

The Ideal Location for a Corporate Treasury Centre

Leading Chinese financial leasing company chooses Hong Kong as the location for its Corporate Treasury Centre.



Established in 2007, Bank of Communications Financial Leasing (BoComm Leasing) is a wholly-owned subsidiary of Bank of Communications and one of the first five financial leasing companies to receive approval from the China Banking and Insurance Regulatory Commission. It provides enterprises with flexible, efficient and comprehensive financial leasing solutions for a range of

industries including aviation, shipping, public infrastructure, energy equipment and machinery equipment.

BoComm Leasing's innovation-driven business model was conceived in 2011. The company provides services to domestic and international markets, strives for business specialisation as well as international development, and realises globalisation of assets. Now one of Mainland China's leading financial leasing companies in terms of revenue, profits and asset quality, BoComm Leasing has become a big player in international aviation and shipping leasing. The company has total assets of over RMB 200 billion, more than 50 percent of which are allocated in aviation and shipping leasing while over 30 percent of its assets are overseas.

Following rapid growth over the last decade, the company decided to expand its business to Hong Kong by setting up a Corporate Treasury Centre (CTC) and shipping asset management platform in the city in 2017. The CTC is responsible for providing financial support to the group's overseas affiliates. Shortly after launching the CTC, the company established relationships with local and overseas banks in order to acquire direct and indirect financing tools to support its international shipping leasing services.

According to Vice President Sun Lei, the Hong Kong government has been implementing CTC friendly policies, such as low tax regime, providing a favourable environment for Mainland financial leasing companies to grow and expand in the city. "Hong Kong offers an attractive business environment as well as an independent judicial system, a welcoming taxation system and free trade policies. It is also a gateway between Mainland China and international markets. This is why we chose the city as the location for our CTC as it allows us to develop our business in line with international financial regulations.

BoComm Leasing's network covers more than 20 countries and regions in the US,

Asia, Europe and Australia. According to Sun, the company will continue to explore opportunities in the Asia Pacific and Middle East where the demand for aircraft leasing is soaring.

"China has two major financial centres - Hong Kong and Shanghai. Shanghai is the gateway to the Mainland Chinese market for overseas companies, whereas Hong Kong is the gateway to the global market for Mainland companies. Over the last few decades, Mainland China's rapid growth has led to an increasing number of companies expanding into overseas markets. Hong Kong has extensive experience of doing business with international companies. Following the launch of the Guangdong-Hong Kong-Macao Bay Area and Belt and Road Initiative, the importance of Hong Kong will continue to grow."

Sun appreciates the assistance provided by InvestHK during the company's expansion in the city. "InvestHK guided us through the setup procedure by giving us support and advice on preferential taxation policies, staff recruitment and visa applications. We hope to continue working with the team in the future," he concluded.



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Sun Lei

Vice President

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