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Overseas Chinese Town (Asia) Holdings Limited
華僑城(亞洲)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03366)

MAJOR TRANSACTION
LIMITED PARTNERSHIP AGREEMENT

LIMITED PARTNERSHIP AGREEMENT

The Board is pleased to announce that on 23 February 2021, Shenzhen Huayou and Shenzhen OCT Gangya, both of which are indirect wholly-owned subsidiaries of the Company, entered into the Limited Partnership Agreement with Panxing Capital Management, Shanghai Xuxiang and Xiamen Zhongmao in relation to the establishment of the Partnership for the purpose of investment.

The total capital contribution to be subscribed by all Partners to the Partnership is RMB800,020,000. The capital contribution to be subscribed by Panxing Capital Management, Shenzhen Huayou, Shenzhen OCT Gangya, Shanghai Xuxiang and Xiamen Zhongmao will be RMB10,000, RMB10,000, RMB600,000,000, RMB150,000,000 and RMB50,000,000, respectively. Panxing Capital Management will be the executive partner and a general partner of the Partnership, Shenzhen Huayou will be a general partner of the Partnership, Shenzhen OCT Gangya, Shanghai Xuxiang and Xiamen Zhongmao will be limited partners.

LISTING RULE IMPLICATIONS

As the highest applicable percentage ratio calculated pursuant to Chapter 14 of the Listing Rules in respect of the transaction contemplated under the Limited Partnership Agreement exceeds 25% but less than 100%, the transaction contemplated under the Limited Partnership Agreement constitutes a major transaction of the Company under Chapter 14 of the Listing Rules.

As no Shareholder has material interest in the Limited Partnership Agreement and the transaction contemplated thereunder, none of the Shareholders is required to abstain from voting if the Company were to convene a general meeting for the approval of the Limited Partnership Agreement and the transaction contemplated thereunder. The Company has obtained a written

approval from Pacific Climax, which, as at the date of this announcement, held 530,894,000 Shares (representing approximately 70.94% of the issued share capital of the Company) for the approval of the Limited Partnership Agreement and the transaction contemplated thereunder in lieu of a resolution to be passed at a general meeting of the Company pursuant to Rule 14.44 of the Listing Rules. As such, no extraordinary general meeting will be convened by the Company to approve the Limited Partnership Agreement and the transaction contemplated thereunder.

In addition, a circular containing, among other things, further details of the Limited Partnership Agreement and the transaction contemplated thereunder and such other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 16 March 2021.

The Board is pleased to announce that on 23 February 2021, Shenzhen Huayou and Shenzhen OCT Gangya, both of which are indirect wholly-owned subsidiaries of the Company, entered into the Limited Partnership Agreement with Panxing Capital Management, Shanghai Xuxiang and Xiamen Zhongmao in relation to the establishment of the Partnership for the purpose of investment.

LIMITED PARTNERSHIP AGREEMENT

Principal terms of the Limited Partnership Agreement are set out as follows:

Date

23 February 2021

Parties

- (1) Panxing Capital Management, as general partner and executive partner;
- (2) Shenzhen Huayou, as general partner;
- (3) Shenzhen OCT Gangya, as limited partner;
- (4) Shanghai Xuxiang, as limited partner; and
- (5) Xiamen Zhongmao, as limited partner.

To the best information, knowledge and belief of the Directors, after having made all reasonable enquiries, Panxing Capital Management, Shanghai Xuxiang and Xiamen Zhongmao and their respective ultimate beneficial owners are Independent Third Parties.

Name of the Partnership

廈門僑潤投資合夥企業(有限合夥)(Xiamen Qiaorun Investment Partnership (Limited Partnership) (the final name of which is subject to the approval of the administrative department for industry and commerce)).

Term of the Partnership

The term of the Partnership will be twenty (20) years.

Purpose and business scope of the Partnership

Purpose

The purpose of the Partnership is to make equity investment of project companies and liquidity investment with a view to obtaining good investment returns for all the Partners.

The Partnership will invest mainly in equity interests of non-listed companies through subscription of new shares or acquisition of existing shares of the non-listed companies and shareholder's loan to non-listed companies for project investment purpose.

Business scope

The business scope of the Partnership covers investments with self-owned fund and asset management services for investment with self-owned funds.

Capital Commitment

The total capital contribution subscribed by all Partners to the Partnership is RMB800,020,000. The amount and proportion of the capital contribution subscribed by each of the Partners are set out below:

Partners	Total subscribed capital contribution (RMB'000)	Approximate proportion of capital contribution in the Partnership
Panxing Capital Management	10	0.001%
Shenzhen Huayou	10	0.001%
Shenzhen OCT Gangya	600,000	74.998%
Shanghai Xuxiang	150,000	18.75%
Xiamen Zhongmao	50,000	6.25%
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Total	<u>800,020</u>	<u>100%</u>

The Partners shall pay up their respective capital contribution by installments. The executive partner shall obtain approval of all general partners before issuing any payment notice. Each installment will be due within 30 working days upon receiving payment notice from the executive partner.

The total amount of capital contribution subscribed by each of the Partners to the Partnership was determined after arm's length negotiations between the Partners, with reference to, among other things, the projected capital requirements of the Partnership, including the possible investment into an investment project. The Group intends to finance its capital contribution by its internal resources and/or bank borrowings.

Management of the Partnership

Panxing Capital Management, as executive partner, is responsible for, among other things, management of investment and other businesses of the Partnership, management and and/or maintenance of the assets of the Partnership, appointment and removal of professional advisers as jointly decided by the general partners, and inquiry into the qualification of the transferee in case of transfer of the equity interest by any limited partner.

Shenzhen Huayou, as a general partner, and Panxing Capital Management, as a general partner, have the right to convene, preside over and participate in the Partners' meeting and exercise its corresponding voting rights pursuant to the Limited Partnership Agreement, formulate the basic management system and specific rules and regulations of the Partnership, and take legal actions against the Partner(s) who fails to perform (fully or partly) the obligations of capital contribution on that Partner.

The general partners shall assume unlimited joint liabilities for the Partnership's debt.

The limited partners shall not participate in management or exercise of any control in the investment of the Partnership or conducting any activity in the Partnership's name.

An investment committee of the Partnership will be set up to decide the investment, management and withdrawal of the Partnership and to apply the idle funds in value-added investment other than safe and liquid financial products such as bank deposit, currency market fund and banks' principal guarantee products. The investment committee consists of five members, two of whom shall be nominated by Panxing Capital Management and three of whom shall be nominated by Shenzhen Huayou. All the resolutions of the investment committee shall be passed with unanimous consent by all the members of the investment committee.

Partners' meeting

The Partners' meeting will be responsible for approving matters in relation to, among other things, change of business scope, principal place of business, the name of the Partnership, registered address, the organisation structure and matters related to profit distribution, change or extend the term of the Partnership, disposal of immovable asset, intellectual property and other property rights, provision of guarantee and compensation to third party in the name of the Partnership, determining the investment scope and strategy, appointment of management staff other than the Partners, approving the transfer of interest held by the executive partner, removal of the executive partner under specific circumstances, and dissolution and winding-up of the Partnership.

The above matters shall be resolved upon the consent of all Partners, except for removal of executive partner under specific circumstances can be resolved upon consent of Partners with paid-up capital contribution of not less than two-third of the total paid-up capital of the Partnership.

Profit distribution and loss sharing

Profit distribution

The executive partner shall, within 30 working days upon the Partnership receives any cash income from any investment, distribute all the investment income and other income of the Partnership, after deducting the tax payable by the Partnership, in the following order and manner:

- (1) to Shenzhen OCT Gangya of the sum of the actual capital contribution paid by Shenzhen OCT Gangya and the investment proceeds equal to an annualized rate of return of 10% on the actual capital contribution paid by Shenzhen OCT Gangya;
- (2) if any balance left, to the Partners other than Shenzhen OCT Gangya (the "**Other Partners**") according to their actual capital contribution proportion of an amount up to the actual capital contribution paid by the respective Partners;
- (3) if any balance left, to the Other Partners according to their actual capital contribution proportion of an amount up to an amount equal to an annualized rate of return of 8% on the actual capital contribution paid by each of the Other Partners;
- (4) if any balance left, to Shenzhen OCT Gangya.

The annualized rate of return of 10% is arrived at after arm's length negotiation between the Partners after considering previous investment experience.

Loss sharing

The Partners shall bear the losses up to their respective capital contributions subscribed by each Partner. If the total subscribed capital contributions are insufficient to cover the losses, the amount of losses exceeding the total subscribed capital contributions shall be borne by the general partners on an unlimited and several basis.

Transfer of interest in the Partnership

Subject to the terms and conditions of the Limited Partnership Agreement, a limited partner may transfer its equity interest (in whole or in part) either to the existing executive partner (or its related party) or any of the existing limited partners or to the party as approved by the executive partner. If the intended transferee is the related party of the retiring Partner, the retiring Partner may transfer the equity interest to that intended transferee on conditions that the retiring Partner has notified other Partners 30 days in advance.

During the subsistence of the Partnership, the general partners shall not withdraw from or transfer its interest in the Partnership or change into limited partners before obtaining unanimous consent from all the Partners.

INFORMATION ON THE GROUP

The principal business activity of the Company is investment holding. The Group is principally engaged in the comprehensive development business (including the developed and sold residential properties, construction contract, development and management of properties, and property investment), equity investment and fund business.

Shenzhen Huayou is an indirect wholly-owned subsidiary of the Company, which is established under the laws of the PRC with limited liability. It is principally engaged in investment and enterprise management consulting.

Shenzhen OCT Gangya is an indirect wholly-owned subsidiary of the Company, which is established under the laws of the PRC with limited liability. It is principally engaged in investment holding and enterprise management consulting.

INFORMATION ON PANXING CAPITAL MANAGEMENT, SHANGHAI XUXIANG AND XIAMEN ZHONGMAO

Panxing Capital Management is a company established under the laws of the PRC with limited liability and is wholly owned by 深圳前海禹舟基金管理有限公司 (Shenzhen Qianhai Yuzhou Fund Management Co., Ltd.), which, based on the National Enterprise Credit Information Publicity System of the PRC, is indirectly owned by 林碧娥 (Lin Bi'e) and 張紀明 (Zhang Jiming) who, to the best of the knowledge of the Directors, are Independent Third Parties.

Shanghai Xuxiang is a company established under the laws of the PRC with limited liability and is owned (i) as to 51% by 廈門翔灝宇貿易有限公司 (Xiamen Xianghaoyu Trading Limited*), which is owned as to 51% by 林韜 (Lin Tao*) and 49% by 廈門灝博達貿易有限公司 (Xiamen Haoboda Trading Limited*), which is wholly owned by 林阿斌 (Lin A'Bin*), and (ii) as to 49% by 上海煦溢貿易有限公司 (Shanghai Xuyi Trading Limited*), which is owned as to 49% by 朱麗芳 (Zhu Lifang*) and 51% by 廈門灝博達貿易有限公司 (Xiamen Haoboda Trading Limited*), which is wholly owned by 林阿斌 (Lin A'Bin*). All the aforementioned parties to the best of the knowledge of the Directors are Independent Third Parties. Shanghai Xuxiang is principally engaged in wholesale and retail of general merchandise and technical consulting services.

Xiamen Zhongmao is a company established under the laws of the PRC with limited liability and is wholly-owned by 廈門瀟洲商貿有限公司 (Xiamen Luzou Trading Co., Ltd.), which, based on the National Enterprise Credit Information Publicity System of the PRC, is owned by 黃淑女 (Huang Shunu) and 林一紅 (Lin Yihong) who, to the best of the knowledge of the Directors, are Independent Third Parties. It is principally engaged in domestic trade agents, sales agents and information technology consulting services.

REASONS FOR AND BENEFIT OF ENTERING INTO THE LIMITED PARTNERSHIP AGREEMENT

The Partnership will mainly invest in the equity interests with regard to urbanization projects for the first and second tier cities, which can help the Group to obtain high-quality urbanization project resources and is in line with the strategic positioning of the Company.

Having considered the above, the Directors are of the view that the terms of the Limited Partnership Agreement are on normal commercial terms that are fair and reasonable, and the Limited Partnership Agreement is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated pursuant to Chapter 14 of the Listing Rules in respect of the transaction contemplated under the Limited Partnership Agreement exceeds 25% but less than 100%, the transaction contemplated under the Limited Partnership Agreement constitutes a major transaction of the Company under Chapter 14 of the Listing Rules.

As no Shareholder has material interest in the Limited Partnership Agreement and the transaction contemplated thereunder, none of the Shareholders is required to abstain from voting if the Company were to convene a general meeting for the approval of the Limited Partnership Agreement and the transaction contemplated thereunder. The Company has obtained a written approval from Pacific Climax, which, as at the date of this announcement, held 530,894,000 Shares (representing approximately 70.94% of the issued share capital of the Company) for the approval of the Limited Partnership Agreement and the transaction contemplated thereunder in lieu of a resolution to be passed at a general meeting of the Company pursuant to Rule 14.44 of the Listing Rules. As such, no extraordinary general meeting will be convened by the Company to approve the Limited Partnership Agreement and the transaction contemplated thereunder.

In addition, a circular containing, among other things, further details of the Limited Partnership Agreement and the transaction contemplated thereunder and such other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 16 March 2021.

DEFINITIONS

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

“Board”	the board of directors of the Company
“Business Day(s)”	a day on which licensed banks in the PRC are open for business
“Company”	Overseas Chinese Town (Asia) Holdings Limited (華僑城(亞洲)控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Limited Partnership Agreement”	the partnership agreement dated 23 February 2021 entered into among Panxing Capital Management, Shenzhen Huayou, Shenzhen OCT Gangya, Shanghai Xuxiang and Xiamen Zhongmao in relation to the formation of the Partnership
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries as at the date of this announcement
“HK\$”	the Hong Kong dollar(s), the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	parties independent of and not connected with the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Panxing Capital Management”	潘興資本管理(深圳)有限公司 (Panxing Capital Management (Shenzhen) Co., Ltd.*), a company established in the PRC
“Partners”	general partners and limited partners of the Partnership, being Panxing Capital Management, Shenzhen Huayou, Shenzhen OCT Gangya, Shanghai Xuxiang and Xiamen Zhongmao at establishment
“Partnership”	廈門僑潤投資合夥企業(有限合夥)(Xiamen Qiaorun Investment Partnership (Limited Partnership)*) (the final name of which is subject to the approval of the administrative department for industry and commerce), a limited partnership to be established in the PRC
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“related party(ies)”	a person or entity who has control, joint control, or significant influence over the relevant entity, or the other person or entity who is controlled, jointly controlled, or significantly influenced by the same person or entity
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Xuxiang”	上海煦翔貿易有限公司 (Shanghai Xuxiang Trading Co. Ltd.*), a company established in the PRC
“Share(s)”	the share(s) of the Company
“Shareholder(s)”	the shareholders of the Company
“Shenzhen Huayou”	深圳市華友投資有限公司(Shenzhen Huayou Investment Co. Ltd.*), a company established in the PRC and an indirect wholly-owned subsidiary of the Company

“Shenzhen OCT Gangya”	深圳華僑城港亞控股發展有限公司 (Shenzhen OCT Gangya Holdings Development Co. Ltd.*), a company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xiamen Zhongmao”	廈門中茂益通商貿有限公司 (Xiamen Zhongmao Yitong Commerce Co., Ltd.), a company established in the PRC
“%”	per cent.

* *For identification only, if there is any inconsistency between the Chinese names of the entities or enterprises established in the PRC and their English translations, the Chinese names shall prevail.*

By the order of the Board
Overseas Chinese Town (Asia) Holdings Limited
Zhang Dafan
Chairman

Hong Kong, 23 February 2021

As at the date of this announcement, the Board comprises seven Directors, namely: Mr. Zhang Dafan, Ms. Xie Mei and Mr. Lin Kaihua as executive Directors; Mr. Wang Wenjin as non-executive Director; and Ms. Wong Wai Ling, Mr. Lam Sing Kwong Simon and Mr. Chu Wing Yiu as independent non-executive Directors.