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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 US\$470,000,000 1.638 PER CENT. BONDS
DUE 2026**

Joint Global Coordinators
(in alphabetical order)

Barclays

China International Capital Corporation

Citigroup

Joint Lead Managers and Joint Bookrunners
(in alphabetical order)

Bank of China

BOC International

**China Everbright Bank Hong Kong
Branch**

**China Minsheng Banking Corp., Ltd.,
Hong Kong Branch**

ICBC International

**Industrial Bank Co., Ltd.
Hong Kong Branch**

**Shanghai Pudong
Development Bank
Hong Kong Branch**

Standard Chartered Bank

On 7 July 2021 (after trading hours), the Company and the Managers entered into the Subscription Agreement, pursuant to which and subject to certain conditions contained therein, the Company agreed to issue to the Managers, and the Managers severally and not jointly agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Bonds in an aggregate principal amount of US\$470,000,000.

The net proceeds from the issuance of the Bonds, after the deduction of fees, commissions and expenses payable in connection with this offering, will be approximately US\$469 million. The Company intends to use the proceeds for debt refinancing and general corporate purpose.

The Company will apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issue to professional investors only under Chapter 37 of the Listing Rules. A confirmation of eligibility for listing of the Bonds has been received from the Hong Kong Stock Exchange. Listing of the Bonds on the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Bonds or the Company. The Bonds were offered only outside of the United States in reliance on Regulation S under the U.S. Securities Act. The Bonds have not been and will not be registered under the U.S. Securities Act. None of the Bonds were offered to the public in Hong Kong or to any connected person of the Company.

No PRIIPs key information document (KID) has been prepared as the Bonds are not available to retail investors in the EEA or the United Kingdom.

WARNING: Although the Bonds have been priced, the proposed issue of the Bonds may or may not materialise. Completion of the issue of the Bonds is subject to the satisfaction, or waiver, of the conditions precedent set forth in the Subscription Agreement. In addition, the Subscription Agreement may be terminated by the Managers under certain circumstances. As the issue of the Bonds may or may not be completed, shareholders of the Company and potential investors are reminded to exercise caution when dealing in the securities of the Company.

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PRINCIPAL TERMS OF THE BONDS

The principal terms of the Bonds are summarized as follows:

Issuer:	The Company
Issue Price:	100.00% of the principal amount of the Bonds
Bonds:	US\$470,000,000 1.638 per cent. bonds due 2026
Interest:	The Bonds will bear interest from and including 14 July 2021 at the rate of 1.638 per cent. per annum, payable semi-annually in arrear on 14 January and 14 July in each year.
Maturity Date:	14 July 2026
Issue Date:	14 July 2021
Form and Denomination:	US\$200,000 and higher integral multiples of US\$1,000 in excess thereof
Status of the Bonds:	The Bonds will constitute direct, senior, unsubordinated, unconditional and (subject to Condition 3 of the Terms and Conditions of the Bonds) unsecured obligations of the Company and shall at all times rank pari passu and without any preference or priority among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to negative pledge, at all times rank at least equally with all of its other present and future direct, senior, unsubordinated, unconditional and unsecured obligations.

Negative Pledge:

So long as any Bond remains outstanding (as defined in the Trust Deed), the Company will not create or permit to subsist, and the Company will procure that no principal subsidiary will create, or have outstanding, any mortgage, charge, pledge, lien or other form of encumbrance or security interest upon the whole or any part of its undertaking, assets or revenues, present or future, to secure any investment securities or to secure any guarantee of or indemnity in respect of any investment securities, without at the same time or prior thereto according to the Bonds (i) the same security as is created or subsisting to secure any such investment securities, guarantee or indemnity or (ii) such other security as either (x) the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Bondholders or (y) shall be approved by an extraordinary resolution of the Bondholders.

Events of Default

The Bonds contain customary events of default provisions as further described in Condition 8 of the Terms and Conditions of the Bonds.

USE OF PROCEEDS

The net proceeds from the issuance of the Bonds, after the deduction of fees, commission, and expenses payable in connection with this offering, will be approximately US\$469 million. The Company intends to use the proceeds for debt refinancing and general corporate purpose.

REASONS FOR AND BENEFITS OF THE ISSUE OF THE BONDS

The Board considers that the issue of the Bonds represents an opportunity to improve the liquidity position of the Group, to reduce the financing costs of the Group and to raise further working capital for the Company. The Board currently intends to use the funds as mentioned above and considers it will facilitate the overall development and expansion of the Group.

APPROVALS RECEIVED AND APPLICATION FOR LISTING

The Company has registered the issuance of the Bonds with the NDRC and obtained a certificate from the NDRC on 25 February 2021 evidencing such registration.

Application will be made by the Company to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issue to professional investors only.

The Company has obtained a letter of eligibility in relation to the listing of the Bonds of the Hong Kong Stock Exchange.

WARNING: Although the Bonds have been priced, the proposed issue of the Bonds may or may not materialise. Completion of the issue of the Bonds is subject to the satisfaction, or waiver, of the conditions precedent set forth in the Subscription Agreement. In addition, the Subscription Agreement may be terminated by the Managers under certain circumstances. As the issue of the Bonds may or may not be completed, shareholders of the Company and potential investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Board”	the board of Directors of the Company
“Bonds”	US\$470,000,000 1.638 per cent. bonds due 2026
“Company”	Zhejiang Expressway Co., Ltd., a joint stock limited company incorporated in the PRC with limited liability, whose H Shares are listed on the main board of the Hong Kong Stock Exchange (Stock Code: 0576)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1 per share
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Issue Date”	14 July 2021
“Managers”	Barclays Bank PLC, China International Capital Corporation Hong Kong Securities Limited, Citigroup Global Markets Limited, Bank Of China Limited, Singapore Branch, BOCI Asia Limited, China Everbright Bank Co., Ltd., Hong Kong Branch, China Minsheng Banking Corp., Ltd., Hong Kong Branch, ICBC International Securities Limited, Industrial Bank Co., Ltd. Hong Kong Branch, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch and Standard Chartered Bank
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“NDRC”	National Development and Reform Commission

“Offering Circular”	the offering circular to be prepared by the Company for use in connection with the issue of the Bonds and the listing of the Bonds on the Hong Kong Stock Exchange
“PRC”	the People’s Republic of China
“professional investor(s)”	as defined in Chapter 37 of the Listing Rules
“Subscription Agreement”	the subscription agreement dated 7 July 2021 entered into between the Company and the Managers in connection with the issue and offering of the Bonds
“Terms and Conditions”	the terms and conditions of the Bonds
“Trust Deed”	the trust deed constituting the Bonds to be entered into between the Company and the Trustee on or around the Issue Date
“Trustee”	The Bank of New York Mellon, London Branch
“United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“%”	percentage

By order of the Board
Zhejiang Expressway Co., Ltd.
YU Zhihong
Chairman

Hangzhou, the PRC, 8 July 2021

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 Mr. YUAN Yingjie; the other non-executive Directors of the Company are: Mr. JIN Chaoyang, Mr. FAN Ye and Mr. HUANG Jianzhang; and the independent non-executive Directors of the Company are: Mr. PEI Ker-Wei, Ms. LEE Wai Tsang, Rosa and Mr. CHEN Bin.