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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: 1522)



COMPLETION OF CONNECTED TRANSACTION INVOLVING SUBSCRIPTION AND PLACING OF NEW SHARES

The Board is pleased to announce that all conditions precedent to the Subscription Agreement and the Placing Agreement have been fulfilled. Following the fulfillment of all conditions precedent to the Subscription Agreement, 248,804,313 Subscription Shares were allotted and issued by the Company to the Subscriber pursuant to the terms and conditions of the Subscription Agreement. Following the fulfillment of all conditions precedent to the Placing Agreement, 83,887,262 Placing Shares were allotted and issued by the Company to the Placees pursuant to the terms and conditions of the Placing Agreement. As a result, the issued share capital of the Company increased to 1,287,283,669 Shares of which the Subscriber and parties acting or presumed to be acting in concert with it were interested in 963,848,903 Shares in aggregate, representing approximately 74.87% of the issued share capital of the Company as at the date of this announcement; and the Placees were interested in 96,791,262 Shares in aggregate, representing approximately 7.52% of the issued share capital of the Company as at the date of this announcement.

Reference is made to the circular (“**Circular**”) of China City Railway Transportation Technology Holdings Company Limited (“**Company**”) dated 9 May 2014. Terms used in this announcement shall have the same meanings as those defined in the Circular.

The Board is pleased to announce that all conditions precedent to the Subscription Agreement and the Placing Agreement have been fulfilled.

Following the fulfillment of all conditions precedent to the Subscription Agreement, 248,804,313 Subscription Shares were allotted and issued by the Company to the Subscriber pursuant to the terms and conditions of the Subscription Agreement.

Following the fulfillment of all conditions precedent to the Placing Agreement, a total of 83,887,262 Placing Shares were allotted and issued by the Company to China Life, LBN Fund, Asia Opportunities Fund and Pacific Alliance (“**Placees**”) pursuant to the terms and conditions of the Placing Agreement.

As a result, the issued share capital of the Company increased to 1,287,283,669 Shares of which the Subscriber and parties acting or presumed to be acting in concert with it were interested in 963,848,903 Shares in aggregate, representing approximately 74.87% of the issued share capital of the Company as at the date of this announcement; and the Placees were interested in 96,791,262 Shares in aggregate, representing approximately 7.52% of the issued share capital of the Company as at the date of this announcement.

The net proceeds of the Placing and the Subscription amounted to approximately HK\$414,864,500, which will be applied to (i) the proposed acquisition of civil communication assets involving eight subway lines of Beijing Subway as set out in the Memorandum of Understanding; and (ii) the general working capital of the Group including salary and wages, purchase of materials and repayment of trade and other payables.

CHANGES TO THE SHAREHOLDING AS A RESULT OF THE PLACING AND THE SUBSCRIPTION

Set out below is a table showing the shareholding structure of the Group immediately before and after Placing Completion and Subscription Completion:

Name of Shareholder	Immediately before Placing Completion and Subscription Completion		Immediately after Placing Completion and Subscription Completion	
	No. of Shares	%	No. of Shares	%
<i>Subscriber and parties acting in concert with it</i>	233,777,063	24.50	482,581,376	37.49
<i>Parties presumed to be acting in concert with the Subscriber</i>				
More Legend Limited (Notes 1, 2 and 5)	269,509,815	28.23	269,509,815	20.94
Landcity Limited (Notes 1, 3 and 5)	67,377,454	7.06	67,377,454	5.23
Vix Technology (East Asia) Limited (Notes 1, 4 and 5)	144,380,258	15.12	144,380,258	11.21
<i>Subscriber and parties acting or presumed to be acting in concert with it</i>	715,044,590	74.91	963,848,903	74.87
Placees	12,904,000	1.35	96,791,262	7.52
Other public Shareholders	226,643,504	23.74	226,643,504	17.61
Total	954,592,094	100.00	1,287,283,669	100.00

Notes:

1. Pursuant to the confirmation of concert party arrangement dated 29 November 2012 entered into by More Legend Limited, Vix Technology (East Asia) Limited and Landcity Limited, they have confirmed that they are parties acting in concert in the operation and management of ERG Transportation Greater China Company Limited and the Company since the date of listing of the Company. By virtue of the SFO, each person under the concert party arrangement is taken to be interested in the shares of the Company that the other party is interested under the SFO, hence each of More Legend Limited, Landcity Limited and Vix Technology (East Asia) Limited is deemed to be interested in 481,267,527 Shares, representing approximately 37.38% of the total issued share capital of the Company as at the date of this announcement.
2. More Legend Limited is the legal and beneficial owner of approximately 20.94% of the entire issued share capital of the Company. More Legend Limited is owned as to 75% by Mr. Cao Wei and as to 25% by Ms. Wang Jiangping, the spouse of Mr. Cao Wei. By virtue of the SFO, Mr. Cao Wei is deemed to be interested in the 481,267,527 shares which More Legend Limited is interested in. Mr. Cao Wei is the sole director of More Legend Limited. Mr. Cao Wei is a Director.
3. Landcity Limited is the legal and beneficial owner of approximately 5.23% of the entire issued share capital of the Company. Landcity Limited is owned as to 100% by the Sino Choice Trust, whose beneficiaries are Mr. Chen Rui and Ms. Jiang Wenjun, the spouse of Mr. Chen Rui. By virtue of the SFO, Mr. Chen Rui is deemed to be interested in the 481,267,527 shares which Landcity Limited is interested in. Mr. Chen Rui is a director of Landcity Limited. Mr. Chen Rui resigned from the office as a Director with effect from 1 June 2014.
4. Vix Technology (East Asia) Limited is the legal and beneficial owner of approximately 11.21% of the entire issued share capital of the Company. Mr. Steven Bruce Gallagher is a director of Vix Technology (East Asia) Limited. Vix Technology (East Asia) Limited is a wholly- owned subsidiary of Vix Holdings Limited. Mr. Steven Bruce Gallagher is a Director.
5. Each of More Legend Limited, Landcity Limited and Vix Technology (East Asia) Limited is presumed to be a party acting in concert with the Subscriber under the Takeovers Code.

As at the date of this announcement, options to subscribe for an aggregate of 54,196,000 Shares granted pursuant to the Old Scheme and the Revised Scheme were outstanding, out of which 800,000 options were held by the Subscriber and parties presumed to be acting in concert with it.

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

Hong Kong, 10 June 2014

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

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.