
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China City Railway Transportation Technology Holdings Company Limited (“Company”), you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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This circular, for which the directors (“Directors”) of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

中國城市軌道交通科技控股 
CHINA CITY RAILWAY TRANSPORTATION TECHNOLOGY
中國城市軌道交通科技控股有限公司
CHINA CITY RAILWAY TRANSPORTATION
TECHNOLOGY HOLDINGS COMPANY LIMITED
(incorporated in the Cayman Islands with limited liability)
(Stock code: 8240)

**PROPOSALS FOR
(I) GRANT OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES;
(II) RE-ELECTION OF DIRECTORS;
(III) APPOINTMENT OF DIRECTOR;
(IV) REFRESHMENT OF THE GENERAL SCHEME LIMIT
UNDER THE SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company (“AGM”) to be held at the Conference Room, 10/F, 3rd Building, Jingtou Plaza, No. 6 Xiaoying North Road, Chaoyang District, Beijing, the People’s Republic of China on Tuesday, 13 November 2012 at 9:30 a.m. is set out on pages 16 to 21 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not later than 48 hours before the time appointed for holding of the AGM or any adjournment thereof to the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof should you so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company’s website at www.crrtt.com.hk.

29 September 2012

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the expressions below have the following meanings:

“AGM”	the annual general meeting of the Company to be held at the Conference Room, 10/F, 3rd Building, Jingtou Plaza, No. 6 Xiaoying North Road, Chaoyang District, Beijing, the People’s Republic of China on Tuesday, 13 November 2012 at 9:30 a.m., a notice of which is set out on pages 16 to 21 of this circular
“Articles”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	China City Railway Transportation Technology Holdings Company Limited, a company incorporated in the Cayman Islands, the issued Shares of which are listed on GEM
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Scheme Limit”	the limit imposed under the rules of the Share Option Scheme on the total number of Shares which may be issued upon the exercise of all options granted or to be granted under the Share Option Scheme, being 10% of the Company’s issued share capital as at 16 May 2012, being the date when dealings in the Shares on the Stock Exchange first commenced
“Group”	the Company and its subsidiaries from time to time

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue and otherwise deal with Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM
“Latest Practicable Date”	26 September 2012, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“PRC”	the People’s Republic of China
“Repurchase Mandate”	a general and unconditional mandate to the Directors to enable them to repurchase the Shares of an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 8 December 2011
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

中國城市軌道交通科技控股



CHINA CITY RAILWAY TRANSPORTATION TECHNOLOGY

中國城市軌道交通科技控股有限公司

**CHINA CITY RAILWAY TRANSPORTATION
TECHNOLOGY HOLDINGS COMPANY LIMITED**

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8240)

Executive Directors:

Mr. Cao Wei (*Chief Executive Officer*)
Mr. Chen Rui

Non-executive Directors:

Dr. Tian Zhenqing (*Chairman*)
Mr. Steven Bruce Gallagher

Independent non-executive Directors:

Mr. Hu Zhaoguang
Mr. Bai Jinrong
Dr. Kong Shin Long, Johnny

Registered office:

Scotia Centre, 4th Floor
P.O. Box 2804
George Town
Grand Cayman KY1-1112
Cayman Islands

*Head office and principal place
of business in the PRC:*

Room 1705F1, Level 17
Qingyun Modern Plaza
Block 9, Mantingfang Garden
Qingyun Lane, Haidian District
Beijing, The PRC

*Principal place of business
in Hong Kong:*

Unit 4407, 44/F, COSCO Tower
183 Queen's Road Central
Hong Kong

29 September 2012

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
(I) GRANT OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES;
(II) RE-ELECTION OF DIRECTORS;
(III) APPOINTMENT OF DIRECTOR;
(IV) REFRESHMENT OF THE GENERAL SCHEME LIMIT
UNDER THE SHARE OPTION SCHEME**

1. INTRODUCTION

The primary purposes of this circular are to provide you with information regarding the resolutions to be proposed at the AGM which include, among other matters, the approval of the (i) grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; (ii) re-election of Directors; (iii) appointment of Director; and (iv) refreshment of the General Scheme Limit; and to give you notice of the AGM.

LETTER FROM THE BOARD

2. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

By the written resolutions of all Shareholders passed on 8 December 2011, the Directors were granted a general mandate to allot, issue and deal with the Shares and a general mandate to repurchase the Shares on GEM. These mandates will expire at the conclusion of the AGM. At the AGM, among other matters, resolutions will be proposed to grant the Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors.

Each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the end of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law of the Cayman Islands to be held; and (c) when revoked or varied by passing an ordinary resolution by the Shareholders in a general meeting prior to the next annual general meeting of the Company.

Subject to the passing of the proposed resolution for the grant of the Issue Mandate and on the basis that no Shares are issued or repurchased by the Company during the period between the Latest Practicable Date and the date of the AGM, the Directors will be authorised to issue up to a maximum of 160,000,000 Shares pursuant to the Issue Mandate based on the number of issued Shares of 800,000,000 as at the Latest Practicable Date.

Under the GEM Listing Rules, the Company is required to give to the Shareholders an explanatory statement containing all information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate. The explanatory statement required by the GEM Listing Rules is set out in the Appendix I to this circular.

3. RE-ELECTION OF DIRECTORS

In accordance with article 16.18 of the Articles, Mr. Hu Zhaoguang, Mr. Bai Jinrong and Dr. Kong Shin Long, Johnny (“**Dr. Kong**”) will retire as Directors by rotation and each of them is eligible to offer themselves for re-election as Directors at the annual general meeting of the Company. Mr. Hu Zhaoguang and Mr. Bai Jinrong will offer themselves for re-election as Directors at the AGM.

Dr. Kong will retire as Director by rotation and will not offer himself for re-election as Director at the AGM. Following his retirement, Dr. Kong will cease to be the chairman of the audit committee of the Company. Dr. Kong confirmed that he has no disagreement with the Board and there are no matters in relation to his retirement that need to be brought to the attention of the shareholders or the Stock Exchange.

Particulars of Mr. Hu Zhaoguang and Mr. Bai Jinrong are set out in Appendix II to this circular.

4. APPOINTMENT OF DIRECTOR

The nomination committee (“**Nomination Committee**”) of the Company has nominated, and the Board has proposed to appoint Mr. Luo Zhenbang (“**Mr. Luo**”) as the independent non-executive Director at the AGM. The appointment of Mr. Luo as independent non-executive Director is subject to the Shareholders’ approval at the AGM. Subject to Mr. Luo’s appointment being approved by the Shareholders at the AGM, the Board proposed to appoint Mr. Luo to act as the chairman of the audit committee of the Company.

LETTER FROM THE BOARD

The Nomination Committee has assessed the independence of Mr. Luo. Based on the information available to the Nomination Committee, the Nomination Committee considered Mr. Luo as independent to the Company.

Particulars of Mr. Luo are set out in Appendix III to this circular.

5. REFRESHMENT OF THE GENERAL SCHEME LIMIT UNDER THE SHARE OPTION SCHEME

On 26 September 2012, a board meeting of the Company was held and the Board approved the refreshment of the General Scheme Limit. It was proposed that at the AGM, resolution in relation to the refreshment of the General Scheme Limit would be proposed to the Shareholders for consideration and, if thought fit, approval.

The General Scheme Limit is 80,000,000 Shares, being 10% of the Shares in issue as at the date of the written resolutions of all Shareholders passed on 8 December 2011 for the adoption of the Share Option Scheme. The Board proposed to refresh the General Scheme Limit, subject to the Shareholders' approval, so that Company would be allowed to grant further options to eligible participants under the Share Option Scheme to motivate such eligible participants to contribute to the success of the Group. The Company does not have any share option scheme other than the Share Option Scheme at the Latest Practicable Date.

Under the rules of the Share Option Scheme:

- (1) the limit on the number of Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time; and
- (2) the total number of Shares which may be issued upon the exercise of all share options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 80,000,000 Shares, being 10% of the total number of Shares on the date when dealings in the Shares on the Stock Exchange first commenced, unless the Company obtains an approval from the Shareholders for refreshment of the General Scheme Limit.

The Company may seek approval from the Shareholders in general meeting for refreshing the General Scheme Limit so that the total number of Shares which may be issued upon the exercise of all options granted under all the schemes of the Company must not exceed 10% of the Shares in issue as at the date of approval to refresh the General Scheme Limit (the "**Refreshed General Scheme Limit**").

Options previously granted under the Share Option Scheme (including options outstanding, cancelled, lapsed or exercised) will not be counted for the purpose of calculating the Refreshed General Scheme Limit. As at the Latest Practicable Date, (i) options carrying rights to subscribe for up to 39,200,000 Shares had been granted under the General Scheme

LETTER FROM THE BOARD

Limit, (ii) none of the options granted under the General Scheme Limit had been exercised; (iii) none of the options granted under the General Scheme Limit had been cancelled; and (iv) none of the options granted under the General Scheme Limit had lapsed. As such the Company could only grant further options to subscribe for a maximum of 40,800,000 Shares (representing 5.1% of the existing share capital of the Company) under the General Scheme Limit before the refreshment of the General Scheme Limit proposed at the AGM.

If the General Scheme Limit is “refreshed”, on the basis of 800,000,000 Shares in issue as at the Latest Practicable Date and assuming that no Shares will be issued or repurchased by the Company prior to the AGM, the General Scheme Limit will be re-set at 80,000,000 Shares and the Company will be allowed to grant further options under the Share Option Scheme carrying the rights to subscribe for a maximum of 80,000,000 Shares. As at the Latest Practicable Date, there were outstanding and unexercised options to subscribe for 39,200,000 Shares granted under the General Scheme Limit, representing 4.9% of the existing share capital of the Company. Accordingly, the proposed refreshment of the General Scheme Limit would not result in the total number of the outstanding share options granted under the Share Option Scheme of the Company exceeding the 30% limit as required under the GEM Listing Rules.

The Company has complied with Rule 23.03(4) of the GEM Listing Rules, pursuant to which the total number of securities issued and to be allotted and issued upon exercise of the options granted to each individual participant (including both exercised and outstanding options) in any 12-month period must not exceed one per cent. of the relevant class of securities of the Company in issue unless approved by the Shareholders.

The purpose of the Share Option Scheme was to enable the Company to grant options to selected participants as incentives or rewards for their contribution to the Group. The Board considers that it will be for the benefit of the Company and its shareholders as a whole that eligible participants of the Share Option Scheme are granted rights to obtain equity holdings of the Company through the grant of options under the Share Option Scheme. This will motivate the eligible participants to contribute further to the success of the Group. The refreshment of the General Scheme Limit will allow the Directors more flexibility in employing the Share Option Scheme in the future should they need to grant share options that are over the current limit to recognise contributions made to the Group. Accordingly, the Directors would like to take the AGM as an opportunity to approve the refreshment of the General Scheme Limit instead of calling a separate extraordinary general meeting.

For these reasons, the Board will propose the passing of an ordinary resolution at the AGM for “refreshing” the General Scheme Limit.

At the AGM, an ordinary resolution will be proposed to approve the refreshment of the limit on grant of options under the Share Option Scheme.

The refreshment of the General Scheme Limit is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders at the AGM to approve the Refreshed General Scheme Limit; and

LETTER FROM THE BOARD

- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the new Shares which may be issued upon the exercise of options to be granted under the Refreshed General Scheme Limit.

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the new Shares representing 10% of the issued share capital of the Company as at the AGM to be allotted and issued upon exercise of the options that may be granted within the General Scheme Limit as refreshed.

6. DECLARATION OF FINAL DIVIDEND

On 26 September 2012, the Company made an announcement in relation to its audited consolidated financial results for the year ended 30 June 2012 whereby the Board has recommended a final dividend of HK2.5 cent per Share for the year ended 30 June 2012. Subject to the passing of this resolution at the AGM, such final dividend will be paid on or about Thursday, 20 December 2012.

7. CLOSURE OF REGISTER OF MEMBERS

In order to determine the Shareholders who are eligible to attend the AGM, the register of members of the Company will be closed from Friday, 9 November 2012 to Monday, 12 November 2012 (both dates inclusive) during which period no transfer of Shares will be registered.

In order to determine the entitlement to the final dividend for the year ended 30 June 2012, the register of members of the Company will be closed from Saturday, 17 November 2012 to Tuesday, 20 November 2012 (both days inclusive), during which period no transfer of Shares can be registered. In order to qualify for the final dividend for the year ended 30 June 2012, the last day of dealing in Shares on a cum entitlement basis will be on Wednesday, 14 November 2012 and all transfer of Shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration by not later than 4:30 p.m. on Friday, 16 November 2012.

8. AGM

The notice of the AGM is set out on pages 16 to 21 of this circular. A form of proxy for use at the AGM is enclosed with this circular.

At the AGM, resolutions will be proposed to approve, among other matters, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors, the refreshment of the General Scheme Limited under the Share Option Scheme and the re-election of Directors by way of poll. An announcement on the poll results will be published by the Company after the AGM.

Whether or not you are able to attend the AGM in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not later than 48 hours before the time appointed for holding of the

LETTER FROM THE BOARD

AGM or any adjournment thereof to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof should you so wish.

9. RECOMMENDATION

The Directors are of the opinion that the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the refreshment of the General Scheme Limited under the Share Option Scheme and the re-election of Directors referred to in this circular are in the best interests of the Company and the Shareholders and recommend you to vote in favour of all the resolutions to be proposed at the AGM.

10. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully,
By order of the Board
**China City Railway Transportation Technology
Holdings Company Limited**
Cao Wei
Chief Executive Officer

This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide requisite information as to the proposed Repurchase Mandate.

1. GEM LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The GEM Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 800,000,000 Shares in issue. Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 80,000,000 Shares.

3. REASONS FOR THE REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares are listed. Share repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

4. SOURCE OF FUNDS

Repurchase made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the memorandum and articles of association of the Company, the Companies Law and other applicable laws of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Companies Law, repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or out of capital on if immediately following the date the payment out of capital is proposed to be made, the Company shall be able to pay its debts as they fall due in the ordinary course of business. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 30 June 2012, being the date of its latest published audited consolidated financial statements. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

5. THE TAKEOVERS CODE

If a shareholder's proportionate interest in the voting rights of the company increases on the company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purpose of Rule 32 of the Hong Kong Code on Takeovers and Mergers ("**Takeovers Code**"). As a result, a shareholder or a group of shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and becomes obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, so far as is known to the Directors, ERG Transportation Greater China Company Limited ("**ERG Greater China BVI**"), a company beneficially held by Mr. Cao Wei, the chief executive officer of the Company and an executive Director, and Ms. Wang Jiangping, the spouse of Mr. Cao Wei, through their respective interest in More Legend Limited as to 75% and as to 25% respectively, was interested in 481,267,527 Shares, representing approximately 60.16% of the entire issued share capital of the Company. Ms. Wang Jiangping is deemed to be interested in the Shares in which Mr. Cao Wei is interested for the purpose of Division 2 and 3 of Part XV of the SFO. On the basis of 800,000,000 Shares in issue as at the Latest Practicable Date and assuming no further issue and repurchase of Shares prior to the date of the AGM, if the Repurchase Mandate were exercised in full, the percentage interest of ERG Greater China BVI, Mr. Cao Wei and Ms. Wang Jiangping would each increase to approximately 66.84% respectively of the then issued Shares. The Directors consider that such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that there will be no change in the issued share capital of the Company and the number of Shares held by the public prior to the repurchase of Shares, and if the Repurchase Mandate was exercised in full, the percentage shareholding of the public would not be less than 25% of the issued share capital of the Company. As such, the exercise of the Repurchase Mandate in full would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. It is, moreover, not the intention of the Directors to exercise the Repurchase Mandate to such an extent as would, in the circumstances, result in less than 25% of the issued share capital of the Company being held by the public.

6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange from 16 May 2012, being the date of listing of the Shares on the Stock Exchange and up to the Latest Practicable Date are as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2012		
May (from 16 May 2012)	0.88	0.60
June	0.81	0.58
July	0.75	0.62
August	0.74	0.61
September (up to the Latest Practicable Date)	0.77	0.63

7. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

8. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will only exercise the power of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the Articles and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders at the AGM and exercised.

No connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he has present intention to sell any Shares to the Company or its subsidiaries nor has any such connected person undertaken not to do so in the event that the Repurchase Mandate is granted.

PARTICULARS OF DIRECTORS FOR RE-ELECTION

Details of the Directors who are proposed to be re-elected at the AGM are set out below:

Mr. Hu Zhaoguang (“Mr. Hu”)*Qualifications and experience*

Mr. Hu, aged 73, joined the Group as an independent non-executive Director on 7 December 2011. Mr. Hu has over 40 years of experience in economics, finance and corporate management and was widely recognised for his work in these areas. Mr. Hu has been the chairman of audit committee and an independent non-executive director of Digital China Holdings Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 861)) since September 2004, an independent non-executive director of BBMG Corporation (a company listed on the Main Board of the Stock Exchange (Stock Code: 2009)) since August 2008 and the chairman of remuneration committee and an independent non-executive director of China Grand Source Energy Limited (a company listed on the GEM Board of the Stock Exchange (Stock Code: 8128)) since July 2012. Prior to joining the Group, Mr. Hu was successively chairman of the board of directors of Beijing Enterprises Holdings Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 392)) between April 1997 and May 2003, chairman of Beijing Holdings Limited from May 1997 to May 2003 and an independent non-executive director of China Overseas Land and Investment Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 688)) from April 2000 to May 2003. From February 1993 to January 1998, Mr. Hu served as vice mayor of Beijing. He obtained his bachelor’s degree in electrical engineering from Tsinghua University in July 1965.

Save as disclosed herein, Mr. Hu did not hold directorship in any other listed companies or had any other major appointment and qualifications during the last three years before the Latest Practicable Date. Mr. Hu does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

Interests in Shares

As at the Latest Practicable Date, Mr. Hu did not have any interests or underlying interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”).

Others

Mr. Hu entered into a letter of appointment with the Group with a term of three years from 16 May 2012 subject to retirement and re-election at the annual general meeting of the Company in accordance with the Articles. The emoluments in connection with Mr. Hu as an independent non-executive Director is HK\$240,000 per annum which was determined by the Board with reference to his duties and level of responsibilities with the Group. Mr. Hu has waived his emolument under the letter of appointment accrued during the year ended 30 June 2012.

Save as disclosed above, there is no other information relating to Mr. Hu that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules or there is no other matter that needs to be brought to the attention of the Shareholders or the Stock Exchange.

Mr. Bai Jinrong (“Mr. Bai”)*Qualifications and experience*

Mr. Bai, aged 61, joined the Group as an independent non-executive Director on 7 December 2011. Mr. Bai has over 25 years of experience in economics, finance and enterprise management. As confirmed by Mr. Bai, prior to joining the Group, Mr. Bai was the vice board chairman and general manager of Beijing Enterprises Group Company Limited from 2005 to 2010; from 2003 to 2004, he was the deputy director of Beijing State-owned Assets Supervision and Administration Commission; from June 2005 to June 2011, Mr. Bai was the executive director of Beijing Enterprises Holdings Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 392)); from 1992 to 1997, he served as a deputy director of Beijing Economic Structure Reforms Committee; from 1984 to 1992, he served as a deputy director and director of the Policy Research Office of Beijing Chemical Industry Group. Mr. Bai graduated from Beijing Normal University in 1985.

Save as disclosed herein, Mr. Bai did not hold directorship in any other listed companies or had any other major appointment and qualifications during the last three years before the Latest Practicable Date. Mr. Bai does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

Interests in Shares

As at the Latest Practicable Date, Mr. Bai did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

Others

Mr. Bai entered into a letter of appointment with the Group with a term of three years from 16 May 2012 subject to retirement and re-election at the annual general meeting of the Company in accordance with the Articles. The emoluments in connection with Mr. Bai as an independent non-executive Director is HK\$240,000 per annum which was determined by the Board with reference to his duties and level of responsibilities with the Group.

Save as disclosed above, there is no other information relating to Mr. Bai that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules or there is no other matter that needs to be brought to the attention of the Shareholders or the Stock Exchange.

PARTICULARS OF DIRECTOR PROPOSED FOR APPOINTMENT

Details of the Director proposed for appointment at the AGM are set out below:

Mr. Luo Zhenbang (“Mr. Luo”)*Qualifications and experience*

Mr. Luo, aged 45, is the director and senior partner of the BDO China Shu Lun Pan Certified Public Accountants LLP. Mr. Luo graduated from the School of Business of Lanzhou in 1991 majoring in enterprise management. Mr. Luo has over 18 years experience in accounting, auditing and financial management and possesses several professional qualifications, such as Chinese certified public accountant, certified accountant in securities and futures industry, Chinese certified assets valuer and Chinese certified tax accountant. Mr. Luo has extensive experience in the audit of listed companies in various sectors and provides business consultation services in corporate restructuring and strategic planning for initial public offer, assets and debts restructuring.

Mr. Luo acted as the vice general manager of Zhong Zhou Certified Public Accountants and Baker Tilly China Certified Public Accountants. He was an expert supervisor of China Cinda Asset Management Co., Ltd. and China Great Wall Asset Management Corporation. Mr. Luo served as an independent director of several companies listed in the People’s Republic of China, including Long March Vehicle Technology Company Limited (now known as China Aerospace Times Electronics Company Limited) (Stock Code: 600879) and AVIC Heavy Machinery Company Limited (Stock Code: 600765), each a company listed on the Shanghai Stock Exchange; Ningxia Orient Tantalum Industry Company Limited (Stock Code: 962), Wuzhong Instrument Company Limited (now known as Ningxia Yinxing Energy Company Limited) (Stock Code: 862) and Ningxia Zhongyin Cashmere Company Limited (Stock Code: 982), each a company listed on the Shenzhen Stock Exchange. Mr. Luo has been the independent non-executive director of China Aerospace International Holdings Limited (Stock Code: 31), a company listed on the Stock Exchange since December 2004.

Save as disclosed herein, Mr. Luo did not hold directorship in any other listed companies or had any other major appointment and qualifications during the last three years before the Latest Practicable Date. Mr. Luo does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

Interests in Shares

As at the Latest Practicable Date, Mr. Luo did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

APPENDIX III DETAILS OF DIRECTORS PROPOSED FOR APPOINTMENT

Others

Mr. Luo will enter into a letter of appointment with the Group with a term of three years commencing on the date of appointment as an independent non-executive Director subject to retirement and re-election at the annual general meeting of the Company in accordance with the Articles. The emoluments in connection with Mr. Luo as an independent non-executive Director is HK\$240,000 per annum which was determined by the Board with reference to his duties and level of responsibilities with the Group.

Save as disclosed above, there is no other information relating to Mr. Luo that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules or there is no other matter that needs to be brought to the attention of the Shareholders or the Stock Exchange.

中國城市軌道交通科技控股

CHINA CITY RAILWAY TRANSPORTATION TECHNOLOGY



中國城市軌道交通科技控股有限公司
CHINA CITY RAILWAY TRANSPORTATION
TECHNOLOGY HOLDINGS COMPANY LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8240)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of China City Railway Transportation Technology Holdings Company Limited (“**Company**”) will be held at the Conference Room, 10/F, 3rd Building, Jingtou Plaza, No. 6 Xiaoying North Road, Chaoyang District, Beijing, the People’s Republic of China on Tuesday, 13 November 2012 at 9:30 a.m. to consider and, if thought fit, transact the following ordinary businesses:

1. to receive and approve the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “**Group**”) and the reports of the directors (“**Directors**”) of the Company and the Company’s auditors for the year ended 30 June 2012;
2. to approve the declaration a final dividend for the year ended 30 June 2012;
3. 3.1 each as a separate resolution:
 - 3.1.1 to re-elect Mr. Hu Zhaoguang as the Director
 - 3.1.2 to re-elect Mr. Bai Jinrong as the Director
 - 3.1.3 to appoint Mr. Luo Zhenbang as the Director
- 3.2 to authorise the board of Directors (“**Board**”) to fix the Directors’ remuneration;
4. to appoint KPMG as the Company’s auditors to hold office until conclusion of the next annual general meeting and to authorise the Board to fix its remuneration;

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and, as special businesses, to consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modification):

ORDINARY RESOLUTIONS

5. **“THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules (“**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares of HK\$0.01 each (each, a “**Share**”) in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the GEM Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the applicable law of the Cayman Islands to be held; and

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- (iii) the passing of an ordinary resolution by the shareholders of the Company (“**Shareholders**”) in general meeting revoking or varying the authority given to the Directors by this resolution.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the Company’s register of Shareholders on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

6. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) below) of all powers of the Company to repurchase Shares in the capital of the Company on the Stock Exchange, or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the applicable law of the Cayman Islands to be held; and

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- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”
7. “**THAT** conditional on the passing of resolutions numbered 5 and 6 above, the general mandate granted to the Directors pursuant to paragraph (a) of resolution numbered 5 above be and is hereby extended by the addition to the aggregate nominal amount of the shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company purchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 6 above.”
8. “**THAT** pursuant to the terms of the share option scheme (“**Share Option Scheme**”) of adopted by the Company on 8 December 2011, approval be and is hereby generally and unconditionally granted for refreshing the 10% general scheme limit provided that (i) the total number of shares of HK\$0.01 each in the capital of the Company which may be issued upon the exercise of all options to be granted under the Share Option Scheme and other share option schemes of the Company under the limit as refreshed hereby shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and (ii) options previously granted under the Share Option Scheme (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) shall not be counted for the purpose of calculating the general scheme limit as refreshed hereby.”

By order of the Board
**China City Railway Transportation Technology
Holdings Company Limited**
Cao Wei
Chief Executive Officer

Hong Kong, 29 September 2012

NOTICE OF AGM

As at the date hereof, the Board comprised the following Directors:

Executive Directors

Mr. Cao Wei (*Chief Executive Officer*)
Mr. Chen Rui

Non-executive Directors

Dr. Tian Zhenqing (*Chairman*)
Mr. Steven Bruce Gallagher

Independent non-executive Directors

Mr. Hu Zhaoguang
Mr. Bai Jinrong
Dr. Kong Shin Long, Johnny

Registered office:

Scotia Centre, 4th Floor
P.O. Box 2804
George Town
Grand Cayman KY1-1112
Cayman Islands

*Head office and principal place
of business in the PRC:*

Room 1705F1, Level 17
Qingyun Modern Plaza
Block 9, Mantingfang Garden
Qingyun Lane, Haidian District
Beijing, The PRC

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Notes:

- (a) Any Shareholder entitled to attend and vote at the above meeting is entitled to appoint one or, if he/she is the holder of two or more Shares, more than one proxy to attend and vote on his/her behalf in accordance with the articles of association of the Company. A proxy need not be a Shareholder of the Company.
- (b) To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the above meeting or any adjournment thereof.
- (c) Delivery of an instrument appointing a proxy shall not preclude a Shareholder from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (d) In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto if more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of Shareholders in respect of the joint holding.