

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

**京投軌道交通科技控股有限公司**  
**BII Railway Transportation Technology Holdings Company Limited**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 1522)**

**CONTINUING CONNECTED TRANSACTION: TERMINATION;  
AND  
CONNECTED TRANSACTION: TENANCY AGREEMENT  
IN RELATION TO LEASING OF PROPERTY**

**CONTINUING CONNECTED TRANSACTION: TERMINATION**

The Board announces that on 28 March 2024 (after trading hours), BII-TTBJ and BII Real Estate entered into the Termination Agreement pursuant to which both parties have agreed to terminate the Property I Tenancy Agreement with immediate effect. Upon termination of the Property I Tenancy Agreement, BII-TTBJ shall be released and discharged from all its rights and obligations under the Property I Tenancy Agreement.

**CONNECTED TRANSACTION: TENANCY AGREEMENT IN RELATION TO LEASING OF PROPERTY**

**THE 2024 TENANCY AGREEMENT**

The Board is pleased to announce that on 28 March 2024 (after trading hours), BII-TTBJ (as tenant), an indirect wholly-owned subsidiary of the Company, and Traffic Control Silicon Valley (as landlord) entered into the 2024 Tenancy Agreement in relation to the leasing of Property 2 by BII-TTBJ from Traffic Control Silicon Valley.

**LISTING RULES IMPLICATIONS**

As at the date of this announcement, BII HK held 1,157,634,900 Shares, representing approximately 55.20% of the existing issued share capital of the Company. BII HK is a substantial shareholder of the Company and hence a connected person of the Company. BII is the sole beneficial shareholder of BII HK and hence it is also a connected person of the Company. BII directly holds the entire equity interests in Traffic Control Silicon Valley. Therefore, Traffic Control Silicon Valley is an associate of BII, and Traffic Control Silicon Valley is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transaction contemplated under the 2024 Tenancy Agreement constitutes a connected transaction for the Company under the Listing Rules.

Pursuant to Rules 14A.81 to 14A.83 of the Listing Rules, the transaction contemplated under the 2023 Tenancy Agreement is required to be aggregated with the 2024 Tenancy Agreement, as such tenancy agreements were (i) connected transactions entered into with the same connected person; and (ii) such tenancy agreements were entered into or completed within a 12-month period. As the applicable percentage ratios of the transactions contemplated under the 2023 Tenancy Agreement and the 2024 Tenancy Agreement, on an aggregate basis, was more than 0.1% but less than 5%, such transactions contemplated on an aggregated basis are subject to the reporting, annual review and announcement requirements, but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **CONTINUING CONNECTED TRANSACTION: TERMINATION**

Reference is made to the CCT Announcement in relation to, among others, the Property I Tenancy Agreement entered into between BII-TTBJ (as tenant) and BII Real Estate (as landlord) regarding the lease of Property I.

As stated in the CCT Announcement, the term of the Property I Tenancy Agreement is one year from 1 June 2024 to 31 May 2025. Accordingly, as at the date of this announcement, the term of the Property I Tenancy Agreement has not commenced. As the Company has identified a more spacious and cost effective office premises (i.e. Property 2), the Board has resolved to terminate the Property I Tenancy Agreement.

The Board announces that on 28 March 2024 (after trading hours), BII-TTBJ and BII Real Estate entered into the Termination Agreement pursuant to which both parties have agreed to terminate the Property I Tenancy Agreement with immediate effect. Upon termination of the Property I Tenancy Agreement, BII-TTBJ shall be released and discharged from all its rights and obligations under the Property I Tenancy Agreement.

Pursuant to the Termination Agreement, within 10 days of signing of the Termination Agreement, BII Real Estate shall return the deposit of RMB2,114,826.57 (equivalent to approximately HK\$2,305,160.96) to BII-TTBJ.

Save for the aforementioned deposit, prior to the signing of Termination Agreement, no other fees payable pursuant to the Property I Tenancy Agreement has been paid from BII-TTBJ to BII Real Estate.

## CONNECTED TRANSACTION: TENANCY AGREEMENT IN RELATION TO LEASING OF PROPERTY

### THE 2024 TENANCY AGREEMENT

The Board is pleased to announce that on 28 March 2024 (after trading hours), BII-TTBJ (as tenant), an indirect wholly-owned subsidiary of the Company, and Traffic Control Silicon Valley (as landlord) entered into the 2024 Tenancy Agreement in relation to the leasing of Property 2 by BII-TTBJ from Traffic Control Silicon Valley.

The principal terms of the 2024 Tenancy Agreement are as follows:

**Date:** 28 March 2024 (after trading hours)

**Parties:** (1) Traffic Control Silicon Valley, as landlord; and  
(2) BII-TTBJ, as tenant.

**Term:** 39 months from 1 June 2024 to 31 August 2027

BII-TTBJ shall make a written renewal request to Traffic Control Silicon Valley three months in advance prior to the expiration of the term of the 2024 Tenancy Agreement if BII-TTBJ wishes to renew the 2024 Tenancy Agreement. The parties thereto shall negotiate the renewal of the 2024 Tenancy Agreement thereafter

**Deposit:** RMB1,112,119.55 (equivalent to approximately HK\$1,212,210.31), which is payable within 15 days of signing of the 2024 Tenancy Agreement and refundable upon completion of the 2024 Tenancy Agreement

**Rent and property service fees payable:** The total rent payable for the entire term is RMB10,272,184.41 (equivalent to approximately HK\$11,196,681.00), which is calculated based on the multiple of:

- (i) between 1 June 2024 and 31 August 2024: rent free;
- (ii) between 1 September 2024 and 31 August 2025: (i) the total gross floor area; (ii) the term of 365 days; and (iii) RMB2.37 per sq.m. of gross floor area per day;
- (iii) between 1 September 2025 and 31 August 2026: (i) the total gross floor area; (ii) the term of 365 days; and (iii) RMB2.48 per sq.m. of gross floor area per day;

- (iv) between 1 September 2026 and 31 August 2027: (i) the total gross floor area; (ii) the term of 365 days; and (iii) RMB2.60 per sq.m. of gross floor area per day.

The total property service fees, inclusive of heating fees, payable for the entire term is RMB3,721,709.49 (equivalent to approximately HK\$4,056,663.34), which is calculated based on the multiple of (i) the total gross floor area; (ii) the term of 1,187 days; and (iii) RMB0.83 per sq.m. of gross floor area per day

## **RIGHT-OF-USE ASSETS**

In accordance with IFRS 16, the Group is required to recognise the 2024 Tenancy Agreement as a right-of-use asset, and, as a result, the entering into of the 2024 Tenancy Agreement and the transactions contemplated thereunder will be regarded as an acquisition of asset by the Group pursuant to the Listing Rules. The value of the right-of-use assets to be recognised by the Group under the 2024 Tenancy Agreement is estimated to be approximately HK\$9,758,137.63 (exclusive of tax, and based on the approximate exchange rate of HK\$1 to RMB0.9062 as at 29 December 2023), being the present value of the aggregate rent and the fees payable under the 2024 Tenancy Agreement in accordance with IFRS 16. Shareholders should note that the above figures are unaudited and may be subject to adjustment in the future.

## **INFORMATION ON THE GROUP AND BII-TTBJ**

The Group is a high-tech enterprise group specialising in integrating investment and financing, technology research and development, and intelligent railway transportation construction, operation and maintenance. With the mission of “empowering railway transportation with intelligent technology”, and the strategic direction of “focusing on integrated innovation and becoming a leading rail transit smart systems service provider in the PRC”, the Group is committed to becoming an international leader in smart rail transit.

BII-TTBJ is an indirect wholly-owned subsidiary of the Company. BII-TTBJ is principally engaged in providing software and hardware products and services such as AFC system, big data solutions, intelligent subway business software, etc.

## **INFORMATION ON TRAFFIC CONTROL SILICON VALLEY**

Traffic Control Silicon Valley is a company established in the PRC in 2015. As at the date of this announcement, Traffic Control Silicon Valley was wholly owned by BII, which is interested in approximately 55.20% of the issued share capital of the Company through BII HK.

Traffic Control Silicon Valley is principally engaged in property rental, property management, car park management services, and technology development businesses.

## **REASONS FOR AND BENEFITS OF THE 2024 TENANCY AGREEMENT**

The Directors are of the view that the 2024 Tenancy Agreement represents an opportunity for the Group to expand its operations in Beijing at a prime business location without substantial costs incurred.

The Directors (including the independent non-executive Directors) are of the opinion that the transaction contemplated under the 2024 Tenancy Agreement is entered into in the ordinary and usual course of business of the Group, and the 2024 Tenancy Agreement (together with the rent, property service fees and other fees payable) has been entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transaction contemplated under the 2024 Tenancy Agreement (together with the rent, property service fees and other fees payable) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, BII HK held 1,157,634,900 Shares, representing approximately 55.20% of the existing issued share capital of the Company. BII HK is a substantial shareholder of the Company and hence a connected person of the Company. BII is the sole beneficial shareholder of BII HK and hence it is also a connected person of the Company. BII directly holds the entire equity interests in Traffic Control Silicon Valley. Therefore, Traffic Control Silicon Valley is an associate of BII, and Traffic Control Silicon Valley is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transaction contemplated under the 2024 Tenancy Agreement constitutes a connected transaction for the Company under the Listing Rules.

Reference is made to the announcement of the Company dated 14 August 2023 in relation to, among others, the 2023 Tenancy Agreement entered into between Litmus (as tenant) and Traffic Control Silicon Valley (as landlord) regarding the lease of Property 1. The transaction contemplated under the 2023 Tenancy Agreement constituted connected transactions for the Company under the Listing Rules.

Pursuant to Rules 14A.81 to 14A.83 of the Listing Rules, the transaction contemplated under the 2023 Tenancy Agreement is required to be aggregated with the 2024 Tenancy Agreement, as such tenancy agreements were (i) connected transactions entered into with the same connected person; and (ii) such tenancy agreements were entered into or completed within a 12-month period. As the applicable percentage ratios of the transactions contemplated under the 2023 Tenancy Agreement and the 2024 Tenancy Agreement, on an aggregate basis, was more than 0.1% but less than 5%, such transactions contemplated on an aggregated basis are subject to the reporting, annual review and announcement requirements, but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the date of this announcement, Mr. Guan Jifa, a non-executive Director and the chairman of the Board, is the vice general manager of BII. Accordingly, Mr. Guan Jifa was considered to have a material interest in the transactions contemplated under the 2024 Tenancy Agreement by virtue of his management positions held in BII, and had abstained from voting on the board resolution(s) approving the transaction contemplated under the 2024 Tenancy Agreement.

## DEFINITIONS

“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“BII”	北京市基礎設施投資有限公司 (Beijing Infrastructure Investment Co., Ltd.*), a company established in the PRC with limited liability and interested in approximately 55.20% of the issued share capital of the Company through BII HK as at the date of this announcement, and which is wholly owned by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality
“BII HK”	Beijing Infrastructure Investment (Hong Kong) Limited (京投(香港)有限公司), a company incorporated in Hong Kong with limited liability and wholly owned by BII, and held approximately 55.20% of the issued share capital of the Company as at the date of this announcement
“BII Real Estate”	北京京投軌道交通置業開發有限公司 (Beijing Jingtou Rail Transit Real Estate Development Co., Ltd*), previously known as 北京京投地下空間投資有限公司 (Beijing Jingtou Underground Space Investment Co., Ltd*), a company established in the PRC with limited liability and its entire issued equity capital is owned by BII as at the date of this announcement

“BII-TTBJ”	BII Transportation Technology (Beijing) Co., Ltd.* (北京京投億雅捷交通科技有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Board”	the board of Directors
“CCT Announcement”	the announcement of the Company dated 9 October 2023 in relation to, among others, the Property I Tenancy Agreement entered into between BII-TTBJ (as tenant) and BII Real Estate (as landlord) regarding the lease of Property I
“Company”	BII Railway Transportation Technology Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, and the Shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules and the word “connected” shall be construed accordingly
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IFRS”	International Financial Reporting Standards issued by the International Accounting Standards Board
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Litmus”	北京樂碼仕智能科技有限公司 (Litmus Technologies (Beijing) Co., Ltd.*), a company established in the PRC with limited liability and an indirect non-wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China

“Property I”	Property 601, 603, 605, 606 and 607, Aviation Service Building, Building 2, Courtyard No. 39, Dongzhimenwai Street, Dongcheng District, Beijing, the PRC with a total gross floor area of approximately 3,333.06 sq.m.
“Property I Tenancy Agreement”	the tenancy agreement dated 9 October 2023 and entered into between BII Real Estate and BII-TTBJ in relation to the leasing of Property I by BII-TTBJ from BII Real Estate
“Property 1”	part of the 7th floor of Building 3, Courtyard No. 3, Zhicheng North Street, Fengtai District, Beijing, the PRC with a total gross floor area of approximately 1,055.71 sq.m.
“Property 2”	5th and 6th floor of Building 3, Courtyard No. 3, Zhicheng North Street, Fengtai District, Beijing, the PRC with a total gross floor area of approximately 3,777.58 sq.m.
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Termination Agreement”	the termination agreement dated 28 March 2024 and entered into between BII-TTBJ and BII Real Estate in relation to the termination of the Property I Tenancy Agreement
“Traffic Control Silicon Valley”	北京交控硅谷科技有限公司 (Beijing Traffic Control Silicon Valley Technology Co., Ltd.*), a company established in the PRC with limited liability and its entire issued equity capital is owned by BII as at the date of this announcement
“2023 Tenancy Agreement”	the tenancy agreement dated 14 August 2023 and entered into between Traffic Control Silicon Valley and Litmus in relation to the leasing of the Property 1 by Litmus from Traffic Control Silicon Valley



“2024 Tenancy Agreement” the tenancy agreement dated 28 March 2024 and entered into between Traffic Control Silicon Valley and BII-TTBJ in relation to the leasing of the Property 2 by BII-TTBJ from Traffic Control Silicon Valley

“%” per cent

By Order of the Board  
**BII Railway Transportation Technology  
Holdings Company Limited**  
**Liu Yu**  
*Executive Director*  
*Chief Executive Officer*

Hong Kong, 28 March 2024

*For the purpose of this announcement, unless otherwise specified, conversions of RMB into HK\$ are based on the approximate exchange rate of RMB1.00 to HK\$1.09.*

*As at the date of this announcement, the executive Director is Mr. Liu Yu; the non-executive Directors are Mr. Guan Jifa, Ms. Sun Fang, Mr. Cao Mingda and Ms. Hou Weiwei; and the independent non-executive Directors are Mr. Luo Zhenbang, Mr. Huang Lixin and Mr. Li Wei.*

\* *For identification purposes only*