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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)**

### **CONNECTED TRANSACTION LIGHT CURRENT ENGINEERING AGREEMENT**

#### **LIGHT CURRENT ENGINEERING AGREEMENT**

The Board is pleased to announce that on 21 October 2021, Hefei OCT Industry, an indirect non-wholly owned subsidiary of the Company, has entered into the Light Current Engineering Agreement with OCT IT Shenzhen, in relation to the provision of light current engineering services by OCT IT Shenzhen to Hefei OCT Industry for the Hefei Airport International Town Project.

The Service Fee payable by Hefei OCT Industry to OCT IT Shenzhen under the Light Current Engineering Agreement is approximately RMB7,920,000 (tax inclusive).

#### **LISTING RULES IMPLICATIONS**

OCT IT Shenzhen is indirectly owned as to 40% by OCT Ltd. OCT Ltd. owns 100% equity interest in OCT (HK), which in turn owns 100% equity interest in Pacific Climax, which is a controlling shareholder of the Company holding approximately 70.94% of the total issued share capital of the Company as at the date of this announcement. Therefore, OCT IT Shenzhen is a connected person to the Company pursuant to Chapter 14A of the Listing Rules and the transaction contemplated under the Light Current Engineering Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (other than the profits ratio) for the Light Current Engineering Agreement is more than 0.1% but less than 5%, the Light Current Engineering Agreement is subject to the reporting and announcement requirements, but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **LIGHT CURRENT ENGINEERING AGREEMENT**

The Board is pleased to announce that on 21 October 2021, Hefei OCT Industry, an indirect non-wholly owned subsidiary of the Company, has entered into the Light Current Engineering Agreement with OCT IT Shenzhen, in relation to the provision of light current engineering services by OCT IT Shenzhen to Hefei OCT Industry for the Hefei Airport International Town Project.

The principal terms of the Light Current Engineering Agreement are set out as follows:

### **Date**

21 October 2021

### **Parties**

- (i) Hefei OCT Industry, an indirect non-wholly owned subsidiary of the Company; and
- (ii) OCT IT Shenzhen

### **Scope of Services**

Pursuant to the Light Current Engineering Agreement, OCT IT Shenzhen will provide the Services, which include light current intelligent, security, three networks (i.e. telecommunication, computer communication and cable television networks) and other system debugging, acceptance, warranty and other works, for lot no. 2 land parcel of the boot area of the Hefei Airport International Town Project.

The Services shall be completed before 1 December 2021.

### **Service Fee**

The Service Fee shall be approximately RMB7,920,000 (tax inclusive), such amount will be payable in the following stages:

1. Hefei OCT Industry shall make stage payments to OCT IT Shenzhen up to 60% of the value of the Services completed.
2. Upon completion of all Services and upon confirmation by Hefei OCT Industry and supervisory unit, Hefei OCT Industry shall pay to OCT IT Shenzhen up to 80% of the total value of the Services.
3. Upon passing the completion examination of Hefei OCT Industry and relevant department, Hefei OCT Industry shall pay to OCT IT Shenzhen up to 85% of the total value of the Services.

4. Upon completion settlement, Hefei OCT Industry shall pay to OCT IT Shenzhen up to 95% of the total value of the Services.
5. The warranty period of the Services is two years, upon expiry, the remaining amount of the Service Fee will be paid to OCT IT Shenzhen interest-free.

The Service Fee was determined on an arm's length negotiation between the parties after taking into account of (i) the scope of Services to be provided by OCT IT Shenzhen; (ii) the scale of lot no. 2 land parcel of the boot area of the Hefei Airport International Town Project; (iii) the estimated costs of the equipment, material, labour and machinery to be used by OCT IT Shenzhen for the Services; and (vi) the market price for similar Services.

## **REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE LIGHT CURRENT ENGINEERING AGREEMENT**

The principal business of OCT IT Shenzhen includes electronic and system engineering maintenance design, construction, commissioning and repair; building decoration and decoration engineering, urban and road lighting engineering, mechanical and electrical equipment installation engineering design, construction, maintenance and repair.

The selection of the service provider by Hefei OCT Industry and the terms of the Light Current Engineering Agreement (including the Service Fee) are determined through tender. When selecting the successful bidder, factors such as the bidding price, the professional qualifications, the experience and the reputation in the industry of the bidders have been taken into consideration. OCT IT Shenzhen was confirmed to be the successful bidder. As such, the Directors consider that it is in the interest of Hefei OCT Industry to engage OCT IT Shenzhen to provide the Services under the Light Current Engineering Agreement.

The Directors (including the independent non-executive Directors) consider that the terms of the Light Current Engineering Agreement (including the Service Fee) are on normal commercial terms or better, and are fair and reasonable and the transaction under the Light Current Engineering Agreement is in the interest of the Company and the Shareholders as a whole.

## **INFORMATION ON THE GROUP AND HEFEI OCT INDUSTRY**

The principal business activity of the Company is investment holding. The Group is principally engaged in comprehensive development, equity investment and fund management. Equity investment and fund management involve direct equity investment and private equity fund investment in the primary market. Comprehensive development involves development and sale of residential properties, development and management of commercial properties, and development and operation of tourism projects.

Hefei OCT Industry was established for the development of the Hefei Airport International Town, and is held as to 51% by an indirect wholly-owned subsidiary of the Company, and as to 49% by Huaxing Investment (whose ultimate beneficial owner is the State-owned Asset Supervision and Administration Commission of Hefei Municipal People's Government as of the date of this announcement).

## **INFORMATION ON OCT IT SHENZHEN**

OCT IT Shenzhen is a company established in the PRC and indirectly owned as to 40% by OCT Ltd. (a company listed on the Shenzhen Stock Exchange and is principally engaged in cultural tourism and real estate businesses), as to 30% by a company held by Liu Guiling (劉桂苓) and Huang Bei (黃北) and as to 30% by a company held by Ji Lu (季麓) and Yao Bin (姚斌). Liu Guiling (劉桂苓), Huang Bei (黃北), Ji Lu (季麓) and Yao Bin (姚斌) are Independent Third Parties. The principal business of OCT IT Shenzhen includes electronic and system engineering maintenance design, construction, commissioning and repair; building decoration and decoration engineering, urban and road lighting engineering, mechanical and electrical equipment installation engineering design, construction, maintenance and repair.

## **LISTING RULES IMPLICATIONS**

OCT IT Shenzhen is indirectly owned as to 40% by OCT Ltd.. OCT Ltd. owns 100% equity interest in OCT (HK), which in turn owns 100% equity interest in Pacific Climax, which is a controlling shareholder of the Company holding approximately 70.94% of the total issued share capital of the Company as at the date of this announcement. Therefore, OCT IT Shenzhen is a connected person to the Company pursuant to Chapter 14A of the Listing Rules and the transaction contemplated under the Light Current Engineering Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (other than the profits ratio) for the Light Current Engineering Agreement is more than 0.1% but less than 5%, the Light Current Engineering Agreement is subject to the reporting and announcement requirements, but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief, no Director is required to abstain from voting on the board resolutions in relation to the approval of the Light Current Engineering Agreement.

## 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
“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
“Hefei Airport International Town Project”	the development project in Hefei Airport International Town (合肥空港國際小鎮) located in Hefei Airport Economic Demonstration Zone in the PRC. Further information of Hefei Airport International Town has been set out in the circular of the Company dated 23 January 2020
“Hefei OCT Industry”	Hefei OCT Industry Development Co., Ltd. (合肥華僑城實業發展有限公司), an indirect non-wholly owned subsidiary of the Company
“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
“Huaxing Investment”	合肥華興空港投資有限公司 (Hefei Huaxing Konggang Investment Co., Ltd.), a company established in the PRC
“Independent Third Party(ies)”	parties independent of and not connected with the Company and its connected persons

“Light Current Engineering Agreement”	the light current engineering agreement dated 21 October 2021 and entered into between Hefei OCT Industry and OCT IT Shenzhen in respect of provision of the light current engineering services for lot no. 2 land parcel of the boot area (啟動區二號宗地) of Hefei Airport International Town Project
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“normal commercial terms or better”	has the meaning ascribed to it under the Listing Rules
“OCT (HK)”	Overseas Chinese Town (HK) Company Limited, a company incorporated in Hong Kong with limited liability and wholly owned by OCT Ltd.
“OCT IT Shenzhen”	OCT Intelligent Technology (Shenzhen) Co., Ltd. (華僑城智能科技(深圳)有限公司), a company established in the PRC and indirectly owned as to 40% by OCT Ltd.
“OCT Ltd.”	Shenzhen Overseas Chinese Town Company Limited (深圳華僑城股份有限公司), a company established in the PRC, the shares of which are listed on the Shenzhen Stock Exchange
“Pacific Climax”	Pacific Climax Limited, a company incorporated in the British Virgin Islands with limited liability, which is a controlling shareholder of the Company
“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
“RMB”	Renminbi, the lawful currency of the PRC
“Service Fee”	the service fee payable by Hefei OCT Industry to OCT IT Shenzhen pursuant to the Light Current Engineering Agreement
“Services”	the services to be provided by OCT IT Shenzhen to Hefei OCT Industry under the Light Current Engineering Agreement

“Share(s)”	the share(s) of the Company
“Shareholder(s)”	the shareholders of the Company
“sq. m.”	square metre(s)
“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, 21 October 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.*