
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or otherwise transferred all your shares in **China Oceanwide International Financial Limited**, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



中國泛海國際金融有限公司

CHINA OCEANWIDE INTERNATIONAL FINANCIAL LIMITED

(Formerly known as Quam Limited)

(Incorporated in Bermuda with limited liability)

(Stock Code: 952)

**MAJOR TRANSACTION
PROVISION OF FINANCIAL ASSISTANCE**

Financial Adviser to China Oceanwide International Financial Limited



**中國泛海企業融資
OCEANWIDE CAPITAL**

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	5
Appendix I — Financial information of the Group	14
Appendix II — General information	16

DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions shall have the following meanings:

“Agent”	BOCI Leveraged & Structured Finance Limited, a company incorporated in Hong Kong with limited liability and the agent of the Lenders
“Board”	the board of Directors
“Borrower(s)”	HGH and Huge Auto (each a “Borrower” and collectively, the “Borrowers”)
“CGA”	China Grand Automotive Group Limited, an exempted company incorporated under the laws of the Cayman Islands
“CGA Mauritius”	China Grand Automotive (Mauritius) Limited, a private company limited by shares incorporated under the laws of Mauritius
“CMBC”	CMBC Capital Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Stock Exchange (stock code: 1141)
“Commitment”	the commitment of Oceanwide Securities of HK\$500,000,000 under the Facility
“Company”	China Oceanwide International Financial Limited (formerly known as Quam Limited), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock code: 952)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Facility”	a loan facility in an aggregate amount of HK\$5,810,000,000
“Facility Agreement”	the facility agreement dated 28 August 2017 entered into among the Lenders, the Borrowers, the Guarantors and the Agent in relation to the provision of the Facility
“Group”	the Company and its subsidiaries

DEFINITIONS

“Guarantor(s)”	Mr. Huang and National Holdings (each a “Guarantor” and collectively, the “Guarantors”)
“Haitong International”	Haitong International Holdings Limited, a company incorporated under the laws of Hong Kong
“Haitong International New Energy”	Haitong International New Energy II Limited, a company incorporated under the laws of the British Virgin Islands
“HGH”	Huge Group Holdings Limited, a company incorporated under the laws of Hong Kong
“Huge Auto”	Huge Auto Investment Holdings Limited, a company incorporated under the laws of the British Virgin Islands
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) who/which is/are not connected with (within the meaning of the Listing Rules) and is/are independent of the directors, chief executives and substantial shareholders of the Company and its subsidiaries or any of their respective associates
“Latest Practicable Date”	16 October 2017, being the latest practicable date prior to the despatch of this circular for ascertaining certain information contained herein
“Lenders”	the lenders under the Facility
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minsheng Bank”	China Minsheng Banking Corp., Ltd., a joint stock limited company incorporated in the PRC whose shares are listed on the main board of the Stock Exchange (stock code: 1988) and the Shanghai Stock Exchange
“Mr. Huang”	Mr. Huang Chusheng (黃楚生)
“Mr. Lu”	Mr. Lu Zhiqiang (盧志強), the ultimate controlling Shareholder

DEFINITIONS

“National Holdings”	National Holdings Group Company Limited, a company incorporated under the laws of the British Virgin Islands
“Obligors”	the Borrowers, the Guarantors, CGA, CGA Mauritius and any of their respective subsidiaries from time to time and “Obligor” means each one of them
“Oceanwide Holdings IF”	Oceanwide Holdings International Financial Development Co., Ltd. (泛海控股國際金融發展有限公司), a company incorporated in the British Virgin Islands with its registered office at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, the British Virgin Islands
“PRC”	the People’s Republic of China
“PRC Listco”	China Grand Automotive Services Co., Ltd (廣滙汽車服務股份有限公司), a company incorporated in the PRC and the shares of which are listed on the Shanghai Stock Exchange (stock code: 600297)
“Oceanwide Securities”	Oceanwide Securities Company Limited (formerly known as Quam Securities Company Limited), an indirect wholly-owned subsidiary of the Company and a corporation licensed to carry out type 1 regulated activity (dealing in securities), type 2 regulated activity (dealing in futures contract), 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
“SFO”	the Securities and Future Ordinance (Chapter 571 of 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 the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Utilisation Date”	the date of utilisation of the Facility, being the date on which the Facility is to be made by the Lenders
“HK\$”	Hong Kong Dollar(s), the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE BOARD



中國泛海國際金融有限公司

CHINA OCEANWIDE INTERNATIONAL FINANCIAL LIMITED

(Formerly known as Quam Limited)

(Incorporated in Bermuda with limited liability)

(Stock Code: 952)

Executive Directors:

Mr. HAN Xiaosheng (*Chairman*)
Mr. ZHANG Bo (*Deputy Chairman*)
Mr. ZHANG Xifang
Mr. LIU Hongwei
Mr. Kenneth LAM Kin Hing

Non-executive Directors:

Mr. Bernard POULIOT
Mr. LIU Bing
Mr. FENG Henian
Mr. ZHAO Xiaoxia

Independent Non-executive Directors:

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

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head Office and Principal Place of
Business in Hong Kong:*

18th and 19th Floors
China Building
29 Queen's Road Central
Hong Kong

20 October 2017

To the Shareholders,

Dear Sir or Madam,

MAJOR TRANSACTION PROVISION OF FINANCIAL ASSISTANCE

INTRODUCTION

Reference is made to the Company's announcement dated 28 August 2017. On 28 August 2017, Oceanwide Securities (as one of the Lenders), other Lenders, the Agent, the Borrowers and the

LETTER FROM THE BOARD

Guarantors entered into the Facility Agreement, pursuant to which the Lenders have agreed to make available to the Borrowers the Facility in an aggregate amount of HK\$5,810,000,000. The commitment of Oceanwide Securities under the Facility is HK\$500,000,000.

The purpose of this circular is to provide you with, among other things, details of the Facility and the financial information of the Group.

THE FACILITY AGREEMENT

The principal terms of the Facility Agreement are set out below:

Date	:	28 August 2017
Parties	:	(i) Oceanwide Securities, as lender; (ii) other Lenders; (iii) HGH and Huge Auto, as borrowers; (iv) National Holdings and Mr. Huang, as guarantors of the Borrowers; and (v) BOCI Leveraged & Structured Finance Limited, as agent.
The Facility	:	Provision of a loan facility in an aggregate amount of HK\$5,810,000,000 to the Borrowers. The commitment of Oceanwide Securities under the Facility is HK\$500,000,000.
Purpose of the Facility	:	The Borrowers will apply all amounts borrowed by them under the Facility to finance or refinance the payment of the amounts owing by the Obligors related to Haitong International (and its holding companies and subsidiaries) and the other amounts provided for in the Facility Agreement.
Availability period	:	A period of 30 days from and including the date of the Facility Agreement.
Maturity date	:	The date falling 24 months from the Utilisation Date.

LETTER FROM THE BOARD

- Repayment : The Borrowers shall repay the outstanding loan on the maturity date. All Lenders may by notice to the Borrowers extend a date falling 12 months after the maturity date. During the extended period, the Borrowers shall pay interest on the outstanding loan at 18% p.a..
- Interest rate : 5% p.a., payable on the Utilisation Date the total amount of interest that would accrue on the Commitment to the Maturity Date. The interest payments to the Lenders are non-refundable.
- Voluntary prepayment : The Borrowers may by not less than five business days' (or such shorter period as the Lenders whose commitments aggregate more than 60% of the total commitment under the Facility agree) prior notice prepay the whole or any part (in whole multiple of HK\$100,000,000) of the outstanding loan under the Facility. Any prepayment will be applied rateably among the participations of all Lenders.
- Number of loans : The Borrowers can only borrow one loan.
- Conditions precedent of utilisation : The Facility will be made available to the Borrowers on the Utilisation Date upon satisfaction, among others, of the following conditions precedent:
- (i) the Agent having received all documents in the form and substance satisfactory to all Lenders;
 - (ii) no event of default is continuing or would result from the proposed loan under the Facility; and
 - (iii) the representations deemed to be made by each Obligor in the Facility Agreement are true in all material respects.
- Securities :
 - (i) share mortgage over all issued shares in CGA by Huge Auto;
 - (ii) share mortgage over all issued shares in Huge Auto by HGH;
 - (iii) share mortgage over all issued shares in HGH by National Holdings;

LETTER FROM THE BOARD

- (iv) share mortgage over all issued shares in National Holdings by Mr. Huang;
- (v) share mortgage over all issued shares in CGA Mauritius by CGA;
- (vi) charge over a Hong Kong bank account of CGA Mauritius;
- (vii) cash pledge and charge over a PRC bank account of CGA Mauritius; and
- (viii) share pledge over 1,963,967,413 shares in the PRC Listco held by CGA Mauritius (the “PRC Listco Share Pledge”).

Guarantee : The Guarantors jointly and severally guarantee the performance by the Borrowers of their obligations under the Facility Agreement and related finance documents.

Event of default : There shall be an event of default if, among others, any of the following events shall have occurred or is continuing:

- (i) the Obligors do not pay on the due date any amount payable pursuant to the terms of the Facility Agreement;
- (ii) the Obligors do not comply with any provision of the Facility Agreement;
- (iii) any representation or statement made or deemed to be made by the Obligors in the Facility Agreement or any other document delivered by or on behalf of the Obligors under or in connection with the Facility Agreement and relevant documents are or prove to have been incorrect or misleading in any material respect when made or deemed to be made;

LETTER FROM THE BOARD

- (iv) (a) the Obligors or the PRC Listco is or is presumed or deemed to be unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness; (b) the value of the assets of the Obligors or the PRC Listco is less than its liabilities (taking into account contingent and prospective liabilities); (c) a moratorium is declared in respect of any indebtedness of the Obligors or the PRC Listco;
- (v) any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, bankruptcy, administration, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Obligors or the PRC Listco;
 - (b) a composition or arrangement with any creditor of the Obligors or the PRC Listco, or an assignment for the benefit of creditors generally of the Obligors or the PRC Listco or a class of such creditors;
 - (c) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager, provisional supervisor, manager of the estate or business, nominee in relation to any voluntary arrangement or other similar officer in respect of the Obligors or the PRC Listco or any of their respective assets; or
 - (d) enforcement of any security over any assets of the Obligors or the PRC Listco, or any analogous procedure or step is taken in any jurisdiction;

LETTER FROM THE BOARD

- (vi) (a) it is or becomes unlawful for the Obligors to perform any of its obligations under the Facility Agreement; (b) any obligation or obligations of the Obligors under the Facility Agreement are not or cease to be legal, valid, binding or enforceable; (c) the Facility Agreement or any guarantee or indemnity in or any subordination under the Facility Agreement is not or ceases to be in full force and effect or is alleged by a party to it (other than the Agent and the Lenders) to be ineffective;
- (vii) the authority or ability of any corporate Obligors to conduct its business is wholly or substantially limited or curtailed by any seizure, expropriation, nationalisation, intervention, restriction or other action by or on behalf of any governmental, regulatory or other authority or other person;
- (viii) any corporate Obligors suspends or ceases to carry on all or a material part of its business;
- (ix) Mr. Huang dies or is or becomes of unsound mind;
- (x) trading of the shares of the PRC Listco on the Shanghai Stock Exchange is suspended as a result for any reason including without limitation, material adverse market disclosure by the PRC Listco or any disciplinary actions taken by a regulatory body against the PRC Listco but excluding the entering by the PRC Listco of any acquisition, merger, disposal or placement approved by all Lenders and such suspension continues for five consecutive trading days on the Shanghai Stock Exchange unless approved by all Lenders; and
- (xi) there occurs, in the opinion of the majority Lenders, any event or circumstances which might have a material adverse effect.

The Commitment was determined by the Company based on the financial resources available to the Group.

In addition to the interest payment, the Borrowers shall pay Oceanwide Securities a facility fee of HK\$30,000,000, provided that Oceanwide Securities has fully advanced the Commitment to the Agent.

LETTER FROM THE BOARD

The interest rate and the facility fee were determined after arm's length negotiations between the Lenders (through the Agent) and the Borrower. Having considered (i) the aggregate amount of the interest payment and the facility fee; and (ii) the prevailing market interest rates with reference to the prevailing margin financing rates to other clients of the Group who are Independent Third Parties, the Group considers the return as a whole is acceptable.

As at the Latest Practicable Date, all the conditions precedent of utilisation had been fulfilled and the Commitment had been fully advanced to the Agent.

The Group has financed the Commitment by its internal resources.

Based on the market value of the PRC Listco Share Pledge of approximately HK\$17.7 billion as at 28 August 2017, being the date of the Facility Agreement, the amount of the Facility to the market value of the PRC Listco Share Pledge was approximately 32.7%. As at the Latest Practicable Date, the market value of the PRC Listco Share Pledge was approximately HK\$18.7 billion, the amount of the Facility to the market value of the PRC Listco Share Pledge was approximately 31.0%. Therefore, the Directors are of the view that the securities, in particular, the PRC Listco Share Pledge are providing sufficient buffer to cover the amount of the Facility in the event of default.

REASONS FOR AND BENEFITS OF THE COMMITMENT

Taking into consideration of, among other things, (i) income to be received by the Group; (ii) the value of the pledged shares; and (iii) the business and financial information of the PRC Listco, the Directors consider the terms of the Facility Agreement are fair and reasonable and the Commitment is in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE GROUP

The Group is principally engaged in (i) discretionary and non-discretionary dealing services for securities, futures and options, securities placing and underwriting services, margin financing and money lending services, insurance broking and wealth management services; (ii) corporate finance advisory and general advisory services; (iii) fund management, discretionary portfolio management and portfolio management advisory services; (iv) investor relation, online advertising and financial information services; and (v) investment holding and securities trading.

INFORMATION ON THE AGENT, THE OBLIGORS AND OTHER LENDERS

The Agent is a company incorporated in Hong Kong with limited liability whose principal business is the provision of structured financing and financial advisory services.

LETTER FROM THE BOARD

HGH is a company incorporated in Hong Kong with limited liability whose principal business is investment holding, the shares of which are wholly-owned by National Holdings.

Huge Auto is a company incorporated under the laws of the British Virgin Islands whose principal business is investment holding, the shares of which are 72.68% owned by HGH and 27.32% owned by Haitong International.

National Holdings is a company incorporated under the laws of the British Virgin Islands whose principal business is investment holding, the shares of which are wholly-owned by Mr. Huang, a PRC resident.

CGA is an exempted company incorporated under the laws of the Cayman Islands whose principal business is investment holding, the shares of which are 65.39% owned by Huge Auto and 34.61% owned by Haitong International New Energy.

CGA Mauritius is a private company limited by shares incorporated under the laws of Mauritius whose principal business is investment holding, the shares of which are wholly-owned by CGA.

Other Lenders (excluding Oceanwide Securities) comprise of nine financial institutions and entities incorporated in the PRC, Hong Kong or British Virgin Islands. Two intermediate holding companies of the Company collectively holds approximately 6.01% interest in Minsheng Bank, which in turn owns approximately 60.22% interest in CMBC, one of the Lenders. Mr. Lu is a non-executive director and the Vice-Chairman of Minsheng Bank.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, save as disclosed above, each of the Agent, the Obligors, other Lenders and their respective ultimate beneficial owners are Independent Third Parties.

FINANCIAL EFFECTS OF THE PROVISION OF FINANCIAL ASSISTANCE

As a result of the advance of the Commitment, there is no impact to the total assets, total liabilities and the net asset value of the Group. The facility fee and interest income derived from the Commitment will be recorded as income of the Group.

LISTING RULES IMPLICATIONS

The Commitment constitutes provision of financial assistance under the Listing Rules. As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Commitment exceeds 25%, the Commitment constitutes a major transaction for the Company and is therefore subject to reporting, announcement and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has any material interest in the Facility Agreement and therefore no Shareholder is required to abstain from voting if the Company was to convene a general meeting for the approval of the Facility Agreement.

Oceanwide Holdings IF, which was interested in 4,495,254,732 shares, representing approximately 72.24% of the issued share capital of the Company as at 28 August 2017 and the Latest Practicable Date, has given the written approval of the Facility Agreement and such written approval has been accepted in lieu of holding a general meeting for the approval of the Facility Agreement pursuant to Rule 14.44 of the Listing Rules. Therefore, no general meeting of the Company for the approval of the Facility Agreement and the transactions contemplated thereunder will be convened and held.

The Directors consider that the terms of the Facility Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors would recommend to vote in favour of the resolution if the Company was to convene a general meeting for the approval of the Facility Agreement.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

On behalf of the Board
China Oceanwide International Financial Limited
HAN Xiaosheng
Chairman

1. FINANCIAL INFORMATION

The financial information of the Group for each of the three financial years ended 31 March 2015, 2016 and 2017 were disclosed in the annual reports of the Company for the years ended 31 March 2015 (pages 57 to 143), 2016 (pages 57 to 143) and 2017 (pages 65 to 155). The aforementioned financial information of the Group has been published on both the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.oceanwidefinancial.com). Please refer to the hyperlinks as stated below:

2015 annual report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0706/LTN201507061231.pdf>

2016 annual report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0719/LTN20160719350.pdf>

2017 annual report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0720/LTN20170720602.pdf>

2. INDEBTEDNESS

At the close of business on 31 August 2017, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this circular, the indebtedness of the Group was as follows:

Bank and other loans totalling approximately HK\$358,483,000, comprising:

- (a) bank loans of approximately HK\$185,483,000, which were secured by marketable securities as at 31 August 2017 and the Company's guarantee. The marketable securities include securities collaterals provided by the margin clients to the Group; and
- (b) other unsecured and unguaranteed loans of approximately HK\$173,000,000.

Save as aforesaid, and apart from intra-group liabilities and normal trade payables, the Group did not have any outstanding bank overdrafts, loans, debt securities, borrowings or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, finance leases, hire purchases commitments (whether guaranteed, unguaranteed, secured or unsecured) guarantees or other material contingent liabilities at the close of business on 31 August 2017.

To the best knowledge of the Directors, having made all reasonable enquiries, there had been no material change in indebtedness or contingent liabilities of the Group since 31 August 2017 and up to Latest Practicable Date.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the present financial resources and the borrowings, in the absence of unforeseen circumstances, the Group has sufficient working capital for at least twelve months from the date of this circular.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Company has redeemed in full its non-listed notes due 2017 for an aggregate principal amount of HK\$100,229,000. Furthermore, the new Board resolved to increase the capital base by way of a rights issue, which was completed and raised a gross proceed of approximately HK\$5,133,191,000. The proceed from the rights issue has enabled a paradigm shift in terms of capacity and capabilities for underwriting and starting new businesses such as structured finance and debt capital markets.

In addition, as a result of the presence of the new controlling Shareholder, the Group has started bilateral business development meetings with the respective business units of the controlling Shareholder in the PRC with a view to learning from one another and increasing cross selling in the fields of securities and futures trading, asset management and corporate finance.

5. MATERIAL ADVERSE CHANGE

The Directors confirm that there has been no material adverse changes in the financial or trading position or outlook of the Group since 31 March 2017, the date to which the latest audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS**Interests of the Directors**

As at the Latest Practicable Date, interests of the Directors and the chief executive of the Company and their respective associates in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are deemed or taken to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules (the “**Model Code**”) to be notified to the Company and the Stock Exchange were as follows:

Long position in the Shares and the underlying Shares

Name of Directors	Capacity	Number of Shares held	Approximate % of total interests in the Shares
			in issue (Note)
Mr. Bernard POULIOT	Beneficial Owner	40,122,666	0.64%
Mr. Kenneth LAM Kin Hing	Beneficial Owner	113,022,833	1.81%

Note: The approximate percentage shown was the number of securities the relevant Director was interested expressed as a percentage of the number of issued Shares as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of

the SFO) which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they would be taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

As at the Latest Practicable Date, none of the Directors was a director or employee of a company which had or was deemed to have an interest or short position in the Shares or underlying shares in respect of equity derivatives of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Interest of the substantial Shareholders

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the issued voting shares capital of any other member of the Group:

Long positions in shares and underlying shares of the Company

Name of holder of Shares/ underlying Shares	Capacity	Number of Shares and underlying Shares held	Approximate% of the total issued share capital of the Company
LU Zhiqiang	Interest of controlled corporations	4,495,254,732 (Note 1)	72.24%
HUANG Qiongzi	Interest of controlled corporations	4,495,254,732 (Note 1)	72.24%
Tohigh Holdings Co., Ltd.* (通海控股有限公司)	Interest of controlled corporations	4,495,254,732 (Note 2)	72.24%
Oceanwide Group Co., Ltd.* (泛海集團有限公司)	Interest of controlled corporations	4,495,254,732 (Note 3)	72.24%

* For identification purpose only

APPENDIX II

GENERAL INFORMATION

Name of holder of Shares/ underlying Shares	Capacity	Number of Shares and underlying Shares held	Approximate % of the total issued share capital of the Company
China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團 有限公司)	Interest of controlled corporations	4,495,254,732 (Note 4)	72.24%
Oceanwide Holdings Co., Ltd.* (泛海控股股份有限公司)	Interest of controlled corporations	4,495,254,732 (Note 5)	72.24%
China Oceanwide Group Limited	Interest of controlled corporations	4,495,254,732 (Note 5)	72.24%
Oceanwide Holdings IF	Beneficial owner	4,495,254,732 (Note 5)	72.24%

Notes:

1. Mr. LU Zhiqiang (盧志強) and Ms. HUANG Qiongzi (黃瓊姿) (the spouse of Mr. LU Zhiqiang (盧志強)) together holds more than one-third of the voting power at general meetings of Tohigh Holdings Co., Ltd.* (通海控股有限公司). By virtue of the SFO, Mr. LU Zhiqiang (盧志強) and Ms. HUANG Qiongzi (黃瓊姿) are deemed to be interested in all the Shares in which Tohigh Holdings Co., Ltd.* (通海控股有限公司) is interested.
2. Tohigh Holdings Co., Ltd.* (通海控股有限公司) holds the entire issued share capital of Oceanwide Group Co., Ltd.* (泛海集團有限公司). By virtue of the SFO, Tohigh Holdings Co., Ltd.* (通海控股有限公司) is deemed to be interested in all the Shares held by Oceanwide Group Co., Ltd.* (泛海集團有限公司).
3. Oceanwide Group Co., Ltd.* (泛海集團有限公司) holds 98% interest in the issued share capital of China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司). By virtue of the SFO, Oceanwide Group Co., Ltd.* (泛海集團有限公司) is deemed to be interested in all the Shares held by China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司).
4. China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司) directly and indirectly holds 69.24% interest in the issued share capital of Oceanwide Holdings Co., Ltd.* (泛海控股股份有限公司). By virtue of the SFO, China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司) is deemed to be interested in all the Shares held by Oceanwide Holdings Co., Ltd.* (泛海控股股份有限公司).
5. Oceanwide Holdings IF is a wholly-owned subsidiary of China Oceanwide Group Limited, which in turn is a wholly-owned subsidiary of Oceanwide Holdings Co., Ltd.* (泛海控股股份有限公司). By virtue of the SFO, China Oceanwide Group Limited and Oceanwide Holdings Co., Ltd.* (泛海控股股份有限公司) are deemed to be interested in 4,495,254,732 Shares.

* For identification purpose only

6. The following entities, namely Tisé Media Fund LP and China Alliance Properties Limited (and its associates), disclosed to the Company that they were, directly or indirectly interested or deemed to be interested in 5% or more of the Shares on 28 August 2015 pursuant to the subscription agreement entered among the Company, CMBC International Holdings Limited (“CMBCI”), and the co-investors, namely New Hope Global Holding Co., Limited, United Energy International Trading Limited, Mind Power Investments Limited, China P&I Services (Hong Kong) Limited, China Alliance Properties Limited, Good First International Holding Limited, Divine Unity Limited, Tisé Media Fund LP, Novel Well Limited, Ristora Investments Limited and Insight Multi-Strategy Funds SPC for the account of Insight Phoenix Fund III SP (together “Co-Investors”) on 28 August 2015 which CMBCI and the Co-Investors had conditionally agreed to subscribe for an aggregate of 23,054,875,391 shares of the Company at the subscription price of HK\$0.565 per Subscription Share (the “First Subscription Agreement”).

As disclosed in the announcement of the Company dated 1 March 2016, the First Subscription Agreement ceased to be effective as of 28 February 2016 as certain conditions precedent under the First Subscription Agreement remained outstanding as at the long stop date. Accordingly, as at the Latest Practicable Date, as far as the Directors were aware, CMBCI and the Co-Investors had ceased to have any interests in the Shares.

Save as disclosed above, so far as is known to the Directors, as at the Latest Practicable Date, no person (other than a Director and chief executive of the Company) had or was deemed or taken to have an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or any other member of the Group.

3. COMPETING INTERESTS

As at the Latest Practicable Date, the following Directors had interests in the following businesses (apart from the businesses of the Company or its subsidiaries) conducted through the companies named below, their subsidiaries, associated companies or other investment forms which are considered to compete or be likely to compete, either directly or indirectly, with the principal businesses of the Group conducted during the year and are required to be disclosed pursuant to Rule 8.10(2) of the Listing Rules:

Name	Investing entity	Nature of interest	Nature of business considered to compete or likely to compete with the business of the Group
ZHANG Bo	Minsheng Securities Co., Ltd* (民生證券股份有限公司)	director	Securities business
LIU Bing	Minsheng Securities Co., Ltd* (民生證券股份有限公司)	director	Securities business
FENG Henian	Minsheng Securities Co., Ltd.* (民生證券股份有限公司)	director	Securities business

* For identification purpose only

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or their respective associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

The Directors are aware of their fiduciary duties and will act honestly and in good faith in the interests of the Company and will avoid any potential conflict of interests and duties.

4. INTERESTS IN CONTRACT OR ARRANGEMENT

As at the Latest Practicable Date, none of the Directors had any interests in contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group taken as a whole.

5. INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets acquired by or disposed of or leased to any member of the Group, or is proposed to be acquired by or disposed of or leased to any member of the Group since 31 March 2017, being the date to which the latest published audited consolidated financial statements of the Company were made up.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group which were not expiring and determinable by the Group within one year without payment of compensation (other than statutory compensation).

7. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration of material importance and there was no litigation or arbitration of material importance known to the Directors to be pending or threatened by or against any members of the Group.

8. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries) had been entered into by the Company or any of its subsidiaries within two years preceding the issue of this circular and ending on the Latest Practicable Date, which are or may be material in relation to the business of the Company as a whole:

- (i) the underwriting agreement entered into among the Company, Oceanwide Holdings IF and Guotai Junan Securities (Hong Kong) Limited dated 28 April 2017 in relation to the issue of 4,666,536,915 rights Shares at HK\$1.10 per Share;
- (ii) the Facility Agreement;
- (iii) the agreement dated 20 September 2017 entered into between Oceanwide Asset Management Limited (the “Management Company”) and Oceanwide Equity Investment Management Co., Ltd (泛海股權投資管理有限公司) (the “Advisor”) in relation to appointment of the Advisor to act as the investment advisor of the Management Company;
- (iv) the agreement dated 20 September 2017 entered into between the Management Company and Oceanwide Millenium Limited, being the general partner, in relation to appointment of the Management Company to act as the manager of Oceanwide Pioneer Limited Partnership (the “Fund”);
- (v) the agreement dated 20 September 2017 executed by Oceanwide Ventures (BVI) Limited in relation to the subscription of interest in the Fund;
- (vi) the framework services agreement entered into between the Company and China Oceanwide Holdings Limited on 21 September 2017 in relation to the provision and receipt of various services, and conducting of investment and lending transactions between the parties;
- (vii) the framework services agreement entered into between the Company and Oceanwide Holdings Co., Ltd.* (泛海控股股份有限公司) on 21 September 2017 in relation to the provision and receipt of various services, and conducting of investment and lending transactions between the parties; and
- (viii) the framework services agreement entered into between the Company and Tohigh Holdings Co., Ltd.* (通海控股有限公司) on 21 September 2017 in relation to provision and receipt of various services, and conducting of investment and lending transactions between the parties.

* For identification purpose only

Save as disclosed above, as at the Latest Practicable Date, no contract (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) had been entered into by any members of the Group within two years preceding the issue of this circular and ending on the Latest Practicable Date and are or may be material.

9. GENERAL

- (i) The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (ii) The head office and principal place of business in Hong Kong of the Company is located on 18th and 19th Floors, China Building, 29 Queen's Road Central, Hong Kong.
- (iii) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited on Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (iv) The company secretary of the Company is Ms. Hortense CHEUNG Ho Sze who is an associate member of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators in United Kingdom.
- (v) This circular has been prepared in both English and Chinese. In the event of any discrepancy, the English text shall prevail over the Chinese text.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection on 18th Floor, China Building, 29 Queen's Road Central, Hong Kong during normal business hours on business days from the date of this circular up to and including 3 November 2017:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company for the three years ended 31 March 2015, 2016 and 2017; and
- (c) the material contracts referred to in the paragraph headed "Material contracts" in this appendix.