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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  
(I) NOVATION OF LOAN; AND  
(II) TOTAL RETURN SWAP**

**THE PROPOSED LOAN NOVATION AND TRS TRANSACTION**

The Board is pleased to announce that, after trading hours on 8 September 2020, CSH Capital HK entered into the following agreements:

- (i) the Amendment Agreement with the Borrower as borrower, the Guarantor as guarantor, the Chargor as chargor and the Reference Entity as the new lender in relation to, inter alia, the proposed Loan Novation at the consideration of US\$80,000,000 (being approximately HK\$624,000,000); and
- (ii) the TRS Agreement with Nomura Singapore in relation to the TRS Transaction with a notional amount of US\$80,000,000 (being approximately HK\$624,000,000).

Upon Completion, CSH Capital HK is released from any further obligations under the Finance Documents to be performed on or after the date of Completion and its rights under the Finance Documents shall be cancelled thereafter.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of (i) the proposed Loan Novation; and (ii) the TRS Transaction in aggregate exceed(s) 5% but less than 25%, (i) the proposed Loan Novation; and (ii) the TRS Transaction together constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

*As completion of the proposed Loan Novation is subject to the fulfillment of conditions precedent as set out in the Amendment Agreement, the proposed Loan Novation may or may not proceed. Shareholders and potential investors of the Company should exercise caution in dealing in the shares of the Company.*

## **INTRODUCTION**

The Board is pleased to announce that, after trading hours on 8 September 2020, CSH Capital HK entered into the following agreements:

- (i) the Amendment Agreement with the Borrower as borrower, the Guarantor as guarantor, the Chargor as chargor and the Reference Entity as the new lender in relation to, inter alia, the proposed Loan Novation at the consideration of US\$80,000,000 (being approximately HK\$624,000,000); and
- (ii) the TRS Agreement with Nomura Singapore in relation to the TRS Transaction with a notional amount of US\$80,000,000 (being approximately HK\$624,000,000).

(i) **THE PRINCIPAL TERMS OF THE PROPOSED LOAN NOVATION**

A summary of the principal terms of the proposed Loan Novation is set out as follows:

<b>Parties:</b>	<ol style="list-style-type: none"><li>(1) CSH Capital HK as existing lender;</li><li>(2) the Borrower as borrower;</li><li>(3) the Guarantor as guarantor;</li><li>(4) the Chargor as chargor; and</li><li>(5) the Reference Entity as new lender.</li></ol>
<b>Date:</b>	8 September 2020
<b>Transferred loan commitment:</b>	US\$80,000,000 (being approximately HK\$624,000,000), being CSH Capital HK's total loan commitment under the Facility Agreement-2 (" <b>Transferred Loan Commitment</b> ")
<b>Assets to be novated ("Charged Asset"):</b>	all of CSH Capital HK's rights and obligations under the Facility Agreement-2 (including but not limited to the Transferred Loan Commitment)
<b>Consideration:</b>	US\$80,000,000 (being approximately HK\$624,000,000), which shall be paid by Nomura Singapore on behalf of the Reference Entity from the proceeds of the Reference Facility-Backed Note (as defined below) on 17 September 2020 (" <b>Settlement Date</b> ").
<b>Conditions precedent:</b>	Completion is subject to and conditional upon the Reference Entity having obtained, inter alia, all necessary constitutional documents and board resolutions of the Borrower, the Guarantor and the Chargor. The Reference Entity shall notify the Borrower promptly upon being so satisfied, upon which Completion shall take place.

- Securities:**
- (i) a new share charge over the entire issued share capital of Ao Sheng Investments executed by the Chargor in favour of the Reference Entity (the “**New Share Charge**”); and
  - (ii) a new note charge over the note in aggregate principal amount of US\$40,000,000 issued by Ao Sheng Investments to the Chargor executed by the Chargor in favour of the Reference Entity (the “**New Note Charge**”).

Upon Completion, CSH Capital HK is released from any further obligations under the Finance Documents to be performed on or after the date of Completion and its rights under the Finance Documents shall be cancelled thereafter.

**(ii) THE PRINCIPAL TERMS OF THE TRS TRANSACTION**

A summary of the principal terms of the TRS Transaction is set out as follows:

- Parties:**
- (1) CSH Capital HK; and
  - (2) Nomura Singapore

**Date:** 8 September 2020

**Notional amount (“Notional Amount”):** US\$80,000,000 (being approximately HK\$624,000,000)

<b>Reference facility agreement-backed note (“Reference Facility-Backed Note”):</b>	The series 2020-20 facility agreement-backed extendible maturity notes in the principal amount of US\$80,000,000 (being approximately HK\$624,000,000) issued by Reference Entity on or around the Settlement Date. Proceeds of the Reference Facility-Backed Note will be used to purchase the Charged Asset.
<b>Initial exchange amount:</b>	On the Settlement Date, CSH Capital HK will pay to Nomura Singapore a sum that is equal to 55% times the Notional Amount times the Price of Reference Asset (i.e. US\$44,000,000 (being approximately HK\$343,200,000)) (“ <b>Initial Exchange Amount</b> ”).
<b>Floating rate payment by CSH Capital HK (“Floating Rate Payment By CSH Capital HK”):</b>	CSH Capital HK will pay to Nomura Singapore interest, on each Floating Amount Payment Date (as defined below), on an amount, being 45% times the Notional Amount times the Price of Reference Asset (i.e. US\$36,000,000 (being approximately HK\$280,800,000)), calculated at the USD 3-month LIBOR-BBA plus a spread of 3.50% per annum.
<b>Floating rate payment by Nomura Singapore:</b>	On each date on which any and all payments of cash distributions, including but not limited to coupon payments and consent fees but excluding any amount in relation to the repayment or amortization of principal and minus any adjustment which may be made in relation to tax matters, in respect of the Reference Facility-Backed Note is actually received by a holder of such Reference Facility-Backed Note, Nomura Singapore will pay the equivalent coupon amount to CSH Capital HK (each a “ <b>Floating Amount Payment Date</b> ”).

**Final exchange amount:** Subject to occurrence of a Cash Settlement Event (as defined below), on the Termination Date (as defined below):

- (i) Nomura Singapore shall deliver, novate, transfer, assign or sell to CSH Capital HK the Equivalent Securities; and
- (ii) CSH Capital HK shall pay Nomura Singapore a sum equal to (A) 45% times the Notional Amount times the Price of Reference Asset (i.e. US\$36,000,000 (being approximately HK\$280,800,000)); plus (B) unwind cost; plus (C) accrued but unpaid Floating Rate Payment by CSH Capital HK.

If a Cash Settlement Event (as defined below) occurs, the above obligations shall be replaced with the following:

- (i) on the Cash Settlement Date (as defined below), Nomura Singapore shall pay CSH Capital HK a sum equal to Notional Amount times Price of Reference Asset; and
- (ii) on the Cash Settlement Date (as defined below), CSH Capital HK shall pay Nomura Singapore a sum equal to (A) 45% times the Notional Amount times the Price of Reference Asset (i.e. US\$36,000,000 (being approximately HK\$280,800,000)); plus (B) unwind cost; plus (C) accrued but unpaid Floating Rate Payment By CSH Capital HK.

**Termination date**  
**(“Termination Date”):**

The earlier of (a) 22 June 2021; (b) 30 December 2020 (**“Optional Early Termination Date”**) (if Optional Early Termination Option is exercised); and (c) two (2) business days after the day when an early termination notice is delivered by Nomura Singapore to CSH Capital HK upon the occurrence of an early termination event (**“Early Termination Event”**). An Early Termination Event shall include, among others:

- (i) the Reference Facility-Backed Note holder is prevented or restricted from holding full title to the Reference Facility-Backed Note, the Reference Facility-Backed Note fails to pay scheduled interest or principal, any event of default occurs under the Reference Facility-Backed Note, the Reference Facility-Backed Note is redeemed early for any reason or a conversion event occurs with respect to the Reference Facility-Backed Note;
- (ii) if on any date, as determined by the Calculation Agent in its sole discretion, the market bid price of the notes issued by Gemstones International Limited (due 10 March 2023, ISIN XS2098347821), exclusive of accrued but unpaid interest and expressed as a percentage of par, is equal to or lower than 85%; or
- (iii) if on any date, as determined by Nomura Singapore, (A) the long term issuer default rating assigned by Fitch Ratings (or its successor) to the Company is equal to or lower than BBB-; or (B) Fitch Ratings (or its successor) withdraws its or ceases to provide a long term issuer default rating to the Company.

<b>Cash settlement event (“Cash Settlement Event”):</b>	On or prior to the Termination Date (such date “ <b>Valuation Date</b> ”), Nomura Singapore notifies CSH Capital HK in writing that it is not practicable, in its sole and reasonable discretion, for Nomura Singapore to deliver Equivalent Securities to CSH Capital HK on the Termination Date.
<b>Cash settlement date (“Cash Settlement Date”):</b>	One (1) business day following the Valuation Date.
<b>Guarantee:</b>	<p>Pursuant to the TRS Agreement:</p> <ul style="list-style-type: none"> <li data-bbox="644 781 1444 1144">(i) the Company as guarantor irrevocably and unconditionally guarantees to Nomura Singapore the prompt and complete payment and performance, when due (whether by acceleration or otherwise), of all obligations and liabilities (whether now in existence or hereafter arising) of CSH Capital HK arising out of any transaction with Nomura Singapore or under the TRS Agreement.</li> <li data-bbox="644 1211 1444 1482">(ii) Nomura Holdings, Inc. as guarantor irrevocably and unconditionally guarantees the due and punctual payment or delivery of all monetary obligations of Nomura Singapore owing to CSH Capital HK under the TRS Transaction promptly upon written demand made by CSH Capital HK.</li> </ul>



## REFERENCE FACILITY-BACKED NOTE SUBSCRIPTION

A summary of the principal terms of the Reference Facility-Backed Note is set out as follows:

<b>Parties:</b>	<ol style="list-style-type: none"><li>(1) Reference Entity as issuer;</li><li>(2) Trustee as note trustee and security trustee;</li><li>(3) Custodian as principal paying agent and custodian;</li><li>(4) Nomura Singapore as dealer, arranger, acquisition and disposal agent and calculation agent; and</li><li>(5) Nomura HK as authorized representative.</li></ol>
<b>Trade date:</b>	8 September 2020
<b>Issue date:</b>	on the Settlement Date
<b>Maturity date</b> <b>(“Maturity Date”):</b>	earlier of (i) two (2) business days after 18 June 2021 (the “ <b>Scheduled Maturity Date</b> ”); or (ii) the Early Redemption Date (as defined below) (the “ <b>Initial Maturity Date</b> ”), subject to the extension at the option by the Calculation Agent.  If the repayment date under the Facility Agreement-2 is extended pursuant to the terms of the Facility Agreement-2, the Calculation Agent shall have the option to extend the Initial Maturity Date to two (2) business days after 17 June 2022.
<b>Principal amount:</b>	US\$80,000,000 (being approximately HK\$624,000,000)
<b>Issue price:</b>	100%

<b>Consideration being amount effectively funded by Nomura Singapore in relation to the proposed Loan Novation:</b>	US\$80,000,000 (being approximately HK\$624,000,000)
<b>Specified denomination:</b>	US\$80,000,000
<b>Reference facility:</b>	The Reference Facility-Backed Note are linked to the Facility Agreement-2.
<b>Interest payment date and amount:</b>	The Reference Entity shall pay interest that it actually receives in respect of the Charged Assets within two (2) business days after the date it actually receives such interest.
<b>Early redemption:</b>	<p>Nomura Singapore have the right to redeem the Reference Facility-Backed Note on any day prior to the Scheduled Maturity Date (“<b>Early Redemption Date</b>”) by transfer of the Charged Asset to Nomura Singapore and in accordance with other terms and conditions set forth in the Reference Facility-Backed Note upon the occurrence of an early redemption event (“<b>Early Redemption Event</b>”). An Early Redemption Event shall include, among others:</p> <ul style="list-style-type: none"> <li>(i) the Reference Entity fails to duly make payments or perform its obligations pursuant to the Reference Facility-Backed Note; or</li> <li>(ii) insolvency of the Reference Entity; or</li> <li>(iii) early termination of the Finance Documents; or</li> </ul>

- (iv) change in law or any action taken by a taxing authority or brought in a court of competent jurisdiction resulting in the Reference Entity incurring tax cost after issuance of the Reference Facility-Backed Note; or
- (v) Nomura Singapore as noteholder elects to exercise early redemption right in accordance with terms and conditions set forth in the Reference Facility-Backed Note; or
- (vi) any early termination of the Charged Assets.

**Redemption upon maturity:** The full principal amount shall be paid by the Reference Entity on Scheduled Maturity Date.

**Ranking:** The Reference Facility-Backed Note will constitute direct and unsubordinated limited recourse obligations of the Reference Entity.

- Security:**
- (i) a fixed charge over custodian cash account;
  - (ii) an assignment by way of security of the Charged Asset;
  - (iii) an absolute assignment by way of legal mortgage over all Reference Entity's right, title and interest in and to other documents relating to the issue of the Reference – Facility Backed Note and any sum received or receivable thereunder; and
  - (iv) a first fixed charge over any account of the Reference Entity established in connection with the Reference Facility-Backed Notes,

by the Reference Entity in favour of the Trustee for and on behalf of Nomura Singapore, the Trustee and other agent parties.

The Reference Facility-Backed Note is structured based on the proposed Loan Novation among CSH Capital HK, the Borrower, the Guarantor, the Chargor and the Reference Entity. Proceeds of the Reference Facility-Backed Note will be used to purchase the Charged Asset.

## **INFORMATION OF THE BORROWER, GUARANTOR, CHARGOR, REFERENCE ENTITY AND NOMURA SINGAPORE**

The Borrower is a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Guarantor. It is principally engaged in investment holding.

The Guarantor is an investment holding company and is a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 95). The principal activities of the Guarantor Group comprise property development, property investment and other related services in the PRC and Hong Kong.

The Chargor is a company incorporated under the laws of the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of Guarantor. It is principally engaged in investment holding. The Chargor directly owns the entire issued share capital in Ao Sheng Investment, a company incorporated under the laws of Hong Kong with limited liability and principally engaged in investment holding. Ao Sheng Investments, through its Cambodian subsidiary, holds property rights in certain real properties (mainly a 32-storey commercial building) located in Cambodia.

The Reference Entity is a special purpose vehicle incorporated under the laws of the Cayman Islands wholly-owned by Intertrust SPV (Cayman) Limited (the “**Share Trustee**”) under the terms of a declaration of trust under which the Share Trustee holds the benefit of the shares on trust for charitable purpose. It is principally engaged in the issuance of asset backed debt obligations.

Nomura Singapore is a company established under the laws of Singapore, regulated by the Monetary Authority of Singapore, and an indirect wholly-owned subsidiary of Nomura Holdings, Inc. It is principally engaged in a full range of financial services to institutional and private clients.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Borrower, the Guarantor, the Chargor, the Reference Entity, Nomura Singapore and their respective ultimate beneficial owner(s) (if any) are Independent Third Parties.

## **INFORMATION OF THE GROUP**

The Company is an investment holding company incorporated in Bermuda with limited liability and its subsidiaries are principally engaged in various kinds of financial services, including financial leasing, operation of an asset trading platform, investments in securities, money lending, investment holding, online investment and technology-enabled lending services, online new media services and asset management.

CSH Capital HK is a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in financial investment.

## **INFORMATION ABOUT THE CHARGED ASSET**

Pursuant to the Facility Agreement-2, a principal amount of US\$80,000,000 (being approximately HK\$624,000,000) was advanced by CSH Capital HK to the Borrower. The loan is secured by the Note Charge and the Share Charge. As at the date of this announcement, the book value of the Charged Asset to be novated was approximately US\$80,000,000 (being approximately HK\$624,000,000). The outstanding principal amount under the Amendment Agreement would be US\$80,000,000 (being approximately HK\$624,000,000).

## **FINANCIAL EFFECTS OF THE PROPOSED LOAN NOVATION AND THE TRS TRANSACTION AND PROPOSED USE OF PROCEEDS**

The Facility-2 to be transferred under the proposed Loan Novation was treated as current assets with a value of US\$80,000,000 (being approximately HK\$624,000,000) as at 30 June 2020. At completion of the proposed Loan Novation, taken into account of the Initial Exchange Amount under the TRS Agreement, the Company will receive a sum of US\$36,000,000 (being approximately HK\$280,800,000). However, (i) as the sum of US\$36,000,000 will be treated as a loan to the Company and will be paid by the Company to Nomura Singapore upon termination of the TRS Transaction, and (ii) it is expected that the principal amount (US\$80,000,000 (being approximately HK\$624,000,000), assuming the Reference Facility-Backed Note were fully redeemed) will be transferred back to the Company upon termination of the TRS Transaction, no gain or loss is expected to accrue to the Company upon completion of the proposed Loan Novation and the TRS Transaction. The Company intends to apply the proceeds from the proposed Loan Novation and the TRS Transaction as general working capital of the Group.

## **REASONS AND BENEFITS OF THE PROPOSED LOAN NOVATION AND THE TRS TRANSACTION**

The main reason for having the Loan Novation and TRS Transaction is to enable the Group to obtain financing by structuring Group's rights and obligations under Facility-2 in order for the Group to generate additional cashflow. Through the Loan Novation and the TRS Transaction, the Group could obtain a financing of USD36,000,000 (being approximately HK\$280,800,000) (i.e. a sum equals to 45% times the Notional Amount times the Price of Reference Asset, the "**Financing Sum**") from Nomura Singapore. During the term of the TRS Transaction, if no Early Termination Event/exercise of Optional Early Termination Option/Cash Settlement Event occurs, Nomura Singapore will pay the equivalent coupon amounts of the Reference Facility-Backed Note (i.e. the interest income generated from Facility-2) actually received by it to the Group. At the final exchange upon termination of the TRS Transaction, the Group will pay back the Financing Sum to Nomura Singapore (plus unwind cost and accrued but unpaid Floating Rate Payment by CSH Capital HK) in return for taking delivery of the Reference Facility-Backed Note from Nomura Singapore, which will enable the Group to once again obtain the rights and obligations under Facility-2 through the Reference Facility-Backed Note.

The terms of the proposed Loan Novation were determined after arm's length negotiation among CSH Capital HK, the Borrower, the Guarantor, the Chargor and the Reference Entity having considered, among other things, the marketability and the recoverability of the Charged Asset. The Directors consider the terms of the proposed Loan Novation are on normal commercial terms and are fair and reasonable and the proposed Loan Novation is in the interests of the Group and its shareholders as a whole.

The terms of the TRS Transaction were determined after arm's length negotiation between CSH Capital HK and Nomura Singapore having considered the reasons and benefits above. The Directors consider the terms of the TRS Transaction are on normal commercial terms and are fair and reasonable and the TRS Transaction is in the interests of the Group and its shareholders as a whole.

Any amount payable by CSH Capital HK under the TRS Transaction will be satisfied by the internal resources of the Group.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of (i) the proposed Loan Novation; and (ii) the TRS Transaction in aggregate exceed(s) 5% but less than 25%, (i) the proposed Loan Novation; and (ii) the TRS Transaction together constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“Amendment Agreement”	(i) the Order; and (ii) the amendment agreement to the Facility Agreement-2 to be entered into among CSH Capital HK, the Borrower, the Guarantor, the Chargor and the Reference Entity on 17 September 2020 in respect of the proposed Loan Novation;
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“Ao Sheng Investments”	Ao Sheng Investments Limited 傲陞投資有限公司, a company incorporated under the laws of Hong Kong with limited liability and a direct wholly-owned subsidiary of the Chargor;
“Board”	the board of Directors;
“Borrower”	Thriving Achieve (HK) Limited 臻瓏(香港)有限公司, a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Guarantor;
“business day”	a day (other than Saturday, Sunday or public holiday) on which licensed commercial banks are open for general banking business for members of the public in Hong Kong, Singapore, London and New York;
“Calculation Agent”	Nomura Singapore or such other calculation agent appointed by the parties pursuant to the terms and conditions of the relevant documents;
“Chargor”	Ao Sheng Holdings Limited 傲陞控股有限公司, a company incorporated under the laws of British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Guarantor;
“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 (Stock Code: 412);
“Completion”	completion of the proposed Loan Novation pursuant to the Amendment Agreement;
“connected person(s)”	has the same ascribed to it in the Listing Rules;



“CSH Capital HK”	China Shandong Hi-Speed Capital (HK) Limited 中國山東高速資本(香港)有限公司, a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“Custodian”	Citibank N.A., London Branch, being the principal paying agent and custodian under the Reference Facility-Backed Note;
“Director(s)”	the director(s) of the Company;
“Equivalent Securities”	means, securities which are (i) of the same issuer; (ii) part of the same issue (same ISIN); and (iii) of an identical type and description as to the Reference Facility-Backed Note and (iv) except as otherwise stated, in an amount of face value equal to the Notional Amount of Reference Facility-Backed Note, to the extent that if the Reference Facility-Backed Note has been redeemed, “Equivalent Securities” shall mean a sum of money equal to the proceeds of the redemption that Reference Facility-Backed Note holder receives as holder of (a face value equal to) the Notional Amount of Reference Facility-Backed Note of such securities;
“Facility-2”	a term loan facility in the principal amount of US\$80,000,000 (being approximately HK\$624,000,000) made available to the Borrower by CSH Capital HK upon and subject to the terms and conditions of the Facility Agreement-2. For more information, please refer to the announcement of the Company dated 15 June 2020 in relation to the grant of Facility-2 pursuant to Facility Agreement-2 entered into among CSH Capital HK, an indirect wholly-owned subsidiary of the Company as lender, the Borrower as borrower and the Guarantor as guarantor;

“Facility Agreement-2”	the facility agreement dated 15 June 2020 entered into among CSH Capital HK, the Borrower and the Guarantor in respect of Facility-2 (as amended by the Amendment Agreement mainly for the purpose of setting out the procedures for the Loan Novation). For more information, please refer to the announcement of the Company dated 15 June 2020 in relation to the grant of Facility-2 pursuant to Facility Agreement-2 entered into among CSH Capital HK, an indirect wholly-owned subsidiary of the Company as lender, the Borrower as borrower and the Guarantor as guarantor;
“Finance Document(s)”	Facility Agreement-2, the Share Charge (as amended by the New Share Charge), the Note Charge (as amended by the New Note Charge), any utilisation request and any other document designated and agreed as such by CSH Capital HK and the Borrower;
“Group”	the Company and its subsidiaries;
“Guarantor”	LVGEM (China) Real Estate Investment Company Limited 綠景(中國)地產投資有限公司, a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 95);
“Guarantor Group”	the Guarantor and its subsidiaries from time to time (including the Borrower);
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

“Independent Third Party”	independent third party who is independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company;
“LIBOR-BBA”	the London Interbank Offered Rate fixed by the British Bankers’ Association;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Loan Novation”	CSH Capital HK conditionally agreed to transfer by novation to the Reference Entity all of CSH Capital HK’s rights and obligations under the Facility Agreement-2 (including but not limited to the Transferred Loan Commitment) and the Reference Entity conditionally agreed to assume all rights and obligations of CSH Capital HK under the Facility Agreement-2 (including but not limited to the Transferred Loan Commitment);
“Nomura HK”	Nomura International (Hong Kong) Limited, an indirect wholly-owned subsidiary of Nomura Holdings, inc., being the authorized representative under the Reference Facility-Backed Note;
“Nomura Singapore”	Nomura Singapore Limited, a company established under the laws of Singapore, regulated by the Monetary Authority of Singapore, and an indirect wholly-owned subsidiary of Nomura Holdings, Inc.;
“Note Charge”	the note charge dated 15 June 2020 executed by the Chargor in favour of CSH Capital HK over the note in aggregate principal amount of US\$40,000,000 issued by Ao Sheng Investments to Chargor;

“Optional Early Termination Option”	Nomura Singapore’s or CSH Capital HK’s right to terminate the TRS Transaction, in whole but not in part, on the Optional Early Termination Date;
“Order”	(i) an irrevocable order email sent by CSH Capital HK to Nomura Singapore on 8 September 2020 confirming the proposed Loan Novation and the TRS Transaction; and (ii) an irrevocable order confirmation email sent by Nomura Singapore to CSH Capital HK on 8 September 2020 confirming the proposed Loan Novation and the TRS Transaction;
“PRC”	The People’s Republic of China, for the purpose of this announcement only, not including Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“Price of Reference Asset”	Market bid price of the Reference Facility-Backed Note, inclusive of accrued but unpaid interest and expressed as a percentage or such other percentage determined in accordance with terms and conditions set forth in the TRS Agreement;
“Reference Entity”	Lani Finance Limited, a special purpose vehicle incorporated under the laws of the Cayman Islands wholly-owned by Intertrust SPV (Cayman) Limited, being the issuer of the Reference Facility-Backed Note, and any of its successor;
“Shareholder(s)”	shareholder(s) of the Company;
“Share Charge”	the share charge dated 15 June 2020 executed by the Chargor in favour of CSH Capital HK over the entire issued share capital of Ao Sheng Investments;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“subsidiaries”	has the meaning ascribed to it by the Listing Rules;
“TRS Agreement”	(i) the 2002 ISDA Master Agreement and the schedule and annex thereto dated 12 August 2020; (ii) the Order; and (iii) a confirmation to be dated 17 September 2020 and entered into between CSH Capital HK and Nomura Singapore, pursuant to which the parties agreed to enter into the TRS Transaction;
“TRS Transaction”	the total return swap transaction in relation to the Reference Facility-Backed Note under the TRS Agreement;
“Trustee”	Citicorp Trustee Company Limited, being the note trustee and security trustee under the Reference Facility-Backed Note;
“US\$”	U.S. dollars, the lawful currency of the United States; and
“%”	per cent.

*In this announcement, for the purpose of illustration only, amounts quoted in US\$ have been converted into HK\$ at the rate of US\$1 to HK\$7.8. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.*

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

Hong Kong, 8 September 2020

*As at the date of this announcement, the Company has five executive directors, namely Mr. Wang Xiaodong, Mr. Liu Han, Mr. Liu Honghui, Mr. Liu Zhijie and Mr. Liu Yao; three non-executive directors, namely Liang Zhanhai, Mr. Chen Di, Mr. Gao Guicheng; and four independent non-executive directors, namely Mr. Guan Huanfei, Mr. Chan Wai Hei, Mr. Tan Yuexin and Mr. Jonathan Jun Yan.*