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民銀資本控股有限公司

CMBC CAPITAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1141)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE OFFICE SHARING AGREEMENT

THE RENEWED OFFICE SHARING AGREEMENT

Reference is made to the announcements of the Company dated 31 May 2019 and 31 December 2019 regarding the Existing Office Sharing Agreement.

As the Existing Office Sharing Agreement will expire on 31 December 2022, and the Directors expect that the Group will continue to share the Office Space with CMBCI, the Board is pleased to announce that the Company has entered into the Renewed Office Sharing Agreement with CMBCI on 9 December 2022 to renew the Existing Office Sharing Agreement.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CMBCI is an indirect controlling shareholder of the Company. China Minsheng through CMBCI, its wholly-owned subsidiary, holds approximately 67.69% of the issued share capital of the Company. As such, CMBCI is a connected person of the Company and the transactions contemplated under the Renewed Office Sharing Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest percentage ratios (other than the profit ratio) as defined under the Listing Rules as determined by reference to the proposed annual caps in respect of the transactions contemplated under the Renewed Office Sharing Agreement exceed 0.1% but all applicable percentage ratios are less than 5%, the transactions contemplated under the Renewed Office Sharing Agreement, together with the relevant proposed annual caps are only subject to the reporting, announcement and annual review requirements, but are exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

A. THE RENEWED OFFICE SHARING AGREEMENT

(i) Background

Reference is made to the announcements of the Company dated 31 May 2019 and 31 December 2019 regarding the Existing Office Sharing Agreement.

As the Existing Office Sharing Agreement will expire on 31 December 2022, and the Directors expect that the Group will continue to share the Office Space with CMBCI, the Board is pleased to announce that the Company entered into the Renewed Office Sharing Agreement with CMBCI on 9 December 2022 to renew the Existing Office Sharing Agreement.

(ii) Principal terms

The principal terms of the Renewed Office Sharing Agreement are as follows:

Date: 9 December 2022

Parties:

1. the Company; and
2. CMBCI

Nature of the Transaction: The Company is the tenant of the Office Space. Pursuant to the Renewed Office Sharing Agreement, the Company has agreed to grant CMBCI the non-exclusive right to use an area of approximately 2,000 square feet of the Office Space in consideration of the Sharing Fees payable by CMBCI.

Conditions: The Renewed Office Sharing Agreement shall take effect on the Effective Date, subject to the fulfilment or waiver of: (i) the Tenancy Agreement not being terminated and the Landlord has not given any written or oral notice of such termination; and (ii) all authorizations, registrations, filings, confirmations, licenses, consents, permissions and approvals required being obtained. As at the date of this announcement, all the above-mentioned conditions precedent have been satisfied or waived in accordance with the Renewed Office Sharing Agreement.

Term and termination: The Renewed Office Sharing Agreement is for a term commencing from the Effective Date and ending on 31 December 2025.

The Renewed Office Sharing Agreement may be terminated at any time by either party after giving thirty (30) days' prior written notice to the other party.

The Renewed Office Sharing Agreement shall terminate immediately if (i) the Tenancy Agreement is terminated prior to 31 December 2025, (ii) the Company considers that it is not feasible to comply with the Listing Rules at any time, or (iii) compliance with the Listing Rules would require changes to the Renewed Office Sharing Agreement which are not acceptable to any of the parties thereto.

Consideration: Under the Renewed Office Sharing Agreement, CMBCI shall pay the Sharing Fees to the Company which was determined with reference to the rent, management fees, rates and all other miscellaneous costs payable by the Company under the Tenancy Agreement and the approximate 2,000 square feet area to be shared with CMBCI.

The Sharing Fees are payable in cash by CMBCI to the Company on the last Business Day of the prior month.

(iii) Historical transaction amounts, existing annual caps and proposed annual caps

The table below sets out the historical transaction amounts, the existing annual caps and the proposed annual caps relating to the Renewed Office Sharing Agreement:

Year ended 31 December 2020		Year ended 31 December 2021		Year ending 31 December 2022	For the period from 1 January to 30 November 2022	Year ending 31 December		
<i>Annual cap</i>	<i>Actual amount</i>	<i>Annual cap</i>	<i>Actual amount</i>	<i>Annual cap</i>	<i>Actual amount</i>	<i>Proposed</i> <i>annual cap</i>	<i>Proposed</i> <i>annual cap</i>	<i>Proposed</i> <i>annual cap</i>
(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
8.88 million	8.88 million	8.88 million	8.88 million	8.88 million	8.14 million	8.88 million	8.88 million	8.88 million

In arriving at the above proposed annual caps, the Directors have taken into account the following factors: (a) total area of the Office Space; (b) total area of the Office Space to be shared with CMBCI; and (c) total rent, management fees, rates and all other miscellaneous costs paid by the Company in respect of and in relation to the Office Space pursuant to the Tenancy Agreement.

(iv) Reasons for and benefits of entering into the Renewed Office Sharing Agreement

The Company is of the view that the Renewed Office Sharing Agreement will benefit the Group by utilising its unused office capacity and receiving Sharing Fees in return. Sharing the Office Space with CMBCI will also save rental payment by the Company, such that the Group and CMBCI can both enjoy economies of scale and maximise cost efficiency.

The Directors (including the independent non-executive Directors of the Company) consider that the terms of the Renewed Office Sharing Agreement (including the proposed annual caps) are arrived at after arm's length negotiations based on normal commercial terms and with reference to market prices, and are fair and reasonable, and the transactions are in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole. As Mr. Ding Zhisuo, Mr. Ng Hoi Kam, Mr. Yang Kunpeng and Mr. Li Wenshi, all being Directors, hold positions in China Minsheng and/or its associates, they have abstained from voting for the approval of the transactions under the Renewed Office Sharing Agreement at the Board meeting. Save for the above, no other Directors have any material interests in the Renewed Office Sharing Agreement or were otherwise required to evade or abstain from voting in respect of the relevant board resolutions.

B. INFORMATION OF THE GROUP AND CMBCI

Information of the Group

As at the date of this announcement, the Group is principally engaged in securities business, investment and financing and asset management, corporate finance and advisory business.

Information of CMBCI

CMBCI is a direct wholly-owned subsidiary of China Minsheng and is principally engaged in the investment and investment holding business. China Minsheng is a controlling Shareholder holding approximately 67.69% Shares of the Company as at the date of this announcement. China Minsheng mainly provides corporate and personal banking, treasury business, finance leasing, fund and asset management, investment banking and other financial services in the PRC.

C. LISTING RULES IMPLICATIONS

As at the date of this announcement, CMBCI is an indirect controlling shareholder of the Company. China Minsheng, through CMBCI, its wholly-owned subsidiary, holds approximately 67.69% of the issued share capital of the Company. As such, CMBCI is a connected person of the Company and the transactions contemplated under the Renewed Office Sharing Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest percentage ratios (other than the profit ratio) as defined under the Listing Rules as determined by reference to the proposed annual caps in respect of the transactions contemplated under the Renewed Office Sharing Agreement exceed 0.1% but all applicable percentage ratios are less than 5%, the transactions contemplated under the Renewed Office Sharing Agreement, together with the relevant proposed annual caps are only subject to the reporting, announcement and annual review requirements, but are exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors from time to time
“Business Day”	any day (other than Saturday, Sunday, public holiday or a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks in Hong Kong are open for business
“China Minsheng”	China Minsheng Banking Corp., Ltd. (中國民生銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 1988) and the A shares of which are listed on the Shanghai Stock Exchange (stock code: 600016)
“CMBCI”	CMBC International Holdings Limited (民生商銀國際控股有限公司), a company incorporated in Hong Kong with limited liability and an indirect controlling shareholder of the Company
“Company”	CMBC Capital Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1141)
“connected person”	has the meaning ascribed to it under the Listing Rules

“continuing connected transaction”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Directors”	directors of the Company from time to time
“Effective Date”	1 January 2023
“Existing Office Sharing Agreement”	the agreement dated 31 December 2019 entered into between the Company and CMBCI in relation to the sharing of an area of approximately 2,000 square feet of the Office Space
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Landlord”	the landlord of the Office Space, being an independent third party
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Office Space”	the whole of the 45th floor of One Exchange Square, 8 Connaught Place, Hong Kong
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Renewed Office Sharing Agreement”	the agreement dated 9 December 2022 entered into between the Company and CMBCI in relation to the sharing of an area of approximately 2,000 square feet of the Office Space
“Share(s)”	ordinary share(s) of the Company with a nominal value of HK\$0.4 each

“Shareholder(s)”	shareholders of the Share(s)
“Sharing Fees”	fees of HK\$740,000 per month payable by CMBCI to the Company under the Renewed Office Sharing Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Tenancy Agreement”	the tenancy agreement entered into between the Company and the Landlord dated 18 September 2018 with respect to the lease of the Office Space, which was supplemented by a memorandum dated 4 January 2022
“%”	per cent.

By order of the Board
CMBC Capital Holdings Limited
Ding Zhisuo
Executive Director

Hong Kong, 9 December 2022

As at the date of this announcement, the executive directors of the Company are Mr. Ding Zhisuo and Mr. Ng Hoi Kam; the non-executive directors are Mr. Yang Kunpeng and Mr. Li Wenshi; and the independent non-executive directors are Mr. Lee, Cheuk Yin Dannis, Mr. Wu Bin and Mr. Wang Lihua.