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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)

CONTINUING CONNECTED TRANSACTIONS

DIGITAL RMB MARKETING SERVICE FRAMEWORK AGREEMENT

DIGITAL RMB MARKETING SERVICE FRAMEWORK AGREEMENT

The Board announces that on 6 March 2024 (after trading hours), the Subsidiary entered into the Digital RMB Marketing Service Framework Agreement with BOCOM after winning the open tender for the digital RMB marketing campaign undertaken by BOCOM. Pursuant to the Digital RMB Marketing Service Framework Agreement, the Subsidiary agrees to provide the Services to BOCOM and/or its branches for a term commencing from 6 March 2024 to 3 March 2025.

LISTING RULES IMPLICATIONS

As at the date of this announcement, BOCOM is a substantial Shareholder and the ultimate controlling Shareholder holding approximately 73.14% of total number of issued Shares. Accordingly, BOCOM is a connected person of the Company and the transactions contemplated under the Digital RMB Marketing Service Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the highest annual cap is expected to be more than 0.1% but less than 5%, the continuing connected transactions contemplated under the Digital RMB Marketing Service Framework Agreement are subject to the reporting, announcement and annual review requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

DIGITAL RMB MARKETING SERVICE FRAMEWORK AGREEMENT

The Board announces that on 6 March 2024 (after trading hours), the Subsidiary entered into the Digital RMB Marketing Service Framework Agreement with BOCOM after winning the open tender for the promotion of digital RMB marketing campaign undertaken by BOCOM. Pursuant to the Digital RMB Marketing Service Framework Agreement, the Subsidiary agrees to provide the Services to BOCOM and/or its branches for a term commencing from 6 March 2024 to 3 March 2025.

The principal terms of the Digital RMB Marketing Service Framework Agreement are summarised below:

Date	:	6 March 2024
Parties	:	(1) the Subsidiary; and (2) BOCOM
Duration	:	6 March 2024 to 3 March 2025
Scope of service	:	Fund channels provision, marketing fund advance (in the form of digital red envelopes, discounts and rebates) and settlement; visual and interaction design; platform technology development, testing, operation and maintenance; event configuration and rights issuance; campaign promotion, marketing and operation; and/or customer service.
General terms	:	At any time during the term of the Digital RMB Marketing Service Framework Agreement, the Subsidiary and BOCOM and/or its branch(es) may from time to time enter into specific orders in respect of the specific Services required for each marketing campaign upon, and subject to, the terms and conditions in compliance with the Digital RMB Marketing Service Framework Agreement.

Pricing basis : The service fee for the Services provided by the Subsidiary to BOCOM and/or its branches will be determined based on the following formula:

Actual amount of marketing fund being advanced x (1 + service fee rate (tax inclusive))

The actual service fee rate to be charged by the Subsidiary for each specific order will be determined at arm's length and on a fair and reasonable basis with reference to a number of factors, including but not limited to (i) the capital costs incurred by the Subsidiary for advancing marketing funds with respect to the particular campaign; (ii) the service scope, nature and complexity of the particular campaign; (iii) the expected labour costs of the particular campaign (determined based on the number of employees expected to be needed to perform the services, the number of hours required from such employees to perform the services and the past hourly wages of the relevant employees); and (iv) the service fee rates for similar services charged by other independent service providers winning open tenders for similar services (such information will be obtained from the public domain).

During the term of the Digital RMB Marketing Service Framework Agreement, the service fee rate (tax inclusive) to be charged by the Subsidiary for the Services is capped at 16.38% and the maximum amount of marketing funds to be advanced by the Subsidiary shall not exceed RMB35,000,000.

Payment : Within 20 working days of completion of the particular campaign, the Subsidiary and BOCOM shall jointly confirm the actual amount of marketing funds advanced by the Subsidiary, and thereafter, the Subsidiary shall issue an invoice to BOCOM for payments of the marketing funds advanced and service fee. BOCOM shall settle the payment within 30 working days of receipt of the invoice.

PROPOSED ANNUAL CAPS AND BASIS

Prior to entering into the Digital RMB Marketing Service Framework Agreement, the Group has not conducted transactions of the same nature with the BOCOM Group.

The Company expects that the annual caps for the transactions contemplated under the Digital RMB Marketing Service Framework Agreement are as follows:

	From 6 March 2024 to 31 December 2024 (RMB'000)	From 1 January 2025 to 3 March 2025 (RMB'000)
Service fee charged and marketing funds advanced by the Subsidiary	34,914	5,819

The above annual caps are determined with reference to the following key factors:

- (i) the maximum amount of marketing funds to be advanced by the Subsidiary, which is based on the past demand and scale of as well as the anticipated growth of the digital RMB marketing campaigns undertaken by BOCOM and/or its branches; and
- (ii) the maximum service fee rate to be charged by the Subsidiary.

REASONS AND BENEFITS OF ENTERING INTO DIGITAL RMB MARKETING SERVICE FRAMEWORK AGREEMENT

The entering into of the Digital RMB Marketing Service Framework Agreement not only enables the Subsidiary to generate revenue from the Services provided, it will also enable the Subsidiary to accumulate more know-how and work experience for digital RMB marketing campaigns, which thus will help the Subsidiary to strengthen its market competitiveness and expand its customer base to other banks and financial service providers with demands for such campaigns.

The Directors (including the independent non-executive Directors) consider that the Digital RMB Marketing Service Framework Agreement are entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better, the terms of the Digital RMB Marketing Service Framework Agreement and the transactions contemplated thereunder (including the annual caps) are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

INFORMATION OF THE SUBSIDIARY AND THE GROUP

The Subsidiary, being a wholly-owned subsidiary of the Company, is established under the laws of the People's Republic of China with limited liability and its principal activities include provision of technical services, technical development, technical consultation, technical exchange, technical transfer, technical promotion; network technology services; software development; data processing services; digital content production services (excluding publishing and distribution); accepting commissions from financial institutions to engage in information technology and process outsourcing services (excluding financial information services); information consulting services (excluding permitted information consulting services), etc.

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 BOCOM

BOCOM is a national state-owned joint-stock commercial bank incorporated in the People's Republic of China, with its A shares listed on the Shanghai Stock Exchange and H shares listed on the Stock Exchange. The principal activities of BOCOM and its subsidiaries include corporate and personal banking services, interbank and financial market business, financial leasing, fund management, wealth management, trustees, insurance, overseas securities, debt-to-equity swap and other related financial services.

LISTING RULES IMPLICATIONS

As at the date of this announcement, BOCOM is a substantial Shareholder and the ultimate controlling Shareholder holding approximately 73.14% of total number of issued Shares. Accordingly, BOCOM is a connected person of the Company and the transactions contemplated under the Digital RMB Marketing Service Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the highest annual cap is expected to be more than 0.1% but less than 5%, the continuing connected transactions contemplated under the Digital RMB Marketing Service Framework Agreement are subject to the reporting, announcement and annual review requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

BOARD APPROVAL

Due to the executive roles of Mr. SHAN Zengjian in the BOCOM Group, he has abstained from voting on the Board resolutions in respect of the approval of the Digital RMB Marketing Service Framework Agreement and the transactions contemplated thereunder, including the annual caps. Save as disclosed above, none of the Directors has a material

interest in respect of the transactions contemplated under the Digital RMB Marketing Service Framework Agreement and none of them has abstained from voting on the Board resolutions in respect of the approval of the Digital RMB Marketing Service Framework Agreement and the transactions contemplated thereunder, including the annual caps.

DEFINITIONS

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

“Board”	means the board of directors of the Company
“BOCOM”	means 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: 03328), and being the ultimate controlling Shareholder
“BOCOM Group”	means BOCOM and its subsidiaries (excluding the Group)
“Company”	means BOCOM International Holdings Company Limited, a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 03329)
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“controlling shareholder”	has the same meaning as ascribed to it under the Listing Rules
“Digital RMB Marketing Service Framework Agreement”	means the digital RMB marketing service project cooperation framework agreement dated 6 March 2024 entered into between the Subsidiary and BOCOM in relation to the provision of the Services by the Subsidiary to BOCOM and/or its branches
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“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
“Services”	means the services to be provided by the Subsidiary to BOCOM and/or its branches under the Digital RMB Marketing Service Framework Agreement, including fund channels provision, marketing fund advance (in the form of digital red envelopes, discounts and rebates) and settlement; visual and interaction design; platform technology development, testing, operation and maintenance; event configuration and rights issuance; event promotion, marketing and operation; and/or customer service
“Share(s)”	means the ordinary share(s) of the Company
“Shareholder”	holder(s) of the ordinary shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	BOCOM Financial Technology Company Limited* 交銀金融科技有限公司, a company incorporated in the People’s Republic of China with limited liability
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“%”	per cent.

* for identification purpose only

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

Hong Kong, 7 March 2024

As at the date of this announcement, the Board comprises Mr. TAN Yueheng, Ms. ZHU Chen and Mr. WANG Xianjia as Executive Directors; Mr. SHAN Zengjian as Non-executive Director; and Mr. TSE Yung Hoi, Mr. MA Ning and Mr. LIN Zhijun as Independent Non-executive Directors.