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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)

PROFIT WARNING

This announcement is made by China Tonghai International Financial Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Board, the Group anticipates the consolidated loss before tax for the year ended 31 December 2021 will be between HKD2,101 million and HKD2,274 million (2020: HKD113 million profit). The main reason for such loss was due to connected parties’ impairment provision and fair value changes of investments in connected party’s bonds. If we exclude these effects from connected parties, the Group’s profit before tax in 2021 would be between HKD71 million and HKD138 million (2020: HKD253 million).

The information contained in this announcement is only based on the preliminary assessment by the Company’s management according to the latest unaudited management accounts of the Group, and not based on information or figures reviewed by the independent auditors of the Company or by the audit committee of the Company. The results of the Group for the year ended 31 December 2021 have not yet been finalised. Shareholders and potential investors are advised to read carefully the announcement in relation to the Group’s annual results for the year ended 31 December 2021, which is expected to be published on or before 31 March 2022.

Reference is made to (i) the announcement of the Company dated 27 October 2021 (the “**Announcement**”) relating to the appointment of Mr. Cliff TSUI and Ms. SO Kit Yee Anita of Ernst & Young Transactions Limited (the “**Receivers**”) in respect of 4,098,510,000 ordinary shares of the Company, which represents approximately 66.13% of the total issued shares of the Company as at the date of this announcement; and (ii) the monthly update announcements of the Company pursuant to Rule 3.7 of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”) dated 26 November 2021, 24 December 2021, 26 January 2022 and 25 February 2022 (together with the Announcement, the “**Announcements**”).

The profit warning included in this announcement (the “**Profit Warning**”) constitutes a profit forecast under Rule 10 of the Takeovers Code and should be reported on by the Company’s financial adviser

and auditors in accordance with Rule 10.4 of the Takeovers Code. In view of the requirements of timely disclosures of the inside information under Rule 13.09(2)(a) of the Listing Rules and pursuant to Part XIVA of the SFO, the Company is required to issue this announcement as soon as practicable and given the time constraints, the Company has encountered genuine practical difficulties (time-wise or otherwise) in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code.

Under Rule 10.4 of the Takeovers Code, if a profit forecast is made by the Company during an offer period and the forecast is published first in an announcement, it must be repeated in full, together with the reports from the Company's financial adviser and auditors on the said profit forecast, in the next document to be sent to the Shareholders by the Company under the Takeovers Code (the "**Shareholders' Document**"). However, as the audited consolidated results of the Group for the year ended 31 December 2021 are expected to be published prior to the despatch of the Shareholders' Document, the requirements to report on the Profit Warning under Rule 10.4 of the Takeovers Code will no longer apply in the event that the audited consolidated results of the Group for the year ended 31 December 2021 are published which fall within the ambit of Rule 10.9 of the Takeovers Code before the despatch of Shareholders' Document. Otherwise the said Profit Warning will be reported on in accordance with Rule 10 of the Takeovers Code and the relevant reports will be included in the Shareholders' Document.

WARNING:

Shareholders and potential investors should note that the Profit Warning has not been reported on in accordance with the requirements under Rule 10 of the Takeovers Code and does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and potential investors should therefore exercise caution in placing reliance on the Profit Warning in assessing the merits and demerits of the possible mandatory general offer as disclosed in the Announcements. Shareholders and potential investors are advised to exercise caution when dealing in securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By Order of the Board
China Tonghai International Financial Limited
Han Xiaosheng
Chairman

Hong Kong, 8 March 2022

As at the date of this 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 announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.