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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 Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 (the “**Current Year**”) and information currently available to the Company, the Group expects to record a profit after tax of not less than HK\$10 million for the Current Year as compared with a loss of approximately HK\$18 million recorded for the year ended 31 December 2020 (the “**Previous Year**”).

The aforementioned turnaround in the Company’s net profit was primarily attributable to the substantial decrease in impairment losses on finance lease receivables and loan receivables (net of reversal) of approximately HK\$852 million or 76% from an aggregate of approximately HK\$1,118 million recorded in the Previous Year to an aggregate of approximately HK\$266 million recorded in the Current Year. Please refer to the paragraph headed “Impairment Losses on Financial Lease Receivables and Loan Receivables” in the Company’s annual report for the Previous Year for details of such impairment losses incurred in the Previous Year.

However, the positive effect of the aforementioned reduced impairment losses on finance lease receivables and loan receivables was partially offset primarily by the substantial decrease of approximately HK\$814 million from the fair value gains on financial assets at fair value through profit or loss of approximately HK\$802 million recorded in the Previous Year to the fair value losses on financial assets at fair value through profit or loss of approximately HK\$12 million recorded in the Current Year.

The Company is still in the process of finalising annual results of the Group for the Current Year. The information contained in this announcement is based on preliminary assessment of the unaudited consolidated management accounts of the Group for the Current Year and 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 and has not been reviewed by the audit committee of the Company. Therefore, the actual results of the Group for the Current Year may be subject to further amendments and adjustments where necessary. Shareholders and potential investors are advised to exercise caution when using such data to evaluate the Group's financial conditions and results of operations. Shareholders and potential investors are advised to refer to the financial performance of the Group for the Current Year to be disclosed in the Group's annual results announcement which will be released as soon as practicable and in any event on or before 31 March 2022.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

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

Hong Kong, 22 February 2022

As at the date of this announcement, the Company has three executive directors, namely Mr. Wang Xiaodong, Mr. Liu Zhijie and Mr. Liu Yao; four non-executive directors, namely Mr. Zhu Jianbiao, Mr. Liang Zhanhai, Mr. Chen Di and Mr. Wang Wenbo; and four independent non-executive directors, namely Mr. Guan Huanfei, Mr. Chan Wai Hei, Mr. Tan Yuexin and Mr. Jonathan Jun Yan.