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越秀交通基建有限公司

Yuexiu Transport Infrastructure Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 01052)

VOLUNTARY ANNOUNCEMENT

COMMENCEMENT OF PUBLIC TENDER PROCESS IN RELATION TO POTENTIAL DISPOSAL OF 60% EQUITY INTEREST IN A SUBSIDIARY

THE POTENTIAL DISPOSAL

Reference is made to the announcement of the Company dated 30 September 2024 in relation to the Potential Disposal through Public Tender.

As at the date of this announcement, Choice Tone has completed the Pre-Listing Disclosure, and the Formal Tender Notice has been submitted to GUAEE and GEMAS and has been published on the websites of GUAEE and GEMAS on the date of this announcement to commence the formal tender process of the Public Tender. The Minimum Consideration (being the base price for the transfer of Disposal Interests) for the Potential Disposal is RMB190,800,000. The final Consideration will depend on the final bid price, and in any event, not be lower than the Minimum Consideration.

POTENTIAL IMPLICATIONS UNDER THE LISTING RULES

The Potential Disposal, if materialised, and subject to the identity of the transferee and its relationship with the Company, may constitute a notifiable and/or connected transaction of the Company and may be subject to the reporting, announcement and shareholders' approval (as applicable) requirements under Chapter 14 and/or 14A of the Listing Rules.

If Tianjin Expressway Co. becomes the transferee of the Disposal Interests, it is expected that such transaction will constitute a connected transaction with a connected person of the Company at the subsidiary level, which will be subject to the reporting and announcement requirements but will be exempted from the circular (including independent financial advice) and independent shareholders' approval requirements by virtue of Rule 14A.101 of the Listing Rules.

Further announcement(s) in respect of the Potential Disposal will be made by the Company in compliance with the Listing Rules as and when necessary.

As the Potential Disposal may or may not materialise, shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

I THE POTENTIAL DISPOSAL

Reference is made to the announcement of the Company dated 30 September 2024 in relation to the Potential Disposal through Public Tender. The notice period of the Pre-Listing Disclosure has ended on 1 November 2024, i.e. twenty (20) working days in the PRC starting from the working day following the date of its publication on 30 September 2024.

The Formal Tender Notice in relation to the Potential Disposal has been submitted to GUAEE and GEMAS and has been published on the websites of GUAEE at <http://www.gduae.com> and GEMAS at <http://gz.gemas.com.cn> on the date of this announcement. The publication period of the Formal Tender Notice is expected to be commenced on 4 November 2024 and will remain open for twenty (20) working days in the PRC.

Summary of material terms disclosed in the Formal Tender Notice

Consideration

The Minimum Consideration (being the base price for the transfer of the Disposal Interests) for the Potential Disposal is RMB190,800,000. The final Consideration will depend on the final bid price, and in any event, not be lower than the Minimum Consideration.

Any profit or loss incurred by the Target Company from 1 June 2024 to the completion of the Potential Disposal (being the completion of the registration with the relevant authorities) (“**Relevant Period**”) shall be shared or borne by the shareholders of the Target Company after the completion of the Potential Disposal in proportion to their respective shareholdings. The parties to the Potential Disposal shall not make any adjustment to the Consideration or the terms of the transfer because of any operating profit or loss incurred by the Target Company during the Relevant Period.

Arrangements related to Receivables

As at 31 May 2024, the Target Company had receivables in the amount of RMB60,000,000 due from YCTI. YCTI has agreed to settle such amount of receivables (together with interests accrued up to the date of the Equity Transaction Agreement) within three (3) working days in the PRC after the signing of the Equity Transaction Agreement.

Other material terms

The publication period will be twenty (20) working days in the PRC starting from the working day following the disclosure of the Formal Tender Notice on the websites of GUAEE and GEMAS. During the publication period of the Formal Tender Notice, intended transferees are required to complete the application procedures and enter into a confidentiality agreement, following which they can conduct due diligence on the Target Company. The intended transferees will then be permitted to pay a transaction deposit in the amount of RMB57,000,000 to GUAEE and submit their bids together with other supporting documents before the end of such publication period.

Upon the end of the publication period of the Formal Tender Notice, if there is only one intended transferee being accepted by GUAEE and Choice Tone as qualified intended transferee, such intended transferee will be the final transferee. If there are more than one intended transferees which are accepted by GUAEE and Choice Tone as qualified intended transferees, the Public Tender will enter into an online bidding process during which the final transferee will be elected with the highest bid price. If Tianjin Expressway Co. exercises its pre-emptive right on the same terms, it will then become the final transferee.

Upon the expiry of the publication period, GUAEE will notify Choice Tone of the identity of the final transferee. The final transferee shall enter into the Equity Transaction Agreement with Choice Tone upon receiving notification from GUAEE and pay the remaining amount of the Consideration to GUAEE within five (5) working days in the PRC after the effective date of the Equity Transaction Agreement. The final transferee and Choice Tone shall also be responsible for ensuring that the Target Company completes all necessary legal and regulatory procedures, including but not limited to business registration procedures and FDI registration procedures. If it is necessary for the transfer of the Disposal Interests under the Equity Transaction Agreement and for Choice Tone to receive the Consideration, the final transferee shall also be responsible for completing the state-owned property rights registration procedures for the transfer of the Disposal Interests. GUAEE will transfer the amount of the Consideration to Choice Tone without interests within five (5) working days in the PRC after payment of the remaining amount of the Consideration by the final transferee and the completion of all necessary legal, tax and regulatory procedures in accordance with the Equity Transaction Agreement.

In the event that there is no intended transferee for the Disposal Interests upon expiry of the publication period of the Formal Tender Notice, the Public Tender will be extended automatically with the same conditions for a period of five (5) working days in the PRC. The extension can be made up to twenty (20) times (i.e. up to one hundred (100) working days in the PRC) until there is an intended transferee, provided that it will expire on 4 November 2025 (i.e. 12 months after the day of the first publication of the Formal Tender Notice).

As at the date of this announcement, no binding agreement, arrangement or commitment has been entered into by Choice Tone with respect to the Potential Disposal.

Pre-emptive rights of Tianjin Expressway Co.

Pursuant to the terms of the Joint Venture Agreement, Tianjin Expressway Co. has the pre-emptive right to acquire the Disposal Interests over any third-party purchaser. Under the applicable rules and regulations in the PRC, Tianjin Expressway Co. is entitled to (i) participate in the Public Tender as an intended transferee; and/or (ii) upon confirmation of the bidder with the highest bid price (other than Tianjin Expressway Co.), exercise its pre-emptive rights to acquire the Disposal Interests on the same terms as proposed by the bidder with the highest bid price.

II REASONS FOR AND BENEFITS OF THE POTENTIAL DISPOSAL

Since its establishment, the Target Company has been engaging in the construction, operation, management and maintenance of the Jinxiong Expressway. Considering the toll collection period has six years remaining and the extension will be subject to regulatory approval and further capital expenditure, the Company has evaluated its strategy and expects that the Potential Disposal will generate immediate cash inflow which is expected to improve the Company's net profit after the completion of the transaction.

III POTENTIAL IMPLICATIONS UNDER THE LISTING RULES

The Potential Disposal, if materialised, and subject to the identity of the transferee and its relationship with the Company, may constitute a notifiable and/or connected transaction of the Company and may be subject to the reporting, announcement and shareholders' approval (as applicable) requirements under Chapter 14 and/or 14A of the Listing Rules.

If Tianjin Expressway Co. becomes the final transferee, it is expected that such transaction will constitute a connected transaction with a connected person of the Company at the subsidiary level, which will be subject to the reporting and announcement requirements but will be exempted from the circular (including independent financial advice) and independent shareholders' approval requirements by virtue of Rule 14A.101 of the Listing Rules.

Further announcement(s) in respect of the Potential Disposal will be made by the Company in compliance with the Listing Rules as and when necessary.

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IV DEFINITIONS

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

“Board”	the board of Directors
“Choice Tone”	Choice Tone Limited (翔通有限公司), a company incorporated in Hong Kong with limited liability, and an indirect wholly-owned subsidiary of the Company
“Company”	Yuexiu Transport Infrastructure Limited (越秀交通基建有限公司), an exempted company incorporated in Bermuda, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 01052)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the Disposal Interests payable by the transferee under the Equity Transaction Agreement
“Director(s)”	the director(s) of the Company
“Disposal Interests”	60% equity interest in the Target Company held by Choice Tone
“Equity Transaction Agreement”	an equity transaction agreement to be entered into between Choice Tone and the transferee in respect of the Potential Disposal according to the rules of GUAEE
“Formal Tender Notice”	the notice of the Public Tender in relation to the Potential Disposal published by Choice Tone on the date of this announcement on the websites of GUAEE and GEMAS
“GEMAS”	Guangzhou Enterprises Mergers and Acquisition Services (廣州產權交易所), the platform under GUAEE for conducting transfer of state-owned assets
“GUAEE”	GuangDong United Assets and Equity Exchange (廣東聯合產權交易中心), the only institution in Guangdong Province engaging in transfer of state-owned assets
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Jinxiong Expressway”	the Tianjin section of the Jinxiong expressway* (津雄高速公路), an expressway which starts from Wangqingtu County (near the border between Tianjin and Bazhou, Hebei) and ends at the Tianjin Hongqiao Dingzigu No. 3 Interchange
“Joint Venture Agreement”	the joint venture agreement in relation to the operation and management of the Target Company dated 3 May 2018, as amended by the amendment agreement dated 26 March 2019, entered into between Choice Tone and Tianjin Expressway Co.
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Minimum Consideration”	the base price for the transfer of the Disposal Interests in accordance with the Formal Tender Notice
“Potential Disposal”	the potential disposal of the Disposal Interests by Choice Tone
“PRC”	the People’s Republic of China
“Pre-Listing Disclosure”	the preliminary disclosure of information relating to the Potential Disposal on the websites of GUAEE and GEMAS
“Public Tender”	the public tender for the Potential Disposal through GUAEE
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Tianjin Jinfu Expressway Co., Ltd. (天津津富高速公路有限公司), a sino-foreign joint venture established under the laws of the PRC
“Tianjin Expressway Co.”	Tianjin Expressway Group Co., Ltd. (天津高速公路集團有限公司), a company established under the laws of the PRC with limited liability

“YCTI”

Yuexiu (China) Transport Infrastructure Investment Company Limited (越秀(中國)交通基建投資有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company

“%”

per cent

By order of the Board
Yuexiu Transport Infrastructure Limited
Yu Tat Fung
Company Secretary

Hong Kong, 3 November 2024

As at the date of this announcement, the Board comprises:

Executive Directors: *LIU Yan (Chairman), HE Baiqing, CHEN Jing, CAI Minghua and PAN Yongqiang*

Independent Non-executive Directors: *FUNG Ka Pun, LAU Hon Chuen Ambrose, CHEUNG Doi Shu and PENG Vincent Shen*