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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
IN RELATION TO
SUBSCRIPTION OF NOTES**

SUBSCRIPTION OF NOTES

On 16 December 2020, the Investor, an indirect wholly-owned subsidiary of the Company as investor entered into the Subscription Agreement with the Issuer and the Guarantor, pursuant to which the Investor has conditionally agreed to subscribe for, and the Issuer has conditionally agreed to issue the Notes in the aggregate principal amount of US\$100,000,000 (equivalent to approximately HK\$775,000,000).

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Subscription is/are more than 5% but all are less than 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but are exempt from the circular and Shareholder's approval requirements under the Listing Rules.

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THE TERMS OF THE SUBSCRIPTION

Date:	16 December 2020
Investor:	Global Castle Investments Limited
Issuer:	Asia Dynasty Enterprises Limited (廣京企業有限公司)
Subscription price:	US\$100,000,000 (equivalent to approximately HK\$775,000,000) which shall be an amount equal to the principal amount of the Note payable in cash
Long Stop Date:	The Completion Date or any other date as specified by the Investor

PRINCIPAL TERMS OF THE NOTES

Issue Date:	Expected to be on or about 17 December 2020
Principal amount:	US\$100,000,000
Issue price:	100% of the principal amount of the Notes
Interest rate and interest payment date:	An interest rate of 6.0% per annum (the “ Interest Rate ”) on the principal amount of the Notes, calculated from and including the Issue Date, payable in arrear in equal instalments of US\$3,000,000 on 16 June 2021 and on the Maturity Date
Maturity Date:	15 December 2021
Redemption upon maturity:	Unless previously redeemed, purchased or cancelled, the Issuer will redeem all of the Notes on the Maturity Date at their principal amount

Early redemption at the Issuer's option:	The Issuer may upon giving not less than 15 nor more than 30 calendar days' notice to Noteholders redeem the Notes, in whole but not in part, at the principal amount of the Notes on a date as notified by the Issuer in writing and as agreed by the Noteholders in writing as at such date together with interest accrued but unpaid to such date
Redemption for taxation reasons:	The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 15 nor more than 30 calendar days' notice (the " Tax Redemption Notice ") to the Noteholders, at their principal amount, together with interest accrued up to but excluding the date fixed for redemption but unpaid, if (i) the Issuer (or if the Guarantee is called, the Guarantor) has or will become obliged to pay additional tax amounts as a result of any change in, or amendment to, the laws, regulations or rulings of the Cayman Islands, Hong Kong, the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations or rulings (including but not limited to any decision by a court of competent jurisdiction) or the stating of an official position with respect thereto, which change or amendment becomes effective (or in the case of an official position, is announced) on or after 16 December 2020 and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 calendar days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional tax amounts were a payment in respect of the Notes then due
Redemption upon a relevant event:	<p>At any time following the occurrence of, among other things, the following relevant events, the holder of each Note will have the right, at such holder's option, to require the Issuer to redeem all or some only of that holder's Notes on a date as notified in writing by the holder of the Notes at the principal amount of the Notes as at such date together with interest accrued but unpaid to such date:</p> <ul style="list-style-type: none"> (i) the ordinary shares of the Guarantor cease to be quoted, listed or admitted to trading on the Stock Exchange or any successor to that exchange or any substitute exchange or quotation system acceptable to the Noteholder to which trading in any ordinary shares in the Guarantor is temporarily or permanently relocated for any reason;

- (ii) the ordinary shares of the Guarantor are suspended from trading on the Stock Exchange for a period of more than 15 consecutive trading days for reasons other than (A) suspension for purely technical reasons which are beyond the Guarantor's control or (B) suspension pending the issue of an announcement under Chapter 14 or Chapter 14A of the Listing Rules (as amended from time to time) or any announcement to be made pursuant to The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong;
- (iii) the auditors of the Guarantor are unable to issue an unqualified opinion in relation to the annual audited consolidated financial statements of the Guarantor as disclosed in the Guarantor's annual report;
- (iv) the Guarantor ceases to beneficially own 100% of the entire issued shares in the Issuer;
- (v) there is a material adverse change in (i) the business or financial condition of the Issuer or (ii) the business or consolidated financial condition of the Issuer, the Guarantor and the Guarantor's material subsidiaries, since the date of the original financial statements (in the case of the Issuer, the Guarantor and the Guarantor's material subsidiaries) and the date of the financial statements most recently supplied to the Noteholders (in the case of the Issuer);
- (vi) any legal proceedings, arbitration or dispute have been filed, lodged or threatened which has or may have a material adverse effect; or
- (vii) the Issuer or the Guarantor does not perform or comply with any of the covenants under the Subscription Agreement

Status of the Notes:	The obligations of the Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank pari passu without preference among themselves
Guarantor:	China Aoyuan Group Limited (中國奧園集團股份有限公司)
Guarantee:	The payment of the principal, premium (if any) and interest in respect of the Notes and all other moneys payable by the Issuer under or pursuant to the Notes has been unconditionally and irrevocably guaranteed by the Guarantor pursuant to the Deed of Guarantee

FUNDING OF THE SUBSCRIPTION

The Group will finance the Subscription by internal resources of the Group.

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.

The Investor is a company incorporated under the laws of the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in financial investment.

INFORMATION OF THE ISSUER AND THE GUARANTOR

The Issuer 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: 3883). The principal activities of the Guarantor Group comprise property development and property investment in the PRC.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Issuer, the Guarantor and their respective ultimate substantial beneficial owners is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The terms of the Subscription Agreement were negotiated on an arm's length basis between the Investor and the Issuer. The interest rate of the Notes has been determined by reference to market yield rates of senior unsecured bonds with maturity dates of around one year issued by the Guarantor and other Chinese real estate developers with similar business size and similar credit ratings, as obtained by the Company from Bloomberg BVAL pricing system. The Directors consider that the terms of the Subscription Agreement and the Notes (including the interest rate) were entered into on normal commercial terms.

Having taken into account (i) the Guarantor Group being one of the top 30 real estate developers for the 11 months ended 30 November 2020 according to China Real Estate Information Corporation (a real estate big data application service provider in the PRC) by value of sales contracts; (ii) the Guarantor Group's consolidated net asset value as at 30 June 2020 being in excess of RMB40 billion; (iii) the Guarantor Group's consolidated net profit for the year ended 31 December 2019 being in excess of RMB5 billion; (iv) the Guarantor being a company issued with a "BB" credit rating by Fitch Ratings, Inc.; and (v) the revenue and cash flow from interest income expected to be stable, the Directors are of the view that the terms of the Subscription Agreement and the entering into of the Subscription Agreement are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

No Director has a material interest in the Subscription Agreement, and accordingly no Director is required to abstain from voting on the board resolutions approving the Subscription Agreement and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Subscription is more than 5% but all is/are less than 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but are exempt from the circular and Shareholder's approval requirements under 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:

"Business Day"	any day other than a Saturday or Sunday or public holiday, on which commercial banks are generally open for business in 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 in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 412)
"Completion Date"	17 December 2020 or, if later, the Business Day on which all conditions set forth in the Subscription Agreement have been satisfied or duly waived or as such other date as the parties may agree
"connected person(s)"	has the meaning ascribed to it in the Listing Rules
"Deed of Guarantee"	a deed of guarantee dated 16 December 2020 entered into by the Guarantor and the Investor relating to the Notes
"Director(s)"	the director(s) of the Company

“Group”	the Company and its subsidiaries
“Guarantor”	China Aoyuan Group Limited (中國奧園集團股份有限公司), 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: 3883)
“Guarantor Group”	the Guarantor and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Investor”	Global Castle Investments Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Issuer”	Asia Dynasty Enterprises Limited (廣京企業有限公司), a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Guarantor
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	the maturity date of the Notes
“Notes”	the notes in the principal amount of US\$100,000,000 to be issued by the Issuer to the Investor pursuant to the Subscription Agreement
“Noteholder(s)”	holder(s) of the Notes
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holders of the Share(s)
“Share(s)”	ordinary share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Notes pursuant to the Subscription Agreement

“Subscription Agreement”	the subscription agreement dated 16 December 2020 entered into among the Investor, the Issuer and the Guarantor
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

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

For illustration purpose only, amounts in US\$ in this announcement have been converted into HK\$ at the rate of US\$1=HK\$7.75.

Hong Kong, 16 December 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.

* *for identification purpose only*