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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

(formerly known as China Innovative Finance Group Limited 中國新金融集團有限公司)

(Incorporated in Bermuda with limited liability)

(Stock code: 00412)

DISCLOSEABLE TRANSACTION IN RELATION TO PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 27 December 2017, the Loan Agreement was entered into between C.I.F. Financial, an indirect wholly-owned subsidiary of the Company, as lender, the Borrower as borrower, pursuant to which C.I.F. Financial has agreed to provide the Loan in the principal amount of HK\$195,000,000 to the Borrower for a term of 36 months after the date of Drawing.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the financial assistance granted to the Borrower is more than 5% but less than 25%, 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

C.I.F. Financial entered into the Loan Agreement with the Borrower on 27 December 2017, pursuant to which C.I.F. Financial has agreed to provide the Loan in the principal amount of HK\$195,000,000 to the Borrower for a term of 36 months after the date of Drawing.

Loan Agreement

Summarised below are the principal terms of the Loan Agreement.

Lender	:	C.I.F. Financial
Borrower	:	The Borrower
Guarantor	:	The Guarantor
Principal	:	HK\$195,000,000
Effective interest rate	:	9.13% per annum
Term	:	36 months after the date of Drawing
Guarantee	:	Personal guarantee given by the Guarantor
Pledge	:	Charge over certain bonds in the principal amount of US\$25,000,000 will be executed by the Pledgor in favour of the Lender
Prepayment	:	Commencing from one month after the date of Drawing, the Borrower may send a notice of not less than 30 days in advance to the Lender to prepay all or part of the Loan (but if in part, being an amount in the multiple of HK\$1,000,000) together with interest accrued to the date of prepayment on the amount to be prepaid
Repayment	:	The Borrower shall repay the Loan in full in one lump sum together with outstanding and unpaid interest accrued thereon on the Final Maturity Date

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Borrower and its ultimate beneficial owners, the Guarantor, and the Pledgor are third parties independent of the Company and connected persons of the Company as at the date of this announcement.

Funding of the Loan

The Group will finance the Loan by its internal resources and additional borrowings.

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; and (iv) operation of an asset trading platform. C.I.F. Financial, 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 private company limited by shares and is principally engaged in the investment in the real properties, including investment and development of land and real properties, property management, and fund management in the PRC and Australia.

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 C.I.F. Financial and the Borrower with reference to the prevailing market rate. The Directors (including independent non-executive Directors) are of the view that the terms of the Loan Agreement were entered into on a normal commercial terms.

Taking into account the satisfactory financial background of the Borrower that a revenue and cash flow from the interest income are expected, the Directors (including the independent non-executive Directors) consider that the terms of the Loan Agreement are fair and reasonable and the entering into of the Loan Agreement is in the interest of the Company and its shareholders as a whole. No Director has a material interest in the Loan Agreement, and accordingly no Director has abstained from voting on the board resolutions approving the Loan Agreement and the transactions contemplated thereunder.

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 financial assistance granted to the Borrower is more than 5% but less than 25%, 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:

“Borrower”	means a private company limited by shares incorporated under the laws of Hong Kong;
“C.I.F. Financial”	C.I.F. Financial Limited, a limited liability company incorporated in Hong Kong and an indirect 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 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);
“Directors”	means the directors of the Company;
“Drawing”	means a lump sum drawing made under the Loan Agreement;
“Final Maturity Date”	means the day falling the expiry of 36-month period after the date of Drawing;
“Group”	means the Company and its subsidiaries from time to time;
“Guarantor”	means an individual businessman;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong dollars” or “HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan”	means the aggregate principal amount for the time being outstanding under the Loan Agreement;
“Loan Agreement”	means the loan agreement dated 27 December 2017 entered into between C.I.F. Financial and the Borrower in respect of the Loan;
“Pledgor”	means an investment company limited by shares incorporated under the laws of Hong Kong;

- “PRC” means the People’s Republic of China (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan);
- “Stock Exchange” means The Stock Exchange of Hong Kong Limited; and
- “US\$” means United States dollars, the lawful currency of United States.

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

Hong Kong, 28 December 2017

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.