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(incorporated in Bermuda with limited liability)

(Stock Code: 412)

PROFIT WARNING SUPPLEMENTAL ANNOUNCEMENT

This announcement is made by China Shandong Hi-Speed Financial Group Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 7 February 2020 in relation to, among other things, the profit warning of the results of the Company for the year ended 31 December 2019 (the “**Announcement**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board wishes to further inform the Shareholders and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2019, the Group is expected to record a net loss of not more than HK\$1.97 billion for the year ended 31 December 2019. It is mainly attributable to:

- (a) a significant loss in the fair value on one of the financial assets, namely the 107,500,227 shares in Jiayuan International Group Limited (stock code: 2768) (“**Jiayuan International**”) held by the Group. As at 31 December 2019, the quoted market price of Jiayuan International was HK\$3.05 per share and the fair value of such shares in Jiayuan International the Group held was approximately HK\$327,876,000, representing a fair value loss of approximately HK\$1,132,887,000. Such financial impact was mentioned in the Company’s annual report for the nine months ended 31 December 2018, whereas the fair value of such financial asset showed no improvement as of 31 December 2019. As a result, the loss in fair value on financial assets measured at fair value through profit and loss for the year ended 31 December 2019 increased significantly over the nine months ended 31 December 2018; and

- (b) a substantial impairment derived from the J&R Finance Lease Agreement of approximately RMB105,397,000 (equivalent to approximately HK\$119,731,000) and impairment provision for other assets during the year, which is subject to review, confirmation and audit.

The Company is in the process of preparing the annual results announcement of the Group for the year ended 31 December 2019. The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the latest unaudited consolidated management accounts of the Group for the year ended 31 December 2019 currently available to the Board which have not been audited or reviewed by the auditor or audit committee of the Company and is subject to adjustments as may be required. The actual results of the Group for the year ended 31 December 2019 may be different from the disclosure herein. Shareholders and potential investors of the Company are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2019.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 13 February 2020

As at the date of this announcement, the Company has five executive directors, namely Mr. Wang Xiaodong, Mr. Liu Han, Ms. Liao Jianrong, Mr. Liu Zhijie and Mr. Liu Yao; 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.