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

PROPOSED ISSUE OF H SHARE CONVERTIBLE BONDS UNDER GENERAL MANDATE

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules and Section 307(B) of the Securities and Futures Ordinance.

The Company announces that on 30 September 2016, the Board approved a proposal to submit to the Shareholders at a General Meeting to be convened in due course for consideration and approval of a proposed offer and issue of H Share Convertible Bonds. Such proposed H Share Convertible Bonds would have an aggregate principal amount of up to USD400 million or its equivalent. The funds raised by any issue of the H Share Convertible Bonds are intended to be used for satisfying the operation needs of the Company, adjusting the debt structure, replenishing general working capital and project investments etc.

The Conversion Shares will be issued pursuant to the General Mandate granted to the Directors at the annual general meeting of the Company held on 6 May 2016 to allot and issue additional H Shares.

A circular containing, among others, details of the proposed issue of H Share Convertible Bonds and a notice to Shareholders convening the General Meeting will be dispatched to Shareholders as soon as practicable.

THE PROPOSED ISSUE OF H SHARE CONVERTIBLE BONDS IS SUBJECT TO, AMONG OTHERS, THE APPROVAL OF THE SHAREHOLDERS AT THE GENERAL MEETING, THE ENTERING INTO OF DEFINITIVE LEGAL DOCUMENTATION TO CONSTITUTE THE H SHARE CONVERTIBLE BONDS AND MARKET CONDITIONS AND THEREFORE MAY OR MAY NOT MATERIALISE. SHAREHOLDERS AND INVESTORS SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY.

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules and Section 307 of the Securities and Futures Ordinance.

PROPOSED ISSUE OF H SHARE CONVERTIBLE BONDS UNDER GENERAL MANDATE

1. Background

The Company announces that on 30 September 2016, the Board approved a proposal to submit to the Shareholders at a General Meeting to be convened in due course for consideration and approval of a proposed offer and issue of H Share Convertible Bonds. Such proposed H Share Convertible Bonds would have an aggregate principal amount of up to USD400 million or its equivalent. The funds raised by any issue of the H Share Convertible Bonds are intended to be used for satisfying the operation needs of the Company, adjusting the debt structure, replenishing general working capital and project investments etc.

The Conversion Shares will be issued pursuant to the General Mandate granted to the Directors at the annual general meeting of the Company held on 6 May 2016 to allot and issue additional H Shares.

In compliance with the Articles of Association, the proposed issue of H Share Convertible Bonds requires approval of the Shareholders by special resolution. Accordingly, the Company proposes to convene a General Meeting for the consideration and approval of the proposal.

The proposed issue of H Share Convertible Bonds also requires the obtaining of approvals and/or consents from the relevant PRC regulatory authorities including the CSRC. The timing of any actual offer and issue of H Share Convertible Bonds will depend on, among other things, investor demand and market conditions.

2. Granting of authority to the Board to deal with matters relating to the proposed issue of H Share Convertible Bonds

It is proposed to be submitted to the Shareholders for consideration and approval 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. Details of the authorities proposed to be granted to the Board will be included in a circular containing, among others, details of the proposed issue of H Share Convertible Bonds and a notice to Shareholders convening the relevant General Meeting.

3. Reasons and benefits for the proposed issue of H Share Convertible Bonds

The Board believes that the proposed issue of H Share Convertible Bonds will provide the Company with a further source of funding. The Board considers that the proposed issue of H Share Convertible Bonds will improve the debt structure of the Company, increase the general working capital of the Company and enhance the Company's investment capability.

GENERAL MEETING

The General Meeting will be convened to approve the special resolution regarding the proposed issue of H Share Convertible Bonds.

A circular containing, among others, details of the proposed issue of H Share Convertible Bonds and a notice to Shareholders convening the General Meeting will be despatched to Shareholders as soon as practicable.

THE PROPOSED ISSUE OF H SHARE CONVERTIBLE BONDS IS SUBJECT TO, AMONG OTHERS, THE APPROVAL OF THE SHAREHOLDERS AT THE GENERAL MEETING, THE ENTERING INTO OF DEFINITIVE LEGAL DOCUMENTATION TO CONSTITUTE THE H SHARE CONVERTIBLE BONDS AND MARKET CONDITIONS AND THEREFORE MAY OR MAY NOT MATERIALISE. SHAREHOLDERS AND INVESTORS SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY.

DEFINITIONS

In this announcement, unless the context specifies otherwise, the following defined expressions have the following meanings:

“Articles of Association”	the articles of association of the Company
“Board”	the Board of Directors
“Company”	Zhejiang Expressway Co., Ltd. (浙江滬杭甬高速公路股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, whose shares are listed on the main board of the Stock Exchange
“Conversion Shares”	H Shares which fall to be allotted and issue upon exercise of the conversion rights attached to the H Share Convertible Bonds
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會) of the PRC

“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 6 May 2016 to allot, issue and/or deal with additional H Shares representing up to the limit of 20% of H Shares in issue on the date of the passing of the relevant resolution
“H Share(s)”	overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1 per share, which are listed on the main board of the Stock Exchange
“H Share Convertible Bonds”	the convertible bonds with an aggregate principal amount of up to USD400 million proposed to be issued by the Company, which are convertible into H Shares.
“General Meeting”	the general meeting of the Shareholders of the Company to be convened for the purposes of, among other things, approval of the special resolution regarding the proposed issue of H Share Convertible Bonds
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	Rules Governing the Listing of Securities on The Hong Kong Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“USD” United States dollars, the law currency of the United States of America

“%” per cent.

On behalf of the Board
ZHEJIANG EXPRESSWAY CO., LTD.
ZHAN Xiaozhang
Chairman

Hangzhou, PRC, 30 September 2016

As of 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