

SGX-ST ANNOUNCEMENT

China Shandong International Economic & Technical Finance 1 Limited

(incorporated in the British Virgin Islands with limited liability)

VOLUNTARY ANNOUNCEMENT – UPDATE ON THE 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**”).

Reference is made to the SGX-ST announcement of the Issuer dated 19 August 2020 in relation to the 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**”).

On 23 September 2020, Shandong Hi-Speed Group announces that, the Joint Reorganization has been considered and approved at the general meetings of Shandong Hi-Speed Group and Qilu Transportation, and both parties have entered into the “Merger Agreement between Shandong Hi-Speed Group Co., Ltd. and Qilu Transportation Development Group Company Limited*” (《山東高速集團有限公司與齊魯交通發展集團有限公司合併協議》) (the “**Merger Agreement**”). According to the Merger Agreement, the benchmark date of the merger shall be 30 June 2020 and the merger method shall be absorption and merger. Upon completion of the merger, Qilu Transportation will be dissolved and deregistered while Shandong Hi-Speed Group will continue to subsist as a merged company. All the assets, liabilities, business, personnel, contracts, qualifications and other rights and obligations of Qilu Transportation shall be assumed and taken over by Shandong Hi-Speed Group. The equity or interests in the branches and subsidiaries of Qilu Transportation will be attributable to Shandong Hi-Speed Group. After the completion of the merger of both parties, a unified brand and operation will be implemented and the “Qilu Transportation” brand will no longer be maintained. Upon the merger of both parties, the registered capital of Shandong Hi-Speed Group will be changed to CNY45.9 billion and it will remain to be held by the shareholders of Shandong Hi-Speed Group in proportion to their shareholdings in Shandong Hi-Speed Group during the merger. The merger is still subject to necessary approval procedures including anti-monopoly inspection.

The Joint Reorganization currently will not cause material asset reorganization to the Issuer or affect the Issuer's ordinary course of business. Shandong Hi-Speed Group currently remains as a controlling shareholder of the Issuer. The Issuer will make promptly and timely disclosure in accordance with the progress of the Joint Reorganization and relevant regulations.

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

25 September 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.