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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 ACQUISITION OF BOND

THE ACQUISITION

The Board announces that on 15 August 2019, Safe Castle, an indirect wholly-owned subsidiary of the Company, executed a trade order to acquire the Bond in the principal amount of US\$30 million (equivalent to approximately HK\$235,200,000) from the Seller at a consideration of US\$29,571,000 (equivalent to approximately HK\$231,836,640).

LISTING RULES IMPLICATION

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

On 15 August 2019, Safe Castle, an indirect wholly-owned subsidiary of the Company, executed a trade order to acquire the Bond in the principal amount of US\$30 million (equivalent to approximately HK\$235,200,000) from the Seller at a consideration of US\$29,571,000 (equivalent to approximately HK\$231,836,640). A summary of the principal terms of the Acquisition and the subject Bond is set out below.

THE TERMS OF THE ACQUISITION

Date: 15 August 2019

Purchaser of the Bond: Safe Castle, an indirect wholly-owned subsidiary of the Company and a company incorporated in the British Virgin Islands with limited liability, which is principally engaged in investment holding.

Seller of the Bond: Haitong International Financial Solutions Limited, a company incorporated in Hong Kong. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Seller and its ultimate beneficial owners are Independent Third Parties.

Consideration: US\$29,571,000 (equivalent to approximately HK\$231,836,640), representing 98.57% of the principal amount of the Bond which is payable in cash upon settlement. The discount to the principal amount of the Bond is the same as that offered by the Issuer upon the initial offering of the Bond.

The consideration was funded by internal resources of the Group.

THE BOND

Issuer:	Tuspark Forward Ltd., a company incorporated in the British Virgin Islands with limited liability.
Guarantor:	all sums payable by the Issuer under the Bond are guaranteed by its parent company, Tus-Holdings Co., Ltd.
Principal amount of the Bond acquired:	US\$30 million (equivalent to approximately HK\$235,200,000)
Maturity date:	15 August 2021, subject to early redemption provisions as set out in the terms of the Bond
Coupon rate:	7.95% per annum payable semi-annually in arrears
Ranking of the Bond:	The Bond constitutes direct, unsubordinated, unconditional and (subject to negative pledge provisions under the Bond) unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to other provisions of the Bond, at all times rank at least equally with all the Issuer's other present and future unsecured and unsubordinated obligations.
Events of default:	The Bond contain certain provisions regarding events of default, including but not limited to default in the payment of principal, or of any coupon on the Bond, when such payments become due, default in payment of interest which continues for 7 PRC business days, breaches of covenants, enforcement of security over any other assets of the Issuer and its parent company, illegality, unenforceability and insolvency.
Listing:	The Bond is listed on the Stock Exchange

INFORMATION ON THE GROUP

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 securities; (iii) money lending business; (iv) financial technology and related financial services; and (v) operation of an asset trading platform.

Safe Castle is incorporated in the British Virgin Island with limited liability and it is principally engaged in investment holding.

INFORMATION ON THE SELLER

The Seller is incorporated in Hong Kong and, together with its subsidiaries, are principally engaged in provision of financial solutions.

INFORMATION ON THE ISSUER

The Issuer is incorporated in the British Virgin Islands with limited liability and wholly owned by Tus-Holdings Co., Ltd., an Independent Third Party. Tus-Holdings Co., Ltd. and its subsidiaries are principally engaged in science park real estate business and provision of technology services in the PRC.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Acquisition forms part of the Group's ordinary course of treasury activities in managing its financial assets portfolio. In light of the terms of the Bond including the Acquisition price, being 98.57% to the face value of the Bond, the coupon rate, the maturity date and the background of the Issuer and the guarantor in respect of the Bond, the Directors (including independent non-executive Directors) are of the view that the terms of the Bond are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Acquisition”	the acquisition of the Bond in the principal amount of US\$30 million (equivalent to approximately HK\$235,200,000) by Safe Castle for a total consideration of US\$29,571,000 (equivalent to approximately HK\$231,836,640) pursuant to a trade order executed on 15 August 2019
“Board”	the Board of Directors
“Bond”	US\$30 million 7.95% guaranteed Bond due 15 August 2021 issued by the Issuer
“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 under the laws of Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 00412)
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) who are independent from the Company and its connected persons
“Issuer”	Tuspark Forward Ltd., a company incorporated in the British Virgin Islands with limited liability and wholly owned by Tus-Holdings Co., Ltd., an Independent Third Party
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Safe Castle”	Safe Castle Limited, an indirect wholly-owned subsidiary of the Company and a company incorporated in the British Virgin Islands with limited liability, which is principally engaged in investment holding
“Seller”	Haitong International Financial Solutions Limited, a company incorporated in Hong Kong with limited liability and an Independent Third Party
“Shareholder(s)”	the holder(s) of the ordinary share(s) of HK\$0.00025 each in the issued share capital of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollar(s), the lawful currency of the United States of America
“%”	per cent.

For illustration purposes, amounts in US\$ in this announcement have been translated into HK\$ at the rate of US\$1 = HK\$7.84.

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

Hong Kong, 15 August 2019

As at the date of this announcement, the Company has five executive directors, namely Mr. Wang Xiaodong, Mr. Liu Han, Mr. Liu Zhijie, Mr. Liu Yao and Ms. Liao Jianrong; three non-executive directors, namely 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. Guan Huanfei and Mr. Tan Yuexin.