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華富建業國際金融有限公司
QUAM PLUS INTERNATIONAL FINANCIAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 952)

**SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO
THE ENTERING INTO
(1) THE ACQUISITION SPA;
(2) THE LOAN ASSIGNMENT SPA; AND
(3) THE DISPOSAL SPA**

Reference is made to the announcement (the “**Announcement**”) of Quam Plus International Financial Limited (the “**Company**”) dated 18 December 2023 in relation to (i) the acquisition of 15.72% of the enlarged entire issued share capital of Fortune Origin Group Limited (“**Fortune Origin**”) by Well Foundation Company Limited from Mr. Chan Siu Yeung; (ii) the assignment of loan owing by Wanhai Financial Holdings (HK) Limited (“**Wanhai Financial**”) to Quam Finance Limited (“**Quam Finance**”) in the sum of HK\$58,577,123 in exchange for new ordinary shares of Fortune Origin as consideration shares; and (iii) the disposal of the entire issued share capital of Wanhai Financial by Quam Finance and Guo Yi Holdings (BVI) Limited (“**Guo Yi Holdings**”) to Fortune Origin in exchange for new ordinary shares of Fortune Origin as consideration shares. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

COMPLETION OF THE ACQUISITION SPA

The Board hereby announces that as all the conditions precedent set out in the section headed “**THE ACQUISITION SPA**” in the Announcement have been fulfilled, completion of the Acquisition SPA has taken place.

Immediately following completion of the Acquisition SPA, Well Foundation holds 15.72% of the enlarged entire issued share capital of Fortune Origin.

Upon completion of the Acquisition SPA, each of Well Foundation, Quam Finance, Mr. Chan, Guo Yi Holdings and Fortune Origin entered into the Letter of Undertaking on such terms similar to those as disclosed in the Announcement.

Pursuant to the Letter of Undertaking, it is agreed that the board of directors of Fortune Origin and each member of the Fortune Origin Group shall be composed of a maximum of 6 directors. The Group (through Quam Finance and Well Foundation) has the right to nominate one person as the director of Fortune Origin and each member of the Fortune Origin Group.

AMENDMENTS TO THE DISPOSAL SPA

The Board hereby announces that after trading hours on 10 January 2024, Quam Finance, Guo Yi Holdings and Fortune Origin, being all the parties to the Disposal SPA, after arm's length negotiation, entered into a side letter (the "**Side Letter**") to the Disposal SPA, pursuant to which Quam Finance, Guo Yi Holdings and Fortune Origin agreed to the followings, among others:

- (i) reduce the number of Wanhai Sale Shares A to be sold by Quam Finance to Fortune Origin from 1,990 ordinary shares (representing 19.9% of the entire issued share capital of Wanhai Financial) to 1,200 ordinary shares (the "**Reduced Wanhai Sale Shares A**") (representing 12% of the entire issued share capital of Wanhai Financial) each in the share capital of Wanhai Financial (the "**Reduction in Disposal of Wanhai Sale Shares A**");
- (ii) reduce the number of Wanhai Sale Shares B to be sold by Guo Yi Holdings to Fortune Origin from 8,010 ordinary shares (representing 80.1% of the entire issued share capital of Wanhai Financial) to 4,800 ordinary shares (the "**Reduced Wanhai Sale Shares B**") (representing 48% of the entire issued share capital of Wanhai Financial) each in the share capital of Wanhai Financial (the "**Reduction in Disposal of Wanhai Sale Shares B**", together with the Reduction in Disposal of Wanhai Sale Shares A, collectively referred to as the "**Reduction in Disposal of Wanhai Sale Shares**");
- (iii) accordingly, reduce the consideration payable by Fortune Origin to (a) Quam Finance for acquiring the Reduced Wanhai Sale Shares A from HK\$93,795,335 to HK\$56,560,001 and (b) Guo Yi Holdings for acquiring the Reduced Wanhai Sale Shares B from HK\$377,538,006 to HK\$226,240,004; and

- (iv) accordingly, reduce the number of Consideration Shares to be allotted and issued by Fortune Origin to (a) Quam Finance to settle the consideration payable for the Reduced Wanhai Sale Shares A at the issue price of approximately HK\$76,335.88 per Fortune Origin Share from 1,229 Consideration Shares to 741 Consideration Shares and (b) Guo Yi Holdings to settle the consideration payable for the Reduced Wanhai Sale Shares B at the issue price of approximately HK\$76,335.88 per Fortune Origin Share from 4,944 Consideration Shares to 2,963 Consideration Shares.

As a result of the Reduction in Disposal of Wanhai Sale Shares, the aggregate consideration payable by Fortune Origin under the Disposal SPA (as amended by the Side Letter) (collectively, the “**Revised Disposal SPA**”) would be reduced from HK\$471,333,341 to HK\$282,800,005; and the total number of Consideration Shares to be allotted and issued by Fortune Origin under the Revised Disposal SPA would be reduced from 6,173 Consideration Shares to 3,704 Consideration Shares.

Save as disclosed above, all other material terms and conditions of the Disposal SPA shall remain in full force and effect.

Completion of the Revised Disposal SPA

Upon completion of the Revised Disposal SPA, 741 and 2,963 Consideration Shares will be allotted and issued to Quam Finance and Guo Yi Holdings, representing approximately 5.12% and 20.48% of the enlarged issued share capital of Fortune Origin, respectively. The aggregate 3,704 Consideration Shares to be allotted and issued by Fortune Origin under the Revised Disposal SPA represent (i) approximately 34.40% of the enlarged entire issued share capital of Fortune Origin after completion of the Acquisition SPA and the Loan Assignment SPA and (ii) approximately 25.60% of the entire issued share capital of Fortune Origin as enlarged by the allotment and issuance of the aggregate 3,704 Consideration Shares pursuant to the Revised Disposal SPA assuming that there is no other change in the total issued share capital of Fortune Origin.

Upon completion of the Revised Disposal SPA and assuming that (i) completion of the Loan Assignment SPA has taken place; (ii) there is no adjustment to the Consideration Shares allotted and issued pursuant to the Revised Disposal SPA and the Loan Assignment SPA; and (iii) there is no other change in the total issued share capital of Fortune Origin, each of Quam Finance, Well Foundation, Guo Yi Holdings and Mr. Chan will hold approximately 10.42%, 10.86%, 20.48% and 58.24% of the entire issued share capital of Fortune Origin, respectively, as enlarged by the allotment and issuance of the aggregate 4,472 Consideration Shares by Fortune Origin pursuant to the Loan Assignment SPA and the Revised Disposal SPA. Accordingly, the Group will own over 20% of the total issued share capital of Fortune Origin, which will be accounted as associate by equity accounting.

Immediately following completion of the Revised Disposal SPA, Quam Finance and Guo Yi Holdings will continue to hold 7.9% and 32.1% of the entire issued share capital of Wanhai Financial, respectively.

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE SIDE LETTER

Table below is an illustration of the shareholding interest in Fortune Origin after completion of each of the Acquisition SPA, the Loan Assignment SPA and the Revised Disposal SPA (assuming there is no other change in the total issued share capital of Fortune Origin and no adjustments have been made under the Acquisition SPA, the Loan Assignment SPA and the Revised Disposal SPA):

Approximate shareholding interest in Fortune Origin (%)				
	Before the entering into of the Acquisition SPA, the Loan Assignment SPA and the Revised Disposal SPA	Upon completion of the Acquisition SPA only	Upon completion of the Acquisition SPA and the Loan Assignment SPA	Upon completion of the Acquisition SPA, the Loan Assignment SPA and the Revised Disposal SPA
Mr. Chan	100	84.28	78.28	58.24
Well Foundation	0	15.72	14.60	10.86
Quam Finance	0	0	7.12	10.42
Guo Yi Holdings	0	0	0	20.48
Total	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

In order to expedite the process of disposal of interests in Wanhai Financial contemplated under the Disposal SPA and to save costs and expenses for conducting such disposal, the parties entered into the Side Letter.

In addition, the entering into the Side Letter would enable the Group to maintain the flexibility in disposing of the remaining indirect interest in Wanhai Financial to any potential investor(s) who are interested in the investment in licensed corporation.

In view of the foregoing, the Directors consider that the terms of the Side Letter and the transactions contemplated thereunder are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE REVISED DISPOSAL SPA

As there were previous provisions made on the 19.9% interest in Wanhai Financial, completion of the Revised Disposal SPA will lead to partial reversal of accumulated provisions made up to 30 June 2023, and result in gains for the Company. These gains are not immediate cash inflow of the Company. It is expected that the amount of partial reversal of provisions on those 12% interest in Wanhai Financial will be approximately HK\$1 million, while provisions made on the remaining 7.9% interest in Wanhai Financial will remain applicable.

The Group expects that an unaudited gain of approximately HK\$26 million will be recorded from the Revised Disposal SPA, being the difference between the consideration of approximately HK\$57 million, and the carrying cost of 12% interest in Wanhai Financial of approximately HK\$31 million as at completion of the Revised Disposal SPA. In any event, the actual gain or loss as a result of the disposal of the Reduced Wanhai Sale Shares A under the Revised Disposal SPA to be recorded by the Group is subject to audit and is to be determined as at completion of the Revised Disposal SPA. No cash proceeds will be received by the Group under the Revised Disposal SPA.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the transactions (comprising (i) the acquisition of 15.72% equity interests in Fortune Origin from Mr. Chan at a cash consideration of HK\$120,000,000; (ii) the assignment of the Wanhai Loan to Fortune Origin at a consideration equivalent to the nominal value of the Wanhai Loan as at the date of the Loan Assignment SPA in exchange for the Fortune Origin Shares as consideration shares; and (iii) the disposal of 12% equity interests in Wanhai Financial to Fortune Origin in exchange for the Fortune Origin Shares as consideration shares) contemplated under the Acquisition SPA, the Loan Assignment SPA and the Revised Disposal SPA, whether on a standalone basis or when aggregated with each other, exceeds 5% but all of them are less than 25%, the Transactions (as revised by the Side Letter) (collectively, the “**Revised Transactions**”) remain as discloseable transactions of the Company.

GENERAL

Save as disclosed in this announcement, all other information and content set out in the Announcement remain unchanged and shall continue to be valid for all purposes. This announcement is supplemental to and should be read in conjunction with the Announcement.

Completion of the Loan Assignment SPA and the Revised Disposal SPA are subject to fulfillment of the conditions precedent as respectively set out in the sections headed “the Loan Assignment SPA” and “the Disposal SPA” in the Announcement, respectively. There is no assurance that any of such conditions precedent will be fulfilled. As such, the Revised Transactions may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

On behalf of the Board
Quam Plus International Financial Limited
HAN Xiaosheng
Co-Chairman

Hong Kong, 10 January 2024

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

Executive Directors:

Mr. HAN Xiaosheng (*Co-Chairman*)
Mr. Kenneth LAM Kin Hing (*Co-Chairman*)
Mr. LIU Hongwei
Mr. LAM Wai Hon

Independent Non-executive Directors:

Mr. Roy LO Wa Kei
Mr. LIU Jipeng
Ms. Cindy KONG Siu Ching

Non-executive Director:

Mr. FANG Zhou