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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)



**COMPLETION OF MAJOR TRANSACTION IN RELATING TO
THE ACQUISITION OF THE ENTIRE INTEREST IN
INNOVATION HOLDING CO., LTD.**

The Board is pleased to announce that the conditions precedent to the Acquisition Agreement have been fulfilled (where applicable) and the Acquisition was completed on 28 June 2013. Following the fulfillment of the conditions precedent to the Acquisition Agreement, 154,192,094 Consideration Shares were allotted and issued by the Company under the procurement by the Purchaser, credited as fully paid, to the Vendor on 28 June 2013 pursuant to the terms and conditions of the Acquisition Agreement. As a result, the issued share capital of the Company increased to 954,192,094 Shares and the Vendor were interested in 233,777,063 Shares, representing approximately 24.50% of the issued share capital of the Company as at the date of this announcement.

Reference is made to the circular (the “**Circular**”) of the Company dated 7 June 2013 in relation to the acquisition of the entire interest in Innovation Holding Co., LTD.. Capitalised terms used in this announcement shall have the same meanings as defined in the Circular unless the context requires otherwise.

The Board is pleased to announce that the conditions precedent to the Acquisition Agreement have been fulfilled (where applicable) and the Acquisition was completed on 28 June 2013.

Following the fulfillment (where applicable) of the conditions precedent to the Acquisition Agreement, 154,192,094 Consideration Shares were allotted and issued by the Company under the procurement by the Purchaser, credited as fully paid, to the Vendor on 28 June 2013 pursuant to the terms and conditions of the Acquisition Agreement. As a result, the issued share capital of the Company increased to 954,192,094 Shares and the Vendor were interested in 233,777,063 Shares, representing approximately 24.50% of the issued share capital of the Company as at the date of this announcement.

Following the issue of the Consideration Shares to the Vendor, the Vendor is entitled to exercise, or control the exercise of, more than 10% of the voting power at any general meeting of the Company and become a substantial shareholder and a connected person of the Company under Rule 20.11(1) of the GEM Listing Rules.

As disclosed in the Circular, the transactions between the Group and Beijing Metro Network, a wholly-owned subsidiary of BII and a fellow subsidiary of the Vendor may constitute connected transactions or continuing connected transactions for the Company under Chapter 20 of the GEM Listing Rules. Further details are set out in the announcement of the Company dated 25 June 2013. The Company will seek the approval from the independent Shareholders for the framework agreement entered into between the Company and Beijing Metro Network and the proposed annual caps for the three years ending 30 June 2016 for the continuing connected transactions at its extraordinary general meeting.

Further, following Acquisition Completion, BII ERG becomes a subsidiary of the Company, and Beijing Transport Consultation, a holder of 10% of the equity interest in BII ERG, also becomes a substantial shareholder of BII ERG and a connected person of the Group. Beijing Railway Construction, being the holding company of Beijing Transport Consultation and hence its associate, also becomes a connected person of the Group. Accordingly, the transactions between the Group and Beijing Railway Construction may constitute connected transactions or continuing connected transactions for the Company under Chapter 20 of the GEM Listing Rules.

As also disclosed in the Circular, BII ERG entered into a licensing agreement with Vix IP in respect of certain technology of automatic fare collection systems. Following Acquisition Completion, the aforesaid licensing arrangement may constitute continuing connected transactions for the Company under Chapter 20 of the GEM Listing Rules. As at the date of this announcement, there was no ongoing transaction between BII ERG and the Vix Group.

The Company will comply all applicable reporting, annual review, disclosure and independent Shareholders' approval requirements (where applicable) under Chapter 20 of the GEM Listing Rules in respect of all the aforesaid connected transactions or continuing connected transactions.

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

Hong Kong, 28 June 2013

As at the date of this announcement, the executive Directors are Mr. Cao Wei and Mr. Chen Rui; the non-executive Directors are Dr. Tian Zhenqing and Mr. Steven Bruce Gallagher; and the independent non-executive Directors are Mr. Hu Zhaoguang, Mr. Bai Jinrong and Mr. Luo Zhenbang.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 announcement 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 in this announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk and on the "Latest Company Announcements" page of the GEM website for at least 7 days from the day of its posting. This announcement will also be published on the Company's website at www.ccrtt.com.hk.