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安 徽 皖 通 高 速 公 路 股 份 有 限 公 司
ANHUI EXPRESSWAY COMPANY LIMITED

(incorporated in the People's Republic of China with limited liability as a joint stock company)

(Stock Code: 995)

**CONNECTED TRANSACTIONS:
INVESTMENT IN ESTABLISHMENT OF FUND MANAGEMENT COMPANY
AND FUND PARTNERSHIP**

Reference is made to the Announcement. The Board is pleased to announce that the proposals of investment as disclosed in the Announcement have been approved by Anhui Transportation Group. On 24 April 2017, the Company entered into the Fund Partnership Agreement with the Fund Management Company, Transportation Holding Capital, Anlian Company and China Merchants Zhiyuan.

On 6 April 2017, the Company, China Merchants Zhiyuan and Transportation Holding Capital completed the industrial and commercial registration procedures for the Fund Management Company.

As at the date of this announcement:

- Anhui Transportation Group holds approximately 31.63% of the total issued shares in the Company and is a controlling shareholder (as defined under the Listing Rules) of the Company. Anlian Company and Transportation Holding Capital are subsidiaries of Anhui Transportation Group. Anlian Company and Transportation Holding Capital are therefore associates of Anhui Transportation Group and connected persons of the Company under the Listing Rules; and

- China Merchants Expressway holds approximately 29.94% of the total issued shares in the Company and is a substantial shareholder (as defined under the Listing Rules) of the Company. China Merchants Zhiyuan is a wholly-owned subsidiary of CMS. As China Merchants Group is the de-facto controller of both CMS and China Merchants Expressway, China Merchants Zhiyuan is therefore an associate of China Merchants Expressway and a connected person of the Company under the Listing Rules.

The establishment of the Fund Management Company constituted a connected transaction of the Company as Transportation Holding Capital and China Merchants Zhiyuan are connected persons of the Company. As the Fund Management Company is owned by China Merchants Zhiyuan as to 70%, the Fund Management Company is an associate of China Merchants Group and a connected person of the Company under the Listing Rules. As all the applicable Percentage Ratios for the Management Company Investment were less than 0.1%, the then establishment of the Fund Management Company was exempt from all disclosure requirements under Chapter 14A of the Listing Rules.

The establishment of the Fund Partnership constituted a connected transaction of the Company as the Fund Management Company, Anlian Company, Transportation Holding Capital and China Merchants Zhiyuan are connected persons of the Company.

As the Fund Management Company and the Fund Partnership are established between the Company and substantially the same parties and that they are all related to investment in the Fund Partnership, the investment in the establishment of the Fund Management Company and the Fund Partnership should be aggregated pursuant to Rule 14A.81 of the Listing Rules.

Since the highest applicable Percentage Ratio applicable to the Management Company Investment and the Fund Partnership Investment (in aggregate) exceeds 0.1% but is less than 5%, the establishment of the Fund Management Company and the Fund Partnership constituted connected transactions of the Company which are exempt from the independent shareholders' approval requirement, but will be subject to the relevant reporting and announcement requirements under Chapter 14A of the Listing Rules.

1. INVESTMENT IN THE FUND PARTNERSHIP

Reference is made to the announcement of the Company dated 17 March 2017 (the “**Announcement**”). The Board is pleased to announce that the proposals of investment as disclosed in the Announcement have been approved by Anhui Transportation Group. On 24 April 2017, the Company entered into the Fund Partnership Agreement with the Fund Management Company, Transportation Holding Capital, Anlian Company and China Merchants Zhiyuan. Pursuant to the Fund Partnership Agreement, the parties agree to jointly establish the Fund Partnership. The industrial and commercial registration procedures for the Fund Partnership have been completed on 25 April 2017. Details of the Fund Partnership are as follows:

Parties

- (1) the Fund Management Company, as general Partner
- (2) the Company, as limited Partner
- (3) Transportation Holding Capital, as limited Partner
- (4) Anlian Company, as limited Partner
- (5) China Merchants Zhiyuan, as limited Partner

The liabilities of the general Partner under the Fund Partnership are unlimited, while the liabilities of the Limited Partners are limited to their respective capital contributions.

Purpose

The purpose of establishment of the Fund Partnership is to develop operating activities in accordance with the scope of business of the Fund Partnership so to achieve maximum economic return.

The scope of business of the Fund Partnership includes equity investment and investment advisory.

Capital contribution in the Fund Partnership

Name of Partner	Committed capital amount (RMB million)	Percentage of equity interest in the Fund Partnership (%)	Manner of contribution	Liability
the Fund Management Company	30	1.00	cash	unlimited
the Company	199.25	6.64	cash	limited
Transportation Holding Capital	1,891.75	63.06	cash	limited
Anlian Company	300	10.00	cash	limited
China Merchants Zhiyuan	579	19.30	cash	limited
Total:	3,000	100.00	—	

Upon establishing the Fund Partnership, the Fund Management Company is entitled to issue payment notices to all Partners for the contribution of 50% of capital amount responsible by each Partner and payment should be made within the period specified in the payment notices (the “**First Injection**”). After 70% of the aggregate amount of the First Injection has been deployed in investment, the Fund Management Company is entitled to issue further payment notices to all Partners for the contribution of the remaining capital amount responsible by each Partner and payment should be made within the period specified in the drawdown notices. All capital contributions shall be made before 31 May 2022.

The amount of the Fund Partnership Investment is determined with reference to the capital requirements of the Fund Partnership and the parties’ contribution intentions after negotiation among the parties after taking into account various factors, including the possible investment return of the Fund Partnership, the financial position and resources available to each party and the investment opportunities expected to be available. As at the date of this announcement, the Company has not made any capital contribution in respect of the Fund Partnership Investment. The Fund Partnership Investment will be satisfied by the internal resources of the Group.

Term

The term of the Fund Partnership is expected to be seven years in total, commencing from the date of fulfillment of the First Injection. The investment period will be divided as follows:

- (1) there will be an initial five years, known as the “investment deployment period”, during which investments will be undertaken; and
- (2) the ensuing two years, known as the “exit period”, which will be the period during which in general no more new investment projects will be undertaken.

If subsequently agreed to by Limited Partners whose paid-in capital contributions represent two-third (2/3) or more of the total paid-in capital contribution made to the Fund Partnership in writing, the term of the Fund Partnership may be further extended for one year for at most two times.

Areas of investment and investment decision-making

The Fund Partnership will entrust the Fund Management Company, apart from managing the general administrative affairs of the Fund Partnership, to be responsible for managing the funds under the Fund Partnership as well as investing, managing and operating the investment projects throughout the term of Fund Partnership. The Fund Management Company will establish an Investment Committee, which shall be made up of 5 professional investors, out of which 3 shall be nominated by China Merchants Zhiyuan and the Fund Management Company and the remaining 2 shall be nominated by Transportation Holding Capital. Meetings of the Investment Committee should only be held if at least four members are present and the Fund Management Company may only invest in a particular project upon obtaining approval from at least three members of the Investment Committee. Transportation Holding Company shall have a power of veto with respect to investment projects that are incompatible with the terms of the agreement(s) constituting the Fund Partnership.

The Fund Partnership shall invest mainly in equity investment and/or equity-investment-related debt investment including (but not limited to) equity securities, convertible debt instruments, mergers and acquisitions, private placement, mezzanine finance, bridge investment, pre-IPO investment and private investment in public equity (PIPE), so as to increase the revenue and shorten the investment cycle through a diversified and innovative investment portfolio.

The management team and/or staff of China Merchants Zhiyuan and the Fund Management Company can individually or jointly or via establishing a co-investment vehicle to co-invest in the investment projects undertaken by the Fund Partnership (the “**Staff Co-investment**”). The total amount of co-investment shall be no less than RMB3,000,000.

Management fee

The Fund Management Company is entitled to a management fee annually calculated in the following manner:

- (1) During the investment deployment period: 2% of the aggregate paid-in capital by all Partners for that relevant year;
- (2) During the exit period: 1% of the aggregate invested amount undertaken by the Fund Partnership for that relevant year; and
- (3) During the extended period (if any): No management fee shall be paid.

The respective capital contributions made by the Fund Management Company and pursuant to the Staff Co-investment can be exempt from payment of management fee.

Distributions of investment returns

Within the investment deployment period, investment return of the Fund Partnership (if any) arising from a financial year will be distributed by the end of that year according to the annualized performance benchmarked revenue rate (calculated on simple interest, same for below) based on the paid-in capital of the Fund Partnership in the following manner:

- (1) Distribution of a performance benchmarked revenue to all Partners: distribution of a performance benchmarked revenue of 8% to all Partners;
- (2) Distribution of a catch-up return to the Fund Management Company: if there is any surplus after the distribution in (1) above, the remaining fund will be allocated to the Fund Management Company until such catch-up return of the Fund Management Company reaches the level equivalent to 25% of the aggregate amount of total revenue in (1) above. No distribution shall be made if there is no surplus after the distribution in (1) above; and

- (3) Bonus return and performance management return: if there is any further surplus after the distribution in (2) above, 80% of the remaining fund will be allocated to all Partners according to their paid-in capital contributions while the remaining 20% will be allocated to the Fund Management Company as their performance management return.

During the exit period, distribution will be made in the following manner:

- (1) Distribution made within the investment deployment period will be considered as return of capital contribution. The amount received from each withdrawn investment will be allocated to all Partners in proportion to their respective paid-in capital contributions, until the accumulated amount of distribution (inclusive of the distributions made during the investment deployment period) of each Partner is equivalent to its paid-in contribution in the Fund Partnership;
- (2) Distribution of a performance benchmarked revenue to all Partners: if there is any surplus after the distribution as set out in (1) above, the remaining fund and the subsequent amount received from withdrawn investment (if any) will be distributed to all Partners in proportion to their respective capital contributions, until the accumulated amount of distribution reaches the level equivalent to an entitlement of an annualized return of 8% (calculated on simple interest) over a Partner's paid-in capital contribution throughout the term of the Fund Partnership (taking into account of the timing and the amount of capital contributed during each relevant period if the amount of paid-in capital contribution varies during the term of the Fund Partnership);
- (3) Distribution of a catch-up return to the Fund Management Company: if there is any further surplus after the distribution in (2) above, the remaining fund and the subsequent amount received from withdrawn investment (if any) will be allocated to the Fund Management Company until the such catch-up return (inclusive of the distributions made within the investment deployment period) of the Fund Management Company reaches the level equivalent to 25% of the aggregate amount of total revenue in (2) above; and
- (4) Bonus return and performance management return: if there is any further surplus after the distribution in (3) above, 80% of the remaining fund and the subsequent amount received from withdrawn investment (if any) will be allocated to all Partners according to their paid-in capital contributions while the remaining 20% will be allocated to the Fund Management Company as their performance management return.

After withdrawing from all the investment projects during the exit period or upon liquidation carried out at any time, in the event that not all Limited Partners are able to realize the performance benchmarked revenue of an annualized return of 8% over their aggregate paid-in capital contributions during the relevant period, the shortfall of such amount shall be satisfied by the reallocation of (i) 20% of the total management fee collected by the Fund Management Company and (ii) the catch-up return and the performance management return allocated to the Fund Management Company, until all Limited Partners have realised such performance benchmarked revenue.

Limitation on transfer

Unless agreed by the Fund Management Company, no Limited Partner may transfer any of its interest in the Fund Partnership. The Fund Management Company should consent to and assist in such proposed transfer if it considers that the proposed transfer will not affect the stable operation of the Fund Partnership and the legal interest of all Partners. The transferring Limited Partner should inform all Partners and seek opinion from the Fund Management Company at least 30 days in advance.

Unless agreed by all Limited Partners, the Fund Management Company shall not transfer any of its interest in the Fund Partnership. The Fund Management Company should inform all Limited Partners and seek opinion from all Limited Partners at least 30 days in advance.

As at the date of this announcement, the Fund Partnership is still subject to the filing procedures with the China Securities Investment Fund Industry Association* in accordance with the requirements of the laws and regulations, including “Securities Investment Fund Law” and “Interim Measures on Supervision and Management of Private Equity Fund”.

2. ESTABLISHMENT OF FUND MANAGEMENT COMPANY

On 6 April 2017, the Company, China Merchants Zhiyuan and Transportation Holding Capital completed the industrial and commercial registration procedures for the Fund Management Company. Pursuant to the articles of the Fund Management Company signed by the above parties on even date, the Fund Management Company is owned by Transportation Holding Capital, the Company and China Merchants Zhiyuan as to 27.5%, 2.5% and 70% of its registered capital, respectively. It is the general Partner of the Fund Partnership and is responsible for managing and making decisions regarding the investment businesses of the Fund Partnership.

The amount of the Management Company Investment is determined with reference to the capital requirements of the Fund Management Company and the parties' contribution intentions after negotiation among the parties. The Company and other funders shall make capital contribution upon receiving notice from the Fund Management Company. As at the date of this announcement, the Company has not made any capital contribution in respect of the Management Company Investment. The Management Company Investment will be satisfied by the internal resources of the Group.

Business objective of the Fund Management Company

The scope of business of the Fund Management Company is to establish and manage direct investment fund or other investment funds relating to equity investment (save as those requiring prior approval from the China Securities Regulatory Commission); and to provide investment consultation, investment management and financial consultation services in relation to equity investment to clients. No financial services such as deposits taking, financing guarantee, entrusted wealth management etc. are permitted without the approval from the financial regulatory authorities.

The operation of the Fund Management Company

The number of directors of the Fund Management Company shall be five, among which three (including the chairman) are to be nominated by China Merchants Zhiyuan and two (including the vice-chairman) are to be nominated by Transportation Holding Capital.

The number of supervisors of the Fund Management Company shall be three, among which one (who is the chairman of the supervisory committee) is to be nominated by China Merchants Zhiyuan, one is to be nominated by Transportation Holding Capital and the remaining one is to be elected by employees of the Fund Management Company.

The Fund Management Company shall have one general manager (to be nominated by China Merchants Zhiyuan). Transportation Holding Capital will nominate two vice-general managers, one of which will be mainly responsible for tasks including the co-signing of fund payment from, and reviewing accounting books and operating information of the partnership enterprise(s) managed by the Fund Management Company. The Fund Management Company shall establish the Investment Committee comprising 5 professional investors as disclosed above.

3. REASONS FOR, AND BENEFITS OF, ESTABLISHMENT OF THE FUND MANAGEMENT COMPANY AND THE FUND PARTNERSHIP

To implement the objective needs of the Company's development strategy

During the 13th Five-Year Plan, participating in equity fund is an important part of the Company's implementation of a diversified development strategy. Following the progress of the financial system reform and the opening-up of the financial industry, the capital market is currently in a position with valuable development potential and a good external environment is formed for the healthy development of equity investment fund. Subscribing for units in the Fund Partnership will facilitate the implementation of the diversified development strategy of the Company for the 13th Five-Year Plan and accelerate the diversified development of the Company.

An effective tactic of obtaining investment return

The Fund Partnership will obtain favourable investment return by identifying outstanding investment opportunities through market oriented operation and management led by professional team. At the same time, opportunity exists for investing in the Fund Management Company to share part of the profit exceeding the expected profit level of the Fund Partnership to further increase the level of investment return.

An important way to nurture new rising business

The existing revenue of the Company is attributed primarily to its traditional business. By subscribing for units in the Fund Partnership, not only will the Company be able to obtain investment return from the Fund Partnership, but the Company can, through the investment process, combine the advantage of the core business of the Company, identify business opportunities, nurture new core business and realise the development potential in advance.

An effective way to nurture professional team

By establishing the Fund Management Company with professional investment management entities, the Company can build an internal professional team which have accumulated experience by interflowing and collaborating with such professional entities and participating in investment practising together.

After considering the abovementioned reasons, the Directors (including the independent non-executive Directors) are of the view that the terms of investment in the establishment of the Fund Management Company and the Fund Partnership are fair and reasonable and are on normal commercial terms, and such connected transactions are conducted in the ordinary and usual course of business of the Company and in the interests of the Company and its shareholders as a whole.

Qiao Chuanfu, Chen Dafeng, Xu Zhen and Xie Xinyu (being the directors or the senior management of Anhui Transportation Group and/or the Directors nominated by Anhui Transportation Group), and Wang Xiufeng and Du Jian (being the Directors nominated by China Merchants Expressway) abstained from voting on related resolution(s) at the Board meeting held on 17 March 2017 as they were deemed to have material interests in the preliminary proposals of investment in the establishment of the Fund Management Company and the Fund Partnership and/or so as to demonstrate a good corporate governance practice.

4. THE RISKS OF THE INVESTMENT AND CONTROL MEASURES

Change in the macro economy

During the operation of the Fund Partnership, the investment targets may be affected by factors including changes in the macro economy and industry cycles, etc., resulting in fluctuations in operation results and comparatively large discrepancy between the actual investment progress and the expected performance. Changes in the market environment can also increase the risk of projects invested by the Fund Partnership failing to achieve the expected returns or even resulting in a loss.

The Company will, relying on the advantage of the professional platforms of the integrated financial services companies of CMS, prospectively seize the development trend of the macro economy and the development opportunities of the industries to carefully select the industries and projects to be invested. In addition, comprehensive risk management system will be in place to perform risk management throughout the entire investment period. With mechanisms such as the incorporation and use of terms in an investment agreement, the risk of investment can be lowered to a certain extent and the interest of the Fund Partnership can be safeguarded.

Changes in the capital market

The investment focus of the Fund Partnership will be corporate entities, the investment in which is realised mainly through the capital market. Therefore, changes in the capital market will have larger impact on the operation of the Fund Partnership.

The Company will rely on the effective post-investment management on the invested corporations and projects through the platform of CMS, and fully utilize the abundant and leading capital market experience of CMS and divert resources from China Merchants Group and CMS in order to provide all-around services to the invested corporations and projects and to facilitate their development. Meanwhile, the Company will establish comprehensive risk control system, rationally control the investment rhythm and exit timing and establish effective diversified exit methods to realise smooth exit of investments by the Fund Partnership.

Policy risk

The operation of the Fund Partnership is affected by multiple factors including finance and currency policies and tax revenue and financial regulatory compliance of the country. Following the increasing transparency of the development of national market economy and the administrative management system, the regulatory framework of the private equity sector is undergoing major reforms which are gradually perfecting its legal environment, including the growing frequency of introducing, abolishing and amending the relevant laws and regulations and systems applicable to the Fund Management Company and the Fund Partnership. These changes may increase the operation cost of the Fund Partnership or impose additional restrictions to the business development of the Fund Partnership.

Industry policy research will be thoroughly conducted together with close monitoring of the regulatory movement. The Company will continue to enhance its ability to cope with changes and make timely adjustments to the changing regulations.

Other risks

The investment return of the Fund Partnership is mainly affected by the volatility of the capital market in the PRC and the operating performance of the invested corporations themselves. Invested corporations may experience poor operation or fail to be realised through the capital market due to changes in areas including industry competition, market outlook, financial position, management capability and quality of staff and team moral hazard, leading to poor operation of specific investment projects and/or inability to exit such projects through the capital market and eventually affecting the investment return of the Fund Partnership.

The following measures will be implemented:

- (i) establish a claw back mechanism to secure the attainment of preferred return to the largest extent;
- (ii) as to internal management, adopt the more well-established internal control system of CMS to strengthen the risk control and compliance management of the Fund Management Company; and
- (iii) as to investment tactic, invest diversely to further alleviate the impact of unsystematic risk.

5. ADDITIONAL INFORMATION OF THE PARTIES

The Company is principally engaged in the ownership, operation and development of toll expressways and highways in and outside Anhui Province.

Transportation Holding Capital is a company established in the PRC with limited liability and is principally engaged in assets and investment management, equity and securities investments, mergers and acquisitions, project financing and entrusted assets management.

Anlian Company is a company established in the PRC with limited liability and is principally engaged in the construction, management, collection of toll fees, services and technical consultation in respect of highways and ancillary facilities, property development and sales, warehousing, sales of mechanical facilities, automobile accessories and construction materials, and exterior and interior decoration.

China Merchants Zhiyuan is a financial company established in the PRC and is principally engaged in investing, using its own capital or through setting up investment fund, in equity interest or debt instruments of corporations or other investment funds relating to equity investment or debt instruments investment, providing financial consultation services to clients in relation to equity investment and debt instruments investment, and other businesses as China Securities Regulatory Commission may permit.

6. IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement:

- Anhui Transportation Group holds approximately 31.63% of the total issued shares in the Company and is a controlling shareholder (as defined under the Listing Rules) of the Company. Anlian Company and Transportation Holding Capital are subsidiaries of Anhui Transportation Group. Anlian Company and Transportation Holding Capital are therefore associates of Anhui Transportation Group and connected persons of the Company under the Listing Rules; and
- China Merchants Expressway holds approximately 29.94% of the total issued shares in the Company and is a substantial shareholder (as defined under the Listing Rules) of the Company. China Merchants Zhiyuan is a wholly-owned subsidiary of CMS. As China Merchants Group is the de-facto controller of both CMS and China Merchants Expressway, China Merchants Zhiyuan is therefore an associate of China Merchants Expressway and a connected person of the Company under the Listing Rules.

The establishment of the Fund Management Company constituted a connected transaction of the Company as Transportation Holding Capital and China Merchants Zhiyuan are connected persons of the Company. As the Fund Management Company is owned by China Merchants Zhiyuan as to 70%, the Fund Management Company is an associate of China Merchants Group and a connected person of the Company under the Listing Rules. As all the applicable Percentage Ratios for the Management Company Investment were less than 0.1%, the then establishment of the Fund Management Company was exempt from all disclosure requirements under Chapter 14A of the Listing Rules.

The establishment of the Fund Partnership constituted a connected transaction of the Company as the Fund Management Company, Anlian Company, Transportation Holding Capital and China Merchants Zhiyuan are connected persons of the Company.

As the Fund Management Company and the Fund Partnership are established between the Company and substantially the same parties and that they are all related to investment in the Fund Partnership, the investment in the establishment of the Fund Management Company and the Fund Partnership should be aggregated pursuant to Rule 14A.81 of the Listing Rules.

Since the highest applicable Percentage Ratio applicable to the Management Company Investment and the Fund Partnership Investment (in aggregate) exceeds 0.1% but is less than 5%, the establishment of the Fund Management Company and the Fund Partnership constituted connected transactions of the Company which are exempt from the independent shareholders' approval requirement, but will be subject to the relevant reporting and announcement requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“AIC”	Administration for Industry and Commerce* (工商行政管理局)
“Anlian Company”	Anhui Anlian Expressway Company Limited* (安徽安聯高速公路有限公司)
“Anhui Transportation Group”	Anhui Transportation Holding Group Company Limited* (安徽省交通控股集團有限公司), formerly known as Anhui Expressway Holding Group Company Limited* (安徽省高速公路控股集團有限公司)
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“China Merchants Expressway”	China Merchants Expressway Network & Technology Holdings Company Limited* (招商局公路網絡科技控股股份有限公司), formerly known as China Merchants Huajian Highway Investments Company Limited* (招商局華建公路投資有限公司), a substantial shareholder of the Company
“China Merchants Zhiyuan”	China Merchants Zhiyuan Capital Investment Co., Ltd.* (招商致遠資本投資有限公司)
“CMS”	China Merchants Securities Co., Ltd.
“Company”	Anhui Expressway Company Limited, a joint stock limited company incorporated in the PRC, its H Shares are listed on the Stock Exchange in Hong Kong and its domestic ordinary shares are listed on the Shanghai Stock Exchange in the PRC

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Fund Management Company”	Anhui Transportation China Merchants Fund Management Co., Ltd* (安徽交控招商基金管理有限公司), an other limited liability company established in the PRC on 6 April 2017 and the general Partner of the Fund Partnership
“Fund Partnership”	Anhui Transportation China Merchants Industrial Investment Fund (Limited Partnership)* (安徽交控招商產業投資基金(有限合夥)), a limited liability partnership established in the PRC on 25 April 2017
“Fund Partnership Agreement”	the Limited Partnership Agreement on Anhui Transportation China Merchants Industrial Investment Fund (Limited Partnership) entered into between the Company, the Fund Management Company, Transportation Holding Capital, Anlian Company and China Merchants Zhiyuan on 24 April 2017 in respect of the investment in the establishment of the Fund Partnership
“Fund Partnership Investment”	the committed investment of RMB199,250,000 in the Fund Partnership by the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investment Committee”	a committee to be established by the Fund Management Company responsible for making investment decisions for investments to be undertaken by the Fund Partnership
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Limited Partner(s)”	limited partner(s) of the Fund Partnership from time to time
“Management Company Investment”	the committed investment of RMB750,000 by the Company in relation to the establishment of the Fund Management Company
“Partner(s)”	partner(s) of the Fund Partnership from time to time
“Percentage Ratio(s)”	the applicable percentage ratio(s) under Rule 14.07 of the Listing Rules
“PRC”	the People’s Republic of China and for the sole purpose of this announcement, shall exclude Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transportation Holding Capital”	Anhui Transportation Holding Capital Investment Co., Ltd.* (安徽交控資本投資管理有限公司)

By Order of the Board
Anhui Expressway Company Limited
Xie Xin Yu
Company Secretary

Hefei, Anhui, the PRC
27 April 2017

As at the date of this announcement, the board of directors of the Company comprises: Qiao Chuanfu, Chen Dafeng, Xu Zhen and Xie Xinyu as executive Directors, Wang Xiufeng and Du Jian as non-executive Directors, and Jiang Jun, Yang Mianzhi and Kong Yat Fan as independent non-executive Directors.

This announcement was originally prepared in English. In the event of discrepancies between the Chinese and the English versions, the English version shall prevail.

** translation for identification purpose only*