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## **BOCOM INTERNATIONAL HOLDINGS COMPANY LIMITED**

**交銀國際控股有限公司**

*(incorporated in Hong Kong with limited liability)*

**(Stock Code: 3329)**

### **DISCLOSEABLE TRANSACTION PROVISION OF LOAN**

#### **PROVISION OF LOAN**

On 24 September 2019 (after trading hours), the Company entered into the Facility Agreement with the Borrower pursuant to which the Company agreed to provide the Loan in the principal amount of US\$90,000,000 (subject to a cap of the RMB Equivalent of RMB600,000,000) to the Borrower.

#### **LISTING RULES IMPLICATIONS**

The provision of the Loan pursuant to the Facility Agreement constitutes financial assistance provided by the Company under Rule 14.04(1)(e) of the Listing Rules. As the highest applicable percentage ratio in relation to the provision of the Loan is less than 25% but more than 5%, the Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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## **FACILITY AGREEMENT**

The principal terms of the Facility Agreement are set out as follows:

Date	:	24 September 2019
Parties	:	1. The Company; and 2. The Borrower
Maximum principal amount	:	US\$90,000,000 (subject to a cap of the RMB Equivalent of RMB600,000,000)
Interest rate	:	7.16% per annum, payable every three months (or such other period as agreed between the Company and the Borrower) since the Utilisation Date
Upfront fee	:	1.5% of the maximum principal amount of the Loan
Repayment date	:	The date falling 36 months after the Utilisation Date
Drawdown	:	One-off drawdown of the principal amount of the Loan according to the requirements of the Facility Agreement
Purpose	:	The Loan may only be applied by the Borrower for payment of certain existing liabilities; repayment of any outstanding amount under existing shareholder loans owed by the Borrower; and funding of the interest service reserve account as specified under the Facility Agreement
Voluntary prepayment	:	Prepayment of the whole or part of the outstanding Loan by the Borrower can be made at any time prior to the repayment date provided that a written notice as specified in the Facility Agreement is given to the Company. If voluntary prepayment occurs between the Utilisation Date and the first anniversary thereof, the Borrower shall pay the Company a make whole premium computed in accordance with the Facility Agreement. The Borrower is also required to pay the Company break costs computed in accordance with the Facility Agreement (if prepayment is not made on the last day of any interest period)

Mandatory prepayment: : The Borrower is required to prepay the outstanding Loan (in whole or in part, as the case may be) if any of the mandatory prepayment events as specified in the Facility Agreement takes place. If mandatory prepayment occurs between the Utilisation Date and the first anniversary thereof, the Borrower shall pay the Company a make whole premium computed in accordance with the Facility Agreement. The Borrower is also required to pay the Company (i) a loan acceleration fee (if the Borrower fails to repay on the applicable prepayment date and an event of default occurs as a result) and (ii) break costs (if prepayment is not made on the last day of any applicable interest period), both of which shall be computed in accordance with the Facility Agreement.

Security and guarantee for the : (1) Property Mortgage;  
Loan: (2) Pledge of Receivables;  
(3) Assignment Agreement;  
(4) Company Security Agreement;  
(5) Company Share Mortgage;  
(6) Subordination Deed;  
(7) Ultimate HoldCo Security Perfection Guarantee; and  
(8) Ultimate HoldCo Liquidity Support Undertaking

Internal resources of the Group will be used to fund the Loan.

## **INFORMATION OF THE GROUP**

The Group is engaged in securities brokerage and margin financing, corporate finance and underwriting, investment and loans, asset management and advisory business. The principal activities of the Group are to carry out regulated activities under the SFO through its licensed subsidiaries. The regulated activities carried out by the Company's licensed subsidiaries include dealing in securities and futures and advising on securities and futures contracts, providing securities margin financing, advising on corporate finance and providing asset management services.

## **INFORMATION OF THE BORROWER, HOLDCO, ONSHORE COMPANY AND ULTIMATE HOLDCO**

The Borrower is a company incorporated under the laws of the British Virgin Islands with limited liability and is principally engaged in the business of investment and property holding.

The Holdco is a company incorporated under the laws of the British Virgin Islands with limited liability and is principally engaged in the business of investment holding.

The Onshore Company is a company established in the People's Republic of China and is principally engaged in the business of property management.

The Ultimate HoldCo is a company incorporated under the laws of the Cayman Islands with limited liability and is principally engaged in the business of investment holding. The Ultimate HoldCo holds 100% of the issued share capital of the HoldCo and not less than 60% of the issued share capital of the Onshore Company. The HoldCo is the holding company of the Borrower.

To the best of the Directors' knowledge, information and belief having made all reasonable enquires, the Borrower, the HoldCo, the Onshore Company, the Ultimate HoldCo and their respective ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company.

## **REASONS FOR AND BENEFITS OF THE PROVISION OF LOAN**

The provision of the Loan is in the ordinary and usual course of business of the Group. The terms of the Facility Agreement (including the interest rates) were arrived at by the parties thereto after arm's length negotiations, with reference to prevailing commercial practice and the amount of the Loan. Having considered the financial background of the Borrower and the interest income to be received by the Group, the Directors consider that the terms of the Facility Agreement are fair and reasonable and the provision of the Loan is in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

The provision of the Loan pursuant to the Facility Agreement constitutes financial assistance provided by the Company under Rule 14.04(1)(e) of the Listing Rules. As the highest applicable percentage ratio in relation to the provision of the Loan is less than 25% but more than 5%, the Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

- “Assignment Agreement” : the assignment agreement entered into between the Company and the Borrower in respect of certain material contracts and insurance as specified under the Facility Agreement
- “Board” : the board of Directors of the Company
- “Borrower” : a company incorporated under the laws of the British Virgin Islands with limited liability and a wholly-owned subsidiary of the HoldCo
- “Company” : BOCOM International Holdings Company Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Stock Exchange (stock code: 3329)
- “Company Security Agreement” : the security agreement entered into between the Borrower as chargor and the Company as chargee in respect of all the assets of the Borrower
- “Company Share Mortgage” : the share mortgage entered into between the HoldCo as mortgagor and the Company as mortgagee in respect of all the issued shares of the Borrower
- “connected person” : has the same meaning as ascribed to it under the Listing Rules
- “Director(s)” : the director(s) of the Company
- “Facility Agreement” : the facility agreement entered into between the Company and the Borrower on 24 September 2019 in relation to the provision of the Loan
- “Group” : the Company and its subsidiaries

“HoldCo”	:	a company incorporated under the laws of the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Ultimate HoldCo
“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
“Loan”	:	the loan in the principal amount of US\$90,000,000 (subject to a cap of the RMB Equivalent of RMB600,000,000) under the Facility Agreement
“Onshore Company”	:	a company established under the laws of the People’s Republic of China and a non-wholly-owned subsidiary of the Ultimate HoldCo
“percentage ratio”	:	has the same meaning as ascribed to it under the Listing Rules
“Pledge of Receivables”	:	the pledge of receivables agreement entered into between the Company and the Borrower creating a security interest over the Borrower’s monetary right, title, claim and interest, present and future, actual and contingent under certain contracts in connection with certain properties situated in the People’s Republic of China
“Property Mortgage”	:	the property mortgage agreement granted by the Borrower in favour of the Company in respect of certain properties situated in the People’s Republic of China
“RMB”	:	Renminbi, the lawful currency of the People’s Republic of China

“RMB Equivalent”	:	means in respect of any relevant date of determination, in relation to an amount in a currency other than RMB, that amount converted into a RMB amount at the applicable spot rate of exchange announced by the People’s Bank of China effective as of 11:00 a.m. (Beijing time) on the business day immediately preceding the date of determination
“SFO”	:	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Shareholder(s)”	:	holder(s) of the ordinary shares of the Company
“Stock Exchange”	:	The Stock Exchange of Hong Kong Limited
“Subordination Deed”	:	the deed of subordination and assignment entered into among the Company, the Borrower, the HoldCo, the Onshore Company and the Ultimate HoldCo pursuant to which any financial indebtedness provided by the HoldCo, the Onshore Company and the Ultimate HoldCo to the Borrower is subordinated behind any or all of the secured liabilities as specified under the Facility Agreement
“Ultimate HoldCo”	:	a company incorporated under the laws of the Cayman Islands with limited liability, which holds 100% of the issued share capital of the HoldCo and not less than 60% of the issued share capital of the Onshore Company
“Ultimate HoldCo Liquidity Support Undertaking”	:	the undertaking entered into between the Company and the Ultimate HoldCo in relation to, among others, the procurement undertaking made by the Ultimate HoldCo with respect to the Borrower’s payment obligations under the Facility Agreement and the security documents specified under the Facility Agreement
“Ultimate HoldCo Security Perfection Guarantee”	:	the guarantee and indemnity granted by the Ultimate HoldCo to the Company with respect to, among others, the Borrower’s payment obligations under the Facility Agreement and the security documents specified thereunder
“US\$”	:	United States dollars, the lawful currency of the United States of America

“Utilisation Date” : the date on which the Loan is utilised by the Borrower pursuant to the Facility Agreement

“%” : per cent.

By Order of the Board  
**BOCOM International Holdings Company Limited**  
**YI Li**  
*Joint Company Secretary*

Hong Kong, 24 September 2019

*As at the date of this announcement, the Board comprises Mr. TAN Yueheng, Mr. LI Ying and Mr. CHENG Chuange as Executive Directors; Mr. WANG Yijun, Ms. LIN Zhihong and Mr. SHOU Fugang as Non-executive Directors; Mr. TSE Yung Hoi, Mr. MA Ning and Mr. LIN Zhijun as Independent Non-executive Directors.*