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河北建設集團股份有限公司

HEBEI CONSTRUCTION GROUP CORPORATION LIMITED

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

(Stock Code: 1727)

ANNOUNCEMENT

PROPOSED AMENDMENT TO THE ARTICLES OF ASSOCIATION

The board of directors (the “**Board**”) of Hebei Construction Group Corporation Limited (the “**Company**”) hereby announces that, at the meeting of the Board held on 26 March 2018, the Board considered and approved, among other things, the resolution in relation to the amendment to the Articles of Association of Hebei Construction Group Corporation Limited (the “**Articles of Association**”).

To (1) better meet the Company’s financing needs in its ordinary course of business and (2) optimize the allocation of the powers of establishment of the Company’s internal management bodies, the proposed amendment to the Articles of Association are mainly the amendment to the terms in relation to the function and power of the Board on external financing and establishment of internal management bodies as set out in the Articles of Association, details of which are as follows:

| Existing Articles | Proposed Amendments |
|--|--|
| <p>Article 134 The board of directors shall be accountable to the general meetings and exercise the following functions and powers:</p> | <p>Article 134 The board of directors shall be accountable to the general meetings and exercise the following functions and powers:</p> |
| (I) to convene general meetings and report its work to the general meetings; | (I) to convene general meetings and report its work to the general meetings; |
| (II) to implement the resolutions of the general meetings; | (II) to implement the resolutions of the general meetings; |
| (III) to decide on the Company’s business plans and investment plans; | (III) to decide on the Company’s business plans and investment plans; |
| (IV) to formulate the Company’s annual financial budgets and final accounts; | (IV) to formulate the Company’s annual financial budgets and final accounts; |
| (V) to formulate the Company’s profit distribution plan and the plan for making up losses; | (V) to formulate the Company’s profit distribution plan and the plan for making up losses; |

Existing Articles

- (VI) to formulate proposals for the increase or reduction of the Company's registered capital and the issuance of shares, debentures or other securities and the listing project of the Company;
- (VII) to formulate plans for major acquisition, repurchase of the shares of the Company or the merger, division, dissolution or change of the nature of incorporation of the Company;
- (VIII) to decide on such matters as the Company's investments in third parties, purchase and sale of assets, asset mortgages, the provision of security for third parties, entrustment of financial services, connected transactions, etc., to the extent authorized by the general meeting;
- (IX) to determine on the establishment of the Company's internal management bodies and on the establishment or closing of the Company's branches or representative offices;
- (X) to engage or dismiss the Company's president and secretary to the board of directors; to engage or dismiss such senior management members as vice president, head of Financial Management Department and etc, as proposed by the president, and deciding on matters relating to their remuneration, rewards and punishments;
- (XI) to formulate the basic management systems of the Company;

Proposed Amendments

- (VI) to formulate proposals for the increase or reduction of the Company's registered capital and the issuance of shares, debentures or other securities and the listing project of the Company;
- (VII) to formulate plans for major acquisition, repurchase of the shares of the Company or the merger, division, dissolution or change of the nature of incorporation of the Company;
- (VIII) to decide on such matters as the Company's investments in third parties, purchase and sale of assets, asset mortgages, the provision of security for third parties, entrustment of financial services, connected transactions, **banking facilities, loans (including but not limited to working capital loans, bank acceptance, letter of guarantee, and letter of credit)**, etc., ~~to the extent authorized by the general meeting~~ **except those required to be considered by the general meeting in accordance with the relevant laws and regulations and the Articles of Association;**
- (IX) to determine on the establishment of the Company's internal management bodies ~~and on the establishment or closing of the Company's branches or representative offices;~~
- (X) to engage or dismiss the Company's president and secretary to the board of directors; to engage or dismiss such senior management members as vice president, head of Financial Management Department and etc, as proposed by the president, and deciding on matters relating to their remuneration, rewards and punishments;
- (XI) to formulate the basic management systems of the Company;

Existing Articles

- (XII) to formulate proposals for amendments to the Articles of Association;
- (XIII) to manage the information disclosure of the Company;
- (XIV) to propose to the general meeting the appointment or replacement of an accounting firm that provides audit service of annual financial statement to the Company and decide the audit fee;
- (XV) to listen to the work reports of the Company's president and inspect his or her work;
- (XVI) to decide the establishment of special committees and their compositions;
- (XVII) to exercise other functions and powers conferred by the laws, regulations and the listing rules of the stock exchange on which the shares of the Company are listed, at general meetings and these Articles.

Resolutions relating to the above, with the exception of items (VI), (VII) and (XII) above which shall be approved by more than two thirds of the directors, shall be approved by more than half of the directors.

Proposed Amendments

- (XII) to formulate proposals for amendments to the Articles of Association;
- (XIII) to manage the information disclosure of the Company;
- (XIV) to propose to the general meeting the appointment or replacement of an accounting firm that provides audit service of annual financial statement to the Company and decide the audit fee;
- (XV) to listen to the work reports of the Company's president and inspect his or her work;
- (XVI) to decide the establishment of special committees and their compositions;
- (XVII) to exercise other functions and powers conferred by the laws, regulations and the listing rules of the stock exchange on which the shares of the Company are listed, at general meetings and these Articles.

Resolutions relating to the above, with the exception of items (VI), (VII) and (XII) above which shall be approved by more than two thirds of the directors, shall be approved by more than half of the directors.

In respect of the proposed amendment to the Articles of Association, 1 article is amended, and no article is added or deleted. The number of the articles of the amended Articles of Association remains the same.

A special resolution will be proposed at the 2017 annual general meeting (the “AGM”) of the Company to approve, among other things, the above proposal to amend the Articles of Association. A circular containing, among other things, details of the proposed amendments to the Articles of Association and notice of the AGM will be dispatched to the shareholders of the Company in due course.

The revised Articles of Association shall become effective on the date of passing the relevant resolution at the AGM. Prior to the passing of the relevant resolution at the AGM, the prevailing Articles of Association of the Company shall remain valid.

By Order of the Board
Hebei Construction Group Corporation Limited
LI Baozhong
Chairman and Executive Director

Hebei, the PRC
26 March 2018

As of the date of this announcement, the executive directors are Mr. LI Baozhong, Mr. SHANG Jinfeng, Ms. LIU Shuzhen and Mr. LIU Yongjian; the non-executive directors are Mr. LI Baoyuan and Mr. CAO Qingshe; and the independent non-executive directors are Mr. XIAO Xuwen, Ms. SHEN Lifeng, Ms. CHEN Xin and Mr. CHAN Ngai Sang Kenny.