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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)*

PROPOSED ISSUE OF SENIOR NOTES

On December 29, 2020, the board of directors (the “**Board**”) of Zhejiang Expressway Co., Ltd. (the “**Company**”) has approved and resolved to submit to the shareholders of the Company (the “**Shareholders**”) to consider, and if thought fit, to approve the offer and issue of unsecured senior notes (the “**Senior Notes**”) of no more than US\$600,000,000 or its equivalent (the “**Senior Notes Issue**”).

Pursuant to the relevant laws and regulations of the PRC and the articles of association of the Company, the offer and issuance of the Senior Notes is subject to the approval of the Shareholders at an extraordinary general meeting of the Company and filing and registration with the National Development and Reform Commission of the People’s Republic of China (the “**PRC**”).

The principal terms of the proposed Senior Notes Issue are set out below:

Issue size:	no more than US\$600,000,000 or its equivalent
Term:	more than one year but no more than ten years from the date of issue
Manner of issue:	one-time registration with the relevant authorities. The Senior Notes will be issued in one tranche or tranches
Interest rate:	fixed interest to be determined with reference to the prevailing market rate as at the issue of the Senior Notes
Use of Proceeds:	debt refinancing, investment in new projects and future strategic development

The Senior Notes have not been and will not be registered under the Securities Act, or the securities laws of any other jurisdiction, and are being offered and sold outside the United States to non-United States persons in reliance on Regulation S under the Securities Act. None of the Senior Notes will be offered to the public in Hong Kong nor will the Senior Notes be placed to any connected persons of the Company.

It is proposed that the general manager of the Company will be authorised from the date when the special resolutions relating to the Senior Notes Issue are approved by the Shareholders, to determine in her absolute discretion and deal with matters in relation to the Senior Notes Issue, including but not limited to the following:

- (a) to determine, to the extent permitted by laws and regulations of the PRC and according to the Company's specific circumstances and the prevailing market conditions, the specific terms and arrangements of the Senior Notes Issue and make any changes and adjustments to such types and terms of the Senior Notes Issue, including but not limited to, the types of issue, time of issue, manner of issue, size of issue, issue price, term of maturity, interest rates, tranches and any other matters in relation to the Senior Notes Issue;
- (b) to appoint the relevant intermediaries in connection with the Senior Notes Issue and to deal with filing and submission matters;
- (c) to enter into agreements, contracts and other legal documents relating to the Senior Notes Issue, and to disclose relevant information in accordance with the applicable laws and regulations of the PRC; and
- (d) to deal with any other the matters in relation to the Senior Notes Issue.

Proposed listing

The Company will apply to the Stock Exchange for the listing of, and permission to deal in the Senior Notes.

Background of the Company and Reasons for the Proposed Senior Notes Issue

The Company is a joint stock company established in the PRC on March 1, 1997, the H Shares of which are listed on the Main Board of the Stock Exchange. It is principally engaged in investing in, developing and operating high-grade roads in the PRC. The Group is also engaged in the expressway related development and operation, as well as securities business.

The Company intends to use the proceeds from the Senior Notes Issue for debt refinancing, investment in new projects and future strategic development. The Company may adjust its plans in response to changing market conditions and, thus reallocate the use of such proceeds.

General

The Company will put forward, among others, special resolutions to approve the proposed Senior Notes Issue at an extraordinary general meeting to be convened by the Company for the Shareholders' consideration and approval.

A circular containing, among other things, details of the proposed Senior Notes Issue and the notice of extraordinary general meeting of the Company, is expected to be dispatched to the Shareholders on or before January 4, 2021.

As no binding agreement in relation to the Senior Notes Issue has been entered into as at the date of this announcement, the Senior Notes Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

On behalf of the Board
Zhejiang Expressway Co., Ltd.
YU Zhihong
Chairman

Hangzhou, the PRC, December 29, 2020

As at the date of this announcement, the Chairman of the Company is Mr. YU Zhihong; the executive Directors of the Company are: Mr. CHEN Ninghui and Ms. LUO Jianhu; the other non-executive Directors of the Company are: Mr. DAI Benmeng, Mr. YUAN Yingjie and Mr. FAN Ye; and the independent non-executive Directors of the Company are: Mr. PEI Ker-Wei, Ms. LEE Wai Tsang, Rosa and Mr. CHEN Bin.

* *For the purposes of identification only.*