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## 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 2 and 3 November 2020, Litmus and ICBC entered into the Litmus Wealth Management Agreements I to subscribe for wealth management products in the aggregate subscription amount of RMB7 million (equivalent to approximately HK\$8.12 million).

On 9 November 2020, BII Zhuoyue and ICBC entered into the BII Zhuoyue Wealth Management Agreement VIII to subscribe for a wealth management product in the subscription amount of RMB50 million (equivalent to approximately HK\$58 million).

On 9 November 2020, BII Zhuoyue and Industrial Bank entered into the BII Zhuoyue Wealth Management Agreement IX to subscribe for a wealth management product in the subscription amount of RMB36 million (equivalent to approximately HK\$41.76 million).

On 9 November 2020, BII ERG and Industrial Bank entered into the BII ERG Wealth Management Agreement I to subscribe for a wealth management product in the subscription amount of RMB34 million (equivalent to approximately HK\$39.44 million).

#### **LISTING RULES IMPLICATIONS**

References are made to (i) the announcement of the Company dated 28 April 2020 in relation to, among others, the BII Zhuoyue Wealth Management Agreement I entered into between BII Zhuoyue and Industrial Bank in the subscription amount of RMB20 million (equivalent to approximately HK\$23.2 million); (ii) the announcement of the Company dated 29 July 2020 in relation to, among others, the BII Zhuoyue Wealth Management Agreement IV entered into between BII Zhuoyue and ICBC in the subscription amount of RMB50 million (equivalent to approximately HK\$58 million); and (iii) the announcement of the Company dated 10 September 2020 in relation to the BII Zhuoyue Wealth Management Agreement V entered into between BII Zhuoyue and Industrial Bank in the subscription agreement of RMB15 million (equivalent to approximately HK\$17.4 million), the BII Zhuoyue Wealth Management Agreements VI entered into between BII Zhuoyue and Industrial Bank in the subscription amount of RMB70 million (equivalent to approximately HK\$81.2 million), and the BII Zhuoyue Wealth Management Agreement VII entered into between BII Zhuoyue and ICBC in the subscription amount of RMB20 million (equivalent to approximately HK\$23.2 million). As at the date of this announcement, the BII Zhuoyue Wealth Management Agreements VI and the BII Zhuoyue Wealth Management Agreement VII are subsisting, but the BII Zhuoyue Wealth Management Agreement I, the BII Zhuoyue Wealth Management Agreement V and the BII Zhuoyue Wealth Management Agreement IV have expired.

On 2 and 3 November 2020, Litmus and ICBC entered into the Litmus Wealth Management Agreements I. As at 2 November 2020, the BII Zhuoyue Wealth Management Agreements VII was subsisting, but the BII Zhuoyue Wealth Management Agreement IV has expired. As the BII Zhuoyue Wealth Management Agreement VII and the Litmus Wealth Management Agreements I 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. However, as all the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of both the BII Zhuoyue Wealth Management Agreement VII and the Litmus Wealth Management Agreements I, when calculated on an aggregate basis, are less than 5%, the transactions under the Litmus Wealth Management Agreements I are not subject to any announcement requirement under Chapter 14 of the Listing Rules.

On 9 November 2020, BII Zhuoyue and ICBC entered into the BII Zhuoyue Wealth Management Agreement VIII. As the BII Zhuoyue Wealth Management Agreement VII, the Litmus Wealth Management Agreements I, and the BII Zhuoyue Wealth Management Agreement VIII were entered into with ICBC within 12 months, the transactions contemplated under these agreements shall be aggregated pursuant to Rule 14.22 of 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 VII, the Litmus Wealth Management Agreements I and the BII Zhuoyue Wealth Management Agreement VIII, when calculated on an aggregate basis, is more than 5% but less than 25%, the transactions under the Litmus Wealth Management Agreements I, the BII Zhuoyue Wealth Management Agreement VII, and the BII Zhuoyue Wealth Management Agreement VIII constitute discloseable transactions for the Company under Chapter 14 of the Listing Rules and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

On 9 November 2020, BII Zhuoyue and Industrial Bank entered into the BII Zhuoyue Wealth Management Agreement IX, and BII ERG and Industrial Bank entered into the BII ERG Wealth Management Agreement I. As the BII Zhuoyue Wealth Management Agreements VI, the BII Zhuoyue Wealth Management Agreement IX, and the BII ERG Wealth Management Agreement I were entered into with Industrial Bank within 12 months, the transactions contemplated under these agreements shall be aggregated pursuant to Rule 14.22 of 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 Agreements VI, the BII Zhuoyue Wealth Management Agreement IX and the BII ERG Wealth Management Agreement I, when calculated on an aggregate basis, is more than 5% but less than 25%, the transactions under the BII Zhuoyue Wealth Management Agreements VI, the BII Zhuoyue Wealth Management Agreement IX and the BII ERG Wealth Management Agreement I constitute discloseable transactions for the Company under Chapter 14 of the Listing Rules and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## THE TRANSACTIONS

The Board announces that (i) on 2 and 3 November 2020, Litmus and ICBC entered into the Litmus Wealth Management Agreements I; (ii) on 9 November 2020, BII Zhuoyue and ICBC entered into the BII Zhuoyue Wealth Management Agreement VIII; (iii) on 9 November 2020, BII Zhuoyue and Industrial Bank entered into the BII Zhuoyue Wealth Management Agreement IX; and (iv) on 9 November 2020, BII ERG and Industrial Bank entered into the BII ERG Wealth Management Agreement I. Pursuant to the foregoing agreements, Litmus, BII Zhuoyue, and BII ERG agreed to subscribe for wealth management products in an aggregate amount of RMB127 million (equivalent to approximately HK\$147.32 million) using their self-owned funds. Set out below are the principal terms of the Litmus Wealth Management Agreements I, the BII Zhuoyue Wealth Management Agreement VIII, the BII Zhuoyue Wealth Management Agreement IX and the BII ERG Wealth Management Agreement I:

### Litmus Wealth Management Agreements I

	<b>Litmus Wealth Management Agreements I A</b>	<b>Litmus Wealth Management Agreements I B</b>	<b>Litmus Wealth Management Agreements I C</b>
<b>Parties</b>	Litmus and ICBC		
<b>Subscription date</b>	2 November 2020	2 November 2020	3 November 2020
<b>Name of product</b>	ICBC Wealth Management 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)		
<b>Type of product</b>	Principal-guaranteed with floating income		
<b>Subscription amount</b>	RMB2 million (equivalent to approximately HK\$2.32 million)	RMB2 million (equivalent to approximately HK\$2.32 million)	RMB3 million (equivalent to approximately HK\$3.48 million)
<b>Term of the investment</b>	34 days	63 days	63 days
<b>Investments of the product</b>	This product mainly invests in the following assets that conform to relevant regulatory 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; and (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.		

<b>Expected annualised rate of return</b>	2.1%
<b>Right of early termination or redemption</b>	Litmus does not have the right of early termination or redemption for this product whereas ICBC has the right of early termination for this product.

### **BII Zhuoyue Wealth Management Agreement VIII**

<b>Parties</b>	BII Zhuoyue and ICBC
<b>Subscription date</b>	9 November 2020
<b>Name of product</b>	ICBC Wealth Management 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)
<b>Type of product</b>	Principal-guaranteed with floating income
<b>Subscription amount</b>	RMB50 million (equivalent to approximately HK\$58 million)
<b>Term of the investment</b>	63 days
<b>Investments of the product</b>	This product mainly invests in the following assets that conform to relevant regulatory 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; and (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.

<b>Expected annualised rate of return</b>	2.1%
<b>Right of early termination or redemption</b>	BII Zhuoyue does not have the right of early termination or redemption for this product whereas ICBC has the right of early termination for this product.

## **BII Zhuoyue Wealth Management Agreement IX**

<b>Parties</b>	BII Zhuoyue and Industrial Bank
<b>Subscription date</b>	9 November 2020
<b>Name of product</b>	Industrial Bank Corporate Finance Structured Deposit Product (closed-end)* (興業銀行企業金融結構性存款(封閉式))
<b>Type of product</b>	Principal-guaranteed with floating income
<b>Subscription amount</b>	RMB36 million (equivalent to approximately HK\$41.76 million)
<b>Term of the investment</b>	119 days
<b>Linked subject of the floating income</b>	Shanghai Gold A.M. Benchmark Price* (上海金上午基準價) as quoted on the Shanghai Gold Exchange
<b>Expected annualised rate of return</b>	2.88%-2.97%
<b>Right of early termination or redemption</b>	BII Zhuoyue does not have the right of early termination or redemption for this product whereas Industrial Bank has the right of early termination for this product.

## **BII ERG Wealth Management Agreement I**

<b>Parties</b>	BII ERG and Industrial Bank
<b>Subscription date</b>	9 November 2020
<b>Name of product</b>	Industrial Bank Corporate Finance Structured Deposit Product (closed-end)* (興業銀行企業金融結構性存款(封閉式))
<b>Type of product</b>	Principal-guaranteed with floating income
<b>Subscription amount</b>	RMB34 million (equivalent to approximately HK\$39.44 million)
<b>Term of the product</b>	119 days
<b>Linked subject of the floating income</b>	Shanghai Gold A.M. Benchmark Price* (上海金上午基準價) as quoted on the Shanghai Gold Exchange
<b>Expected annualised rate of return</b>	2.88%-2.97%
<b>Right of early termination or redemption</b>	BII ERG does not have the right of early termination or redemption for this product whereas Industrial Bank has the right of early termination 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 Litmus Wealth Management Agreements I, the BII Zhuoyue Wealth Management Agreement VIII, the BII Zhuoyue Wealth Management Agreement IX, and the BII ERG Wealth Management Agreement I 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 Litmus Wealth Management Agreements I, the BII Zhuoyue Wealth Management Agreement VIII, the BII Zhuoyue Wealth Management Agreement IX, and the BII ERG Wealth Management Agreement I are fair and reasonable, and the Litmus Wealth Management Agreements I, the BII Zhuoyue Wealth Management Agreement VIII, the BII Zhuoyue Wealth Management Agreement IX, and the BII ERG Wealth Management Agreement I 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 implements 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, BII ERG and Litmus are subsidiaries of the Company.

Industrial Bank 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 enquiry, Industrial Bank and its ultimate beneficial owners are parties independent of the Company and its connected persons under the Listing Rules.

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

References are made to (i) the announcement of the Company dated 28 April 2020 in relation to, among others, the BII Zhuoyue Wealth Management Agreement I entered into between BII Zhuoyue and Industrial Bank in the subscription amount of RMB20 million (equivalent to approximately HK\$23.2 million); (ii) the announcement of the Company dated 29 July 2020 in relation to, among others, the BII Zhuoyue Wealth Management Agreement IV entered into between BII Zhuoyue and ICBC in the subscription amount of RMB50 million (equivalent to approximately HK\$58 million); and (iii) the announcement of the Company dated 10 September 2020 in relation to the BII Zhuoyue Wealth Management Agreement V entered into between BII Zhuoyue and Industrial Bank in the subscription agreement of RMB15 million (equivalent to approximately HK\$17.4 million), the BII Zhuoyue Wealth Management Agreements VI entered into between BII Zhuoyue and Industrial Bank in the subscription amount of RMB70 million (equivalent to approximately HK\$81.2 million), and the BII Zhuoyue Wealth Management Agreement VII entered into between BII Zhuoyue and ICBC in the subscription amount of RMB20 million (equivalent to approximately HK\$23.2 million). As at the date of this announcement, the BII Zhuoyue Wealth Management Agreements VI and the BII Zhuoyue Wealth Management Agreement VII are subsisting, but the BII Zhuoyue Wealth Management Agreement I, the BII Zhuoyue Wealth Management Agreement V and the BII Zhuoyue Wealth Management Agreement IV have expired.

On 2 and 3 November 2020, Litmus and ICBC entered into the Litmus Wealth Management Agreements I. As at 2 November 2020, the BII Zhuoyue Wealth Management Agreements VII was subsisting, but the BII Zhuoyue Wealth Management Agreement IV has expired. As the BII Zhuoyue Wealth Management Agreement VII and the Litmus Wealth Management Agreements I 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. However, as all the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of both the BII Zhuoyue Wealth Management Agreement VII and the Litmus Wealth Management Agreements I, when calculated on an aggregate basis, are less than 5%, the transactions under the Litmus Wealth Management Agreements I are not subject to any announcement requirements under Chapter 14 of the Listing Rules.

On 9 November 2020, BII Zhuoyue and ICBC entered into the BII Zhuoyue Wealth Management Agreement VIII. As the BII Zhuoyue Wealth Management Agreement VII, the Litmus Wealth Management Agreements I, and the BII Zhuoyue Wealth Management Agreement VIII were entered into with ICBC within 12 months, the transactions contemplated under these agreements shall be aggregated pursuant to Rule 14.22 of 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 VII, the Litmus Wealth Management Agreements I and the BII Zhuoyue Wealth Management Agreement VIII, when calculated on an aggregate basis, is more than 5% but less than 25%, the transactions under the Litmus Wealth Management Agreements I, the BII Zhuoyue Wealth Management Agreement VII, and the BII Zhuoyue Wealth Management Agreement VIII constitute discloseable transactions for the Company under Chapter 14 of the Listing Rules and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

On 9 November 2020, BII Zhuoyue and Industrial Bank entered into the BII Zhuoyue Wealth Management Agreement IX, and BII ERG and Industrial Bank entered into the BII ERG Wealth Management Agreement I. As the BII Zhuoyue Wealth Management Agreements VI, the BII Zhuoyue Wealth Management Agreement IX, and the BII ERG Wealth Management Agreement I were entered into with Industrial Bank within 12 months, the transactions contemplated under these agreements shall be aggregated pursuant to Rule 14.22 of 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 Agreements VI, the BII Zhuoyue Wealth Management Agreement IX and the BII ERG Wealth Management Agreement I, when calculated on an aggregate basis, is more than 5% but less than 25%, the transactions under the BII Zhuoyue Wealth Management Agreements VI, the BII Zhuoyue Wealth Management Agreement IX and the BII ERG Wealth Management Agreement I constitute discloseable transactions for the Company under Chapter 14 of the Listing Rules and are 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 ERG”	北京京投億雅捷交通科技有限公司 (Beijing BII-ERG Transportation Technology Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“BII ERG Wealth Management Agreement I”	the wealth management agreement entered into between BII ERG and Industrial Bank dated 9 November 2020 in relation to the subscription of a wealth management product in the amount of RMB34 million (equivalent to approximately HK\$39.44 million) by BII ERG from Industrial Bank
“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 I”	the wealth management agreement entered into between BII Zhuoyue and Industrial Bank dated 28 April 2020 in relation to the subscription of a wealth management product in the amount of RMB20 million (equivalent to approximately HK\$23.2 million) by BII Zhuoyue from Industrial Bank
“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 a wealth management product in the amount of RMB50 million (equivalent to approximately HK\$58 million) by BII Zhuoyue from ICBC

“BII Zhuoyue Wealth Management Agreement V”	the wealth management agreement entered into between BII Zhuoyue and Industrial Bank dated 27 August 2020 in relation to the subscription of a wealth management product in the amount of RMB15 million (equivalent to approximately HK\$17.4 million) by BII Zhuoyue from Industrial Bank
“BII Zhuoyue Wealth Management Agreements VI”	the wealth management agreements entered into between BII Zhuoyue and Industrial Bank dated 10 September 2020 in relation to the subscription of wealth management products in the amount of RMB50 million (equivalent to approximately HK\$58 million) and RMB20 million (equivalent to approximately HK\$23.2 million) respectively by BII Zhuoyue from Industrial Bank
“BII Zhuoyue Wealth Management Agreement VII”	the wealth management agreement entered into between BII Zhuoyue and ICBC dated 10 September 2020 in relation to the subscription of a wealth management product in the amount of RMB20 million (equivalent to approximately HK\$23.2 million) by BII Zhuoyue from ICBC
“BII Zhuoyue Wealth Management Agreement VIII”	the wealth management agreement entered into between BII Zhuoyue and ICBC dated 9 November 2020 in relation to the subscription of a wealth management product in the amount of RMB50 million (equivalent to approximately HK\$58 million) by BII Zhuoyue from ICBC
“BII Zhuoyue Wealth Management Agreement IX”	the wealth management agreement entered into between BII Zhuoyue and Industrial Bank dated 9 November 2020 in relation to the subscription of a wealth management product in the amount of RMB36 million (equivalent to approximately HK\$41.76 million) by BII Zhuoyue from Industrial Bank
“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
“Industrial Bank”	興業銀行股份有限公司 (Industrial Bank Co., Ltd.*), a licensed bank in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Litmus”	北京樂碼仕智慧科技有限公司 (Litmus Technologies (Beijing) Co., Ltd.*), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“Litmus Wealth Management Agreements I”	the wealth management agreements entered into between Litmus and ICBC dated 2 and 3 November 2020 in relation to the subscription of wealth management products in the aggregate amount of RMB7 million (equivalent to approximately HK\$8.12 million) by Litmus from ICBC
“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, 9 November 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\$1.16.*

\* For identification purposes only