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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)

INSIDE INFORMATION POSITIVE PROFIT ALERT

This announcement is made by China Shandong Hi-Speed Financial Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 (the “**Period**”), the Group expects to record an unaudited profit after tax for the Period of not less than HK\$55 million, as compared to the corresponding unaudited net loss after tax for the six months ended 30 June 2019 (the “**Previous Period**”) of approximately HK\$1,609 million. The aforementioned change from loss to profit is mainly attributable to:

- (a) a substantial improvement in fair value loss on financial assets at fair value through profit or loss. As at 30 June 2019, a significant loss was recorded in the fair value on one of the financial assets, namely the 107,500,227 shares in Jiayuan International Group Limited (stock code: 2768) (“**Financial Assets – Jiayuan International**”) held by the Group. The quoted market price and fair value of Financial Assets – Jiayuan International as at 30 June 2019 was HK\$3.44 per share and approximately HK\$369 million, representing a fair value loss of approximately HK\$1,091 million. The Group had disposed part of the Financial Assets – Jiayuan International and had a realized gain on financial assets at fair value through profit or loss of approximately HK\$32 million for the Period; and

- (b) a 88% jump in the consolidated revenue of the Group from approximately HK\$330 million for the Previous Period to approximately HK\$620 million for the Period which was primarily attributable to the significant enlargement in the investment scale in securities and also the operational scale in the money lending segment for the Period which led to the significant increase in the interest income from financial assets at fair value through other comprehensive income and interest income from money lending operations.

The information contained in this announcement is based on information currently available to the Group. It remains subject to finalisation and necessary adjustments, and has not been confirmed, audited nor reviewed by the Company's auditor. Details of the financial performance of the Group will be disclosed in the Group's interim results announcement which will be released as soon as practicable and in any event on or before 31 August 2020.

Shareholders and potential investors should 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, 31 July 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 Mr. Liang Zhanhai, Mr. Chen Di and 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.