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

**DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION –
ABSORPTION AND MERGER OF
OCEANKING DEVELOPMENT THROUGH SHARE SWAP
AND
ISSUANCE OF A SHARES UNDER SPECIFIC MANDATE**

**ABSORPTION AND MERGER OF OCEANKING DEVELOPMENT THROUGH
SHARE SWAP**

Reference is made to the inside information announcement of the Company dated August 19, 2025 in relation to, among other things, proposed issuance of A Shares by the Company to all shareholders of Oceanking Development for the absorption and merger of Oceanking Development by way of share swap.

On September 2, 2025, the Company entered into the Agreement on Absorption and Merger through Share Swap with Oceanking Development, pursuant to which Zhejiang Expressway will absorb and merge Oceanking Development by issuing A Shares, with Zhejiang Expressway as the merging party and Oceanking Development as the merged party, namely Zhejiang Expressway will issue A Shares to all shareholders of Oceanking Development for share swap in exchange for the shares of Oceanking Development held by such shareholders. The Issue Price of A Shares of Zhejiang Expressway is RMB13.50 per share. The Conversion Price of Oceanking Development is RMB14.58 per share. The Conversion Ratio for the Merger is 1:1.0800, meaning that every 1 A Share of Oceanking Development held by a Share Swap Shareholder of Oceanking Development can be exchanged for 1.0800 A Shares to be issued by Zhejiang Expressway under this issuance. Upon completion of the Absorption and Merger through Share Swap, Zhejiang Expressway will apply for listing and trading of A Shares to be issued by Zhejiang Expressway for the Absorption and Merger through Share Swap, and the A Shares to be converted from existing Domestic Shares of Zhejiang Expressway on the Main Board of SSE.

Zhejiang Expressway will grant its dissenting shareholders put options. At the general meeting and corresponding class meetings of Zhejiang Expressway for considering the Transaction, shareholders of Zhejiang Expressway who cast valid dissenting votes on the resolutions related to the plan for the Transaction, each of the sub-resolutions to be voted separately, and the resolutions related to the signing of the Agreement on Absorption and Merger through Share Swap, shall have the right to request the Put Option Provider to purchase Shares of Zhejiang Expressway held by them at a fair price. For the conditions that Dissenting Shareholders of Zhejiang Expressway must satisfy to exercise their Put Options, please refer to the section headed “Protection Mechanism for Dissenting Shareholders of Zhejiang Expressway” in this announcement. The Put Option Provider for the Transaction is Communications Group and/or its designated entities (excluding Zhejiang Expressway and its subsidiaries). The specific Put Option Provider will be determined and announced before the general meeting of the Company to be convened to consider the Transaction. Dissenting Shareholders of Zhejiang Expressway who exercises the Put Option is entitled to, for each share of Zhejiang Expressway validly declared by them, receive cash consideration to be paid by the Put Option Provider at the Put Option Price on the Put Option Exercise Date, and simultaneously transfer the corresponding shares to the Put Option Provider. The Put Option Provider shall, on the Put Option Exercise Date, acquire all shares of Zhejiang Expressway for which Dissenting Shareholders of Zhejiang Expressway exercise the Put Option, and shall pay the corresponding cash consideration.

Oceanking Development will grant its dissenting shareholders a Cash Option. The Cash Option Provider for the Transaction is Communications Group and/or its designated entities (excluding Zhejiang Expressway and its subsidiaries). Any shareholder of Oceanking Development who casts a valid dissenting vote on the resolutions related to the plan for the Transaction, each of the sub-resolutions to be voted separately, as well as resolutions related to the signing of the Agreement on Absorption and Merger through Share Swap at the general meeting of Oceanking Development convened to consider the Transaction, shall have the right to request the Cash Option Provider to purchase the shares of Oceanking Development held by them. For conditions that must be satisfied by Dissenting Shareholders of Oceanking Development to exercise the Cash Option, refer to the section headed “Protection Mechanism for the Dissenting Shareholders of Oceanking Development” in this announcement. The Cash Option Provider will be determined and announced before the general meeting of Oceanking Development to be convened to consider the Transaction.

ISSUANCE OF A SHARES UNDER SPECIFIC MANDATE

The Transaction involves issuance of new A Shares by the Company to all Conversion Shareholders of Oceanking Development so as to exchange for A Shares of Oceanking Development held by them at the Conversion Ratio. The Board will propose to the general meeting and class meetings to grant the Board an unconditional specific mandate to decide and implement the issuance of A Shares by the Company as needed by the Transaction if the Transaction is finalized, and to fully handle any and all matters necessary, beneficial, or appropriate for the issuance of new A Shares. The Board will consider the resolution on requesting the general meeting and class meetings to grant a specific mandate to issue additional A Shares separately, and the Company will make further announcement in due course. The above specific mandate will be approved as part of the approval of the Transaction.

IMPLICATIONS UNDER THE LISTING RULES

From the perspective of notifiable transactions under Chapter 14 of the Listing Rules, as the highest applicable percentage ratio for the Transaction calculated under Chapter 14 of the Listing Rules is higher than 5% but lower than 25%, the Transaction constitutes a disclosable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements. Further, pursuant to Rules 13.36 and 19A.38 of the Listing Rules and the Articles of Association, the issue of the new A Shares pursuant to the Transaction will be made pursuant to a specific mandate which requires approval by special resolution by a majority of not less than two-thirds of the votes cast by way of poll by the Shareholders of the Company attending meetings at the general meeting and class meetings.

From the perspective of connected transactions under Chapter 14 of the Listing Rules, as at the date of this announcement, Communications Group directly held 4,014,778,800 Domestic Shares of the Company and indirectly held 72,471,195 H Shares of the Company through Universal Cosmos, one of its wholly-owned subsidiaries, thus holding a total of 67.69 % of shares of Company, making it the controlling shareholder of the Company and a connected person of the Company under Rule 14A.07 of the Listing Rules. As at the date of this announcement, Communications Group directly held 54.72% of the shares of Oceanking Development, and Oceanking Development is a subsidiary of Communications Group and constitutes a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the Transaction constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules, and is subject to the reporting, announcement, and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to the Listing Rules, any Shareholder of the Company who has a material interest in the Transaction is required to abstain from voting on the resolutions to approve the Transaction at the general meeting and/or class meetings of the Company. As at the date of this announcement and as stated above, Communications Group are the controlling shareholder of the Company directly and indirectly holding approximately 67.69% of the total issued shares of the Company in aggregate. As such, Communications Group and its subsidiaries are required to abstain from voting on the relevant resolutions at the general meeting and/or class meetings of the Company. Other than Communications Group and its subsidiaries, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, none of the Shareholders or any of their close associates has a material interest in the Transaction. Accordingly, save as the above, no other Shareholders are required to abstain from voting on the relevant resolutions to be proposed at the general meeting and class meetings of the Company to approve the Transaction.

The Transaction may or may not proceed, or become unconditional, or take effect. There is no assurance that all conditions precedent contained in the Agreement on Absorption and Merger through Share Swap can be fulfilled. Investors and prospective investors should exercise caution when dealing in or considering dealing in the shares of the Company, and should not rely solely on the information published by the Company.

Reference is made to the inside information announcement of the Company dated August 19, 2025 in relation to, among other things, proposed issuance of A Shares by the Company to all shareholders of Oceanking Development for the absorption and merger of Oceanking Development by way of share swap.

I. PLAN FOR THE TRANSACTION

1. Specific Plan for the Transaction

The specific transaction plan involves Zhejiang Expressway absorbing and merging with Oceanking Development by issuing its A shares to all shareholders of Oceanking Development in exchange for the shares they currently hold, with Zhejiang Expressway as the absorbing party and Oceanking Development as the absorbed party.

Upon completion of the Merger, Oceanking Development will be delisted and deregistered as a legal entity. As the Surviving Company, Zhejiang Expressway and/or its designated subsidiaries will assume all assets, liabilities, businesses, contracts, qualifications, employees, and all other rights and obligations of Oceanking Development. Zhejiang Expressway will apply for listing and trading of A Shares to be issued by Zhejiang Expressway for the Merger and its existing Domestic Shares on the Main Board of SSE.

Parties to the Transaction

The merging party in the Absorption and Merger through Share Swap is Zhejiang Expressway, and the merged party is Oceanking Development.

Class and par value of shares to be issued under Share Swap

The RMB ordinary shares (A shares) of Zhejiang Expressway to be issued by Zhejiang Expressway for the purpose of the Absorption and Merger through Share Swap have a par value of RMB1 per share.

Share Swap targets and Record Date for Merger Implementation

The targets of the Share Swap are all shareholders of Oceanking Development whose name appears on the shareholders' register at the close of business of the Record Date for Merger Implementation. As at the Record Date for Merger Implementation, shares of Oceanking Development held by shareholders of Oceanking Development who have not declared, partially declared, are not entitled to declare, or have invalidly declared the exercise of the Cash Option, as well as shares of Oceanking Development held by the Cash Option Provider due to provision of the Cash Option, will all be converted into A Shares to be issued by Zhejiang Expressway for the Absorption and Merger through Share Swap at the Conversion Ratio.

Each of the boards of directors of the Merging Parties will announce the Record Date for Merger Implementation separately after the consent for registration is obtained from the CSRC with respect to the Merger.

Issue Price of A Shares of Zhejiang Expressway

The Issue Price of Zhejiang Expressway A Shares of Zhejiang Expressway is RMB13.50 per share, representing a premium of approximately 119.01% over the closing price of HKD6.76 per H Share of Zhejiang Expressway on the Hong Kong Stock Exchange on September 2, 2025¹.

If Zhejiang Expressway undergoes any ex-rights or ex-dividend events including but not limited to distribution of cash dividends, stock dividends, conversion of capital reserve into share capital, or rights issue from the Pricing Benchmark Date to the Share Swap Implementation Date (both days inclusive), the aforementioned Issue Price shall be adjusted accordingly. No further adjustments to the Issue Price shall be made under any other circumstances.

Conversion Price of A Shares of Oceanking Development

The Conversion Price for Oceanking Development is RMB14.58 per share, representing a discount of approximately 4.64% to the closing price of RMB15.29 per A Share of Oceanking Development on the SSE on August 19, 2025².

If Oceanking Development undergoes any ex-rights or ex-dividend events including but not limited to distribution of cash dividends, stock dividends, conversion of capital reserve into share capital, or rights issue from the Pricing Benchmark Date to the Share Swap Implementation Date (both days inclusive), the aforementioned Conversion Price will be adjusted accordingly. No further adjustments to the Conversion Price shall be made under any other circumstances.

The increase in the share capital of Oceanking Development due to the conversion of its outstanding convertible bonds³ does not constitute the aforementioned ex-rights or ex-dividend events, and the Conversion Price shall not be adjusted due to the conversion of convertible bonds of Oceanking Development.

¹ The exchange rate between HKD and RMB used is the RMB central parity rate of HKD1 to RMB0.91183 as announced by the People's Bank of China on September 2, 2025.

² According to the relevant SSE regulations, trading in A Shares of Oceanking Development was suspended starting from the market open on 20 August, 2025. The last trading day of A Shares of Oceanking Development on the SSE prior to the suspension for the Transaction was 19 August, 2025.

³ With the approval under the Approval for the Registration of Convertible Corporate Bonds Issued by the Company to Unspecified Subscribers (CSRC Permit [2023] No. 2408) issued by the CSRC, Oceanking Development issued 6.6 million convertible corporate bonds to unspecified subscribers on December 29, 2023, each with a par value of RMB100, for a total issue amount of RMB660 million. Pursuant to Self-Regulatory Decision Letter (Circular No. [2024] 8) issued by the SSE, the RMB660 million convertible corporate bonds of Oceanking Development were listed and traded on the SSE from January 17, 2024, with the bond abbreviation "Oceanking Convertible Bond (鎮洋轉債)" and bond code "113681". As of the date of this announcement, an aggregate of RMB79,468,000 of "Oceanking Convertible Bond" was converted into shares of Oceanking Development. The cumulative number of shares derived from such conversion was 7,095,215 shares, and the total share capital of Oceanking Development was 441,895,215 shares.

The issue price of A Shares of Zhejiang Expressway and the Conversion Price of A Shares of Oceanking Development are determined based on the principle of balancing the interests of shareholders of the Merging Parties, comprehensively considering the overall business conditions, profitability, growth prospects, and risk resistance capabilities of the Merging Parties, as well as valuation levels of comparable companies in the industry.

Conversion Ratio

The Conversion Ratio shall be calculated according to the following formula: Conversion Ratio = Conversion Price of A Shares of Oceanking Development/Issue Price of A Shares of Zhejiang Expressway (the calculation result shall be rounded to four decimal places). The Conversion Ratio for the Merger is 1:1.0800, meaning that every 1 A share of Oceanking Development held by an Conversion Shareholder of Oceanking Development can be exchanged for 1.0800 A Shares to be issued by Zhejiang Expressway.

From the Pricing Benchmark Date to the Share Swap Implementation Date (both days inclusive), unless any of the Merging Parties undergoes ex-rights or ex-dividend events including but not limited to distribution of cash dividends, stock dividends, conversion of capital reserve into share capital, or rights issue, or if any circumstance occurs in which Issue Price or Conversion Price is required to be adjusted in accordance with relevant laws, regulations, or regulatory authorities, the Conversion Ratio shall not be adjusted under any other circumstances.

The increase in share capital of Oceanking Development due to the conversion of its outstanding convertible bonds does not constitute the aforementioned ex-rights or ex-dividend events, and therefore, the Conversion Ratio for the Transaction will not be adjusted due to the conversion of convertible bonds of Oceanking Development.

Number of shares to be issued for Share Swap

As at the date of this announcement, the total share capital of Oceanking Development was 441,895,215 shares. Without considering the conversion of outstanding convertible bonds of Oceanking Development into shares, the total number of A Shares to be issued by Zhejiang Expressway for the Absorption and Merger through Share Swap, which is calculated at the aforementioned Conversion Ratio, is 477,246,833 shares⁴.

If either of the Merging Parties undergoes any ex-rights and ex-dividend events including but not limited to distribution of cash dividends, stock dividends, conversion of capital reserve into share capital, or rights issue, from the Pricing Benchmark Date the Share Swap Implementation Date (both days inclusive), the number of shares to be issued for the above Share Swap will be adjusted accordingly.

⁴ Without considering any adjustment in conversion price of convertible bonds of Oceanking Development due to events such as distribution of dividends in future, if the share capital of Oceanking Development may increase to a maximum of 493,728,429 shares due to full conversion of outstanding convertible bonds of Oceanking Development, then the maximum number of A shares to be issued by Zhejiang Expressway for the Absorption and Merger through Share Swap will be 533,226,704 shares.

Listing and trading of A Shares of Zhejiang Expressway

Upon completion of the Absorption and Merger through Share Swap, Zhejiang Expressway will apply for listing and trading of A Shares to be issued by Zhejiang Expressway for the Absorption and Merger through Share Swap and A Shares to be converted from existing Domestic Shares of Zhejiang Expressway on the Main Board of SSE.

Treatment of fractional shares

The number of A Shares of Zhejiang Expressway to be obtained by the Conversion Shareholders of Oceanking Development shall be in whole numbers, and if the number of shares of Oceanking Development to be held by them multiplied by the Conversion Ratio is not in whole numbers, each shareholder shall be offered one share in descending order based on the decimal point until the actual number of shares to be converted is equal to the number of shares planned to be issued. In case the number of shareholders with the same decimal number exceeds the remaining shares, the shares will be allotted randomly by computer system until the actual number of shares to be converted is equal to the number of shares planned to be issued.

Treatment of shares of Oceanking Development with Restricted Rights

If the shares of Oceanking Development held by the shareholders of Oceanking Development are pledged, frozen, sealed up or subject to any restrictions on rights, all such shares shall be converted into A Shares issued by Zhejiang Expressway at the time of Share Swap, while the original pledge, freezing, sealing up or other restrictions on rights on such shares will remain unchanged and become attaching to the corresponding A Shares of Zhejiang Expressway obtained through Share Swap.

Arrangement for lock-up period of shares

Regarding the shares of Zhejiang Expressway that are issued before the Transaction and held directly and indirectly by Communications Group issued before the Transaction (excluding H shares) and A Shares of Zhejiang Expressway to be obtained by Communications Group through the Transaction (collectively “**Shares of Zhejiang Expressway Held**”), Communications Group undertakes as follows:

- “1. Within 36 months from the date when the A Shares of Zhejiang Expressway are listed and traded, the company (Communications Group) shall neither transfer or entrust to others to manage the issued shares of Zhejiang Expressway held by the company (Communications Group) nor have such shares repurchased by Zhejiang Expressway. Within six months after the listing of A Shares of Zhejiang Expressway, if the closing prices of A Shares of Zhejiang Expressway for 20 consecutive trading days are lower than the Issue Price, or the closing price at the end of six months after the listing is lower than the Issue Price, the company (Communications Group) undertakes that the lock-up period of the shares of Zhejiang Expressway held shall be automatically extended for six months.

2. If relevant laws, regulations, and normative documents or securities regulatory authorities such as the CSRC impose other requirements for the lock-up period of shares, Communications Group agrees to make adjust the lock-up period of shares of Zhejiang Expressway held by the company (Communications Group) accordingly.
3. The company undertakes to bear and compensate for all losses caused to Zhejiang Expressway and its controlled enterprises due to the violation of the above undertakings or relevant laws, regulations, and normative documents.
4. If any of the following circumstances occurs after one year from the date of listing of the A Shares of Zhejiang Expressway, then upon application by the company (Communications Group) and approval by SSE, Communications Group may be exempted from complying with the undertaking in the above paragraph 1: (I) the transferor and transferee have an actual control relationship, or both are controlled by the same controller, and the transferee undertakes to continue complying with the above undertakings; (II) other circumstances as determined by SSE.”

Protection mechanism for Dissenting Shareholders of Zhejiang Expressway

To fully protect the interests of shareholders of Zhejiang Expressway, Zhejiang Expressway will grant its dissenting shareholders put options in accordance with the Company Law and the provisions of the existing Articles of Association of Zhejiang Expressway.

At the general meeting and relevant class meetings of Zhejiang Expressway convened to consider the Transaction, shareholders of Zhejiang Expressway who cast valid dissenting votes on all resolutions related to the plan for the Transaction, each of sub-resolutions voted separately, and the resolutions related to the signing of the Agreement on Absorption and Merger through Share Swap, shall have the right to request the Put Option Provider to purchase shares of Zhejiang Expressway held by them at a fair price.

The Put Option Provider for the Transaction is Communications Group and/or its designated entities (excluding Zhejiang Expressway and its subsidiaries). The specific Put Option Provider will be determined and announced before the general meeting of the Company to be convened to consider the Transaction. After the Put Option Provider acquires the shares held by dissenting shareholders at a fair price as requested by the dissenting shareholders, such dissenting shareholders shall no longer be entitled to claim the Put Option against Zhejiang Expressway and/or other shareholders who have cast valid affirmative votes on the relevant resolutions for the plan for the Transaction.

Dissenting Shareholders of Zhejiang Expressway who exercise the Put Option is entitled to, for each share of Zhejiang Expressway validly declared, receive cash consideration paid by the Put Option Provider at the Put Option Price on the Put Option Exercise Date, and simultaneously transfer the corresponding shares to the Put Option Provider. The Put Option Provider shall, on the Put Option Exercise Date,

acquire all shares of Zhejiang Expressway for which Dissenting Shareholders of Zhejiang Expressway exercise the Put Option, and shall pay the corresponding cash consideration.

Dissenting Shareholders of Zhejiang Expressways shall satisfy all of the following conditions to exercise the Put Option:

- (1) having cast effective dissenting votes in respect of relevant resolutions and each of the sub-resolutions to be voted separately regarding the plan for the Transaction and relevant resolutions regarding the entering into of the Agreement on Absorption and Merger through Share Swap at the general meeting and the corresponding class meetings for consideration of the Transaction of Zhejiang Expressway;
- (2) having been effectively registered on the register of members of Zhejiang Expressway since the registration date of the general meeting and shareholders' class meetings of Zhejiang Expressway who is applicable for such class shareholders for consideration of the Transaction, and continuing to retain the shares which are proposed to exercise the Put Option until the Put Option Exercise Date;
- (3) having successfully fulfilled relevant declaration procedures during the Declaration Period of Put Option;
- (4) there is no circumstance that excludes the right to claim the exercise of the Put Option.

Shareholders who have fulfilled the above conditions only have the right to declare the exercise of the Put Option for the shares with which they have cast dissenting votes. Provided that the Dissenting Shareholders of Zhejiang Expressway sell their shares (including but not limited to judicially compulsory deductions, etc.) after the registration date of the general meeting and shareholders' class meetings of the Company for consideration of the Transaction, the number of shares entitled to the Put Option shall be decreased accordingly; provided that the Dissenting Shareholders of Zhejiang Expressway purchase shares after the registration date of the general meeting and shareholders' class meetings of the Company for consideration of the Transaction, the number of shares entitled to the Put Option shall not increase, and such shares shall not be entitled to the Put Option.

Dissenting Shareholders of Zhejiang Expressway who hold the following shares are not entitled to exercise their Put Option in respect of the shares they hold:

- (1) those shares of Zhejiang Expressway with Restriction on Rights, including but not limited to the shares with transfer restrictions imposed by laws and regulations which are subject to any pledges, other third party's rights or judicial freeze;
- (2) those shares held by legal holders who have undertaken in writing to Zhejiang Expressway to surrender the Put Option;
- (3) other shares that may not exercise the Put Option under applicable laws.

The detailed arrangements for the Put Option (including but not limited to the Put Option Exercise Date, the declaration, settlement and closing of the Put Option, etc.) will be determined by Zhejiang Expressway and the Put Option Providers after negotiation and will be disclosed in accordance with the requirements of the laws, regulations and the Hong Kong Stock Exchange in a timely manner.

The relevant taxes and fees arising from the exercise of the Put Option shall be borne by the dissenting shareholders of the Put Option, the Put Option Providers and other parties in accordance with the requirements of relevant applicable laws, regulatory authorities and clearing companies. If there is no specific provision in this regard under the applicable laws or from regulatory authorities or clearing companies, it shall be negotiated and determined by related parties with reference to market practices.

Protection Mechanism for the Dissenting Shareholders of Oceanking Development

In order to fully safeguard the interests of the shareholders of Oceanking Development, pursuant to the requirements of the Company Law and the existing articles of association of Oceanking Development, Oceanking Development will entitle its dissenting shareholders the Cash Options.

The Cash Option Provider for the Transaction is Communications Group and/or its designated entities (excluding Zhejiang Expressway and its subsidiaries). At the general meeting for consideration of the Transaction of Oceanking Development, any shareholder of Oceanking Development who had cast effective dissenting votes in respect of relevant resolutions and each of the sub-resolutions to be voted separately regarding the plan for the Transaction and relevant resolutions regarding the entering into of the Agreements on Absorption and Merger through Share Swap is entitled to request Cash Option Providers to purchase its shares in Oceanking Development.

The Cash Option Provider will be determined and announced before the general meeting of Oceanking Development to be convened to consider the Transaction. After the acquisition of shares of Oceanking Development held by the dissenting shareholders requested by the dissenting shareholders, such dissenting shareholders shall not be entitled to claim the Cash Option against Oceanking Development and/or other shareholders who cast effective assenting votes in respect of relevant resolutions of the plan for the Transaction.

The Cash Option price and the adjustment mechanism of Cash Option price for Dissenting Shareholders of Oceanking Development will be determined in accordance with the law to reasonably protect the interests of minority investors.

The Dissenting Shareholders of Oceanking Development shall satisfy the following conditions while exercising the Cash Option:

- (1) having cast effective dissenting votes in respect of relevant resolutions and each of the sub-resolutions to be voted separately regarding the plan for the Transaction and relevant resolutions regarding the entering into of the Agreement on Absorption and Merger through Share Swap at the general meeting for consideration of the Transaction of Oceanking Development;

- (2) having been effectively registered on the register of members of Oceanking Development since the registration date of the general meeting of Oceanking Development for consideration of the Transaction, and continuing to retain the shares which are proposed to exercise the Cash Option until the Cash Option Exercise Date;
- (3) having successfully fulfilled relevant declaration procedures during the Declaration Period of Cash Option;
- (4) there is no circumstance that excludes the right to claim the exercise of the Cash Option.

Shareholders who have fulfilled the above conditions only have the right to declare the exercise of the Cash Option for the shares with which they have cast dissenting votes. Provided that the Dissenting Shareholders of Oceanking Development sell their shares (including but not limited to judicially compulsory deductions, etc.) after the registration date of the general meeting of Oceanking Development for consideration of the Transaction, the number of shares entitled to the Cash Option shall be decreased accordingly; provided that the Dissenting Shareholders of Oceanking Development purchase shares after the registration date of the general meeting of Oceanking Development for consideration of the Transaction, the number of shares entitled to the Cash Option shall not increase, and such shares shall not be entitled to the Cash Option.

The Dissenting Shareholders of Oceanking Development who hold the following shares have no right to claim the exercise of the Cash Option for the shares they hold:

- (1) those shares of Oceanking Development with Restriction on Rights, including but not limited to the shares with transfer restrictions imposed by laws and regulations which are subject to any pledges, other third party's rights or judicial freeze;
- (2) those shares held by legal holders who have undertaken in writing to Oceanking Development to surrender the Cash Option;
- (3) other shares that may not exercise the Cash Option under applicable laws.

The above shares which are not entitled to claim the Cash Option will be converted into the A Shares to be issued by Zhejiang Expressway for the Merger based on the Conversion Ratio on the Share Swap Implementation Date.

The Dissenting Shareholders of Oceanking Development who have submitted the shares of Oceanking Development as collateral for margin trading and securities lending transactions shall not exercise the Cash Option until they transfer the shares of Oceanking Development from the customer credit guarantee account of the securities company to their ordinary securities account before the closing date of Declaration Period of the Cash Option. The Dissenting Shareholders of Oceanking Development who have carried out agreed repurchase type securities trading shall not exercise the Cash Option until they complete the early repurchase procedures in time before the closing date of Declaration Period of the Cash Option.

The relevant taxes and fees arising from the exercise of the Cash Option shall be borne by the dissenting shareholders of the Cash Option, the Cash Option Providers and other parties in accordance with the requirements of relevant applicable laws, regulations, regulatory authorities and clearing companies. If there is no specific provision in this regard under the applicable laws or from regulatory authorities or clearing companies, it shall be negotiated and determined by related parties with reference to market practices.

Disposal of claims and debts involved in the Transaction

Upon completion of the Absorption and Merger through Share Swap, Oceanking Development will be delisted and its legal person status will be deregistered, and the Surviving Company and/or its designated subsidiaries will assume all assets, liabilities, businesses, employees, contracts, and all other rights and obligations of Oceanking Development.

For the convertible corporate bonds (“**Oceanking Convertible Bond**”, bond code: 113681) that are issued by Oceanking Development prior to the Transaction and are still outstanding, Oceanking Development will convene a bondholder meeting as needed, in accordance with relevant laws and regulations, the prospectus, and the rules of the bondholder meeting, and fulfill relevant obligations according to the resolutions of the bondholder meeting.

Zhejiang Expressway and Oceanking Development will comply with the notification and announcement procedures for creditors in accordance with relevant laws and regulations, and will, based on the demands raised by their respective creditors within the statutory period, either on their own or procure a third party to prepay the debts to their respective creditors or provide them with alternative guarantees. If, within the aforementioned statutory period, relevant creditors do not claim early repayment or demand guarantees from both Merging Parties, the corresponding outstanding debts will be assumed by the Surviving Company after the completion of the Absorption and Merger through Share Swap.

Arrangements for the Transition Period of the absorption and merger transaction

During the Transition Period of the Absorption and Merger through Share Swap, both of the Merging Parties shall, and should procure their respective controlled subsidiaries to: (1) continue to operate independently according to the prevailing operational practices and business methods, and not conduct any unusual transactions or incur any unusual liabilities in their normal business process; (2) make every effort to maintain all assets that constitute the main business in good condition, and continue to maintain relationships with competent authorities of the government, customers and employees; (3) prepare, organize and keep their respective documents and information, as well as pay all related taxes and fees on time.

Arrangement for retained profits in the absorption and merger transaction

Except for the profit distribution plans approved by the respective general meeting of the Merging Parties, the retained profits of each of the Merging Parties as of the Closing Date shall be shared by all shareholders of the Surviving Company in proportion to their shareholdings.

Arrangements for the transfer or closing of relevant assets involved in the Transaction

(1) Closing conditions

After the Agreement on Absorption and Merger through Share Swap becomes effective, the closing of the Absorption and Merger through Share Swap shall take place on the Closing Date. The Merging Parties shall fulfill the closing obligations agreed upon under the Agreement on the Closing Date and sign the asset closing confirmation document.

(2) Transfer of assets

From the Closing Date, all ownership of the assets of Oceanking Development and the related rights, interests, liabilities and obligations shall be enjoyed and borne by the Surviving Company and/or its designated subsidiaries. Oceanking Development agrees that, as of the Closing Date, it shall assist the surviving company and/or its designated subsidiaries in processing the formalities for changing the ownership of all of Oceanking Development's form-required property (referring to any property for which the law prescribes special procedures for the creation or transfer of rights in respect of such property or rights related thereto) from Oceanking Development to the Surviving Company and/or its designated subsidiaries. Failure to complete the formal handover procedures for reasons such as formalities for change of registration shall not affect the Surviving Company and/or its designated subsidiaries enjoying rights to and assuming obligations in respect of the aforesaid assets.

Upon completion of the Absorption and Merger through Share Swap, the equity interests in the subsidiaries held by Oceanking Development will belong to the Surviving Company and be registered as subsidiaries of the Surviving Company and/or its designated subsidiaries. Branches of Oceanking Development are affiliated with the Surviving Company and shall be registered as branches of the Surviving Company and/or its designated subsidiaries.

(3) Assumption of debts

Except for debts repaid in advance based on relevant creditors claiming early repayment within the statutory period, all outstanding debts of the Merging Parties will be assumed by the Surviving Company from the Closing Date of the Merger.

(4) *Succession of contracts*

The parties to all valid contracts/agreements signed in the name of Oceanking Development the Closing Date of the Absorption and Merger through Share Swap shall be changed to the Surviving Company.

(5) *Information handover*

Oceanking Development shall hand over all information on bank accounts, reserved seals and all stamps of Oceanking Development to the Surviving Company on the Closing Date. Oceanking Development shall, from the Closing Date, transfer any and all documents that have a significant impact on its subsequent operations to the Surviving Company.

(6) *Share transfer*

Zhejiang Expressway shall register the A Shares issued to shareholder of Oceanking Developments as consideration for the Absorption and Merger through Share Swap in the name of shareholder of Oceanking Development on the Share swap Implementation Date. Upon the registration of the newly issued shares in their names, the shareholders of Oceanking Development shall become shareholders of the Surviving Company.

Arrangement for employees

Upon completion of the Transaction, the employment agreements or labor contracts of employees with Zhejiang Expressway (including its subsidiaries and branches) will continue to be performed by the Surviving Company (including its subsidiaries and branches), and the employment agreements or labor contracts of employees with Oceanking Development (including its subsidiaries and branches) will be assumed and continue to be performed by the Surviving Company (including its subsidiaries and branches). Before Zhejiang Expressway convenes its general meeting and class meeting, and Oceanking Development convenes its general meeting to consider the relevant resolutions for the Transaction, both parties will respectively convene employee representatives' meeting to consider the employee placement plan involved in the Transaction.

2. Procedures to be performed for the Transaction

Approvals that have been obtained for the Transaction:

- (1) the Transaction has been considered and approved at the 15th meeting of the 10th session of the Board of Directors of Zhejiang Expressway;
- (2) the Transaction has been approved at the 27th meeting of the 2nd Session of Board of Directors of Oceanking Development;
- (3) the Transaction has been approved by the internal decision-making body of Communications Group.

The Transaction is subject to approval or authorization procedures, including but not limited to:

- (1) the Transaction is subject to the approval by the competent state-owned assets supervision and administration department;
- (2) the Transaction is subject to further deliberation and approval by the Board of Directors of Oceanking Development;
- (3) the Transaction is subject to further approval by the Board of Directors of Zhejiang Expressway.
- (4) the Transaction is subject to receipt of no-objection from Hong Kong Stock Exchange to the shareholder circular related to the transactions under the Agreement on Absorption and Merger through Share Swap to be issued by Zhejiang Expressway;
- (5) the Transaction is subject to the approval of the general meeting of Oceanking Development;
- (6) the Transaction is subject to the approval of the general meeting and class meetings of Zhejiang Expressway;
- (7) the Transaction is subject to the approval of the SSE;
- (8) the Transaction is subject to registration with the CSRC;
- (9) the Transaction is subject to the concentration of undertakings review by the Anti-Monopoly Bureau of the State Administration for Market Regulation (if applicable);
- (10) the Transaction is subject to the approval of the SSE for the listing of ordinary RMB shares issued by Zhejiang Expressway;
- (11) the Transaction is subject to other necessary approvals or permits required by relevant laws and regulations (if necessary).

In view of the fact that all holders of Domestic Shares of the Company only comprise the Communications Group, which is required to abstain from voting on resolutions related to the approval of the Transaction, the resolutions related to the Transaction will no longer be submitted to the class meeting of domestic shareholders for consideration.

3. Cash Dividend Arrangement

To establish a well-structured, sustained and stable dividend distribution and return mechanism for investors and protect the interests of minority shareholders, Zhejiang Expressway intends to formulate a shareholder dividend distribution and return plan in accordance with the relevant requirements of the Company Law (《公司法》), Securities Law (《證券法》), Regulatory Guidelines for Listed Companies No. 3 – Cash Dividends of Listed Companies (《上市公司監管指引第3號—上市公司現金分紅》), Self-Regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operation (《上海證券交易所上市公司自律監管指引第1號—規範運作》), and the Articles of Association. Such plan shall include the following: within three years from the year in which the Completion Date of the Merger falls (including the year of completion of the Transaction), and subject to the relevant provisions on cash dividends stipulated in laws, regulations and regulatory rules and provided that there is no material adverse factors or force majeure, the Surviving Company shall distribute profits in cash each year in an amount of not less than RMB0.4100 per share (including both A Shares and H Shares). In the event of ex-rights actions such as stock dividend distribution, conversion of capital reserves into share capital, or rights issues, the above cash dividend will be adjusted accordingly to reflect the ex-rights.

The above arrangements are conducive to safeguarding reasonable investment returns for investors. The Company will focus on long-term and sustainable development, and based on a comprehensive consideration of its actual situation and development goals, shareholders' wishes, external financing environment, and other factors, to establish a continuous, stable, and reasonable return plan and mechanism for investors.

II. KEY TERMS OF THE AGREEMENTS RELATED TO THE TRANSACTION

On September 2, 2025, the Company entered into the Agreement on Absorption and Merger through Share Swap with Oceanking Development. In addition to the contents listed in “I. Plan for the Transaction” above, the principal terms and conditions of the Agreement on Absorption and Merger through Share Swap also include:

Effectiveness and Termination of the Agreement: The Agreement on Absorption and Merger through Share Swap shall come into force from the date on which the legal representatives of both parties sign and affix their common seals.

Agreement on Absorption and Merger through Share Swap shall become effective upon the fulfillment of all the following conditions (for the avoidance of doubt, none of these conditions may be waived by either party):

- (1) the Transaction is approved by the general meeting and class meetings of Zhejiang Expressway;
- (2) the Transaction is approved by the shareholders of Oceanking Development present at the general meeting;
- (3) the Transaction is approved by the competent state-owned assets supervision and administration authority;
- (4) the relevant matters of the Transaction are approved by the SSE and CSRC approved registration of those matters;
- (5) the Transaction passes the concentration of undertakings review by the Anti-Monopoly Bureau of the State Administration for Market Regulation (if required);
- (6) SSE approved the listing of RMB ordinary shares issued by Zhejiang Expressway on the Main Board of SSE;
- (7) the Hong Kong Stock Exchange has no objection to the circular to shareholders to be issued by Zhejiang Expressway in relation to the Transaction.

Agreement on Absorption and Merger through Share Swap may be terminated under any of the following circumstances:

- (1) it is terminated by mutual agreement;
- (2) if there is any injunction, decision, and order made by competent governmental authorities that restrict, prohibit, or disapprove the completion of the Transaction, either party shall have the right to terminate the Agreement by written notice;
- (3) the party affected by a force majeure event shall notify the other party within ten (10) business days after the occurrence of the force majeure event and provide all available evidence. If the Agreement cannot be performed for sixty (60) days due to a force majeure event (unless both parties agree to an extend), then either party to the Agreement shall have the right to terminate the Agreement by written notice;
- (4) if any party materially breaches the provisions of the Agreement, and such breach is not remedied within thirty (30) days from the date the non-breaching party delivers a written notice to the breaching party requiring it to immediately take remedial measures for such breach, the non-breaching party shall have the right to unilaterally terminate the Agreement by written notice.

Liability for Breach:

If a party to the Agreement on Absorption and Merger through Share Swap breaches any of its representations, warranties, undertakings, or makes any misrepresentations, or fails to perform any of its responsibilities and obligations hereunder, such party commits a breach of contract. The breaching party shall, at the request of the other party, continue to perform its obligations, take remedial measures, or provide full, prompt, adequate, and effective indemnification.

Where the Transaction fails to become effective or to be completed for reasons not attributable to either party, none of the parties shall be liable for breach of contract.

III. ISSUANCE OF A SHARES UNDER SPECIFIC MANDATE

The Transaction involves issuance of new A Shares by the Company to all Conversion Shareholders of Oceanking Development so as to exchange for A Shares of Oceanking Development held by them at the Conversion Ratio. The Board will propose to the general meeting and class meetings to grant the Board an unconditional specific mandate to decide and implement the issuance of A Shares by the Company as needed by the Transaction if the Transaction is finalized, and to fully handle any and all matters necessary, beneficial, or appropriate for the issuance of new A Shares. The Board will separately consider the resolution regarding the request for the general meeting and class meetings to grant the Board a specific mandate to issue additional A Shares, and will make further announcements in due course. The above specific mandate will be approved as part of the approval of the Transaction.

IV. REASONS FOR AND BENEFITS OF THE TRANSACTION

1. Further exert the leading and strategic supporting roles of the state-owned economy

Building a country with a strong transportation network is China's development vision, and the Yangtze River Delta is one of its key strategic regions. According to the Plan for Higher-Quality Integrated Development of Transportation in the Yangtze River Delta Region (《長江三角洲地區交通運輸更高質量一體化發展規劃》) issued by the NDRC, it sets out the goal of building a multi-level comprehensive transportation network featuring efficient external connectivity and sound internal connection – with rail transit as the backbone, highway networks as the foundation, water transport and civil aviation as support, and Shanghai, Nanjing, Hangzhou, Hefei, Ningbo and other cities as key nodes. In addition, according to the government work report of Zhejiang Province, in recent years, significant progress has been made in the integrated development of the Yangtze River Delta and the “Four Major Initiatives” (四大建設). The national strategy for the integrated development of the Yangtze River Delta has been rapidly implemented.

The roads operated by our Group connect several major economic zones within the Yangtze River Delta. As the only publicly listed expressway company in Zhejiang Province, the Company will take advantage of the integrated development of the Yangtze River Delta and Zhejiang Province's high-quality construction of a demonstration zone for common prosperity to actively respond to Zhejiang's efforts to build a pioneer zone for the development of a transportation powerhouse, a leading zone for coordinated transportation development, a demonstration zone for civilized, harmonious, and beautiful transportation, and a pilot zone for deepening transportation reform. Upon completion of the Transaction, Zhejiang Expressway will be listed on both the A-share and H-share markets through the Absorption Merger Through Share Swap. This will help broaden funding sources to provide financial support for expressway construction. It further enables the Company to seize development opportunities in the Yangtze River Delta, and contributes to the development of a safe, convenient, efficient, green, and economical modern integrated transportation system. This lays the foundation for higher-quality integrated development of the regional economy, and better serves the national development strategy.

2. Expand financing channels and enhance corporate competitiveness

Upon the completion of the Transaction, Zhejiang Expressway, as the Surviving Company, will become listed on both the A-share and H-share markets and become able to conduct capital operations in both the H-share and A-share markets. While the A-share market boasts continuous innovation in investment and financing tools and remarkable market vitality, the H-share market is characterized by a high degree of internationalization and diverse capital channels. Against this backdrop, the formation of an A+H dual-platform capital operation system will enable the Company to flexibly leverage the differentiated advantages of the two capital markets. It can select more suitable financing markets and financial instruments based on market conditions and capital costs, thereby further broadening financing channels, optimizing its capital structure, and enhancing its risk resistance capacity. Meanwhile, this system will also boost the Company's brand influence and market competitiveness, providing a more solid and flexible capital support for its future business expansion and mergers and acquisitions.

3. Facilitate protecting the interests of shareholders of the Merging Parties and improving investment returns for minority shareholders

Pursuant to the plan for the Transaction, all shareholders of Oceanking Development may choose to exchange the Oceanking Development shares held by them for A-shares of Zhejiang Expressway and thus become shareholders of Zhejiang Expressway. As a leading enterprise in highway investment, operation and management in the industry, Zhejiang Expressway has a large asset base and strong profitability, along with notable geographical advantages, a diversified business portfolio and stable financial performance. The achievement of A+H dual-listing through the absorption merger will help enhance the Company's capital operation efficiency and market influence, thus bringing more favorable and sustainable returns to minority shareholders.

The Directors (including independent non-executive Directors) who are not required to abstain from voting in the relevant Board resolutions are of the opinion that the terms of the Agreement on Absorption and Merger through Share Swap and the transactions contemplated thereby are entered into on normal commercial terms, are fair and reasonable, and are in the overall interests of the Company and its shareholders. Given that Mr. Yuan Yingjie, Mr. Fan Ye, and Mr. Huang Jianzhang are currently also employed by Communications Group, they have abstained from voting on the relevant board resolutions approving this transaction. Except for the aforementioned individuals, no other Directors have a material interest in the Transaction or are required to abstain from voting on any of the relevant board resolutions approving the Transaction.

V. IMPACT OF THE TRANSACTION ON THE COMPANY

1. Impact of the Transaction on the principal business of the Company

Prior to the Transaction, the highway business of Zhejiang Expressway was primarily focused on the investment, operation and management of highways, and with the well-developed regional economy, it enjoyed distinct regional advantages and a notable road network effect. As a key enterprise designated by the Zhejiang Provincial Government for investing in, developing and operating highways within the province, it owned a number of important high-quality highway assets in Zhejiang. The securities business of Zhejiang Expressway is operated by its subsidiary, Zheshang Securities. The subsidiary provides a full range of securities services, including securities brokerage, margin financing and securities lending, securities underwriting, asset management, consulting services, and securities trading. As a listed comprehensive national securities company on the A-share market, Zheshang Securities is fully licensed across all major business segments, ranks among the top tiers in the industry across all major business segments, and has strong overall capacities and sufficient capital. Oceanking Development specializes in the research and development, production and sales of chlor-alkali-related products. Its product portfolio covers chlor-alkali products, MIBK-based products, PVC-based products, and high-purity hydrogen, among others.

After the completion of the Transaction, Zhejiang Expressway will take over the existing business of Oceanking Development, expand its core business into the chemical industry, and further enhance its comprehensive strength through the integration of assets, personnel and management. In addition, by leveraging their respective advantages in hydrogen production, application scenarios and terminal networks, the two parties can also form in-depth synergy in areas such as new energy transportation infrastructure construction, deepen the integration of transportation and energy, and further strengthen their overall competitiveness and green transformation capabilities.

Through the comprehensive integration of businesses and resources, this restructuring will not only optimize the company's governance structure, improve resource allocation efficiency, and enhance the enterprise's core competitiveness and industry position, but also further broaden financing channels by virtue of the "A+H" dual financing platforms, thereby realizing synergies across the entire industrial chain.

Furthermore, the Company will continue to monitor investment and acquisition opportunities in the expressway sector, while maintaining communication with Communications Group. On the premise of being consistent with the Company's interests, it will consider investing in and acquiring high-quality expressway assets (including but not limited to the assets of subsidiaries of Communications Group) when opportunities arise in the future, so as to further enhance the Company's profitability.

2. Impact of the Transaction on the shareholding structure of the Company

According to the plan for the Transaction, without considering the impact of the conversion of outstanding convertible bonds of Oceanking Development into shares, the exercise of Put Option and exercise of Cash Option, upon completion of the Transaction, Communications Group will directly and indirectly hold a total of 4,348,415,547 shares of the Surviving Company, accounting for 66.74% of the total share capital of the Surviving Company, thus becoming the controlling shareholder and de facto controller of the Surviving Company.

The share capital structure of Zhejiang Expressway before and after the Transaction is as follows:

Name of shareholder	Prior to the Transaction		After the Transaction	
	Number of shares held (share)	Percentage of shareholding	Number of shares held (share)	Percentage of shareholding
Communications Group	4,014,778,800	66.49%	4,275,944,352	65.63%
Other existing shareholders of Oceanking Development	—	—	216,081,281	3.32%
Total Domestic Shares (A Shares)	4,014,778,800	66.49%	4,492,025,633	68.95%
Universal Cosmos	72,471,195	1.20%	72,471,195	1.11%
China Merchants Expressway Network & Technology Holdings Co., Ltd. ("China Merchants Expressway") ^(note 5)	363,914,280	6.03%	363,914,280	5.59%
Public H Shareholders	1,586,950,367	26.28%	1,586,950,367	24.36%
Total H shares	2,023,335,842	33.51%	2,023,335,842	31.05%
Total share capital	6,038,114,642	100.00%	6,515,361,475	100.00%

Note:

- (1) The impact of the conversion of outstanding convertible bonds of Oceanking Development into shares, the exercise of the Put Option or the exercise of Cash Option is not taken into account.
- (2) Percentage of shareholding refers to the proportion of the total share capital.
- (3) The number of shares held prior to the Transaction shall be the number of shares held as at the date of this announcement.
- (4) The number of shares held by other existing shareholders of Oceanking Development after the Transaction will be determined based on the treatment of fractional share.
- (5) China Merchants Expressway is the substantial shareholder of a significant subsidiary of the Company and thus constitutes a core connected person of the Company.

Upon completion of the Transaction, the Company's public float (percentage of number of shares held by the public (total of A Shares and H shares) in the total number of issued shares) is expected to remain no less than 25%. The Company will ensure that it will the public float requirements before and after the completion of the Transaction.

3. Impact of the Transaction on the financial position of the Company

As of the date of this announcement, the audit and valuation work for the Transaction has not yet been completed, and it is not yet possible to conduct an accurate quantitative analysis of financial position and profitability of the Company after the Transaction. The Company will complete the audit, valuation, and other work as soon as possible after the disclosure of this announcement, and will convene another board meeting to make resolutions on relevant matters, and analyze in detail the specific impact of the Transaction on the financial position and profitability of the Company in the circular.

VI. IMPLICATIONS UNDER THE LISTING RULES

From the perspective of notifiable transactions under Chapter 14 of the Listing Rules, as the highest applicable percentage ratio for the Transaction calculated under Chapter 14 of the Listing Rules is higher than 5% but lower than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements. Further, pursuant to Rules 13.36 and 19A.38 of the Listing Rules and the Articles of Association, the issue of the new A Shares pursuant to the Transaction will be made pursuant to a specific mandate which requires approval by special resolution by a majority of not less than two-thirds of the votes cast by way of poll by the Shareholders of the Company attending meetings at the general meeting and class meetings.

From the perspective of connected transactions under Chapter 14A of the Listing Rules, as at the date of this announcement, Communications Group directly held 4,014,778,800 Domestic Shares of the Company and indirectly held 72,471,195 H Shares of the Company through Universal Cosmos, one of its wholly-owned subsidiaries, thus holding a total of 67.69 % of shares of Company, making it the controlling shareholder of the Company and a connected person of the Company under Rule 14A.07 of the Listing Rules. As at the date of this announcement, Communications Group directly held 54.72% of the shares of Oceanking

Development, and Oceanking Development is a subsidiary of Communications Group and constitutes a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the Transaction constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules, and is subject to the reporting, announcement, and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

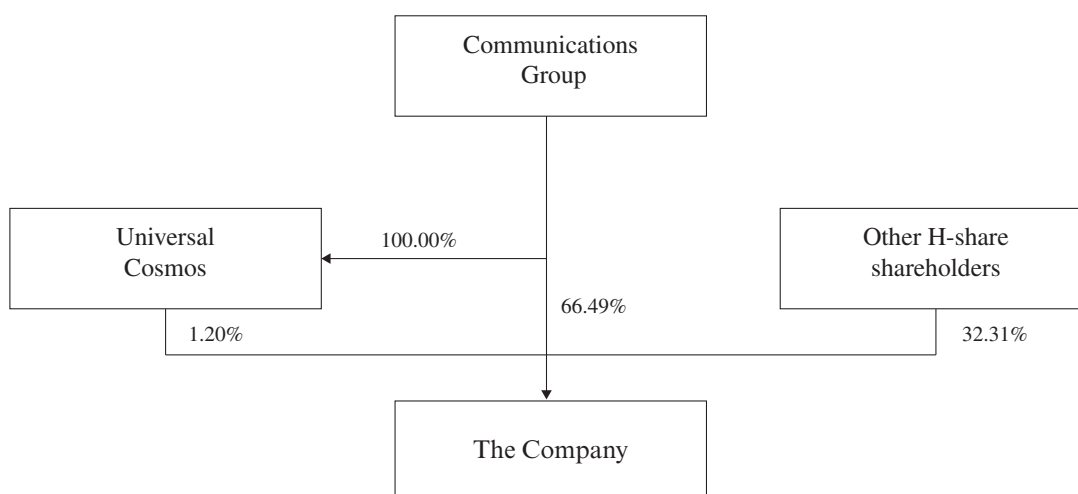
Pursuant to the Listing Rules, any Shareholder of the Company who has a material interest in the Transaction is required to abstain from voting on the resolutions to approve the Transaction at the general meeting and/or class meetings of the Company. As at the date of this announcement and as stated above, Communications Group are the controlling shareholder of the Company directly and indirectly holding approximately 67.69% of the total issued shares of the Company in aggregate. As such, Communications Group and its subsidiaries are required to abstain from voting on the relevant resolutions at the general meeting and/or class meetings of the Company. Other than Communications Group and its subsidiaries, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, none of the Shareholders or any of their close associates has a material interest in the Transaction. Accordingly, save as the above, no other Shareholders are required to abstain from voting on the relevant resolutions to be proposed at the general meeting and class meetings of the Company to approve the Transaction.

VII. GENERAL

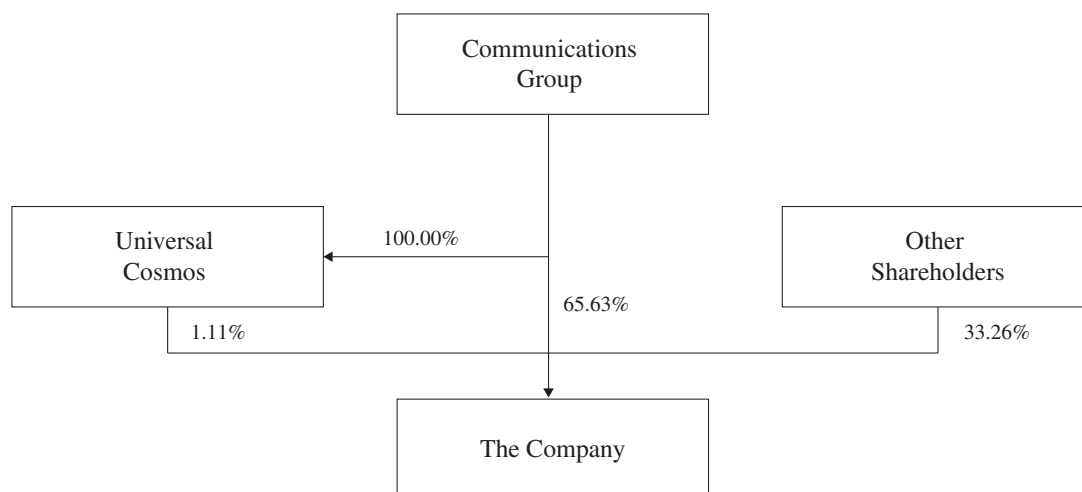
1. Information on the Company

The Company is a joint stock company established under the laws of the PRC with limited liability on March 1, 1997, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange. The Company is principally engaged in investing in, developing and operating high-grade roads in China. The Group also carries on certain other businesses such as securities brokerage, investment banking, asset management, margin financing and securities lending through Zheshang Securities.

As at the date of this announcement, the shareholding structure of the Company was as follows:



Immediately following the completion of the Transaction (assuming no other shares will be issued after the date of this announcement until the completion of the Transaction, and disregarding the impact of conversion of outstanding convertible bonds of Oceanking Development into shares, the Put Option or Cash Option), the shareholding structure of the Company is expected to be as follows:



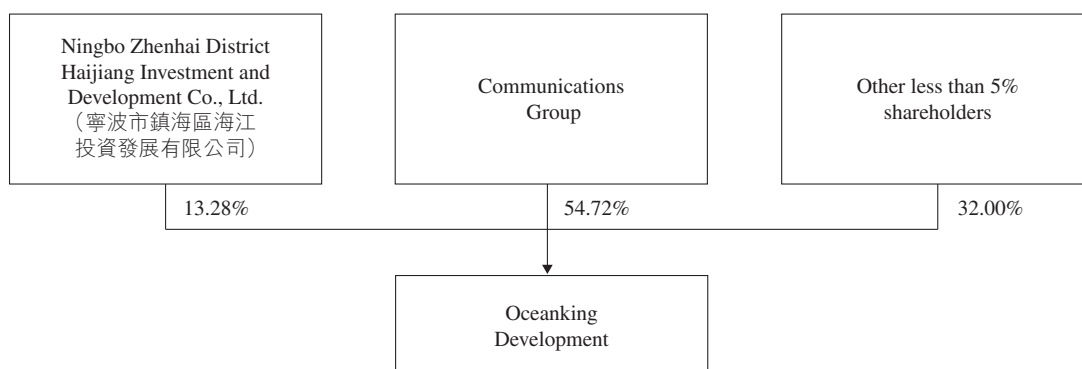
2. Information on Communications Group

Communications Group is a state-owned enterprise established under the laws of the PRC. As the main platform for comprehensive transportation investment and financing and the main force in comprehensive transportation construction in Zhejiang Province, it coordinates and undertakes the investment and financing, construction, operation and management of transportation infrastructure including expressways, railroads, key cross-region mass transit railways and integrated transport hubs in Zhejiang Province, and actively participates in comprehensive transportation infrastructure projects led by cities and counties in Zhejiang Province.

3. Information on Oceanking Development

Oceanking Development is a joint stock limited company incorporated and validly existing under the laws of the PRC, the shares of which are listed and traded on the SSE with the stock code 603213.SH. Oceanking Development is primarily engaged in the research and development, production, and sales of chloralkali related products. It adopts the zero pole distance ionic membrane salt water electrolysis process encouraged by national industrial policies to produce caustic soda, and also produces chlorine gas and hydrogen gas as by products. Based on this, it constructs three major product chains of alkali, chlorine, and hydrogen, including chlorine alkali products, MIBK-class products, PVC-class products and other products. As of the date of this announcement, Communications Group directly holds approximately 54.72% of the shares of Oceanking Development, and is its controlling shareholder.

As at the date of this announcement, the shareholding structure of Oceanking Development was as follows:



Based on the audited financial data prepared in accordance with Chinese accounting regulations as contained in published A-share 2023 annual report and 2024 annual report of Oceanking Development, and the unaudited financial information for the six months ended June 30, 2025 as contained in the published A-Share semi-annual report 2025 of Oceanking Development, the total profit (profit before taxation) and net profit (profit after taxation) of Oceanking Development for the two financial years ended December 31, 2023 and December 31, 2024, and for the six months ended June 30, 2025, as well as the total assets and net assets attributable to shareholders of the listed company as at December 31, 2023, December 31, 2024, and June 30, 2025, are as follows:

Unit: RMB0,000

	As of December 31, 2023	As of December 31, 2024	As of June 30, 2025
Total assets	297,075.76	327,058.41	329,895.11
Net assets attributable to shareholders of the listed company	177,505.51	192,678.95	186,219.19
	For the year ended December 31, 2023	For the year ended December 31, 2024	For the six months ended June 30, 2025
Total profit (profit before taxation)	32,057.84	24,652.86	6,373.10
Net profit (profit after taxation)	24,954.70	19,109.58	5,063.16
Revenue	211,463.88	289,912.47	133,602.72

VIII. CIRCULAR

The Company will convene a general meeting and class meetings for shareholders to consider and, if thought fit, approve the Transaction. The Company will publish and despatch to the shareholders a circular containing, among other things, the following: (i) further details of the Transaction, (ii) further details of the specific mandate for the Issuance of A Shares, and (iii) notices of the general meeting and class meetings convened for approving the Transaction. For the purpose of the circular, the Company will need time to make various preparations, rendering the expected date of dispatch of the circular to be 15 business days after the publication of this announcement.

The Transaction may or may not be proceeded or become unconditional or effective. There is no assurance that all the effectiveness conditions contained in the Agreement on Absorption and Merger through Share Swap can be fulfilled. Investors and potential investors should exercise caution, and should not rely solely on information published by the Company, when dealing in or contemplating dealing in the securities of the Company.

IX. DEFINITIONS

“Agreement on Absorption and Merger through Share Swap”	the Agreement on Absorption and Merger through Share Swap of Zhejiang Expressway Co., Ltd. and Zhejiang Oceanking Development Co., Ltd. entered into between the Company and Oceanking Development on September 2, 2025
“Articles of Association”	the Articles of Association of the Company (as amended, modified or otherwise supplemented from time to time)
“A Shares”	ordinary share(s) as issued in the PRC, listed on the PRC domestic stock exchange, denominated, subscribed for and traded in RMB with a nominal value of RMB1.00 each
“A Shares of Oceanking Development”	A Shares of Oceanking Development (stock code: 603213.SH) listed and traded on the SSE
“Board of Directors” or “Board”	board of directors of the Company
“Cash Option”	the rights of the Dissenting Shareholders of Oceanking Development entitled in the Merger. The Dissenting Shareholders of Oceanking Development who declare to exercise the right may request the Cash Option Providers to acquire all or part of the shares of Oceanking Development held by them in cash during the Declaration Period of Cash Option

“Cash Option Exercise Date”	the date on which the Cash Option Providers pay cash consideration to Dissenting Shareholders of Oceanking Development who effectively declared to exercise the Cash Option for the shares of Oceanking Development held by them, which will be determined and announced by the Merging Parties through negotiation separately
“Cash Option Provider(s)”	the units that pay cash consideration to the eligible Dissenting Shareholders of Oceanking Development for shares of Oceanking Development held by such dissenting shareholders in the Absorption and Merger through Share Swap. Communications Group and/or its designated entities (excluding Zhejiang Expressway and its subsidiaries) will serve as the Cash Option Providers of the Absorption and Merger through Share Swap
“Closing Date”	the same day as the Share Swap Implementation Date or such other date as Merging Parties may agree Zhejiang Expressway as the Surviving Company, on which it and/or its designated subsidiaries will assume all assets, liabilities, businesses, contracts, qualifications, employees and all other rights and obligations of Oceanking Development
“Communications Group”	Zhejiang Communications Investment Group Co., Ltd., a state-owned enterprise established in the PRC on December 29, 2001 and is the controlling shareholder of the Company
“Company Law”	Company Law of the People’s Republic of China (as amended from time to time)
“Company” or “Zhejiang Expressway”	Zhejiang Expressway Co., Ltd.* (浙江滬杭甬高速公路股份有限公司), a joint stock limited company established in the PRC on March 1, 1997, whose H shares are listed on the Main Board of the Hong Kong Stock Exchange
“Completion Date of the Merger”	the date on which Zhejiang Expressway completed the procedures for industrial and commercial registration of changes regarding the Merger or Oceanking Development completed the procedures for deregistration of industrial and commercial registration, whichever is later
“connected person”	has the meaning ascribed to it under the Listing Rules
“connected transaction”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules

“Conversion Price”	the price per share of Oceanking Development when A Shares of Oceanking Development are swapped for A Shares to be issued by Zhejiang Expressway under the Merger
“Conversion Ratio”	the ratio of each share of Oceanking Development to be swapped for shares of Zhejiang Expressway under the Merger pursuant to the Agreement on Absorption and Merger through Share Swap, which is determined to be 1:1.0800, meaning that each A Shares of Oceanking Development held by A Shareholders of Oceanking Development can be exchanged for 1.0800 A Shares of Zhejiang Expressway
“Conversion Shareholders of Oceanking Development”	all shareholders of Oceanking Development whose name appears on the shareholders’ register at the close of business of the Record Date for Merger Implementation, including the shareholders of Oceanking Development who have not declared, partially declared, have no right to declare or invalidly declared the exercise of the Cash Option, and the Cash Option Providers of Dissenting Shareholders of Oceanking Development
“CSRC”	China Securities Regulatory Commission
“Declaration Period of Cash Option”	the period during which the eligible Dissenting Shareholders of Oceanking Development may request to exercise the Cash Option, which will be determined and announced by the Merging Parties through negotiation separately
“Declaration Period of Put Option”	the period during which eligible Dissenting Shareholders of Zhejiang Expressway may request to exercise their put options, which shall be determined and announced by the Merging Parties through negotiation separately
“Dissenting Shareholders of Oceanking Development”	the shareholders of Oceanking Development having cast effective dissenting votes in respect of the resolutions and each of the sub-resolutions to be voted separately regarding the plan for the Transaction and the resolutions regarding entering into the Agreement on Absorption and Merger through Share Swap at the general meeting held by Oceanking Development regarding the Transaction, and having held the shares which are entitled to the dissenting rights until the Cash Option Exercise Date of the Dissenting Shareholders of Oceanking Development, and having fulfilled relevant declaration procedures of the Cash Option within the specified time

“Dissenting Shareholders of Zhejiang Expressway”	the shareholders of Zhejiang Expressway having cast effective dissenting votes in respect of the resolutions and each of the sub-resolutions to be voted separately regarding the plan for the Transaction and the resolutions regarding entering into the Agreement on Absorption and Merger through Share Swap at the general meeting and corresponding shareholders’ class meeting held by Zhejiang Expressway to vote on the Transaction, having held the shares which are entitled to the dissenting rights until the Put Option Exercise Date of the Dissenting Shareholders of Zhejiang Expressway, and having fulfilled relevant declaration procedures of the Put Option within the specified time
“Domestic Shares”	unlisted domestic shares held by the legal person in the PRC in Zhejiang Expressway as at the date of signing the Agreement on Absorption and Merger through Share Swap
“Group”	the Company and its subsidiaries
“H Shares”	with respect to a joint stock limited company listed and traded on the Hong Kong Stock Exchange, the listed tradable shares issued to overseas investors, subscribed for in foreign currency, and listed and traded on the Hong Kong Stock Exchange, with a par value of RMB1.00 per share.
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Issuance of A Shares”	issuance of A Shares by Zhejiang Expressway to all Conversion Shareholders of Oceanking Development due to the Merger
“Issue Price”	the price per A share to be issued by Zhejiang Expressway to all Conversion Shareholders of Oceanking Development for the Merger
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Merger” or “Absorption and Merger through Share Swap” or “Transaction”	Zhejiang Expressway will absorb and merge Oceanking Development by the Issuance of A Shares to all Conversion Shareholders of Oceanking Development. Upon completion of the Merger, Oceanking Development will be delisted from the SSE and ultimately disqualified as a legal person. Zhejiang Expressway and/or its designated subsidiaries will assume all assets, liabilities, businesses, contracts, qualifications, employees, and all other rights and obligations of Oceanking Development. At the same time, Zhejiang Expressway will apply for the listing and trading of A Shares to be issued for the absorption and merger and the existing Domestic Shares on the Main Board of SSE
“Merging Parties”	Zhejiang Expressway and Oceanking Development
“Oceanking Development”	Zhejiang Oceanking Development Co., Ltd., whose shares are listed and traded on the Main Board of SSE (stock code: 603213.SH). As at the date of this announcement, Oceanking Development has a total of 441,895,215 issued shares, of which Communications Group directly held approximately 54.72% of the shares of Oceanking Development, making it the controlling shareholder of Oceanking Development
“PRC”	the People’s Republic of China, solely for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region, and Taiwan
“Pricing Benchmark Date”	the announcement date of the first board resolution of Oceanking Development to consider matters related to the Transaction (i.e., September 2, 2025)
“Put Option”	the rights of the Dissenting Shareholders of Zhejiang Expressway entitled in the Absorption and Merger through Share Swap. The Dissenting Shareholders of Zhejiang Expressway who declare to exercise such right may request the Put Option Providers to acquire all or part of the shares of Zhejiang Expressway held by them in cash during the Declaration Period of Put Option
“Put Option Exercise Date”	the date on which the Put Option Providers pay cash consideration to Dissenting Shareholders of Zhejiang Expressway who effectively declared to exercise the Put Option for the shares of Zhejiang Expressway held by them, which will be determined and announced by the Merging Parties through negotiation separately

“Put Option Provider(s)”	the units that pay cash consideration to the eligible Dissenting Shareholders of Zhejiang Expressway for shares of Zhejiang Expressway held by such dissenting shareholders in the Absorption and Merger through Share Swap. Communications Group and/or its designated entities (excluding Zhejiang Expressway and its subsidiaries) will serve as the Put Option Providers for the Merger
“Record Date for Merger Implementation”	a trading day for determining the list of shareholders of Oceanking Development entitled to participate in the Share Swap and the number of shares held by them, which will be determined and announced by the Merging Parties through negotiations separately
“Restrictions on Rights”	shares held by shareholders that are subject to ownership disputes, pledges, freezing orders, sealing-up orders or other restrictions on transfer under applicable laws or restricted agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	the Securities Law of the People’s Republic of China (as amended from time to time)
“Share Swap”	with respect to the Merger, the exchange of A Shares of Oceanking Development held by Oceanking Development Share Swap Shareholders into A Shares to be issued by the Company according to the Exchange Ratio as stipulated in the Agreement on Absorption and Merger through Share Swap
“Share Swap Implementation Date”	the date on which the A Shares issued by Zhejiang Expressway for the Merger registered under the name of Conversion Shareholders of Oceanking Development, which will be confirmed and announced by the Merging Parties through negotiation separately
“SSE”	Shanghai Stock Exchange
“Surviving Company”	Zhejiang Expressway upon the completion of the issuance of shares and Absorption and Merger of Oceanking Development
“Transition Period of the Merger”	the period from the execution date of the Agreement on Absorption and Merger through Share Swap to the Completion Date of the Merger

“Universal Cosmos”	Universal Cosmos Limited, a wholly-owned subsidiary of Communications Group
“Zheshang Securities”	Zheshang Securities Co., Ltd., whose shares are listed and traded on the Main Board of SSE (stock code 601878.SH), a subsidiary of Zhejiang Expressway

In this announcement: (i) all figures have been rounded to the nearest two decimal places; (ii) certain amounts and percentage figures included in this announcement have been subject to rounding adjustments, and all percentages stated in this announcement are approximations; and (iii) for the avoidance of doubt, references to “not less than” a figure and “not more than” a figure shall include the figure mentioned.

By order of the Board
Zhejiang Expressway Co., Ltd.
YUAN Ying Jie
Chairman

Hangzhou, the PRC, September 2, 2025

As at the date of this announcement, the Chairman of the Company is Mr. YUAN Yingjie; the executive Directors of the Company are: Mr. WU Wei and Mr. LI Wei; the other non-executive Directors of the Company are: Mr. YANG Xudong, 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. YU Mingyuan.