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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)**

**DISCLOSEABLE TRANSACTIONS  
IN RELATION TO THE ENTERING OF  
(1) THE ACQUISITION SPA;  
(2) THE LOAN ASSIGNMENT SPA; AND  
(3) THE DISPOSAL SPA**

**THE ACQUISITION SPA**

The Board is pleased to announce that after trading hours on 18 December 2023, Mr. Chan, as seller, and Well Foundation, a direct wholly-owned subsidiary of the Company, as purchaser, entered into the Acquisition SPA, pursuant to which Well Foundation conditionally agreed to purchase and Mr. Chan conditionally agreed to sell the Fortune Origin Sale Shares, representing 15.72% of the enlarged entire issued share capital of Fortune Origin upon completion of the Acquisition SPA at a consideration of HK\$120,000,000.

Immediately after completion of the Acquisition SPA and assuming that there is no other change in the issued share capital of Fortune Origin, Well Foundation will hold 15.72% of the enlarged entire issued share capital of Fortune Origin.

## **THE LOAN ASSIGNMENT SPA**

The Board is pleased to announce that after trading hours on 18 December 2023, Quam Finance, a direct wholly-owned subsidiary of the Company, as seller and assignor, and Fortune Origin, as purchaser and assignee, entered into the Loan Assignment SPA, pursuant to which Quam Finance conditionally agreed to sell and assign and Fortune Origin conditionally agreed to purchase and take the assignment of the Wanhai Loan, at a consideration equivalent to the nominal value of the Wanhai Loan as at the date of the Loan Assignment SPA, which shall be settled by way of allotment and issuance of Consideration Shares to Quam Finance.

Immediately after completion of the Loan Assignment SPA and the Acquisition SPA and assuming there is no other change in the issued share capital of Fortune Origin, Well Foundation and Quam Finance will hold approximately 14.60% and 7.12% of the enlarged issued share capital of Fortune Origin, respectively.

## **THE DISPOSAL SPA**

The Board is pleased to announce that after trading hours on 18 December 2023, Quam Finance, a direct wholly-owned subsidiary of the Company, Guo Yi Holdings and Fortune Origin entered into the Disposal SPA, pursuant to which Quam Finance and Guo Yi Holdings, as sellers, conditionally agreed to sell and Fortune Origin, as purchaser, conditionally agreed to purchase the Wanhai Sale Shares, representing the entire issued share capital of Wanhai Financial, at a consideration of HK\$471,333,341, which shall be settled by way of allotment and issuance of Consideration Shares to Quam Finance and Guo Yi Holdings.

Upon completion of the Disposal SPA and assuming that (i) completion of the Acquisition SPA and the Loan Assignment SPA has taken place; (ii) there is no adjustment to the Consideration Shares allotted and issued pursuant to the 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 11.78%, 9.28%, 29.19% and 49.75% of the issued share capital of Fortune Origin, respectively, as enlarged by the allotment and issuance of the aggregate 6,941 Consideration Shares pursuant to the Loan Assignment SPA and the Disposal SPA.

## LISTING RULES IMPLICATION

As the Transactions (comprising (i) acquisition of 15.72% equity interests in Fortune Origin from Mr. Chan at a cash consideration of HK\$120,000,000; (ii) 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; (iii) disposal of 19.9% equity interests in Wanhai Financial to Fortune Origin in exchange for the Fortune Origin Shares as consideration shares) are expected to be completed within a 12-month period and are related to each other, they may be required to be aggregated as if they were one transaction pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Transactions, whether on a standalone basis or when aggregated with each other, exceeds 5% but all of them are less than 25%, the Transactions constitute discloseable transactions of the Company and are therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

**Completion of the Acquisition SPA, the Loan Assignment SPA and the Disposal SPA are subject to fulfillment of the conditions precedent as respectively set out in the sections headed “the Acquisition SPA”, “the Loan Assignment SPA” and “the Disposal SPA” in this announcement, respectively. There is no assurance that any of such conditions precedent will be fulfilled. As such, the 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.**

## THE ACQUISITION SPA

The Board is pleased to announce that after trading hours on 18 December 2023, Mr. Chan, as seller, and Well Foundation, a direct wholly-owned subsidiary of the Company, as purchaser, entered into the Acquisition SPA, pursuant to which Well Foundation conditionally agreed to purchase and Mr. Chan conditionally agreed to sell the Fortune Origin Sale Shares, representing 15.72% of the enlarged entire issued share capital of Fortune Origin upon completion of the Acquisition SPA.

The principal terms of the Acquisition SPA are summarised below:

Date : 18 December 2023

Parties: (i) Mr. Chan (as seller); and  
(ii) Well Foundation (as purchaser).

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Mr. Chan is an Independent Third Party.

### **Subject matter**

Pursuant to the Acquisition SPA, Well Foundation conditionally agreed to purchase and Mr. Chan conditionally agreed to sell the Fortune Origin Sale Shares, representing 15.72% of the enlarged entire issued share capital of Fortune Origin upon completion of the Acquisition SPA.

### **Consideration**

The consideration payable by Well Foundation for the Fortune Origin Sale Shares shall be HK\$120,000,000, which shall be satisfied in the following manner:

- (a) as to the sum of HK\$60,000,000, to be paid in cash upon the signing of the Acquisition SPA by Well Foundation to Mr. Chan (or as he may direct) as the Acquisition SPA Deposit and in part payment of the consideration; and
- (b) as to the balance of the consideration of HK\$60,000,000, to be paid in cash on the Acquisition SPA Completion Date or within seven (7) Business Days after the Acquisition SPA Completion Date (or such later date and by instalments otherwise agreed by the parties in writing).

### **Acquisition SPA Deposit**

Mr. Chan and Well Foundation agreed that the Acquisition SPA Deposit shall be held by Mr. Chan.

Upon completion of the Acquisition SPA, the Acquisition SPA Deposit paid by Well Foundation to Mr. Chan upon the signing of the Acquisition SPA shall be applied towards the settlement of the consideration.

In the event that completion of the Acquisition SPA fails to take place on or before the Acquisition SPA Long Stop Date, the Acquisition SPA Deposit shall be returned to Well Foundation (or as it may direct) without any interest or costs within five Business Days from the date on which Mr. Chan is aware that completion of the Acquisition SPA would fail to take place in accordance with the terms and conditions of the Acquisition SPA or the Acquisition SPA Long Stop Date (whichever is earlier).

## **Adjustment**

Pursuant to the Acquisition SPA, Mr. Chan shall procure that the 2023 Xinghai Audited Accounts shall be prepared in accordance with the Hong Kong Financial Reporting Standards and be delivered to Well Foundation within three (3) months after the expiry of FY2023, which shall be reviewed and approved by Well Foundation.

In the event that the Audited Xinghai NAV equals to or exceeds HK\$900,000,000, no further Fortune Origin Shares shall be transferred from Mr. Chan to Well Foundation. In the event that the Audited Xinghai NAV is less than HK\$900,000,000, additional number of Fortune Origin Shares shall be transferred from Mr. Chan to Well Foundation, which shall be calculated with reference to, among others, the shortfall of the Audited Xinghai NAV and the unaudited net asset value of Xinghai as at 31 October 2023. In the event that any additional Fortune Origin Shares cannot be transferred by Mr. Chan to Well Foundation for whatsoever reason or the Fortune Origin Shares held by Mr. Chan are not free from any encumbrance, the parties to the Acquisition SPA may agree upon an alternative adjustment mechanism, including but not limited to a dollar-to-dollar cash settlement by Mr. Chan to Well Foundation, to ensure that the interest of Well Foundation in Fortune Origin would not be affected or impaired by any shortfall in the value of the Audited Xinghai NAV.

## **Basis of the consideration**

The consideration was arrived at after arm's length negotiation among the parties to the Acquisition SPA after taking into account, among others, (i) the unaudited net asset value of Xinghai as at 31 October 2023, provided that Xinghai will become a subsidiary of Fortune Origin and be owned by it as to approximately 93.17% on or before completion of the Acquisition SPA; (ii) a discount of 20% to such unaudited net asset value of Xinghai; (iii) the business development and future prospect of Fortune Origin and Xinghai; and (iv) the payment terms of the consideration and the adjustment mechanism depending on the Audited Xinghai NAV.

The Directors believe that the consideration and the adjustment mechanism are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Well Foundation uses the internal resources of the Group to settle the consideration payable under the Acquisition SPA.

## **Conditions precedent**

Completion of the Acquisition SPA shall be subject to and conditional upon the satisfaction of the following conditions:

- (a) Xinghai shall have become a subsidiary of Fortune Origin and be owned by it as to approximately 93.17% prior to completion of the Acquisition SPA;
- (b) Mr. Chan shall hold 10,000 Fortune Origin Shares prior to completion of the Acquisition SPA;
- (c) Well Foundation shall have been satisfied in its absolute discretion with the results of the due diligence review of the Fortune Origin Group, including but not limited to the satisfaction of the legal, financial and business position and prospects of the Fortune Origin Group; and
- (d) it has not come to the attention of Well Foundation that Mr. Chan's warranties being inaccurate and incorrect in any respect on the date of the Acquisition SPA and on each date on which they are deemed repeated, and as if made on, the Acquisition SPA Completion Date.

Well Foundation may in writing waive in whole or in part any of the aforesaid conditions precedent (except the aforesaid conditions precedent (a) and (b) which cannot be waived). In the event that any of the aforesaid conditions precedent are not fulfilled or waived (if applicable), in each case, at or before 1:00 p.m. on the Acquisition SPA Long Stop Date, the Acquisition SPA and everything contained in it shall terminate and be null and void and of no further effect and no party to the Acquisition SPA shall have any liability to any other parties, save in respect of any prior breaches of the Acquisition SPA.

Each of Well Foundation and Mr. Chan shall use its/his reasonable endeavours to ensure that the aforesaid conditions precedent shall be fulfilled by the Acquisition SPA Long Stop Date.

As at the date of this announcement, none of the aforesaid conditions precedent has been fulfilled.

## **Completion**

Completion of the Acquisition SPA shall take place within three Business Days after the fulfilment or waiver (if applicable) of the conditions precedent (or such other date as Well Foundation and Mr. Chan may mutually agree in writing).

Immediately after completion of the Acquisition SPA and assuming that there is no other change in the issued share capital of Fortune Origin, Well Foundation will hold 15.72% of the enlarged entire issued share capital of Fortune Origin.

Upon completion of the Acquisition SPA, each of Well Foundation, Quam Finance (as a shareholder of Fortune Origin after completion of the Loan Assignment SPA and/or the Disposal SPA), Mr. Chan, Guo Yi Holdings (as a shareholder of Fortune Origin after completion of the Disposal SPA) and Fortune Origin will enter into a letter of undertaking (the “**Letter of Undertaking**”), pursuant to which the parties has to agree upon certain matters in relation to the management of the Fortune Origin Group including the board composition and matters that would require unanimous shareholders’ approval, such as the issuance of any shares of any class, disposal or dilution of interest in any subsidiary or acquiring shares or interests in any company, commencement or acquisition of new line of business other than the existing businesses of the Fortune Origin Group, engaging in any material investments or disposals of, or creating any security interests and encumbrances over, assets of the Fortune Origin Group and amendment of the memorandum and articles of association.

As at the date of this announcement, the parties have not agreed on the terms of the Letter of Undertaking.

## **THE LOAN ASSIGNMENT SPA**

The Board is pleased to announce that after trading hours on 18 December 2023, Quam Finance, a direct wholly-owned subsidiary of the Company, as seller and assignor, and Fortune Origin, as purchaser and assignee, entered into the Loan Assignment SPA, pursuant to which Quam Finance conditionally agreed to sell and assign and Fortune Origin conditionally agreed to purchase and take the assignment of the Wanhai Loan at a consideration equivalent to the nominal value of the Wanhai Loan as at the date of the Loan Assignment SPA, which shall be settled by way of allotment and issuance of Consideration Shares to Quam Finance.

The principal terms of the Loan Assignment SPA are summarised below:

Date : 18 December 2023

Parties: (i) Quam Finance (as seller and assignor); and

(ii) Fortune Origin (as purchaser and assignee).

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, Fortune Origin and its ultimate beneficial owner(s) are Independent Third Parties.

## **Subject matter**

Pursuant to the Loan Assignment SPA, Quam Finance conditionally agreed to sell and assign and Fortune Origin conditionally agreed to purchase and take the assignment of the Wanhai Loan.

As at the date of this announcement, the aggregate outstanding amount of the Wanhai Loan amounts to HK\$58,577,123 (comprising the outstanding principal amount of HK\$50,000,000 and the interest accrued thereon up to and including the date of the Loan Assignment SPA of HK\$8,577,123).

## **Consideration**

The consideration payable by Fortune Origin for acquiring and taking the assignment of the Wanhai Loan shall be the nominal value of the Wanhai Loan as at the date of the Loan Assignment SPA, which is to be settled by way of allotment and issuance of 768 Consideration Shares at the issue price of HK\$76,335.88 per Fortune Origin Share by Fortune Origin to Quam Finance upon completion.

The 768 Consideration Shares to be allotted and issued represent (i) 7.68% of the enlarged entire issued share capital of Fortune Origin immediately after completion of the Acquisition SPA and (ii) approximately 7.12% of the entire issued share capital of Fortune Origin as enlarged by the allotment and issuance of the 768 Consideration Shares assuming that there is no other change in the total issued share capital of Fortune Origin.

The issue price of HK\$76,335.88 per Fortune Origin Share was arrived at after arm's length negotiations between Fortune Origin and Quam Finance with reference to, among others, 80% of the unaudited net asset value of Xinghai as at 31 October 2023, provided that Xinghai will become a subsidiary of Fortune Origin and be owned by it as to approximately 93.17% on or before completion of the Loan Assignment SPA. The Directors consider that such issue price is fair and reasonable.

## **Adjustment**

Pursuant to the Loan Assignment SPA, Fortune Origin shall procure that the 2023 Xinghai Audited Accounts shall be prepared in accordance with the Hong Kong Financial Reporting Standards and be delivered to Quam Finance within three months after the expiry of FY2023, which shall be reviewed and approved by Quam Finance.

In the event that the Audited Xinghai NAV equals to or exceeds HK\$900,000,000, no further Consideration Shares shall be allotted and issued by Fortune Origin to Quam Finance. In the event that the Audited Xinghai NAV is less than HK\$900,000,000, additional number of Consideration Shares shall be allotted and issued by Fortune Origin to Quam Finance, which shall be calculated with reference to, among others, the shortfall of the Audited Xinghai NAV and the unaudited net asset value of Xinghai as at 31 October 2023. In the event that any additional Consideration Shares cannot be issued and allotted by Fortune Origin to Quam Finance for whatsoever reason or the Consideration Shares to be issued and allotted by Fortune Origin are not free from any encumbrance, the parties to the Loan Assignment SPA may agree upon an alternative adjustment mechanism (including but not limited to a dollar-to-dollar cash settlement by Fortune Origin to Quam Finance) to ensure that the interest of Quam Finance in Fortune Origin would not be affected or impaired by any shortfall in the value of the Audited Xinghai NAV.

### **Basis of the consideration**

The consideration was arrived at after arm's length negotiation among the parties to the Loan Assignment SPA with reference to (i) the nominal value of the Wanhai Loan as at the date of the Loan Assignment SPA comprising the outstanding principal amount and the interest accrued thereon up to and including the date of the Loan Assignment SPA; (ii) the unaudited net asset value of Xinghai as at 31 October 2023, provided that Xinghai will become a subsidiary of Fortune Origin and be owned by it as to approximately 93.17% on or before completion of the Loan Assignment SPA; and (iii) a discount of 20% to such unaudited net asset value of Xinghai.

The Directors believe that the consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Conditions precedent**

Completion of the Loan Assignment SPA shall be subject to and conditional upon the satisfaction of the following conditions:-

- (a) Xinghai shall have become a subsidiary of Fortune Origin and be owned by it as to approximately 93.17% prior to completion of the Loan Assignment SPA;
- (b) Mr. Chan shall hold 10,000 Fortune Origin Shares prior to completion of the Loan Assignment SPA;

- (c) Quam Finance shall have been satisfied in its absolute discretion with the results of the due diligence review of the Fortune Origin Group, including but not limited to the satisfaction of the legal, financial and business position and prospects of the Fortune Origin Group; and
- (d) it has not come to the attention of Quam Finance that Fortune Origin's warranties being inaccurate and incorrect in any respect on the date of the Loan Assignment SPA and on each date on which they are deemed repeated, and as if made on, the Loan Assignment SPA Completion Date.

Quam Finance may in writing waive in whole or in part any of the aforesaid conditions precedent (except the aforesaid conditions precedent (a) and (b) which cannot be waived). In the event that any of the aforesaid conditions precedent are not fulfilled or waived (if applicable), in each case, at or before 1:00 p.m. on the Loan Assignment SPA Long Stop Date, the Loan Assignment SPA and everything contained in it shall terminate and be null and void and of no further effect and no party to the Loan Assignment SPA shall have any liability to any other parties, save in respect of any prior breaches of the Loan Assignment SPA.

Each of Quam Finance and Fortune Origin shall use its reasonable endeavours to ensure that the aforesaid conditions precedent shall be fulfilled by the Loan Assignment Long Stop Date.

As at the date of this announcement, none of the aforesaid conditions precedent has been fulfilled.

### **Completion**

Completion of the Loan Assignment SPA shall take place within three Business Days after the fulfilment or waiver (if applicable) of the conditions precedent (or such other date as Quam Finance and Fortune Origin may mutually agree in writing). Upon completion of the Loan Assignment SPA, 768 Consideration Shares will be allotted and issued to Quam Finance, representing approximately 7.12% of the enlarged issued share capital of Fortune Origin.

Immediately after completion of the Loan Assignment SPA and the Acquisition SPA and assuming there is no other change in the issued share capital of Fortune Origin, Well Foundation and Quam Finance will hold approximately 14.60% and 7.12% of the enlarged issued share capital of Fortune Origin, respectively.

## **THE DISPOSAL SPA**

The Board is pleased to announce that after trading hours on 18 December 2023, Quam Finance, Guo Yi Holdings and Fortune Origin entered into the Disposal SPA, pursuant to which Quam Finance and Guo Yi Holdings, as sellers, conditionally agreed to sell and Fortune Origin, as purchaser, conditionally agreed to purchase the Wanhai Sale Shares, representing the entire issued share capital of Wanhai Financial at a consideration of HK\$471,333,341, which shall be settled by way of allotment and issuance of Consideration Shares to Quam Finance and Guo Yi Holdings.

The principal terms of the Disposal SPA are summarised below:

Date : 18 December 2023

Parties: (i) Quam Finance (as one of the sellers);  
(ii) Guo Yi Holdings (as the other seller); and  
(iii) Fortune Origin (as purchaser).

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Fortune Origin, Guo Yi Holdings and their respective ultimate beneficial owner(s) are Independent Third Parties.

### **Subject matter**

Pursuant to the Disposal SPA, Quam Finance and Guo Yi Holdings, as sellers, conditionally agreed to sell and Fortune Origin, as purchaser, conditionally agreed to purchase the Wanhai Sale Shares, representing the entire issued share capital of Wanhai Financial.

### **Consideration**

The consideration payable by Fortune Origin for the Wanhai Sale Shares shall be HK\$471,333,341, which shall be satisfied in the following manner:

- (a) as to the sum of approximately HK\$93,795,335 payable by Fortune Origin to Quam Finance in relation to the sale and purchase of Wanhai Sale Shares A to be settled by way of allotment and issuance of 1,229 Consideration Shares at the issue price of HK\$76,335.88 per Fortune Origin Share by Fortune Origin to Quam Finance (or as it may direct) on the Disposal SPA Completion Date; and

- (b) as to the sum of approximately HK\$377,538,006 payable by Fortune Origin to Guo Yi Holdings in relation to the sale and purchase of Wanhai Sale Shares B to be settled by way of allotment and issuance of 4,944 Consideration Shares at the issue price of HK\$76,335.88 per Fortune Origin Share by Fortune Origin to Guo Yi Holdings (or as it may direct) on the Disposal SPA Completion Date.

The aggregate 6,173 Consideration Shares to be allotted and issued represent (i) approximately 57.33% of the enlarged entire issued share capital of Fortune Origin after completion of the Acquisition SPA and the Loan Assignment SPA and (ii) approximately 36.44% of the entire issued share capital of Fortune Origin as enlarged by the allotment and issuance of the aggregate 6,173 Consideration Shares pursuant to the Disposal SPA assuming that there is no other change to the total issued share capital of Fortune Origin.

The issue price of HK\$76,335.88 per Fortune Origin Share was arrived at after arm's length negotiations between Fortune Origin, Quam Finance and Guo Yi Holdings with reference to, among others, 80% of the unaudited net asset value of Xinghai as at 31 October 2023, provided that Xinghai will become a subsidiary of Fortune Origin and be owned by it as to approximately 93.17% on or before completion of the Disposal SPA. The Directors consider that such issue price is fair and reasonable.

### **Adjustment**

Pursuant to the Disposal SPA, Fortune Origin shall procure that the 2023 Xinghai Audited Accounts shall be prepared in accordance with the Hong Kong Financial Reporting Standards and be delivered to Quam Finance within three months after the expiry of FY2023, which shall be reviewed and approved by Quam Finance.

In the event that the Audited Xinghai NAV equals to or exceeds HK\$900,000,000, no further Consideration Shares shall be allotted and issued by Fortune Origin to Quam Finance. In the event that the Audited Xinghai NAV is less than HK\$900,000,000, additional number of Consideration Shares shall be allotted and issued by Fortune Origin to Quam Finance, which shall be calculated with reference to, among others, the shortfall of the Audited Xinghai NAV and the unaudited net asset value of Xinghai as at 31 October 2023. In the event that any additional Consideration Shares cannot be issued and allotted by Fortune Origin to Quam Finance for whatsoever reason or the Consideration Shares to be issued and allotted by Fortune Origin are not free from any encumbrance, the parties to the Disposal SPA may agree upon an alternative adjustment mechanism (including but not limited to a dollar-to-dollar cash settlement by Fortune Origin to Quam Finance) to ensure that the interest of Quam Finance in Fortune Origin would not be affected or impaired by any shortfall in the value of the Audited Xinghai NAV.

## **Basis of consideration**

The consideration was arrived at after arm's length negotiation among the parties to the Disposal SPA after taking into account, among others, (i) the valuation of the Wanhai Securities of HK\$666,666,677, equivalent to the implied valuation of the Wanhai Group based on a private investment by an Independent Third Party in mid 2023; (ii) the unaudited net asset value of Xinghai as at 31 October 2023 of HK1,024,452,131; and (iii) the payment terms of the consideration and the adjustment mechanism depending on the Audited Xinghai NAV.

The Directors believe that the consideration and the adjustment mechanism are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Conditions precedent**

Completion of the Disposal SPA shall be subject to and conditional upon the satisfaction or the waiver (if applicable) of the following conditions:

- (a) the SFC's approval on Fortune Origin becoming a substantial shareholder of Wanhai Securities to carry out regulated activities under the SFO (either unconditionally or subject only to conditions to which Fortune Origin does not reasonably object) as a result of the sale and purchase of the Wanhai Sale Shares under the Disposal SPA shall have been granted or confirmation from the SFC that such approval is not required shall have been obtained, as the case may be, if required;
- (b) the Call and Put Option Deed shall have been terminated prior to completion of the Disposal SPA;
- (c) all other applicable laws, rules and regulations including but not limited to the Listing Rules for the transactions contemplated under the Disposal SPA shall have been complied with by Quam Finance, Guo Yi Holdings and Fortune Origin;
- (d) Xinghai shall have become a subsidiary of Fortune Origin and be owned by it as to approximately 93.17% prior to completion of the Disposal SPA;
- (e) all other requisite consents required to be obtained by Quam Finance, Guo Yi Holdings and Fortune Origin in respect of the Disposal SPA and the transactions contemplated hereunder shall have been obtained;
- (f) Quam Finance shall have been satisfied in its absolute discretion with the results of the due diligence review of the Fortune Origin Group, including but not limited to the satisfaction of the legal, financial and business position and prospects of the Fortune Origin Group;

- (g) it has not come to the attention of Fortune Origin that Guo Yi Holdings' warranties being inaccurate and incorrect in any respect on the date of the Disposal SPA and on each date on which they are deemed repeated, and as if made on, the Disposal SPA Completion Date; and
- (h) it has not come to the attention of Fortune Origin that any material adverse change or effect has occurred prior to the Disposal SPA Completion Date or is likely to occur whether on or before the Disposal SPA Completion Date.

Fortune Origin and/or Quam Finance, as the case may be, may in writing waive in whole or in part any of the aforesaid conditions precedent (except the aforesaid conditions precedent (a) to (e) which cannot be waived). In the event that any of the aforesaid conditions precedent are not fulfilled or waived (if applicable), in each case, at or before 1:00 p.m. on the Disposal SPA Long Stop Date, the Disposal SPA and everything contained in it shall terminate and be null and void and of no further effect and no party to the Disposal SPA shall have any liability to any other parties, save in respect of any prior breaches of the Disposal SPA.

The parties to the Disposal SPA shall use its reasonable endeavours to ensure that the conditions precedent shall be fulfilled by the Disposal SPA Long Stop Date.

As at the date of this announcement, none of the aforesaid conditions precedent has been fulfilled.

### **Completion**

Completion of the Disposal SPA shall take place within three Business Days after the fulfilment or waiver (if applicable) of the conditions precedent (or such other date as Quam Finance, Guo Yi Holdings and Fortune Origin may mutually agree in writing). Upon completion of the Disposal SPA, 1,229 and 4,944 Consideration Shares will be allotted and issued to Quam Finance and Guo Yi Holdings, representing approximately 7.25% and 29.19% of the enlarged issued share capital of Fortune Origin, respectively.

Upon completion of the Disposal SPA and assuming that (i) completion of the Acquisition SPA and the Loan Assignment SPA has taken place; (ii) there is no adjustment to the Consideration Shares allotted and issued pursuant to the 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 11.78%, 9.28%, 29.19% and 49.75% of the issued share capital of Fortune Origin, respectively, as enlarged by the allotment and issuance of the aggregate 6,941 Consideration Shares pursuant to the Loan Assignment SPA and the Disposal SPA.

Immediately following completion of the Disposal SPA, Quam Finance will no longer hold any direct shareholding interest in Wanhai Financial.

Completion of the Acquisition SPA, the Loan Assignment SPA and the Disposal SPA are not interconditional to each others.

## REASONS FOR AND BENEFITS OF THE TRANSACTIONS

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 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 Disposal SPA):

	Shareholding interest in Fortune Origin (%)			
	Before the entering into the Acquisition SPA, the Loan Assignment SPA and the 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 Disposal SPA
Mr. Chan	100	84.28	78.28	49.75
Well Foundation	0	15.72	14.60	9.28
Quam Finance	0	0	7.12	11.78
Guo Yi Holdings	0	0	0	29.19
<b>Total</b>	<b><u>100</u></b>	<b><u>100</u></b>	<b><u>100</u></b>	<b><u>100</u></b>

The Group is a financial services group that is committed to building a comprehensive, full-licensed integrated financial platform. The Directors consider that the Transactions would enable the Group to acquire shareholding interests in the enlarged Fortune Origin Group by way of restructuring its interests in Wanhai Financial and the Wanhai Loan, respectively. Having considered restructuring of the Fortune Origin Group and its future prospect and growth potential, it is believed that the Fortune Origin Group would facilitate sharing of resources, services and clientele among the Group, the Fortune Origin Group and the Wanhai Group, which can bring synergy effect to their businesses. For instance, the existing corporate clients of the Fortune Origin Group may also be inclined to utilise the Group's corporate finance and asset management services, which can also widen the customer base of the Group in return.

The Group has respectively made about 80% of impairments and HK\$45,448,000 provisions in its 19.9% shareholding interest in Wanhai Financial and the Wanhai Loan as at 30 June 2023. Even though Wanhai Securities had been profit making, no dividends were declared to Wanhai Financial. Wanhai Financial did not service the Wanhai Loan since 27 March 2022. Accordingly, the above impairments and provisions were made. The entering of the Loan Assignment SPA provides an opportunity for the Group to restructure its interest in Wanhai Financial and the Wanhai Loan into a group supported by substantial assets and recover the above-mentioned impairments and provisions.

In view of the foregoing, the Directors consider that the terms of the Transactions are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

## **INFORMATION ON THE GROUP, QUAM FINANCE AND WELL FOUNDATION**

### **The Group**

The Group is principally engaged in (i) corporate finance advisory and general advisory services; (ii) fund management, discretionary portfolio management and portfolio management advisory services; (iii) discretionary and non-discretionary dealing services for securities, futures and options, securities placing and underwriting services, margin financing, insurance broking and wealth management services; (iv) money lending services; (v) financial media services; and (vi) investing and trading of various investment products.

### **Quam Finance**

Quam Finance is a direct wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability. It is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of finance and money lending services.

### **Well Foundation**

Well Foundation is a direct wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability. It is principally engaged in investment holding.

## **INFORMATION ON MR. CHAN, GUO YI HOLDINGS AND THE FORTUNE ORIGIN GROUP**

### **Mr. Chan**

Mr. Chan is the chairman of Fortune Origin. As at the date of this announcement, he is the sole shareholder of Fortune Origin holding its entire issued share capital and one of the shareholders of Xinghai holding approximately 93.17% of its entire issued share capital. He is an Independent Third Party.

### **Guo Yi Holdings**

Guo Yi Holdings is a company incorporated in the BVI with limited liability and is principally engaged in investment holding. As at the date of this announcement, Mr. Chan holds the entire issued share capital of Guo Yi Holdings.

## Fortune Origin

Fortune Origin was incorporated in the BVI on 4 September 2023 and has not commenced any business activities. As at the date of this announcement, Fortune Origin is wholly-owned by Mr. Chan.

## Xinghai

Xinghai is a company incorporated in the BVI with limited liability and is principally engaged in conducting securities investment business. As at the date of this announcement, Xinghai is owned by Mr. Chan as to approximately 93.17% and Lake Ranch Limited as to approximately 6.83%. Lake Ranch Limited is a company incorporated in the BVI with limited liability and is principally engaged in investment holding.

## FINANCIAL INFORMATION ON THE FORTUNE ORIGIN GROUP

Given that Fortune Origin was newly incorporated in the BVI in September 2023 and has not commenced any business activities since the date of incorporation, no unaudited management accounts have been prepared.

Set out below is the financial information of Xinghai, which shall have become a subsidiary of Fortune Origin upon completion of the Acquisition SPA, as extracted from its unaudited management accounts for the two financial years ended 31 December 2021 and 31 December 2022, respectively:

	<b>For the year ended</b>	
	<b>31 December 2021</b>	<b>31 December 2022</b>
<b>Net profit before taxation</b>	HK\$125,938,502.77	HK\$140,042,148.37
<b>Net profit after taxation</b>	HK\$125,938,502.77	HK\$140,042,148.37

The unaudited net asset value of Xinghai as at 31 October 2023 was approximately HK\$1,024,452,131.23.

## INFORMATION ON THE WANHAI GROUP

### Wanhai Financial

Wanhai Financial is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. As at the date of this announcement, Wanhai Financial is held as to 80.1% and 19.9% by Guo Yi Holdings and Quam Finance, respectively. Wanhai Financial has not conducted any operations apart from its holding of Wanhai Securities.

## Wanhai Securities

Wanhai Securities is a company incorporated in Hong Kong with limited liability. Wanhai Securities, being the sole and principal operating subsidiary of the Wanhai Group, is a licensed corporation to carry out business in Type 1 (Dealing in Securities), Type 4 (Advising on Securities), Type 6 (Advising on Corporate Finance) and Type 9 (Asset Management) regulated activities under the SFO. As at the date of this announcement, Wanhai Securities is owned by (a) Wanhai Financial as to approximately 70.7%, (b) Beijing Yirun Venture Capital Co., Ltd. (北京億潤創業投資有限公司) as to approximately 18.8%, (c) Mr. Lin Tong (林通) as to approximately 4.5% and (d) Mr. Choi Hiu Pang (蔡曉鵬) as to approximately 6.0%. Wanhai Securities is principally engaged in the business of securities trading, securities underwriting, asset management and/or margin financing.

## FINANCIAL INFORMATION ON THE WANHAI GROUP

Set out below is the financial information of Wanhai Securities, being the sole and principal operating subsidiary of Wanhai Financial, as extracted from its audited accounts for the two financial years ended 31 December 2021 and 31 December 2022, respectively:

	For the year ended	
	31 December 2021	31 December 2022
<b>Net profit before taxation</b>	HK\$47,891,815	HK\$34,414,652
<b>Net profit after taxation</b>	HK\$44,833,054	HK\$34,414,652

The unaudited net asset value of Wanhai Securities as at 31 October 2023 was approximately HK\$237,364,826.

## FINANCIAL EFFECTS OF THE LOAN ASSIGNMENT SPA AND THE DISPOSAL SPA

Upon completion of the Acquisition SPA only, the Group will own 15.72% of Fortune Origin and it will be accounted as investment by fair value. Upon completion of the Acquisition SPA and the Loan Assignment SPA, and/or the Disposal SPA, the Group will own over 20% of Fortune Origin and it will be accounted as associate by equity accounting.

The Group expects that an unaudited gain of approximately HK\$47 million will be recorded from the Loan Assignment SPA, accordingly being the difference between the consideration of approximately HK\$58 million and the carrying cost of the Wanhai Loan of approximately HK\$11 million as at completion of the Loan Assignment SPA. In any event, the actual gain or loss as a result of the Loan Assignment SPA to be recorded by the Group is subject to audit. No cash proceeds will be received by the Group under the Loan Assignment SPA.

As there were previous impairments and provisions made on the Wanhai Loan and the 19.9% interest in Wanhai Financial, completion of the Loan Assignment SPA and the Disposal SPA will lead to reversal of accumulated provisions and impairments respectively 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 reversal of provisions on the Wanhai Loan will be approximately HK\$47 million impairment and reversal of provisions on the 19.9% interest in Wanhai Financial will be approximately HK\$1 million.

The Group expects that an unaudited gain of approximately HK\$42 million will be recorded from the Disposal SPA, accordingly being the differences between the consideration of approximately HK\$94 million, and the carrying cost of 19.9% interest in Wanhai Financial of HK\$52 million as at completion of the Disposal SPA. In any event, the actual gain or loss as a result of the disposal of the Wanhai Sale Shares A under the Disposal SPA to be recorded by the Group is subject to audit and is to be determined as at completion of the Disposal SPA. No cash proceeds will be received by the Group under the Disposal SPA.

In addition, a gain or loss, representing the premium or deficit of the attributable net asset value or fair value of Fortune Origin over the carrying cost of investment of the Company at its inception will be recorded in the preparation of the consolidated accounts of the Company.

## **LISTING RULES IMPLICATION**

As the Transactions (comprising (i) acquisition of 15.72% equity interests in Fortune Origin from Mr. Chan at a cash consideration of HK\$120,000,000; (ii) 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; (iii) disposal of 19.9% equity interests in Wanhai Financial to Fortune Origin in exchange for the Fortune Origin Shares as consideration shares) are expected to be completed within a 12-month period and are related to each other, they may be required to be aggregated as if they were one transaction pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Transactions, whether on a standalone basis or when aggregated with each other, exceeds 5% but all of them are less than 25%, the Transactions constitute discloseable transactions of the Company and are therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

**Completion of the Acquisition SPA, the Loan Assignment SPA and the Disposal SPA are subject to fulfillment of the conditions precedent as respectively set out in the sections headed “the Acquisition SPA”, “the Loan Assignment SPA” and “the Disposal SPA” in this announcement, respectively. There is no assurance that any of such conditions precedent will be fulfilled. As such, the 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.**

## **DEFINITIONS**

“2023 Xinghai Audited Accounts”	the audited consolidated financial statements of Xinghai for FY2023
“Acquisition SPA”	the sale and purchase agreement dated 18 December 2023 entered between Mr. Chan and Well Foundation in relation to the acquisition of 15.72% of the enlarged entire issued share capital of Fortune Origin by Well Foundation at a consideration of HK\$120,000,000
“Acquisition SPA Completion Date”	a date falling within three Business Days after the fulfilment or waiver (if applicable) of the conditions precedent (or such other date as Well Foundation and Mr. Chan may mutually agree in writing) and the date on which completion of the Acquisition SPA takes place
“Acquisition SPA Deposit”	the refundable deposit payable by Well Foundation to Mr. Chan in the sum of HK\$60,000,000 subject to and upon the terms and conditions of the Acquisition SPA
“Acquisition SPA Long Stop Date”	31 March 2024 (or such later date as may be agreed between Mr. Chan and Well Foundation in writing)
“Audited Xinghai NAV”	the actual audited net asset value of Xinghai as at 31 December 2023 as shown in the 2023 Xinghai Audited Accounts
“Board”	the board of Directors

“Business Day”	a day on which banks are generally open for business in Hong Kong (other than a Saturday, a Sunday or a public holiday or a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.)
“BVI”	the British Virgin Islands
“Call and Put Option Deed”	the call and put option deed executed by Mr. Zhu and Quam Finance in relation to, among others, the grant of Call Option by Quam Finance to Mr. Zhu
“Call Option”	an option to acquire 1,990 ordinary shares of Wanhai Financial owned by Quam Finance at an exercise price calculated based on a compound internal rate of return (IRR) at 9% per annum of the share subscription price in such manner in accordance with the terms of the Call and Put Option Deed
“Company”	Quam Plus International Financial Limited (formerly known as China Tonghai International Financial Limited), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange (Stock Code: 952)
“connected person(s)”	has the meaning as defined under the Listing Rules
“Consideration Share(s)”	new Fortune Origin Shares to be allotted and issued by Fortune Origin as consideration shares under the Loan Assignment SPA and the Disposal SPA (as the case may be)
“Director(s)”	director(s) of the Company
“Disposal SPA”	the sale and purchase agreement dated 18 December 2023 entered between Quam Finance, Guo Yi Holdings and Fortune Origin in relation to the disposal of the entire issued share capital of Wanhai Financial at an aggregate consideration of HK\$471,333,341, which shall be settled by way of allotment and issuance of 1,229 Consideration Shares and 4,944 Consideration Shares to Quam Finance and Guo Yi Holdings, respectively

“Disposal SPA Completion Date”	a date falling within three Business Days after the fulfilment or waiver (if applicable) of the conditions precedent (or such other date as Quam Finance, Guo Yi Holdings and Fortune Origin may mutually agree in writing) and the date on which completion of the Disposal SPA takes place
“Disposal SPA Long Stop Date”	31 March 2024 (or such later date as may be agreed between Quam Finance, Guo Yi Holdings and Fortune Origin in writing)
“Fortune Origin”	Fortune Origin Group Limited (富中集團有限公司), a company incorporated in the BVI with limited liability, which is wholly-owned by Mr. Chan as at the date of this announcement
“Fortune Origin Group”	Fortune Origin and its subsidiary(ies) from time to time
“Fortune Origin Sale Shares”	1,572 Fortune Origin Shares to be sold by Mr. Chan to Well Foundation pursuant to the Acquisition SPA, representing 15.72% of the enlarged entire issued share capital of Fortune Origin
“Fortune Origin Shares”	ordinary share(s) of US\$1.00 each in the share capital of Fortune Origin
“FY2023”	the financial year ending 31 December 2023
“Guo Yi Holdings”	Guo Yi Holdings (BVI) Limited (國義控股(英屬維爾京群島)有限公司), a company incorporated in the BVI with limited liability, which is wholly-owned by Mr. Chan as at the date of this announcement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who is/are independent of and not connected with the Company and its connected person(s)

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Assignment SPA”	the sale and purchase agreement dated 18 December 2023 entered into between Quam Finance and Fortune Origin in relation to the assignment of the Wanhai Loan from Quam Finance to Fortune Origin at a consideration equivalent to the nominal value of the Wanhai Loan, which shall be settled by way of allotment and issuance of 768 Consideration Shares to Quam Finance
“Loan Assignment SPA Completion Date”	a date falling within three Business Days after the fulfilment or waiver (if applicable) of the conditions precedent (or such other date as Quam Finance and Fortune Origin may mutually agree in writing) and the date on which completion of the Loan Assignment SPA takes place
“Loan Assignment SPA Long Stop Date”	31 March 2024 (or such later date as may be agreed between Quam Finance and Fortune Origin in writing)
“Mr. Chan”	Mr. Chan Siu Yeung (陳少揚)
“Mr. Zhu”	Mr. Zhu Mu Po
“PRC”	the People’s Republic of China, which shall, for the purpose of this announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Quam Finance”	Quam Finance Limited (華富建業財務有限公司) (formerly known as China Tonghai Finance Limited (中國通海財務有限公司)), a company incorporated in Hong Kong with limited liability, which is a direct wholly-owned subsidiary of the Company
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	the transactions contemplated under the Acquisition SPA, the Loan Assignment SPA and the Disposal SPA
“Wanhai Financial”	Wanhai Financial Holdings (HK) Limited (萬海金融控股(香港)有限公司), a company incorporated in Hong Kong with limited liability, which is owned by Quam Finance and Guo Yi Holdings as to 19.9% and 80.1%, respectively, as at the date of this announcement
“Wanhai Group”	Wanhai Financial and its subsidiary
“Wanhai Loan”	the loan owed by Wanhai Financial to Quam Finance as at the date of the Loan Assignment SPA (including the principal amount and the interest accrued thereon up to and including the date of the Loan Assignment SPA), which is the subject loan to be assigned under the Loan Assignment SPA
“Wanhai Sale Shares”	collectively, Wanhai Sale Shares A and Wanhai Sale Shares B
“Wanhai Sale Shares A”	1,990 ordinary shares each in the share capital of Wanhai Financial to be sold by Quam Finance to Fortune Origin pursuant to the Disposal SPA, representing 19.9% of the entire issued share capital of Wanhai Financial as at the date of this announcement
“Wanhai Sale Shares B”	8,010 ordinary shares each in the share capital of Wanhai Financial to be sold by Guo Yi Holdings to Fortune Origin pursuant to the Disposal SPA, representing 80.1% of the entire issued share capital of Wanhai Financial as at the date of this announcement

“Wanhai Securities”	AMC Wanhai Securities Limited (萬海證券有限公司) (currently known as Fortune Origin Securities Limited (富中證券有限公司)), a company incorporated in Hong Kong with limited liability, which is owned by Wanhai Financial as to approximately 70.7%, Beijing Yirun Venture Capital Co., Ltd. (北京億潤創業投資有限公司) as to approximately 18.8%, Mr. Lin Tong (林通) as to approximately 4.5% and Mr. Choi Hiu Pang (蔡曉鵬) as to approximately 6.0% as at the date of this announcement
“Well Foundation”	Well Foundation Company Limited, a company incorporated in Hong Kong with limited liability, which is a direct wholly-owned subsidiary of the Company
“Xinghai”	Xinghai Pacific Investment Limited (興海亞太投資有限公司), a company incorporated in the BVI with limited liability, which is owned by Mr. Chan as to approximately 93.17% and Lake Ranch Limited as to approximately 6.83% as at the date of this announcement
“%”	per cent

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

Hong Kong, 18 December 2023

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