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京投轨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)

ANNOUNCEMENT POSITIVE PROFIT ALERT

This announcement is made by BII Railway Transportation Technology Holdings Company Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Listing Rules of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to inform the shareholders and potential investors of the Company that, based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 (“**FY2020**”), the profit for the period of the Group for FY2020 is expected to increase by no less than 40% as compared to the profit for the period of the Group recorded for the year ended 31 December 2019. The expected increase in profit for the period for FY2020 was mainly due to the following factors:

- (1) the expansion of the Group’s automatic fare collection (the “**AFC**”) system in the intelligent railway transportation business segment, whereby the AFC projects including Kunming Metro Line 4 and Zhengzhou Metro Line 4 have contributed to the increase in the Group’s revenue in FY2020;
- (2) the upgrading of the Group’s 4G transmission services for civil communications in the infrastructure information business segment; and
- (3) the change in fair value of financial liabilities.

As the Company is still in the process of finalising the Group’s consolidated annual results for FY2020, the information contained in this announcement is only a preliminary assessment made by the Board based on the unaudited consolidated management accounts of the Group for FY2020, which have neither been reviewed by the audit committee of the Board nor audited by the Company’s independent auditor.

The actual financial results of the Group for FY2020 may vary from what is disclosed in this announcement. The Group’s audited consolidated annual results for FY2020 are expected to be published in March 2021.

References are also made to (1) the announcement (the “**Rule 3.7 Announcement**”) issued by the Company dated 12 November 2020 pursuant to Rules 3.7 and 3.8 of the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong (the “**Takeovers Code**”), Rule 13.09 of the Listing Rules, and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO and (2) the announcements of the Company dated 11 December 2020, 11 January 2021 and 8 February 2021 pursuant to Rule 3.7 of the Takeovers Code in relation to updates on the possible privatisation.

The positive profit alert included in this announcement (the “**Positive Profit Alert**”) constitutes a profit forecast under Rule 10 of Takeovers Code and is required to be reported on by the Company’s financial adviser and auditors or accountants in accordance with Rule 10.4 of the Takeovers Code. In view of the requirements of timely disclosures of the inside information under Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions, the Company is required to issue this announcement as soon as practicable and given the time constraints, the Company has encountered genuine practical difficulties (timewise or otherwise) in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code. Under Rule 10.4 of the Takeovers Code, if the Positive Profit Alert is published first in an announcement, it must be repeated in full, together with the reports from the Company’s financial advisers and auditors or accountants on the said profit forecast, in the next document to be sent to the Shareholders (the “**Shareholders’ Document**”). However, if the annual results of the Company for the year ended 31 December 2020 which fall within the ambit of Rule 10.9 of the Takeovers Code have been published by the time of release of the next Shareholders’ Document and the relevant results together with the notes to the financial statements are included in the next Shareholders’ Document, the requirements to report on the Positive Profit Alert under Rule 10.4 of the Takeovers Code will no longer apply.

Shareholders and potential investors of the Company should note that the Positive Profit Alert has not been reported on in accordance with the requirements under Rule 10 of the Takeovers Code and does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and potential investors of the Company should therefore exercise caution in placing reliance on the Positive Profit Alert in assessing the merits and demerits of the Possible Privatisation (as defined in the Rule 3.7 Announcement). Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
BII Railway Transportation Technology Holdings Company Limited
Xuan Jing
Executive Director
Chief Executive Officer

Hong Kong, 25 February 2021

As at the date of this announcement, the executive Directors are Mr. Cao Wei and Ms. Xuan Jing; the non-executive Directors are Mr. Zhang Yanyou, Mr. Guan Jifa, Mr. Zheng Yi and Mr. Ren Yuhang; and the independent non-executive Directors are Mr. Bai Jinrong, Mr. Luo Zhenbang and Mr. Huang Lixin.

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 statements in this announcement misleading.