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China Shandong Hi-Speed Financial Group Limited
(Stock Code: 412)

(A company incorporated in Bermuda with limited liability)

**ISSUE OF ADDITIONAL US\$200,000,000 3.9%
GUARANTEED BONDS DUE 2019
(TO BE CONSOLIDATED AND FORM
A SINGLE SERIES WITH THE US\$400,000,000 3.9%
GUARANTEED BONDS DUE 2019
ISSUED ON 5 MARCH 2018)**

On 6 March 2018, the Company and the Issuer entered into the Subscription Agreement with Deutsche Bank AG, Singapore Branch, Industrial and Commercial Bank of China (Asia) Limited, BOCI Asia Limited, Ping An of China Securities (Hong Kong) Company Limited, China Industrial Securities International Brokerage Limited and GF Securities (Hong Kong) Brokerage Limited in relation to the Additional Bonds Issue.

The gross proceeds of the Additional Bonds Issue will be approximately US\$199,810,000, which the Company intends to use for offshore project development, refinancing and general corporate purposes.

The Original Bonds are listed on the Stock Exchange. The Company will procure that the Additional Bonds will also be listed on the Stock Exchange upon issue. A listing eligibility approval has been received from the Stock Exchange for the listing of the Additional Bonds on the Stock Exchange. Admission of the Additional Bonds to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Additional Bonds.

The board is pleased to announce that on 6 March 2018, the Company, the Issuer and the Parent Company entered into the Subscription Agreement with Deutsche Bank AG, Singapore Branch, Industrial and Commercial Bank of China (Asia) Limited, BOCI Asia Limited, Ping An of China Securities (Hong Kong) Company Limited, China Industrial Securities International Brokerage Limited and GF Securities (Hong Kong) Brokerage Limited in relation to the Additional Bonds Issue.

THE SUBSCRIPTION AGREEMENT

Parties to the Subscription Agreement

- (a) Coastal Emerald Limited, a wholly-owned subsidiary of the Company, as issuer;
- (b) the Company as the guarantor;
- (c) Shandong Hi-Speed Group Co., Ltd. as keepwell provider;
- (d) Deutsche Bank AG, Singapore Branch;
- (e) Industrial and Commercial Bank of China (Asia) Limited;
- (f) BOCI Asia Limited;
- (g) Ping An of China Securities (Hong Kong) Company Limited;
- (h) China Industrial Securities International Brokerage Limited; and
- (i) GF Securities (Hong Kong) Brokerage Limited.

Deutsche Bank AG, Singapore Branch, Industrial and Commercial Bank of China (Asia) Limited, BOCI Asia Limited, Ping An of China Securities (Hong Kong) Company Limited, China Industrial Securities International Brokerage Limited and GF Securities (Hong Kong) Brokerage Limited have been appointed as the joint global coordinators, joint lead managers and joint bookrunners of the Additional Bonds. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Deutsche Bank AG, Singapore Branch, Industrial and Commercial Bank of China (Asia) Limited, BOCI Asia Limited, Ping An of China Securities (Hong Kong) Company Limited, China Industrial Securities International Brokerage Limited and GF Securities (Hong Kong) Brokerage Limited is an independent third party and not a connected person of the Company and its connected persons.

The Additional Bonds and the Guarantee have not been, and will not be registered, under the Securities Act or any state securities law and, unless so registered, may not be offered or sold within the United States and may only be offered and sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Accordingly, the Additional Bonds are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S. None of the Additional Bonds will be offered to the public in Hong Kong.

MIFID II product governance/Professional investors and ECPs only target market – Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as the Additional Notes not available to retail in the EEA.

Principal terms of the Additional Notes

The principal terms of the Additional Bonds are the same as the terms of the Original Bonds, other than the followings:

Bonds Offered

Subject to certain conditions to completion, the Issuer will issue the Additional Bonds in the aggregate principal amount of US\$200,000,000, to be consolidated and form a single series with the Original Bonds in the aggregate principal amount of US\$400,000,000. Both the Original Bonds and the Additional Bonds will mature on 3 March 2019, unless earlier redeemed in accordance with the terms thereof.

Offering Price

The offering price of the Additional Bonds will be 99.905% of the principal amount of the Additional Bonds plus accrued interest from (and including) 5 March 2018 to (but excluding) 12 March 2018. The offering price of the Original Bonds was 99.904% of the principal amount of the Original Bonds.

Proposed use of proceeds

The gross proceeds of the Additional Bonds Issue will be approximately US\$199,810,000, the Company intends to use the proceeds of the Additional Bond Issue for offshore project development, refinancing and general corporate purposes.

The Board is of the view that the Original Bonds Issue and the Additional Bonds Issue are significant steps of the Company in gaining recognition in the international finance market and will provide the Company with additional source of funding for its business development.

Listing

The Original Bonds are listed on the Stock Exchange. The Company will procure that the Additional Bonds will also be listed on the Stock Exchange upon issue. A listing eligibility approval has been received from the Stock Exchange for the listing of the Additional Bonds on the Stock Exchange. Admission of the Additional Bonds to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Additional Bonds.

As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Additional Bonds”	the US\$200,000,000 3.9% guaranteed bonds due 2019 to be issued by the Issuer
“Additional Bonds Issue”	the proposed issue of the Additional Bonds by the Issuer
“Board”	The board of Directors, the Company
“China” or “PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this announcement
“Company”	China Shandong Hi-Speed Financial Group Limited, a company incorporated under the laws of Bermuda with limited liability and whose shares are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Guarantee”	the guarantee provided by the Company in respect of the Additional Bonds
“Hong Kong”	the Hong Kong Special Administrative Region
“Issuer”	Coastal Emerald Limited, a wholly-owned subsidiary of the Company

“Original Bonds”	the US\$400,000,000 3.9% guaranteed bonds due 2019 issued by the Issuer
“Original Bonds Issue”	the issue of the Original Bonds by the Issuer
“Securities Act”	the United States Securities Act of 1933, as amended
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	The agreement proposed to be entered into between the Company, the Issuer, Shandong Hi-Speed Group Co., Ltd., Deutsche Bank AG, Singapore Branch, Industrial and Commercial Bank of China (Asia) Limited, BOCI Asia Limited, Ping An of China Securities (Hong Kong) Company Limited, China Industrial Securities International Brokerage Limited and GF Securities (Hong Kong) Borkerage Limited in relation to the Additional Bonds Issue
“United States”	the United States of America
“US\$”	United States dollars, the lawful currency of the United States

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

Hong Kong, 6 March 2018

As at the date of this announcement, the director of Coastal Emerald Limited is Yau Wai Lung.

As at the date of this announcement, the directors of China Shandong Hi-Speed Financial Group Limited are Ji Kecheng, Wang Zhenjiang, Yau Wai Lung, Li Zhen Yu, Li Hang, Lam Lee G., Qiu Jianyang, Lo Man Tuen, To Shing Chuen, Cheung Wing Ping, Wang Huixuan and Guan Huanfei.