



## **Kaisun Holdings and China Railway Engineering Construction Mongolia signed agreement for construction on Mongolia Choir Railway Platform, opening up logistic along China, Mongolia, Russia**

On May 15, 2019, Kaisun Holdings Limited (stock code: 8203) (Kaisun Holdings) and China Railway Engineering Construction Mongolia signed construction agreement for construction on Mongolia Choir Railway Platform. This project opens up logistic along China, Mongolia, Russia, by providing full supply chain management services in the region in future, enhancing development of logistic along the Belt and Road.



Mr. Yang Yongcheng, Executive Director of Kaisun Holdings Limited (photo right 3 )and Mr. Bao Guozhong, representing China Railway Engineering Construction Mongolia (photo left 4) signed the agreement. Mr. Joseph Chan, Chairman of Kaisun Holdings Limited (photo right 5 ), Mr. Samdan Erdene, Consul-Gneral of Consulate General of Mongolia in HKSAR and Macao SAR (photo left 5), Ms. Iris Wong, Director, Belt and Road & External Relations of the Hong Kong Trade Development Council (photo right 2), Mr. Yang Xiaoqi, Chairman of China General Chamber of Commerce in Mongolia (photo right 4), Mr. Andy Chen, Executive Director of Kaisun Energy Group Limited (photo left 3) attended the event.

Mongolia Choir Railway Platform is one of the largest private enterprises in Mongolia. The railway platform in Choir city of Mongolia is located in the middle-east of Mongolia, and around 250 kilometres away from the capital Ulaanbaatar, covering a total area of 35,000 square meters, with an annual loading capacity of 1.8 million tons. The cooperation between Kaisun Holdings and China Railway Engineering Construction Mongolia will further strengthen relationships between China Mainland- HongKong –Mongolia. The Railway Platform will provide loading and unloading, warehousing, customs declaration and logistic services to enterprises in both China and Mongolia.

Being a pioneer in the Belt and Road, the Group started off to plan seeds along the region now called Belt and Road as early as 2011. Since Chinese President Xi Jinping started the Belt and Road Initiative in 2013, China planned its development with neighbouring countries, China-Russia-Mongolia corridor began with cooperation in logistics. Management team of Kaisun Holdings are of the view that under the current macro policy and economic trend, investment in infrastructure and logistic should be a good entry point.

Mongolia is located between Russia and China, where land transport between Russia and China must go through and there is only one railway for logistics transportation between the three countries. The three countries had formulated "planning summary of the economic corridor between China, Mongolia and Russia" and "Belt and Road initiative", hence Choir project has obvious geographical advantages, as it can facilitate transport along the railway logistic along Russia, Mongolia and China, where resources of each other can be complemented, enhancing economic development in the region and its role as a hub.

### Railway logistics along Russia, Mongolia and China



Kaisun implemented the project as planned, hoping to influence the government policy of both Mongolia and China to bring out advantage of hub, and benefit China and its neighbouring countries in the long run.

Having the right to use a section of the railway permitted by China's Jinan Railway Bureau since 2017, Shandong Kailai, the Company's subsidiary, has been operating the Shandong Kailai Logistic Centre where we provide coal supply chain management services which include loading and unloading services, warehousing and logistics services. In future, Kaisun Holdings can provide logistic services in both Eastern China and Mongolia.