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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)

**VOLUNTARY ANNOUNCEMENT
EARLY REDEMPTION OF GUARANTEED NOTES
AND
SETTLEMENT OF CONVERTIBLE BONDS**

This announcement is made by China Tonghai International Financial Limited (the “**Company**”) on a voluntary basis.

A. EARLY REDEMPTION OF GUARANTEED NOTES

Reference is made to the announcement of the Company dated 11 March 2022 (the “**Announcement I**”) relating to the subscription of 4% guaranteed notes issued by Well Foundation Company Limited (“**Well Foundation**”, an indirect wholly-owned subsidiary of the Company and the Issuer of the Notes) by Mr. Lam (a connected person of the Company). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement I.

On 8 August 2022, the Issuer had exercised its early redemption right under the Instrument (as supplemented by a supplemental instrument) and served an early redemption notice to all the noteholders (including Mr. Lam) to redeem all the Notes and the Notes are fully redeemed on 10 August 2022.

As a result of the early redemption, the obligation of the Issuer and the Company as guarantor under the Notes are fully discharged and released save and except the obligation to pay additional cash return (if any) under the Instrument.

B. SETTLEMENT OF CONVERTIBLE BONDS

Reference is made to the announcements of the Company dated 31 December 2018, 10 September 2020 and 29 January 2021 in relation to the subscription of the Convertible Bonds by Well Foundation in the principal amount of HK\$19,612,000 and the proposed amendments to the terms on the subscription of the Convertible Bonds respectively (collectively, the “**Announcements II**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements II.

The Convertible Bonds was matured on 24 March 2021.

On 30 June 2022, a deed of settlement was entered into between the Issuer of the Convertible Bonds and Well Foundation in which the outstanding principal amount, accrued and unpaid interest and default interest of the Convertible Bonds was determined at HK\$27,850,000 (the “**Settlement Sums**”). The Settlement Sums would be settled by the Issuer of the Convertible Bonds in the following manner:

- (i) a monetary payment in the aggregate sum of HK\$10,000,000 on or before 31 July 2022; and
- (ii) subject to the listing approval, an allotment and issuance of 70,000,000 new shares of the Issuer under its general mandate (the “**Settlement Shares**”) at the issue price of HK\$0.255 per Settlement Share to Well Foundation on or before 22 July 2022 in satisfaction of the remaining Settlement Sums, being HK\$17,850,000.

The Company wished to inform the shareholders that all the Settlement Sums are received as at the date of this announcement.

On behalf of the Board
China Tonghai International Financial Limited
Han Xiaosheng
Chairman

Hong Kong, 10 August 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

Non-executive Directors:

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

Independent Non-executive Directors:

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