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**中國工商銀行(亞洲)**

**ICBC (Asia)**

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED**

**中國工商銀行(亞洲)有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 349)**

**ANNOUNCEMENT IN RELATION TO  
CONTINUING CONNECTED TRANSACTIONS  
EXEMPT FROM INDEPENDENT SHAREHOLDERS' APPROVAL**

The Board announced that on 31 December 2008, the Company entered into the Tenancy Agreement with ICBC to renew the tenancy of the Premise for a term of three years commencing on 1 January 2009 and expiring on 31 December 2011 (both days inclusive).

As ICBC is the controlling shareholder of the Company and hence the entering into of the Tenancy Agreement constitutes continuing connected transactions of the Company under Listing Rule 14A.14 and will be subject to the reporting and announcement requirements under Listing Rule 14A.34.

As each of the applicable percentage ratios (other than the profits ratio) of the Company calculated in accordance with Listing Rule 14.07 in respect of the aggregated fees payable under the Tenancy Agreement is, on an annual basis, less than 2.5%, the entering into of the Tenancy Agreement is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules and the Company will comply with the reporting and announcement requirements as set out in Listing Rules 14A.45 to 14A.47.

## **TENANCY AGREEMENT**

On 31 December 2008, the Company, as tenant, and ICBC, as landlord, entered into the Tenancy Agreement to renew the tenancy of the Premise as the Company's branch commencing on 1 January 2009 and expiring on 31 December 2011 (both days inclusive) at a monthly rental of HK\$500,000 (excluding the charges payable on reimbursement basis).

## **REASONS FOR THE TRANSACTIONS**

The entering into of the Tenancy Agreement enables the Company to establish its strategic location for the operation of the Company's retail banking business.

The rental payable under the Tenancy Agreement and the terms and conditions of the Tenancy Agreement were arrived at after arm's length negotiations with reference to the valuations obtained by the Company from the independent professional valuers. In addition, the renewal of the existing tenancy of the Premise will save the Company from incurring additional costs on renovation or removal if other location is being selected as the Company's retail banking business.

The Directors (including the independent non-executive Directors) consider that the terms of the Tenancy Agreement are on normal commercial terms and are fair and reasonable (particularly based on the professional opinion of the independent professional valuers) and that the entering into of the Tenancy Agreement is in the interest of the Company and the Shareholders as a whole.

## **CONTINUING CONNECTED TRANSACTIONS**

As at the date of this announcement, ICBC held 925,903,979 Shares, representing approximately 72.04% of the issued share capital of the Company. Accordingly, ICBC is a controlling shareholder of the Company and a connected person of the Company for the purposes of the Listing Rules. As such, the entering into of the Tenancy Agreement constitutes continuing connected transactions of the Company under Listing Rule 14A.14. As each of the applicable percentage ratios (other than the profits ratio) of the Company calculated in accordance with Listing Rule 14.07 in respect of the aggregated fees payable under the Tenancy Agreement is, on an annual basis, less than 2.5%, the entering into of the Tenancy Agreement is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules and the Company will comply with the reporting and announcement requirements as set out in Listing Rules 14A.45 to 14A.47.

## **ANNUAL CAPS**

Based on the expected total value of the transactions between the Company and ICBC under the Tenancy Agreement (excluding the charges payable on reimbursement basis), the expected maximum annual value, also referred to as the “annual caps”, for the three years ending 31 December 2009, 31 December 2010 and 31 December 2011 will be HK\$6,000,000, HK\$6,000,000 and HK\$6,000,000 respectively. The value of the transactions will be settled in cash.

## **INFORMATION ON THE COMPANY AND ICBC**

The Company is a fully licensed bank incorporated in Hong Kong and whose Shares are listed on the Stock Exchange. The Company is principally engaged in banking, financial and other financial related services with a focus on retail banking, commercial banking as well as corporate banking business. As at the date of this announcement, the Company has 43 retail branches, 9 “Elite Club” Wealth Management Centres, 5 commercial business centres and one Investment Service Centre in Hong Kong, and an overseas branch established in the Cayman Islands. The Company is the flagship of Hong Kong banking business of ICBC.

ICBC is a banking institution established under the laws of the PRC, the shares of which are listed on the Stock Exchange and the Shanghai Stock Exchange.

## **DEFINITIONS**

In this announcement, the following capitalised terms shall have the following meanings:

“Board” or “Directors”	the board of directors of the Company;
“Company”	Industrial and Commercial Bank of China (Asia) Limited;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“ICBC”	Industrial and Commercial Bank of China Limited, a banking institution established under the laws of the PRC with its shares listed on the Stock Exchange and the Shanghai Stock Exchange;
“Listing Rule(s)”	the Rules Governing the Listing of Securities on the Stock Exchange presently in force as at the date hereof;
“PRC”	the People’s Republic of China;

“Premise”	portion of the first floor of No. 9 Queen’s Road Central, Hong Kong with a total gross floor area of approximately 16,086 square feet;
“Tenancy Agreement”	a tenancy agreement dated 31 December 2008 made between the Company and ICBC for the renewal of the tenancy of the Premise;
“Shares”	ordinary shares of par value of HK\$2.00 each in the capital of the Company;
“Shareholders”	holders of the Shares of the Company; and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

By Order of the Board  
**Tsang Mei Kuen**  
*Company Secretary*

31 December 2008

*As at the date of this announcement, the Board comprises Mr. Chen Aiping, Mr. Wong Yuen Fai and Mr. Zhang Yi as executive directors, Dr. Jiang Jianqing, Ms. Wang Lili and Mr. Hu Hao as non-executive directors and Professor Wong Yue Chim, Richard, S.B.S., J.P., Mr. Tsui Yiu Wa, Alec and Mr. Yuen Kam Ho, George as independent non-executive directors.*