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**同方康泰產業集團有限公司**  
**Tongfang Kontafarma Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1312)**

**ANNOUNCEMENT PURSUANT TO  
RULE 3.7 OF THE TAKEOVERS CODE,  
RULE 13.09 OF THE LISTING RULES AND  
INSIDE INFORMATION PROVISIONS UNDER  
PART XIVA OF THE SFO  
AND  
RESUMPTION OF TRADING**

**INTRODUCTION**

Reference is made to the announcement of Tongfang Kontafarma Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 8 May 2019 in respect of the trading halt in the shares of the Company (the “**Shares**”) pending the release by the Company of an announcement relating to inside information of the Company.

This announcement is made by the Company pursuant to Rule 3.7 of The Code on Takeovers and Mergers of Hong Kong (the “**Takeovers Code**”) and Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”).

**PRINCIPAL TERMS OF THE MOU IN RESPECT OF THE POSSIBLE TRANSACTION**

After trading hours on 7 May 2019, the Company was informed by Mr. Huang Yu (“**Mr. Huang**”), the ultimate controlling shareholder, Chairman and a director of the Company, that 深圳市奧融信投資發展有限公司 (Shenzhen Aorongxin Investment Development Co. Ltd.\*) (“**Shenzhen Aorongxin**”), a company beneficially and directly owned as to 99% equity interest by Mr. Huang, that Shenzhen Aorongxin had after trading hours on 7 May 2019, entered into a memorandum of understanding (the “**MOU**”) with 寧波保稅區三晉國投股權投資基金合夥企業(有限合夥)(the “**Potential Purchaser**”) regarding the possible sale by Shenzhen Aorongxin of 51% equity interest in 深圳市華融泰資產管理有限公司 (Shenzhen Warranty Asset Management Co., Ltd.\*)

(“**Shenzhen Waranty**”), a company incorporated in the People’s Republic of China (the “**PRC**”)(the “**Possible Transaction**”). As at the date of this announcement, Shenzhen Aorongxin held 52% equity interest in Shenzhen Waranty with the remaining 48% equity interest owned by 同方金融控股(深圳)有限公司 (Tongfang Financial Holdings Co., Ltd.), which is in turn directly and wholly owned by 同方股份有限公司 (Tsinghua Tongfang Co., Ltd.\*), a company established under the laws of the PRC, whose shares are listed on the Shanghai Stock Exchange (Stock Code: 600100). Shenzhen Waranty in turn (through its wholly-owned subsidiaries) indirectly and beneficially held 3,172,778,000 Shares, representing approximately 56.77% of the entire issued share capital of the Company. To the best knowledge of the directors of the Company (the “**Directors**”) based on the available information after making reasonable enquiry, the Potential Purchaser is ultimately controlled and owned by 山西省國有資本投資運營有限公司 (Shanxi State Capital Investment and Operation Co., Ltd.\*) (“**Shanxi State Capital**”) as to approximately 92.98%, and none of the Potential Purchaser, Shanxi State Capital, nor any other intermediate companies holding interest in the Potential Purchaser and wholly owned by Shanxi State Capital are connected to the Company or any of its connected person (as defined in the Listing Rules).

### **The MOU**

The Possible Transaction is subject to further negotiation and execution of a legally binding agreement (the “**Definitive Agreement**”) between the parties. Under the MOU, the Potential Purchaser intends to acquire a 51% equity interest in Shenzhen Waranty held by Shenzhen Aorongxin. The consideration for the Possible Transaction shall be determined with reference to valuation by a valuer to be engaged by the Potential Purchaser which will appraise the value of Shenzhen Waranty. To the best knowledge of the Directors based on the available information after making reasonable enquiry, the major assets of Shenzhen Waranty include the controlling stake in 深圳華控賽格股份有限公司 (Shenzhen Huakong Seg Co., Ltd.\*), being a company established under the laws of the PRC, whose shares are listed on the Shenzhen Stock Exchange (Stock Code: 000068) and the aforesaid indirect equity stake in the Company, and other assets of Shenzhen Waranty include certain investment assets and land use rights of a land located in the PRC.

**The Possible Transaction, if materialized, will result in a change in control in Shenzhen Waranty, and indirectly a change in control of the Company and an obligation on the part of the Potential Purchaser and any parties acting in concert with it to make a mandatory unconditional general offer for all the Shares (other than those already owned or agreed to be acquired by them) under Rule 26.1 of the Takeovers Code. As at the date of this announcement, no Definitive Agreement has been entered into in respect of the Possible Transaction, and the discussion is still in progress and the Possible Transaction may or may not proceed.**

If materialized, following completion of the Possible Transaction, the Potential Purchaser will become a controlling shareholder of the Company.

## **SECURITIES OF THE COMPANY**

As at the date of this announcement, details of all classes of “relevant securities” (as defined in note 4 to Rule 22 of the Takeovers Code) issued by the Company and the numbers of such securities in issue are as follows:

- (a) a total of 5,588,571,777 Shares in issue of par value HK\$0.002 each in the share capital of the Company; and
- (b) a total of 104,200,000 outstanding share options granted under the share option scheme adopted by the Company on 28 April 2011 with rights to subscribe for a total of 104,200,000 Shares.

## **DEALING DISCLOSURE**

For the purposes of the Takeovers Code, the offer period commences on the date of this announcement, being 8 May 2019.

In accordance with Rule 3.8 of the Takeovers Code, respective associates of the Company (as defined in the Takeovers Code, including among others, shareholders of the Company having interests of 5% or more in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company) and of the Potential Purchaser are hereby reminded to disclose their dealings in the securities of the Company pursuant to the requirements of the Takeovers Code.

## **RESPONSIBILITIES OF STOCKBROKERS, BANKS AND OTHER INTERMEDIARIES**

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 of an offeror or the offeree company 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 \$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.”*

“Executive” referred to above has the meaning ascribed to it under the Takeovers Code.

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

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9 a.m. on 8 May 2019 pending the release of this announcement. An application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 9 May 2019.

## **MONTHLY UPDATE**

In compliance with Rule 3.7 of the Takeovers Code, monthly update announcement(s) will be made until the 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/or the Takeovers Code (as the case may be).

**WARNING: THERE IS NO ASSURANCE THAT THE POSSIBLE TRANSACTION WILL MATERIALISE OR EVENTUALLY BE CONSUMMATED AND THE RELEVANT DISCUSSIONS MAY OR MAY NOT LEAD TO A GENERAL OFFER UNDER RULE 26.1 OF TAKEOVERS CODE. SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY SHOULD 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 ADVISER(S).**

By order of the Board of  
**Tongfang Kontafarma Holdings Limited**  
**Huang Yu**  
*Chairman*

Hong Kong, 8 May 2019

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Huang Yu (Chairman) and Mr. Jiang Chaowen (Chief Executive Officer); and three independent non-executive Directors, namely Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack.*

*The directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement 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 purposes only*