
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in the Company, you should at once hand this circular, together with the accompanying form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

(I) CONTINUING CONNECTED TRANSACTION FINANCIAL TECHNOLOGY SERVICES FRAMEWORK AGREEMENT AND

(II) PROPOSED RE-ELECTION OF DIRECTOR AND

(III) NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders

ALTUS CAPITAL LIMITED

A letter from the Board is set out on pages 4 to 17 of this circular.

A letter from the Independent Board Committee is set out on pages 18 to 19 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 20 to 31 of this circular.

A notice convening the EGM to be held at 29th Floor, International Medical Centre, 22 Des Voeux Road Central, Hong Kong on Thursday, 24 December 2020 at 10:30 a.m. (or any adjournment thereof) is set out on pages 38 to 39 of this circular.

Whether or not you are able to attend and/or vote at the EGM in person, you are requested to complete the enclosed form of proxy and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed on the form as soon as possible but in any event not later than 48 hours (excluding any part of a day that is a public holiday) before the time appointed for the holding of the EGM or any adjournment of the EGM (as the case may be). Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the EGM or any adjournment of the EGM (as the case may be) should you so wish.

PRECAUTIONARY MEASURES FOR THE EGM

To safeguard the health and safety of Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the EGM:

- (1) Body temperature check for each attendee;
- (2) Health declaration and wearing of a surgical face mask by each attendee; and
- (3) No distribution of corporate gifts or refreshments or drinks to attendees.

For the health and safety of Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the EGM by appointing the chairman of the EGM as their proxy and to return their proxy forms by the time specified above, instead of attending the EGM in person. The form of proxy can be downloaded from the Company's website (www.bocomgroup.com) or the Stock Exchange's website.

The Company will keep the evolving COVID-19 situation under review and may implement additional measures. It may announce additional measures closer to the date of the EGM where necessary.

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DEFINITIONS

The following terms have the following meanings in this circular, unless the context otherwise requires:

“Articles of Association”	means the articles of association of the Company
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	means the board of Directors
“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 Main Board of the Stock Exchange (Stock Code: 3328), and the ultimate controlling shareholder of the Company
“BOCOM Financial Technology”	means 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, and a wholly-owned subsidiary of the Company
“BOCOM Group”	means BOCOM and its subsidiaries (excluding the Group)
“BOCOM Nominee”	means Bank of Communications (Nominee) Company Limited, a company incorporated in Hong Kong with limited liability, a subsidiary of BOCOM and a Shareholder holding Shares on trust for BOCOM
“Business Day”	means a day on which banks in the Mainland of the People’s Republic of China and Hong Kong are open for general business (other than a Saturday, Sunday or public holiday)
“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: 3329)
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Directors”	means the directors of the Company
“Effective Date”	means the date on which the Financial Technology Services Framework Agreement becomes unconditional

DEFINITIONS

“EGM”	means the extraordinary general meeting of the Company (or any adjournment thereof) to be held at 29th Floor, International Medical Centre, 22 Des Voeux Road Central, Hong Kong on Thursday, 24 December 2020 at 10:30 a.m. (or any adjournment thereof) for the purposes of considering and, if thought fit, approving the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) and the proposed re-election of Mr. MENG Yu as a Director
“Expectation Investment”	means Expectation Investment Limited, a company incorporated in Hong Kong with limited liability, an indirect subsidiary of BOCOM and a Shareholder
“Financial Technology Services Framework Agreement”	means the conditional financial technology services framework agreement dated 1 December 2020 which was entered into between the Company and BOCOM in relation to the provision of certain financial technology services by the Group to the BOCOM Group
“Group”	means the Company and its subsidiaries
“HK\$”	means Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	means the independent committee established by the Board, consisting of all independent non-executive Directors (i.e. Mr. TSE Yung Hoi, Mr. MA Ning and Mr. LIN Zhijun) to advise the Independent Shareholders in respect of the terms of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps)
“Independent Financial Adviser”	means Altus Capital Limited, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders on the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps)
“Independent Shareholders”	means the Shareholders other than BOCOM and its associates

DEFINITIONS

“Latest Practicable Date”	means 2 December 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	means the nine months from the execution date of the Financial Technology Services Framework Agreement or such later date as the Company and BOCOM may agree in writing
“Model Code”	means the Model Code for the Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
“percentage ratio”	has the same meaning as ascribed to it under the Listing Rules
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	means the ordinary share(s) of the Company
“Shareholder(s)”	means the holder(s) of Shares
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning as ascribed to it under the Listing Rules
“%”	per cent.

* *For identification purpose only*



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)

Executive Directors:

Mr. TAN Yueheng (*Chairman*)

Mr. MENG Yu (*Chief Executive Officer*)

Mr. CHENG Chuange (*Deputy Chief Executive Officer*)

Registered Office:

9/F, Man Yee Building

68 Des Voeux Road Central

Hong Kong

Non-executive Directors:

Ms. LIN Zhihong

Mr. SHOU Fugang

Ms. PO Ying

Independent Non-executive Directors

Mr. TSE Yung Hoi

Mr. MA Ning

Mr. LIN Zhijun

7 December 2020

To the Shareholders

Dear Sir or Madam,

**(I) CONTINUING CONNECTED TRANSACTION
FINANCIAL TECHNOLOGY SERVICES FRAMEWORK AGREEMENT
AND**

**(II) PROPOSED RE-ELECTION OF DIRECTOR
AND**

(III) NOTICE OF EXTRAORDINARY GENERAL MEETING

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the EGM, including (i) the continuing connected transaction involving the Financial Technology Services Framework Agreement; and (ii) proposed re-election of Mr. MENG Yu as a Director and authorisation of the Board to fix his remuneration, and to provide you with the notice of the EGM.

LETTER FROM THE BOARD

(I) CONTINUING CONNECTED TRANSACTION INVOLVING THE FINANCIAL TECHNOLOGY SERVICES FRAMEWORK AGREEMENT

INTRODUCTION

The Company refers to its announcement dated 1 December 2020 in relation to, among other things, the conditional Financial Technology Services Framework Agreement.

On 1 December 2020, the Company entered into the Financial Technology Services Framework Agreement with BOCOM pursuant to which the Group has agreed to provide certain financial technology services to the BOCOM Group. The Financial Technology Services Framework Agreement is effective from the Effective Date up to and including 31 December 2022, and shall be renewed automatically for successive periods of three years thereafter, subject to compliance with the then applicable requirements of the Listing Rules. After expiration of the initial term, each automatic renewal of the Financial Technology Services Framework Agreement (including the proposed annual caps therefor) for successive periods of three years thereafter will be subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules if the highest applicable percentage ratio in respect of the respective proposed annual caps is 5% or more.

The purposes of this circular are to provide you with, among other things, (i) further information on the Financial Technology Services Framework Agreement; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) the notice of the EGM; and (v) other information as required under the Listing Rules.

PRINCIPAL TERMS

The principal terms of the Financial Technology Services Framework Agreement are:

Date: 1 December 2020

Parties:

1. the Company
2. BOCOM

Scope of service: All provision of financial technology services by members of the Group to members of the BOCOM Group comprising the following:

1. computer software development, information system operation and maintenance services and information system integration services; and
2. information system consultancy services.

LETTER FROM THE BOARD

General terms: At any time during the term of the Financial Technology Services Framework Agreement, the relevant member of the Group and the relevant member of the BOCOM Group may from time to time enter into definitive agreements in relation to any transaction(s) under the Financial Technology Services Framework Agreement upon, and subject to, the terms and conditions being in compliance with those of the Financial Technology Services Framework Agreement.

The transactions under the Financial Technology Services Framework Agreement shall be conducted:

1. in the ordinary and usual course of business of the Group and the BOCOM Group;
2. on an arm's length basis;
3. on normal commercial terms or better to the Group;
4. on terms no less favourable than those offered by the Group to independent third parties for similar transactions;
5. in accordance with the specified pricing policies; and
6. in compliance with, among other things, the Listing Rules and applicable laws and regulations.

LETTER FROM THE BOARD

Pricing policies: The service fees to be charged by the Group to the BOCOM Group shall be conducted on commercial principles based on the prevailing market prices in the finance industry. The relevant market prices as at the date of the Financial Technology Services Framework Agreement are set out below for reference only:

1. Computer software development, information system operation and maintenance services and information system integration services

Computer software development	Information system operation and maintenance services	Information system integration services
High-end: RMB80,000/ per month for per staff	High-end: RMB75,000/ per month for per staff	High-end: RMB80,000/per month for per staff
Mid-end: RMB50,000/ per month for per staff	Mid-end: RMB45,000/ per month for per staff	Mid-end: RMB50,000/per month for per staff
Low-end: RMB35,000/ per month for per staff	Low-end: RMB30,000/ per month for per staff	Low-end: RMB35,000/per month for per staff
The proportion for high-end, mid-end and low-end services is expected to be approximately 2:4:1	The proportion for high-end, mid-end and low-end services is expected to be approximately 2:4:1	The proportion for high-end, mid-end and low-end services is expected to be approximately 2:4:1

2. Information system consultancy services

High-end: RMB100,000/per month for per staff

Mid-end: RMB70,000/per month for per staff

Low-end: RMB35,000/per month for per staff

The proportion for high-end, mid-end and low-end services is expected to be approximately 2:4:1.

LETTER FROM THE BOARD

CONDITION PRECEDENT

The Financial Technology Services Framework Agreement shall take effect upon satisfaction of the following condition precedent:

- passing by the Independent Shareholders at a duly convened EGM of an ordinary resolution approving the Financial Technology Services Framework Agreement and the transactions contemplated thereunder.

If the above condition precedent is not satisfied on or before the Long Stop Date, then BOCOM shall, within 3 Business Days from the Long Stop Date, by notice in writing to the Company elect to:

1. defer the date for satisfaction of the above condition precedent; or
2. terminate the Financial Technology Services Framework Agreement.

FINANCIAL TECHNOLOGY SERVICES

The financial technology services to be provided to the BOCOM Group include (but are not limited to):

- the development of basic software products and platforms;
- application development in the financial business field;
- integration of information systems (including but not limited to hardware, system software, tool software, network, database and applications);
- continuous customisation and optimisation of research and development products;
- technical support and maintenance for the stable operation of information systems; and
- provision of advice and solutions for informatisation construction matters such as modifying customer systems, architecture design, process remodelling, and integration of hardware and software.

The Group has recruited a number of technical personnel with the requisite expertise and experience in providing financial technology services. The Group is in the process of recruiting additional technical personnel with such expertise and experience to build up its servicing capacity.

HISTORICAL TRANSACTION AMOUNTS

No historical transaction amount is available as the Group had not previously provided financial technology services to the BOCOM Group.

LETTER FROM THE BOARD

PROPOSED ANNUAL CAPS

The proposed annual caps in respect of the transactions under the Financial Technology Services Framework Agreement for each of the three years ending 31 December 2020, 2021 and 2022 are:

	Year ending 31 December		
	2020 ⁽¹⁾	2021	2022
	<i>(RMB million)</i>		
Computer software development, information system operation and maintenance services and information system integration services	90	540	720
Information system consultancy services	10	60	80

Note: ⁽¹⁾ Considering the transactions contemplated under the Financial Technology Services Framework Agreement are expected to commence in the fourth quarter of 2020 if approved by the Independent Shareholders in the EGM, the proposed annual caps for 2020 reflect the expected transaction amount for the period from the Effective Date (i.e. the date of EGM when Independent Shareholders' approval has been obtained) to 31 December 2020 (both dates inclusive). For illustration purpose only, the implied annual caps of the year ending 31 December 2020 are (i) RMB360 million for computer software development, information system operation and maintenance services and information system integration services; and (ii) RMB40 million for information system consultancy services.

BASIS OF DETERMINATION OF ANNUAL CAPS

The proposed annual caps in respect of the financial technology services under the Financial Technology Services Framework Agreement were determined by reference to the following factors:

1. the prevailing market prices for the provision of similar financial technology services;
2. the expenditures for financial technology services incurred by members of the BOCOM Group in previous years; and
3. the expected demand for financial technology services by members of the BOCOM Group.

LETTER FROM THE BOARD

The proposed annual caps for the three years ending 31 December 2022 increase at an average rate of over 40% per annum. This expected growth is based on (i) the expected demand for financial technology services by the BOCOM Group; and (ii) the expected increase of the Group's capacity to provide financial technology services.

For each of the three years ended 31 December 2019, the BOCOM Group incurred approximately RMB1,789 million, RMB1,893 million and RMB2,087 million respectively in expenses related to computer software development, information system operation and maintenance services and information system integration services. For each of the three years ended 31 December 2019, the BOCOM Group incurred approximately RMB22 million, RMB34 million and RMB39 million respectively in expenses related to information system consultancy services.

Although the annual financial technology services expenses incurred by the BOCOM Group grew at a relatively low rate of approximately 8.3% per annum in the three years ended 31 December 2019, such expenses are expected to grow at a much higher rate in the future in line with the business strategy of the BOCOM Group and the Group. According to the 2019 BOCOM Annual Report, it is one of the future strategies of the BOCOM Group to accelerate digital transformation, including continuously increase in technology input, expediting the re-engineering of processes and innovation and developing an advantage in the forward-looking financial technology area. According to the 2020 BOCOM Interim Report, BOCOM will continue financial technology path, promote the execution of financial technology for front line businesses and build up the operation management via financial technology. In addition, in the 2019 BOCOM Interim Report, it is noted that the BOCOM Group intended to gradually increase its total investment in information construction, which is related to financial technology, to 10% of its operating expenses. With reference to the operating expenses incurred by the BOCOM Group of approximately RMB144,324 million for the year ended 31 December 2019, in order to achieve the stated strategy and to meet the expenditure target mentioned above, the BOCOM Group might increase its expenses in information construction, which the investment in financial technology forms part, to approximately RMB14,432 million in the future.

To capture the potential business opportunity and satisfy the expected increase in demand for financial technology services by the BOCOM Group, BOCOM Financial Technology will build up its servicing capacity by expanding its talent pool. The Company expects to at least double the Group's staff for provision of financial technology services in 2021 and continue to increase the servicing capacity going forward.

Considering the huge expenditure target of the BOCOM Group (approximately RMB14,432 million) set for the total investment in information construction, the Company believes that there is ample room for increase in the amount of expenditure to be spent on similar financial technology services by the BOCOM Group (amounted to approximately RMB2,125 million for the year ended 31 December 2019), which forms part of the investment in information construction, in the coming years. The Company believes that as BOCOM Financial Technology increases its servicing

LETTER FROM THE BOARD

capacity in the three years ending 31 December 2022, part of these additional expenditures would likely fall under the scope of work of the Financial Technology Services Framework Agreement. Therefore, the Directors (including the independent non-executive Directors, after considering the advice from the Independent Financial Adviser) believe that it is fair and reasonable to expect the proposed annual caps to grow at a high rate.

INTERNAL CONTROL MEASURES

To ensure that the transactions contemplated under the Financial Technology Services Framework Agreement will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole and that the transaction amounts do not exceed the proposed annual caps, BOCOM Financial Technology will adopt the following internal approval and monitoring procedures:

Before BOCOM Financial Technology confirms the pricing and terms of a project under the Financial Technology Services Framework Agreement, the project will be categorised into one of four progressive price levels, to be considered and approved by the following predefined authority hierarchy:

	Approval unit	Price level
1.	The head of department responsible for the project	Lowest
2.	A responsible member of the senior management or the chief executive of BOCOM Financial Technology	Relatively low
3.	Pricing committee	Relatively high
4.	Executive committee comprising of the senior management of BOCOM Financial Technology	Highest

The unit responsible for the pricing review will consider the pricing for two or more independent third parties in respect of financial technology services of a similar nature and scale, in order to determine whether the proposed pricing and terms of the project under the Financial Technology Services Framework Agreement are fair, reasonable, and no less favorable than those offered to independent third parties.

Because of the inherently highly-customised nature of provision of financial technology services, should there be any cases where no pricing for independent third parties can be adopted for the purpose of the above comparison, the unit responsible for the pricing review will take into account factors such as (i) project cost; (ii) prevailing market conditions; and (iii) pricing reasonableness, to ensure that the service fee to be charged by the Group to the BOCOM Group complies with the principle of marketisation to protect the interests of Shareholders.

LETTER FROM THE BOARD

The Company will continue to follow ongoing monitoring procedures, including compiling year-to-date transaction amount by the designated staff member of the Finance and Accounting Department on a monthly basis.

If the value of any proposed connected transaction is anticipated to exceed the proposed annual caps, the relevant staff responsible for overseeing the connected transactions will report the proposed transaction to the Company Secretary and the Legal and Compliance Department of the Company in order for the Company to commence the necessary additional assessment and approval procedures and ensure that the Company will comply with the applicable requirements under Chapter 14A of the Listing Rules.

In addition to the procedures adopted by BOCOM Financial Technology above, in accordance with the Company's existing internal approval and monitoring procedures in relation to continuing connected transactions, the Company will provide information and supporting documents to the independent non-executive Directors and the auditors in order for them to conduct an annual review of the transactions entered into with the BOCOM Group under the Financial Technology Services Framework Agreement. In accordance with the requirements under the Listing Rules, the independent non-executive Directors will provide an annual confirmation to the Board as to whether the said transactions under the Financial Technology Services Framework Agreement have been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms and are in accordance with the agreements governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and the auditors will provide an annual confirmation to the Board as to whether anything has come to their attention that causes them to believe that the transactions have not been approved by the Board, are not in accordance with the pricing policies of the Group in all material respects, are not entered into in accordance with the relevant agreement governing the transactions in all material respects or have exceeded the annual caps for such transactions.

REASONS FOR AND BENEFITS OF THE FINANCIAL TECHNOLOGY SERVICES FRAMEWORK AGREEMENT

The transactions contemplated under the Financial Technology Services Framework Agreement will expand the Group's business and provide cost synergies by integrating advantageous resources between the Group and the BOCOM Group, thereby reducing the aggregate operational costs and general expenses so as to improve profitability. The Financial Technology Services Framework Agreement will facilitate the overall business operations and growth of the Group's business.

INFORMATION ON BOCOM FINANCIAL TECHNOLOGY

BOCOM Financial Technology's initial business scope includes (but is not limited to) developing high-end infrastructure for the BOCOM Group (such as distributed databases, middleware and distributed systems), establishing working groups for technical personnel to provide services on a by-project-basis, providing research and

LETTER FROM THE BOARD

development services to application systems of the BOCOM Group's subsidiaries, providing technical development and product output to certain customers with a government background or important financial services customers based on the BOCOM Group's needs.

In the initial stage of operations, it is expected that more than 80% of BOCOM Financial Technology's business will be provision of services to the BOCOM Group. Anticipating that BOCOM Financial Technology will further expand its business, the proportion of business generated from independent third-party clients is expected to increase gradually. At the same time, BOCOM Financial Technology will expand its service variety too.

INFORMATION ON 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 ON BOCOM AND THE BOCOM GROUP

BOCOM is a commercial and retail bank providing banking services mainly 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 the BOCOM Group include corporate and personal banking services, interbank and financial market business, fund management, trustees, financial leasing, insurance, overseas securities, debt-to-equity swap, asset management and other financial services.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, BOCOM and its associates held approximately 73.14% of the issued Shares. Therefore, BOCOM is the controlling shareholder of the Company and hence a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions under the Financial Technology Services 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 proposed annual caps for the Financial Technology Services Framework Agreement, on an annual basis, is 5% or more, the Financial Technology Services Framework Agreement (including the proposed annual caps) will be subject to the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

An Independent Board Committee has been established to advise the Independent Shareholders on the terms of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps). The Independent Financial Adviser has also been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

BOARD APPROVAL

Due to the executive roles of Ms. LIN Zhihong, Mr. SHOU Fugang and Ms. PO Ying in the BOCOM Group, such non-executive Directors are considered to have a material interest in the Financial Technology Services Framework Agreement and the transactions contemplated thereunder and accordingly have abstained from voting on the relevant Board resolutions in respect of the approval of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps). In addition, Ms. LIN, Mr. SHOU and Ms. PO are also employees of BOCOM. Save as disclosed above, none of the Directors has a material interest in respect of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder and none of them has abstained from voting on the relevant Board resolutions.

(II) PROPOSED RE-ELECTION OF DIRECTOR

The Board currently consists of 9 Directors, comprising Mr. TAN Yueheng, Mr. MENG Yu, Mr. CHENG Chuange, Ms. LIN Zhihong, Mr. SHOU Fugang, Ms. PO Ying, Mr. TSE Yung Hoi, Mr. MA Ning and Mr. LIN Zhijun.

Pursuant to Article 107 of the Articles of Association, the Directors shall have power at any time and from time to time to appoint any other person as a Director to fill a casual vacancy. Any Director so appointed shall hold office only until the next following general meeting and shall then be eligible for re-election. Accordingly, the term of office of Mr. MENG Yu, who was appointed as an executive Director by the Board with effect from 1 December 2020, shall expire at the upcoming EGM, and he shall be eligible for re-election.

The Board believes that Mr. MENG Yu will further enhance the expertise of the Board and provide new thoughts for the Company's overall strategic planning and business development. The Board is of the view that the proposed re-election of Director is in the best interests of the Company and its Shareholders as a whole.

Details of Mr. MENG Yu are set out in Appendix II to this circular.

LETTER FROM THE BOARD

REMUNERATION OF DIRECTOR

The remuneration of the Directors is determined with reference to their duties, responsibilities and experience as well as the prevailing market conditions. Pursuant to the Articles of Association, the fees payable to the Directors for their services will from time to time be determined by an ordinary resolution; any Director who holds any executive office or who serves on any committee, or who otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, may be paid such additional remuneration by way of salary, commission or otherwise as the Board may determine.

EGM

The Company will hold the EGM at 29th Floor, International Medical Centre, 22 Des Voeux Road Central, Hong Kong on Thursday, 24 December 2020 at 10:30 a.m. (or any adjournment thereof), at which resolutions will be proposed for the purpose of considering and if thought fit, approving the Financial Technology Services Framework Agreement (including the proposed annual caps) and the proposed re-election of Mr. MENG Yu as a Director and authorisation of the Board to fix his remuneration. The notice to convene the EGM is set out on pages 38 to 39 of this circular.

A form of proxy for use by the Shareholders at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed on the form and deposit the same at the office of the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours (excluding any part of a day that is a public holiday) before the time scheduled for the holding of the EGM or any adjournment of the EGM (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment of the EGM (as the case may be).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 21 December 2020 to Thursday, 24 December 2020 (both dates inclusive), for the purposes of determining the entitlements of the Shareholders to attend and vote at the EGM. No transfer of the Shares may be registered during the said period. In order to qualify to attend and vote at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by no later than 4:30 p.m. on Friday, 18 December 2020.

VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the voting on the resolutions at the EGM will be conducted by way of poll.

LETTER FROM THE BOARD

BOCOM and its associates hold 73.14% of the issued Shares. Since BOCOM and its associates are considered to have a material interest in respect of the Financial Technology Services Framework Agreement, BOCOM and its associates shall abstain from voting on the relevant resolution to approve the same pursuant to the Listing Rules. Save as disclosed above, to the best of the information and knowledge of the Company, no other existing Shareholder is required to, or otherwise will, abstain from voting on the relevant resolution to approve the Financial Technology Services Framework Agreement for the purpose of the Listing Rules.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 18 to 19 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the resolution to approve the Financial Technology Services Framework Agreement; (ii) the letter from the Independent Financial Adviser, set out on pages 20 to 31 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in respect of the Financial Technology Services Framework Agreement; and (iii) additional information set out in the appendices to this circular.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the Financial Technology Services Framework Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better, and the terms of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM in respect of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps).

The Directors (including the independent non-executive Directors, after considering the advice from the Independent Financial Adviser) are of the view that the Financial Technology Services Framework Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better, and the terms of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Board therefore recommends you to vote in favour of the resolution in respect of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) to be proposed at the EGM.

The Directors also consider that the resolution regarding the re-election of Mr. MENG Yu as a Director and authorisation of the Board to fix his remuneration is in the best interests of the Company and the Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of the proposed resolution at the EGM.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

By order of the Board
BOCOM International Holdings Company Limited
TAN Yueheng
Chairman and Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of the letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in relation to the Financial Technology Services Framework Agreement.



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)

7 December 2020

To the Independent Shareholders

CONTINUING CONNECTED TRANSACTION FINANCIAL TECHNOLOGY SERVICES FRAMEWORK AGREEMENT

Dear Sir or Madam,

We refer to the circular of the Company dated 7 December 2020 (the “**Circular**”) despatched to the Shareholders, of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to consider the terms of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) and to advise the Independent Shareholders in connection therewith. We wish to draw your attention to (i) the letter from the Independent Financial Adviser containing details of the advice, together with the principal factors and reasons it has taken into consideration, as set out on pages 20 to 31 of the Circular; and (ii) the letter from the Board as set out on pages 4 to 17 of the Circular.

Having taken into account the opinion of the Independent Financial Adviser as set out in its letter of advice, we consider (i) the Financial Technology Services Framework Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better; and (ii) the terms of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) are fair and reasonable in so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to approve the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) at the EGM.

Yours faithfully,
For and on behalf of
the Independent Board Committee
BOCOM International Holdings Company Limited

Mr. TSE Yung Hoi
*Independent non-executive
Director*

Mr. MA Ning
*Independent non-executive
Director*

Mr. LIN Zhijun
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from Altus Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the proposed continuing connected transactions under the Financial Technology Services Framework Agreement, which have been prepared for the purpose of incorporation in this circular.

ALTUS.

Altus Capital Limited
21 Wing Wo Street
Central, Hong Kong

7 December 2020

To the Independent Board Committee and the Independent Shareholders

BOCOM International Holdings Company Limited
9/F, Man Yee Building
68 Des Voeux Road Central
Hong Kong

Dear Sir and Madam,

CONTINUING CONNECTED TRANSACTION UNDER THE FINANCIAL TECHNOLOGY SERVICES FRAMEWORK AGREEMENT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed continuing connected transactions under the Financial Technology Services Framework Agreement (the “**Transactions**”), details of which are set out in the “Letter from the Board” contained in the circular of the Company dated 7 December 2020 (the “**Circular**”). Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

Reference is made to (i) the Company’s announcements dated 16 January 2020 and 25 August 2020 in relation to the establishment of BOCOM Financial Technology Company Limited; and (ii) the Company’s announcement dated 1 December 2020 in relation to the proposed continuing connected transactions under the Financial Technology Services Framework Agreement (the “**Announcement**”). On 1 December 2020, the Company and BOCOM entered into the Financial Technology Services Framework Agreement in relation to the provision of certain financial technology services by the Group to the BOCOM

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Group, which has a term from the Effective Date to 31 December 2022 (both dates inclusive) and shall be renewed automatically for the successive periods of three years thereafter, subject to compliance with the then applicable requirements of the Listing Rules.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, BOCOM is the controlling shareholder of the Company, holding approximately 73.14% of the issued Shares, and thus a connected person of the Company. Therefore, the transactions under the Financial Technology Services Framework Agreement between the Company and BOCOM constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the proposed annual caps (the “**Annual Caps**”) is 5% or more, the transactions under the Financial Technology Services Framework Agreement (including the proposed Annual Caps) will be subject to the reporting, announcement, annual review and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Due to the executive roles of Ms. LIN Zhihong, Mr. SHOU Fugang and Ms. PO Ying in the BOCOM Group, such non-executive Directors are considered to have a material interest in the Financial Technology Services Framework Agreement and the transactions contemplated thereunder and have abstained from voting on the relevant Board resolutions in respect of the approval of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder (including the Annual Caps). In addition, Ms. LIN, Mr. SHOU and Ms. PO are also employees of BOCOM. Save as disclosed above, none of the Directors has a material interest in respect of the Financial Technology Services Framework Agreement and the transactions contemplated thereunder and none of them has abstained from voting on the relevant Board resolutions.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. TSE Yung Hoi, Mr. MA Ning and Mr. LIN Zhijun, has been established to advise the Independent Shareholders as to (i) whether the Financial Technology Services Framework Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better; (ii) whether the terms of the Financial Technology Services Framework Agreement and Transactions (including the Annual Caps) are fair and reasonable in so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole; and (iii) how to vote in respect of the ordinary resolution to be proposed at the EGM approving the Financial Technology Services Framework Agreement and the Transactions (including the Annual Caps) (the “**Resolution**”), taking into account the recommendation of the Independent Financial Adviser.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

THE INDEPENDENT FINANCIAL ADVISER

As the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders as to (i) whether the Financial Technology Services Framework Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better; (ii) whether the terms of the Financial Technology Services Framework Agreement and Transactions (including the Annual Caps) are fair and reasonable in so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole; and (iii) how to vote in respect of the Resolution.

We had acted as the independent financial adviser to the Company with regards to (i) the renewal of continuing connected transactions, details of which are set out in the circular of the Company dated 19 May 2019; and (ii) the revision of annual caps of continuing connected transactions, details of which are set out in the circular of the Company dated 4 June 2020. Save for the aforesaid engagements, we have not acted as independent financial adviser in relation to any transactions of the Company in the last two years prior to the date of the Circular. Pursuant to Rule 13.84 of the Listing Rules, and given that remuneration for our engagement to opine on the proposed continuing connected transactions under the Financial Technology Services Framework Agreement is at market level and not conditional upon successful passing of the resolution to be proposed at the EGM, and that our engagement is on normal commercial terms, we are independent of and not associated with the Company, its controlling shareholder(s) or connected person(s).

BASIS OF OUR ADVICE

In formulating our opinion, we have reviewed, amongst others (i) the Financial Technology Services Framework Agreement; (ii) the annual report of the Company for the year ended 31 December 2018 (the “**2018 Annual Report**”) and 2019 (the “**2019 Annual Report**”); (iii) the interim report of the Company for the six months ended 30 June 2020 (the “**2020 Interim Report**”); (iv) the Company’s announcements dated 16 January 2020 and 25 August 2020 in relation to the establishment of BOCOM Financial Technology; (v) the interim report of BOCOM for the six months ended 30 June 2019 (“**2019 BOCOM Interim Report**”) and 2020 (“**2020 BOCOM Interim Report**”), and the annual report of BOCOM for the year ended 31 December 2019 (“**2019 BOCOM Annual Report**”); and (vi) other information set out in the Circular.

We have also relied on the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us by the Company, the Directors and the management of the Group (the “**Management**”). We have assumed that all the statements, information, opinions and representations for matters relating to the Group contained or referred to in the Circular and/or provided to us by the Company, Directors and the Management were reasonably made after due and careful enquiry and were true, accurate and complete at the time they were made and continued to be so as at the date of the Circular. The Directors collectively and individually accept full responsibility, including particulars given in compliance with the Listing Rules for the purpose of giving information

with regards to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in the Circular misleading.

We have no reason to believe that any such statements, information, opinions or representations we relied on in forming our opinion are untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render them untrue, inaccurate or misleading. We have assumed that all the statements, information, opinions and representations for matters relating to the Group contained or referred to in the Circular and/or provided to us by the Company and the Management have been reasonably made after due and careful enquiry. We have relied on such statements, information, opinions and representations. We consider that we have been provided with and have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent investigation into the business, financial conditions and affairs or the future prospects of the Group.

1. BACKGROUND

1.1 Principal businesses of the Group

The Group is currently principally engaged in four core businesses: (i) securities brokerage and margin financing, including executing trades on behalf of clients in stocks, bonds, futures, options and other marketable securities and offering collateralised financing relating to securities transactions to both retail and institutional customers; (ii) corporate finance and underwriting, which provides services ranging from IPO sponsorship, equity securities underwriting, debt securities underwriting, mergers and acquisitions, pre-IPO financing, and financial advisory; (iii) asset management and advisory, including management of public and private funds and discretionary managed accounts, and investment advisory services; and (iv) investment and loans, entailing investment in various equity and debt securities as well as public and private funds, and structured financing and loans to enterprises. In this modern and digital world, the Group plans to further expand its business scope by applying information technology (i.e. hardware and software applications through in-house design or outsourced from external professional parties) to facilitate a simple, effective and efficient financial services experience to their clients.

1.2 Principal businesses of the BOCOM Group

BOCOM is a commercial and retail bank providing banking services mainly in the PRC, with its A shares listed on the Shanghai Stock Exchange and H shares listed on the Stock Exchange. The three principal lines of business of the BOCOM Group are corporate banking, personal banking, treasury and other businesses. Corporate banking includes providing financial products and services for enterprises, government agencies and financial institutions, such as deposits and loans, value chain of financial product, cash management, international settlement and trade financing, investment banking, asset custody, wealth management and all kinds of

intermediary businesses. Personal banking includes services such as deposits and loans, wealth management, bank cards, private banking and all kinds of intermediary businesses for individual customers. Treasury businesses mainly includes money market placements and takings, financial investment, and securities sold under repurchase agreements.

Total assets of the BOCOM Group increased by approximately 7.7% to approximately RMB10,669.9 billion as at 30 June 2020 as compared to that recorded as at 31 December 2019. Its net profit increased by approximately 5.3% to approximately RMB78.1 billion for the year ended 31 December 2019 as compared to that recorded for the year ended 31 December 2018.

1.3 Relationship of the Group with the BOCOM Group

BOCOM is the ultimate controlling shareholder of the Company. As at the Latest Practicable Date, BOCOM and its associate held approximately 73.14% of the total number of issued Shares of the Company. The Group continues to serve as an overseas business platform of BOCOM and the BOCOM Group. Through establishing or shareholding of various subsidiaries with capital injection, the Group implements the overseas strategies of the BOCOM Group and develop its overseas financial businesses. Similarly, the relationship with the BOCOM Group accelerates the Group's business growth, which is supported by the greater demand from cross-border investing and financing services. Being the international flagship of BOCOM, the Group is committed to creating a large and vibrant international integrated financial services institution with PRC background in Hong Kong.

2. REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCIAL TECHNOLOGY SERVICES FRAMEWORK AGREEMENT

We understand that it is in the ordinary course of business of the Group, to provide various services to its clients. In order to make banking services and systems simpler, better and faster for the Group's clients, including the BOCOM Group as well as the other members within the Group, the Group is to (i) develop and maintain software and applications to improve the experience of the Group's clients; (ii) manage the Group's information technology ("IT") systems, infrastructure and support; (iii) assist in managing changes across the Group; (iv) implement major strategic transformation programmes; and (v) provide professional services such as procurement. Hence, it is reasonable to expect that in view of the BOCOM Group's requirement for certain financial technology services and the Group's expertise and experience in providing various financial technology services, the BOCOM Group will engage the Group to provide financial technology services as contemplated under the Financial Technology Services Framework Agreement.

We note that it is one of the future strategies of the BOCOM Group to accelerate digital transformation, including continuously increase in technology input, expediting the re-engineering of processes and innovation and developing an advantage in the forward-looking financial technology area. According to the 2020 BOCOM Interim Report, BOCOM will continue financial technology path, promote the execution of financial technology for front line businesses and build up the operation management via financial

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

technology. As mentioned in the 2019 BOCOM Interim Report, BOCOM continued to increase investment in information construction and strengthen the talent team building of financial technology. In particular, BOCOM Group stated its intention to gradually increase total investment in information construction, which is related to financial technology, to 10% of its operating expenses, with BOCOM Group's operating expenses amounting to approximately RMB144,324 million for the year ended 31 December 2019, in order to achieve the stated strategy. As such, BOCOM Group could increase its expenses on financial technology services (which forms part of the investment in information construction) in the future.

As mentioned in the 2019 Annual Report, the Group has been proactively strengthening its financial technology capabilities to improve its operations efficiency. To capture the potential business opportunity and satisfy the potential demand of financial technology related services of the BOCOM Group, the Management advised that BOCOM Financial Technology will build up its servicing capacity by expanding its talent pool. Moreover, the BOCOM Group's expenditure in relation to computer software development, information system operation and maintenance, information system integration and information system consultancy increased from approximately RMB1,181 million in 2017 and RMB1,927 million in 2018 to RMB2,125 million in 2019.

The Directors are of the view that (i) given BOCOM Group's reputation and experience in the PRC financial industry, securing a long-term business relationship with the BOCOM Group would be beneficial to the Group; (ii) the increased cooperation is expected to contribute to the Group's revenue and profitability in the long run; and (iii) by having additional resources from the BOCOM Group to support its expansion in financial technology would help to accelerate the pace of the Group's information technology development.

As the Group serves as an international flagship of the BOCOM Group, the Group stands to continue benefiting from synergies with the BOCOM Group, namely cost efficiency for financial technology services by integrating advantageous resources between the Group and the BOCOM Group as (i) the Group can expand its business in the provision of financial technology services; and (ii) the BOCOM Group can leverage on the Group's expertise on financial technologies. These can reduce the aggregate operational costs and general expenses so as to improve the profitability and to strengthen leading position of the Company in the financial services industry.

Given that (i) the objective for the Company to enter into the Financial Technology Services Framework Agreement is to govern all the future provision of financial technology services between the Group and the BOCOM Group; (ii) such framework agreement outlines the principles, mechanism and terms and conditions (including the pricing policies) for each types of financial technology services which are fair and reasonable as elaborated in the paragraph headed "3. Principal terms of the Financial Technology Services Framework Agreement" below; (iii) the Transactions are expected to be of a recurrent nature and in the ordinary and usual course of business for both the Group and the BOCOM Group; (iv) the increasing trend in the information technology related expenses incurred by the BOCOM Group in the past three years; and (v) since the Transactions are

new transactions between the Group and the BOCOM Group where future transaction volume may ramp up given the large spending target on financial technologies related areas of the BOCOM Group (being approximately RMB14,432 million in the near future), it is in the interests of the Company and Shareholders as a whole to enter into an agreement setting annual caps with relatively large annual growth rates which take into account potential increase in transaction volume rather than to request for another shareholders' approval when future transaction volume exceeds the annual cap, we therefore consider that the Transactions will be conducted on normal commercial or better terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

3. PRINCIPAL TERMS OF THE FINANCIAL TECHNOLOGY SERVICES FRAMEWORK AGREEMENT

Pursuant to the Financial Technology Services Framework Agreement, the Group has agreed to provide (i) computer software development, information system operation and maintenance services and information system integration services; and (ii) information system consultancy services to the BOCOM Group.

Set out below are the principal terms of the Financial Technology Services Framework Agreement. For further details of the terms of the Financial Technology Services Framework Agreement, please refer to the "Letter from the Board" contained in the Circular.

General terms

We noted that the Financial Technology Services Framework Agreement also included terms that specify the Transactions will be conducted (i) in the ordinary and usual course of business of both the Group and BOCOM Group; (ii) on a fair and reasonable basis; (iii) on normal commercial or better terms to the Group; (iv) on terms not worse than similar transactions provided by the Group to Independent Third Party; (v) on the specified pricing policy; and (vi) in compliance to the Listing Rules and all applicable rules and regulations.

Pricing policies

The service fees to be charged by the Group to the BOCOM Group shall be determined on commercial principles based on the prevailing market prices in the finance industry. For the market prices ("**Referencing Market Prices**") as at the date of the Financial Technology Services Framework Agreement for reference, please refer to the "Letter from the Board" of this Circular.

As advised by the Management, the pricing policies for (i) computer software development, information system operation and maintenance services and information system integration services; and (ii) information system consultancy services are determined with reference to the prevailing market price of such services specific to the finance industry.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have obtained and reviewed 24 sample agreements of the BOCOM Group engaging third-party services providers for (i) computer software development, information system operation and maintenance services and information system integration services; and (ii) information system consultancy services during 2018, 2019 and 2020 which are selected on a quarterly basis from the list of financial technology services agreements between the BOCOM Group and third-party services providers. The agreements generally include type of services, charge-out rates, required number of manpower per month and total services fee. We noted that the Referencing Market Prices are within the range of the charge-out rates as stipulated in such agreements and are reasonable approximation of the relevant market price as at the date of the Financial Technology Services Framework Agreement. Given that the sample agreements are selected on a quarterly basis for each year of 2018, 2019 and 2020, we are of the view that the sample agreements are sufficient to indicate the pricing policy generally adopted in similar financial technology services agreements. Taking into account the above, we consider that the proposed pricing policy provides a fair and reasonable approximation of the market price of such services for future reference.

The Management advised that the ratio for the different level of staff involved in a project is determined on a case-by-case basis depending on the complexity of the relevant project. We have conducted an interview with management of BOCOM Financial Technology who confirmed that the proposed “2:4:1” is the expected ratio of a general project based on their experience and is a fair and reasonable estimate based on communication with the BOCOM Group. Taking into account that the “2:4:1” personnel requirement ratio is (i) only an expected ratio for future reference; and (ii) determined based on the Management’s expectation and communication with the BOCOM Group, we consider that such ratio is a fair and reasonable estimate of the personnel requirement of such services.

Considering that (i) specific terms are included in the Financial Technology Services Framework Agreement to safeguard the Group’s interest; and (ii) the pricing policies of the Transactions are in line with the referencing market price, we are of the view that the terms of the Financial Technology Services Framework Agreement are on normal commercial terms or better, are fair and reasonable and in interests of the Group and the Independent Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

4. PROPOSED ANNUAL CAPS

Under the Financial Technology Services Framework Agreement, the proposed Annual Caps for the three years ending 31 December 2022 are set out as follows:

	For the years ending 31 December		
	2020	2021	2022
	<i>(RMB million)</i>		
Computer software development, information system operation and maintenance services and information system integration services	90	540	720
Information system consultancy services	10	60	80

Note: The Management advised that considering the Transactions are expected to commence in the fourth quarter of 2020 if approved by the Independent Shareholders in the EGM, the Annual Caps for the year ending 31 December 2020 only reflect expected transaction amount for the fourth quarter of 2020. For illustration purpose only, the implied annual caps of the year ending 31 December 2020 are (i) RMB360 million for computer software development, information system operation and maintenance services and information system integration services; and (ii) RMB40 million for information system consultancy services.

With reference to the “Letter from the Board” of the Circular, we note that the Annual Caps are determined with reference to:

- (i) the prevailing market price of the relevant services;
- (ii) the historical expenditure of the BOCOM Group on the relevant services; and
- (iii) the anticipated expenditure of the BOCOM Group on the relevant services.

For the prevailing market price of the relevant services, we noted that the Referencing Market Prices are within the range of the charge-out rates as stipulated in sample agreements of the BOCOM Group to engage third parties for providing similar financial technology services and are reasonable approximation of the relevant market price as at the date of the Financial Technology Services Framework Agreement. For details on the sample agreements, please refer to the paragraph headed “Pricing policies” above.

For the anticipated expenditure of the BOCOM Group on the relevant services, the Management advised that it is based on the BOCOM Group’s budget for the services it intends to purchase from the Group. We understand from the 2019 BOCOM Annual Report and the 2019 BOCOM Interim Report that (i) it is one of the future strategies of the BOCOM Group to accelerate digital transformation including increasing technology inputs; and (ii) it is the BOCOM Group’s intention to increase investment in information construction, which is related to financial technology. For details, please refer to the paragraph headed “Reasons for and benefits of entering into the Financial Technology Services Framework Agreement” above.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

For the historical expenditure of BOCOM Group, according to the Management, expenses related to computer software development, information system operation and maintenance services and information system integration services incurred by the BOCOM Group amounted to approximately RMB1,789 million, RMB1,893 million and RMB2,087 million for each of the three years ended 31 December 2019. The expenses related to information system consultancy services incurred by the BOCOM Group amounted to approximately RMB22 million, RMB34 million and RMB39 million for each of the three years ended 31 December 2019. We noted that whilst the above annual financial technology services expenses incurred by the BOCOM Group increased at an historical average of approximately 8.3% per annum, the Annual Caps are increasing at an average rate of over 40% per annum in the three years ending 31 December 2022.

Although the annual financial technology services expenses incurred by the BOCOM Group grew at a relatively low rate of approximately 8.3% per annum in the past three years, the Management advised that such expenses are expected to grow at a much higher rate in the future which is in line with the business strategy of the BOCOM Group and the Group. For details, please refer to the paragraph headed “2. Reasons for and benefits of entering into the Financial Technology Services Framework Agreement” above. In addition, in the 2019 BOCOM Interim Report, it is noted that the BOCOM Group intended to gradually increase its total investment in information construction, which is related to financial technology, to 10% of its operating expenses. According to the Management, with reference to the operating expenses incurred by the BOCOM Group of approximately RMB144,324 million for the year ended 31 December 2019, in order to achieve the stated strategy and to meet the expenditure target mentioned above, the BOCOM Group could increase its expenses in information construction, which the investment in financial technology forms part, to approximately RMB14,432 million in the future. To capture the potential business opportunity and satisfy the potential demand of the BOCOM Group, the Management advised that BOCOM Financial Technology will build up its servicing capacity by expanding its talent pool. The Management expects to at least double the Group’s staff for provision of financial technology services in 2021 and continue to increase the servicing capacity going forward.

Considering the huge expenditure target (approximately RMB14,432 million) sets for the total investment in information construction, we believe that there is ample room for increasing in the amount of expenditure to be spent on similar financial technology services (amounted to approximately RMB2,125 million for the year ended 31 December 2019), which forms part of the investment in information construction, in the coming years. This is in line with that the Annual Caps are expected to increase at an average rate of approximately 40% per annum over the three years ending 31 December 2022 as the BOCOM Group and the Group consider that it will take time for the Group to fully absorb the financial technology services requirement from the BOCOM Group. With the established business relationship between the Group and the BOCOM Group, part of these additional expenditures would likely fall under the scope of work of the Financial Technology Services Framework Agreement. Hence, the Management believes and we concur that it is fair and reasonable to expect the Annual Caps to grow at a high rate as shown in the above table.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Taking into account the above, we are of the view that the Annual Caps have been fairly and reasonably arrived at.

5. INTERNAL CONTROL MEASURES

Similar to the other continuing connected transactions of the Group which had been approved by the independent shareholders of the Company at the relevant extraordinary general meetings in the past, the Company has adopted the following internal control measures and policies in respect of the Transactions to provide an effective framework for strong corporate governance and risk management:

- before confirming the pricing and terms of a project under the Financial Technology Services Framework Agreement, the project will be categorised into one of four progressive price levels to be considered and approved by the predefined authority hierarchy. For further details, please refer to the paragraph headed “Internal Control Measures” in the “Letter from the Board” of the Circular;
- the Group has adopted internal guidelines which provide that if the value of any proposed continuing connected transaction is expected to exceed certain thresholds, the relevant staff must report the proposed transactions to the Company Secretary and the Legal and Compliance Department of the Company in order for the Company to commence the necessary additional assessment and approval procedures and ensure that the Company will comply with the applicable requirements under Chapter 14A of the Listing Rules; and
- the Company will provide information and supporting documents to the independent non-executive Directors and the auditors in order for them to conduct an annual review of the continuing connected transactions entered into by the Company. In accordance with Rule 14A.55 of the Listing Rules, the independent non-executive Directors will provide an annual confirmation to the Board as to whether the continuing connected transactions have been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms and are in accordance with the agreements governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and the auditors will provide an annual confirmation to the Board as to whether anything has come to their attention that causes them to believe that the continuing connected transactions have not been approved by the Board, and are not in accordance with the pricing policies of the Group in all material respects, are not entered into in accordance with the relevant agreements governing the transactions in all material respects or have exceeded the cap.

Given that the internal control measures are in line with the principles as set out in the Group’s internal control manuals which have been executed and operated smoothly by the Management in the past and in view of the procedures and arrangements set out above, we consider that there exist the appropriate procedures and arrangements to ensure the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Transactions will be conducted on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and on normal commercial terms or better and in the ordinary and usual course of business of the Group.

6. RECOMMENDATION

Having considered the above principal factors, we are of the view that (i) the Financial Technology Services Framework Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better; and (ii) the terms of the Financial Technology Services Framework Agreement and Transactions (including the Annual Caps) are fair and reasonable in so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the resolution approving the Financial Technology Services Framework Agreement and the Transactions (including the Annual Caps) at the EGM.

Yours faithfully,
For and on behalf of
Altus Capital Limited

Jeanny Leung
Executive Director

Leo Tam
Assistant Director

*Ms. Jeanny Leung (“**Ms. Leung**”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. She is also a Responsible Officer of Altus Investments Limited licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO. Ms. Leung has over 30 years of experience in corporate finance advisory and commercial field in Greater China, in particular, she has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance transactions.*

*Mr. Leo Tam (“**Mr. Tam**”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. He has over six years of experience in corporate finance and advisory in Hong Kong, in particular, he has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance transactions. Mr. Tam is a certified public accountant of the Hong Kong Institute of Certified Public Accountants.*

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS**(a) Directors' and chief executives' interests and short positions in the securities of the Company and its associated corporations**

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were required to be entered in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Long position in Shares of the Company

Name of Director/ Chief Executive	Capacity/ Nature of interest	Number of shares held	Approximate percentage of interest (%)
TAN Yueheng	Beneficial Owner	2,000,000	0.07
XI Xuanhua	Beneficial Owner	1,000,000	0.04

Long position in shares of associated corporation — BOCOM

Name of Director	Capacity	Class of shares held in the associated corporation	Number of shares held in the associated corporation	Approximate percentage to the total number of relevant class of issued shares of the associated corporation (%)	Approximate percentage to the total number of issued shares of the associated corporation (%)
TAN Yueheng	Beneficial Owner	H shares	100,000	0.00	0.00
		A shares	140,000	0.00	0.00
SHOU Fugang	Beneficial Owner	H shares	20,000	0.00	0.00
		A shares	80,000	0.00	0.00
PO Ying	Beneficial Owner	A shares	35,000	0.00	0.00

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Substantial Shareholders' and other persons' interests in Shares and underlying Shares

As at the Latest Practicable Date, so far as any Directors are aware, the interests or short positions owned by the following parties (other than the Directors or chief executives of the Company) in the Shares or underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were recorded in the register of the Company required to be kept under section 336 of the SFO were as follows:

Name of Shareholder	Capacity	Long Position/ Short Position	Total Number of Shares held	Approximate percentage of the total number of issued Shares of the Company (%)
BOCOM	Interest in a controlled corporation, beneficiary of trust (<i>Note 1</i>)	Long Position	2,000,000,000	73.14
BOCOM Nominee	Interest in a controlled corporation, trustee (other than bare trustee) (<i>Note 2</i>)	Long Position	2,000,000,000	73.14

Notes:

- (1) Expectation Investment is an indirect subsidiary of BOCOM and is the beneficial owner of 500,000 Shares. BOCOM is deemed to be interested in an aggregate of 2,000,000,000 Shares which BOCOM Nominee is interested in as trustee (other than a bare trustee) and which Expectation Investment is interested in as beneficial owner.
- (2) BOCOM Nominee is a subsidiary of BOCOM and (a) holds 1,999,500,000 Shares on trust for BOCOM; and (b) controls 50% of the voting rights of Expectation Investment, which is the beneficial owner of 500,000 Shares.

3. NO MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2019, being the date up to which the latest published audited consolidated financial statements of the Group were made.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered or was proposing to enter into a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

5. EXPERT

The following is the qualification of the expert who has given an opinion or advice which is contained in this circular:

Altus Capital Limited a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter advice and/or references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above expert did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group.

As at the Latest Practicable Date, the above expert did not have any interest, either directly or indirectly, in any assets which have been since 31 December 2019 (being the date up to which the latest published audited consolidated financial statements of the Group were made) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

6. COMPETING INTERESTS

As at the Latest Practicable Date, save as disclosed in the section headed “Letter from the Board” in this circular, none of the Directors or their respective close associates (as defined in the Listing Rules) had any interests in businesses which competed or might compete with the businesses of the Group or had any other conflict of interests with the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them was a controlling shareholder).

7. DIRECTORS’ INTEREST IN CONTRACTS AND ASSETS

As at the Latest Practicable Date:

- (a) none of the Directors had any direct or indirect interest in any assets which had been since 31 December 2019 (being the date up to which the latest published audited financial statements of the Group were made) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) none of the Directors was materially interested in any contract or arrangement subsisting at the date of this circular and which is significant in relation to the business of the Group.

8. MISCELLANEOUS

- (a) The registered office of the Company is situated at 9/F, Man Yee Building, 68 Des Voeux Road Central, Hong Kong.
- (b) The company secretary of the Company is Ms. YI Li.
- (c) The share registrar of the Company is Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (d) This circular and the accompanying proxy form have been prepared in both English and Chinese. In the case of any discrepancies, the English texts shall prevail over their respective Chinese texts.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available for inspection during normal business hours at the registered office of the Company at 9/F, Man Yee Building, 68 Des Voeux Road Central, Hong Kong from the date of this circular up to and including the date of the EGM on Thursday, 24 December 2020:

- (a) the letter from the Board, the text of which is set out in the section headed "Letter from the Board" in this circular;
- (b) the letter from the Independent Board Committee, the text of which is set out in the section headed "Letter from the Independent Board Committee" in this circular;
- (c) the letter of advice from the Independent Financial Adviser, the text of which is set out in the section headed "Letter from the Independent Financial Adviser" in this circular;
- (d) the written consent referred to in the paragraph headed "Expert" in this appendix;
- (e) the Financial Technology Services Framework Agreement; and
- (f) this circular.

The following are the details of the Director proposed to be re-elected at the EGM.

Mr. MENG Yu

MENG Yu, aged 52, is the Chief Executive Officer and an executive Director of the Company. Mr. MENG was appointed as the Chief Executive Officer and an executive Director of the Company on 1 December 2020. Mr. MENG joined BOCOM in August 1995. He has held several positions in BOCOM, including the assistant to the general manager of the business department from 2007 to 2010, the deputy general manager of the business department from 2010 to 2011, the deputy president of the Guangdong Provincial branch from June 2011 to March 2014, and the deputy chief executive of the Hong Kong branch of BOCOM from March 2014 to November 2020. Mr. MENG served as an executive director and the deputy chief executive (alternate chief executive) of Bank of Communications (Hong Kong) Limited from April 2017 to November 2020.

Mr. MENG graduated from Wuhan University in the People's Republic of China with a Bachelor's degree in Economics in July 1992. He received a Master's degree in Business Administration from Fudan University in the People's Republic of China in July 1999.

Pursuant to the letter of appointment entered into between the Company and Mr. MENG, Mr. MENG will be appointed for a term commencing on 1 December 2020 and will continue thereafter until terminated by either party giving to the other not less than 3 months' notice in writing. Mr. MENG is subject to retirement by rotation in accordance with the Articles of Association and the Listing Rules. Under the employment contract entered into between the Company and Mr. MENG, Mr. MENG will be entitled to a base salary of HK\$1,500,000 per annum, housing benefits not exceeding HK\$480,000 per annum and a discretionary bonus which will be determined in commensuration with his work performance, duties and responsibilities as well as the prevailing market conditions.

Save as disclosed above, as at the Latest Practicable Date, Mr. MENG (i) has not held any other position with any member of the Group; (ii) is not related to any Director, senior management, substantial shareholder or controlling shareholder of the Company; (iii) is not interested in the Shares within the meaning of Part XV of the SFO; and (iv) has not been a director of any listed public company in Hong Kong or overseas during the past three years. Save as disclosed above, Mr. MENG has confirmed that there are no other matters that need to be brought to the attention of the Shareholders and there is no other information that needs to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of BOCOM International Holdings Company Limited (the “**Company**”) will be held at 29th Floor, International Medical Centre, 22 Des Voeux Road Central, Hong Kong on Thursday, 24 December 2020 at 10:30 a.m., for the following purposes of considering and, if thought fit, passing the following ordinary resolutions:

1. **“THAT**

- (a) the financial technology services framework agreement (the “**Financial Technology Services Framework Agreement**”) (as defined in the circular of the Company dated 7 December 2020 (the “**Circular**”), a copy of which is tabled at the meeting and marked “A” and initialled by the chairman of the meeting for identification purpose) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) the proposed annual caps in relation to transactions contemplated under the Financial Technology Services Framework Agreement for each of the three years ending 31 December 2022 as set out in the Circular be and are hereby approved; and
- (c) any one director of the Company (the “**Director**”) be and is hereby generally and unconditionally authorised to do all such further acts and things and to sign and execute all such other or further documents and to take all such steps which in the opinion of the Director may be necessary, appropriate, desirable or expedient to implement and/or give effect to the Financial Technology Services Framework Agreement.”

2. To re-elect Mr. MENG Yu as a Director and to authorise the board of directors of the Company to fix his remuneration.

Yours faithfully,

For and on behalf of the Board of Directors
BOCOM International Holdings Company Limited
YI LI
Company Secretary

Hong Kong, 7 December 2020

NOTICE OF EGM

Notes:

1. Given the evolving 2019 novel coronavirus (COVID-19) pandemic, in order to prevent the spreading of COVID-19 and safeguard the health and safety of the shareholders of the Company (the “Shareholders”), it is suggested that the Shareholders consider appointing the chairman of the EGM as their proxy to vote at the meeting instead of attending in person.
2. In order to determine the eligibility to attend and vote at the above meeting, the register of members of the Company will be closed from Monday, 21 December 2020 to Thursday, 24 December 2020 (both dates inclusive). To qualify to attend and vote at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 18 December 2020.
3. Any member of the Company entitled to attend and vote at the above meeting (or any adjournment of thereof) is entitled to appoint one or more proxies as his/her proxy to attend and vote instead of him/her. A proxy need not be a member of the Company.
4. In the case of joint registered holders of any shares in the Company, any one of such persons may vote at the above meeting, either personally or by proxy, in respect of such shares as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the above meeting personally or by proxy, that one so present whose name stands first in the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
5. In order to be valid, the completed form of proxy must be deposited at the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours (excluding any part of a day that is a public holiday) before the time appointed for holding the above meeting or adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM and any adjournment thereof if you so wish, and in such event, the form of proxy will be deemed to be revoked.
6. Due to the evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the meeting arrangements at short notice. Shareholders are advised to check the Company’s website for further announcements and updates on the meeting arrangements that may be issued.
7. Shareholders are suggested to telephone the Company’s hotline at (852) 3710 3328 for arrangements of the meeting in the event that a gale warning (tropical cyclone No. 8 or above) or black rainstorm warning is hoisted on the day of the meeting.

As at the date of this notice, the Board comprises Mr. TAN Yueheng, Mr. MENG Yu and Mr. CHENG Chuange as executive Directors; Ms. LIN Zhihong, Mr. SHOU Fugang and Ms. PO Ying as non-executive Directors; and Mr. TSE Yung Hoi, Mr. MA Ning and Mr. LIN Zhijun as independent non-executive Directors.

PRECAUTIONARY MEASURES FOR THE EGM

With the ever-evolving COVID-19 pandemic and the heightened requirements for the prevention and control of its spreading, to safeguard the health and safety of Shareholders who might be attending the EGM in person, the Company will implement the following precautionary measures.

The Company does not in any way wish to diminish the opportunity available to Shareholders to exercise their rights and to vote, but is conscious of the pressing need to protect Shareholders from possible exposure to the COVID-19 pandemic. **For the health and safety of Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the EGM by appointing the chairman of the EGM as their proxy instead of attending the EGM in person.** Physical attendance is not necessary for the purpose of exercising Shareholder rights. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the EGM or any adjournment thereof should they subsequently so wish.

The deadline to submit completed proxy forms is Tuesday, 22 December 2020 at 10:30 a.m.. Completed proxy forms must be returned to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. The form of proxy can be downloaded from the Company's website (www.bocomgroup.com) or the Stock Exchange's website.

Non-registered Shareholders whose shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited should consult directly with their banks or brokers or custodians (as the case may be) to assist them in the appointment of proxy.

To safeguard the health and safety of Shareholders who might be attending the EGM in person, the Company will also implement the following measures at the EGM:

- (1) Compulsory temperature checks will be carried out on every attendee. Any person with a body temperature above the reference range quoted by the Department of Health from time to time, or who is exhibiting flu-like symptoms may be denied entry into the venue of the EGM and be requested to leave.
- (2) Every attendee will be required to submit a completed health declaration form prior to entry into the venue of the EGM. Please complete and sign the health declaration form such that it is ready for collection at the main entrance of the venue of the EGM to facilitate prompt and smooth processing.
- (3) Every attendee will be required to wear a surgical face mask throughout the EGM and sit at a distance from other attendees. Please note that no masks will be provided at the venue of the EGM and attendees should wear their own masks.
- (4) No corporate gifts or refreshments or drinks will be distributed to attendees at the EGM.

PRECAUTIONARY MEASURES FOR THE EGM

To the extent permitted by law, the Company reserves the right to deny entry into the venue of the EGM or require any person to leave the venue of the EGM so as to ensure the health and safety of the attendees at the EGM.

Due to the constantly evolving COVID-19 pandemic situation, the Company may be required to change the arrangements of the EGM at short notice. Shareholders are advised to check the Company's website for further announcements and updates on the arrangements of EGM that may be issued.

If Shareholders have any questions relating to the EGM, please contact Computershare Hong Kong Investor Services Limited, the Hong Kong share registrar of the Company, as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
Telephone: +852 2862 8555
Facsimile: +852 2865 0990
Online Feedback: https://www.computershare.com/hk/en/online_feedback