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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)

CONNECTED TRANSACTION NEW PARTNERSHIP AGREEMENT IN RELATION TO THE PARTNERSHIP

Reference is made to the Announcement relating to the formation of the Partnership by Shanghai Boli (as General Partner) and BOCOM Guo Xin Asset Management (as Limited Partner) pursuant to the Original Partnership Agreement.

On 23 December 2019, a wholly-owned subsidiary of the Company, Shanghai Boli (as General Partner), entered into the New Partnership Agreement with BOCOM Guo Xin Asset Management (as Limited Partner), Ocean Holding (as Limited Partner), Oriental Investment (as Limited Partner) and Yin Dao Fund (as Limited Partner) to terminate and replace in entirety the Original Partnership Agreement. The New Partnership Agreement has, in effect, amended certain terms of the Original Partnership Agreement, yet the capital contribution by each of Shanghai Boli and BOCOM Guo Xin Asset Management to the Partnership remains unchanged. The New Partnership Agreement is still subject to the approval of the relevant government authorities of the People's Republic of China.

As of the date of this announcement, BOCOM holds approximately 73.14% of the issued Shares and is a connected person of the Company. As BOCOM Guo Xin Asset Management is a subsidiary of BOCOM, it is an associate of BOCOM and hence a connected person of the Company. As such, both the Original Partnership Agreement and the New Partnership Agreement and the transactions contemplated thereunder constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to the note to Rule 14A.35 of the Listing Rules, since certain terms of the Partnership under the Original Partnership Agreement have, in effect, been materially amended under the New Partnership Agreement, the Company is required to announce these amendments under Chapter 14A of the Listing Rules. Accordingly, the material amendments to certain terms of the Partnership under the New Partnership Agreement are subject to the announcement requirements under Chapter 14A of the Listing Rules.

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NEW PARTNERSHIP AGREEMENT

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MATERIAL AMENDMENTS TO THE ORIGINAL PARTNERSHIP AGREEMENT

The New Partnership Agreement has, in effect, materially amended certain principal terms of the Original Partnership Agreement as summarised below:

- Parties : Under the Original Partnership Agreement, there is one General Partner, namely, Shanghai Boli and one Limited Partner, namely, BOCOM Guo Xin Asset Management. Under the New Partnership Agreement, the roles of Shanghai Boli and BOCOM Guo Xin Asset Management remain unchanged, but there are three more Limited Partners, namely, Ocean Holding, Oriental Investment and Yin Dao Fund.
- Term of Partnership : Under the Original Partnership Agreement, the General Partner may extend the management and exit period twice, each for a period not exceeding one year. Under the New Partnership Agreement, the management and exit period may be extended twice, each for a period not exceeding one year, if approved by all members of the Investment Strategy Committee, which is mainly responsible for reviewing and deciding on the investment-related matters proposed by the General Partner. Moreover, if the General Partner considers it necessary to further extend the management and exit period, it shall obtain all Partners' approval in a Partners' meeting for such further extension.

- Purpose of Partnership : Under the Original Partnership Agreement, the purpose of the Partnership is to carry on the business of investing to achieve satisfactory return to all Partners primarily through direct or indirect investments in equity, quasi-equity or engagement in equity investment related activities. Under the New Partnership Agreement, the purpose of the Partnership remains the same except that there shall not be any investment in quasi-equity (whether direct or indirect).
- Capital contribution : Under the Original Partnership Agreement, the total capital contribution by all Partners to the Partnership shall be RMB200 million, of which each of Shanghai Boli and BOCOM Guo Xin Asset Management shall contribute RMB100 million. Under the New Partnership Agreement, the total capital contribution by all Partners to the Partnership shall be RMB325 million, of which Shanghai Boli, BOCOM Guo Xin Asset Management, Ocean Holding, Oriental Investment and Yin Dao Fund shall contribute RMB100 million, RMB100 million, RMB50 million, RMB45 million and RMB30 million, respectively. Each of Shanghai Boli's and BOCOM Guo Xin Asset Management's capital contribution to the Partnership remains unchanged and as of the date of this announcement, each of them has already made a capital contribution of RMB25.5 million to the Partnership pursuant to the Original Partnership Agreement.
- Management : No material differences between the Original Partnership Agreement and the New Partnership Agreement save that the General Partner shall exercise its management power, including its power to (i) decide on and execute investment, post-investment management, exit and other related matters; and (ii) obtain, hold, manage, maintain and dispose of the assets of the Partnership in accordance with the provisions of the New Partnership Agreement.
- Key policy of distributable proceeds : No material differences between the Original Partnership Agreement and the New Partnership Agreement.
- Loss sharing : No material differences between the Original Partnership Agreement and the New Partnership Agreement.

Transfer of partnership interest : Under the Original Partnership Agreement, no transfer of any partnership interest by any Limited Partner, whether in whole or in part, shall be allowed unless with the prior written consent of the General Partner. Under the New Partnership Agreement, the transfer restriction in respect of Limited Partners remains the same; however, it shall not apply where the transfer is made by any Limited Partner to its affiliates.

INFORMATION OF THE COMPANY AND THE GROUP

The principal activity of the Company is investment holding. The Group is principally engaged in securities brokerage, margin financing, corporate finance and underwriting, investment and loans, and asset management and advisory businesses. 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 PARTNERSHIP, GENERAL PARTNER AND LIMITED PARTNERS

The Partnership is established under the laws of the People's Republic of China on 18 April 2019. As it is recently established, neither financial information nor past performance of the Partnership is presented in this announcement.

Shanghai Boli is a company established in the People's Republic of China with limited liability and it is principally engaged in the businesses of investment, asset management and investment consultation.

BOCOM Guo Xin Asset Management is a company established in the People's Republic of China with limited liability and it is principally engaged in the business of investment. It is a subsidiary of BOCOM.

Ocean Holding is a company established in the People's Republic of China with limited liability and its business scope mainly includes three industries, namely marine emerging industry, cultural tourism industry and financial service industry. The ultimate beneficial owner of Ocean Holding is the State-owned Asset Management Bureau of Qingdao West Coast New Area.

Oriental Investment is a company established in the People's Republic of China with limited liability and its business scope mainly includes five business sectors, namely real estate development, municipal utilities, financial investment, intelligent manufacturing and new service industry. The ultimate beneficial owner of Oriental Investment is the Yancheng Municipal People's Government.

Yin Dao Fund is a company established in the People's Republic of China with limited liability and it is principally engaged in the business of investment. The ultimate beneficial owner of Yin Dao Fund is the State-owned Assets Supervision and Administration Commission of the Liuzhou Municipal People's Government.

REASONS FOR AND BENEFITS OF THE NEW PARTNERSHIP AGREEMENT

Under the New Partnership Agreement, three new Limited Partners, namely Ocean Holding, Oriental Investment and Yin Dao Fund are admitted to the Partnership and the total capital contributions to the Partnership by all Partners is increased from RMB200 million to RMB325 million as a result of such admission. The admission of new Limited Partners not only will provide the Partnership with more funds to make investments to achieve satisfactory return to all Partners, it will also enhance the confidence of potential investors in participating in the investment of the Partnership. Furthermore, the admission of new Limited Partners will diversify the risk of the Group with respect to its investment in the Partnership.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the New Partnership Agreement is in the ordinary and usual course of business of the Group and that the terms of the New Partnership Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole. Due to the executive roles of Mr. WANG Yijun, Ms. LIN Zhihong and Mr. SHOU Fugang in the BOCOM Group, each of such non-executive Directors has a material interest in the New Partnership Agreement and has abstained from voting on the relevant Board resolutions.

LISTING RULES IMPLICATIONS

As of the date of this announcement, BOCOM holds approximately 73.14% of the issued Shares and is a connected person of the Company. As BOCOM Guo Xin Asset Management is a subsidiary of BOCOM, it is an associate of BOCOM and hence a connected person of the Company. As such, both the Original Partnership Agreement and the New Partnership Agreement, and the transactions contemplated thereunder constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

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DEFINITIONS

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

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| “affiliates” | all entities directly or indirectly controlling, controlled by or under common control with such entities, where control may be by either management authority, contract or equity interest |
| “Announcement” | the announcement relating to the formation of the Partnership published by the Company on 17 April 2019 |
| “associate” | has the same meaning as ascribed to it under the Listing Rules |
| “Board” | the board of Directors |
| “BOCOM” | Bank of Communications Co., Ltd., a company incorporated in the People’s Republic of China with limited liability, the A shares of which are listed and traded on the Shanghai Stock Exchange (stock code: 601328) and the H shares of which are listed and traded on the Stock Exchange (stock code: 3328), and being the ultimate controlling shareholder of the Company |
| “BOCOM Group” | BOCOM and its subsidiaries (excluding the Group) |
| “BOCOM Guo Xin Asset Management” | BOCOM Guo Xin Asset Management Company Limited*交銀國信資產管理有限公司, a company established under the laws of the People’s Republic of China with limited liability |
| “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) |
| “connected person” | has the same meaning as ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “General Partner” | the general partner of the Partnership, being Shanghai Boli |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |

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| “Investment Strategy Committee” | the investment strategy committee of the Partnership established by the General Partner pursuant to the New Partnership Agreement |
| “Limited Partner(s)” | the limited partner(s) of the Partnership, being BOCOM Guo Xin Asset Management, Ocean Holding, Oriental Investment and Yin Dao Fund |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “New Partnership Agreement” | the partnership agreement dated 23 December 2019 entered into among, Shanghai Boli, BOCOM Guo Xin Asset Management, Ocean Holding, Oriental Investment and Yin Dao Fund to terminate and replace in entirety the Original Partnership Agreement |
| “Ocean Holding” | Qingdao West Coast New Area Ocean Holding Group Company Limited* 青島西海岸新區海洋控股集團有限公司, a company established under the laws of the People’s Republic of China with limited liability |
| “Oriental Investment” | Yancheng Oriental Investment Development Group Company Limited* 鹽城東方投資開發集團有限公司, a company established under the laws of the People’s Republic of China with limited liability |
| “Original Partnership Agreement” | the partnership agreement relating to the formation of the Partnership dated 15 April 2019 and entered into between Shanghai Boli and BOCOM Guo Xin Asset Management, which was terminated and replaced by the New Partnership Agreement |
| “Partners” | the partners to the Partnership, being the General Partner and the Limited Partners |
| “Partnership” | BOCOM Science and Technology Innovation Equity Investment Fund (Shanghai) Partnership Enterprise (Limited Partnership)* 交銀科創股權投資基金（上海）合夥企業（有限合夥） |
| “percentage ratio” | has the same meaning as ascribed to it under the Listing Rules |
| “RMB” | Renminbi, the lawful currency of the People’s Republic of China |

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| “Shanghai Boli” | Shanghai Boli Investment Company Limited* 上海博禮投資有限公司, a company established under the laws of the People’s Republic of China with limited liability |
| “Shareholder(s)” | holder(s) of the ordinary shares of the Company |
| “Shares” | ordinary shares in the share capital of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Yin Dao Fund” | Liuzhou Liu Dong Yin Dao Fund Company Limited* 柳州柳東引導基金有限公司, a company established under the laws of the People’s Republic of China with limited liability |
| “%” | per cent. |

* *For identification purpose only*

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

Hong Kong, 23 December 2019

As at the date of this announcement, the Board comprises Mr. TAN Yueheng 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.