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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 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 BOCOM International Holdings Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the 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)

**NOTICE OF ANNUAL GENERAL MEETING
AND
PROPOSALS FOR RE-ELECTION OF DIRECTORS
AND
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES**

A notice convening the AGM of BOCOM International Holdings Company Limited to be held at Salon 6 of JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 15 June 2018 at 10:30 a.m. is set out on pages 7 to 10 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon 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, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the meeting or any adjournment thereof if they so wish.

23 April 2018

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Notice of Annual General Meeting	7
Appendix I Details of the Directors proposed for re-election	11
Appendix II Explanatory Statement on buy-back mandate	14

DEFINITIONS

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

“AGM” or “Annual General Meeting”	annual general meeting of the Company to be held at Salon 6 of JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 15 June 2018 at 10:30 a.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“BOCOM”	Bank of Communications Co., Ltd. (交通銀行股份有限公司), established in 1908, a company registered in the PRC as a joint stock limited liability company on 24 December 2004, the H shares and A shares of which are listed on the Stock Exchange and the Shanghai Stock Exchange, respectively, and the ultimate controlling shareholder of the Company
“BOCOM (Hong Kong Branch)”	the Hong Kong Branch of BOCOM
“BOCOM Nominee”	Bank of Communications (Nominee) Company Limited, a company incorporated in Hong Kong with limited liability on 21 August 1981
“Buy-back Mandate”	the general mandate to buy back Shares
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	BOCOM International Holdings Company Limited, a company incorporated in Hong Kong with limited liability on 3 June 1998, the Shares of which are listed on the Main Board of the Stock Exchange
“core connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“Expectation Investment”	Expectation Investment Limited, a company incorporated in Hong Kong with limited liability on 29 January 1997
“General Mandate”	the general mandate to be granted to the Directors to allot, issue and deal with Shares up to 20% of the total number of Shares in issue as at the date of passing of the resolution in respect of the general mandate

DEFINITIONS

“Group”	the Company and its subsidiaries
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	12 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	People’s Republic of China
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanghai Stock Exchange”	the Shanghai Stock Exchange (上海證券交易所)
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers

LETTER FROM THE BOARD



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. LI Ying (*President*)
Mr. CHENG Chuange (*Deputy Chief Executive Officer*)

Registered Office:

9/F, Man Yee Building
68 Des Voeux Road Central
Hong Kong

Non-executive Directors:

Mr. WANG Yijun
Ms. LIN Zhihong
Mr. SHOU Fugang

Independent non-executive Directors:

Mr. TSE Yung Hoi
Mr. MA Ning
Mr. LIN Zhijun

23 April 2018

Dear Shareholders,

**NOTICE OF ANNUAL GENERAL MEETING
AND
PROPOSALS FOR RE-ELECTION OF DIRECTORS
AND
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES**

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM relating, in particular, to (i) the re-election of Directors; and (ii) the grant of the General Mandate and Buy-back Mandate and to provide you with the notice of AGM.

RE-ELECTION OF DIRECTORS

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

LETTER FROM THE BOARD

Pursuant to Article 109 of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not a multiple of three, the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. The Directors to retire by rotation shall be those who have been longest in office since their last re-election or appointment and so that as between persons who become or were last re-elected Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot. A retiring Director shall be eligible for re-election.

Accordingly, Mr. TAN Yueheng, Mr. SHOU Fugang and Mr. CHENG Chuange, being Directors who have been longest in office, shall retire by rotation at the AGM and, being eligible, have offered themselves for re-election at the AGM.

The nomination committee of the Company had evaluated the performance of the retiring Directors and found their performance satisfactory. The Board having regard to the expertise and experience of the retiring Directors and the nomination committee has recommended the retiring Directors to stand for re-election at the AGM. Mr. TAN Yueheng, Mr. SHOU Fugang and Mr. CHENG Chuange had abstained from the relevant resolutions regarding their respective nominations.

The remuneration of the Directors are determined with reference to their duties, responsibilities, experience and to the prevailing market conditions. Pursuant to the Company's Article 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. The amount of remuneration paid or payable for the year ended 31 December 2017 to each of the Directors are set out in the Company's 2017 annual report.

Details of the Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES

By written resolutions passed by the shareholders on 25 April 2017, the Directors were granted general mandates to allot, issue and deal with Shares and to buy back Shares. Such mandates will expire at the conclusion of the AGM.

At the AGM, ordinary resolutions will be proposed to grant to the Directors (1) a general unconditional mandate to buy-back Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed not exceeding 10% of the total number of Shares in issue as at the date of passing of the ordinary resolution of the Buy-back Mandate; (2) a general unconditional mandate to allot, issue and deal with additional Shares not exceeding the aggregate of (a) 20% of the total number of Shares in issue as at the date of passing of the ordinary resolution of the General Mandate and (b) the aggregate number of Shares bought back by the Company (if any) under the Buy-Back Mandate.

LETTER FROM THE BOARD

An explanatory statement on the Buy-back Mandate as required by the Listing Rules and under the Companies Ordinance, is set out in the Appendix II to this circular.

DECLARATION OF FINAL DIVIDEND

As stated in the announcement of the Company dated 27 March 2018 in relation to the annual results of the Group for the year ended 31 December 2017, the Board recommended the payment of a final dividend to Shareholders whose names appear on the register of members of the Company on 25 June 2018. The proposed final dividend is subject to the approval by the Shareholders at the AGM and a resolution will be proposed to the Shareholders for voting at the AGM. If the resolution for the proposed final dividend is passed at the AGM, the final dividend is expected to be paid on or about 5 July 2018.

The register of members of the Company will be closed on 25 June 2018, for the purpose of determining the entitlements of the Shareholders to the proposed final dividend upon passing of relevant resolution. No transfer of the Shares may be registered on that date. In order to qualify for the proposed final dividend, 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 22 June 2018.

AGM

The notice of AGM is set out on pages 7 to 10 of this circular.

The register of members of the Company will be closed from 12 June 2018 to 15 June 2018 (both dates inclusive), for the purpose of determining the entitlements of the Shareholders to attend and vote at the AGM, during which period no transfer of Shares will be registered. In order to qualify to attend and vote at the AGM, 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 11 June 2018.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy and return it to 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, in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM or at any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM in person should you so wish.

VOTING

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that all proposed resolutions set out in the notice of AGM, including, among others, (a) the re-election of Directors, and (b) the grant of the General Mandate and the Buy-back Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all resolutions to be proposed at the AGM.

GENERAL 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

NOTICE OF ANNUAL GENERAL MEETING



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 IS HEREBY GIVEN that the Annual General Meeting of BOCOM International Holdings Company Limited (the “**Company**”) will be held at Salon 6 of JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 15 June 2018 at 10:30 a.m. for the following purposes:

1. To receive the audited consolidated financial statements and the reports of the Directors and Auditor for the year ended 31 December 2017.
2. To declare a final dividend of HK\$0.08 per share.
3. To re-elect Directors and to authorise the Board of Directors to fix the remuneration of Directors:
4. To re-appoint PricewaterhouseCoopers as Auditor and to authorise the Board of Directors to fix its remuneration.

and to consider and, if thought fit, pass with or without modification the following resolutions as ordinary resolutions:

5. **“THAT:**
 - (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional Shares or securities convertible into Shares or options, warrants or similar rights to subscribe for the Shares or such convertible securities and to make or grant offers, agreements or options which would or might require the exercise of such powers whether during or after the end of the Relevant Period (as defined below) be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate number of Shares allotted or agreed to be allotted by the Directors of the Company pursuant to the approval in paragraph (a) of this Resolution, other than pursuant to a (i) rights issue, (ii) any scrip dividend scheme or similar arrangement providing for the allotment of the Shares in lieu of the whole or part of a dividend on the Shares or (iii) a specific authority granted by the Shareholders in general meeting, shall not exceed the aggregate of:
 - (A) 20% of the total number of Shares in issue as at the date of passing of this Resolution; and
 - (B) (if the Directors of the Company are so authorised by a separate ordinary resolution of the Shareholders) the aggregate number of Shares bought back by the Company (if any) under the general mandate to buy back Shares referred to in Resolution numbered 6 below,and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution numbered 5, “Relevant Period” means the period from the passing of the resolution until the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the end of the period within which the Company is required by the Articles of Association or any applicable laws to hold its next annual general meeting; and
 - (iii) the date on which the mandate is varied or revoked by an ordinary resolution of the Shareholders in general meeting.
- (d) for the purpose of this resolution numbered 5, “Shares” mean ordinary shares of the Company; “Shareholders” mean holders of the Shares.”

6. **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to buy back the Shares on The Stock Exchange of Hong Kong Limited, or on any other stock exchange on which the Shares may be listed (and which is recognised by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited for this purpose), be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the maximum number of Shares to be bought back by the Company pursuant to the approval in paragraph (a) shall not exceed in aggregate 10% of the total number of Shares in issue as at the date of passing of this Resolution and at such price or prices as may be determined by the Directors of the Company, provided the purchase price shall not be 5% or more than the average closing market price for the five preceding trading days on which the Shares were traded on the Stock Exchange, and otherwise in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, and the said approval shall be limited accordingly; and
 - (c) for the purpose of this resolution numbered 6, “Relevant Period” means the period from the passing of the resolution until the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company,
 - (ii) the end of the period within which the Company is required by the Articles of Association or any applicable laws to hold its next annual general meeting and
 - (iii) the date on which the mandate is varied or revoked by an ordinary resolution of the shareholders of the Company in general meeting; and
 - (d) for the purpose of this resolution numbered 6, “Shares” mean ordinary shares of the Company; “Shareholders” mean holders of the Shares.”
7. “**THAT** conditional on the passing of Resolutions 5 and 6, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue, grant or otherwise deal with additional Shares in the Company pursuant to Resolution 5 be and is hereby extended by the addition thereto of the total number of Shares bought back by the Company under the general mandate granted pursuant to Resolution 6, provided that such number of Shares shall not exceed 10% of the total number of Shares in issue as at the date of passing of Resolutions 5 and 6.”

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

Hong Kong, 23 April 2018

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. 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 12 June 2018 to 15 June 2018 (both dates inclusive). To qualify to attend and vote at the meeting, 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 11 June 2018.
2. For the purpose of determining the entitlements of the Shareholders to the proposed final dividend upon passing of the relevant resolution, the register of members of the Company will be closed on 25 June 2018. To qualify for the proposed final dividend, 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 22 June 2018.
3. Any member of the Company entitled to attend and vote at the above meeting (or any adjournment thereof) is entitled to appoint one or more persons as his proxy to attend and vote instead of him. 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 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 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 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 AGM and any adjournment thereof if you so wish, and if such event, the form of proxy will be deemed to be revoked.
6. Shareholders are suggested to telephone the Company's hotline on (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.

The following are the details of the Directors proposed to be re-elected at the AGM.

(1) MR. TAN YUEHENG

TAN Yueheng, aged 55, is the Chairman and an Executive Director of the Company. He was appointed as a Director of the Company in February 2007 and the Vice Chairman of the Company in June 2007. Since July 2016, he has served as the Chairman of the Company. In October 2016, he was re-designated as an Executive Director of the Company. Prior to joining the Group, Mr. TAN served as the deputy general manager of Jiang Nan Finance Limited from 1997 to 2002, deputy general manager of CMB International Capital Corporation Limited from 1997 to 2002, director of Great Wall Securities Limited from 1998 to 2002, deputy general manager of China Merchants Finance Holdings Company Limited from 2002 to 2007, the chairman of the Supervisory Board of China Merchants Securities Co., Ltd. from 2003 to 2007 and a non-executive director of China Merchants Bank from 2004 to 2007.

Mr. TAN graduated from Hunan Institute of Finance and Economics with a bachelor's degree in Finance in July 1983. He also obtained a master's degree in Economics, with a major in Money and Banking from the Graduate School of the People's Bank of China in July 1986 and a doctorate degree in Economics from the Graduate School of Chinese Academy of Social Sciences in December 1989. Mr. TAN is also the chairman of the Chinese Securities Association of Hong Kong and a member of the Chinese People's Political Consultative Conference Gansu Provincial Committee.

Mr. TAN has entered into a letter of appointment with the Company with the term of appointment commenced on 31 October 2016 and ending on 30 October 2019. Pursuant to the terms of the letter of appointment, no director's fees are payable to Mr. TAN as an Executive Director of the Company.

As at the Latest Practicable Date, Mr. TAN was interested in 1,000,000 Shares within the meaning of Part XV of the SFO.

Mr. TAN is also a Director of certain members of the Group. Save as disclosed above, Mr. TAN (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) does not have any interest in 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. TAN 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 Rule 13.51(2)(h) to (v) of the Listing Rules.

(2) MR. SHOU FUGANG

SHOU Fugang, aged 56, was appointed as a Director in August 2007. In October 2016, he was re-designated as a Non-executive Director of the Company. He currently is the chairman of Bank of Communications (Hong Kong) Limited, a director of BCOM Finance (Hong Kong) Limited since August 2000, the chief executive of BCOM Finance (Hong Kong) Limited since September 2007 and the chairman of China BOCOM Insurance Company Limited since November 2010.

Mr. SHOU joined BOCOM in July 1987. He was the deputy officer (from July 1994 to November 1996) and officer (from November 1996 to November 1999) of the international banking department of BOCOM. He was the deputy general manager of the overseas business department of BOCOM from November 1999 to February 2000, the deputy general manager of BOCOM (Hong Kong Branch) from February 2000 to July 2007 and the chief executive of BOCOM (Hong Kong Branch) from July 2007 to August 2017.

Mr. SHOU graduated from Fudan University in the PRC with a bachelor's degree in Political Economics in July 1984. He received a master's degree in Political Economics from Fudan University in July 1987 and a master's degree in Business Administration jointly awarded by Northwestern University and Hong Kong University of Science and Technology in May 2004.

Mr. SHOU has entered into a letter of appointment with the Company with the term of appointment commenced on 31 October 2016 and ending on 30 October 2019. Pursuant to the terms of the letter of appointment, Mr. SHOU does not receive any director's fees as a Non-executive Director of the Company.

Save as disclosed above, Mr. SHOU (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) does not have any interest in 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. SHOU 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 Rule 13.51(2)(h) to (v) of the Listing Rules.

(3) MR. CHENG CHUANGE

CHENG Chuange, aged 53, is the Deputy Chief Executive Officer and an Executive Director of the Company. He joined the Group in July 2007 and was appointed as the Deputy Chief Executive Officer in March 2010 and as a Director of the Company in June 2010. In October 2016, he was re-designated as an Executive Director of the Company. Prior to joining the Group, Mr. CHENG served as a director of Concorde Securities Limited from December 2001, the deputy general manager from November 2003 and the vice president from February 2005. From 1995 to 2003, Mr. CHENG worked in various financial institutions, including participating in the setting up of Shenzhen City Commercial Bank and holding various positions in the bank since 1995; serving as the general manager in planned fund department and the assistant to the president of the Guangzhou branch of China Everbright Bank since 1997 and 1998 respectively; and participating in the establishment of the southern headquarters of Three Gorges Securities Company Limited from November 2000 to November 2001 and serving as the general manager of the southern headquarters from September 2001 to September 2003.

Mr. CHENG graduated from Zhengzhou University in the PRC with a bachelor's degree in Philosophy in June 1987. He obtained a master's degree in Philosophy from Wuhan University in July 1990 and a doctorate degree in Economics from Wuhan University in December 1997. He obtained the qualification of senior economist in November 1999.

Mr. CHENG has entered into a letter of appointment with the Company with the term of appointment commenced on 31 October 2016 and ending on 30 October 2019. Pursuant to the terms of the letter of appointment, no director's fees are payable to Mr. CHENG as an Executive Director of the Company.

Mr. CHENG is also a Director of certain members of the Group. Save as disclosed above, Mr. CHENG (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) does not have any interest in 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. CHENG 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 Rule 13.51(2)(h) to (v) of the Listing Rules.

APPENDIX II EXPLANATORY STATEMENT ON THE BUY-BACK MANDATE

This appendix serves as an explanatory statement, as required by the Listing Rules, and also as a memorandum of the terms of a proposed buy-back, as required by Section 239(2) of the Companies Ordinance, to provide information to Shareholders with regard to the Buy-Back Mandate.

1 SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares in issue was 2,734,392,000 Shares. Subject to the passing of the resolution regarding the Buy-back Mandate and on the basis that no further Shares are issued or bought back prior to the AGM, the Company would be allowed to buy back a maximum of 273,439,200 Shares, representing not more than 10% of the total number of Shares in issue at the Latest Practicable Date.

2 REASONS FOR BUY-BACKS

The Directors believe that the ability to buy back Shares is in the interests of the Company and the Shareholders. Buy-backs may, depending on the circumstances, result in an increase in the net assets and/or earnings per Share. The Directors have sought the grant of a general mandate to buy back Shares to give the Company the flexibility to do so if and when appropriate. The number of Shares to be bought back on any occasion and the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time having regard to the circumstance then pertaining.

3 FUNDING OF BUY-BACKS

In buying back Shares, the Company may only apply funds lawfully available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws and regulations of Hong Kong.

There could be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited accounts for the year ended 31 December 2017) if the Buy-back Mandate were to be carried out in full at any time during the share buy-back period. However, the Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

4 SHARE BUY-BACKS MADE BY THE COMPANY

The Company had not bought back any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

APPENDIX II EXPLANATORY STATEMENT ON THE BUY-BACK MANDATE

5 SHARE PRICES

The monthly highest and lowest prices at which the Shares have traded on the Stock Exchange from the period since the Shares commenced trading on the Stock Exchange on 19 May 2017 and up to the Latest Practicable Date were as follows:

Month	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
May 2017	2.77	2.66
June 2017	2.69	2.43
July 2017	2.59	2.44
August 2017	2.52	2.34
September 2017	2.53	2.34
October 2017	2.63	2.43
November 2017	2.62	2.50
December 2017	2.70	2.45
January 2018	2.66	2.40
February 2018	2.46	2.12
March 2018	2.31	2.14
April 2018 (up to the Latest Practicable Date)	2.31	2.17

6 GENERAL

The Buy-back Mandate will expire upon the earliest of: (i) the conclusion of the next annual general meeting of the Company; or (ii) the end of the period within which the Company is required by the Articles of Association or any applicable laws to hold its next annual general meeting; or (iii) the date on which the Buy-back Mandate is varied or revoked by an ordinary resolution of the Shareholders in general meeting.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates currently intends to sell any Shares to the Company.

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make any buy-backs of Shares pursuant to the Buy-back Mandate in accordance with the Listing Rules and the applicable laws and regulations of Hong Kong.

No core connected person of the Company has notified the Company that he or she has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Buy-back Mandate is exercised.

APPENDIX II EXPLANATORY STATEMENT ON THE BUY-BACK MANDATE

7 TAKEOVERS CODE

If, as a result of any buy-back of Shares, a Shareholder's proportionate interest in the voting rights of the Company is increased, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 or Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, the following interests in Shares were recorded in the register of interests in shares and short positions of the Company maintained under Section 336 of the SFO:

Name of substantial Shareholder	Nature of interest	Number of Shares held/ interested	Percentage of shareholding (as at the Latest Practicable Date)	Percentage of shareholding (if the Shares Buy-back Mandate is exercised in full)
Bank of Communications Co., Ltd.	Interest in a controlled corporation, beneficiary of trust ⁽¹⁾	2,000,000,000	73.14%	81.27%
Bank of Communications (Nominee) Company Limited	Interest in a controlled corporation, trustee (other than bare trustee) ⁽²⁾	2,000,000,000	73.14%	81.27%

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 voting rights of Expectation Investment which is the beneficial owner of 500,000 Shares.

Save as aforesaid and based on the information available to the Directors as at the Latest Practicable Date, the Directors are not aware of any consequences or implications which may arise under the Takeovers Code as a result of exercising the power to buy back Shares under the Buy-back Mandate. The Directors do not have any present intention to exercise the Buy-back Mandate to such extent as will trigger the Takeovers Code.

The Directors do not propose to buy back Shares which would result in the aggregate number of Shares of the Company in issue in public reducing to below 25%.