

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



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 STRATEGIC SUBSCRIPTION AGREEMENT

STRATEGIC SUBSCRIPTION AGREEMENT

The Board is pleased to announce that the Subsidiary entered into the Strategic Subscription Agreement with the Issuer and the A Shares Underwriter, pursuant to which, the Subsidiary agreed to subscribe for the Investor Shares at the Offer Price. The subscription amount payable by the Subsidiary under the Strategic Subscription Agreement, exclusive of brokerage and levies in respect of the Investor Shares (if any), is RMB600 million. The Strategic Subscription Agreement became effective on 21 October 2020, being the date of the CSRC's approval of the registration of the A Shares Offering.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in relation to the Strategic Investment is less than 25% but more than 5%, the Strategic Investment constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that the Subsidiary entered into the Strategic Subscription Agreement with the Issuer and the A Shares Underwriter, pursuant to which, the Subsidiary agreed to subscribe for the Investor Shares at the Offer Price. The subscription amount payable by the Subsidiary under the Strategic Subscription Agreement, exclusive of brokerage and levies in respect of the Investor Shares (if any), is RMB600 million. The Strategic Subscription Agreement became effective on 21 October 2020, being the date of the CSRC's approval of the registration of the A Shares Offering.

THE STRATEGIC SUBSCRIPTION AGREEMENT

The principal terms of the Strategic Subscription Agreement dated 18 September 2020 are set out as follows:

- Parties : 1. the Subsidiary;
2. the Issuer; and
3. the A Shares Underwriter.
- Subscription : Subject to the conditions set out below having been fulfilled, the Subsidiary has agreed to subscribe for, and the Issuer has agreed to issue to the Subsidiary the Investor Shares at the Offer Price.
- Consideration and payment : The subscription amount payable by the Subsidiary under the Strategic Subscription Agreement, exclusive of brokerage and levies in respect of the Investor Shares (if any), is RMB600 million. The subscription amount was determined after arm's length negotiations between the parties to the Strategic Subscription Agreement with reference to the prospect of the Issuer, the size of investment and prevailing market conditions. The Strategic Investment will be funded by the Group's internal resources.

Pursuant to the Strategic Subscription Agreement, the Issuer and the A Shares Underwriter are entitled to adjust the subscription amount under the Strategic Subscription Agreement without the Subsidiary's consent. The Final Subscription Price will be confirmed by the Issuer and the A Shares Underwriter in the relevant announcement published by the Issuer and the A Shares Underwriter. If the Final Subscription Price is lower than RMB600 million, the A Shares Underwriter will refund the balance to the Subsidiary.

- Conditions precedent : The Strategic Investment is conditional upon the following conditions having been satisfied:
1. the completion of relevant investigations, filings or other procedures by the Issuer and the Subsidiary as required by applicable laws and regulations;
 2. the full payment of the subscription amount payable by the Subsidiary under the Strategic Subscription Agreement, together with the brokerage and levies in respect of the Investor Shares (if any); and
 3. the completion of the A Shares Offering.

The Issuer or the Subsidiary may terminate the Strategic Subscription Agreement if the Issuer fails to complete the A Shares Offering within one year after CSRC's approval of the registration of the A Shares Offering and any amount paid by the Subsidiary under the Strategic Subscription Agreement in respect of the Investor Shares shall be refunded to the Subsidiary.

- Disposal Restriction : 50% of the Investor Shares acquired by the Subsidiary under the Strategic Subscription Agreement shall be subject to a lock-up period of 12 months from the Listing Date and the other 50% of the Investor Shares shall be subject to a lock-up period of 24 months from the Listing Date.

On 22 October 2020, the Subsidiary was informed by the A Shares Underwriter to transfer RMB603 million, being the aggregate amount of the subscription amount and the relevant brokerage to its designated bank account. As at the date of this announcement, the Subsidiary has made full payment of such subscription amount and brokerage.

INFORMATION OF THE SUBSIDIARY AND THE GROUP

The Subsidiary is a limited partnership established by the Company and its wholly-owned subsidiary under the laws of the People's Republic of China and was registered as a private investment fund at the Asset Management Association of China with its principal business being equity investment.

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, advising on securities and futures contracts, providing securities margin financing, advising on corporate finance and providing asset management services.

INFORMATION OF THE ISSUER AND THE A SHARES UNDERWRITER

The Issuer is the parent company of the largest digital payment platform in the People's Republic of China, Alipay, and the leader in the development of open platforms for technology-driven inclusive financial services. Through technology and innovation, the Issuer enables the digitalization of the modern service industry globally from financial services to services for everyday life. The Issuer is committed to working with partners in the People's Republic of China and around the world to bring services to consumers and small businesses that are inclusive, green and sustainable. The Issuer refers to this platform of comprehensive digital payment, digital finance and digital daily life services as the Alipay platform. Through the mobile app Alipay's reach of over one billion users and 80 million merchants, the Issuer provides digital finance technology, customer reach and risk management solutions to partner financial institutions, enabling them to provide services in consumer credit, small and micro business credit, investments and insurance.

Based on the prospectus of the Issuer published on the website of the STAR Market on 22 October 2020, the audited consolidated financial information of the Issuer for the two financial years ended 31 December 2018 and 2019 and the six months ended 30 June 2020 is set out as below:

	As at 31 December 2018 <i>RMB million</i>	As at 31 December 2019 <i>RMB million</i>	As at 30 June 2020 <i>RMB million</i>
Total assets	237,148	271,558	315,898
Net assets	152,384	189,568	214,931

	Year ended 31 December 2018 <i>RMB million</i>	Year ended 31 December 2019 <i>RMB million</i>	Six months ended 30 June 2020 <i>RMB million</i>
Profit before tax	3,114	21,052	24,419
Profit after tax	2,156	18,072	21,923

The A Shares Underwriter is a joint stock company incorporated in the People's Republic of China with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 3908). The principal businesses of the A Shares Underwriter are investment banking, equities, fixed income, commodities and currencies, investment management, wealth management, research and relevant financial services.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Issuer, the A Shares Underwriter and their respective ultimate beneficial owner(s), are third parties independent of the Company and its connected persons.

REASONS AND BENEFITS OF THE STRATEGIC INVESTMENT

The Company considers the Strategic Investment is in line with the Group's investment strategy and represents a good investment opportunity for the Group to generate stable investment return.

The Directors are of the view that the terms of the Strategic Subscription Agreement are fair and reasonable and on normal commercial terms, and the entering into the Strategic Subscription Agreement is in the ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in relation to the Strategic Investment is less than 25% but more than 5%, the Strategic Investment constitutes a discloseable transaction for the Company and is subject to the notification 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:

“A Share(s)”	ordinary domestic shares in the share capital of the Issuer with a nominal value of RMB1.00 each, which are to be subscribed for and traded in RMB and are to be listed on the STAR Market
“A Shares Offering”	the Issuer's proposed initial public offering of A Shares, which will be listed on the STAR Market
“A Shares Underwriter”	China International Capital Corporation Limited (中國國際金融股份有限公司), a joint stock company incorporated in the People's Republic of China with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 3908), acting as one of the joint sponsors and joint lead underwriters of the A Shares Offering
“Board”	the board of Directors
“Company”	BOCOM International Holdings Company Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 3329)

“connected person”	has the same meaning as ascribed to it under the Listing Rules
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“Final Subscription Price”	the final subscription amount to be confirmed by the Issuer and the A Shares Underwriter to the Subsidiary in respect of the Strategic Investment
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investor Shares”	such number of A Shares to be issued by the Issuer to the Subsidiary at the Offer Price which shall be equal to the Final Subscription Price payable by the Subsidiary under the Strategic Subscription Agreement, exclusive of brokerage and levies in respect of the Investor Shares (if any), divided by the Offer Price, rounded down to the nearest integer
“Issuer”	Ant Group Co., Ltd., (螞蟻科技集團股份有限公司), a joint stock company incorporated in the People’s Republic of China with limited liability
“Listing Date”	the date on which the A Shares are first listed and from which dealings in the A Shares are permitted to take place on the STAR Market
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer Price”	the final RMB price per A Share, exclusive of brokerage and levies (if any), at which the A Shares are to be issued and sold pursuant to the A Shares Offering
“percentage ratio”	has the same meaning as ascribed to it under the Listing Rules
“RMB”	the lawful currency of the People’s Republic of China

“Shareholder(s)”	holder(s) of the ordinary shares of the Company
“STAR Market”	the Science and Technology Innovation Board of Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic Investment”	the subscription of the Investor Shares contemplated under the Strategic Subscription Agreement
“Strategic Subscription Agreement”	the strategic investor subscription agreement entered into by the Subsidiary, the Issuer and the A Shares Underwriter in relation to the Strategic Investment
“Subsidiary”	Hainan BOCOM International Science and Technology Innovation Shengxing Equity Investment Partnership (Limited Partnership)* 海南交銀國際科創盛興股權投資合夥企業（有限合夥），a limited partnership registered in the People’s Republic of China and a wholly-owned subsidiary of the Company
“%”	per cent.

* *For identification purpose only.*

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

Hong Kong, 26 October 2020

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