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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)

DISCLOSEABLE TRANSACTION IN RELATION TO PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 17 May 2018, the Loan Agreement was entered into between CIF Finance, an indirect wholly-owned subsidiary of the Company as lender, and the Borrower as borrower, pursuant to which, CIF Finance has agreed to provide the Loan in the principal amount of US\$28,000,000 to the Borrower for a term of 6 months after the Drawdown Date.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of financial assistance granted to the Borrower is more than 5% but less than 25%, the Loan to be advanced under the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

As the amount of the financial assistance granted to the Borrower does not exceed 8% of the assets ratio as defined under Rule 13.13 of the Listing Rules, the grant of the Loan is not subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

PROVISION OF FINANCIAL ASSISTANCE

On 17 May 2018, CIF Finance entered into the Loan Agreement with the Borrower, pursuant to which CIF Finance has agreed to provide the Loan in the principal amount of US\$28,000,000 to the Borrower for a term of 6 months after the Drawdown Date.

Loan Agreement

Summarised below are the principal terms of the Loan Agreement.

Date:	17 May 2018
Lender:	CIF Finance
Borrower:	The Borrower
Effective interest rate:	14% per annum
Principal:	US\$28,000,000

The Loan will be available for drawdown upon the satisfaction of certain conditions as set out in the Loan Agreement. Pursuant to the Loan Agreement, the Borrower shall make a single drawing for the full amount of the Loan within 14 days after the date of the Loan Agreement.

Term:	6-month period commencing from the Drawdown Date
Security:	<ol style="list-style-type: none">(1) the share charge over the 100% shares of and in the Borrower executed by the sole shareholder of the Borrower in favour of CIF Finance;(2) the personal guarantee by an individual businessman as the guarantor, who agrees to guarantee the liabilities of the Borrower under the Loan Agreement; and(3) the subordination agreement incorporating an assignment of loans in respect of the shareholder's loan advanced by the sole shareholder to the Borrower executed by the Borrower and its sole shareholder in favour of CIF Finance

Repayment: The Borrower shall repay the Loan in full in one lump sum on the Maturity Date and repay the interest every three months

Voluntary Prepayment: The Borrower may repay all or part of the Loan (but if in part, being an amount in the multiple of US\$1,000,000 each) together with interest accrued thereon any time prior to the Maturity Date by written notice of not less than 5 business days

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Borrower, its ultimate beneficial owner and the guarantor, is a third party independent of the Company and not a connected person of the Company as at the date of this announcement.

Funding of the Loan

The Group will finance the loan by internal resources of the Group.

Information of the Group and the Borrower

The Company is an investment holding company incorporated in Bermuda with limited liability and its subsidiaries are principally engaged in the provision of financial services, including (i) financial leasing; (ii) investment in listed and unlisted securities; (iii) money lending business; (iv) operation of an asset trading platform; and (v) commercial factoring. CIF Finance, an indirect wholly-owned subsidiary of the Company, is a money lender licensed in Hong Kong pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

The Borrower is a company incorporated under the laws of Samoa with limited liability and principally engages in acquisition and holding of aircrafts.

Reasons for, and benefits of, the provision of the Loan

The terms of the Loan Agreement were negotiated on an arm's length basis between CIF Finance and the Borrower with reference to the prevailing market rate. The Directors are of the view that the terms of the Loan Agreement were entered into on a normal commercial terms.

Taking into account the security provided by the Borrower, and that a revenue and cash flow from the interest income is expected, the Directors consider that the terms of the Loan Agreement and the entering into of the Loan Agreement are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

The advance of the Loan constitutes financial assistance provided by the Company within the meaning of the Listing Rules.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of financial assistance granted to the Borrower is more than 5% but less than 25%, the Loan to be advanced under the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

As the amount of the financial assistance granted to the Borrower does not exceed 8% of the assets ratio as defined under Rule 13.13 of the Listing Rules, the grant of the Loan is not subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the words and expressions below shall have the following meanings when used herein:

“Board”	the board of Directors;
“Borrower”	a company incorporated under the laws of Samoa with limited liability, the borrower under the Loan Agreement;
“CIF Finance”	C.I.F. Financial Limited (中新金財務有限公司), a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company and a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong);

“Company”	China Shandong Hi-Speed Financial Group Limited (中國山東高速金融集團有限公司) , a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Drawdown Date”	the date on which the Loan is drawdown;
“Group”	the Company and its Subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan”	a loan in the principal amount of US\$28,000,000 to be advanced by CIF Finance to the Borrower;
“Loan Agreement”	the loan agreement dated 17 May 2018 entered into between CIF Finance and the Borrower in respect of the Loan;
“Maturity Date”	the date falling on the expiry of 6-month period after the Drawdown Date;
“Samoa”	the Independent State of Samoa;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“US\$” United States dollars, the lawful currency of the United States of America; and

“%” per cent.

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

Hong Kong, 17 May 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.