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**中国通号**

**China Railway Signal & Communication Corporation Limited\***

**中國鐵路通信信號股份有限公司**

*(A joint stock limited liability company incorporated in the People's Republic of China)*

**(Stock Code: 3969)**

## **ANNOUNCEMENT ON BID-WINNING OF IMPORTANT PROJECTS IN THE RAIL TRANSIT MARKET**

This announcement is made by China Railway Signal & Communication Corporation Limited\* (the “**Company**”) pursuant to Rules 13.09 and 13.10B 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 Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In September and October 2020, the Company has totally been awarded eight important projects in rail transit market, among which, two important projects are acquired from railway markets, namely the post station “**strong current**” and “**weak current**” system integration and YXRD section of related construction of the Newly-built Yichang-Zhengwan High-speed Railway Connection Line (“**Yichang-Zhengwan High-speed Railway Connection Line**”) with a tender amount of RMB225 million; and the upgraded transformation of Bei’an-Heihe Railway (Longzhen-Heihe Section) (“**Beihei Railway**”) with a tender amount of RMB458 million; and we were awarded six important projects in urban rail transit market, namely signal system procurement and installation project in respect of full operation engineering of Rail Transit Line No. 1 and Batong Line with a tender amount of RMB105 million; general contracting project in respect of weak current system construction for Zhengzhou Airport-Xuchang Urban Railway (Zhengzhou Section) with a tender amount of RMB289 million; signal system bidding project in respect of railway express line engineering for Hangzhou Airport with a tender amount of RMB455 million; signal system procurement project in respect of the first phase of Zhengzhou Urban Rail Transit Line No. 10 with a tender amount of RMB255 million; special signal system procurement and service project (No.02) in respect of Jinhua-Yiwu-Dongyang Urban Rail Transit Project with a tender amount of RMB102 million; as well as signal system, communication system, integrated monitoring system, AFC integrated system equipment project in respect of Chongqing Urban and Sub-urban Railway (Rail Transit Extension) Tiaodeng-Jiangjin Line with a tender amount of RMB277 million.

Details of the projects awarded are hereby announced as below:

# I. RELEVANT INFORMATION OF THE PROJECTS WON IN THE RAILWAY MARKET

|                                   | Project One   | Project Two   |
|-----------------------------------|---|---|
| <b>I. General information</b>     |   |   |
| 1. Name of the project            | Yichang-Zhengwan High-speed Railway Connection Line   | Beihei Railway  |
| 2. Bid originator                 | Wuhan-Jiujiang Passenger Railway Hubei Co., Ltd.  | Heihe Railway Upgrade and Transformation Construction Co., Ltd (黑河鐵路升級改造建設有限責任公司)   |
| 3. Tender amount (RMB100 million) | 2.25  | 4.58  |
| 4. Overview of the project        | <p>The length of the main line of Yichang-Zhengwan High-speed Railway Connection Line is 108.48km. The designed running speed of the line is 350km/h. It will be equipped with a CTCS-3 level high-speed train operation control system</p> <p>The Company will be responsible for equipment procurement, system debugging and other system integration work for all communications, signaling and other projects of the Yichang-Zhengwan High-speed Railway Connection Line, and will cooperate with joint debugging, trial operation and other tasks.</p> | <p>The length of Beihei Railway Line is 302.689km, the designed running speed of the line is 160km/h, with 14 stations, including 7 reconstructed existing stations, 6 newly-built stations and a reserved station.</p> <p>The Company will be responsible for equipment procurement and system debugging for all the communications, signaling, information, safety and monitoring projects of Beihei Railway, and will cooperate with joint debugging, trial operation and other tasks.</p> |

**Project One****Project Two****II. Information of the counterparty**

|                             |   |  |
|-----------------------------|---|--|
| 1. Name of the enterprise   | Wuhan-Jiujiang Passenger Railway Hubei Co., Ltd.  | Heihe Railway Upgrade and Transformation Construction Co., Ltd (黑河鐵路升級改造建設有限責任公司)  |
| 2. Nature of the enterprise | State-owned enterprise  | State-owned enterprise   |
| 3. Legal representative     | Wang Zhijian  | Chen Yingwu  |
| 4. Registered capital       | RMB39,612.5 million   | RMB100 million   |
| 5. Date of incorporation    | 2015-03-10  | 2020-07-10   |
| 6. Main office location     | Liantou Mansion, 399 Wenhua Avenue, Jiangxia District, Wuhan, Hubei Province  | 318 Railway Street, Cooperation Zone, Heihe (Free Trade Zone)  |
| 7. Major shareholders       | China Railway Wuhan Group Co., Ltd.<br>Hubei Passenger Railway Investment Co., Ltd.<br>China Railway Development Fund Co., Ltd.   | State-owned Assets Supervision and Administration Office of Heihe (黑河市國有資產監督管理辦公室)   |
| 8. Principal business       | Engineering management, operation of railway transport; procurement and sales of supplies and equipment; advisory service for transportation operations; advertising, catering service; comprehensive development and operation of real estates; property management; logistics management. | Construction for railway projects, construction activities for train waiting room building, compartment, boiler room, chimney, water tower projects, railway transportation network management services, railway water supply services, electrical installation, construction for wiring and equipment project, municipal facilities management service. |

**Project One****Project Two****III. Major terms and conditions of the contract to be signed**

|   |  |  |
|---|--|--|
| 1. Amount of the contract (RMB100 million)    | 2.25   | 4.58   |
| 2. Payment schedule                           | Payments of the project will be made based on advance payments, progress payments, payments on completion and acceptance, warranty payments and other procedures.  | Payments of the project will be made based on advance payments, progress payments, payments on completion and acceptance, warranty payments and other procedures.  |
| 3. Place of performance                       | Within Hubei Province  | Within Heilongjiang Province   |
| 4. Term for performance                       | From the date of signing of the contract to the end of the project warranty period, of which, the project execution cycle is approximately 26 months and the warranty period is 12 months, totaling 38 months. | From the date of signing of the contract to the end of the project warranty period, of which, the project execution cycle is approximately 36 months and the warranty period is 24 months, totaling 60 months. |
| 5. Conditions for the contract to take effect | The contract shall become formally effective after the legal representatives of both parties or their authorized representatives have affixed their signatures and official seals.                             | The contract shall become formally effective after the legal representatives of both parties or their authorized representatives have affixed their signatures and official seals.                             |
| 6. Contract signing place                     | Wuhan  | Heihe  |

## II. INFORMATION ON PROJECTS WON IN THE URBAN RAIL TRANSIT MARKET

|                                   | Project Three   | Project Four   | Project Five  |
|-----------------------------------|---|--|---|
| <b>I. General Information</b>     |   |  |   |
| 1. Name of the project            | Procurement and installation project of the signal system for full operation engineering of Rail Transit Line No. 1 and Batong Line   | General contracting project of weak current system construction for Zhengzhou Airport-Xuchang Urban Railway (Zhengzhou Section)  | Tendering project of the signal system of the engineering of Hangzhou Airport Express Line  |
| 2. Bid originator                 | Beijing Mass Transit Railway Operation Corporation Limited  | Zhengzhou Metro Group Co., Ltd   | Hangzhou Metro Group Co., Ltd.  |
| 3. Tender amount (RMB100 million) | 1.05  | 2.89   | 4.55  |
| 4. Overview of the project        | <p>This project involves track lines and mechanical and electrical equipment system transformation in respect of Rail Transit Line No. 1 and Batong Line, achieving the connection between track lines and mechanical and electrical equipment system, and the adaptability transformation of existing vehicles.</p> <p>The Company will be responsible for all works related to, among others, signal system equipment procurement, transformation, upgrade, installation and debugging, and equipment dismantling, in respect of the main line, control center, standby control center, depot, test line, maintenance center, training center of this project, etc.</p> | <p>The total length of the metro line in this project is approximately 33.43km of which the underground line is about 28.35km, the transition section is about 0.32km, and the elevated section is about 4.76km. It has 16 stations in total, all of which are underground stations, and there is one North Depot in the Port Area in Zhengzhou Section.</p> <p>The Company will be responsible for, among others, the construction, installation, debugging and incidental services of the communication system, integrated monitoring system, environment and equipment monitoring system, public safety technical protection system, automatic ticketing system, fire alarm system and gas fire extinguishing system throughout this project.</p> | <p>The engineering of Hangzhou Airport Express Line starts at Tiaoxi station and ends at Jingjiang station. The length of the metro line is 59.14km and has 15 stations, including 14 transfer stations. The engineering of the airport express line has a vehicle base and a parking lot, namely the warehouse front vehicle base and Jingjiang parking lot. The control center shares the Qibao control center, and 45 6-car trains will be allocated at the early stage of the project.</p> <p>The Company will be responsible for the procurement, integration and other aspects of the signal system equipment for this project.</p> |

|  | Project Three  | Project Four   | Project Five   |
|--|--|--|--|
| <b>II. Information of the counterparty</b> |  |  |  |
| 1. Name of the enterprise                  | Beijing Mass Transit Railway Operation Corporation Limited   | Zhengzhou Metro Group Co., Ltd   | Hangzhou Metro Group Co., Ltd.   |
| 2. Nature of the enterprise                | State-owned enterprise   | State-owned enterprise   | State-owned enterprise   |
| 3. Legal representative                    | Xie Zhengguang   | Zhang Zhou   | Shao Jianming  |
| 4. Registered capital                      | RMB405.7 million   | RMB2,779 million   | RMB54,163,014,600  |
| 5. Date of incorporation                   | 2002-12-25   | 2008-03-06   | 2002-08-22   |
| 6. Main office location                    | No. 2 Xizhimenwai Street, Xicheng District, Beijing  | 100 Kangning Street, Zhengzhou Area (Zhengdong), Henan Pilot Free Trade Zone   | T2 Building, No.516 Jiuhe Road, Jianggan District, Hangzhou City, Zhejiang Province  |
| 7. Major shareholders                      | Beijing Infrastructure Investment Co., Ltd.  | Zhengzhou Development and Investment Group Co., Ltd.<br>Zhengzhou Non-tax Income Administration Bureau<br>CDB Development Fund Co., Ltd.   | Hangzhou Municipal People's Government<br>Hangzhou Xiaoshan People's Government<br>Hangzhou Yuhang People's Government<br>CDB Development Fund Co., Ltd.<br>Hangzhou Qiantang New Area Management Committee<br>Hangzhou Binjiang People's Government   |
| 8. Principal business                      | Investment and investment management; metro transportation; metro vehicles and metro equipment design, installation, repair, and technology development; publishing advertisements via self-owned media; office building leasing; commercial building leasing; environmental monitoring. | Engineering investment in rail transit project; construction and operation of rail projects; rental of commercial housing; property services; rental of communications equipment; sales of construction machinery and equipment and construction materials; domestic advertising design, production, agency and publishing; import and export of goods and technology; rail transit-related business consulting. | Rail transit construction, operation and management business; house demolition and relocation services (operating with qualification); cargo and technology import and export service (except for projects prohibited by laws and administrative regulations, and projects restricted by laws and administrative regulations must be licensed before operation): construction engineering machinery and equipment leasing business; house rental business; domestic advertising design, production, agency and publishing, real estate development and operation, operation and management of parking lots and property management, etc. |

|   | Project Three  | Project Four   | Project Five   |
|---|--|--|--|
| <b>III. Major terms and conditions of the contract to be signed</b> |  |  |  |
| 1. Amount of the contract (RMB100 million)                          | 1.05   | 2.89   | 4.55   |
| 2. Payment schedule   | Payments of the project will be made based on upfront payments, progress payments, payments on completion and acceptance, warranty payments and other processes.   | Payments of the project will be made based on upfront payments, progress payments, payments on completion and acceptance, warranty payments and other processes.   | Payments of the project will be made based on upfront payments, payments after arrival of equipment, payments on completion and acceptance, settlement payments, warranty payments and other processes.  |
| 3. Place of performance   | Beijing  | Zhengzhou  | Hangzhou   |
| 4. Term for performance   | From the date of signing of the contract to the end of the project warranty period, of which, the project execution cycle is approximately 17 months and the warranty period is 24 months, totaling 41 months. | From the date of signing of the contract to the end of the project warranty period, of which, the project execution cycle is approximately 24 months and the warranty period is 24 months, totaling 48 months. | From the date of signing of the contract to the end of the project warranty period, of which, the project execution cycle is approximately 20 months and the warranty period is 24 months, totaling 44 months.   |
| 5. Conditions for the contract to take effect                       | The contract shall become effective on the date of both parties affixing their signatures and the seals of contract or official seals.   | The contract shall become effective after both parties have affixed their signatures and official seals.   | The contract shall become formally effective after each of the legal representatives of both parties or their authorized agent have affixed their signatures and official seals on the contract and the buyer has received a satisfactory performance guarantee deposit from the seller. |
| 6. Contract signing place   | Beijing  | Zhengzhou  | Hangzhou   |

|                                   | Project Six  | Project Seven   | Project Eight   |
|-----------------------------------|--|---|---|
| <b>I. General information</b>     |  |   |   |
| 1. Name of the project            | Signal system procurement project in respect of the first phase of Zhengzhou Urban Rail Transit Line No.10   | Special signal system procurement and service project (No.02) in respect of Jinhua-Yiwu- Dongyang Urban Rail Transit Project  | Signal system, communication system, integrated monitoring system, AFC integrated system equipment project in respect of Chongqing Urban and Sub-urban Railway (Rail Transit Extension) Tiaodeng-Jiangjin Line  |
| 2. Bid originator                 | Zhengzhou Metro Group Co., Ltd   | Jinhua Jinyidong Rail Transit Co., Ltd.   | China Railway 16th Bureau Group Electrification Engineering Co., Ltd.   |
| 3. Tender amount (RMB100 million) | 2.55   | 1.02  | 2.77  |
| 4. Overview of the project        | <p>The total length of the metro line is about 21.864km, with 12 stations, all of which are underground stations, including 6 transfer stations. The first phase of the project will set up a Hongshipo depot located in the northeast quadrant of the intersection of Zhongyuan West Road and West Ring Expressway. The entry and exit lines are connected to Shangyin Road Station and Miaowang Station, covering an area of about 30.65 hectares; one newly constructed Zhengzhou West Railway Station.</p> <p>The Company will be responsible for the 21,864 kilometers double main line, 12 main line stations, 18 trains, 1 control center, 1 backup control center, 1 vehicle base, 1 test line, 1 maintenance center, services of signal system equipment supply and system debugging for 1 training center.</p> | <p>The construction consists of two lines from Jinhua to Yiwu and Yiwu to Dongyang (Hengdian). The total length of the two lines is 107.166km, with 31 stations, including 13 underground stations and 18 elevated stations. The average distance between stations is 3.57km.</p> <p>The Company will be responsible for the procurement and integration services of specialized telecommunication system equipment such as the video surveillance system, passenger information system, and telecommunication power supply system for the project.</p> | <p>The total length of the railway line is approximately 28.22km, of which the underground line is 5.80km, the elevated line is 19.62km, the ground and transition section are 2.80km. A total of six new stations will be set up across the line, with Shuangfu depot and control center.</p> <p>The Company will be responsible for the construction's procurement of telecommunication system equipment and signal system equipment and the integration of the entire construction system.</p> |

|  | Project Six  | Project Seven  | Project Eight   |
|--|--|--|---|
| <b>II. Information of the counterparty</b> |  |  |   |
| 1. Name of the enterprise                  | Zhengzhou Metro Group Co., Ltd   | Jinhua Jinyidong Rail Transit Co., Ltd.  | China Railway 16th Bureau Group Electrification Engineering Co., Ltd.   |
| 2. Nature of the enterprise                | State-owned enterprise   | State-owned enterprise   | State-owned enterprise  |
| 3. Legal representative                    | Zhang Zhou   | Zhang Gongmin  | Dong Yanbin   |
| 4. Registered capital                      | RMB2,779 million   | RMB1,000 million   | RMB195 million  |
| 5. Date of incorporation                   | 2008-03-06   | 2016-07-04   | 2001-03-07  |
| 6. Main office location                    | 100 Kangning Street, Zhengzhou Area (Zhengdong), Henan Pilot Free Trade Zone   | 6th Floor, Phase II of the Composite Building, No.1299, Guangnan Road, Duohu Street, Jindong District, Jinhua City, Zhejiang Province                                      | North Lane, Pi Village, Louzizhuang Township, Chaoyang District, Beijing (16th Engineering Bureau of Railway)   |
| 7. Major shareholders                      | Zhengzhou Development and Investment Group Co., Ltd.<br>Zhengzhou Non-tax Income Administration Bureau<br>CDB Development Fund Co., Ltd.   | Jinhua Rail Transit Group Co., Ltd.<br>Yiwu Transportation Tourism Industry Development Group Co., Ltd.<br>Dongyang Transportation Investment Construction Group Co., Ltd. | China Railway 16th Bureau Group Co., Ltd.   |
| 8. Principal business                      | Engineering investment in rail transit project; construction and operation of rail projects; rental of commercial housing; property services; rental of communications equipment; sales of construction machinery and equipment and construction materials; domestic advertising design, production, agency and publishing; import and export of goods and technology; rail transit-related business consulting. | Investment, construction and operation and management of rail transit projects; land acquisition and reserving and development along the rail transit line.                | Electric Installation (maintenance, testing) (Class 3 Installation) (Electric Installation (maintenance, testing) Permit is valid until 5 March 2025); Specialty contracting; Technology promotion services; Import and export of goods; Sales of telecommunications devices, mechanical equipment, construction material, decorative material, apparatuses and instruments, metallic material. |

|   | Project Six  | Project Seven   | Project Eight  |
|---|--|---|--|
| <b>III. Major terms and conditions of the contract to be signed</b> |  |   |  |
| 1. Amount of the contract (RMB100 million)                          | 2.55   | 1.02  | 2.77   |
| 2. Payment schedule   | Payments of the project will be made based on advance payments, payments on completion of design liaison, payments for equipment, payments on pre-acceptance, payments on completion and acceptance, payments on final acceptance and other processes.   | Payments of the project will be made based on advance payments, progress payments, payments on pre-acceptance, settlement payments, warranty payments, payments for spare parts and special tool and other processes. | Payments of the project will be made based on advance payments, payments on delivery, payments on acceptance, settlement payments and other processes.   |
| 3. Place of performance   | Zhengzhou  | Within Zhejiang Province  | Chongqing  |
| 4. Term for performance   | From the date of signing of the contract to the end of the project warranty period, of which, the project execution cycle is approximately 27 months and the warranty period is 24 months, totaling 51 months.   | From the date of signing of the contract to the end of the project warranty period, of which, the project execution cycle is approximately 24 months and the warranty period is 24 months, totaling 48 months.        | From the date of signing of the contract to the end of the project warranty period, of which, the project execution cycle is approximately 12 months and the warranty period is 24 months, totaling 36 months. |
| 5. Conditions for the contract to take effect                       | The contract shall become formally effective after the legal representatives of both parties or their authorized representatives have affixed their signatures and official seals and the seller have paid a satisfactory performance guarantee deposit. | The contract shall become formally effective after the legal representatives of both parties or their authorized representatives have affixed their signatures and official seals.                                    | The contract shall become formally effective after the legal representatives of both parties or their authorized representatives have affixed their signatures and official seals.                             |
| 6. Contract signing place   | Zhengzhou  | Jinhua  | Chongqing  |

### III. IMPACT ON THE COMPANY

1. The total tender amount for the above projects is approximately RMB2,166 million, accounting for approximately 5.2% of the Company's audited operating income in 2019 under the Chinese Accounting Standards. Given that the above projects will be implemented in phases across years, there are uncertainties as to the impact on the results for 2020. If formal contracts are signed for the above projects and the projects are smoothly implemented, it is expected to have a relatively positive impact on the Company during the implementation period of the projects.
2. The Company has no related relationships with the above tender parties, and the bid-winning of the above projects does not affect the independence of the Company's business.

### IV. POTENTIAL RISKS

The bid-winning of the above projects has been published. Due to the relevant formalities involved, the Company has not signed the relevant formal contracts with the tender parties and uncertainties exist. The final amount, the terms of performance and other details of the above projects are subject to the formally signed contracts. Investors are reminded of the investment risks.

By order of the Board  
**China Railway Signal &  
Communication Corporation Limited\***  
*Chairman*  
**ZHOU Zhiliang**

Beijing, the PRC, 16 November 2020

*As of the date of this announcement, the executive directors of the Company are Mr. ZHOU Zhiliang, Mr. XU Zongxiang and Mr. YANG Yongsheng, and the independent non-executive directors of the Company are Mr. WANG Jiajie, Mr. CHEN Jin'en, Mr. CHAN Ka Keung Peter and Mr. YAO Guiqing.*

\* *For identification purpose only.*