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Qilu Expressway Company Limited
齊魯高速公路股份有限公司

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

(Stock Code: 1576)

PROFIT WARNING

This announcement is made pursuant to Rule 13.09 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of Qilu Expressway Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to inform the shareholders (the “**Shareholders**”) of the Company and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020, the Group is expected to record a decrease of approximately 35% to 45% in the profit and total comprehensive income for the six months ended 30 June 2020 as compared to that for the six months ended 30 June 2019. Such expected decrease in the profit and total comprehensive income is mainly due to a decrease of approximately 30% to 35% in the revenue from the expressway business of the Group, namely the toll income derived from vehicles passing along the Jihe Expressway, for the six months ended 30 June 2020 when compared with that for the corresponding period of 2019.

The decrease in toll income is primarily attributable to the combined effect of, among other things, (i) the extended period of exemption of toll fees for small passengers vehicles during the lunar new year holiday from 00:00 hour on 24 January 2020 to 24:00 hour on 8 February 2020 for the enhanced prevention and control of the outbreak of the novel coronavirus pneumonia (COVID-19) epidemic in the People's Republic of China (the “**PRC**”); and (ii) the waiver of toll fees payable by vehicles passing along the Jihe Expressway during the period in accordance with the Notice from the Ministry of Transport in relation to the Toll Fees Payable for Toll Roads during the Control Period of the Novel Coronavirus Disease (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)) from 0:00 hour on 17 February 2020 to 24:00 hour on 5 May 2020.

The Company is still in the course of finalising its unaudited consolidated financial results of the Group for the six months ended 30 June 2020. The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts and the information currently available to the Board. As at the date of this announcement, such information has neither been confirmed nor reviewed by the auditor of the Company or the audit committee of the Board and may be subject to change. Shareholders and potential investors are advised to refer to the interim results announcement of the Group for the six months ended 30 June 2020 when it is published.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Qilu Expressway Company Limited
Li Gang
Chairman

Shandong, the PRC
23 July 2020

As at the date of this announcement, the executive Directors are Mr. Li Gang, Mr. Peng Hui and Mr. Liu Qiang; the non-executive Directors are Mr. Chen Dalong, Mr. Wang Shaochen, Mr. Zhou Cenyu, Mr. Su Xiaodong, Ms. Kong Xia, Mr. Yuan Ruizheng and Mr. Tang Haolai; and the independent non-executive Directors are Mr. Cheng Xuezhao, Mr. Li Hua, Mr. Wang Lingfang, Mr. He Jiale and Mr. Han Ping.