

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中國山東高速金融集團有限公司
CHINA SHANDONG HI-SPEED FINANCIAL GROUP LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 412)

SUPPLEMENTAL AGREEMENT TO THE CONNECTED TRANSACTION REGARDING FORMATION OF JOINT VENTURE COMPANY

References are made to the announcement of the Company dated 28 June 2021 (the “**Announcement**”) and the announcement of the Company dated 2 July 2021, in relation to the formation of a joint venture company. Unless otherwise defined herein, capitalised terms used herein shall have the same meaning ascribed to them in the Announcement.

This announcement is made to pursuant to the note to Rule 14A.35 of the Listing Rules to provide material variation of certain terms of the Founders Agreement.

THE SUPPLEMENTAL AGREEMENT

On 23 July 2021 (after trading hours), Shangao Shenzhen Investment, an indirect wholly-owned subsidiary of the Company, SDHS Road&Bridge Investment and Beijing Yifang entered into a supplemental agreement to the Founders Agreement (the “**Supplemental Agreement**”) to amend certain terms of the Founders Agreement after amicable discussion.

Pursuant to the Supplemental Agreement, the Parties agreed that the Joint Venture Company shall be established and registered in Tianjin Economic and Technological Development Zone* (天津市經濟技術開發區) instead of Beijing. Accordingly, proposed name of the Joint Venture Company shall be amended from Shangao Commercial Factoring (Beijing) Co., Ltd.* (山高商業保理(北京)有限公司) to Shangao Commercial Factoring (Tianjin) Co., Ltd.* (山高商業保理(天津)有限公司), subject to approval of the relevant supervision and management authorities in Tianjin.

The scope of business of the Joint Venture Company shall to amended to: Licensed activities: commercial factoring business. (Business activities subject to approval according to the laws shall only be carried out upon approval by relevant authorities. Specific business activities are subject to the approval documents or permits of relevant authorities.) If there is any change in the business scope of the Joint Venture Company during industrial and commercial business registration, the business scope as registered shall prevail.

The Guidelines for the Supervision and Management of Beijing Commercial Factoring Companies (for Trial Implementation)* (《北京市商業保理公司監督管理指引(試行)》) issued by Beijing Local Financial Supervision and Administration shall no longer be applicable. Nevertheless, the undertaking by the Parties remains effective, that they shall not transfer their respective equity interest in the Joint Venture Company within three years from the date the Joint Venture Company obtains the business license, nor shall they pledge or establish a trust over their respective equity interest in the Joint Venture Company.

Save as disclosed in this announcement, all other principal terms of the Founders Agreement as set out in the Announcement remain unchanged.

INFORMATION OF THE GROUP

The Company is an investment holding company incorporated in Bermuda with limited liability and its subsidiaries are principally engaged in various kinds of financial services, including financial leasing, operation of an asset trading platform, investments in securities, money lending, investment holding, and asset management.

Shangao Shenzhen Investment is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in the provision of financial leasing in the PRC.

INFORMATION OF SDHS ROAD&BRIDGE INVESTMENT

SDHS Road&Bridge Investment is a company established in the PRC with limited liability. It is principally engaged in investment, asset management and investment management of investment projects.

As at the date of this announcement, SDHS Road&Bridge Investment is directly wholly-owned by SDHS Road&Bridge Group, which is in turn directly and indirectly held as to approximately 63.40% by SDHS Group. SDHS Group indirectly holds approximately 43.42% equity interest in the Company and is a controlling shareholder of the Company.

INFORMATION OF SDHS ROAD&BRIDGE GROUP

SDHS Road&Bridge Group is a company established in the PRC with limited liability, the shares of which are listed in the Shenzhen Stock Exchange (stock code: 000498). It is principally engaged in road and bridge construction and relevant maintenance construction.

As at the date of this announcement, SDHS Road&Bridge Group is directly and indirectly held as to approximately 63.40% by SDHS Group.

INFORMATION OF SDHS GROUP

SDHS Group is a company established in the PRC with limited liability. It is principally engaged in the investment, construction, operation, management of transportation infrastructure and smart transportation, comprehensive development of supporting land, logistics, and investment and management of financial assets.

As at the date of this announcement, SDHS Group is (i) directly and indirectly held as to 90% by the State-owned Assets Supervision and Administration Commission of Shandong Provincial Government; and (ii) directly held as to 10% by Shandong Provincial Council for Social Security Fund, a governmental institution set up by the Shandong Provincial People's Government* (山東省人民政府).

INFORMATION OF BEIJING YIFANG

Beijing Yifang is a company established in the PRC with limited liability. It is principally engaged in providing companies with services such as trade financing, sales sub-account management, customer credit investigation and evaluation, accounts receivable management and credit risk guarantee.

As at the date of this announcement, Beijing Yifang is ultimately beneficially owned as to approximately 48.99% by Ms. Wang Lijun, approximately 24.99% by Ms. Lai Shaoli, approximately 22.29% by Mr. Lai Ronghuo and each of the remaining ultimate beneficial owners of Beijing Yifang respectively holds not more than 1% equity interest in Beijing Yifang.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Beijing Yifang and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE SUPPLEMENTAL AGREEMENT

The Supplemental Agreement is entered into due to regulatory policies, registration efficiency and preferential policies reasons. The Directors (including the independent non-executive Directors) are of the view that the terms of the Supplemental Agreement are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

None of the Directors has any material interest in the Supplemental Agreement and the transactions contemplated thereunder and no Director is required to abstain from voting on the Board resolutions approving the entering into of the Supplemental Agreement and the transactions contemplated thereunder. However, Mr. Wang Xiaodong, Mr. Liu Zhijie, Mr. Liu Yao, Mr. Liang Zhanhai and Mr. Gao Guicheng have voluntarily abstained from voting on the Board resolutions approving the entering into of the Supplemental Agreement and the transactions contemplated thereunder.

By Order of the Board
China Shandong Hi-Speed Financial Group Limited
Wang Xiaodong
Chairman

Hong Kong, 23 July 2021

As at the date of this announcement, the Company has four executive directors, namely Mr. Wang Xiaodong, Mr. Liu Honghui, Mr. Liu Zhijie and Mr. Liu Yao; three non-executive directors, namely Mr. Liang Zhanhai, Mr. Chen Di and Mr. Gao Guicheng; and four independent non-executive directors, namely Mr. Guan Huanfei, Mr. Chan Wai Hei, Mr. Tan Yuexin and Mr. Jonathan Jun Yan.

* *For identification purpose only*