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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)

DISCLOSEABLE TRANSACTION
PROVISION OF LOAN FACILITY

Provision of Loan Facility

On 17 December 2018 (after trading hours), BOCOM Universal (as one of the Lenders, agent of the Other Lenders and security agent) together with the Other Lenders, entered into the Loan Agreement with the Borrower and the Guarantor pursuant to which the Lenders agreed to provide to the Borrower a loan facility in the principal amount of not exceeding US\$173,089,634.40 (of which up to US\$89,299,148.38 is to be provided by BOCOM Universal).

Listing Rules Implications

The provision of the Loan Facility pursuant to the Loan Agreement constitutes financial assistance provided by the Company under Rule 14.04(1) of the Listing Rules. As the highest applicable percentage ratio (as defined under the Listing Rules) in relation to the provision of the Loan Facility is less than 25% but more than 5%, the Loan Facility constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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LOAN AGREEMENT

Principal terms of the Loan Agreement are set out as below:

- Date : 17 December 2018 (after trading hours)
- Parties : (1) BOCOM Universal (as one of the Lenders, agent of the Other Lenders and security agent);
(2) Lender A (as one of the Lenders);
(3) Lender B (as one of the Lenders);
(4) the Borrower (as the borrower); and
(5) the Guarantor (as the guarantor).
- Maximum principal amount : US\$173,089,634.40, of which up to US\$89,299,148.38 is to be provided by BOCOM Universal
- Interest rate : (1) simple interest of 4.5% per annum; and
(2) compound interest of 4.9% per annum compounded at the end of each interest period as set out in the Loan Agreement
- Repayment Date : 364 days from the date of drawdown or such other date as agreed by BOCOM Universal (as agent) and the Borrower in writing
- Drawdown : One-off drawdown of the principal amount of the Loan Facility according to the requirements of the Loan Agreement
- Purpose : The Loan Facility shall be applied by the Borrower to satisfy the internal financing needs of the Borrower Group
- Prepayment : Prepayment of the whole or part of the Loan Facility by the Borrower can be made at any time provided that a written notice as specified in the Loan Agreement is given to BOCOM Universal
- Security for the Loan Facility : (1) Share Charges (Guarantor);
(2) Share Charge (Borrower);

- (3) Share Charges (Bermuda Company);
- (4) Debenture (Guarantor);
- (5) Debenture (Borrower);
- (6) Account Charge (Guarantor);
- (7) Account Charge (Borrower);
- (8) Securities Account Charge (Guarantor);
- (9) Charge over Convertible Bonds (Bermuda Company);
- (10) Corporate Guarantee; and
- (11) Personal Guarantee

Internal resources of the Group will be used to fund the part of the Loan Facility provided by BOCOM Universal.

INFORMATION OF THE GROUP AND BOCOM UNIVERSAL

The Group is engaged in securities brokerage and margin financing, corporate finance and underwriting, investment and loans, asset management and advisory business. The principal activities of the Group are to carry out regulated activities under the SFO through its licensed subsidiaries. The regulated activities carried out by the Company's licensed subsidiaries include dealing in securities and futures and advising on securities and futures contracts, providing securities margin financing, advising on corporate finance and providing asset management services.

BOCOM Universal is an investment holding company incorporated in the British Virgin Islands with limited liability and is a direct wholly-owned subsidiary of the Company.

INFORMATION OF THE BORROWER, THE OTHER LENDERS, THE GUARANTOR, THE CORPORATE GUARANTOR AND THE PERSONAL GUARANTOR

The Borrower is a company incorporated in the British Virgin Islands with limited liability and is engaged in the business of investment holding. Lender A is a company incorporated in the British Virgin Islands with limited liability and is engaged in the business of investment holding. Lender B is a company incorporated in the British Virgin Islands with limited liability and is engaged in the business of investment holding.

The Guarantor is a company incorporated in Hong Kong with limited liability and is engaged in the business of investment holding. The Guarantor is the holding company of the Borrower.

The Corporate Guarantor is a company incorporated in the People's Republic of China and is principally engaged in the business of investment holding. The Corporate Guarantor is the holding company of the Guarantor.

The Personal Guarantor is the majority shareholder of the Corporate Guarantor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Borrower, Lender A, Lender B, the Guarantor and the Corporate Guarantor, and their respective ultimate beneficial owners, together with the Personal Guarantor, are Independent Third Parties and not connected with the Company and its connected persons as at the date of this announcement.

REASONS FOR AND BENEFITS OF THE PROVISION OF LOAN FACILITY

The provision of the Loan Facility is in the ordinary and usual course of business of the Group. The terms of the Loan Agreement (including the interest rates) were arrived at by the parties thereto after arm's length negotiations, with reference to prevailing commercial practice and the amount of the Loan Facility. Having considered the financial background of the Borrower and the interest income to be received by the Group, the Directors consider that the terms of the Loan Agreement are fair and reasonable and the provision of the Loan Facility is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

The provision of the Loan Facility pursuant to the Loan Agreement constitutes financial assistance provided by the Company under Rule 14.04(1) of the Listing Rules. As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the provision of the Loan Facility is less than 25% but more than 5%, the Loan Facility constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Account Charge (Borrower)” : an account charge to be granted by the Borrower in favour of BOCOM Universal (as security agent) over certain accounts of Borrower opened and maintained with a licensed bank in Macau

“Account Charge (Guarantor)”	:	an account charge to be granted by the Guarantor in favour of BOCOM Universal (as security agent) over certain bank accounts of the Guarantor opened and maintained with a licensed bank in Hong Kong
“Bermuda Company”	:	a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange
“BOCOM Universal”	:	BOCOM International Universal Investment Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company
“Borrower”	:	a company incorporated in the British Virgin Islands with limited liability
“Borrower Group”	:	the Borrower, its holding company and its subsidiaries
“Charge over Convertible Bonds (Bermuda Company)”	:	a charge over convertible bonds of the Bermuda Company to be granted by the Guarantor to BOCOM Universal (as security agent)
“Company”	:	BOCOM International Holdings Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3329)
“Corporate Guarantee”	:	a guarantee to be granted by the Corporate Guarantor in favour of BOCOM Universal (as security agent) to secure the performance of, among others, the Borrower under the Loan Agreement
“Corporate Guarantor”	:	a company incorporated in the People’s Republic of China and is the holding company of the Guarantor
“Debenture (Borrower)”	:	the debenture to be created by Borrower in favour of BOCOM Universal (as security agent) by way of first fixed and floating charge over all the undertakings, property and/or assets of the Borrower
“Debenture (Guarantor)”	:	the debenture to be created by the Guarantor in favour of BOCOM Universal (as security agent) by way of first fixed and floating charge over all the undertakings, property and/or assets of the Guarantor

“Director(s)”	:	the director(s) of the Company
“Group”	:	the Company and its subsidiaries
“Guarantor”	:	a company incorporated in Hong Kong with limited liability, which is the holding company of the Borrower
“Hong Kong”	:	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	:	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which is/are third party(ies) independent of the Company and its connected person(s) (as defined under the Listing Rules)
“Lender A”	:	a company incorporated in the British Virgin Islands with limited liability
“Lender B”	:	a company incorporated in the British Virgin Islands with limited liability
“Lenders”	:	BOCOM Universal and the Other Lenders
“Listing Rules”	:	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	:	a loan agreement dated 17 December 2018 entered into by BOCOM Universal (as one of the Lenders, agent of the Other Lenders and security agent), the Other Lenders, the Borrower and the Guarantor in relation to the provision of the Loan Facility
“Loan Facility”	:	the loan facility of a maximum principal amount of US\$173,089,634.40, (of which up to US\$89,299,148.38 is to be provided by BOCOM Universal) to the Borrower pursuant to the Loan Agreement
“Other Lenders”	:	Lender A and Lender B
“Personal Guarantee”	:	a guarantee to be granted by the Personal Guarantor in favour of BOCOM Universal (as security agent) to secure the performance of, among others, the Borrower under the Loan Agreement
“Personal Guarantor”	:	an individual who is the majority shareholder of the Corporate Guarantor

“Securities Account Charge (Guarantor)”	:	a charge over the securities account of the Guarantor opened and maintained with a licensed financial institution in Hong Kong to be granted by the Guarantor in favour of BOCOM Universal (as security agent)
“SFO”	:	the Hong Kong Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong)
“Share Charge (Borrower)”	:	a share charge to be created by the Guarantor in favour of BOCOM Universal (as security agent) by way of first ranking fixed charge over the entire issued share capital of the Borrower
“Share Charges (Bermuda Company)”	:	three share charges to be created by the Guarantor in favour of BOCOM Universal (as security agent) by way of first ranking fixed charges over certain issued share capital of the Bermuda Company
“Share Charges (Guarantor)”	:	three share charges to be created by the Corporate Guarantor in favour of BOCOM Universal (as security agent) by way of first ranking fixed charges over, in aggregate, the entire issued share capital of the Guarantor
“Shareholder(s)”	:	holder(s) of the share(s) of the Company
“Stock Exchange”	:	The Stock Exchange of Hong Kong Limited
“US\$”	:	United States dollars, the lawful currency of the United States of America
“%”	:	per cent

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

Hong Kong, 17 December 2018

As at the date of this announcement, the Board of Directors of the Company comprises Mr. TAN Yueheng, Mr. LI Ying and Mr. CHENG Chuange as Executive Directors; Mr. WANG Yijun, Ms. LIN Zhihong and Mr. SHOU Fugang as Non-executive Directors; Mr. TSE Yung Hoi, Mr. MA Ning and Mr. LIN Zhijun as Independent Non-executive Directors.