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比亞迪電子(國際)有限公司
BYD ELECTRONIC (INTERNATIONAL) COMPANY LIMITED

(incorporated in Hong Kong under the Companies Ordinance with limited liability)

(Stock code: 285)

Website: <http://www.byd-electronic.com>

CONTINUING CONNECTED TRANSACTIONS

**REVISION OF ANNUAL CAPS,
SUPPLEMENTAL SUPPLY AGREEMENT,
SUPPLEMENTAL PROCESSING SERVICES AGREEMENT,
GLASS SALES AGENCY AGREEMENT
AND
PROPERTY LEASING FRAMEWORK AGREEMENT**

SUPPLEMENTAL SUPPLY AGREEMENT AND REVISION OF ANNUAL CAP

As disclosed in the Announcement, the Company has previously entered into the Existing Supply Agreement. In view of the development of passenger vehicles business and improvement of electronic equipment in the vehicles of BYD Group, the variety of products to be supplied by the Group to BYD Group under the Existing Supply Agreement is expected to be expanded to include, but not limited to, rotatable display screens. As a result, while the additional products to be supplied by the Group to BYD Group fall within the scope set out in the Existing Supply Agreement, the annual cap under the Existing Supply Agreement for the year ending 31 December 2018 will need to be increased.

On 16 April 2018, the Company and BYD entered into the Supplemental Supply Agreement, pursuant to which, it is proposed that the annual cap for the year ending 31 December 2018 shall be revised from RMB845,613,000 under the Existing Supply Agreement to RMB1,217,614,000. Save as disclosed above, all other terms and conditions of the Existing Supply Agreement remain unchanged.

SUPPLEMENTAL PROCESSING SERVICES AGREEMENT AND REVISION OF ANNUAL CAP

As disclosed in the Announcement, the Company has previously entered into the Existing Processing Services Agreement. On 16 April 2018, the Company and BYD entered into the Supplemental Processing Services Agreement, pursuant to which, in addition to the existing services under the Existing Processing Services Agreement as set out in the Announcement, the Group shall also provide services including but not limited to testing services to BYD Group on the same terms for a term commencing from the date of the Supplemental Processing Services Agreement until 31 December 2018 (both dates inclusive).

In view of the expansion of the scope of the Existing Processing Services Agreement, and the expected increase in demand for the services from the Group by BYD Group, the annual cap for the transactions contemplated under the Supplemental Processing Services Agreement for the year ending 31 December 2018 shall be revised from RMB66,995,000 under the Existing Processing Services Agreement to RMB109,880,000. Save as disclosed above, all other terms and conditions of the Existing Processing Services Agreement remain unchanged.

GLASS SALES AGENCY AGREEMENT

On 16 April 2018, the Company and BYD entered into the Glass Sales Agency Agreement, pursuant to which, the Group shall supply glass casing products to BYD Group for its onward sales as an agent to customers in South Korea market as designated by the Group.

The Group will negotiate and enter into separate transactional arrangements with South Korean customers and supply to BYD Group the glass casing products to be purchased by South Korean customers. Specific instructions and details of the delivery of the goods including customer address details and the agreed price to be charged for the goods will be provided by the Group to BYD Group for its distribution on a case by case basis. The annual cap for the transactions contemplated under the Glass Sales Agency Agreement for the year ending 31 December 2018 is set at RMB300,000,000.

PROPERTY LEASING FRAMEWORK AGREEMENT

Reference is made to the announcements of the Company dated 28 April 2017 and 23 August 2017 respectively in respect of the Existing Lease Agreements. On 16 April 2018, the Company and BYD entered into the Property Leasing Framework Agreement, pursuant to which, the parties have agreed that the Group may from time to time lease the properties of the BYD Group in the PRC, predominantly factory and office space, for its daily operations purposes.

The parties or their respective subsidiaries shall enter into individual property leasing agreements in respect of each leasing arrangement in accordance with the terms of the Property Leasing Framework Agreement. As it is intended that the transactions under the Existing Lease Agreements form part of the transactions contemplated under the Property Leasing Framework Agreement, the amount of RMB286,677,000 has been set as the new cap for the year ending 31 December 2018 for the transactions under the Property Leasing Framework Agreement.

LISTING RULES IMPLICATIONS

As BYD is the controlling Shareholder of the Company indirectly interested in approximately 65.76% of the issued share capital of the Company, it is a connected person of the Company. As such, the transactions contemplated under the Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules in respect of the proposed annual caps for the transactions under the Supplemental Supply Agreement, Supplemental Processing Services Agreement, Glass Sales Agency Agreement and the Property Leasing Framework Agreement (including the Existing Lease Agreements, as aggregated) for the year ending 31 December 2018 are respectively more than 0.1% but less than 5%, each of the Agreements are subject to the reporting and announcement requirements but are exempt from the independent Shareholders' approval requirement pursuant to Rule 14A.76(2) of the Listing Rules.

SUPPLEMENTAL SUPPLY AGREEMENT AND REVISION OF ANNUAL CAP

As disclosed in the Announcement, the Company entered into the Existing Supply Agreement, pursuant to which the Group agreed to supply to BYD Group products required for the production of BYD Group's products, such as plastic components, metal parts, chargers and certain other material, for a term from 1 January 2016 to 31 December 2018.

In view of the development of passenger vehicles business and improvement of electronic equipment in the vehicles of BYD Group, the variety of products to be supplied by the Group to BYD Group under the Existing Supply Agreement is expected to be expanded to include, but not limited to, rotatable display screens. As a result, while the additional products to be supplied by the Group to BYD Group fall within the scope set out in the Existing Supply Agreement, the annual cap under the Existing Supply Agreement for the year ending 31 December 2018 will need to be increased.

On 16 April 2018, the Company and BYD entered into the Supplemental Supply Agreement, pursuant to which, it is proposed that the annual cap for the year ending 31 December 2018 shall be revised from RMB845,613,000 under the Existing Supply Agreement to RMB1,217,614,000. Save as disclosed above, all other terms and conditions of the Existing Supply Agreement remain unchanged.

The Group will determine the selling prices with reference to, and generally shall not be lower than, prices charged to its independent third party customers for similar products, which represents the then prevailing market prices. In accordance with the Company's internal policies, the transactions under the Existing Supply Agreement as supplemented by the Supplemental Supply Agreement will be properly recorded, including but not limited to prices determined and transaction amounts. As the management of the Group will review the aforesaid pricing policy on a regular basis, the Directors are of the view that the aforesaid method and procedures can ensure that the transactions contemplated under the Existing Supply Agreement as supplemented by the Supplemental Supply Agreement will be conducted on normal commercial terms and not prejudicial to the interest of the Company's minority Shareholders. The payments for the transactions under the Existing Supply Agreement as supplemented by the Supplemental Supply Agreement are to be stipulated in the relevant order forms, which will normally be payable within three months after delivery of the products.

The Directors are of the view that the aforesaid method and procedures can ensure that the transactions contemplated under the Existing Supply Agreement as supplemented by the Supplemental Supply Agreement will be conducted on normal commercial terms and not be prejudicial to the interest of the Company's minority Shareholders.

The table below shows the actual transaction amounts for the two years ended 31 December 2017 under the Existing Supply Agreement:

	Year ended 31 December 2016	Year ended 31 December 2017
	<i>RMB</i>	<i>RMB</i>
	<i>(audited)</i>	<i>(unaudited)</i>
	<i>(approximate)</i>	<i>(approximate)</i>
Actual transaction amount	535,945,000	394,858,000

Based on (i) the historical transaction amounts; (ii) the expected expansion of the variety of products to be supplied under the scope of the Existing Supply Agreement as supplemented by the Supplemental Supply Agreement; and (iii) the expected increase in the demand for the products to be supplied by the Group to BYD Group under the Existing Supply Agreement as supplemented by the Supplemental Supply Agreement for the year ending 31 December 2018, the Company estimates that the transaction amounts based on the scope of products to be supplied under the Existing Supply Agreement as supplemented by the Supplemental Supply Agreement for the year ending 31 December 2018 will not exceed RMB1,217,614,000. Such amount has accordingly been proposed as the new annual cap for the year ending 31 December 2018 for the transactions under the Existing Supply Agreement as supplemented by the Supplemental Supply Agreement.

SUPPLEMENTAL PROCESSING SERVICES AGREEMENT AND REVISION OF ANNUAL CAP

As disclosed in the Announcement, the Company entered into the Existing Processing Services Agreement, pursuant to which the Group agreed to provide to BYD Group automation equipment design services, certain processing services and research and development support for certain products of the BYD Group and waste water treatment facilities for a term from 1 January 2016 to 31 December 2018.

On 16 April 2018, the Company and BYD entered into the Supplemental Processing Services Agreement, pursuant to which, in addition to the existing services under the Existing Processing Services Agreement as set out in the Announcement, the Group shall also provide services including but not limited to testing services to BYD Group on the same terms for a term commencing from the date of the Supplemental Processing Services Agreement until 31 December 2018 (both dates inclusive).

In view of the expansion of the scope of the Existing Processing Services Agreement, and the expected increase in demand for the services from the Group by BYD Group, the annual cap for the transactions contemplated under the Supplemental Processing Services Agreement for the year ending 31 December 2018 shall be revised from RMB66,995,000 under the Existing Processing Services Agreement to RMB109,880,000. Save as disclosed above, all other terms and conditions of the Existing Processing Services Agreement remain unchanged.

Fees payable to the Group by BYD Group in relation to the provision of the services under the Existing Processing Services Agreement as supplemented by the Supplemental Processing Services Agreement will be determined with reference to the costs of the Company in provision of the relevant processing services plus a profit margin to be determined after arm's length negotiation between the Company and BYD. The Group will determine the fees with reference to prices charged to its independent third party customers for similar services. The terms and rights available to BYD Group shall not be more favourable than those made available by the Group to other third party customers. In accordance with the Company's internal policies, the transactions under the Existing Processing Services Agreement as supplemented by the Supplemental Processing Services Agreement will be properly recorded, including but not limited to prices determined and transaction amounts. As the management of the Group will review the pricing policy on a regular basis, the Directors are of the view that the aforesaid methods and procedures can ensure that the transactions contemplated under the Existing Processing Services Agreement as supplemented by the Supplemental Processing Services Agreement will be conducted on normal commercial terms and not prejudicial to the interest of the Company's minority Shareholders. The payments for transactions under the Existing Processing Services Agreement as supplemented by the Supplemental Processing Services Agreement are to be settled generally within 90 days from the date of invoice.

The Directors are of the view that the aforesaid method and procedures can ensure that the transactions contemplated under the Existing Processing Services Agreement as supplemented by the Supplemental Processing Services Agreement will be conducted on normal commercial terms and not be prejudicial to the interest of the Company's minority Shareholders.

The table below shows the actual transaction amounts for the two years ended 31 December 2017 under the Existing Processing Services Agreement:

	Year ended 31 December 2016 <i>RMB</i> <i>(audited)</i> <i>(approximate)</i>	Year ended 31 December 2017 <i>RMB</i> <i>(unaudited)</i> <i>(approximate)</i>
Actual transaction amount	39,551,000	48,094,000

Based on (i) the historical transaction amounts; (ii) the expected expansion of the variety of services to be provided under the scope of the Existing Processing Services Agreement as supplemented by the Supplemental Processing Services Agreement; and (iii) the expected increase in the demand for the services to be provided by the Group to BYD Group under the Existing Processing Services Agreement as supplemented by the Supplemental Processing Services Agreement for the year ending 31 December 2018, the Company estimates that the transaction amounts under the Existing Processing Services Agreement as supplemented by the Supplemental Processing Services Agreement for the year ending 31 December 2018 will not exceed RMB109,880,000. Such amount has accordingly been set as the new annual cap for the year ending 31 December 2018 for the transactions under the Existing Processing Services Agreement as supplemented by the Supplemental Processing Services Agreement.

GLASS SALES AGENCY AGREEMENT

Details of the Glass Sales Agency Agreement are set out as follows:

Date	16 April 2018
Parties	the Company; and BYD
Term	From 16 April 2018 to 31 December 2018, unless terminated in accordance with the terms of the Glass Sales Agency Agreement.
Subject Matter	Pursuant to the Glass Sales Agency Agreement, the Group shall supply glass casing products to BYD Group for its onward sales by agency to customers in South Korea as designated by the Group. The Group will negotiate and enter into separate transactional arrangements with South Korean customers and supply to BYD Group the glass casing products to be purchased by South Korean customers. The Group will designate management personnel to supervise the sales agency of the glass casing products in the South Korean market. Specific instructions and details of the delivery of the goods including customer address details and the agreed price to be charged for the goods will be provided by the Group to BYD Group for its distribution on a case by case basis.

The Price of the Goods The price of the glass casings supplied to BYD Group under the Glass Sales Agency Agreement shall be determined directly by the Group with its customers after negotiation, and BYD shall only be responsible for sales of products at the determined price.

Proposed annual cap for the Glass Sales Agency Agreement

Based on (i) the expected demand for glass products from South Korean customers; (ii) the Group's capacity to manufacture and supply glass casing products; and (iii) expected South Korea market price of glass casing products, the aggregate transaction amount under the Glass Sales Agency Agreement for the year ending 31 December 2018 is expected not to exceed RMB300,000,000. As such, the annual cap for the transactions contemplated under the Glass Sales Agency Agreement for the year ending 31 December 2018 is set at RMB300,000,000.

PROPERTY LEASING FRAMEWORK AGREEMENT

Details of the Property Leasing Framework Agreement are set out as follows:

Date	16 April 2018
Lessor	BYD or any of its subsidiaries
Lessee	The Company or any of its subsidiaries
Term	From 16 April 2018 (or such later date upon compliance of all applicable requirements under the Listing Rules, if applicable) to 31 December 2018, unless terminated earlier in accordance with the terms of the Property Leasing Framework Agreement.
Leasing target	<p>The parties have agreed that the Group may from time to time lease the properties of the BYD Group in the PRC, predominantly factory and office space, for its daily operations purposes.</p> <p>The parties or their respective subsidiaries shall enter into individual property leasing agreements in respect of each leasing arrangement in accordance with the terms of the Property Leasing Framework Agreement. Each individual property leasing agreement shall contain, amongst other things, the specific details of the leased property and must comply with the terms of the Property Leasing Framework Agreement, the Listing Rules and applicable laws.</p>
Rent	The Company shall determine the rent payable for each lease after arm's length negotiations based on normal commercial principles with reference to the market price and other commercial considerations, such as floor area, location and the type of property. In particular, the rent shall not exceed the amount of rent payable by or to be charged by an independent third party in respect of similar leased properties.
The Existing Lease Agreements	The terms of the Property Leasing Framework Agreement also apply to the Existing Lease Agreements. In case of inconsistency, the terms of the Property Leasing Framework Agreement shall prevail.

Proposed annual cap for the Property Leasing Framework Agreement

Reference is made to the announcements of the Company dated 28 April 2017 and 23 August 2017 respectively in respect of the Existing Lease Agreements. The existing aggregate transaction amount for the Existing Lease Agreements for the year ending 31 December 2018 is expected not to exceed RMB233,720,000.

The table below shows the actual transaction amounts for the two years ended 31 December 2017 under the Existing Lease Agreements (where applicable):

	Year ended 31 December 2016 <i>RMB</i> <i>(audited)</i> <i>(approximate)</i>	Year ended 31 December 2017 <i>RMB</i> <i>(unaudited)</i> <i>(approximate)</i>
Actual transaction amount	39,323,000	136,472,000

Based on (i) the historical transaction amounts in respect of property leasing between the Group and BYD Group, (ii) the aggregate rent amount paid/payable by the Group under the Existing Lease Agreements for the year ending 31 December 2018, which is expected not to exceed RMB233,720,000; (iii) the Company's expected demand for new leasing arrangements during the term of the Property Leasing Framework Agreement to meet its daily operations needs, which is expected not to exceed RMB52,957,000; (iv) the assumption that the rent for each of the Existing Lease Agreements will remain unchanged for the year ending 31 December 2018 and (v) the expected rent pricing conditions in the PRC property leasing market for office and factory space, the aggregate transaction amount under the Property Leasing Framework Agreement (including the Existing Lease Agreements, as aggregated) for the year ending 31 December 2018 is expected not to exceed RMB286,677,000.

As it is intended that the transactions under the Existing Lease Agreements form part of the transactions contemplated under the Property Leasing Framework Agreement, the amount of RMB286,677,000 has been set as the new cap for the year ending 31 December 2018 for the transactions under the Property Leasing Framework Agreement.

REASONS FOR ENTERING INTO THE CONTINUING CONNECTED TRANSACTIONS

Supplemental Supply Agreement

In view of BYD's development of the passenger vehicles business and improvement of the electronic specification in its passenger vehicles, its demand for electronic components such as rotatable display screens, has increased. At the same time, with the development the consumer electronics business, the Group has also been expanding its offerings of automotive electronics and contributes additional revenue and profit. The upward adjustment of the Supply Annual Cap will allow the Group to supply additional products to the BYD Group, such as rotatable display screens, and further strengthen its position to develop and manufacture automotive electronics.

Supplemental Processing Services Agreement

In view of BYD's development of the passenger vehicles business and improvement of the electronic specification in its passenger vehicles, the upward adjustment of the Processing Services Annual Cap will allow the Group to provide a broader range of complementary services ranging from research and development, design and processing to the testing of products provided to the BYD Group, amongst other services. This reaffirms the Group's present capabilities and provides it with further experience to develop different service offerings to complement its own business or as value-adding to others.

Glass Sales Agency Agreement

In anticipation of the strong market demand for glass casings during the year, the Company has successfully secured orders from leading international mobile phone manufacturers for their multiple flagship mobile models. In particular, there is an extremely strong demand from customers in South Korea, where the Group is the major supplier of their glass casings and their orders are expected to contribute to the robust growth of glass casing business of the Group.

The customers in South Korea have required that such sales to be conducted through a company registered in South Korea. However, as the Group currently does not have existing operating entities in South Korea and given the time needed to establish an entity to enter into operational phase in South Korea, in order to successfully and rapidly deliver products to customers in South Korea, the delivery of the Glass Products is proposed to be conducted temporarily through BYD Group's existing entities in South Korea until the Group establishes its South Korean capabilities. Upon the completion of the Group's establishment of its independent capability in South Korea, products will be directly delivered to such customers by the Group.

During the period of sales by agency, product prices will be determined through the direct negotiation between the Group and customers. BYD will only sell products at such prices and will not generate any profit from such transactions. Therefore, such transactions will not impair the profitability of glass casing business of the Group, nor the interests of minority shareholders.

Property Leasing Framework Agreement

According to the business development needs of the Group, the Group has continuously and actively considered different means to control or minimize its production costs, so as to maintain or enhance its competitiveness. Due to the historical friendly relationship between the Group and BYD Group, the proximity of the factories and premises of the Group and the BYD Group and in line with the expansion of the Group's operations and business, the Directors (including the independent non-executive Directors) considered that it would be commercially beneficial to the Group to enter into the framework agreement for the lease of properties used as the premises for its daily operations from BYD Group to the Group and to consider all existing and future leasing arrangements relating to office and factory space by BYD Group to the Group under a single framework agreement.

INTERNAL CONTROL MEASURES

In addition to compliance with the requirements on annual review by external auditors and independent non-executive Directors under the Listing Rules in respect of the Group's continuing connected transactions, the Company has set up relevant departments in charge of internal control and risk management to perform internal review and control over the continuing connected transactions of the Company, including reviewing contracts signed between the Company and connected persons, reviewing the performance of procedures prior to signing of contracts as well as the fulfilment of transactions thereunder, regularly inspecting the specific terms of the Company's transactions with connected persons and comparing it with the terms of the same type of transactions of the Company entered into with third parties who are not connected persons, to ensure that the pricing and other contract terms for the Group's continuing connected transactions are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders and that the continuing connected transactions are conducted as agreed in the contracts and in compliance with the laws and regulations.

To ensure the continuing connected transactions do not exceed the annual caps, the relevant business departments of the Company and its subsidiaries shall regularly fill in and submit a statistical chart for continuing connected transactions. In the event that the amount of the continuing connected transactions incurred and to be incurred for a financial year is expected to reach the annual caps, the relevant departments will follow up forthwith by reporting and proposing a response to the management of the Company, and in case that an amendment to the annual caps is required, report particulars to the Board and hold a Board meeting for considering the matters thereabout to ensure compliance of the requirements under the Listing Rules.

The Company arranges compliance trainings for the directors, supervisors, senior management and staff from the relevant departments of the Company and its subsidiaries from time to time, primarily focusing on the rules relating to connected transactions under Chapter 14A of the Listing Rules.

INFORMATION ABOUT THE GROUP AND THE BYD GROUP

The Group is principally engaged in the business of the manufacture and sales of handset components and modules, the provision of handset design and assembly services, and the provision of parts and assembly services of other electronic products.

BYD Group is principally engaged in rechargeable battery and photovoltaic business, handset components and assembly services, as well as automobile business which includes traditional fuel-engined vehicles and new energy vehicles while taking advantage of its technological superiority to actively develop related business such as skyrail business.

LISTING RULES IMPLICATIONS

As BYD is the controlling Shareholder of the Company indirectly interested in approximately 65.76% of the issued share capital of the Company, it is a connected person of the Company. As such, the transactions contemplated under the Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Mr. Wang Chuan-fu, a non-executive Director of the Company, is also an executive director and chairman of the board of directors of BYD and is interested in approximately 18.96% of the total issued share capital of BYD as at the date of Agreements. Mr. Wu Jing-sheng, a non-executive Director of the Company, is also the vice president and chief financial officer of BYD and is interested in approximately 0.16% of the total issued share capital of BYD as at the date of the Agreements. Accordingly, Mr. Wang Chuan-fu and Mr. Wu Jing-sheng, being Directors who may have a material interest, have voluntarily abstained from voting on the board resolutions of the Company concerning the Agreements.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Agreements have been subject to arm's length negotiation between the Group and the relevant parties, and have been entered into by the Group in the ordinary and usual course of business and either (i) on normal commercial terms or better, or (ii) on terms no less favourable to the Group than those available to or from (as appropriate) independent third parties.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Agreements, and the relevant proposed annual caps, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As the applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules in respect of the proposed annual caps for the transactions under the Supplemental Supply Agreement, Supplemental Processing Services Agreement, Glass Sales Agency Agreement and the Property Leasing Framework Agreement (including the Existing Lease Agreements, as aggregated) for the year ending 31 December 2018 are respectively more than 0.1% but less than 5%, each of the Agreements are subject to the reporting and announcement requirements but are exempt from the independent Shareholders' approval requirement pursuant to Rule 14A.76(2) of the Listing Rules.

DEFINITIONS

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

“Agreements”	the Supplemental Supply Agreement, Supplemental Processing Services Agreement, Glass Sales Agency Agreement and the Property Leasing Framework Agreement, collectively
“Announcement”	the announcement of the Company dated 6 November 2015 in relation to the renewal of certain continuing connected transactions of the Company
“Board”	the board of Directors

“BYD”	BYD Company Limited (比亞迪股份有限公司), a company incorporated in the PRC whose H shares are listed on the Main Board of the Stock Exchange and A shares are listed on the Small and Medium Enterprise Board of Shenzhen Stock Exchange
“BYD Group”	BYD and its subsidiaries (excluding, except where the context indicates otherwise, the Group)
“Company”	BYD Electronic (International) Company Limited (比亞迪電子(國際)有限公司), a company incorporated under the laws of Hong Kong, whose shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Lease Agreements”	the lease agreements between the BYD Group and the Group (i) each dated (or supplemented to on) 28 April 2017 as set out under the section headed “II. A. Leasing of factories and premises by BYD Group to the Group” in the announcement of the Company dated 28 April 2017 and (ii) dated 23 August 2017 as set out in the announcement of the Company dated 23 August 2017
“Existing Processing Services Agreement”	the “New BE Processing Services Agreement” dated 6 November 2015 between the Company and BYD as defined and set out in the Announcement
“Existing Supply Agreement”	the “New Supply Agreement” dated 6 November 2015 between the Company and BYD as defined and set out in the Announcement
“Glass Sales Agency Agreement”	the agreement dated 16 April 2018 between the Company and BYD as set out in the section headed “Glass Sales Agency Agreement”
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan)

“Property Leasing Framework Agreement”	the agreement dated 16 April 2018 between the Company and BYD as set out in the section headed “Property Leasing Framework Agreement”
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holder(s) of the shares of the Company
“South Korea”	the Republic of Korea
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Supplemental Processing Services Agreement”	the revised agreement dated 16 April 2018 between the Company and BYD as set out in the section headed “Supplemental Processing Services Agreement and Revision of Annual Cap”
“Supplemental Supply Agreement”	the revised agreement dated 16 April 2018 between the Company and BYD as set out in the section headed “Supplemental Supply Agreement and Revision of Annual Cap”
“%”	per cent.

By order of the Board
BYD Electronic (International) Company Limited
Wang Nian-qiang
Director

Hong Kong, 16 April 2018

As at the date of this announcement, the executive Directors are Mr. WANG Nian-qiang and Mr. Wang Bo; the non-executive Directors are Mr. WANG Chuan-fu and Mr. WU Jing-sheng; and the independent non-executive Directors are Mr. CHUNG Kwok Mo John, Mr. Antony Francis MAMPILLY and Mr. QIAN Jing-jie.