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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)**

**(1) RENEWAL OF EXISTING CONTINUING CONNECTED  
TRANSACTIONS; AND  
(2) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

**Financial adviser to the Company**



Reference is made to the Company's circular dated 25 November 2021 in relation to certain continuing connected transactions between the Group and certain connected persons of the Company. These continuing connected transactions include the Connected Dealings Services and the Connected Margin Loans.

**PROPOSED RENEWAL OF EXISTING CONTINUING CONNECTED  
TRANSACTIONS**

The respective annual caps of the aforesaid continuing connected transactions will expire on 31 December 2024. The Group intends to continue to provide the Connected Dealings Services and the Connected Margin Loans. On 30 September 2024, Quam Securities and the Connected Clients entered into the Financial Services Agreement in relation to the Connected Dealings Services and the Connected Margin Loans. As such, the Group proposes to renew the respective annual caps of the continuing connected transactions from 1 January 2025 to 31 December 2027.

## **IMPLICATIONS UNDER THE LISTING RULES**

The Connected Dealings Services and the Connected Margin Loans will be provided to the Connected Clients by Quam Securities under the Financial Services Agreement. Such transactions constitute continuing connected transactions of the Company, the Financial Services Agreement and the Proposed Annual Caps are subject to the approval of the Independent Shareholders. The Connected Clients and their associates are required to abstain from voting at the SGM on the resolution in respect of the Financial Services Agreement and the Proposed Annual Caps.

The transactions contemplated under the Financial Services Agreement are subject to annual review requirements under Chapter 14A of the Listing Rules.

## **INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising the independent non-executive Directors (except Mr. LIU Jipeng who is one of the Connected Clients) has been formed to consider and advise the Independent Shareholders as to whether the Financial Services Agreement and the Proposed Annual Caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Financial Services Agreement and the Proposed Annual Caps.

## **GENERAL**

The SGM will be convened and held, among others, for the Independent Shareholders to consider and, if thought fit, to vote for the Financial Services Agreement and the Proposed Annual Caps.

A circular containing, among other things, (i) details of the Financial Services Agreement; (ii) details of the Connected Dealings Services and the Connected Margin Loans; (iii) a letter from the Independent Board Committee of the Company to the Independent Shareholders in respect of the Connected Dealings Services and the Connected Margin Loans; and (iv) a letter of advice from the Independent Financial Adviser to the Independent Board Committee of the Company and the Independent Shareholders in respect of the Connected Dealings Services and the Connected Margin Loans, will be despatched with the notice of the SGM to the Shareholders on or before 13 November 2024, as additional time is required for the Company to prepare and finalise certain information to be included in the circular.

## INTRODUCTION

Reference is made to the Company's circular dated 25 November 2021 in relation to certain continuing connected transactions between the Group and certain connected persons of the Company. These continuing connected transactions include the Connected Dealings Services and the Connected Margin Loans.

The respective annual caps of the aforesaid continuing connected transactions will expire on 31 December 2024. The Group intends to continue to provide the Connected Dealings Services and the Connected Margin Loans. As such, the Group proposes to renew the respective annual caps of the continuing connected transactions from 1 January 2025 to 31 December 2027.

## THE FINANCIAL SERVICES AGREEMENT

On 30 September 2024 (after trading hours), Quam Securities entered into the Financial Services Agreement with the Connected Clients in relation to the Connected Dealings Services and the Connected Margin Loans, for a term commencing from 1 January 2025 to 31 December 2027. Set out below are the principal terms of the Financial Services Agreement:

### Date

30 September 2024

### Parties

- (a) Quam Securities, an indirect wholly-owned subsidiary of the Company and the services provider; and
- (b) The following clients of Quam Securities and their respective associates (the "Connected Clients").

### Name of the clients

### Relationship with the Group

Mr. Kenneth LAM Kin Hing	Co-Chairman of the Board, executive Director of the Company, Chief Executive Officer of the Group, director of certain subsidiaries of the Company, and a director and one of the controlling shareholders of Quam Tonghai Holdings Limited, which is a Shareholder who held approximately 68.05% of the issued Shares as at the date of this announcement. He is also beneficially held 1.82% of the issued Shares as at the date of this announcement
Mr. LIU Hongwei	Executive Director of the Company

<b>Name of the clients</b>	<b>Relationship with the Group</b>
Mr. LAM Wai Hon	Executive Director of the Company, Co-Chairman of Quam Capital (Holdings) Limited (a direct wholly-owned subsidiary of the Company) and director of certain subsidiaries of the Company
Mr. FANG Zhou	Non-executive Director of the Company
Mr. LIU Jipeng	Independent non-executive Director of the Company
Mr. WONG Stacey Martin	Chief Operating Officer of the Company, Chief Executive Officer of the securities and futures businesses and the Chief Executive Officer of the corporate finance business of the Group and director of certain subsidiaries of the Company
Mr. TANG Sei Kit	Chief Executive Officer of wealth management business of the Group and director of certain subsidiaries of the Company
Ms. MAK Mei Kuen	Chief Financial Officer of the Company and director of certain subsidiaries of the Company
Mr. YAN Chi Kwan	Chief Investment Officer of the Company and director of certain subsidiaries of the Company
Mr. Calvin CHIU Chun Kit	Deputy Chief Executive Officer of the securities and futures businesses of the Group and director of certain subsidiaries of the Company
Ms. YAN Ching Man	Managing Director of the securities and futures businesses of the Group and director of a subsidiary of the Company

Save as disclosed above, to the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the Connected Clients are Independent Third Parties.

**Term**

From 1 January 2025 to 31 December 2027 (both days inclusive)

## Services to be provided:

### *(i) Connected Dealings Services*

The Connected Dealings Services comprise of the Connected Securities Dealings, the Connected Futures Dealings and the Margin Financing Arrangements as follows:

#### *(a) Connected Securities Dealings*

Provision of securities dealing services is one the principal businesses of Quam Securities, an indirect wholly-owned subsidiary of the Company. Quam Securities charges its clients commission based on the consideration of the securities traded, which vary according to the stock exchange on which it is traded, ranging from 0.01% to 2.75%. For Hong Kong equities, the commission rates normally range from 0.05% to 0.25%. The commission rates are determined with reference to the then prevailing commission rates of the stock market of Hong Kong, the major securities brokerage intermediaries in Hong Kong and taking into consideration of trading volume of the clients.

The Connected Clients trade securities through Quam Securities from time to time. In return, Quam Securities charges them the Securities Dealings Fees. The Securities Dealings Fees are commissions based on the consideration of the transactions multiplied by the applicable commission rates.

#### *(b) Connected Futures Dealings*

Provision of futures dealings services is another principal business of Quam Securities. Quam Securities charges its clients commissions per futures contract traded, which vary according to the type of futures contract and the futures exchange on which it is traded, ranging from HK\$1.5 to HK\$175 per futures contract. For Hang Seng Futures products trading in the Hong Kong Futures Exchange, the commission for day trade normally ranging from HK\$5 to HK\$60 per futures contract. The commission per futures contract is determined with reference to the then prevailing commissions of futures market.

The Connected Clients trade futures contracts through Quam Securities from time to time. In return, Quam Securities charges them the Futures Dealings Fees. The Futures Dealings Fees are commissions based on the number of futures contracts traded multiplied by the applicable commission rates.

*(c) Margin Financing Arrangements*

Quam Securities offers share margin financing to its clients in respect of their securities dealings through Quam Securities. Quam Securities charges its clients interests on the advances made in respect of the amount of share margin financing. The Margin Financing Interests are interests charged on the advances made on a basis of 1% to 6% above the prime rate as quoted from time to time from a principal banker of the Group. The interest rates are determined with reference to the creditworthiness and trading record of the clients, quality of collaterals provided by the clients, and in accordance with the policy of Quam Securities from time to time.

Quam Securities offers margin financing to the Connected Clients. In return, Quam Securities charges them the Margin Financing Interests. The Margin Financing Interests are interests based on the total outstanding margin loans advanced multiplied by the applicable interest rates.

Given the recurring nature of the Connected Dealing Services, such transactions constitute continuing connected transactions of the Company under the Listing Rules. The Connected Dealing Fees shall be determined in accordance with the aforesaid pricing mechanism that apply to all clients of the Group. The terms of the Connected Dealings Services, including the Connected Dealing Fees, shall be no less favourable to the Group than those charge on Independent Third Parties.

*(ii) Connected Margin Loans*

The Board also proposes to renew the annual caps on the maximum daily outstanding balance of the Connected Margin Loans from 1 January 2025 to 31 December 2027.

As detailed in the above sub-section headed “Margin Financing Arrangements” under the section headed “Connected Dealings Services”, Quam Securities provides margin loans to the Connected Clients under the Margin Financing Arrangements. Quam Securities enters into standing authority letters with the Connected Clients for provision of share margin financing, which are standard agreements adopted by Quam Securities for all of its margin financing clients.

Pursuant to the standard client agreement between Quam Securities and all of its margin financing clients who are Independent Third Parties and the Connected Clients, in the occurrence of an event of default, Quam Securities shall be entitled to, among other things, sell or otherwise realise the whole or any part (as determined by Quam Securities) of the collateral as to when and how and at such price and on such terms as Quam Securities shall think fit, and to apply the net proceeds in discharging the indebtedness owing by such client to Quam Securities. The Connected Clients and other margin financing clients who are Independent Third Parties are subject to the same margin financing ratios as published on the website of Quam Securities from time to time, which are primarily determined with reference to the financing policies of Quam Securities.

### **Pricing basis**

The Connected Dealings Fees shall be determined in accordance with the aforesaid pricing mechanisms that apply to all clients. The terms of the Connected Dealings Services and Margin Financing Arrangements, including the Connected Dealings Fees and the Connected Margin Loans, shall be no less favourable to the Group than those apply to Independent Third Parties.

### **Settlement terms**

The settlement cycles for Hong Kong equities and the United States equities are T + 2 and T + 1 respectively. These also apply to the Connected Securities Dealings. The payments of relevant funds pursuant to the Connected Futures Dealings shall be immediately available upon demand in the absolute discretion of Quam Securities on the due date of such payments. The Connected Clients of the Connected Margin Loans are required to pledge securities as collateral in order to obtain the credit facilities for securities trading and the loans are repayable on demand at the discretion of Quam Securities. The payment terms of the Connected Dealings Services shall be no less favourable to the Group than those apply to the Independent Third Parties.

### **Termination**

Early termination of the Financial Services Agreement is subject to mutual agreement between Quam Securities and the Connected Clients.

## HISTORICAL TRANSACTION AMOUNTS AND PROPOSED ANNUAL CAPS

The table below sets out the historical amounts and the proposed annual caps in respect of (i) the Connected Dealings Fees; and (ii) the maximum daily outstanding balance of the Connected Margin Loans:

	Historical amount			Proposed annual caps		
	For the year ended 31 December		From 1 January 2024 to 31 August 2024	For the year ending 31 December		
	2022	2023	2024	2025	2026	2027
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Connected Dealings Fees	1,749	450	102	30,000	30,000	30,000
Maximum daily outstanding balance of the Connected Margin Loans	30,376	19,298	9,970	116,000	116,000	116,000

## BASIS OF DETERMINATION OF THE PROPOSED ANNUAL CAPS

### (i) Proposed annual caps for the Connected Dealings Services

The proposed annual caps for the Connected Dealings Services was determined with reference to:

- the anticipated demand for the Connected Dealings Services over the next three years as indicated by the Connected Clients;
- the market rates of the commissions arising from dealing in securities and futures in Hong Kong;
- the market interest rates for margin financing in Hong Kong; and
- catering for the possible increase in volatility of the Hong Kong stock market and futures market in future.



**(ii) Proposed annual caps for the maximum daily outstanding balance of the Connected Margin Loans**

The proposed annual caps for the maximum daily outstanding balance of the Connected Margin Loans was determined with reference to:

- (a) the historical maximum daily outstanding balance of margin financing advanced to the Connected Clients for the two years ended 31 December 2022 and 2023, and the period from 1 January 2024 to 31 August 2024;
- (b) the anticipated demand of the Connected Clients for the maximum amount of the Connected Margin Loans over the next three years;
- (c) catering for the possible increase in volatility of the Hong Kong stock market and futures market in future; and
- (d) the Group's current financial position.

**REASONS FOR AND BENEFITS OF THE CONNECTED DEALINGS SERVICES AND THE CONNECTED MARGIN LOANS**

The Connected Dealings Services and the Connected Margin Loans are conducted in the ordinary and usual course of business of the Group. Additional income will be generated from provision of the Connected Dealings Services. Furthermore, the Connected Dealings Fees shall be no less favourable to the Group than those apply to the Independent Third Parties.

Having considered the above, the Directors (excluding the independent non-executive Directors whose views will be formed after taking into account the advice of the Independent Financial Adviser) are of the view that the terms of the Financial Services Agreement and the Proposed Annual Caps are fair and reasonable and the entering into the Financial Services Agreement is in the interests of the Company and the Shareholders as a whole.

**INFORMATION OF 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.

## **IMPLICATIONS UNDER THE LISTING RULES**

The Connected Dealings Services and the Connected Margin Loans will be provided to the Connected Clients by Quam Securities under the Financial Services Agreement. Such transactions constitute continuing connected transactions of the Company, the Financial Services Agreement and the Proposed Annual Caps are subject to the approval of the Independent Shareholders. The Connected Clients and their associates are required to abstain from voting at the SGM on the resolution in respect of the Financial Services Agreement and the Proposed Annual Caps.

The transactions contemplated under the Financial Services Agreement are subject to annual review requirements under Chapter 14A of the Listing Rules.

## **INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising the independent non-executive Directors (except Mr. LIU Jipeng who is one of the Connected Clients) has been formed to consider and advise the Independent Shareholders as to whether the Financial Services Agreement and the Proposed Annual Caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Financial Services Agreement and the Proposed Annual Caps.

## **GENERAL**

The Directors who have material interests in the Connected Dealings Services and the Connected Margin Loans are Mr. Kenneth LAM Kin Hing, Mr. LIU Hongwei, Mr. LAM Wai Hon, Mr. FANG Zhou and Mr. LIU Jipeng, being the connected persons of the Company and clients of Quam Securities, have abstained from voting on the board resolution for approving the Financial Services Agreement and the Proposed Annual Caps.

The SGM will be convened and held, among others, for the respective Independent Shareholders to consider and, if thought fit, to vote for the Financial Services Agreement and the Proposed Annual Caps.

A circular containing, among other things, (i) details of the Financial Services Agreement; (ii) details of the Connected Dealings Services and the Connected Margin Loans; (iii) a letter from the Independent Board Committee of the Company to the Independent Shareholders in respect of the Connected Dealings Services and the Connected Margin Loans; and (iv) a letter of advice from the Independent Financial Adviser to the Independent Board Committee of the Company and the Independent Shareholders in respect of the Connected Dealings Services and the Connected Margin

Loans, will be despatched with the notice of the SGM to the Shareholders on or before 13 November 2024, as additional time is required for the Company to prepare and finalise certain information to be included in the circular.

## **DEFINITIONS**

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Quam Plus International Financial Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (stock code: 952)
“Connected Clients”	the clients of Quam Securities as defined in the section headed “The Financial Services Agreement” in this announcement
“Connected Dealing Fees”	the Securities Dealings Fees, Futures Dealings Fees and Margin Financing Interests paid by the Connected Clients to Quam Securities in respect of the Connected Dealings Services
“Connected Dealings Services”	the Connected Securities Dealings, the Connected Futures Dealings and the Margin Financing Arrangements conducted between Quam Securities and the Connected Clients
“Connected Futures Dealings”	dealings in futures contracts by the Connected Clients through Quam Securities
“Connected Margin Loans”	margin loans advanced to the Connected Clients through Quam Securities under the Margin Financing Arrangements
“connected person”	has the meaning ascribed to it under the Listing Rules
“Connected Securities Dealing”	dealings in securities by the Connected Clients through Quam Securities
“Director(s)”	the director(s) of the Company
“Financial Services Agreement”	the financial services agreement dated 30 September 2024 entered into among Quam Securities and the Connected Clients in relation to the Connected Dealings Services and the Connected Margin Loans

“Futures Dealings Fees”	commissions, management fees and performance fees paid by the Connected Clients to Quam Securities in respect of the Connected Futures Dealings
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprising two independent non-executive Directors, namely Mr. Roy LO Wa Kei and Ms. Cindy KONG Siu Ching, who have no direct or indirect interest in the Financial Services Agreement, has been established to advise the Independent Shareholders in relation to the Financial Services Agreement and the Proposed Annual Caps
“Independent Financial Adviser”	Trinity Corporate Finance Limited, a corporation licensed to carry out Type 6 regulated activity (advising on corporate finance) under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Financial Services Agreement and the Proposed Annual Caps
“Independent Shareholders”	Shareholders other than those that are required to abstain from voting at the SGM to consider and approve the Financial Services Agreement and Proposed Annual Caps
“Independent Third Parties”	persons or companies who/which are not connected with (within the meaning of the Listing Rules) and are independent of the directors, chief executives and substantial shareholders of the Group or any of their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Margin Financing Arrangements”	the share margin financing arrangements offered by Quam Securities to the Connected Clients in respect of their securities dealings through Quam Securities
“Margin Financing Interests”	interests paid by the Connected Clients to Quam Securities in respect of the Margin Financing Arrangements

“Proposed Annual Caps”	the respective annual caps for each of the Connected Dealings Services and the Connected Margin Loans from 1 January 2025 to 31 December 2027
“Quam Securities”	Quam Securities Limited, a corporation licensed to carry out Type 1 regulated activity (dealing in securities), Type 2 regulated activity (dealing in futures contracts), Type 4 regulated activity (advising on securities), Type 6 regulated activity (advising on corporate finance) and Type 9 regulated activity (asset management) under the SFO, being an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability
“Securities Dealings Fees”	commissions, management fees and performance fees paid by the Connected Clients to Quam Securities in respect of the Connected Securities Dealings
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held for the purpose of, considering and, if thought fit, approving the Financial Services Agreement and the Proposed Annual Caps
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United States”	United States of America
“%”	per cent

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

Hong Kong, 30 September 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