and (viii) determining and implementing profit distribution plans in accordance with the Partnership Agreement.

Management fee:

Management fee of the Fund and compensation for executing partnership affairs of the Fund shall be payable at 1% per annum of the paid-in capital of all the partners during the Term of Investment and the Term of Exit, of which the management fee shall be calculated at 0.5% per annum of the paid-in capital of all the partners, and the remaining amount constitutes compensation for executing partnership affairs. No management fee or compensation for executing partnership affairs shall be paid during the period of extension or liquidation of the Fund.

The management fee of the Fund was determined after arm's length negotiation among the parties, with reference to the fee levels of comparable photovoltaic M&A funds in the market. In particular, the parties referenced five comparable photovoltaic and new energy acquisition funds managed by established market participants, with fund sizes ranging from approximately RMB300 million to approximately RMB1.3 billion, and management fee rates ranging from 1% to 1.5% per annum. The comparable funds invest primarily in distributed solar PV and new energy assets, which is consistent with the Fund's investment scope, and their fund sizes are broadly comparable to the Fund's total capital commitment of RMB1 billion. Three of the comparable funds are managed by Lok Capital (a general partner of the Fund), adopting *pari passu* or senior/subordinated structures with limited partners including listed companies, insurance institutions and local state-owned capital, which are similar in nature to the investor base of the Fund. The remaining two comparable funds are managed by other reputable market participants in the new energy sector. As the management fee information of private funds is not publicly available, the above represents the exhaustive set of comparable photovoltaic M&A fund fee information accessible to the parties. The Fund's aggregate management fee and compensation for executing partnership affairs of 1% per annum is at the lower end of the comparable range of 1% to 1.5% per annum, and is competitive compared with similar industrial funds.

Investment and
decision-making:

The Fund shall have an investment decision committee to make decisions on matters such as the project investment approach, investment requirements, investment protection and other investment terms and changes thereto, investment exit plans and changes thereto, the exercise of voting rights by the Fund as a shareholder or through its appointed directors, and other significant post-investment matters that the fund manager considers should be submitted to the investment decision committee for consideration. The investment decision committee shall comprise three members, each of which will be appointed by each of Chengdu Communications Investment Zhuoyue Fund, Energy Development Company and Lok Capital. The chairman of the committee shall be the member appointed by Chengdu Communications Investment Zhuoyue Fund. The nominee shall be selected based on the following criteria: (i) the member appointed by Chengdu Communications Investment Zhuoyue Fund shall possess fund management and industry experience, and be responsible for safeguarding the Fund's compliance and investment return requirements; (ii) the member appointed by Energy Development Company shall possess new energy industry and project management experience, and be responsible for assessing operational safety and the Fund's investment return targets; and (iii) the member appointed by Lok Capital shall possess new energy asset management experience, with sufficient expertise in asset investment, operation and maintenance (O&M) management, return analysis and exit execution. Decisions of the investment decision committee shall be made on a one-vote-per-member basis and require the unanimous consent of all members. Where a related party transaction is contemplated between the Fund and any member of the investment decision committee, the entity appointing the member or its related party(ies), such member shall abstain from voting in this respect.

In addition, the Fund shall have three observers, recommended by Jiaozi Kechan M&A Fund, Chengdu Mengjiang and Xiamen International Trust respectively. Observers shall have the same rights to information and supervision as members of the investment decision committee or the relevant governing bodies of the Fund. Any proposal relating to the Fund's investments and exits that the fund manager is required to submit to the investment decision committee or the relevant governing bodies of the Fund shall be submitted to the observers for pre-review at least five working days prior to the vote, together with the relevant project materials. If an observer discovers that an investment or exit violates national laws, regulations or regulatory documents or fails to comply with the Partnership Agreement, the observer shall have the right to submit a review application to the fund manager, and the fund manager is required to provide a verification or rectification opinion within five working days. If two or more observers do not accept the fund manager's verification or rectification opinion, they shall have the right to propose convening an interim partners' meeting to consider the matter. The executive general partner shall have the right to increase the number of observers of the Fund and to recommend observers or designate the appointing entity for observers based on the investment needs of the Fund.

Although the specific individuals to serve on the investment decision committee have not yet been confirmed as at the date of this announcement, the Board is satisfied that the committee members, once appointed, will be capable of managing the Fund's investments effectively, having regard to: (a) the complementary expertise required of each nominee, ensuring that the committee collectively covers fund compliance, industry knowledge, project assessment and asset management; (b) the depth of relevant senior management experience within Chengdu Communications Investment Zhuoyue Fund (which currently manages five funds with assets under management exceeding RMB1.5 billion, details of which are set out under "REASONS FOR AND BENEFITS OF THE TRANSACTION" below), Energy Development Company (which possesses core operational capabilities in microgrid technologies and integrated energy management) and Lok Capital (which currently serves three funds with assets under management of approximately RMB2 billion, details of which are set out under "REASONS FOR AND BENEFITS OF THE TRANSACTION" below); (c) the unanimous consent mechanism requiring all three members to agree on every investment decision, ensuring checks and balances among members with different professional perspectives; and (d) the additional oversight provided by the observer mechanism, which enhances the overall checks and balances on investment decisions.

Profit distribution and loss sharing:

During the term of the Fund, if there is distributable income, the fund manager shall use its best commercial efforts to make distributions to the partners in a timely manner, and in principle, at least once a year.

When an investment project of the Fund is exited, the fund manager shall in principle make an exit distribution within 60 days after the Fund receives the proceeds from the exit.

A final distribution shall be made upon the termination and liquidation of the Fund.

Distributions during the term, exit distributions after project disposals, and final distributions upon expiry of the term shall all follow the order of “return of principal before distribution of profit” as set out below: (1) return to the senior limited partners of all their paid-in capital contributions up to the time of distribution; (2) distribute to the senior limited partners until each senior partner has received a hurdle investment return calculated at a simple interest rate of 5.5% per annum on the cumulative distributions received under paragraph (1) above; (3) return to the partners other than the senior limited partners of all their paid-in capital contributions up to the time of distribution; (4) distribute to the partners other than the senior limited partners until each such partner has received a hurdle investment return calculated at a simple interest rate of 5.5% per annum on the cumulative distributions received under paragraph (3) above; (5) if there is any remaining distributable cash, it shall be distributed as performance income, of which 5% shall be distributed to all senior partners in proportion to their relative paid-in capital contributions (i.e., the proportion of such partner’s paid-in contribution to the total paid-in contributions of all partners) as at the time of distribution; 75% shall be distributed to all junior partners in proportion to their relative paid-in capital contributions as at the time of distribution; and 20% shall be distributed to the general partners, with the performance income distributed between the general partners in the ratio of 1:1.

The hurdle investment returns under paragraphs (2) and (4) above shall be calculated on the basis of the daily outstanding balance of each partner’s paid-in capital contributions that have not yet been returned during the term of the contributions, at an annualised rate of 5.5% divided by 365 days, calculated on a daily basis and accumulated over time.

The hurdle investment return of 5.5% per annum (simple interest) was determined through a market-based price discovery process conducted by Chengdu Communications Investment Zhuoyue Fund as the fund manager during the fundraising stage, based on feedback and subscription indications received from over 20 institutional investors (including local state-owned capital platforms and insurance institutions that the fund manager has previously cooperated with). The prevailing market range for hurdle returns of comparable private equity funds is typically 6% to 7% per annum. The hurdle return of 5.5% is below this market range, which is favourable to the junior limited partners (including Energy Development Company) as a lower hurdle rate results in a larger pool of excess returns available for performance income distribution in the future.

Losses arising from the operations of the Fund and project investments shall be borne by all partners in proportion to their respective capital commitment.

Transfer of interests by a
limited partner:

Where a limited partner transfers any of its interests in the Fund, other partners shall agree to waive their right of first refusal to such interests. The general partner shall issue a written response indicating whether it agrees to the transfer within 10 working days of the limited partner's application for transfer of interests. The general partner may refuse such transfer or disposal arrangement only if the transferee does not meet the conditions for a qualified investor in a private fund or violates mandatory regulatory provisions, and shall not impose other obstacles. Failure to respond within the prescribed time shall be deemed consent.

In addition, certain limited partners (including Energy Development Company) have additional exit rights upon occurrence of specified events, including: (i) failure to complete fund filing within 120 days after all partners have made their first capital contributions; (ii) failure to commence investment activities within one year after capital contribution; (iii) prolonged idle funds with no prospect of near-term improvement; (iv) material deviation from the Fund's investment objectives; (v) material regulatory issues affecting the fund manager; or (vi) other material changes rendering continued holding unsuitable. Upon the occurrence of any such event, the relevant limited partners may elect to transfer their interests or cease further contribution obligations, and other partners shall cooperate with such exit.

RISK MANAGEMENT AND CONTROL MEASURES

The Fund has established a multi-layered investment decision-making and risk control framework, as detailed below:

At the fund level, an investment decision committee has been established under the Partnership Agreement, comprising one member appointed by each of Chengdu Communications Investment Zhuoyue Fund, Energy Development Company and Lok Capital. Each member has one vote, and resolutions require the unanimous consent of all members. Where a related party transaction is contemplated between the Fund and any member of the investment decision committee, the entity appointing the member or its related party(ies), such member shall abstain from voting in this respect.

At the governance level, major matters (including extension of the Fund Term, change of capacity of partners, change of manager, non-cash distribution, early dissolution and liquidation and amendments to the Partnership Agreement) require the unanimous consent of all partners, providing institutional checks and balances on the decision-making of the general partners and the fund manager.

At the project execution level, the investment approach, investment conditions and changes thereto, investment exit plans and changes thereto, and other significant post-investment matters must be considered and decided by the investment decision committee, with decisions made on a one-vote-per-member basis and requiring unanimous consent of all members. Where a related party transaction is contemplated between the Fund and any member of the investment decision committee, the entity appointing the member or its related party(ies), such member shall abstain from voting in this respect. In addition, observers appointed by the new senior limited partners may conduct pre-reviews of relevant proposals before they are submitted for voting, enhancing oversight of investment and exit decisions. The manager shall also continuously monitor the investee enterprises and strive to improve their operating performance and prevent investment risks.

At the capital and compliance level, capital contributions of the partners are made in instalments based on actual project needs to reduce the risk of idle funds. Idle funds are only permitted to be invested in low-risk cash management instruments recognised by the China Securities Regulatory Commission (bank deposits, treasury bonds, central bank bills, money market funds, etc.). Chengdu Communications Investment Zhuoyue Fund has been registered as a private fund manager with the Asset Management Association of China in accordance with the law, and the Fund will be filed as a private fund in accordance with applicable PRC regulations.

REASONS FOR AND BENEFITS OF THE TRANSACTION

Since 2024, “promoting microgrid construction” has been repeatedly emphasised and incorporated into multiple national energy development action plans. Together with the successive promulgation of policies such as the Notice on Issuing the Basic Rules for the Electricity Ancillary Services Market, the Notice on Improving the Pricing Mechanism to Promote the On-site Consumption of New Energy Power Generation, the Basic Rules for Metering and Settlement in the Electricity Market, the Basic Rules for Operation of the Electricity Market and the Basic Rules for Registration in the Electricity Market, the path for microgrids to realise value through diversified means such as participating in market-oriented trading, providing frequency regulation and reserve services, and achieving aggregated operations of distributed energy has gradually become clearer, and a sustainable and predictable market-based revenue environment is rapidly taking shape. For state-owned enterprises, against this backdrop, investing in microgrids and related industrial chains through the establishment of a microgrid M&A fund is not only a concrete measure to respond to the national strategy for a new power system and green and low-carbon development, but also an effective path to achieve the strategic deployment of state-owned capital in key areas of the energy system.

Energy Development Company is actively positioning itself in the new energy sector and rapidly expanding its “power replenishment + microgrid”, “hub microgrid” and “park microgrid” businesses. This subscription of limited partner interests in the Fund is conducive to Energy Development Company building a professional fund cluster in the new energy sector, continuously promoting the development of its new energy business, and further strengthening its industrial layout in the power supply and replenishment field.

As a major clean energy province, Sichuan Province has the structural characteristics of “a high proportion of hydropower, rapidly growing wind and solar installed capacity, and continuously rising electricity load”. With the increasing pressure on peak shaving, frequency regulation and supply-demand balance in the power system, microgrids will become a key means of improving regional power supply reliability and promoting on-site consumption of new energy. The Development Plan (《發展規劃》) jointly issued by the Sichuan Provincial Department of Economy and Information Technology and the Provincial Energy Bureau proposes that by 2027, the operating revenue of the province’s new energy industry chain shall exceed RMB500 billion, with the goal of reaching RMB600 billion. The successive introduction of relevant policies has provided clear development direction and a predictable revenue path for the microgrid industry. In terms of regional support, Chengdu and its surrounding cities have formed an industrial chain support system covering distributed energy, energy storage, energy management, intelligent control and system integration. Meanwhile, Chengdu has a dense concentration of industrial parks, commercial complexes and data centers, providing a practical foundation for large-scale deployment of microgrids. Moreover, Chengdu has launched a virtual power plant and demand-side response market, and has preliminarily developed the conditions to form a full-industry-chain operation.

The Fund is in line with Chengdu's green and low-carbon and "carbon peaking" policy direction, and remains consistent with the medium- and long-term strategic planning of the higher-level supervisory authorities, which will help the Group grasp development opportunities in the new energy industry and promote industrial transformation and upgrading. The Fund will focus on investing in high-quality assets such as photovoltaic power stations and energy storage, utilise the Fund's financial leverage and market-based resource integration advantages, build a "microgrid energy" industrial ecosystem, and promote the microgrid scenario layout of Energy Development Company and improvement of the Company's new energy industry chain. Sichuan Province and Chengdu have introduced systematic support policies for the photovoltaic and energy storage industries. The Fund can serve as a financial tool carrier for policy implementation, leveraging the synergistic effect of "capital + industry" to accelerate the reinforcement of key links in the industrial chain and enhance the long-term competitiveness of state-owned capital in the new power system and green and low-carbon transformation. On this basis, Energy Development Company can further amplify capital leverage, adopt a light-asset operating model of "small capital leveraging large projects" to efficiently drive large-scale expansion, enabling Energy Development Company to rapidly seize scarce grid connection point resources and high-quality industrial users within a limited market window at a capital investment far lower than full self-construction, thereby quickly growing its business scale to the forefront of the industry.

Chengdu Communications Investment Zhuoyue Fund is the sole fund management subsidiary under Chengdu Communications Investment. It currently manages five funds having committed capital ranging from approximately RMB72 million to RMB1 billion, with total committed capital of approximately RMB1.5 billion. The funds invest across sectors including aviation equipment, general aviation and smart transportation, cloud computing, intelligent manufacturing and new energy, and low-altitude unmanned aerial vehicles. Of the five funds, three have achieved IRR ranging from approximately 22% to 33%. The remaining two funds have lower IRR at this stage: one is a dedicated single-project fund with an IRR of approximately 0.4%, whose sole underlying investment has not yet undergone a new round of financing, and accordingly its valuation has remained substantially unchanged since initial investment; and the other was established in 2024 with an IRR of approximately 4.5%, which is due to the majority of its investments having been made in 2025 and not yet having generated material returns, however, several of its portfolio projects have completed new rounds of financing in 2026 and are expected to deliver improved performance going forward. Moreover, the core team members of Chengdu Communications Investment Zhuoyue Fund possess relevant experience in banking, trust, equity investment, risk management and industrial investment, including its general manager (who has over 14 years of experience in banking and fund investment management), its investment director (who has experience in asset management, equity investment and technology commercialisation), its risk control director (who has over 10 years of experience in trust risk management and fund compliance), and its investment department head (who is a certified public accountant with experience in securities investment and private equity).

The Fund also benefits from the dual general partner structure. Lok Capital, serving as the other general partner, is a new energy asset management and operation platform backed by GLP (a global leading thematic investment institution with assets under management exceeding US\$120 billion) and PCG Power. Lok Capital currently serves three photovoltaic M&A funds with aggregate assets under management of approximately RMB2 billion, with fund sizes ranging from RMB300 million to RMB1.3 billion. All three funds invest in distributed solar PV assets (the same asset class as the Fund), and adopt either *pari passu* or senior/subordinated structures. Their limited partners include listed companies, insurance institutions and local state-owned capital platforms. All three funds are currently in their respective investment periods. The management team of Lok Capital comprises professionals from leading institutions including GLP Capital, Poly Capital, ChinaVenture Capital and Citi, with extensive experience in new energy asset investment, fund services, post-investment management and asset exit.

The dual general partner model combines Chengdu Communications Investment Zhuoyue Fund's local state-owned capital resource advantages and fund compliance capabilities with Lok Capital's specialised new energy asset management expertise and operational track record. The experience and track record of both general partners are directly relevant to the Fund's intended investment strategy of acquiring mature, operating C&I distributed solar PV power stations. In particular, Chengdu Communications Investment Zhuoyue Fund's experience in equity investment fund management, coupled with its established risk control and compliance framework, provides the Fund with robust governance and operational infrastructure, while its track record of achieving IRR exceeding 30% in certain funds demonstrates its capability to generate strong investment returns. On the other hand, Lok Capital's three existing funds invest in substantially the same asset class (distributed solar PV assets operating under the self-consumption with surplus grid feed-in model), and Lok Capital's team has accumulated practical expertise in photovoltaic asset due diligence, valuation, acquisition structuring and post-acquisition O&M management through managing approximately RMB2 billion of such assets. The Directors are of the view that this complementary arrangement provides the Fund with comprehensive capabilities in project sourcing, investment decision-making, post-investment operation and risk management, and that the managers collectively possess the requisite experience, expertise and capability to manage the Fund and implement its investment strategy effectively.

The Fund adopts a senior/subordinated structure whereby senior tranche investors are typically financial investors seeking stable returns, while subordinated tranche investors are typically strategic investors who, leveraging their industry expertise, are better positioned to assess underlying project risks and pursue higher returns. Energy Development Company possesses core strengths in microgrid and virtual power plant technologies, regional energy project implementation, and the operation of integrated energy management platforms, and is therefore a quintessential strategic investor. Going forward, Energy Development Company will also participate in the O&M management of the underlying assets, equipping it with the capability to identify and manage risks on an ongoing basis. The Directors (including the independent non-executive Directors) are of the view that Energy Development Company's investment in the Fund as a junior limited partner is fair and reasonable and in the interests of the Company and its shareholders as a whole, having considered the following: (i) as a junior limited partner, Energy Development Company is entitled to 75% of performance income (as compared with the senior limited partners' share of 5%); (ii) Energy Development Company appoints one of the three members of the investment decision committee, with all decisions requiring unanimous consent, thereby providing an effective veto right over all investment and exit decisions; (iii) the Fund has adopted multiple governance and control measures, including instalment contributions based on project needs, unanimous consent of all partners for major matters, abstention of relevant parties from voting on connected transactions, and a pre-review mechanism by observers appointed by the senior limited partners; (iv) Energy Development Company's capital commitment represents only approximately 15% of the total capital commitment of the Fund, and its potential loss exposure is limited to its committed contribution amount; (v) the Fund relies on the dual general partners' professional capabilities, with Chengdu Communications Investment Zhuoyue Fund providing fund management expertise and Lok Capital providing specialized new energy asset management and operational capabilities, making the realisation of investment returns highly feasible; and (vi) Energy Development Company's participation in the O&M management of the underlying assets further enables it to monitor and manage investment risks on an ongoing basis.

In respect of the management fee and performance income arrangements, the Directors (including the independent non-executive Directors) have assessed and are satisfied that such arrangements are fair and reasonable, having regard to: (i) the Fund's aggregate management fee and compensation for executing partnership affairs of 1% per annum is at the lower end of the comparable range of 1% to 1.5% per annum charged by comparable photovoltaic M&A funds; (ii) the 20% performance income allocation to the general partners is consistent with the standard private equity fund waterfall structure (under which excess returns above the hurdle rate are typically split 80% to limited partners and 20% to general partners), and is also consistent with the arrangements of comparable funds managed by Lok Capital; and (iii) given the senior-to-subordinated ratio of 1:1, the subordinated tranche bears proportionally greater risk through deferred return of capital and hurdle investment returns, and is accordingly compensated with 75% of the limited partners' portion of performance income (compared with 5% for the senior limited partners), which the Directors consider to be a fair allocation reflecting the differential risk profile.

In evaluating the investment, the Directors (including the independent non-executive Directors) have taken into consideration the following factors in determining that the Subscription was entered into on normal commercial terms and is fair and reasonable and in the interests of the Company and its shareholders as a whole: (i) the reserve of underlying assets: the Fund has identified a target portfolio of approximately 560 MW of mature, operating C&I distributed solar PV assets across approximately 200 stations, providing a clear and actionable pipeline for deployment of capital; (ii) the duration of the Fund: the eight-year Fund Term (with possible extension of up to two years) is appropriate for a photovoltaic asset acquisition fund, allowing sufficient time for asset acquisition, stabilisation of cash flows and orderly exit; (iii) the distribution arrangements: the waterfall structure provides Energy Development Company, as a junior limited partner, with 75% of performance income as compensation for bearing subordinated risk, while senior limited partners receive 5% of performance income, which the Directors consider to be a fair allocation of risk and return among the partners; (iv) the management fee and operating expense structure: the aggregate fee of 1% per annum is at the lower end of the comparable range charged by comparable photovoltaic M&A funds, and no fees are payable during the extension or liquidation periods; (v) the prudent risk buffer: the instalment contribution mechanism (with drawdown tied to actual project needs and investment committee approval), the unanimous consent requirement of the investment decision committee, and Energy Development Company's participation in the operation and maintenance of underlying assets collectively provide multiple layers of risk mitigation; and (vi) the experience and capability of the fund managers: the dual general partner structure combines Chengdu Communications Investment Zhuoyue Fund's fund management expertise and compliance capabilities with Lok Capital's specialised photovoltaic asset management track record, both of which are directly relevant to the Fund's investment strategy. Accordingly, the Directors are of the view that the percentage of the Fund's profits to which the Group is entitled is consistent with its ownership percentage, and that the Partnership Agreement was entered into on normal commercial terms, and although the transactions contemplated thereunder are not entered into in the ordinary and usual course of the Group's business, the terms and conditions thereof are fair and reasonable and in the interests of the Company and its Shareholders as a whole. No Director has abstained from voting on the Board resolution approving the Partnership Agreement and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Chengdu Communications Investment is one of the controlling shareholders of the Company holding, either directly or indirectly through Communications Investment Construction and Management, 72.46% equity interests of the Company. As each of Chengdu Communications Investment Zhuoyue Fund and Chengdu Communications Investment Capital is a wholly-owned subsidiary of Chengdu Communications Investment, they are hence connected persons of the Company under Chapter 14A of the Listing Rules, and the Partnership Agreement and the transactions thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, where a series of connected transactions were all entered into within a 12-month period or are otherwise related, such transactions shall be aggregated and treated as a single transaction. As the relevant parties to the Partnership Agreement and the relevant parties to the Energy Storage Fund Partnership Agreement are Chengdu Communications Investment Zhuoyue Fund and Chengdu Communications Investment Capital, such transactions shall be aggregated. As the highest applicable percentage ratio calculated on an aggregated basis exceeds 5%, the Partnership Agreement and the transactions thereunder are subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In addition, pursuant to Rule 14.22 of the Listing Rules, where a series of transactions were all entered into within a 12-month period or are otherwise related, such transactions shall be aggregated and treated as a single transaction. As the relevant parties to the Partnership Agreement and the relevant parties to the Energy Storage Fund Partnership Agreement are Chengdu Communications Investment Zhuoyue Fund and Chengdu Communications Investment Capital, such transactions shall be aggregated. As the highest applicable percentage ratio calculated on an aggregated basis exceeds 5% but is less than 25%, the Partnership Agreement and the transactions thereunder constitute a discloseable transaction of the Company and are subject to the reporting and announcement requirements but are exempted from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

EXTRAORDINARY GENERAL MEETING

The Company will convene an extraordinary general meeting to, among other matters, obtain the approval of independent Shareholders for the Partnership Agreement and the transactions thereunder. Chengdu Communications Investment and Communications Investment Construction and Management will abstain from voting on the relevant resolutions at the extraordinary general meeting. The Company has established an independent Board committee comprising all independent non-executive Directors (namely, Mr. Leung Chi Hang Benson, Mr. Qian Yongjiu and Mr. Wang Peng) to advise the independent Shareholders on the Partnership Agreement and the transactions thereunder. Gram Capital has been appointed as the Independent Financial Adviser to advise the independent Board committee and the independent Shareholders on this matter. A circular containing, among other things, (i) details of the Partnership Agreement and the transactions thereunder; (ii) a letter from the independent Board committee to the independent Shareholders; and (iii) the recommendation from the Independent Financial Adviser to the independent Board committee and the independent Shareholders, will be published on or before 4 September 2026.

GENERAL INFORMATION OF THE FUND AND THE PARTIES

Chengdu Zhuoyue Microgrid M&A Equity Investment Fund Partnership (Limited Partnership)

The Fund is a limited partnership fund registered in China on 8 May 2026. As at the date of this announcement, the general partners of the Fund are Chengdu Communications Investment Zhuoyue Fund and Lok Capital, and the limited partners are Chengdu Communications Investment Capital and PCG Power. As at the date of this announcement, the Fund has not commenced any business activities and is still in the fundraising stage. Therefore, the financial information and historical performance of the Fund are not presented in this announcement.

Energy Development Company

It is a joint stock company incorporated in the PRC with limited liability, and a non-wholly-owned subsidiary of the Company which is held as to 94.49% and 5.51% by the Company and Chengdu Communications Investment Property Company Limited (成都交投置業有限公司), an indirect wholly-owned subsidiary of Chengdu Communications Investment. It is principally engaged in the retail of refined oil products, and also operates natural gas and new energy businesses through its joint ventures and associates. The Group is primarily engaged in the operation, management and development of expressways in and around Chengdu, Sichuan Province as well as retail of refined oil products, and also expands into operation of natural gas and new energy business.

Chengdu Communications Investment Zhuoyue Fund

It is a limited liability company incorporated in the PRC in December 2017 with a registered capital of RMB50 million, and a wholly-owned subsidiary of Chengdu Communications Investment Capital, serving as the primary platform for the equity investment and fund management business of Chengdu Communications Investment Capital. It obtained private fund manager registration qualification from the Asset Management Association of China on 25 November 2021 and is the sole company under Chengdu Communications Investment holding a fund manager license. It is principally engaged in private fund management, equity investment and other related businesses. Chengdu Communications Investment Zhuoyue Fund has established an organisational structure comprising an investment department, a fund operations department, a risk control department and a general administration/finance department, covering functions such as investment, fundraising and fund operations, risk management and compliance, and general administration and finance. Its senior management and core personnel have relevant experience in banking, trust, equity investment, risk management and industrial investment. At present, Chengdu Communications Investment Zhuoyue Fund manages five funds with total committed capital of approximately RMB1.5 billion, demonstrating its practical and mature operational experience in fund establishment, fundraising, investment and post-investment management.

Chengdu Communications Investment Capital

It is a company incorporated in the PRC with limited liability, and a wholly-owned subsidiary of Chengdu Communications Investment. It is principally engaged in capital market services, including project investment, asset management, investment consulting, corporate management and socio-economic consulting services for enterprises.

Lok Capital

It is a company incorporated in the PRC with limited liability, and a new energy asset management and operation platform jointly established by PCG Power and GLP Capital. It is principally engaged in management and operation of energy assets and real estate under its shareholders.

Lok Capital is owned as to 51% by Unity CMC Holdings Limited (“**Unity CMC**”), 40% by Luochen (Quzhou) Enterprise Management Consulting Partnership (Limited Partnership) (洛辰(衢州)企業管理諮詢合夥企業(有限合夥)), and 9% by PCG Power. Unity CMC is indirectly controlled by GLP Pte. Ltd. (“**GLP**”), a global leading thematic investment institution and industrial operator focused on sectors with broad market space and long-term growth drivers, including logistics, digital infrastructure and renewable energy. The executive general partner of Luochen (Quzhou) Enterprise Management Consulting Partnership (Limited Partnership) (洛辰(衢州)企業管理諮詢合夥企業(有限合夥)) is Hangzhou Luohe Enterprise Management Co., Ltd. (杭州洛和企業管理有限責任公司), which is owned as to 99.99% by Li Wenxuan.

PCG Power

It is a company incorporated in the PRC with limited liability, and a new power system investment management and operation service provider offering one-stop green energy solutions, with businesses including investment and construction of new energy photovoltaic and energy storage power stations, power asset operations, comprehensive energy services, power trading and carbon asset management.

PCG Power has a diversified shareholding structure, with its single largest shareholder, Daxue Investments Pte. Ltd. (“**Daxue Investments**”), holding approximately 21%, Li Wenxuan indirectly controlling approximately 3.8%, and the remaining 18 shareholders each holding between approximately 0.38% and 8.78%. Daxue Investments is a private company with limited liability incorporated in Singapore in 2023 and is indirectly wholly owned by Temasek Holdings (Private) Limited (“**Temasek**”). Temasek is an investment company with a net portfolio value of 403 billion Singapore dollars (equivalent to approximately RMB1,890 billion) as at 31 March 2022.

Xiamen International Trust

It is a company incorporated in the PRC with limited liability, principally engaged in asset trust services, acting as a sponsor of investment funds or fund management companies to engage in investment funds, corporate asset restructuring, mergers and acquisitions, project financing and securities underwriting.

Xiamen International Trust is owned as to 80% by Xiamen Jinyuan Jinkong Co., Ltd. (廈門金圓金控股份有限公司), 10% by Xiamen C&D Group Co., Ltd. (廈門建發集團有限公司), and 10% by Xiamen Port Holding Group Co., Ltd. (廈門港務控股集團有限公司). Xiamen Jinyuan Jinkong Co., Ltd. (廈門金圓金控股份有限公司) is owned as to approximately 98.997% by Xiamen Financial Holding Co., Ltd. (廈門金融控股有限公司) and 1.003% by Xiamen Jinyuan Investment Group Co., Ltd. (廈門金圓投資集團有限公司). Xiamen Financial Holding Co., Ltd. (廈門金融控股有限公司) and Xiamen Jinyuan Investment Group Co., Ltd. (廈門金圓投資集團有限公司) are ultimately wholly owned by Xiamen Municipal Finance Bureau.

Jiaozi Kechan M&A Fund

It is a limited partnership established in the PRC, principally engaged in equity investment, investment management and asset management through private funds.

The general partner and fund manager of Jiaozi Kechan M&A Fund is Chengdu Jiaozi Innovation Private Fund Management Co., Ltd. (成都交子創新私募基金管理有限公司), holding a 0.5% interest; the limited partner is Chengdu Jiaozi Capital Management (Group) Co., Ltd. (成都交子資本管理(集團)有限公司), holding a 99.5% interest. Both companies are ultimately owned as to 92% by the State-owned Assets Supervision and Administration Commission of Chengdu (成都市國有資產監督管理委員會) and 8% by the Department of Finance of Sichuan Province (四川省財政廳).

Chengdu Mengjiang

It is a company incorporated in the PRC with limited liability, principally engaged in new energy technology research and development, energy storage technical services, contract-based energy management, energy conservation management services and other businesses.

Chengdu Mengjiang is wholly owned by Chengdu Mengjiang Investment Group Co., Ltd. (成都濛江投資集團有限公司). Chengdu Mengjiang Investment Group Co., Ltd. (成都濛江投資集團有限公司) is owned as to 90% by Chengdu Jianjiang Investment Group Co., Ltd. (成都湔江投資集團有限公司) and 10% by the Department of Finance of Sichuan Province (四川省財政廳). Chengdu Jianjiang Investment Group Co., Ltd. (成都湔江投資集團有限公司) is wholly owned by Pengzhou Municipal Finance Bureau (彭州市財政局) (Pengzhou State-owned Assets Supervision and Administration Bureau (彭州市國有資產監督管理局)).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, Lok Capital, PCG Power, Xiamen International Trust, Jiaozi Kechan M&A Fund, Chengdu Mengjiang and their respective ultimate beneficial owners are independent third parties of the Company and its connected persons.

SUPPLEMENTAL INFORMATION ON THE ENERGY STORAGE FUND PARTNERSHIP AGREEMENT

Reference is made to the announcement of the Company dated 20 April 2026 in relation to the Energy Storage Fund Partnership Agreement (the “**Announcement**”). In addition to the information disclosed in the Announcement, the Company provides the following supplemental information. Unless the context otherwise requires, terms used herein shall have the same meanings as defined in the Announcement.

Pursuant to the Energy Storage Fund Partnership Agreement, the investment policy of the Energy Storage Fund is to invest in energy storage assets predominantly located in Chengdu, covering “power replenishment+”, transportation hubs, industrial parks and other scenarios. The investment objective of the Energy Storage Fund is to engage in project investments in accordance with the provisions of the partnership agreement, and to achieve capital appreciation through the acquisition, holding and disposal of interests in investee enterprises.

As set out in the Announcement, the Energy Storage Fund has established a multi-layered investment decision-making and risk control framework, including: (i) at the fund level, an investment decision committee comprising three members, with one vote per member and unanimous consent required, and relevant members abstaining from voting on connected matters; (ii) major governance matters of the fund require unanimous consent of all partners; (iii) each project must first be approved by the board of directors of the SPV, followed by an independent pre-review by the Energy Storage Fund's professional advisory committee; (iv) expenditures of the SPV must obtain prior approval from Chengdu Communications Investment Zhuoyue Private Fund Management Co., Ltd. (成都交投卓越私募基金管理有限公司), and the underlying assets must be connected to the management platform of Chengdu Energy Development Co., Ltd. (成都能源發展股份有限公司) for ongoing monitoring; and (v) capital contributions are made in instalments based on actual project needs.

For management fees, given that the management fee rates of comparable energy storage industry chain funds in the PRC generally range between approximately 0.5% and 1.5% per annum, the Energy Storage Fund charges a management fee of 1% per annum during the investment period and the exit period (calculated on the outstanding principal for the exit period), and no management fee is charged during the extension period or the liquidation period. This is at the lower-to-mid range of the market comparable range and is advantageous.

In addition, the estimated annualised investment return of approximately 8.5% for the Energy Storage Fund is derived from bottom-up financial calculations based on two high-quality reserve projects (one industrial-side project and one user-side project) that the Energy Storage Fund has identified and intends to develop and operate through the SPV. Based on assumptions for each project's technical configuration, operating model (primarily peak-valley arbitrage), installed capacity, cycle life, annual operating days, system efficiency, depth of discharge, operating period and capital expenditure, the projected internal rates of return (IRR) at the project level range from approximately 9% to 10%. After prudent downward adjustments taking into account project execution, macro and policy risks, as well as fund management fees (1% per annum) and other operating expenses, and further considering the 6% annual performance commitment provided by Sichuan Aviation Electrical Micro Energy Co., Ltd. (四川航電微能源有限公司) at the SPV level and the 8% simple interest annual threshold investment return at the fund level under the Energy Storage Fund Partnership Agreement, the Board considers the estimated annualised return of approximately 8.5% to be a prudent and achievable expectation with solid underlying asset support.

Save for the supplemental information set out above, all other information contained in the Announcement remains unchanged. The Board (including the independent non-executive Directors) confirms its opinion as set out in the Announcement, being that the Energy Storage Fund Partnership Agreement is entered into on normal commercial terms, and its terms and conditions are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

DEFINITIONS

“Board”	the board of Directors of the Company
“Chengdu Communications Investment”	Chengdu Communications Investment Group Co., Ltd. (成都交通投資集團有限公司), a company incorporated in the PRC with limited liability on 16 March 2007, which is one of the controlling shareholders of the Company
“Chengdu Communications Investment Capital”	Chengdu Communications Investment Capital Management Co., Ltd. (成都交投資本管理有限責任公司)
“Chengdu Communications Investment Zhuoyue Fund”	Chengdu Communications Investment Zhuoyue Private Fund Management Co., Ltd. (成都交投卓越私募基金管理有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of Chengdu Communications Investment Capital Management Co., Ltd.
“Chengdu Mengjiang”	Chengdu Mengjiang Comprehensive Energy Development Co., Ltd. (成都濛江綜合能源發展有限公司)
“Communications Investment Construction and Management”	Chengdu Communications Investment Transportation Construction and Management Group Co., Ltd. (成都交投交通建設管理集團有限公司), formerly known as Chengdu Expressway Construction and Development Co., Ltd. (成都高速公路建設開發有限公司), a company incorporated in the PRC with limited liability, which is one of the controlling shareholders of the Company
“Company”	Chengdu Expressway Co., Ltd. (成都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 and traded on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“Energy Development Company”	Chengdu Energy Development Co., Ltd. (成都能源發展股份有限公司), a joint stock company incorporated in the PRC with limited liability and a non-wholly owned subsidiary of the Company

“Energy Storage Fund”	Chengdu Energy Storage Industrial Chain Equity Investment Fund Partnership (Limited Partnership) (成都儲能產業鏈股權投資基金合夥企業(有限合夥))
“Energy Storage Fund Partnership Agreement”	the partnership agreement and its supplemental agreement entered into by Energy Development Company (a subsidiary of the Company and as a limited partner) with Chengdu Communications Investment Zhuoyue Fund (as the general partner), Chengdu Communications Investment Capital (as a limited partner) and Sichuan Aviation Electrical Micro Energy Co., Ltd. (as a limited partner) relating to the establishment of the Energy Storage Fund on 20 April 2026
“Fund”	Chengdu Zhuoyue Microgrid M&A Equity Investment Fund Partnership (Limited Partnership) (成都卓越微網併購股權投資基金合夥企業(有限合夥)) (subject to registration with the enterprise registration authority), the limited partnership established pursuant to the Partnership Agreement
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and are approved to be listed and traded on the Stock Exchange
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the Partnership Agreement and the transactions thereunder
“Jiaozi Kechan M&A Fund”	Chengdu Jiaozi Kechan M&A Equity Investment Fund Partnership (Limited Partnership) (成都交子科產併購股權投資基金合夥企業(有限合夥))
“junior limited partner(s)”	limited partners of the Fund whose entitlement to distributions from the Fund is subordinated to that of the senior limited partners, and who receive return of capital and hurdle investment returns after the senior limited partners have been made whole, in exchange for an enhanced share of performance income. Junior limited partners are typically strategic or industry investors with deeper knowledge of the underlying assets and higher risk tolerance, who invest in the subordinated tranche to pursue enhanced returns
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Lok Capital”	Luoneng (Hangzhou) Equity Investment Co., Ltd. (洛能(杭州)股權投資有限公司)
“Partnership Agreement”	the partnership agreement (as amended and supplemented) entered into by Energy Development Company (a subsidiary of the Company and as a new junior limited partner) with Chengdu Communications Investment Zhuoyue Fund (as the general partner), Chengdu Communications Investment Capital (as a junior limited partner), other general partner, senior limited partners and junior limited partners on 31 August 2026
“PCG Power”	Hangzhou PCG Power Development Co., Ltd. (杭州碧澄能源發展有限公司)
“PRC”	the People’s Republic of China
“senior limited partner(s)”	limited partners of the Fund whose entitlement to distributions from the Fund ranks ahead of that of the junior limited partners, and who are entitled to receive return of capital and hurdle investment returns in priority to junior limited partners. Senior limited partners are typically financial investors with lower risk appetite, seeking stable and predictable returns
“Share(s)”	the share(s) of the Company, including Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“Xiamen International Trust”	Xiamen International Trust Co., Ltd. (廈門國際信託有限公司)
“%”	per cent

On behalf of the Board
Chengdu Expressway Co., Ltd.
Ding Dapan
Chairman

Chengdu, the PRC, 31 August 2026

As at the date of this announcement, the Board of the Company comprises Mr. Ding Dapan and Mr. Pan Xin as executive Directors; Mr. Jiang Xinliang as non-executive Director; and Mr. Leung Chi Hang Benson, Mr. Qian Yongjiu and Mr. Wang Peng as independent non-executive Directors.