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(Stock Code: 412)

COMPLETION ANNOUNCEMENT IN RELATION TO ACQUISITION AND SUBSCRIPTION OF AN AGGREGATE OF 60% SHARES IN KUN PENG

Reference is made to the announcement of China Shandong Hi-Speed Financial Group Limited (the “**Company**”) dated 29 December 2017 (the “**Previous Announcement**”) in relation to the acquisition and subscription of an aggregate of 60% shares in Kun Peng. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Previous Announcement.

The Board is pleased to announce that since the relevant conditions precedent of the Share Purchase Agreement have been fulfilled, Completion took place on 26 March 2018 and a total of 363,065,565 Consideration Shares have been allotted and issued to Honesta Investment under the General Mandate.

Upon Completion, Coastal Silk has become the 60% shareholder of Kun Peng.

As mentioned in the Previous Announcement and pursuant to the Share Purchase Agreement, in the event that Kun Peng fails to achieve the aggregate Minimum Net Profit during the three financial years ending 31 December 2020, the Company will buy back a portion of the Consideration Shares at nil consideration when the financial statements of the financial year ending 31 December 2020 are ready, subject to the approval of the Securities and Futures Commission and compliance with the Code of Share Buy-backs and all regulatory requirements. If the Company proceeds with such buy-back, it will liaise with (i) the Securities and Futures Commission for approval and comply with all relevant regulatory requirements, (ii) Honesta Investment to surrender the relevant Consideration Shares and (iii) the branch share registrar of the Company to arrange for the cancellation of such Consideration Shares.

The Company would like to set out further information on Kun Peng and the Structured Contracts as follows:

1. Kun Peng did not have any net profit nor loss during the year ended 31 December 2015.
2. According to the Exclusive Business Cooperation Agreement, it shall be binding on the successors or permitted assigns of the registered shareholders, namely Mr. Hua, Mr. Guo, Mr. Cheng and Honesta Letou. In the event of winding up, dissolution and other similar circumstances of Honesta Letou, Honesta Letou shall be obliged to transfer the relevant equity interest in Honesta Holding to Honesta Consultancy Management and the registered shareholders of Honesta Holding shall be jointly liable to provide the relevant financial resources to pay the consideration for such transfer. Based on PRC legal advice, the trustee for winding up or dissolution shall be obliged to unconditionally proceed with such transfer. Honesta Letou is an independent legal entity and shall bear contractual liabilities regardless of the change of partners. Therefore, change of partners will not affect the contractual obligations of Honesta Letou.

By Order of the Board

China Shandong Hi-Speed Financial Group Limited

Li Hang

Chairman

Hong Kong, 26 March 2018

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.