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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 26 April 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 Shenzhen Haomei and Shenzhen Jingcheng 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 RMB959,000,000. The capital contribution to be subscribed by Shenzhen Haomei, Shenzhen Huayou, Shenzhen OCT Gangya and Shenzhen Jingcheng will be RMB10,000, RMB10,000, RMB719,240,000 and RMB239,740,000, respectively. Shenzhen Haomei 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 and Shenzhen Jingcheng 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 7 May 2021.

The Board is pleased to announce that on 26 April 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 Shenzhen Haomei and Shenzhen Jingcheng 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

26 April 2021

Parties

- (1) Shenzhen Haomei, as general partner and executive partner;
- (2) Shenzhen Huayou, as general partner;
- (3) Shenzhen OCT Gangya, as limited partner; and
- (4) Shenzhen Jingcheng, as limited partner.

To the best information, knowledge and belief of the Directors, after having made all reasonable enquiries, Shenzhen Haomei and Shenzhen Jingcheng and their respective ultimate beneficial owners are Independent Third Parties.

Name of the Partnership

深圳僑恒一號投資企業(有限合夥)(Shenzhen Qiaoheng No. 1 Investment Enterprise (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.

Objective and strategy

The main investment objectives and strategy are to seek capital appreciation and income by leveraging on the Partnership's position as managing general partner to facilitate the growth of project companies. The proposed scale of investment by the Partnership is approximately RMB959 million with an expected rate of return of no less than 12%. The usual exit strategy involves direct sales of equity interests.

Capital Commitment

The total capital contribution subscribed by all Partners to the Partnership is RMB959,000,000. 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 |
|---------------------|--|--|
| Shenzhen Haomei | 10 | 0.001% |
| Shenzhen Huayou | 10 | 0.001% |
| Shenzhen OCT Gangya | 719,240 | 74.999% |
| Shenzhen Jingcheng | 239,740 | 24.999% |
| Total | <u>959,000</u> | <u>100.00%</u> |

The Partners shall pay up their respective capital contribution by installments.

The proportion of capital contribution subscribed by each of the Partners to the Partnership was determined after arm's length negotiations between the Partners, while the total amount of capital contribution 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 investment project(s) in Guangdong-Hong Kong-Macao Greater Bay Area. It is estimated that the total investment amount will be approximately RMB959 million. As such, the Partners determined that the total amount of capital contribution of the Partnership shall be RMB959,000,000.

The Group intends to finance its capital contribution by its internal resources and/or borrowings.

Shenzhen Haomei, as executive partner and general partners, 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 Haomei and Shenzhen Huayou, each as a general partner, has 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 Shenzhen Haomei 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 fund, 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 general 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 12% 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 12% on the actual capital contribution paid by each of the Other Partners;
- (4) if any balance left, to Shenzhen OCT Gangya.

Shenzhen Jingcheng, shall within 10 days from the date of establishment of the Partnership, pledge its total subscribed capital contribution of RMB239,740,000 to a company appointed by Shenzhen OCT Gangya which is indirectly wholly-owned by the Company. Shenzhen Jingcheng has the right to request Shenzhen OCT Gangya to release the said pledge upon Shenzhen OCT Gangya having received the amounts set out in (1) and (3) above (the “**Full OCT Distribution**”) within 24 months from the from the date of Shenzhen OCT Gangya’s first actual capital contribution. If the Partnership cannot fully pay the Full OCT Distribution to Shenzhen OCT Gangya in accordance with the terms of the Limited Partnership Agreement within 24 months from the date of Shenzhen OCT Gangya’s first actual capital contribution, Shenzhen OCT Gangya has the right to:-

- (i) appoint a company indirectly wholly-owned by the Company to exercise its right under the Pledge;

- (ii) request the Partnership to change the executive partner to Shenzhen Huayou; and
- (iii) request the Partnership to dispose its shareholdings in the project companies, the proceeds shall be used to pay to Shenzhen OCT Gangya the sum of the actual capital contribution paid by Shenzhen OCT Gangya and the investment proceeds equal to a rate of return of 0.05% per day on the actual capital contribution paid by Shenzhen OCT Gangya.

According to a market study report on the PRC private equity and venture capital firms issued by a leading Chinese service provider that has been advising numerous limited partnership, venture capital, private equity, and strategic investors in the area of real estate investment, among other fields, since 2001, a majority of the investment vehicles will give a preferred distribution of return to limited partners at an annualized rate of return of 8%, and annualized rates of return ranging from 6% to 12% cover a vast majority of the cases studied. These rates of return are consistent with the industry knowledge and experience of the Directors on the establishment of limited partnership for real estate projects in the region. Having considered such industry figures and knowledge and experience of the Directors, and after arm's length negotiation between the Partners, it was agreed that Shenzhen OCT Gangya, the Company's wholly-owned subsidiary as one of the limited partners, shall enjoy an annualized rate of return of 12%, if available, on the actual capital contribution paid by Shenzhen OCT Gangya first in order before Other Partners may receive any investment income and other income of the Partnership in accordance with the abovementioned order and manner.

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, joint and several basis. Each General Partner will be fully responsible for all debt of the Partnership which is due and cannot be repaid with the assets of the Partnership. Note that under the Limited Partnership Agreement, the Partnership shall not borrow from any third party other than the Partners and shall not provide any form of corporate guarantee for any third party.

According to PRC laws concerning partnership, debtors have the liberty to choose either to sue all Partners or to sue any one Partner for the outstanding debt of the Partnership. If any one Partner repaid the debt of the Partnership, such Partner shall have the right to sue the other Partners for the share that they should be responsible for in accordance with the terms of the Limited Partnership Agreement.

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 development and operation of tourism theme park, 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 management and entrusted 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 SHENZHEN HAOMEI AND SHENZHEN JINGCHENG

Based on the National Enterprise Credit Information Publicity System of the PRC, Shenzhen Haomei is a company established under the laws of the PRC with limited liability and is wholly owned by Wang Cuixian (王翠嫻), who, to the best of the knowledge of the Directors, is an Independent Third Party. Shenzhen Haomei is principally engaged in equity investment.

Based on the National Enterprise Credit Information Publicity System of the PRC, Shenzhen Jingcheng is a company established under the laws of the PRC with limited liability and is wholly owned by Ding Xiaojing (丁曉靜), who, to the best of the knowledge of the Directors, is an Independent Third Party. Shenzhen Jingcheng is principally engaged in equity investment.

REASONS FOR AND BENEFIT OF ENTERING INTO THE LIMITED PARTNERSHIP AGREEMENT

The Group targeted to become an investment group specializing in “cultural, tourism, new urbanization and industry ecosphere” and one of the major areas of investment for the Group’s “equity investment and fund management business” is in urbanization ecosphere. In line with the Group’s principal businesses and strategy and the Group’s presence in the Yangtze River Delta and

the Guangdong-Hong Kong-Macao Greater Bay Area, the Partnership's intended participation in the new urbanization project(s) in the Guangdong-Hong Kong-Macao Greater Bay Area will allow the Group to expand its new urbanization ecosphere investment and source of income.

The transactions contemplated under the Limited Partnership Agreement falls under the "direct equity investment and fund management business" of the Group. In view of the expected return to be generated, the Directors are of the view that the transactions contemplated under the Limited Partnership Agreement is beneficial to 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 7 May 2021.

DEFINITIONS

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

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| "Board" | the board of directors of the Company |
| "Business Day(s)" | a day on which licensed banks in the PRC are open for business |

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| “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 |
| “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 |
| “Limited Partnership Agreement” | the partnership agreement dated 26 April 2021 entered into among Shenzhen Haomei, Shenzhen Huayou, Shenzhen OCT Gangya and Shenzhen Jingcheng in relation to the formation of the Partnership |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Partners” | general partners and limited partners of the Partnership, being Shenzhen Haomei, Shenzhen Huayou, Shenzhen OCT Gangya and Shenzhen Jingcheng at establishment |
| “Partnership” | 深圳僑恒一號投資企業(有限合夥)(Shenzhen Qiaoheng No. 1 Investment Enterprise (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 |

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| “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 |
| “Share(s)” | the share(s) of the Company |
| “Shareholder(s)” | the shareholders of the Company |
| “Shenzhen Haomei” | 深圳市好美實業有限公司 (Shenzhen Haomei Enterprise Co., Ltd.*), a company established in the PRC |
| “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 Jingcheng” | 深圳市靜成實業有限公司 (Shenzhen Jingcheng Enterprise Co., Ltd.*), a company established in the PRC |
| “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 |
| “%” | 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, 26 April 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.