

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.

京投轨道交通科技控股有限公司
BII Railway Transportation Technology Holdings Company Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1522)

DISCLOSEABLE TRANSACTION
SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS

SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS

On 3 July 2020, BII Zhuoyue and ICBC entered into the BII Zhuoyue Wealth Management Agreement III to subscribe for a wealth management product in the subscription amount of RMB20 million (equivalent to approximately HK\$22 million).

On 29 July 2020, BII Zhuoyue and ICBC entered into the BII Zhuoyue Wealth Management Agreement IV to subscribe for a wealth management product in the subscription amount of RMB50 million (equivalent to approximately HK\$55 million).

LISTING RULES IMPLICATIONS

As at the date of this announcement, the BII Zhuoyue Wealth Management Agreement III is subsisting.

The BII Zhuoyue Wealth Management Agreement III does not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. However, as both the BII Zhuoyue Wealth Management Agreement III and the BII Zhuoyue Wealth Management Agreement IV were entered into with ICBC within 12 months, the transactions under these agreements shall be aggregated pursuant to Rule 14.22 of the Listing Rules. Pursuant to the Listing Rules, as one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the BII Zhuoyue Wealth Management Agreement III and the BII Zhuoyue Wealth Management Agreement IV, when calculated on an aggregated basis, is more than 5% but less than 25%, the transactions under the BII Zhuoyue Wealth Management Agreement III and the BII Zhuoyue Wealth Management Agreement IV constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

THE TRANSACTIONS

The Board announces that on 3 July 2020, BII Zhuoyue entered into the BII Zhuoyue Wealth Management Agreement III with ICBC; and on 29 July 2020, BII Zhuoyue entered into the BII Zhuoyue Wealth Management Agreement IV with ICBC. Pursuant to the foregoing agreements, BII Zhuoyue agreed to subscribe for wealth management products in an aggregate amount of RMB70 million (equivalent to approximately HK\$77 million) using its self-owned funds. Set out below are the principal terms of the BII Zhuoyue Wealth Management Agreement III and the BII Zhuoyue Wealth Management Agreement IV:

BII Zhuoyue Wealth Management Agreement III

Parties	BII Zhuoyue and ICBC
Subscription date	3 July 2020
Name of product	ICBC Principal-Guaranteed “Sui Xin E” (Targeted) Issue 3 of 2017* (工銀理財保本型「隨心E」(定向) 2017年第3期)
Type of product	Principal-guaranteed with floating income
Subscription amount	RMB20 million (equivalent to approximately HK\$22 million)
Term of the investment	64 days
Investments of the product	This product mainly invests in the following assets that conform to relevant supervisory requirements: (i) highly liquid assets, including but not limited to bonds, deposits, money market funds, bond funds, pledged repos and other money market trading instruments; (ii) other assets or asset portfolios, including but not limited to collective asset management plans or targeted asset management plans offered by securities companies, asset management plans for specific clients offered by fund management companies, and investment plans offered by insurance asset management companies; (iii) creditor’s rights assets, including but not limited to creditor’s rights trust plans and creditor’s rights entrusted by Beijing Financial Assets Exchange.
Expected annualised rate of return	2.65%
Right of early termination or redemption	Both BII Zhuoyue and ICBC have the right of early termination or redemption (as the case may be) for this product.

BII Zhuoyue Wealth Management Agreement IV

Parties	BII Zhuoyue and ICBC
Subscription date	29 July 2020
Name of product	ICBC Principal-Guaranteed “Sui Xin E” (Targeted) Issue 3 of 2017* (工銀理財保本型「隨心E」(定向) 2017年第3期)
Type of product	Principal-guaranteed with floating income
Subscription amount	RMB50 million (equivalent to approximately HK\$55 million)
Term of the investment	92 days
Investments of the product	This product mainly invests in the following assets that conform to relevant supervisory requirements: (i) highly liquid assets, including but not limited to bonds, deposits, money market funds, bond funds, pledged repos and other money market trading instruments; (ii) other assets or asset portfolios, including but not limited to collective asset management plans or targeted asset management plans offered by securities companies, asset management plans for specific clients offered by fund management companies, and investment plans offered by insurance asset management companies; (iii) creditor’s rights assets, including but not limited to creditor’s rights trust plans and creditor’s rights entrusted by Beijing Financial Assets Exchange.
Expected annualised rate of return	2.25%
Right of early termination or redemption	Both BII Zhuoyue and ICBC have the right of early termination or redemption (as the case may be) for this product.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Group aims to improve capital gains on its funds by reasonably and effectively mobilising its self-owned funds, on the premises that the security and liquidity of the funds are ensured in order to meet the Group's daily operations and dividend payment needs. Given that the above wealth management products are all principal-guaranteed and their expected returns are exposed to limited risk, the Group expects that it is able to obtain a higher return by subscribing for these wealth management products when compared to fixed deposits offered by PRC commercial banks, thereby increasing the Group's earnings.

The Group has compared and considered the terms of similar types of wealth management products in the market and is of the view that the terms of the BII Zhuoyue Wealth Management Agreement III and the BII Zhuoyue Wealth Management Agreement IV are fair and reasonable. In view of the above and having taken into consideration the normal operation funding needs and liquidity needs of the Group, the Directors are of the opinion that the terms of the BII Zhuoyue Wealth Management Agreement III and the BII Zhuoyue Wealth Management Agreement IV are fair and reasonable, and the BII Zhuoyue Wealth Management Agreement III and the BII Zhuoyue Wealth Management Agreement IV have been entered into on normal commercial terms or better and are in the interests of the Company and its shareholders as a whole.

INTRODUCTION TO THE PARTIES

The Group integrates investment and finance, research and development of technologies, intelligent railway transportation business and maintenance of application solution services, and implement the industry layout of "giving priority to intelligent railway transportation services and infrastructure information services and supplementing with new business development through joint ventures and partnership", thereby building a business layout of providing the whole life-cycle service for the development of railway transportation. The Group has been aiming for scientific and technological innovations such as rail transit cloud platform construction and big data construction and analysis, so as to promote the development of urban rail transit systems from informationised business to intelligent business. BII Zhuoyue is a wholly-owned subsidiary of the Company.

ICBC is a licensed bank established under the laws of the PRC, which provides corporate and personal banking business, treasury business, and other financial services in the PRC. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, ICBC and its ultimate beneficial owners are parties independent of the Company and its connected persons under the Listing Rules.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the BII Zhuoyue Wealth Management Agreement III is subsisting.

The BII Zhuoyue Wealth Management Agreement III does not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. However, as both the BII Zhuoyue Wealth Management Agreement III and the BII Zhuoyue Wealth Management Agreement IV were entered into with ICBC within 12 months, the transactions under these agreements shall be aggregated pursuant to Rule 14.22 of the Listing Rules. Pursuant to the Listing Rules, as one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the BII Zhuoyue Wealth Management Agreement III and the BII Zhuoyue Wealth Management Agreement IV, when calculated on an aggregated basis, is more than 5% but less than 25%, the transactions under the BII Zhuoyue Wealth Management Agreement III and the BII Zhuoyue Wealth Management Agreement IV constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below, unless the context otherwise requires:

“BII Zhuoyue”	北京京投卓越科技發展有限公司 (Beijing BII Zhuoyue Technology Development Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“BII Zhuoyue Wealth Management Agreement III”	the wealth management agreement entered into between BII Zhuoyue and ICBC dated 3 July 2020 in relation to the subscription of wealth management product in the amount of RMB20 million (equivalent to approximately HK\$22 million) by BII Zhuoyue from ICBC
“BII Zhuoyue Wealth Management Agreement IV”	the wealth management agreement entered into between BII Zhuoyue and ICBC dated 29 July 2020 in relation to the subscription of wealth management product in the amount of RMB50 million (equivalent to approximately HK\$55 million) by BII Zhuoyue from ICBC
“Board”	the board of Directors
“Company”	BII Railway Transportation Technology Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“ICBC”	中國工商銀行 (Industrial and Commercial Bank of China*), a licensed bank in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
**BII Railway Transportation Technology
Holdings Company Limited**
Xuan Jing
Executive Director
Chief Executive Officer

Hong Kong, 29 July 2020

As at the date of this announcement, the executive Directors are Mr. Cao Wei and Ms. Xuan Jing; the non-executive Directors are Mr. Zhang Yanyou, Mr. Guan Jifa, Mr. Zheng Yi and Mr. Ren Yuhang; and the independent non-executive Directors are Mr. Bai Jinrong, Mr. Luo Zhenbang and Mr. Huang Lixin.

For the purpose of this announcement, unless otherwise specified, conversions of RMB into HK\$ are based on the approximate exchange rate of RMB1.00 to HK\$1.10.

* *For identification purposes only*