

SGX-ST ANNOUNCEMENT

China Shandong International Economic & Technical Finance 1 Limited

(incorporated in the British Virgin Islands with limited liability)

VOLUNTARY ANNOUNCEMENT – THE POTENTIAL JOINT REORGANIZATION OF THE SOLE SHAREHOLDER

This is a voluntary announcement made by China Shandong International Economic & Technical Finance 1 Limited (the “**Issuer**”), a subsidiary of Shandong Hi-Speed Group Co., Ltd.* (山東高速集團有限公司) (“**Shandong Hi-Speed Group**”).

The Issuer hereby announces a potential joint reorganization* (聯合重組) (the “**Joint Reorganization**”) between Shandong Hi-Speed Group and Qilu Transportation Development Group Company Limited* (齊魯交通發展集團有限公司) (“**Qilu Transportation**”).

In accordance with the relevant requirements of State-owned Assets Supervision and Administration Commission of Shandong Province* (山東省人民政府國有資產監督管理委員會) (“**Shandong SASAC**”) on the Joint Reorganization, Shandong Hi-Speed Group will absorb and merge with Qilu Transportation (the “**Absorption and Merger**”). Upon completion of the Absorption and Merger, Qilu Transportation will be absorbed by Shandong Hi-Speed Group and Shandong Hi-Speed Group will continue to subsist. All the assets, liabilities, business, personnel, contracts, qualifications and other rights and obligations of Qilu Transportation shall be assumed by Shandong Hi-Speed Group. The equity or interests in the branches and subsidiaries of Qilu Transportation will be transferred to Shandong Hi-Speed Group. After the Absorption and Merger, the registered capital of Shandong Hi-Speed Group is expected to be CNY45.9 billion and the shareholding structure of Shandong Hi-Speed Group will remain unchanged, i.e., Shandong SASAC, Shandong Guohui Investment Co., Ltd.* (山東國惠投資有限公司) and Shandong Social Security Fund Council* (山東省社會保障基金理事會) will remain holding 70%, 20% and 10% shares in Shandong Hi-Speed Group, respectively.

The Absorption and Merger currently will not cause material asset reorganization to the Issuer or affect the Issuer's ordinary course of business.

By Order of the Board
China Shandong International Economic & Technical Finance 1 Limited
Xiaoyi Cheng
Director

19 August 2020

As at the date of this announcement, the Issuer's directors are Mr. Xiaoyi Cheng, Mr. Tie Cui and Ms. Hongyu Zheng.

* *The English translation of terms or names in Chinese which are marked with "*" is for identification purpose only.*

The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.