

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



OCI International Holdings Limited

東建國際控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 329)

DISCLOSEABLE TRANSACTION AMENDMENTS TO THE SUPPLEMENT AND EXTENSION OF TERM RELATING TO SUBSCRIPTION OF CLASS A SHARES IN A SUB-FUND

AMENDMENTS TO THE SUPPLEMENT AND EXTENSION OF THE SUB-FUND

Reference is made to the announcement of the Company dated 2 March 2021 in relation to, among other things, the Subscription Agreement and the Supplement.

On 24 March 2024 (after trading hours), the Company (as Class A Shareholder) executed the Written Consent, to amend the Supplement to the effect that (a) the term of the Sub-Fund shall be extended for three years to 4 March 2027; and (b) all references to the Co-Manager be deleted from the Supplement.

LISTING RULES IMPLICATIONS

As the highest aggregate applicable percentage ratio (as defined under the Listing Rules) in respect of the Extension is more than 5% but less than 25%, the Extension constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

AMENDMENTS TO THE SUPPLEMENT AND EXTENSION OF THE SUB-FUND

Reference is made to the announcement of the Company dated 2 March 2021 (the “**Subscription Announcement**”) in relation to, among other things, the Subscription Agreement and the Supplement. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Subscription Announcement.

On 24 March 2024 (after trading hours), the Company (which has been transferred all of Class A Shares in issue by the Subsidiary on 1 March 2024) and the SPC (for the account of the Sub-Fund) entered into a written consent to variation of rights (the “**Written Consent**”), pursuant to which the Company has given its consent to the amendment of the Supplement by the SPC, to the effect that (a) with retrospective effect from 4 March 2024, the term of the Sub-Fund shall be extended for three years to 4 March 2027; and (b) all references to the Co-Manager be deleted from the Supplement.

Terms of the Written Consent

The principal terms of the Written Consent are summarised as follow:

Date	24 March 2024
Parties	the Company, as the holder of all Class A Shares; and the SPC (for the account of the Sub-Fund).
Major amendments to the terms of the Supplement	<i>Extension of term</i> With retrospective effect from 4 March 2024, the expiry of the term of the Sub-Fund was extended from the third (3rd) anniversary of 4 March 2021 (the “ Closing Day ”), the date on which the Subsidiary completed its subscription of the Class A Shares, to the sixth (6th) anniversary of the Closing Day. <i>Deletion of all references to the Co-Manager</i> As the appointment of the Co-Manager as co-manager of the Sub-Fund was terminated on 4 March 2024, all references to (a) the Co-Manager; (b) the co-management agreement between the SPC (for the account of the Sub-Fund), the Manager and the Co-Manager; and (c) co-management fees shall be deleted from the Supplement.

After termination of the appointment of the Co-Manager, the Sub-Fund shall continue to pay to the Manager solely a management fee equal to 1.8% per annum of the total subscription amount of each of Class A Shares, Class B Shares and Class C Shares respectively, in lieu of any co-management fee.

Consent to extension of the term of the Asia Fund

The Company and the SPC agreed that the term of the Sub-Fund shall be extended, with retrospective effect from 4 March 2024, for three (3) years to 4 March 2027 (the “**Extension**”).

By virtue of the Extension, the Company as the sole legal and beneficial owner of all Class A Shares shall continue to receive the Class A Fixed Return during the extended term of the Sub-Fund. Based on the aggregate amount of HK\$95,000,000 paid by the Group on account of the subscription price of all Class A Shares pursuant to the Subscription Agreement, the aggregate Class A Fixed Return expected to be received by the Company on account of the extended term of the Sub-Fund shall be HK\$14,250,000.

Save as disclosed above, the respective existing terms of the Memorandum and the Supplement shall remain unchanged, and the Guarantee given by Mr. Li shall continue to have effect, under which Mr. Li shall continue to guarantee the settlement of all liabilities and obligations of (among other things) the Class C Shareholder due and payable to the SPC under the Memorandum, the Supplement and any Mandatory Subscription.

FINANCIAL EFFECTS OF THE EXTENSION

The aggregate book value of the Class A Shares is HK\$95,000,000, being the subscription price paid by the Group for all Class A Shares pursuant to the Subscription Agreement.

The net distributions before and after tax accrued to the Group on account of the Class A Shares for each of the two years ended 4 March 2023 and 2024 amounted to HK\$4,750,000 and HK\$3,966,250 respectively.

Taking into account the amount contributed by the Group (representing 19% of the Investment Funds Raised) and the characteristics of the Sub-Fund, the Company, after consulting with its auditor, is of the view that the Group has no control over the Sub-Fund. Accordingly, after the Extension the Sub-Fund will continue to be accounted for as investments in the Group’s financial statements.

INFORMATION OF THE SPC AND THE SUB-FUND

The SPC is an exempted company incorporated on 4 May 2018 with limited liability and registered as a segregated portfolio company under the laws of the Cayman Islands. As a segregated portfolio company, the SPC is permitted to create one or more segregated portfolios in order to segregate the assets and liabilities of the SPC held in respect of one segregated portfolio from the assets and liabilities of the SPC held in respect of any other segregated portfolio and/or the general assets and liabilities of the SPC. Under Cayman Islands law, the assets of one segregated portfolio will not be available to meet the liabilities of another segregated portfolio. Notwithstanding the segregation of assets and liabilities between segregated portfolios, the SPC is a single legal entity and no segregated portfolio constitutes a legal entity separate from the SPC itself. Accordingly, the Sub-Fund, as a segregated portfolio of the SPC, is not a separate legal entity. The SPC is principally engaged in the business of investment.

The SPC has an authorised share capital of US\$50,000 which is made up of 100 management shares of US\$0.01 par value each and 4,999,900 Participating Shares of US\$0.01 par value each which may be issued in respect of different portfolios and in different classes. All management shares are held by OCI Management Limited. For more information on OCI Management Limited, please refer to the section headed “INFORMATION OF THE GROUP”.

The Sub-Fund was launched in May 2019 and is engaged in investment holding. It is the sole legal and beneficial owner of the entire issued share capital of the Target Company.

As at date of this announcement, the Class B Shareholder and the Class C Shareholder are the same entity, namely Fast Reach Holding Limited, an investment holding company incorporated in the British Virgin Islands with limited liability which is, as at the date of this announcement, legally and beneficially owned as to 40% by Mr. Li and 60% by Ms. LIANG Xiaoping (梁曉萍) (“**Ms. Liang**”). The Class B Shareholder may subsequently transfer the Class B Shares to an Independent Third Party.

Mr. Li is an individual and principally engaged in the property investment in Macau, Singapore, Malaysia, Hong Kong and the PRC with extensive experience in the real estate sector. As at the date of this announcement, he is the legal and beneficial owner of 40% of the issued share capital and a director of the Class C Shareholder.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, each of the Sub-Fund, the SPC, the Class B Shareholder, the Class C Shareholder, their ultimate beneficial owner(s), Mr. Li and Ms. Liang is an Independent Third Party.

INFORMATION OF THE SUB-FUND AND THE TARGET GROUP

The Sub-Fund was launched in May 2019 and is engaged in investment holding. It is the sole legal and beneficial owner of the entire issued share capital of the Target Company. Closing of the subscription of the Class A Shares by the Subsidiary took place on 4 March 2021.

The Target Company is a company incorporated in the British Virgin Islands on 1 November 2017 as an investment holding vehicle. The Target Company, through its subsidiaries, is primarily engaged in the investment and development of properties in the PRC.

The Project Company is an indirect wholly-owned subsidiary of the Target Company. The Project Company holds the Target Project, which is a real estate development project in the PRC located at Land Lot A of East of Hujing North Road and South of Jihua 6th Road, Chancheng District, Foshan City* 佛山市禪城區湖景北路以東、季華六路以南A地塊 with gross floor area of approximately 18,143 square meters. The land is for commercial services and cultural, sports and entertainment use. The terms of the land use rights for commercial services expires on 30 December 2051 and for cultural, sports and entertainment use expires on 30 December 2061, respectively.

INFORMATION OF THE GROUP

The Company is an investment holding company and its subsidiaries are engaged in provision of asset management services, provision of investment and financial advisory services, provision of securities underwriting and placing services, securities trading and investments and trading of wines and beverages. On 1 March 2024, the Subsidiary, which was at all material times an indirect wholly-owned subsidiary of the Company, transferred all Class A Shares in issue held by it to the Company.

The Manager is a limited liability company incorporated in Hong Kong and is principally engaged in fund management and advisory investment services for professional investors such as corporations, institutions and individual investors. It is licensed by the Securities and Futures Commission in Hong Kong for type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities with CE number BME171. The Manager is an indirect wholly-owned subsidiary of the Company. The core management team member of the Manager is as follows:

Mr. LUI Kwok Wai

Mr. Lui has been appointed as the Vice President of the Company since November 2020. He is also a director of various subsidiaries of the Company and the Managing Director and a Responsible Officer of the Manager. He manages the type 1, type 4 and type 9 regulated activities conducted by the Manager; he also assumes overall management oversight of the Manager and is the manager-in-charge of its key business line functions. Mr. Lui focuses on company management, fund investment & capital market area, and business development.

Mr. Lui obtained a bachelor's degree of Science in Engineering (Environmental Engineering) from the University of California, San Diego in 2013.

Mr. Lui has extensive experience in capital market and corporate finance. He served as the Senior Vice President of the leverage and acquisition finance division of Mason Securities Limited from October 2016 to July 2020, where Mr. Lui was responsible for margin finance, general offer finance, merge and acquisition projects, asset management, advising on securities trading and funds investment, as well as issuance of investment research report.

Mr. Lui has been serving as a non-executive director of Wan Kei Group Holdings Limited, a company the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1718), since January 2024. He also served as a non-executive director of China International Development Corporation Limited, a company the shares of which are listed on the Main Board of the Stock Exchange (stock code: 264), from February 2017 to March 2018.

OCI Management Limited is an investment holding company incorporated in the Cayman Islands with limited liability whose principal business is to act as the holder of management shares of the SPC. OCI Management Limited is an indirect wholly-owned subsidiary of the Company.

REASONS AND BENEFITS OF THE EXTENSION

The Group has endeavoured in exploring opportunities in achieving better return for its Shareholders. The Extension, which extends the term of the Sub-Fund during which the Company shall continue to earn a simple Class A Fixed Return of 5% per annum, presents a good opportunity for the Company to continue to generate stable income. In addition, the Mandatory Subscription mechanism and the continued provision of the Guarantee by Mr. Li secures the safety of the funds and expected fixed return of the Company.

In the worst-case scenario, if the Class C Shareholders fail to make any part of the Mandatory Subscription and/or Mr. Li defaults in his payment obligations under the Guarantee, the Group may not be able to recover part or all of its subscription amount of HK\$95,000,000 in the Class A Shares but may retain an interest in the Project Company. The Company considered that the risks involved in giving its consent to the Extension is relatively low, taking into account (i) the Guarantee provided by Mr. Li; (ii) the business prospect of the Target Project; (iii) the Project Company is one of the leading large-scale property developers in Foshan; and (iv) the reputation, financial strength, and credibility of Mr. Li and the Class C Shareholder.

Having regard to the above, the Directors are of the view that the terms of the Extension are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest aggregate applicable percentage ratio (as defined under the Listing Rules) in respect of the Extension is more than 5% but less than 25%, the Extension constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

By order of the Board
OCI International Holdings Limited
Jiao Shuge
Chairman

Hong Kong, 24 March 2024

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. Jiao Shuge (*Chairman*)
Mr. Tang Nanjun (*Chief Executive Officer*)

Non-executive Directors:

Mr. Wu Guangze
Mr. Feng Hai

Independent non-executive Directors:

Mr. Chong Ka Yee
Mr. Tso Siu Lun Alan
Mr. Li Xindan
Dr. Lo Wing Yan William

* *For identification purpose only.*