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京西重工國際有限公司
BEIJINGWEST INDUSTRIES INTERNATIONAL LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2339)

CONTINUING CONNECTED TRANSACTIONS

THE CONTINUING CONNECTED TRANSACTIONS

The Board announces that on 19 October 2022, the Company entered into the Mutual Technical Services Agreement, the Parts and Components Supply Agreement, the Parts and Components Purchase Agreement and the Patent License Agreement with BWI. As BWI is interested in approximately 52.55% of the issued share capital of the Company, it is the controlling shareholder and a connected person of the Company. Accordingly, the transactions contemplated under the abovementioned agreements constitute continuing connected transactions for the Company under the Listing Rules.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios under the Listing Rules regarding the annual caps of each of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement are more than 5%, the Mutual Technical Services Agreement and the Parts and Components Supply Agreement are subject to the reporting, announcement, annual review, circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios under the Listing Rules regarding the annual caps of each of the Parts and Components Purchase Agreement and the Patent License Agreement are less than 5%, the Parts and Components Purchase Agreement and the Patent License Agreement are exempt from the circular and the Independent Shareholders' approval requirements but are still subject to reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the terms of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement and the annual caps of the transactions contemplated thereunder.

Rainbow Capital (HK) Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the terms of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement and the annual caps of the transactions contemplated thereunder.

A circular containing, among other things, (i) further information on the Mutual Technical Services Agreement and the Parts and Components Supply Agreement; (ii) the recommendations of the Independent Board Committee to the Independent Shareholders on the terms and the annual caps of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the terms and the annual caps of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement; and (iv) the notice convening the EGM, will be dispatched to the Shareholders on or before 9 November 2022.

THE CONTINUING CONNECTED TRANSACTIONS

(1) Mutual Technical Services Agreement

Date: 19 October 2022

Parties: The Company
BWI

BWI is a controlling shareholder and a connected person of the Company.

Subject: BWI and/or its associates will provide technical services to the Group (the “**BWI Services**”) and the Group will provide technical services to BWI and/or its associates (the “**Company Services**”). The technical services comprise engineering services and manufacturing services. The engineering services include advanced development engineering services and applications engineering services. Advanced development engineering services refer to the engineering services that demonstrate the feasibility of technologies to be applied to future products or manufacturing process, prove the ability to reliably design the process and product features needed for potential customer programs, and include technologies that are not embedded in any existing products. Applications engineering services refer to the services provided to the manufacturing plant to make the automotive parts produced in the manufacturing plant usable and applicable to end customers in local market by calibrating the standard part products according to specific customers’ requirements and local market requirements. Manufacturing services refer primarily to quality control and manufacturing administration services.

Cap Amounts: The cap amounts of the BWI Services and the Company Services for each of the three financial years ending 31 December 2025 will be as follows:

	For the financial year ending 31 December		
	2023	2024	2025
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Cap amount for the BWI Services	137.9	165.5	198.6
Cap amount for the Company Services	165.1	198.1	237.7

In determining the annual caps, the Company has taken into consideration the historical transaction amounts and the projected volume of technical services to be provided and a buffer to cater for any unexpected increases in demand during the term of the Mutual Technical Services Agreement.

Term: The Mutual Technical Services Agreement has a fixed term of three financial years ending on 31 December 2025.

Price: The technical services fee payable under the Mutual Technical Services Agreement will be calculated on the basis of cost plus 5% for engineering services and cost plus 1.5% for manufacturing services which were determined by the parties after arm's length negotiations with reference to a study conducted by an independent third party consultant commissioned by the Company based on the Organisation for Economic Co-operation and Development ("OECD") Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (the "OECD Guidelines"). The OECD Guidelines set out the principles and methods for establishing arm's length transfer prices for goods, services, technical assistance, trademarks, or other assets that are transferred or licensed between related or controlled parties and are endorsed by the member states of OECD (which include France, Germany, Italy, Luxembourg, Poland, the Czech Republic and the United Kingdom) and the tax authorities of the United States. The technical service fees fall within the inter-quartile range of cost plus mark-up of comparable companies and are consistent with the arm's length principle of the OECD Guidelines.

Payment Terms: Terms of payments for the continuing connected transactions under the Mutual Technical Services Agreement will be on the second day of the second month following the provision of the services, which is based on normal commercial terms that are no less favourable to the Company than those available to/from independent third parties.

Condition: The Mutual Technical Services Agreement is subject to approval by the Independent Shareholders.

If the condition cannot be satisfied on or before 31 March 2023 or such other date the parties may agree in writing, the Mutual Technical Services Agreement shall forthwith terminate and no person shall be entitled to any rights or benefits or be under any obligations under the Mutual Technical Services Agreement.

Reasons for the Mutual Technical Services Agreement:

On 7 November 2019, the Company and BWI entered into the Existing Mutual Technical Services Agreement in respect of the BWI Services and the Company Services for a fixed term of three financial years ending 31 December 2022. The cap amounts of the transactions contemplated under the Existing Mutual Technical Services Agreement for each of the three financial years ending 31 December 2022 are as follows:

	For the financial year ending 31 December		
	2020	2021	2022
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Cap amount for the BWI Services	204.5	214.7	225.4
Cap amount for the Company Services	181.4	190.5	200.0

The actual amounts of the transactions took place under the Existing Mutual Technical Services Agreement for the two financial years ended 31 December 2021 and for the six months ended 30 June 2022 are as follows:

	For the financial year ended 31 December 2020	For the financial year ended 31 December 2021	For the six months ended 30 June 2022
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Actual amount for the BWI Services	133.5	107.1	46.8
Actual amount for the Company Services	152.4	126.0	65.4

Details of the Existing Mutual Technical Services Agreement were disclosed in the circular of the Company dated 28 November 2019 and the Existing Mutual Technical Services Agreement was approved by the then independent shareholders of the Company at the extraordinary general meeting held on 17 December 2019. As the Existing Mutual Technical Services Agreement is due to expire on 31 December 2022, the Company has entered into the Mutual Technical Services Agreement with BWI for a fixed term of three financial years ending 31 December 2025.

The Group and BWI and/or its associates have been providing technical services to each other in the past for the reason that each of the Group and BWI and/or its associates possesses different technologies and expertise for a variety of product families that can be used by the other for providing a workable product solution to customers. Although

the mutual services under the Mutual Technical Services Agreement will limit the Group's ability to develop its own full scope of technical services, the arrangement for the mutual provision of technical services will continue as it would allow both parties to save and pool their resources in providing a total solution to their customers. The Mutual Technical Services Agreement is entered into to facilitate the continued provision of technical services between BWI and/or its associates and the Group.

The Directors believe that the Mutual Technical Services Agreement would be beneficial to the Group for the following reasons:

- (i) the technical services being provided under the Mutual Technical Services Agreement will be in the normal and ordinary course of business of the Group; and
- (ii) the Mutual Technical Services Agreement will be conducted under arm's length basis, on normal commercial terms, and at competitive prices.

Since the applicable ratios under the Listing Rules in respect of the annual caps for the Mutual Technical Services Agreement are more than 5%, the transactions under the Mutual Technical Services Agreement are subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(2) Parts and Components Supply Agreement

Date: 19 October 2022

Parties: The Company
BWI

BWI is a controlling shareholder and a connected person of the Company.

Subject: The Group will supply auto parts and components, including automobile controlled and passive suspension products, and prototypes to BWI and/or its associates (the "Sales").

Cap Amounts: The cap amounts of the Sales for each of the three financial years ending 31 December 2025 will be as follows:

	For the financial year ending 31 December		
	2023	2024	2025
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Cap amount for the Sales	246.2	272.4	319.6

In determining the annual caps, the Company has taken into consideration the historical transaction amounts and the projected increase in sales by BWI and its associates, which will result in a corresponding increase in the Sales, and a buffer to cater for any unexpected increases in demand during the term of the Parts and Components Supply Agreement.

Term: The Parts and Components Supply Agreement has a fixed term of three financial years ending on 31 December 2025.

Price: The basis of determining the prices for the Sales is in accordance with the cost plus approach as the products are unique and tailor-made and there does not exist a prevailing market price for such products. The terms of the Parts and Components Supply Agreement were concluded after arm's length negotiations and were based on normal commercial terms in the parties' ordinary course of business. The margins for the Sales depend on the products and size of orders and was generally between approximately 5% to 20%. The Company may supply parts and components with margin over 20%, if required. As the products are unique and tailor-made, the margins are set within the range or no less favourable to the margins of the other products of the Group supplied to independent third party customers.

In order to ensure the margins for the supply of the auto parts and components under the Parts and Components Supply Agreement are within range or no less favourable to the margins of the other products of the Group, taken into account the quality and specifications of the product and order of comparable quantities, the Group's pricing policies for continuing connected transactions will be followed in that the margin of the product for a particular order will be compared against the historical margins of other products supplied by the Group to independent third party customers for the prior financial year (of which will be updated annually) before finalisation of the relevant quotation.

Payment Terms: Payments for the continuing connected transactions under the Parts and Components Supply Agreement will be on the second day of the third month following the shipment of the products, which is based on normal commercial terms that are no less favourable to the Company than those available to independent third parties.

Condition: The Parts and Components Supply Agreement is subject to approval by the Independent Shareholders.

If the condition cannot be satisfied on or before 31 March 2023 or such other date the parties may agree in writing, the Parts and Components Supply Agreement shall forthwith terminate and no person shall be entitled to any rights or benefits or be under any obligations under the Parts and Components Supply Agreement.

Reasons for the Parts and Components Supply Agreement:

On 7 November 2019, the Company and BWI entered into the Existing Parts and Components Supply Agreement in respect of the Sales for a fixed term of three financial years ending 31 December 2022. The cap amounts of the transactions contemplated under the Existing Parts and Components Supply Agreement for each of the three financial years ending 31 December 2022 are as follows:

	For the financial year ending 31 December		
	2020	2021	2022
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Cap amount for the Sales	23.5	86.9	212.1

On 5 November 2021, the Company and BWI entered into the Existing Parts and Components Supply Supplemental Agreement to revise the annual cap under the Existing Parts and Components Supply Agreement for the financial year ending 31 December 2021 from HK\$86.9 million to HK\$127.7 million. The Existing Parts and Components Supply Supplemental Agreement was approved by the then independent shareholders of the Company at the extraordinary general meeting held on 9 December 2021.

The actual amounts of the transactions took place under the Existing Parts and Components Supply Agreement and the Existing Parts and Components Supply Supplemental Agreement for the two financial years ended 31 December 2021 and for the six months ended 30 June 2022 are as follows:

	For the financial year ended 31 December 2020	For the financial year ended 31 December 2021	For the six months ended 30 June 2022
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Actual amount of the Sales	13.5	111.2	71.4

As the Existing Parts and Components Supply Agreement and the Existing Parts and Components Supply Supplemental Agreement are due to expire on 31 December 2022, the Company has entered into the Parts and Components Supply Agreement with BWI for a fixed term of three financial years ending 31 December 2025.

The Group has been supplying auto parts and components to BWI and/or its associates in the past. It is expected that the supply arrangement will continue and the Parts and Components Supply Agreement is entered into to facilitate the continued supply of auto parts and components from the Group to BWI and/or its associates.

The Directors believe that the Parts and Components Supply Agreement would be beneficial to the Group for the following reasons:

- (i) the Sales will be carried out in the normal and ordinary course of business of the Group;
- (ii) the Sales will be conducted under arm's length basis, on normal commercial terms, and at competitive prices which are no less favourable to the Group than that of transactions with independent third parties; and
- (iii) the Sales will provide a stable stream of revenue for the Group.

Since the applicable ratios under the Listing Rules in respect of the annual caps for the Parts and Components Supply Agreement are more than 5%, the transactions under the Parts and Components Supply Agreement are subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(3) Parts and Components Purchase Agreement

Date: 19 October 2022

Parties: The Company
BWI

BWI is the controlling shareholder and a connected person of the Company.

Subject: The Group will purchase auto parts and components from BWI and/or its associates (the “**Purchases**”).

Cap Amounts: The cap amounts of the Purchases for each of the three financial years ending 31 December 2025 will be as follows:

	For the financial year ending 31 December		
	2023	2024	2025
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Cap amount for the Purchases	10.0	10.0	10.0

In determining the annual caps, the Company has taken into consideration the historical transaction amounts and the projected demand for auto parts and components by the Group from BWI and/or its associates, and a buffer to cater for any unexpected increases in demand during the term of the Parts and Components Purchase Agreement.

Term: The Parts and Components Purchase Agreement has a fixed term of three financial years ending on 31 December 2025.

Price: The basis of determining the prices of the Purchases by the Group will be in accordance with the following principles:

- (i) by reference to the prevailing market prices of the same or substantially similar products, taking into account of the prices of the same or substantially similar products with comparable order quantities and quality offered by other suppliers; and on terms which are no less favourable to the Group than prevailing market practices; or
- (ii) if (i) above is not applicable, by reference to the average price of similar products previously supplied or provided by a party, and on no less favourable terms comparable to those offered by the relevant party to independent third parties; and on normal commercial terms comparable to those received from independent third parties in respect of the same or substantially similar products with comparable quantities.

Payment Terms: The payment terms for the Purchases will be on normal commercial terms which will be no less favourable to the Company than those available from independent third parties.

Reasons for the Parts and Components Purchases Agreement:

On 7 November 2019, the Company and BWI entered into the Existing Parts and Components Purchase Agreement in respect of the Purchases for a fixed term of three financial years ending 31 December 2022. The cap amounts of the transactions contemplated under the Existing Parts and Components Purchase Agreement for each of the three financial years ending 31 December 2022 are as follows:

	For the financial year ending 31 December		
	2020	2021	2022
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Cap amount for the Purchases	10.0	10.0	10.0

The actual amounts of the transactions took place under the Existing Parts and Components Purchase Agreement for the two financial years ended 31 December 2021 and for the six months ended 30 June 2022 are as follows:

	For the financial year ended 31 December 2020	For the financial year ended 31 December 2021	For the six months ended 30 June 2022
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Actual amount of the Purchases	9.7	4.5	0.7

As the Existing Parts and Components Purchase Agreement is due to expire on 31 December 2022, the Company has entered into the Parts and Components Purchase Agreement with BWI for a fixed term of three financial years ending 31 December 2025.

The Group has been purchasing auto parts and components from BWI and/or its associates in the past. It is expected that the purchase arrangement will continue and the Parts and Components Purchase Agreement is entered into to facilitate the continued purchase of auto parts and components by the Group from BWI and/or its associates.

The Directors believe that the Parts and Components Purchase Agreement would be beneficial to the Group for the following reasons:

- (i) the Purchases will be carried out in the normal and ordinary course of business of the Group;
- (ii) the Purchases will be conducted under arm's length basis, on normal commercial terms, and at competitive prices which are no less favourable to the Group than that of transactions with independent third parties; and
- (iii) the Purchases will provide a stable supply of auto parts and components for the Group.

Since the applicable ratios under the Listing Rules in respect of the annual caps for the Parts and Components Purchase Agreement are less than 5%, the transactions under the Parts and Components Purchase Agreement are exempt from the circular and Independent Shareholders' approval requirements under the Listing Rules but are still subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

(4) Patent License Agreement

Date: 19 October 2022

Parties: BWI (as licensor)
The Company (as licensee)

BWI is a controlling shareholder and a connected person of the Company.

Subject: BWI will procure its wholly owned subsidiaries which are the registered holders of certain patents (the “**Patents**”) related to automobile controlled and passive suspension products to grant to the Group a non-exclusive and non-transferrable license to use the Patents in the Group’s manufacturing operations.

Cap Amounts: The cap amounts of the license fee payable by the Company under the Patent License Agreement to BWI for each of the three financial years ending 31 December 2025 will be as follows:

	For the financial year ending 31 December		
	2023	2024	2025
	<i>HKD’ million</i>	<i>HKD’ million</i>	<i>HKD’ million</i>

Cap amount for the license fee for the Patents	13.5	13.5	13.5
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In determining the annual caps, the Company has taken into consideration the historical sales revenue and projected sales of the Group and a buffer to cater for any unexpected increase in sales during the term of the Patent License Agreement.

Term: The Patent License Agreement has a fixed term of three financial years ending on 31 December 2025.

License Fee: the Company will pay an annual license fee representing 0.5% of the net sales of the licensed products of the Group, which are the products manufactured by the Group using the Patents. The net sales will be the total invoiced amount of licensed products less any sales allowances, customer discounts, and refunds for licensed products that are damaged or returned.

Payment Terms: The license fee under the Patent License Agreement will be payable 45 days after receiving the relevant invoice.

Reasons for the Patent License Agreement:

On 7 November 2019, the Company and BWI entered into the Existing Patent License Agreement in respect of the Patents for a fixed term of three financial years ending 31 December 2022. The cap amounts of the transactions contemplated under the Existing Patent License Agreement for each of the three financial years ending 31 December 2022 are as follows:

	For the financial year ending 31 December		
	2020	2021	2022
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Cap amount for the license fee for the Patents	13.5	13.5	13.5

The actual amounts of the transactions took place under the Existing Patent License Agreement for the two financial years ended 31 December 2021 and for the six months ended 30 June 2022 are as follows:

	For the financial year ended 31 December 2020	For the financial year ended 31 December 2021	For the six months ended 30 June 2022
	<i>HKD' million</i>	<i>HKD' million</i>	<i>HKD' million</i>
Actual amount for the license fee for the Patents	5.4	1.6	1.9

As the Existing Patent License Agreement is due to expire on 31 December 2022, the Company has entered into the Patent License Agreement with BWI for a fixed term of three financial years ending 31 December 2025.

The Group has been using the Patents for its manufacturing operation and the license will enable the Group to continue to use the Patents which maintain and strengthen the competitive position of the Company in the automotive market.

Since the applicable percentage ratios under the Listing Rules in respect of the annual caps for the Patent License Agreement are less than 5%, the transactions under the Patent License Agreement are exempt from the circular and Independent Shareholders' approval requirements under the Listing Rules but are still subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

GENERAL

The Group is principally engaged in the manufacture, sale and trading of automotive parts and components, as well as provision of technical services in Europe. As at the date of this announcement, BWI and its associates are interested as to approximately 52.55% of the issued share capital of the Company and is the controlling shareholder of the Company. Accordingly, BWI is a connected person of the Company and the transactions between the Group and BWI and/or its associates under the Mutual Technical Services Agreement, the Parts and Components Supply Agreement, the Parts and Components Purchase Agreement and the Patent License Agreement constitute continuing connected transactions for the Company under the Listing Rules.

Other than the business of the Group, BWI Group is principally engaged in the production and sale of vehicle parts and components in North America, Mexico and the PRC. BWI was established under the laws of the PRC with limited liability on 23 March 2009. As at the date of this announcement, BWI is held as to 55.45% by BeijingWest Smart Mobility Zhangjiakou Automotive Electronic Co., Ltd.* (京西智行張家口汽車電子有限公司) and as to 44.55% by Beijing Fangshan State-owned Assets Management Company Limited* (北京房山國有資產經營有限責任公司).

At the Board meeting held to approve, inter alia, the Mutual Technical Services Agreement, the Parts and Components Supply Agreement, the Parts and Components Purchase Agreement and the Patent License Agreement, Mr. Dong Xiaojie, Mr. Chen Zhouping and Mr. Li Zhi, by virtue of their connection with BWI and its associates, have abstained from voting in respect of the resolutions proposed to approve such transactions. The remaining Directors present at the Board meeting for approving the Mutual Technical Services Agreement, the Parts and Components Supply Agreement, the Parts and Components Purchase Agreement and the Patent License Agreement are of the view that the terms of each of the abovementioned agreements are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

As the applicable percentage ratios under the Listing Rules in respect of the annual caps of each of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement are more than 5%, the Mutual Technical Services Agreement and the Parts and Components Supply Agreement are subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios under the Listing Rules in respect of the annual caps of each of the Parts and Components Purchase Agreement and the Patent License Agreement are less than 5%, the Parts and Components Purchase Agreement and the Patent License Agreement are exempt from the circular and Independent Shareholders' approval requirements but are still subject to reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the terms of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement and the annual caps of the transactions contemplated thereunder. Rainbow Capital (HK) Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the terms of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement and the annual caps of the transactions contemplated thereunder.

* For identification purpose only

EXTRAORDINARY GENERAL MEETING

An EGM will be convened at which ordinary resolutions will be proposed to consider and, if thought fit, approve the Mutual Technical Services Agreement and the Parts and Components Supply Agreement and the cap amounts of the transactions contemplated thereunder. BWI and its associates will abstain from voting for the resolutions to be proposed at the EGM to approve the Mutual Technical Services Agreement and the Parts and Components Supply Agreement and the cap amounts of the transactions contemplated thereunder on a vote by way of poll. A circular containing, among others, (i) further information on the Mutual Technical Services Agreement and the Parts and Components Supply Agreement, (ii) the recommendations of the Independent Board Committee to the Independent Shareholders on the terms and the annual caps of each of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement, (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the terms and the annual caps of each of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement; and (iv) the notice of the EGM will be dispatched to the Shareholders on or before 9 November 2022.

DEFINITIONS

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

“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“BWI”	BeijingWest Industries Co., Ltd.* (北京京西重工有限公司), a company incorporated in the PRC, a controlling shareholder of the Company
“BWI Group”	BWI and its subsidiaries (other than the Group) from time to time
“Company”	BeijingWest Industries International Limited (京西重工國際有限公司), a 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”	has the same meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

* For identification purpose only

“Existing Mutual Technical Services Agreement”	the mutual technical services agreement entered into between the Company and BWI on 7 November 2019
“Existing Parts and Components Purchase Agreement”	the parts and components purchase agreement entered into between the Company and BWI on 7 November 2019
“Existing Parts and Components Supply Agreement”	the parts and components supply agreement entered into between the Company and BWI on 7 November 2019
“Existing Parts and Components Supply Supplemental Agreement”	the parts and components supply supplemental agreement entered into between the Company and BWI on 5 November 2021 to revise the annual cap for the financial year ending 31 December 2021
“Existing Patent License Agreement”	the patent license agreement entered into between the Company and BWI on 7 November 2019
“EGM”	the extraordinary general meeting of the Company to be convened to approve the Mutual Technical Services Agreement and the Parts and Components Supply Agreement and the annual caps in relation thereto, or any adjournment thereof
“Group”	the Company and its subsidiaries
“HKD” or “HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, formed for the purpose of advising the Independent Shareholders in respect of, among other things, the terms of the Mutual Technical Services Agreement and the Parts and Components Supply Agreement and the annual caps of the transactions contemplated thereunder
“Independent Financial Adviser”	Rainbow Capital (HK) Limited, the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders
“Independent Shareholders”	the Shareholders other than BWI and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mutual Technical Services Agreement”	the master agreement dated 19 October 2022 entered into between the Company and BWI in relation to the mutual provision of technical services

“Parts and Components Purchase Agreement”	the agreement dated 19 October 2022 entered into between the Company and BWI in relation to the purchase of auto parts and components by the Group from BWI and/or its associates
“Parts and Components Supply Agreement”	the agreement dated 19 October 2022 entered into between the Company and BWI in relation to the supply of auto parts and components by the Group to BWI and/or its associates
“Patent License Agreement”	the agreement dated 19 October 2022 entered into between BWI and the Company in relation to the license of certain patents to the Group
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region and Taiwan
“Shareholders”	holders of the ordinary shares of HK\$0.1 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
BeijingWest Industries International Limited
Dong Xiaojie
Chairman

19 October 2022

As at the date of this announcement, the Board comprises Mr. Dong Xiaojie (Chairman), Mr. Chen Zhouping (Managing Director), Mr. Li Zhi (Non-executive Director), Mr. Tam King Ching, Kenny (Independent Non-executive Director), Mr. Yip Kin Man, Raymond (Independent Non-executive Director) and Mr. Chan Pat Lam (Independent Non-executive Director).