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HUAYU EXPRESSWAY GROUP LIMITED

華昱高速集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1823)

ANNOUNCEMENT IN RESPECT OF THE NOTICE FROM THE MINISTRY OF TRANSPORT IN RELATION TO THE TOLL FEES EXEMPTION FOR TOLLED HIGHWAYS DURING THE CONTROL AND PREVENTION PERIOD OF THE NOVEL CORONAVIRUS INFECTION

This announcement is made by Huayu Expressway Group Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company received the Notice from the Ministry of Transport in relation to the Toll Fees Exemption for Vehicles on Tolled Highways During the Control and Prevention Period of the Novel Coronavirus Infection (Jiao Gong Lu Ming Dian [2020] No. 62) (《交通運輸部關於新冠肺炎疫情防控期間免收收費公路車輛通行費的通知》(交公路明電[2020] 62號)) issued by the Ministry of Transport (“**MOT**”) of the People’s Republic of China (the “**PRC**”) on 15 February 2020, pursuant to which, the State Council of the PRC has permitted a nationwide toll-free policy for all vehicles using tolled highways (the “**Policy**”) with effect from 0:00 a.m. on 17 February 2020 until further notice to be announced by the PRC Government. The Policy will apply to all tolled highways including tolled bridges and tunnels approved and established in accordance with the Highway Law of the PRC (《中華人民共和國公路法》) and the Regulation on Management of Tolled Highways (《收費公路管理條例》). In accordance with the Policy, the Company will waive the toll fees of vehicles using the Sui-Yue Expressway (Hunan Section) (the “**Expressway**”) from the specified time until further notice from the government authorities.

The business operations (including the construction, maintenance, operation and management of the Expressway) of the Group will continue as usual during the implementation period of the Policy. The Group will strive to strengthen its cooperation with the relevant government authorities to facilitate the smooth traffic and transportation of materials conducive to infection control and prevention using the Expressway and to contribute towards the health and safety of the public.

Given the Group derives a significant portion of its revenue from the Expressway, the Directors expect that, subject to the period of the implementation of the Policy, it may have a material adverse impact on the Group's financial performance for the financial year of 2020. The Directors will closely monitor the situation and the Company will keep the shareholders (the "**Shareholders**") and potential investors (the "**Potential Investors**") of the Company informed of the same in accordance with the Listing Rules.

Shareholders and Potential Investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Huayu Expressway Group Limited
Chan Yeung Nam
Chairman

Hong Kong, 17 February 2020

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Chan Yeung Nam, Mr. Mai Qing Quan and Mr. Fu Jie Pin and three independent non-executive Directors, namely, Mr. Sun Xiao Nian, Mr. Chu Kin Wang, Peleus and Mr. Hu Lie Ge.