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(incorporated in Bermuda with limited liability)

(Stock Code: 412)

PROPOSED AMENDMENTS TO THE BYE-LAWS

This announcement is made by China Shandong Hi-Speed Financial Group Limited (the “**Company**”) pursuant to Rule 13.51(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of the directors of the Company (the “**Board**”) proposes to amend (the “**Proposed Amendments**”) the bye-laws of the Company (the “**Bye-laws**”) in order to update the existing one so as to, among other things, reflect the current requirements of the Listing Rules and the relevant Bermuda law and to make other house-keeping improvements to the existing Bye-laws. The major amendments include:

- (a) To replace the term “associate” with “close associate”;
- (b) To define clearly the terms “business day”, “clear days” and “substantial shareholder”;
- (c) To elaborate on the requirements of resolution in writing of the shareholders of the Company (the “**Shareholders**”);
- (d) To relax the obligation of the directors of the Company (the “**Directors**”) to make available any offer, option or shares or other securities to shareholders or others with registered addresses in any particular territory where, in the absence of a registration statement or other special formalities, would or might, in the opinion of the Directors, be unlawful or impracticable;

- (e) To allow the interest payment for certain share capital and charge the same to capital as part of the cost of construction of the works or buildings, or the provision of the plant;
- (f) To allow the Directors to make arrangement to deal with fractional entitlements arising on an offer of any unissued shares or other securities;
- (g) To allow the Directors to offer to all existing holders of any class of shares in proportion as nearly as may be to be number of shares of such class held by them respectively;
- (h) To allow the Company to, in accordance with an employees' share scheme (whether the same is approved by the members in general meeting or not) provide money on such terms as the Directors think fit for the acquisition of shares in the Company or its holding company;
- (i) To allow the Company to make loans to persons employed or formerly employed in good faith by the Company with a view to enabling those persons to acquire shares in the Company or its holding company;
- (j) To allow the Company may in accordance with the Companies Act 1981 of Bermuda and all other legislation of the legislature of Bermuda give such financial assistance for the purpose of an acquisition of its shares or other securities or any derivative securities on the Company's securities in such manner as the Directors think fit;
- (k) To provide that where the Company purchases redeemable shares, if purchases are not made through by tender shall be limited to a maximum price; and if purchases are by tender, tenders shall be available to all holders of such shares;
- (l) To elaborate the designation of share certificates for shares with different voting rights;
- (m) To provide that no forfeiture of shares shall be in any manner invalidated by any omission or neglect to give notice of the resolution or make any relevant entry in the register;
- (n) To allow any form for transfer of shares to be effected by hand or by machine imprinted signature or by such other means of execution as the Directors may approve from time to time if the transferor or transferee is a clearing house or its nominee(s);

- (o) To allow notice of suspension of registration of transfers to be given by any electronic mean in such manner as may be accepted by the designated stock exchange;
- (p) To allow the Company by ordinary resolution to increase its share capital by creation of new shares of different currency and make provision for the issue of shares with such rights, privileges or restrictions as the Directors shall determine;
- (q) To allow the Company by ordinary resolution to:
 - (i) divide its shares into several classes and attach thereto any preferential, deferred, qualified or special rights, privileges or conditions;
 - (ii) make provision for the issue and allotment of shares which do not carry any voting rights;
 - (iii) change the currency of denomination of its share capital;
- (r) To provide that the Company may by special resolution reduce its share capital or other undistributable reserve;
- (s) To provide that a meeting of the shareholders may be held by means of telephone, electronic or other communication facilities;
- (t) To provide that an annual general meeting of the Company shall be called by notice of not less than 21 clear days and not less than 20 clear business days and all other special general meetings shall be called by notice of not less than 14 clear days and not less than 10 clear business days;
- (u) To provide that if at an adjourned general meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the shareholders present or by proxy shall be a quorum and may transact the business for which the meeting was called;
- (v) To provide that a resolution put to the vote of the meeting shall be decided by a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands;

- (w) To provide that the poll shall be taken in such manner and at such time and place not being more than 30 days from the date of the meeting or adjourned meeting;
- (x) To provide that a proposed amendment to any resolution which is ruled out by the Chairman in good faith shall not be invalidated by any error in such ruling and no amendment to a special resolution (other than a mere clerical amendment to correct a patent error) may be considered or voted upon;
- (y) To elaborate on the validity of the appointment of a proxy and the formality of the instrument of proxy and the powers of the Directors to decline admission of any person or reject any vote in connection thereto;
- (z) To provide that any Director appointed by ordinary resolution to fill a casual vacancy or as an addition to the existing Directors or as a replacement to a Director being removed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election;
- (aa) To elaborate the treatment of Directors' interests and those of his close associates;
- (bb) To provide that a resolution in writing of the Directors shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest;
- (cc) To further elaborate the duties of the secretary;
- (dd) To allow, where any asset, business or property is bought by the Company as from a past date, the profits and losses thereof as from such date may at the discretion of the Directors be carried to revenue account and treated as profits or losses of the Company and be available for dividend accordingly;

- (ee) To reflect the current legal position under the Companies Act 1981 of Bermuda in relation to payment of dividends and to elaborate the currency for dividends and distributions and provide that for shares denominated in Hong Kong dollars, the Directors may determine any distribution that shareholders may elect to receive the same in United States dollars or any other currency selected by the Directors;
- (ff) To allow the Directors certain flexibility in the currency of payment involving small amount of dividend or other distribution or other payment to be made by the Company;
- (gg) To provide that no dividend shall bear interest as against the Company;
- (hh) To elaborate on the treatment of fractional entitlements;
- (ii) To provide that the Company in general meeting may resolve that any surplus moneys in the hands of the Company representing capital profits or contributed surplus arising from moneys received or recovered from the realisation of any capital assets of the Company be, subject to satisfaction of certain prerequisites, distributed amongst its shareholders;
- (jj) To provide that summarised financial statements of the Company can be provided to the Shareholders of the Company;
- (kk) To provide that the Company shall at each annual general meeting appoint auditors and the Directors may fill a casual vacancy in the office of auditors;
- (ll) To elaborate the procedures of appointment of auditors to the effect that notice of intention to nominate a person as auditors shall be given to the Company not less than 21 clear days before the annual general meeting and the Company shall give notice in respect of the same to the shareholders not less than 7 days before the annual general meeting;
- (mm) To elaborate the arrangements on Directors' indemnity;
- (nn) To add certain provisions on resident representative required under the Companies Act 1981 of Bermuda;

(oo) To make other miscellaneous amendments to update or clarify provisions of the Bye-laws where it is considered desirable or to better align the wordings with the Listing Rules and the Companies Act 1981 of Bermuda.

The proposed amendments to the Bye-laws are subject to the approval of the Shareholders by way of special resolution at the forthcoming annual general meeting of the Company (the “AGM”). The Board further proposes to seek approval of the Shareholders by way of special resolution at the AGM regarding the adoption of the amended and restated Bye-laws by the Company and to replace the existing Bye-laws.

A circular containing, among other things, further information in respect of the Proposed Amendments as well as the proposed adoption of the amended and restated Bye-laws, and a notice of AGM, will be dispatched to the Shareholders as soon as practicable.

By Order of the Board of
China Shandong Hi-Speed Financial Group Limited
Li Hang
Chairman

Hong Kong, 21 June 2018

As at the date of this announcement, the Company has four executive directors, namely Mr. Ji Kecheng, Mr. Wang Zhenjiang, Mr. Yau Wai Lung and Mr. Li Zhen Yu, four non-executive directors, namely Mr. Li Hang, Dr. Lam Lee G., Mr. Qiu Jianyang and Mr. Lo Man Tuen, and four independent non-executive directors, namely Mr. To Shing Chuen, Mr. Cheung Wing Ping, Mr. Wang Huixuan and Mr. Guan Huanfei.