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深圳高速公路股份有限公司

SHENZHEN EXPRESSWAY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00548)

VOLUNTARY ANNOUNCEMENT
INVESTMENT IN 2 NEW ENERGY COMPANIES

This announcement is made by Shenzhen Expressway Company Limited (the “**Company**”) on a voluntary basis.

INVESTMENT IN 2 NEW ENERGY COMPANIES

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 25 January 2021, Shenzhen Expressway (GD) New Energy Holdings Co., Ltd. (深高速(廣東)新能源投資有限公司) (the “**Purchaser**”), a wholly-owned subsidiary of the Company entered into an equity transfer and capital increase agreement with Wiscom System Co., Ltd. (“**Vendor A**”), Jiangsu Jinzhi Group Company Limited (“**Vendor B**”, the controlling shareholder of Vendor A), Mulei County Qianzhi Energy Development Co., Ltd. (木壘縣乾智慧能源開發有限公司) (“**Qianzhi Company**”) and Mulei County Qianhui Energy Development Co., Ltd. (木壘縣乾慧能源開發有限公司) (“**Qianhui Company**”), pursuant to which the Purchaser agreed to acquire 100% equity interest in each of Qianzhi Company and Qianhui Company at the considerations of RMB290 million and RMB160 million, respectively. Upon completion of the equity transfer, the Purchaser shall make capital contributions of RMB189.1831 million and RMB104.3769 million into Qianzhi Company and Qianhui Company, respectively. To conclude, the Purchaser will invest a total amount of RMB743.56 million into Qianzhi Company and Qianhui Company, among which RMB450 million as consideration for the equity transfer, and RMB293.56 million as capital contribution.

Upon completion of the aforesaid equity transfer, both Qianzhi Company and Qianhui Company will become indirectly wholly-owned subsidiaries of the Company and be consolidated into the financial statement of the Company.

Information of the Target New Energy Companies

Pursuant to the audit reports of Qianzhi Company and Qianhui Company prepared in accordance with the PRC Accounting Standards, as at 30 September 2020, the aggregated total assets of Qianzhi Company and Qianhui Company is RMB1,717.0646 million, and the aggregated total liabilities is RMB1,267.1622 million, and the aggregated owner’s equity is RMB449.9023 million.

Each of Qianzhi Company and Qianhui Company is a limited company incorporated in Mulei County, Changji Hui Autonomous Prefecture, Xinjiang Uygur Autonomous Region, China. Both of them principally engage in wind power business. The registered capital of Qianzhi Company is RMB290 million. It has invested in a wind power project (“**Qianzhi Project**”) named as Qianzhi Chanji Mulei Laojunmiao Wind Power Plant (乾智昌吉木壘老君廟風電場) with capacity of 150MW at the Laojunmiao Wind Plant in Mulei County. The registered capital of Qianhui Company is RMB160 million. It has invested in a wind power project (“**Qianhui Project**”) named as Qianhui Chanji Mulei Laojunmiao Wind Power Plant (乾慧昌吉木壘老君廟風電場) with capacity of 100MW at the Laojunmiao Wind Plant in Mulei County.

The aggregated actual installed capacity of Qianzhi Project and Qianhui Project is 249.5 MW, which will be sent to eastern China regions for consumption through the Zhundong - Southern Anhui ultra high voltage (UHV) direct current transmission channel. Both Qianzhi Project and Qianhui Project obtained approval in July 2017, completed connection of the network and commenced power generation in December 2020, and were granted with approval licence for power business with an operation period up to December 2040. The applicable on-grid electricity price of Qianzhi Project and Qianhui Project is RMB0.49 /kWh (including the benchmark price and subsidy to the electricity price).

Upon completion of the capital contributions to Qianzhi Company and Qianhui Company, the Company will further optimize the debt structure and improve the profitability of Qianzhi Company and Qianhui Company.

IMPLICATIONS UNDER THE LISTING RULES

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, each of Vendor A, Vendor B, Qianzhi Company, Qianhui Company and their respective ultimate beneficial owner is a third party independent of the Company and its connected persons. As the applicable percentage ratios of the transactions under the said equity transfer and capital increase agreement are all less than 5%, the transactions thereunder are exempt from the reporting, announcement requirements and shareholders’ approval requirement under Chapter 14 of the Listing Rules. This announcement is made on voluntary basis and aims to provide the shareholders of the Company and potential investors with the latest developments in the Group's business.

Notes:

In this announcement, the English names of certain PRC entities are translation of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

By Order of the Board
Gong Tao Tao
Joint Company Secretary

Shenzhen, PRC, 25 January 2021

As at the date of this announcement, the Directors of the Company are Mr. HU Wei (Executive Director and Chairman of the Board), Mr. LIAO Xiang Wen (Executive Director and President), Mr. WANG Zeng Jin (Executive Director), Mr. WEN Liang (Executive Director), Mr. CHEN Zhi Sheng (Non-executive Director), Mr. DAI Jing Ming (Non-executive Director), Ms. LI Xiao Yan (Non-executive Director), Ms. CHEN Hai Shan (Non-executive Director), Ms. CHEN Xiao Lu (Independent non-executive Director), Mr. BAI Hua (Independent non-executive Director) and Mr. LI Fei Long (Independent non-executive Director).