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**QUAM LIMITED**

**華富國際控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 952)**



**CMBC International Holdings Limited**

**民生商銀國際控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**JOINT ANNOUNCEMENT PURSUANT TO RULE 3.7  
OF THE TAKEOVERS CODE  
IN RELATION TO  
MEMORANDUM OF UNDERSTANDING REGARDING  
POSSIBLE SUBSCRIPTION AND  
POSSIBLE MANDATORY OFFERS  
AND RESUMPTION OF TRADING OF SHARES**

This announcement is jointly made by the Company and CMBCI pursuant to Rule 3.7 of the Takeovers Code, and made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors of the Company that the Board has been approached by CMBCI, an independent third party, in respect of the Possible Subscription. CMBCI is a wholly-owned subsidiary of China Minsheng Banking Corp., Ltd.

The Board and CMBCI jointly announce that on 27 April 2015, the Company and CMBCI entered into the MOU which reflects that the parties will further negotiate in good faith with a view to entering into the Subscription Agreement based on certain non-legally binding terms as set out in the MOU.

The MOU envisages that, assuming completion of the Possible Subscription, the Offer Price will be set at HK\$1.38 per Share.

Further announcement(s) in respect of the Possible Subscription will be made as and when appropriate in accordance with the Listing Rules and/or the Takeovers Code as and when applicable.

## **RESUMPTION OF TRADING OF SHARES**

At the request of the Company, trading in the Shares has been suspended from 9:00 a.m. on 27 April 2015 pending the release of this announcement. An application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 29 April 2015.

**Shareholders and potential investors of the Company should be aware that the MOU is non-legally binding (other than those terms specified under the paragraph headed “Binding force of the MOU”) in respect of the terms and conditions of the Possible Subscription. There is no assurance that any transactions referred to in this announcement will materialise or eventually be consummated. Shareholders and potential investors of the Company should be aware that the completion of the Possible Subscription is subject to the entering into of the Subscription Agreement and the satisfaction (or waiver as applicable) of such conditions precedent as may be specified therein. The Possible Subscription and the Possible Mandatory Offers reflected in the MOU may or may not proceed, and the terms of the Possible Subscription are subject to negotiation between the Company and CMBCI. As such, the discussions may or may not lead to the Possible Subscription taking place and the making of the Possible Mandatory Offers. Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the securities of the Company.**

This announcement is jointly made by the Company and CMBCI pursuant to Rule 3.7 of the Takeovers Code, and made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors of the Company that the Board has been approached by CMBCI, an independent third party, in respect of the Possible Subscription.

CMBCI is a wholly-owned subsidiary of China Minsheng Banking Corp., Ltd., the shares of which are listed on the Shanghai Stock Exchange and the Stock Exchange. China Minsheng Banking Corp., Ltd. is a national joint-stock commercial bank established in the People’s Republic of China and together with its subsidiaries mainly provide corporate and personal banking, treasury business, finance leasing, asset management and other financial services in the People’s Republic of China.

## **MEMORANDUM OF UNDERSTANDING**

The Board and CMBCI jointly announce that on 27 April 2015, the Company and CMBCI entered into the MOU which reflects that the parties will further negotiate in good faith with a view to entering into the Subscription Agreement based on certain non-legally binding terms as set out in the MOU.

### **Subscription Shares and subscription price**

Subject to the entering into of the Subscription Agreement to be negotiated between the Company and satisfaction (or waive as applicable) of such conditions precedent specified therein, CMBCI intends to subscribe for between 8.8 billion and 13.3 billion new Shares, representing approximately 86.10% and 90.35% of the issued share capital of the Company as enlarged by the Subscription Shares respectively, at a price of HK\$0.565 per Subscription

Share. Upon signing of the Subscription Agreement, the Company and CMBCI will consider various arrangements to ensure that public float of the Company is being maintained at all times.

### **Possible Mandatory Offers**

Subject to the entering into of the Subscription Agreement to be negotiated between the Company and CMBCI and satisfaction (or waiver as applicable) of such conditions precedent specified therein, CMBCI will make a mandatory unconditional cash offer to the Shareholders to acquire all the issued Shares (other than those Shares to be held by it and parties acting in concert with it) and to make comparable offers for all outstanding share options and warrants of the Company.

The MOU envisages that, assuming completion of the Possible Subscription, the Offer Price will be set at HK\$1.38 per Share.

### **Conditions of the Possible Subscription**

Completion of the Possible Subscription will be subject to various conditions, including but not limited to, the approvals by (i) the Shareholders in relation to the Possible Subscription; (ii) the SFC in relation to the change of substantial shareholder; and (iii) the CBRC, if required.

### **Earnest Money**

Pursuant to the MOU, CMBCI will pay to the Company HK\$20 million in cash as Earnest Money within 5 business days of the date of the MOU. The Earnest Money may be refundable to CMBCI under certain circumstances as specified in the MOU.

### **Intentions of CMBCI**

Pursuant to the MOU, and subject to the completion of the Possible Subscription, it is the intention of CMBCI that the Shares will remain listed on the Stock Exchange immediately after the completion of the Possible Mandatory Offers. It is also the intention of CMBCI that Mr. Bernard Pouliot, Mr. Kenneth Lam Kin Hing and Mr. Richard David Winter shall remain as senior management and members of the executive committee of the Group. Mr. Kenneth Lam Kin Hing and Mr. Richard David Winter will continue to hold their current positions as chief executive officer of the Company and chief executive officer of Quam Capital Limited respectively. It is also the intention of CMBCI to continue with the employment of all current employees of the Company.

### **Exclusivity**

Pursuant to the MOU, CMBCI and their advisers have exclusivity to undertake a due diligence review in respect of the Group and CMBCI has exclusivity to enter into a definitive agreement in connection with the Possible Subscription up to 18 June 2015.

### **Binding force of the MOU**

The provisions under the MOU relating to exclusivity, Earnest Money, good faith, confidentiality, costs and expenses and governing law and dispute resolution, are legally binding. Save and except for these provisions, the other provisions of the MOU do not have legal binding effect on the parties thereto.

## FURTHER INFORMATION

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the aforesaid discussions will be made until an announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and the Takeovers Code (as the case may be).

**Shareholders and potential investors of the Company should be aware that the MOU is non-legally binding (other than those terms specified under the paragraph headed “Binding force of the MOU”) in respect of the terms and conditions of the Possible Subscription. There is no assurance that any transactions referred to in this announcement will materialise or eventually be consummated. Shareholders and potential investors of the Company should be aware that the completion of the Possible Subscription is subject to the entering into of the Subscription Agreement and the satisfaction (or waiver as applicable) of such conditions precedent as may be specified therein. The Possible Subscription and the Possible Mandatory Offers reflected in the MOU may or may not proceed, and the terms of the Possible Subscription are subject to negotiation between the Company and CMBCI. As such, the discussions may or may not lead to the Possible Subscription taking place and the making of the Possible Mandatory Offers. Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the securities of the Company.**

## DEALING DISCLOSURE

In compliance with Rule 3.8 of the Takeovers Code, as at the date of this announcement, the share capital of the Company comprises (i) 1,421,063,245 Shares; (ii) 17,244,162 outstanding share options with rights to subscribe for a total of 17,244,162 Shares; and (iii) 120,240,000 warrants with rights to convert into a total of 120,240,000 Shares. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code). As required under Rule 3.8 of the Takeovers Code, associates (including a person who owns or controls 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code)) of the Company and CMBCI are reminded to disclose their dealings in the securities of the Company pursuant to the requirements of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

## **TRADING HALT AND RESUMPTION OF TRADING OF SHARES**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 27 April 2015 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 29 April 2015.

## **DEFINITIONS**

In this announcement, the following terms and expressions (unless the context otherwise requires) shall have the following meanings:

“acting in concert”	has the same meaning as ascribed to it under the Takeovers Code
“associate”	has the same meaning as ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Company”	Quam Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“CBRC”	China Banking Regulatory Commission
“CMBCI”	CMBC International Holdings Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of China Minsheng Banking Corp., Ltd., a joint stock company incorporated in the People’s Republic of China, the shares of which are listed on the Shanghai Stock Exchange and the Stock Exchange
“Director(s)”	director(s) of the Company
“Earnest Money”	a deposit of HK\$20 million payable by CMBCI to the Company, details of which are set out in the paragraph headed “Earnest Money” in this announcement
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the memorandum of understanding entered into between the Company and CMBCI on 27 April 2015 in respect of the Possible Subscription and the Possible Mandatory Offers
“Offer Price”	the offer price of the possible mandatory offer for issued Shares which shall be HK\$1.38 per Share
“Possible Mandatory Offers”	the possible general offers by CMBCI (i) to acquire all the issued Shares (other than those shares to be held by it and parties acting in concert with it) at the Offer Price; and (ii) to make comparable offers for all outstanding share options and warrants of the Company, upon completion of the Possible Subscription pursuant to Rule 26 and Rule 13 of the Takeovers Code respectively
“Possible Subscription”	the possible subscription of the Subscription Shares by CMBCI subject to entering into the Subscription Agreement
“SFC”	the Securities and Futures Commission in Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of Hong Kong one third of one cent each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	a formal subscription agreement to be entered into between the Company and CMBCI in relation to the Possible Subscription
“Subscription Share(s)”	between 8.8 billion and 13.3 billion Shares at a price of HK\$0.565 per Subscription Share to be subscribed for by CMBCI subject to entering into of the Subscription Agreement
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC as amended from time to time
“%”	per cent.

By Order of the Board  
**Quam Limited**  
**Bernard Pouliot**  
*Chairman and Executive Director*

By Order of the board of directors of  
**CMBC International Holdings Limited**  
**Ko Po Ming**  
*Director*

Hong Kong, 28 April, 2015

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. Bernard POULIOT, Mr. Kenneth LAM Kin Hing and Mr. Richard David WINTER; and three independent non-executive directors, namely Mr. Kenneth YOUNG Chun Man, Mr. Robert CHAN Tze Leung and Mr. Robert Stephen TAIT.*

*The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than that relating to CMBCI) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by CMBCI) 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 statement in this announcement misleading.*

*As at the date of this announcement, the directors of CMBCI are HONG Qi, WANG Hang, LIN Zhihong, KO Po Ming and WONG Stacey Martin.*

*The directors of CMBCI jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than that relating to the Group and the Directors) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than that relating to the Group and the Directors) 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 statement in this announcement misleading.*

*\* For identification purpose only*