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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 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 on 4 December 2017, pursuant to which C.I.F. Financial has agreed to provide the Loan in the principal amount of HK\$160,000,000 to the Borrower for a term of 12 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 amount of financial assistance granted to the Borrower is more than 5% but less than 25%, the Loan advanced under 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 4 December 2017, pursuant to which C.I.F. Financial has agreed to provide the Loan in the principal amount of HK\$160,000,000 to the Borrower for a term of 12 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\$160,000,000
Effective interest rate	: 15% per annum

Term	:	12 months after the date of Drawing
Guarantee	:	Personal guarantee given by the Guarantor
Prepayment	:	The Borrower may repay all or part of the Loans (but if in part, being an amount in the multiple of HK\$5,000,000) each 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 enquiry, the Borrower and its ultimate beneficial owners, the Guarantor 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 bank 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 principally engaged in the provision of consultancy services and investment holding. The principal activities of the Borrower's subsidiaries are provision of traditional financing services and related financing consultancy services including entrusted loan service, real estate-backed loan service, pawn loan service, other loan service and microfinance service, and internet financing services including third party payment service, online investment and technology-enabled lending service and related activities on loan portfolio management, as well as provision of social gaming services and provision of IT solution services.

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 was entered into on a normal commercial terms.

Taking into account the satisfactory financial background of the Borrower, which is a company listed on the Growth Enterprise Market of the Stock Exchange, and that a revenue and cash flow from the interest income is 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 of the Company 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 amount of financial assistance granted to the Borrower is more than 5% but less than 25%, the Loan to be advanced under 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 company listed on the Growth Enterprise Market of the Stock Exchange;
- “Business Day”** means any day (other than a Saturday) on which commercial banks in Hong Kong are open for general banking transactions save and except a day on which a tropical cyclone warning No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon and **“Business Days”** shall be construed accordingly;
- “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 12 months after the date of Drawing;

“Group”	means the Company and its Subsidiaries from time to time;
“Guarantor”	means a director of the Borrower and 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 4 December 2017 entered into between C.I.F. Financial and the Borrower in respect of the Loan; and
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited.

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

Hong Kong, 5 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.