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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)**

**ANNOUNCEMENT ON RESULTS OF THE EGM**

Zhejiang Expressway Co., Ltd. (the “**Company**”) held an extraordinary general meeting (the “**EGM**”) at 10 a.m. on Wednesday, 28 December 2016 at 5/F, No. 2 Mingzhu International Business Center, 199 Wuxing Road, Hangzhou City, Zhejiang Province, the People’s Republic of China (the “**PRC**”)

Shareholders of the Company (the “**Shareholders**”) who attended the EGM by proxy represented a total of 3,757,948,131 shares of the Company entitled to attend and to vote at the EGM, or 86.53% of the total issued share capital of the Company as at the date of the EGM. The EGM was convened by the board of directors of the Company (the “**Board**”). Chairman of the Company, Mr. ZHAN Xiaozhang, chaired the EGM. Votings at the EGM took place by way of poll, with the proposed resolutions duly passed, details of which are as follows:

**AS ORDINARY RESOLUTIONS**

1. With 847,712,131 shares voted in the affirmative (representing 99.885% of the total shares held by the independent Shareholders present at the EGM) and 976,000 shares voted in the negative (representing 0.115% of the total shares held by the independent Shareholders present at the EGM):
  - (a) Resolved to approve the agreement dated 17 October 2016 (the “**Share Purchase Agreement**”) entered into between the Company and Zhejiang Communications Investment Group Industrial Development Co., Ltd., and the terms and conditions thereof and the transactions contemplated thereunder and the implementation thereof be and are hereby approved and confirmed; and
  - (b) Resolved to approve, ratify and confirm the authorisation to any one of the directors of the company (the “**Director(s)**”), or any other person authorised by the Board from time to time, for and on behalf of the Company, among

other matters, to sign, seal, execute, perfect, perform and deliver all such agreements, instruments, documents and deeds, and to do all such acts, matters and things and take all such steps as he or she or they may in his or her or their absolute discretion consider to be necessary, expedient, desirable or appropriate to give effect to and implement the Share Purchase Agreement and the transactions contemplated thereunder and all matters incidental to, ancillary to or in connection thereto, including agreeing and making any modifications, amendments, waivers, variations or extensions of the Share Purchase Agreement or the transactions contemplated thereunder.

2. Resolved to approve and declare an interim dividend of RMB6 cents per share in respect of the six months ended 30 June 2016, with 3,757,658,131 shares voted in the affirmative (representing 99.992% of the total shares held by the Shareholders present at the EGM) and 290,000 shares voted in the negative (representing 0.008% of the total shares held by the Shareholders present at the EGM).
3. Resolved to elect Ms. He Meiyun as independent supervisor of the Company, with 3,757,658,131 shares voted in the affirmative (representing 99.992% of the total shares held by the Shareholders present at the EGM) and 0 shares voted in the negative.

#### **AS SPECIAL RESOLUTION**

4. Resolved to approve and confirm the proposed issue of H share convertible bonds (“**H Share Convertible Bonds**”) by the Company with an aggregate principal amount up to USD400 million (or its equivalent) and the granting of authority to the Board to deal with all matters relating to the proposed issue and listing of H Share Convertible Bonds in the absolute discretion of the Board in accordance with the applicable laws and regulations and the articles of association of the Company (the “**Articles of Association**”), including, but not limited to following, with 3,326,013,498 shares voted in the affirmative (representing 88.506% of the total shares held by the Shareholders present at the EGM) and 431,934,633 shares voted in the negative (representing 11.494% of the total shares held by the Shareholders present at the EGM).
  - (1) to formulate specific plan and terms for the issue of H Share Convertible Bonds according to the requirements of the relevant laws and regulations, the Shareholders’ resolutions passed at the EGM and market conditions, including but not limited to the issue size, maturity, type of bonds, interest rate and method of determination, timing of issue, security plan, whether to allow repurchase and redemption, use of proceeds, rating, subscription method, term and method of repayment of principal and interests, listing and all other matters relating to the issue and (if required) listing of H Share Convertible Bonds;

- (2) to make corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment and issuance of H Shares upon exercise of the conversion rights attached to the H Share Convertible Bonds; and
  - (3) to deal with other matters in relation to the issue of H Share Convertible Bonds.
5. Resolved to approve the proposal by the Board to amend the Articles of Association in the manner as set out in the circular of the Company dated 9 November 2016 to the Shareholders, be and is hereby approved, and the Board be and is hereby authorised to do all such things as necessary in respect of the amendments pursuant to the requirements (if any) under domestic or overseas laws or under the rules of any stock exchange on which any securities of the Company are listed, with 3,592,031,656 shares voted in the affirmative (representing 95.585% of the total shares held by the Shareholders present at the EGM) and 165,916,475 shares voted in the negative (representing 4.415% of the total shares held by the Shareholders present at the EGM).

At the time of the EGM, Resolution No. 1 of the EGM is in respect of a connected transaction and Zhejiang Communications Investment Group Co., Ltd. and its associates had abstained from voting in relation to such resolution at the EGM as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The total number of shares of the Company held by independent Shareholders entitled to attend and vote at the EGM in respect of resolution no. 1 of the EGM was 1,433,854,500 shares. The total number of shares in issue of the Company as well as entitling the holders to attend and vote at the EGM in respect of the resolutions Nos. 2 to 5 of the EGM was 4,343,114,500 shares.

There was no share requiring any holder to attend and vote only against the resolutions at the EGM. Mr. Eric Shi of Deloitte Touche Tohmatsu Certified Public Accountants was appointed and acted as scrutineers for the vote taking during the EGM.

#### **Further information on the payment of interim dividend**

The payment of an interim dividend of RMB6 cents per share in respect of the six months ended June 30, 2016 was approved by more than half of the votes cast by the Shareholders at the AGM.

For determining the entitlement to the proposed interim dividend, the register of members holding H shares of the Company (the “**H Shares**”) will be closed from January 4, 2017 to January 9, 2017 (both days inclusive), during which period no transfer of H Shares will be effected. In order for holders of H Shares to qualify for the proposed interim dividend, all transfers of H Shares accompanied by the transfer

instruments and relevant share certificates must be lodged with the Company's share registrars in Hong Kong, Hong Kong Registrars Limited at Rooms 1712-1716, 17/F Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on January 3, 2017. Shareholders whose names appear in the register of members of the Company on January 9, 2017 (the "**Record Date**") are entitled to the said interim dividend.

Pursuant to the relevant regulations and the Articles of Association, dividends for holders of H Shares (excluding Shareholders who are Chinese Mainland individual investors or enterprise investors investing in shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect) shall be paid in Hong Kong dollars according to the average closing exchange rate of Hong Kong dollars to Renminbi declared by the People's Bank of China in the five trading days prior to the date of the declaration of dividends. The applicable exchange rate for the purpose of the payment of the interim dividend is therefore HK\$1.00 to RMB0.89494.

Dividends payable to the Shareholders who are Chinese Mainland individual investors or corporate investors investing in the H Shares via the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect will be paid in Renminbi by the China Securities Depository and Clearing Corporation Limited Shanghai Branch or Shenzhen Branch as entrusted by the Company.

According to the Law on Corporate Income Tax of the People's Republic of China and the relevant implementing rules (the "**CIT Law**") which came into effect on January 1, 2008, the Company is obliged to withhold for payment the corporate profit tax, which is at the rate of 10%, from the payment of dividends to non-resident enterprises (as defined under the CIT Law, including HKSCC (Nominees) Limited, other nominees, trustees or other groups and organizations) who are holders of H Shares. Dividends paid to natural persons who are holders of H Shares are not subject to individual income tax for the time being.

According to the requirements of the "Notice on Taxation Policies Concerning the Shanghai-Hong Kong Stock Connect Pilot Program (Finance Tax【2014】No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅【2014】81號)) and "Notice on Taxation Policies Concerning the Shenzhen-Hong Kong Stock Connect Pilot Program (Finance Tax【2016】No. 127)及《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅【2016】127號) jointly published by the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission, the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect tax arrangements are as follows: (i) for Chinese Mainland individual investors who invest in the H Shares via the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect, the Company will withhold individual income tax at the rate of 20% in the distribution of interim dividend. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of China

Securities Depository and Clearing Company Limited for tax credit relating to the withholding tax already paid abroad; and (ii) for Chinese Mainland securities investment funds that invest in the H Shares via the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect, the Company will withhold individual income tax in the distribution of interim dividend pursuant to the foregoing provisions.

For Chinese Mainland corporate investors that invest in the H Share via the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect, the Company will not withhold the income tax in the distribution of interim dividend and such investors shall file the tax returns on their own.

The interim dividend of HK\$6.70436 cents per share (before tax) is expected to be paid to the H Share holders of the Company on January 25, 2017.

Investors should read this announcement carefully. The Company will withhold for payment the corporate profit tax strictly in accordance with the relevant laws or requirements of the relevant governmental departments and strictly based on what has been registered on the H Share register of members on the Record Date. The Company will owe no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the Shareholders, or any disputes over the mechanism of withholding.

By order of the Board  
**Zhejiang Expressway Co., Ltd.**  
**Tony Zheng**  
*Company Secretary*

Hangzhou, the PRC, December 28, 2016

*As at the date of this announcement, the executive directors of the Company are: Mr. ZHAN Xiaozhang, Mr. CHENG Tao and Ms. LUO Jianhu; the non-executive directors of the Company are: Mr. WANG Dongjie, Mr. DAI Benmeng and Mr. ZHOU Jianping; and the independent non-executive directors of the Company are: Mr. ZHOU Jun, Mr. PEI Ker-Wei and Ms. LEE Wai Tsang Rosa.*