
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Overseas Chinese Town (Asia) Holdings Limited** (the “**Company**”), you should hand this circular together with the accompanying proxy form at once to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



Overseas Chinese Town (Asia) Holdings Limited
華僑城(亞洲)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03366)

MAJOR TRANSACTION
SUPPLEMENTAL AGREEMENT IN RELATION TO
SUBSCRIPTION OF 49% INTEREST IN THE CAYMAN FUND

26 May 2021

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	4
Appendix I – Financial Information of the Group	I-1
Appendix II – General Information	II-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Cayman Fund”	a segregated portfolio created by the HNW SPC
“City Legend”	City Legend International Limited (華昌國際有限公司), a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company
“City Turbo”	City Turbo Limited (港名有限公司), a company incorporated in Hong Kong with limited liability
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Overseas Chinese Town (Asia) Holdings Limited (華僑城(亞洲)控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Fund Shares”	the shares of the Cayman Fund subscribed by the Investors and, if any, to be subscribed by future holders of the shares of the Cayman Fund
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HNW SPC”	HNW Investment Fund Series SPC, an exempted company registered as a segregated portfolio company under the laws of the Cayman Islands with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	parties independent of and not connected with the Company and its connected persons

DEFINITIONS

“Investor(s)”	the Company and the Other Investor(s)
“Latest Practicable Date”	21 May 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Manager”	CCB International Asset Management Limited (建銀國際資產管理有限公司), a company incorporated in Hong Kong and licensed under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities
“OCT Group”	Overseas Chinese Town Company Limited (華僑城集團有限公司), a PRC state-owned company established in the PRC, and the holding company of OCT Ltd.
“OCT (HK)”	Overseas Chinese Town (HK) Company Limited, a company incorporated in Hong Kong with limited liability and wholly owned by OCT Ltd.
“OCT Ltd.”	Shenzhen Overseas Chinese Town Co., Ltd. (深圳華僑城股份有限公司), a company established in the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000069)
“Pacific Climax”	Pacific Climax Limited, a company incorporated in the British Virgin Islands with limited liability, a controlling shareholder of the Company and is wholly-owned by OCT (HK)
“Open Period”	a period of time prescribed in the Private Placing Memorandum during which a holder of any Fund Shares may request a transfer of the Fund Shares to a transferee approved by the directors of HNW SPC or a compulsory redemption by HNW SPC
“Other Investor(s)”	(1) Century Ginwa Retail Holdings Limited (世紀金花商業控股有限公司), a company incorporated in Bermuda with limited liability and having its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, the shares of which are listed on the main board of the Stock Exchange (stock code: 0162); and (2) Kinetic Creation Global Investments Limited, an investment holding company wholly-owned by CCBI Investments Limited
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan

DEFINITIONS

“Project Entities”	City Turbo and Xi'an OCT Land
“Private Placing Memorandum”	the private placing memorandum together with its appendix and ancillary document(s) setting out the terms of the operation of the Cayman Fund
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Supplemental Agreement”	the supplemental agreement to the Private Placing Memorandum dated 9 April 2021 entered into between the Company, HNW SPC, Other Investors, and Project Entities
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of not more than 49% interest of the Cayman Fund
“United States”	United States of America
“US\$”	United States dollars, the law currency of the United States
“Xi'an OCT Land”	Xi'an OCT Land Co., Ltd.* (西安華僑城置地有限公司), a company established in the PRC
“%”	per cent

In this circular, if there is any inconsistency between the Chinese names of the entities or enterprises established in the PRC and their English translations, the Chinese names shall prevail.

LETTER FROM THE BOARD



Overseas Chinese Town (Asia) Holdings Limited 華僑城(亞洲)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03366)

Executive Directors:

Mr. Zhang Dafan (*Chairman*)

Ms. Xie Mei (*Chief Executive Officer*)

Mr. Lin Kaihua

Non-executive Director:

Mr. Wang Wenjin

Independent Non-executive Directors:

Ms. Wong Wai Ling

Professor Lam Sing Kwong Simon

Mr. Chu Wing Yiu

Registered Office:

Ocorian Trust (Cayman) Limited

Windward 3, Regatta Office Park

PO Box 1350

Grand Cayman KY1-1108

Cayman Islands

*Head office and principal place of
business in Hong Kong:*

59/F., Bank of China Tower,

1 Garden Road,

Hong Kong

26 May 2021

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION SUPPLEMENTAL AGREEMENT IN RELATION TO SUBSCRIPTION OF 49% INTEREST IN THE CAYMAN FUND

INTRODUCTION

Reference is made to the announcement of the Company dated 9 April 2021 in relation to the Supplemental Agreement.

The purpose of this circular is to provide you with, among other things, (i) further details of the Supplemental Agreement, (ii) the financial information of the Group, and (iii) other information as required under the Listing Rules.

Reference is made to the announcement of the Company dated 8 December 2020 and the circular of the Company dated 15 December 2020 in relation to, among others, a major transaction regarding the Company's Subscription to the Cayman Fund.

LETTER FROM THE BOARD

On 9 April 2021, the Company, City Legend, HNW SPC, the Manager, Other Investors, and Project Entities to the Private Placing Memorandum entered into the Supplemental Agreement under which, subject to all parties to the Supplemental Agreement obtaining all requisite approvals, the Open Period for the transfer or redemption of the Fund Shares of the Cayman Fund is to be amended.

The Supplemental Agreement shall take effect upon all parties to the Supplemental Agreement having duly executed the Supplemental Agreement and obtained all requisite approval(s) and taken all necessary corporate actions to authorise the execution and delivery of and the performance of obligations and the exercise of rights under the Supplemental Agreement.

The Company has already obtained a written approval from Pacific Climax, which, as at the Latest Practicable Date, held 530,894,000 Shares (representing approximately 70.94% of the issued share capital of the Company) for the approval of the Supplemental Agreement in lieu of a resolution to be passed at a general meeting of the Company pursuant to Rule 14.44 of the Listing Rules.

THE SUPPLEMENTAL AGREEMENT

The principal terms of the Supplemental Agreement are set out as follows:

Date

9 April 2021

Contracting parties

- (1) The Company and City Legend;
- (2) HNW SPC;
- (3) The Manager;
- (4) Other Investors; and
- (5) Project Entities.

Major term of the Supplemental Agreement

Pursuant to the Supplemental Agreement, the Private Placing Memorandum would be amended to the effect that the Open Period, during which a holder of Fund Shares may request a transfer of its Fund Shares to a transferee approved by the directors of HNW SPC or a compulsory redemption of its Fund Shares by HNW SPC, is a period of 90 days starting from the 100th day before every other anniversary date of (i.e. every two years) of the date of completion of all subscription to the Cayman Fund.

LETTER FROM THE BOARD

Condition Precedents

The Supplemental Agreement contemplated thereunder shall take effect upon all parties to the Supplemental Agreement having duly executed the Supplemental Agreement and obtained all requisite approval(s) and taken all necessary corporate actions to authorise the execution and delivery of and the performance of obligations and the exercise of rights under the Supplemental Agreement.

The Company has already obtained a written approval from Pacific Climax, which, as at the Latest Practicable Date, held 530,894,000 Shares (representing approximately 70.94% of the issued share capital of the Company) for the approval of the Supplemental Agreement in lieu of a resolution to be passed at a general meeting of the Company pursuant to Rule 14.44 of the Listing Rules.

INFORMATION OF THE GROUP

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

INFORMATION OF THE CAYMAN FUND

The Cayman Fund is a segregated portfolio of HNW SPC named Serica Segregated Portfolio with 49% total issued Fund Shares held by the Group, and the Private Placing Memorandum was registered with the Cayman Islands Monetary Authority in accordance with the applicable laws in the Cayman Islands. For details of the terms of the Cayman Fund, please refer to the sections headed “THE SUBSCRIPTION” and “INFORMATION OF THE CAYMAN FUND” in the circular of the Company dated 15 December 2020.

INFORMATION OF HNW SPC AND MANAGER

HNW SPC is an exempted company registered as a segregated portfolio company under the laws of the Cayman Islands with limited liability. Its ultimate beneficial owner is CCB International (Holdings) Limited and is principally engaged in direct investment, asset management, and the provision of sponsor and underwriting, financial advice and securities brokerage services. The Manager of the Cayman Fund is a company incorporated in Hong Kong and licensed under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities. It is principally engaged in asset management and investment businesses, covering various sectors such as healthcare, consumer and retail, energy and transportation, information technology, media and real estate.

The Manager is wholly-owned by CCB International (Holdings) Limited, which is in turn an indirect wholly-owned subsidiary of China Construction Bank Corporation. China Construction Bank Corporation is a joint stock company incorporated in the PRC with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 00939) and the Shanghai Stock Exchange (stock code: 601939).

LETTER FROM THE BOARD

To the best of the Director's knowledge, information and belief and having made all reasonable enquiries, HNW SPC, CCB International (Holdings) Limited and their respective ultimate beneficial owners are Independent Third Parties

INFORMATION OF THE PROJECT ENTITIES

City Turbo is an investment holding company incorporated in Hong Kong. As at the Latest Practicable Date, City Turbo is wholly owned by the Cayman Fund and City Turbo holds the entire equity interest in Xi'an OCT Land, which is a company established in the PRC with limited liability and is principally engaged in the provision of property holding, leasing and management services.

INFORMATION OF OTHER INVESTORS

- (1) CENTURY GINWA RETAIL HOLDINGS LIMITED (世紀金花商業控股有限公司), a company incorporated in Bermuda with limited liability and having its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited (stock code: 0162). According to the company's annual report for the year ended 31 March 2020, the principal activities of the company and its subsidiaries are the operation of department stores, a shopping mall and supermarkets in the People's Republic of China; and
- (2) Kinetic Creation Global Investments Limited is an investment holding company wholly-owned by the CCBI Investments Limited.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Other Investors and their respective ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFIT OF THE SUPPLEMENTAL AGREEMENT

The terms of the Supplemental Agreement were arrived at after arm's length negotiations between the Investors. When the Company entered into the cooperation agreement with HNW SPC in December 2020 for the setting up of the Cayman Fund with the Company as one of the Investors subscribing for not more than 49% interest, the identity and exact subscription amounts of each of the Other Investors were not yet confirmed, but it were agreed by the Company and HNW SPC that the Other Investors will not be connected person of the Company, and that the Other Investors will subscribe for not less than 51% interest in the Cayman Fund. As such, the key terms of the Cayman Fund as reflected in the said cooperation agreement were negotiated agreed between HNW SPC and the Company. The Company and the Other Investors then subscribed to the Cayman Fund in late December 2020. When the Investors met to further discuss the practical implementation of the Cayman Fund in March 2021, the Other Investor raised the proposal of moving forward the starting time of the Open Period so that, if there is any transfer/redemption of Fund Shares during the Open Period, such transfer/redemption will be completed before the financial year end date of the Cayman Fund. Taking into consideration that (i) the anniversary date of the date of completion of all subscription to the Cayman Fund is the financial year end date of the Cayman Fund, and (ii) since annual audited financial statements of the Cayman Fund will be provided to all holders of Fund Shares, the Directors consider that if the relevant transfer(s)/redemption(s) of Fund Shares will be completed before the

LETTER FROM THE BOARD

financial year end date of the Cayman Fund and be reflected in the financial statements of the Cayman Fund, all Investors including the Group will have a better understanding of the value of the Fund Shares of the Cayman Fund, which will assist the parties to confirm the investment return and formulate the investment plan for the next year at the financial year end.

Having considered the above, the Group considered that moving forward the starting time of the Open Period is more reasonable from the practical implementation perspective and would be beneficial to all Investors and the Directors are of the view that the terms of the Supplemental Agreement are on normal commercial terms that are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole. The Company therefore agreed to the said proposal and entered into the Supplemental Agreement in early April 2021.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated pursuant to Chapter 14 of the Listing Rules in respect of the Subscription was more than 25% but less than 100%, the Subscription constituted a major transaction of the Company and was subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules. The Company obtained a written approval from Pacific Climax for the approval of the Subscription in lieu of a resolution to be passed at a general meeting of the Company pursuant to Rule 14.44 of the Listing Rules.

Pursuant to Rule 14.36 and 14.40 of the Listing Rules, the Company must re-comply with the announcement and shareholders' approval requirements before it proposes to effect a material change to the terms of a major transaction. Accordingly, the Supplemental Agreement, which serves to amend the Private Placing Memorandum governing the Cayman Fund, is subject to the independent shareholders' approval and announcement requirements under Chapter 14 of the Listing Rules.

As no Shareholder has a material interest in the transactions contemplated under the Supplemental Agreement, none of the Shareholders is required to abstain from voting if the Company were to convene a general meeting for the approval of the Supplemental Agreement. The Company has obtained a written approval from Pacific Climax, which, as at the Latest Practicable Date, held 530,894,000 Shares (representing approximately 70.94% of the issued share capital of the Company) for the approval of the Supplemental Agreement in lieu of a resolution to be passed at a general meeting of the Company pursuant to Rule 14.44 of the Listing Rules. As such, no extraordinary general meeting will be convened by the Company to approve the Supplemental Agreement.

RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the Supplemental Agreement are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

Although a general meeting will not be convened by the Company to approve the Supplemental Agreement, if such a general meeting were to be convened by the Company, the Board would recommend the Shareholders to vote in favour of the resolutions to approve the Supplemental Agreement.

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
Overseas Chinese Town (Asia) Holdings Limited
Zhang Dafan
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for the financial years ended 31 December 2018, 2019, and 2020 were disclosed in the following documents:

The audited consolidated financial statements of the Group for the year ended 31 December 2018 have been set out in pages 97 to 230 of the 2018 annual report of the Company which was posted on 26 April 2019 on the Stock Exchange's website (<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0426/ltn201904261057.pdf>).

The audited consolidated financial statements of the Group for the year ended 31 December 2019 have been set out in pages 113 to 242 of the 2019 annual report of the Company which was posted on 5 May 2020 on the Stock Exchange's website (<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0505/2020050500961.pdf>).

The audited consolidated financial statements of the Group for the year ended 31 December 2020 have been set out in pages 97 to 217 of the 2020 annual report of the Company which was posted on the Stock Exchange's website (<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0420/2021042001081.pdf>).

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 March 2021, being the date of this indebtedness statement prior to the printing of this circular, the Group had total borrowings of approximately RMB6,141.19 million, comprising secured bank loan of approximately RMB982.500 million, guaranteed bank loans of approximately RMB2,792.102 million; and unsecured and unguaranteed bank and related party loans of approximately RMB2,366.583 million.

As at 31 March 2021, the Group's secured or guaranteed bank loans (i) were secured by other property, plant and equipment and interests in leasehold land held for own use with a total carrying value of approximately RMB1,774.22 million; or (ii) with guarantees provided by OCT Ltd. and OCT (HK), which are intermediate parents of the Company.

As at 31 March 2021, the Group had outstanding obligations under lease with a carrying amount of approximately RMB20.71 million.

As at 31 March 2021, save for the guarantees of approximately RMB174.10 million given to financial institutions for mortgage facilities granted to buyers of the Group's properties, the Group had no other material contingent liabilities.

As at 31 March 2021, Overseas Chinese Town (Shanghai) Land Company Limited (華僑城(上海)置地有限公司, "**OCT Shanghai Land**"), a non-wholly owned subsidiary of the Company, participated in a real estate investment trust (the "**REITS**") programme. The funds raised under the REITS programme totalled RMB2.15 billion, consisting of preferential asset-backed securities which amounted to RMB1.935 billion from investors other than the Group, and secondary asset-backed securities which amounted to

RMB0.215 billion from the Group. The entire funds raised (after deducting the relevant fees and expenses) from the two kinds of securities remained in the Group in the form of loans from the investors to the Group as long-term liabilities.

Foreign currency amounts have been, for the purposes of this indebtedness statement, translated into RMB at the approximate rates of exchange applicable at the close of business on 31 March 2021.

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of business, at the close of business on 31 March 2021, the Group did not have any other outstanding mortgages, charges, debentures or other loan capital, bank overdrafts or loans, other similar indebtedness, lease liabilities or hire purchase lease commitments, liabilities under acceptance or acceptance credit, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors are of the opinion that, taking into account the financial resources available to the Group, including the internally generated funds and the presently available bank facilities, and taking into account the impact of the transactions contemplated under the Supplemental Agreement, the Group will have sufficient working capital for its requirements for at least the next 12 months from the date of this circular.

4. CONTINGENT LIABILITIES

Save as disclosed in this circular, the Group has no other material contingent liabilities. The Group is not involved in any current material legal proceedings, nor is the Group aware of any such material legal proceedings. The Group would record any loss contingencies when, based on the information then available, it is probable that a loss had been incurred and the amount of the loss can be reasonably estimated. The Group confirms that there has not been any material change in the level of its contingent liabilities since 31 December 2020 up to the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

For the year ended 31 December 2020, the Group realised revenue from the continuing operations of approximately RMB1.31 billion, representing a decrease of approximately 36.9% compared to the same period of 2019. For the year ended 31 December 2020, profit attributable to equity holders of the Company was approximately RMB64 million, representing a decrease of approximately 76.1% compared to the same period of 2019. For the year ended 31 December 2020, the Group's gross profit margin from the continuing operations was approximately 24.2% (2019: approximately 37.0%), representing a decrease of 12.8 percentage points compared to the same period of 2019. As at 31 December 2020, the Group's total assets amounted to approximately RMB25.422 billion; the Group's total equity amounted to approximately RMB13.225 billion.

Comprehensive Development Business

In 2021, with the establishment and implementation of a long-term mechanism for the real estate industry, it is expected that future policies will remain consistent, under the main tone of “houses are for inhabitation, not for speculation, and implementation policies according to local conditions”, strengthening risk control, cultivating core areas, and exerting brand and product strength will become the homeopathic way to maintain competitive advantage.

In 2021, the Group’s comprehensive development projects are planned as follows:

(1) *Hefei Airport International Town Project (owned as to 51% by the Company)*

The project is scheduled to promote the sales of residential and commercial area of approximately 201,000 square meters. The phase I land parcel of Hefei Airport International Town Project is situated at the core of the Hefei Airport Economic Demonstration Zone. Hefei Airport Economic Demonstration Zone is a provincial project of Anhui province that has formed a cluster of integrated circuit, new energy automobiles, 5G, artificial intelligence and other high technology industries, and attracted the best of domestic and international talents. During the Current Period, the OCT Hefei Airport International Town Project Exhibition Center was launched to show the development vision of “post-urbanisation development demonstration” and development idea of “technology innovation+culture and creativity”, building the project into an online celebrity check-in place in Hefei.

(2) *Hefei OCT Bantang Hot Spring Town Project (owned as to 51% by the Company)*

The project is scheduled to promote the sales of residential and commercial area of approximately 112,000 square meters. The hotel and certain commercial projects are planned to start at the second half of 2021. Situated at core tourism hotspots of Chaohu, the land parcel of the Hefei OCT Bantang Hot Spring Town Project is in close vicinity to the Chaohu Bantang Hot Spring Resort in Hefei City, the only national tourism resort in Anhui province. Since the start of the project, Hefei OCT Bantang Hot Spring Town has successively carried out activities such as “Small Town Life Aesthetics Season”, National Day Carnival, “Intangible Cultural Heritage Workshop” and other activities and cultural travel experiences, which have triggered the widespread dissemination of Chaohu culture.

(3) *Zhongshan Yuhong Project (owned as to 21% by the Company)*

The project is scheduled to continue to promote the high-rise residential sales plan, with a saleable area of approximately 92,600 square meters. Situated at the Zhongshan Torch Development Zone* (中山市火炬開發區), the project enjoyed the geographical advantages as an important innovation base for the technology industry in the Guangdong-Hong KongMacao Greater Bay Area. The high-rise residential properties of Phase I of Zhongshan Yuhong Project commenced sales in October 2020.

(4) *Shanghai Suhewan Project (owned as to 50.5% by the Company)*

The project is schedule to continue to increase product sales. It is favourably situated at the junction of Suzhou River and Huangpu River banks and within the core district of the Inner Ring, Shanghai, adjoining the Bund and facing Lujiazui across the river, and possesses highly scarce landscape resources. The project is an integration of arts and humanities, fashion business, high-end residence and urban entertainment.

(5) *Chongqing OCT Land Project (owned as to 49% by the Company)*

The project is schedule to continue to increase product sales. It is located at Lijia Block, New North Zone, Chongqing City. The project overlooks the panorama of Jialing River with the Happy Valley theme park in the neighborhood.

The Group will accelerate the development process of high-quality characteristic comprehensive development projects, continue to promote the realisation of existing properties, accelerate asset turnover, finely manage costs, and improve the efficiency of capital utilization. At the same time, the Group will actively acquire low-cost land, reserving comprehensive development projects in core metropolitan areas such as the Yangtze River Delta and the Guangdong-Hong Kong-Macao Greater Bay Area.

Equity Investment and Fund Business

In 2021, the private equity investment industry will have new usher in a new round of development opportunities amid adjustments. With policies encouraging the entry of long-term funds such as those from banks and insurance, and increasing support, the private equity investment industry may have more resources. The implementation of the comprehensive registration system will be accelerated, and the exit channels will be smoother and more diverse. Meanwhile, an intensification of industry competition, increasing financial supervision, a return to value investment, a focus on risk control and strengthening post-investment management will lay the foundation for the development and prosperity of investment institutions. Benefiting from these, industrial capital will have a good time for investment allocations. In addition, as the downward pressure on the global economy will increase and uncertain factors will lead to increased risk aversion, mature companies in middle and late stages will also receive more capital attention.

In 2021, the Group will actively implement the established strategies. In terms of fundraising, the Group will continue to expand the scale of fund management with government-guided funds and high-quality enterprises in the industry as its main partners. In terms of investment, the Group will combine direct equity investment with industry funds, to reasonably match short-term, medium-term and long-term project investments.

The Group's equity investment and fund business in 2021 has already started with the following:

(1) *Xiamen Qiaorun Investment Partnership (Limited Partnership)*

On 23 February 2021, Shenzhen Huayou and Shenzhen OCT Gangya, both of which are indirect whollyowned subsidiaries of the Company, entered into the limited partnership agreement with Panxing Capital Management (Shenzhen) Co., Ltd.* (潘興資本管理(深圳)有限公司), Shanghai Xuxiang Trading Co. Ltd.* (上海煦翔貿易有限公司) and Xiamen Zhongmao Yitong Commerce Co., Ltd. (廈門中茂益通商貿有限公司) in relation to the establishment of a partnership for the purpose of investment. The total capital contribution to be subscribed by all partners to the partnership is RMB800,020,000. The partnership will continue to accelerate corporate equity investment in urbanization projects in the Guangdong-Hong Kong-Macao Greater Bay Area, the Yangtze River Delta Economic Zone and other regions. For further details, please refer to the announcement of the Company dated 23 February 2021.

(2) *OCT Tourism and Culture Technology Fund*

In early 2021, the fund has invested in Liweijia (a home Internet platform) and Yidong Technology (a research and development and manufacturing company of marine electric drive system). The fund will actively seek high-quality companies with the potential to become a leader in the segment, and carefully select high-quality projects.

In terms of management, the Group will actively reserve high-quality equity investment projects, and strengthen the post-investment empowerment with the invested companies in the advantageous industries of OCT Group. At the same time, the Company will continue to optimize the post-investment management system, strengthen the risk identification and response capabilities of the investee enterprises to minimize investment risks. In terms of exit, the Group's equity investment projects and fund investments will usher in partial exits, contributing investment income and bringing back capital.

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 is 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 INTEREST

Directors' and chief executives' interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, interests and short positions 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 of the Directors and chief executives of the Company which have been 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 were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the “**Model Code**”) are as follows:

Name of Director	Capacity/Nature	Number of Shares held	Approximate % of issued share capital of the Company
Lam Sing Kwong Simon	Beneficial owner	1,000,000 (long position)	0.13%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executives of the Company had any interests or short positions 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) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Persons who have interests or short positions which are disclosable under Divisions 2 and 3 of Part XV of the SFO

As at the Latest Practicable Date, as far as is known to the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Substantial Shareholder	Capacity/Nature	Number of Shares held	Approximate % of issued share capital of the Company
Pacific Climax	Beneficial owner (<i>note 1</i>)	530,894,000 (long position)	70.94%
OCT (HK)	Interest of a controlled corporation (<i>note 2</i>)	530,894,000 (long position)	70.94%
OCT Ltd.	Interest of a controlled corporation (<i>note 3</i>)	530,894,000 (long position)	70.94%
OCT Group	Interest of a controlled corporation (<i>note 4</i>)	530,894,000 (long position)	70.94%

Notes:

- (1) The interests held by Pacific Climax consist of interests (long position) in 530,894,000 Shares. Ms. Xie Mei and Mr. Lin Kaihua, both being executive Directors, and Mr. Wang Wenjin, being a non-executive Director, are also directors of Pacific Climax.
- (2) OCT (HK) is the beneficial owner of all the issued share capital in Pacific Climax. Therefore, OCT (HK) is deemed, or taken to be interested in all the Shares beneficially held by Pacific Climax for the purpose of the SFO. Mr. Zhang Dafan and Ms. Xie Mei, both being an executive Director, and Mr. Wang Wenjin, being a non-executive Director, are also directors of OCT (HK).
- (3) OCT Ltd. is the beneficial owner of all the issued share capital of OCT (HK), which is in turn the beneficial owner of all the issued share capital of Pacific Climax. OCT Ltd. is deemed, or taken to be interested in all the Shares which are beneficially owned by OCT (HK) and Pacific Climax for the purpose of the SFO. OCT Ltd. is a company incorporated in the PRC, the shares of which are listed on the Shenzhen Stock Exchange. OCT Ltd. is a subsidiary of OCT Group.
- (4) OCT Group is the holding company of OCT Ltd. and together with its wholly-owned subsidiary, 深圳華僑城資本投資管理有限公司 (Shenzhen OCT Capital Investment Management Company Limited), hold 47.97% of the issued shares of OCT Ltd., which is the beneficial owner of all the issued shares of OCT (HK), which is, in turn, the beneficial owner of all the issued share capital of Pacific Climax. Therefore, OCT Group is deemed, or taken to be interested in all the Shares which are beneficially owned by OCT Ltd., OCT (HK) and Pacific Climax for the purpose of the SFO.

Save as disclosed above, no other interests required to be recorded in the register kept under section 336 of the SFO have been notified to the Company as at the Latest Practicable Date.

3. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or their respective close associates has any interest in any business which competes or is likely to compete with the businesses of the Group.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has a service contract with any member of the Group which was not determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. INTEREST IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which have been, since 31 December 2020 (being the date to which the latest published accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group subsisting at the date of this circular and which is significant in relation to the businesses of the Group.

6. MATERIAL ADVERSE CHANGE

The Directors confirm that there had been no material adverse change in the financial or trading position of the Group since 31 December 2020 (being the date to which the latest published audited accounts of the Company were made up) up to and including the Latest Practicable Date.

7. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business of the Group) had been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date and are or may be material:

- (a) the finance lease and factoring framework agreement entered into between OCT Financial Leasing Co., Ltd. (華僑城融資租賃有限公司, “**OCT Financial Leasing**”) and OCT Ltd. on 7 May 2019 in relation to provision of finance lease and factoring services by OCT Financial Leasing to OCT Ltd. at an annual cap of RMB2,500,000,000 for one year from the date of independent shareholders' approval;
- (b) the finance lease and factoring framework agreement entered into between OCT Financial Leasing and OCT Group on 7 May 2019 in relation to the provision of finance lease and factoring services by OCT Financial Leasing to OCT Group at an annual cap of RMB1,000,000,000 for one year from the date of independent shareholders' approval;

- (c) the State-owned Land Use Rights Grant Contract dated 30 May 2019 and entered into between Shenzhen OCT Gangya Holdings Development Co., Ltd. (深圳華僑城港亞控股發展有限公司, “**OCT Gangya**”) and Hefei Guojia Industry Capital Management Co., Ltd. (合肥國嘉產業資本管理有限公司, “**Hefei Guojia**”) jointly with Hefei Municipal Natural Resources and Planning Bureau (合肥市自然資源和規劃局, “**Hefei Planning Bureau**”) in respect of the acquisition of the land use rights of the land situated at Chaohu, Hefei, Anhui Province of the PRC at a consideration of approximately RMB1,130 million;
- (d) the cooperation agreement dated 3 June 2019 entered into between OCT Gangya and Hefei Guojia, pursuant to which the parties agreed to establish a joint venture company (the “**Project Company**”) for the development of parcels of land in Chaohu, Hefei and the total capital commitment to be made to the Project Company shall not exceed RMB2,352,941,176, of which RMB1,200,000,000 and RMB1,152,941,176 are attributable to OCT Gangya and Hefei Guojia, respectively, in proportion to their respective shareholdings in the Project Company;
- (e) the joint venture agreement dated 20 June 2019 entered into between Shenzhen OCT Ganghua Investment Holdings Co., Ltd. (深圳華僑城港華投資控股有限公司, “**OCT Ganghua**”) and Hefei Huaxing Konggang Investment Co., Ltd. (合肥華興空港投資有限公司) in relation to the establishment of Hefei OCT Industry Development Co., Ltd. (合肥華僑城實業發展有限公司, “**Hefei OCT Industry**”), pursuant to which OCT Ganghua is required to contribute RMB5.1 billion, representing 51% of the registered capital of Hefei OCT Industry;
- (f) the lease agreement dated 5 July 2019 entered into between OCT Shanghai Land and Shanghai Huahe Real Estate Development Co., Ltd. (上海華合房地產開發有限公司, “**Shanghai Huahe**”) in relation to the lease of certain properties by OCT Shanghai Land to Shanghai Huahe for a term of 36 months from 1 August 2019 to 31 July 2022 at a monthly rent of RMB769,145;
- (g) the maximum amount guarantee agreement dated 11 July 2019 entered into between the Company and Shenzhen branch of Nanyang Commercial Bank (China) Limited (南洋商業銀行(中國)有限公司深圳分行, the “**Nanyang Bank**”), pursuant to which the Company agreed to guarantee up to 49% of the loan (being RMB392,000,000) under a loan agreement dated 26 June 2019 and entered into between Chongqing OCT Real Estate Limited (重慶華僑城置地有限公司) and the Nanyang Bank;
- (h) the limited partnership agreement dated 7 November 2019 entered into between Shenzhen Qianhai Yuzhou Fund Management Co., Ltd. (深圳前海禹舟基金管理有限公司), Shenzhen OCT Huaxin Equity Investment Management Limited (深圳市華僑城華鑫股權投資管理有限公司, “**Shenzhen OCT Huaxin**”), Shenzhen Huajing and Xiamen Zhongmao Yitong Commerce Co., Ltd. (廈門中茂益通商貿有限公司) in relation to the establishment of the Xiamen Partnership, pursuant to which Shenzhen OCT Huaxin and Shenzhen Huajing are required to contribute RMB1,000,000 and RMB1,168,000,000, representing 0.07% and 77.87% of the total capital of the Xiamen Partnership, respectively;

- (i) the State-owned Land Use Rights Grant Contracts dated 27 December 2019 entered into between Hefei OCT Industry and Hefei Planning Bureau in respect of the acquisition of the land use rights of the five (5) parcel of land with a total site area of approximately 1,042 mu located at the first phase of Hefei Airport International Town at the total consideration of approximately RMB2,644 million;
- (j) the limited partnership agreement entered into between Shenzhen OCT Huaxin, Shenzhen Huayou Investment Limited (深圳市華友投資有限公司, “**Shenzhen Huayou**”), Dongguan City Industrial Investment Parent Fund Co., Ltd. (東莞市產業投資母基金有限公司), Guangdong Province Yueke Songshan Lake Innovation Venture Capital Parent Fund Co., Ltd. (廣東省粵科松山湖創新創業投資母基金有限公司) and Dongguan City Multiplier Program Industrial M&A Parent Fund Partnership (Limited Partnership) (東莞市倍增計劃產業併購母基金合夥企業(有限合夥)) in relation to the establishment of the Dongguan Partnership on 6 March 2020, pursuant to which Shenzhen OCT Huaxin and Shenzhen Huayou are required to contribute RMB3,000,000 and RMB132,000,000, representing approximately 1% and 44% of the total capital of the Dongguan Partnership, respectively;
- (k) the finance lease and factoring framework agreement entered into between OCT Financial Leasing and OCT Ltd. on 18 May 2020 in relation to the provision of finance lease and factoring services by OCT Financial Leasing to OCT Ltd. at an annual cap of RMB1,000,000,000 for one year from the date of independent shareholders’ approval;
- (l) the finance lease and factoring framework agreement entered into between OCT Financial Leasing and OCT Group on 18 May 2020 in relation to the provision of finance lease and factoring services by OCT Financial Leasing to OCT Group at an annual cap of RMB1,000,000,000 for one year from the date of independent shareholders’ approval;
- (m) the equity transfer agreement entered into between Shenzhen Huayou, Happy Valley Cultural Tourism Development Co., Ltd. (歡樂谷文化旅遊發展有限公司, “**Happy Valley Cultural Tourism**”) and the Dongguan Partnership on 12 June 2020, pursuant to which Shenzhen Huayou agreed to transfer 1% of the equity interest in the Dongguan Partnership, representing a capital contribution of RMB3,000,000 by Shenzhen Huayou, to Happy Valley Cultural Tourism at a consideration of RMB3,000,185.40;
- (n) the property management framework agreement entered into between Hefei OCT Huanchao Cultural Tourism Real Estate Development Co., Ltd (合肥華僑城環巢文旅置業發展有限公司) (“**Hefei OCT Huanchao**”) and Hefei branch office of OCT Property (Group) Co., Ltd. (華僑城物業(集團)有限公司合肥分公司) (“**OCT Property (Hefei)**”) on 8 July 2020, pursuant to which OCT Property (Hefei) will provide property management services for the development project in respect of Hefei Chaohu Bantang Hot Spring Town (合肥巢湖半湯溫泉小鎮) and the office areas of Hefei OCT Huanchao to Hefei OCT Huanchao for the period from 8 July 2020 to 31 December 2020;
- (o) the subscription agreement entered into between the Company, OCT Group and the joint lead managers on 8 July 2020 in relation to the issue of US\$500,000,000 4.50% senior guaranteed perpetual capital securities by the Company;

- (p) the finance lease agreement entered into between CMB Financial Leasing Co., Ltd. (招銀金融租賃有限公司, the “**Lessor**”) and the Chengdu OCT (the “**Lessee**”) on 13 August 2020, pursuant to which: (i) the Lessor conditionally agreed to purchase the amusement and ancillary facilities (such as roller coaster and waterpark facilities) used in Chengdu Happy Valley currently owned by the Lessee (the “**Leased Assets**”), at a consideration of RMB500,000,000.00 (“**Purchase Consideration**”), and (ii) following the acquisition, the Lessor conditionally agreed to lease the Leased Assets to the Lessee for a term of 36 months starting from the date of the payment of the Purchase Consideration by the Lessor to the Lessee, at an aggregate estimated lease payment of approximately RMB549,401,142.48, and upon expiry of the lease, the Lessee shall purchase the Leased Assets at a repurchase consideration of RMB1.00;
- (q) the planning technical services framework agreement entered into between Hefei OCT Industry and Shenzhen OCT Innovation and Research Institute Co., Ltd. (深圳華僑城創新研究院有限公司) (“**OCT IRI**”) on 17 August 2020, pursuant to which OCT IRI will provide planning and project design technical services for the development project in respect of Hefei Airport International Town (合肥空港國際小鎮) to Hefei OCT Industry for the period from 17 August 2020 to 31 December 2022 at the annual caps of RMB9,000,000, RMB8,000,000 and RMB8,000,000 for the period from 17 August 2020 to 31 December 2020, the year ending 31 December 2021 and the year ending 31 December 2022, respectively;
- (r) the subscription agreement entered into between the Company, OCT Group and the joint lead managers on 20 August 2020 in relation to the issue of US\$300,000,000 4.50% senior guaranteed perpetual capital securities by the Company;
- (s) an equity transfer agreement entered into, on 4 September 2020, between Bantix International Limited (“**Bantix International**”), OCT (Chengdu) Investment Co., Ltd. (華僑城(成都)投資有限公司, “**OCT Chengdu Investment**”) and Chengdu OCT in respect of the transfer of the 50.99% equity interest in Chengdu OCT to OCT Chengdu Investment at a consideration of RMB1,092,103,600;
- (t) a debt transfer agreement entered into on 4 September 2020, between Bantix International, OCT Chengdu Investment and Chengdu OCT in respect of the assignment of the debt in the amount of RMB160,364,475.51 from Bantix International to OCT Chengdu Investment;
- (u) the design and planning agreement entered into between Hefei OCT Huanchao and OCT IRI on 21 September 2020, pursuant to which OCT IRI will provide design and planning services in respect of phase I of the development project of Hefei Chaohu Bangtang Hot Spring Resort Waterpark (合肥巢湖半湯溫泉小鎮水公園), located in the Hefei Chaohu Bantang Hot Spring Town (合肥巢湖半湯溫泉小鎮) (the “**Waterpark Project**”) to Hefei OCT Huanchao, at a service fee of RMB4,516,600;
- (v) the design and planning agreement entered into between Hefei OCT Huanchao and OCT IRI on 21 September 2020, pursuant to which OCT IRI will provide design and planning services in respect of phase II of the Waterpark Project to Hefei OCT Huanchao, at a service fee of RMB1,336,000;

- (w) the tenancy agreement dated 28 September 2020 entered into between OCT Gangya and Shenzhen Overseas Chinese Town Entertainment Investment Company Limited (深圳華僑城都市娛樂投資公司) in relation to the lease of the premises located at Rooms 3-1 to 3-3, 3/F, Jacaranda International Business Center, No. 8 Baishiroad East, Nanshan District, Shenzhen, the PRC for a term from 1 October 2020 to 30 September 2023 at a monthly rent of RMB278,200.00;
- (x) the cooperation agreement dated 8 December 2020 and entered into between the Company and HNW Investment Fund Series SPC in relation to, among other things, (i) the subscription of not more than 49% interest in the Serica Segregated Portfolio at a subscription amount of not more than HK\$417 million, and (ii) the disposal of the entire issued shares of City Turbo Limited (“**City Turbo**”) (including the entire assets, rights and liabilities of City Turbo) at a total consideration of approximately HK\$2,037 million;
- (y) the limited partnership agreement entered into between 深圳華僑城港亞控股發展有限公司 (Shenzhen OCT Gangya Holdings Development Co. Ltd.) (“**Shenzhen OCT Gangya**”), Shenzhen Huayou, both of which are indirect wholly-owned subsidiaries of the Company, 上海煦翔貿易有限公司 (Shanghai Xuxiang Trading Co. Ltd.), 潘興資本管理(深圳)有限公司 (Panxing Capital Management (Shenzhen) Co., Ltd.) and 廈門中茂益通商貿有限公司 (Xiamen Zhongmao Yitong Commerce Co., Ltd.) in relation to the establishment of the a partnership (the “**Xiamen Partnership**”) on 23 February 2021, pursuant to which Shenzhen OCT Gangya and Shenzhen Huayou are required to contribute, RMB10,000 and RMB600,000,000, representing approximately 0.001% and 74.998% of the total capital of the Xiamen Partnership, respectively;
- (z) the Supplemental Agreement; and
- (aa) the limited partnership agreement entered into between Shenzhen OCT Gangya, Shenzhen Huayou, both of which are indirect wholly-owned subsidiaries of the Company, 深圳市好美實業有限公司 (Shenzhen Haomei Enterprise Co., Ltd.), 深圳市靜成實業有限公司 (Shenzhen Jingcheng Enterprise Co., Ltd.), in relation to the establishment of the a partnership (the “**Shenzhen Qiaoheng Partnership**”) on 26 April 2021, pursuant to which Shenzhen OCT Gangya and Shenzhen Huayou are required to contribute, RMB10,000 and RMB719,240,000, representing approximately 0.001% and 74.999% of the total capital of the Shenzhen Qiaoheng Partnership, respectively.

8. LITIGATION

As at the Latest Practicable Date, neither the Company nor any member of the Group was engaged in any litigation, or arbitration or claim of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against the Company or any member of the Group.

9. GENERAL

- (a) The company secretary and the qualified accountant of the Company is Mr. Fong Fuk Wai, who is a fellow member of the Hong Kong Institute of Certified Public Accountants.
- (b) The Company's registered office is at Ocorian Trust (Cayman) Limited, Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The head office and principal place of business is at 59/F., Bank of China Tower, 1 Garden Road, Hong Kong.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the following documents is available for inspection during normal business hours (except on Saturday, Sunday and public holidays) at the office of the Company in Hong Kong at 59/F., Bank of China Tower, 1 Garden Road, Hong Kong for a period of 14 days from the date of this circular:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the three years ended 31 December 2019 and 2020;
- (c) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;
- (d) a copy of each circular issued pursuant to the requirements set out in Chapters 14 and/or 14A of the Listing Rules which has been issued since 31 December 2020 (being the date of which the last published audited accounts of the Company were made up); and
- (e) this circular.