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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)**

**CONNECTED TRANSACTION IN RELATION TO  
FORMATION OF PARTNERSHIP**

**FORMATION OF PARTNERSHIP**

On 27 July 2022, BOCOM Capital, as General Partner, entered into the Partnership Agreement with Hainan Subsidiary, BOCOM Trust, BOCOM Insurance, Mr. Deng, Ms. Yang, Zhong Xiao Development, Cheng You Property, Jiading Collective Economic Association, Jia Jia Investment and Ning De Yi Feng Automotive, as Limited Partners, in relation to the formation of the Partnership. The total capital contribution by all Partners to the Partnership shall be RMB518,000,000, of which Hainan Subsidiary shall contribute RMB74,000,000. The Transaction is still subject to the approval of the relevant authorities of the government of the People's Republic of China.

## **LISTING RULES IMPLICATIONS**

Hainan Subsidiary is a wholly-owned subsidiary of the Company whereas BOCOM Capital, BOCOM Trust and BOCOM Insurance are subsidiaries of BOCOM. As at the date of this announcement, BOCOM and its associates held approximately 73.14% of the issued Shares. Therefore, BOCOM is the controlling shareholder of the Company and hence BOCOM Capital, BOCOM Trust and BOCOM Insurance are connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the Transaction constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Given that the highest applicable percentage ratio in relation to the Transaction is more than 0.1% but less than 5%, the Transaction is subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **BACKGROUND**

On 27 July 2022, BOCOM Capital, as General Partner, entered into the Partnership Agreement with Hainan Subsidiary, BOCOM Trust, BOCOM Insurance, Mr. Deng, Ms. Yang, Zhong Xiao Development, Cheng You Property, Jiading Collective Economic Association, Jia Jia Investment and Ning De Yi Feng Automotive, as Limited Partners, in relation to the formation of the Partnership. The total capital contribution by all Partners to the Partnership shall be RMB518,000,000, of which Hainan Subsidiary shall contribute RMB74,000,000. The Transaction is still subject to the approval of the relevant authorities of the government of the People's Republic of China.

## PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT

The principal terms of the Partnership Agreement are summarised as follows:

- Date : 27 July 2022
- Parties : 1. BOCOM Capital (as General Partner);  
2. Hainan Subsidiary (as Limited Partner);  
3. BOCOM Trust (as Limited Partner);  
4. BOCOM Insurance (as Limited Partner);  
5. Mr. Deng (as Limited Partner);  
6. Ms. Yang (as Limited Partner);  
7. Zhong Xiao Development (as Limited Partner);  
8. Cheng You Property (as Limited Partner);  
9. Jiading Collective Economic Association (as Limited Partner);  
10. Jia Jia Investment (as Limited Partner); and  
11. Ning De Yi Feng Automotive (as Limited Partner).
- Name of Partnership : BOCOM Jun Hong Phase Two (Suzhou) Equity Investment Partnership Enterprise (Limited Partnership)\* 交銀君泓二期（蘇州）股權投資合夥企業（有限合夥）(subject to the approval of the relevant government authorities of the People's Republic of China)
- Term of Partnership : The Partnership, as private equity fund, shall have a term of five years. The investment period shall commence from the first closing date of the Partnership and ends on the third anniversary thereof; and the exit period shall commence upon the lapse of the investment period and continue up to the expiration of the term of the Partnership as private equity fund. The General Partner may at its sole discretion extend the term of the Partnership as private equity fund for one year twice.

Purpose of Partnership : The purpose of the Partnership is to achieve maximum return to all Partners by engaging in the business of project investment, primarily in the equity interests of the Target Company.

Capital contribution : The total capital contribution by all Partners to the Partnership shall be RMB518,000,000, of which each of BOCOM Capital, Hainan Subsidiary, BOCOM Trust, BOCOM Insurance, Mr. Deng, Ms. Yang, Zhong Xiao Development, Cheng You Property, Jiading Collective Economic Association, Jia Jia Investment and Ning De Yi Feng Automotive, shall contribute RMB103,000,000, RMB74,000,000, RMB100,000,000, RMB91,000,000, RMB30,000,000, RMB10,000,000, RMB10,000,000, RMB30,000,000, RMB10,000,000, RMB10,000,000 and RMB50,000,000 respectively. The capital contribution to be made by Hainan Subsidiary will be funded by the Group's internal resources.

Management : The General Partner shall undertake the role of Executive Partner of the Partnership. The General Partner is vested with the power to manage, control, operate and make decisions for the Partnership, including but not limited to determining, executing and managing the investment business of the Partnership; acquiring, holding, maintaining and disposing of the assets of the Partnership for and on behalf of the Partnership as well as appointing professional advisors, managers, intermediaries to provide services to the Partnership.

The Partners have agreed to appoint the Manager to manage certain affairs of the Partnership. An annual management fee in an amount equal to 1% of the aggregate actual capital contribution of all the Partners will be paid by the Partnership within the investment period of the Partnership for the management services rendered by the Manager to the Partnership.

The Limited Partners shall take no part in the operation of the Partnership or the management or conduct of its business and affairs except those rights otherwise expressly given to them in the Partnership Agreement.

- Key policy of distributable proceeds : Any distributable proceeds attributable to the Partnership shall be distributed to all Partners in proportion to their paid-in capital contribution. Amounts attributable to the General Partner shall be distributed to the General Partner. Amounts attributable to any Limited Partner shall be distributed in the following order of priority:
1. 100% to the Limited Partners until each Limited Partner has received an amount equal to its aggregate paid-in capital contribution to the Partnership as at the date of distribution;
  2. 100% to the Limited Partners until each Limited Partner has received an amount equal to a rate of 8% per annum of its aggregate paid-in capital contribution to the Partnership calculated based on the number of days as specified in the Partnership Agreement; and
  3. 90% to the Limited Partners (in proportion to their aggregate paid-in capital contribution to the Partnership) and 10% to the General Partner.
- Debt sharing : Any debts of the Partnership shall be borne by all Partners provided however that the Limited Partners shall be liable for the debts of the Partnership up to the amount of their respective committed capital contribution whereas the General Partner shall bear unlimited liability for the debts of the Partnership.
- Transfer of partnership interest : Any Limited Partner may transfer its partnership interest to third parties provided that prior consent from the Executive Partner is obtained, but such restriction is not applicable to transfer of partnership interest by any Limited Partner to its affiliates required by any existing or newly promulgated laws or regulations. Unless with the prior consent of all Partners or the transfer of partnership interests is to be made to its affiliates, the General Partner shall not transfer its partnership interest to third parties during the term of the Partnership.

Pursuant to the Side Letter dated 27 July 2022, if the pre-investment valuation of the Target Company exceeds the amount specified in the Side Letter, the General Partner shall promptly complete Hainan Subsidiary's exit of the Partnership and return the paid-in capital contribution made by Hainan Subsidiary to the Partnership, together with any interest income.

## **INFORMATION OF THE COMPANY AND THE GROUP**

The principal activity of the Company is investment holding. 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 and advising on securities and futures contracts, providing securities margin financing, advising on corporate finance and providing asset management services.

## **INFORMATION OF THE PARTNERSHIP, THE GENERAL PARTNER AND THE LIMITED PARTNERS**

The Partnership is a limited partnership formed under the laws of the People's Republic of China. As it is newly formed, neither financial information nor past performance of the Partnership is presented in this announcement.

BOCOM Capital is a company established in the People's Republic of China with limited liability on 29 December 2018. It is principally engaged in the businesses of private equity investment fund and is a wholly-owned subsidiary of BOCOM. BOCOM Capital launched its private equity fund management business after completing the filing of private equity fund manager with the Asset Management Association of China in May 2020. At present, BOCOM Capital manages a total of 8 funds with a registered fund size of approximately RMB3,300,000,000. The core management team of the General Partner comprised of four members, namely Liu Ying Jie, Gu Xiao Ping, Cai Yong and Liu Wei.

BOCOM Trust is a company established in the People's Republic of China with limited liability and is principally engaged in the trust business. It is a non wholly-owned subsidiary of BOCOM.

BOCOM Insurance is a company established in the People's Republic of China with limited liability and is principally engaged in the insurance business. BOCOM is the controlling shareholder of BOCOM Insurance, ultimately beneficially owning more than 50% of BOCOM Insurance.

Hainan Subsidiary is a limited partnership established in the People's Republic of China and is principally engaged in the businesses of private equity investment. It is a wholly-owned subsidiary of the Company.

Zhong Xiao Development is a company established in the People's Republic of China with limited liability and is principally engaged in the businesses of storage, loading and unloading, property management and maintenance, meeting service and hardware delivery service. It is ultimately beneficially owned as to 60% by Tan Wei Yong and 40% by Liu Kui Mei.

Cheng You Property is a company established in the People's Republic of China with limited liability and is principally engaged in the businesses of property management, cleaning service, electric appliances maintenance and business information consulting. It is ultimately beneficially owned as to 90% by Chen Jian Xiang.

Jiading Collective Economic Association is established as an association in the People's Republic of China and is principally engaged in the businesses of asset management (town level), business investment, formation of horizontal economic association, business consulting, meeting service, self-owned property rental and management and parking service.

Jia Jia Investment is a company established in the People's Republic of China with limited liability and is principally engaged in the businesses of investment and asset management and investment consulting. It is ultimately beneficially owned as to 55% by Shanghai Jiading City Town Collective Industrial Association\* and Shanghai New Collective Economic Cooperation Association\* and 45% by the Collective Asset Supervisory Management Committee of Jiading District, Shanghai City\*.

Ning De Yi Feng Automotive is a company established in the People's Republic of China with limited liability and is principally engaged in the businesses of automotive components manufacturing, aluminium rolling processing, metal structure manufacturing, metal surface treatment and heat treatment processing, foreign trade, and import and export of goods technologies. It is ultimately beneficially owned as to 90% by Zhang Wen Jin.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

The Group has endeavoured in exploring opportunities for potential investments with a view to generating revenue and achieving better return for its Shareholders.

The Directors believe that the Transaction represents a good investment opportunity for the Group to diversify the Group's investment portfolio and generate stable income for the Group.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the Transaction is conducted by the Company in its ordinary and usual course of business, on normal commercial terms, is fair and reasonable and in the interests of the Company and its Shareholders as a whole. Due to the executive roles of Ms. PO Ying and Mr. WANG Xianjia in the BOCOM Group, such non-executive Directors have abstained from voting on the relevant Board resolutions.

## LISTING RULES IMPLICATIONS

Hainan Subsidiary is a wholly-owned subsidiary of the Company whereas BOCOM Capital, BOCOM Trust and BOCOM Insurance are subsidiaries of BOCOM. As at the date of this announcement, BOCOM and its associates held approximately 73.14% of the issued Shares. Therefore, BOCOM is the controlling shareholder of the Company and hence BOCOM Capital, BOCOM Trust and BOCOM Insurance are connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the Transaction constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Given that the highest applicable percentage ratio in relation to the Transaction is more than 0.1% but less than 5%, the Transaction is subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## DEFINITIONS

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

“affiliates”	all entities directly or indirectly controlling, controlled by or under common control with such entities, where control may be by either management authority, contract or equity interest
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“BOCOM”	Bank of Communications Co., Ltd.* 交通銀行股份有限公司, a company registered in the People’s Republic of China as a joint stock limited liability company, the H shares and A shares of which are listed on the Stock Exchange and Shanghai Stock Exchange, respectively, and the ultimate controlling shareholder of the Company
“BOCOM Capital”	BOCOM Capital Management Co., Ltd.* 交銀資本管理有限公司
“BOCOM Group”	BOCOM and its subsidiaries (excluding the Group)
“BOCOM Insurance”	BOCOM MSIG Life Insurance Company Limited* 交銀人壽保險有限公司



“BOCOM Trust”	Bank of Communications International Trust Co., Ltd.* 交銀國際信託有限公司
“Cheng You Property”	Shanghai Cheng You Property Management Company Limited* 上海誠優物業管理有限公司
“Company”	BOCOM International Holdings Company Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Stock Exchange (stock code: 3329)
“connected person”	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
“Director(s)”	the director(s) of the Company
“Executive Partner”	the executive partner of the Partnership, namely BOCOM Capital
“General Partner”	the general partner of the Partnership, namely BOCOM Capital
“Group”	the Company and its subsidiaries
“Hainan Subsidiary”	Hainan BOCOM Science and Technology Innovation Shengxing Equity Investment Partnership Enterprise (Limited Partnership)* 海南交銀科創盛興股權投資合夥企業（有限合夥）
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Jiading Collective Economic Association”	Shanghai City Jiading District Jiading Town Collective Economic Association* 上海市嘉定區嘉定鎮集體經濟聯合社
“Jia Jia Investment”	Shanghai Jia Jia Investment Company Limited* 上海嘉加投資有限公司

“Limited Partners”	the limited partners of the Partnership, namely Hainan Subsidiary, BOCOM Trust, BOCOM Insurance, Mr. Deng, Ms. Yang, Zhong Xiao Development, Cheng You Property, Jiading Collective Economic Association, Jia Jia Investment and Ning De Yi Feng Automotive
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Manager”	BOCOM Capital
“Mr. Deng”	Deng Dian Ming (鄧電明)
“Ms. Yang”	Yang Jun (楊浚)
“Ning De Yi Feng Automotive”	Ning De Yi Feng Automotive Components Co., Ltd.* 寧德屹豐汽車部件有限公司
“Partners”	the partners to the Partnership, including the General Partner and the Limited Partners
“Partnership”	BOCOM Jun Hong Phase Two (Suzhou) Equity Investment Partnership Enterprise (Limited Partnership)* 交銀君泓二期(蘇州)股權投資合夥企業(有限合夥)
“Partnership Agreement”	the partnership agreement dated 27 July 2022 entered into among BOCOM Capital (as General Partner) with Hainan Subsidiary, BOCOM Trust, BOCOM Insurance, Mr. Deng, Ms. Yang, Zhong Xiao Development, Cheng You Property, Jiading Collective Economic Association, Jia Jia Investment and Ning De Yi Feng Automotive (as Limited Partners) in relation to the formation of the Partnership
“percentage ratios”	has the same meaning as ascribed to it under the Listing Rules
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Shares”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the ordinary shares of the Company

“Side Letter”	the letter executed by the General Partner in favour of Hainan Subsidiary
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning as ascribed to it under the Listing Rules
“Target Company”	Zhiji Automobile Technology Co., Ltd* 智己汽車科技有限公司
“Transaction”	the formation of the Partnership under the Partnership Agreement
“Zhong Xiao Development”	Shanghai Zhong Xiao Business Development Company Limited* 上海眾筱實業發展有限公司
“%”	per cent.

\* *For identification purpose only*

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

Hong Kong, 27 July 2022

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