

*Hong Kong Stock Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**浙江滬杭甬高速公路股份有限公司**  
**ZHEJIANG EXPRESSWAY CO., LTD.**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock code: 0576)**

## **ANNOUNCEMENT**

### **CLARIFICATION AND TERMINATION AGREEMENTS RELATING TO THE EXISTING CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the announcement of the Company dated May 14, 2019 (the “**Announcement**”) in relation to the Daily Road Maintenance Agreements, the Shenjiahuhang Daily Road Maintenance Agreements, the Dedicated Road Maintenance Agreements and the Road Naming and Numbering Adjustment Agreements which constitute connected transactions for the Company under Chapter 14A of the Listing Rules. Unless otherwise stated, terms used in this announcement have the same meanings as defined in the Announcement.

#### **CLARIFICATION**

As the transactions contemplated under the Daily Road Maintenance Agreements, the Shenjiahuhang Daily Road Maintenance Agreements, the Dedicated Road Maintenance Agreements and the Road Naming and Numbering Adjustment Agreements (the “**Transactions**”) involve the provision of services, which are carried out on a continuing and/or recurring basis, and the Transactions are in the ordinary and usual course of business of the Group, they should be classified as continuing connected transactions. In this connection, the Company wishes to clarify and supplement the following in the Announcement:

1. the classification of the Transactions shall change from “connected transaction” to “continuing connected transaction”;

2. there is no need to aggregate the Transactions with the Previous Agreements for purpose of calculating the relevant percentage ratios to determine the classification of the Transactions as each of the Previous Agreements (together with the transactions contemplated thereunder) has expired and has been renewed or replaced by entering into the Daily Road Maintenance Agreements and the Dedicated Road Maintenance Agreements (through a public tender process), respectively; and
3. each of the Daily Road Maintenance Agreements, the Shenjiahuhang Daily Road Maintenance Agreements, the Dedicated Road Maintenance Agreements and the Road Naming and Numbering Adjustment Agreements has a fixed contractual amount for a term of one year or less. In other words, each of such agreements is capped in monetary terms at their respective contractual amount.

## **TERMINATION AGREEMENTS**

The Board announces that on June 5, 2019, mainly due to the change of its business plan and since the Dedicated Maintenance Services contemplated under the Dedicated Road Maintenance Agreements have not officially commenced, Shenjiahuhang Co entered into a termination agreement with Jiaogong Maintenance (the “**Termination Agreement I**”), pursuant to which Shenjiahuhang Co and Jiaogong Maintenance agreed to terminate the agreement in respect of provision of the Dedicated Road Maintenance Services for the Shenjiahuhang Expressway with effect from June 5, 2019.

The Board further announces that on June 5, 2019, mainly due to the change of its business plan and since the Dedicated Maintenance Services under the Dedicated Road Maintenance Agreements have not officially commenced, Zhoushan Co entered into a termination agreement with Jiaogong Maintenance (the “**Termination Agreement II**”, together with the Termination Agreement I, the “**Termination Agreements**”), pursuant to which Zhoushan Co and Jiaogong Maintenance agreed to terminate the agreement in respect of provision of the Dedicated Road Maintenance Services for the Zhejiang Zhoushan Bay Bridge with effect from June 5, 2019.

The Directors (including the independent non-executive Directors) are of the view that the Termination Agreements are entered into in the ordinary and usual course of business of the Group, on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Board is of the view that the entering into the Termination Agreement I and the Termination Agreement II would result in reduction of service fees payable by the Group under the Dedicated Road Maintenance Agreements of RMB47,640,274 and RMB25,179,482, respectively. Save as disclosed above, there is no material adverse impact on the existing business operation or financial position of the Company.

## **GENERAL**

Except as stated above, all the information in the Announcement remains valid and unchanged.

By order of the board of Directors  
**Zhejiang Expressway Co., Ltd.**  
**YU Zhihong**  
*Chairman*

Hangzhou, the PRC, June 5, 2019

*As at the date of this announcement, the chairman of the Company is Mr. YU Zhihong; the executive Directors of the Company are: Mr. CHENG Tao and Ms. LUO Jianhu; the other non-executive Directors of the Company are: Mr. DAI Benmeng, Mr. YU Qunli and Mr. YU Ji; and the independent non-executive Directors of the Company are: Mr. PEI Ker-Wei, Ms. LEE Wai Tsang, Rosa and Mr. CHEN Bin.*