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Quam Tonghai Holdings Limited
華新通有限公司
*(incorporated in Hong Kong with
limited liability)*



中國通海國際金融有限公司
CHINA TONGHAI INTERNATIONAL FINANCIAL LIMITED
*(incorporated in Bermuda with
limited liability)*
(Stock code: 952)

JOINT ANNOUNCEMENT

**(1) CLOSE OF THE MANDATORY UNCONDITIONAL CASH OFFER
BY HAITONG INTERNATIONAL SECURITIES COMPANY LIMITED
AND
RED SUN CAPITAL LIMITED
FOR AND ON BEHALF OF QUAM TONGHAI HOLDINGS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN
CHINA TONGHAI INTERNATIONAL FINANCIAL LIMITED
(OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY
QUAM TONGHAI HOLDINGS LIMITED AND
PARTIES ACTING IN CONCERT WITH IT
(OTHER THAN THE VENDOR GROUP));
(2) RESULTS OF THE OFFER;
(3) SETTLEMENT OF THE OFFER; AND
(4) PUBLIC FLOAT**

Joint financial advisers to the Offeror



Financial adviser to the Company



**Independent Financial Adviser to
the Independent Board Committee**



References are made to (i) the joint announcement issued by China Tonghai International Financial Limited (the “**Company**”) and Quam Tonghai Holdings Limited (the “**Offeror**”) dated 15 September 2022 in relation to the Deed of Share Purchase and the possible Offer; and (ii) the composite offer and response document jointly issued by the Offeror and the Company dated 12 April 2023 (the “**Composite Document**”). Unless the context otherwise required, capitalised terms used in this joint announcement shall have the same meanings as those defined in the Composite Document.

CLOSE OF THE OFFER

The Offer made by Haitong International Securities and Red Sun for and on behalf of the Offeror was closed at 4:00 p.m. on Wednesday, 3 May 2023 and was not revised or extended by the Offeror.

RESULTS OF THE OFFER

As at 4:00 p.m. on Wednesday, 3 May 2023, being the latest time and date for acceptance of the Offer as set out in the Composite Document, the Offeror had received valid acceptances in respect of a total of 118,299,571 Offer Shares under the Offer, representing approximately 1.91% of the entire issued share capital of the Company as at the date of this joint announcement.

SETTLEMENT OF THE OFFER

Remittances in respect of the cash consideration (after deducting the seller’s Hong Kong ad valorem stamp duty in respect of acceptances of the Offer) payable for the Offer Shares tendered under the Offer have been, or will be despatched to the accepting Independent Shareholders by ordinary post at his/her/its own risk as soon as possible, but in any event within seven (7) Business Days following the date of receipt by the Registrar of the duly completed acceptances of the Offer and all the relevant documents of title of the Offer Shares in respect of such acceptances to render the acceptance under the Offer complete and valid in accordance with the Takeovers Code.

The latest date for posting of remittances for the cash consideration due in respect of valid acceptances received under the Offer is Friday, 12 May 2023.

INTEREST OF THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT IN THE SHARES

Immediately prior to the commencement of the Offer Period, the Offeror and parties acting in concert with it (other than the Vendor Group) held, controlled or directed 113,072,833 Shares (which were held by Mr. LAM), representing approximately 1.82% of the entire issued share capital of the Company.

Immediately after Completion and prior to the commencement of the Offer, the Offeror and parties acting in concert with it (other than the Vendor Group) held, controlled or directed 4,211,582,833 Shares (of which 4,098,510,000 Shares were held by the Offeror and 113,072,833 Shares were held by Mr. LAM), representing approximately 67.96% of the entire issued share capital of the Company.

Immediately after the close of the Offer and taking into account the valid acceptances in respect of 118,299,571 Offer Shares, the Offeror and parties acting in concert with it (other than the Vendor Group) were interested in 4,329,882,404 Shares (of which 4,216,809,571 Shares were held by the Offeror and 113,072,833 Shares were held by Mr. LAM), representing approximately 69.87% of all the issued Shares as at the date of this joint announcement.

Save for the above (i) acquisition of the Sale Shares by the Offeror under the Deed of Share Purchase, which was completed on 3 February 2023; and (ii) the valid acceptances under the Offer as disclosed in this joint announcement, none of the Offeror or any of the parties acting in concert with it has acquired or agreed to acquire any Shares or any rights over the Shares during the Offer Period and up to and including the date of this joint announcement.

None of the Offeror and parties acting in concert with it had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period and up to and including the date of this joint announcement.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately after Completion and prior to the commencement of the Offer; and (ii) immediately after the close of the Offer (assuming that the transfer to the Offeror of those Offer Shares acquired by the Offeror under the Offer has been completed) and as the date of this joint announcement:

| Shareholders | Immediately after Completion and prior to the commencement of the Offer | | Immediately after the close of the Offer (assuming that the transfer to the Offeror of those Offer Shares acquired by the Offeror under the Offer has been completed) and as at the date of this joint announcement | |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| | Number of Shares | Approximately % | Number of Shares | Approximately % |
| The Offeror and parties acting in concert with it | | | | |
| — The Offeror (<i>Note 1</i>) | 4,098,510,000 | 66.1365 | 4,216,809,571 | 68.0454 |
| — Mr. LAM (<i>Notes 1 and 2</i>) | 113,072,833 | 1.8246 | 113,072,833 | 1.8246 |
| — The Vendor Group (<i>Note 3</i>) | <u>395,254,732</u> | <u>6.3781</u> | <u>395,254,732</u> | <u>6.3781</u> |
| Sub-total | <u>4,606,837,565</u> | <u>74.3392</u> | <u>4,725,137,136</u> | <u>76.2481</u> |
| Calvin CHIU Chun Kit, director of subsidiaries of the Company, and his close associates | 10,000 | 0.0002 | — | — |
| Public Shareholders (<i>Note 4</i>) | <u>1,590,201,655</u> | <u>25.6606</u> | <u>1,471,912,084</u> | <u>23.7519</u> |
| Total | <u>6,197,049,220</u> | <u>100.00</u> | <u>6,197,049,220</u> | <u>100.00</u> |

Notes:

1. The Offeror is a company incorporated in Hong Kong with limited liability, which is owned as to 51% by Mr. LAM and 49% by Mr. HAN.
2. Mr. LAM is an executive Director and the chief executive officer of the Company, and he is interested in 51% of the entire issued share capital of the Offeror and a director of the Offeror. Immediately after Completion and as at the date of this joint announcement, Mr. LAM is the beneficial owner of 113,072,833 Shares. Other than as disclosed above, no other Directors or directors of subsidiaries of the Company hold any Shares or relevant securities of the Company (as defined under Note 4 to Rule 22 of the Takeovers Code).

3. Immediately after Completion and as at the date of this joint announcement, the Vendor is the beneficial owner of 395,254,732 Shares, representing approximately 6.38% of the entire issued share capital of the Company. The Vendor is wholly-owned by COGL, which is wholly-owned by Oceanwide Holdings, which is directly and indirectly (through Oceanwide Energy Holdings Co., Ltd.* (泛海能源控股股份有限公司)) held by China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司) as to approximately 58.35%. China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司) is held by Oceanwide Group Co., Ltd.* (泛海集團有限公司) as to approximately 98% and Oceanwide Group Co., Ltd.* (泛海集團有限公司) is wholly-owned by Tohigh Holdings Co., Ltd.* (通海控股有限公司). Mr. LU Zhiqiang held 77.14% of the interests in Tohigh Holdings Co., Ltd.* (通海控股有限公司) and the other 22.86% of the interests in Tohigh Holdings Co., Ltd.* (通海控股有限公司) is held by 泛海公益基金會 (Oceanwide Foundation), a charitable foundation which was founded by China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司). As the Vendor Group was not and is not a core connected person of the Company (i) immediately after Completion and prior to the commencement of the Offer, and (ii) immediately after the close of the Offer and as at the date of this joint announcement, the 395,254,732 Shares held by the Vendor Group were and are regarded as being Shares held by public Shareholders (i) immediately after Completion and prior to the commencement of the Offer, and (ii) immediately after the close of the Offer and as at the date of this joint announcement.
4. Include the (i) 271,910,000 Shares, representing approximately 4.39% of the entire issued share capital of the Company immediately after Completion and as at the date of this joint announcement, held by Grand Profit under the Grand Profit's Irrevocable Undertaking, and (ii) 306,852,000 Shares, representing approximately 4.95% of the entire issued share capital of the Company immediately after Completion and as at the date of this joint announcement, held by Sunny Chance under the Sunny Chance's Irrevocable Undertaking. Other than the Grand Profit's Irrevocable Undertaking and the Sunny Chance's Irrevocable Undertaking, there is no other undertakings nor relationships between each of Grand Profit and Sunny Chance and the Offeror.
5. Percentage figures may not add up to the total due to rounding.

PUBLIC FLOAT OF THE COMPANY

Immediately after the close of the Offer and as at the date of this joint announcement, subject to the due registration by the Registrar of the transfer of the Shares tendered under the Offer to the Offeror in respect of which valid acceptances were received, a total of 1,867,166,816 Shares, representing approximately 30.13% of the entire issued share capital of the Company, are held by the public (as defined under the Listing Rules). Accordingly, as at the date of this joint announcement, the Company continues to satisfy the minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules.

By order of the board of
Quam Tonghai Holdings Limited

Kenneth LAM Kin Hing
Director

By order of the Board
**China Tonghai International
Financial Limited**
FANG Zhou
Deputy Chairman

Hong Kong, 3 May 2023

As at the date of this joint announcement, the Board of the Company comprises:

Executive Directors:

Mr. HAN Xiaosheng (*Chairman*)
Mr. FANG Zhou (*Deputy Chairman*)
Mr. LIU Hongwei
Mr. Kenneth LAM Kin Hing

Independent non-executive Directors:

Mr. Roy LO Wa Kei
Mr. KONG Aiguo
Mr. LIU Jipeng
Mr. HE Xuehui
Mr. HUANG Yajun

Non-executive Directors:

Mr. LIU Bing
Mr. ZHAO Yingwei
Mr. ZHAO Xiaoxia

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and parties acting in concert with it, the Vendor (save for the information relating to the Vendor Group and the information set out in Note 3 in the section headed “Shareholding Structure of the Company”) and the parties acting in concert with it), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Offeror in their capacity as directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

As at the date of this joint announcement, the directors of the Offeror are Mr. Kenneth LAM Kin Hing and Mr. HAN Xiaosheng. The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group and the information relating to the Vendor Group and the information set out in Note 3 in the section headed “Shareholding Structure of the Company”), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors in their capacity as directors of the Company) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

The English text of this joint announcement shall prevail over its Chinese text.

** The English name is a transliteration of the relevant Chinese name and are included here for identification purposes only.*

All references to time and dates contained in this joint announcement are to Hong Kong times and dates.